

2.

CORPORATE SOCIAL RESPONSIBILITY

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2.1. “BETTER PLACES 2030”: A NEW FRONTIER

2.1.1. MEETING THE MAJOR REAL ESTATE CHALLENGES

Since 2007, Unibail-Rodamco has been laying out an ambitious Corporate Social Responsibility (CSR) strategy. This strategy is recognized by the key extra-financial rating agencies which rank the Group among the most sustainable companies in commercial real estate. Between 2006 and 2015, the Group has achieved a cumulative decrease of 33.8% in energy intensity and of 65.1% in carbon intensity. Besides, the Group has achieved an unrivalled certification level for its portfolio, with 51 shopping centres BREEAM In-Use certified in Europe.

In 2016, Unibail-Rodamco decided to accelerate its CSR strategy by setting a new long-term ambition, “Better Places 2030”, to address the main challenges facing real estate:

- ◆ moving toward a low-carbon economy, in line with the COP 21 commitments;
- ◆ anticipating new modes of sustainable mobility;
- ◆ fully integrating the Group’s business activities in the regions, in partnership with the local communities.

Unibail-Rodamco’s comprehensive CSR approach applies to the entire value chain and all of the Group’s activities, spanning from the design and construction of its new development projects, refurbishment or extension works on its standing assets, the daily operation of its property complexes, including energy consumption of retailers in its shopping centres, transportation of visitors and employees, tenant logistics, to the contribution to community well-being, and the commitment of all employees to the Group’s CSR objectives.

The core commitment of this programme is the objective of reducing the Group’s carbon footprint by 50% between 2015 and 2030: this makes Unibail-Rodamco the first listed commercial property company to commit to such a comprehensive, proactive strategy that incorporates the entire value chain. The “Better Places 2030” targets are detailed in Section 2.6.

The “Better Places 2030” programme rests on four pillars:

“Better Places 2030”	Main 2015-2030 commitments	Key levers
Pillar 1 Less carbon emissions, better buildings	-35% carbon footprint from construction -70% carbon emissions from operations	<ul style="list-style-type: none"> ◆ carbon footprint measure for all development projects ◆ “Lean building” approach from the design phase ◆ choice of alternative and low-carbon materials ◆ targeted partnerships with construction and materials companies ◆ continued energy reduction efforts ◆ green electricity for landlord and tenant areas ◆ switch to LED lighting for landlord and tenant areas
Pillar 2 Less polluting transport, better connectivity	-50% carbon footprint from transport 75% of all visitors come to the Group’s centres by a sustainable means of transport	<ul style="list-style-type: none"> ◆ connection to sustainable modes of transport for new development projects ◆ expanded offer of sustainable transport solutions for standing assets ◆ development of pooled logistic solutions for tenant deliveries in dense urban areas
Pillar 3 Less local unemployment, better communities	100% of the Group Shopping Centres committed to supporting local employment and economic development	<ul style="list-style-type: none"> ◆ training of unskilled youth and support in their recruitment by tenants and service providers in the Group’s shopping centres ◆ organisation of events at Group shopping centres in partnership with an NGO ◆ development of the community of shopping centre employees and tenants
Pillar 4 Less top down, better collective power	100% of the Group’s workforce committed to sustainable development	<ul style="list-style-type: none"> ◆ definition of individual CSR objectives for Group employees ◆ “Solidarity Day” for all employees ◆ fleet of hybrid or electric company vehicles ◆ promotion of environmentally friendly behaviour ◆ development of open innovation with start-ups addressing the Group’s CSR commitments

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Corporate social responsibility

“Better Places 2030”: A New Frontier

This programme addresses Unibail-Rodamco’s material issues. The materiality analysis updated in 2015 identified the material issues having the potential to create the most value for both Unibail-Rodamco and its stakeholders. This vision helps the Group to allocate its efforts and resources to CSR issues addressing the main risks and opportunities, to outline its long-term targets and to report progress transparently on these material topics.

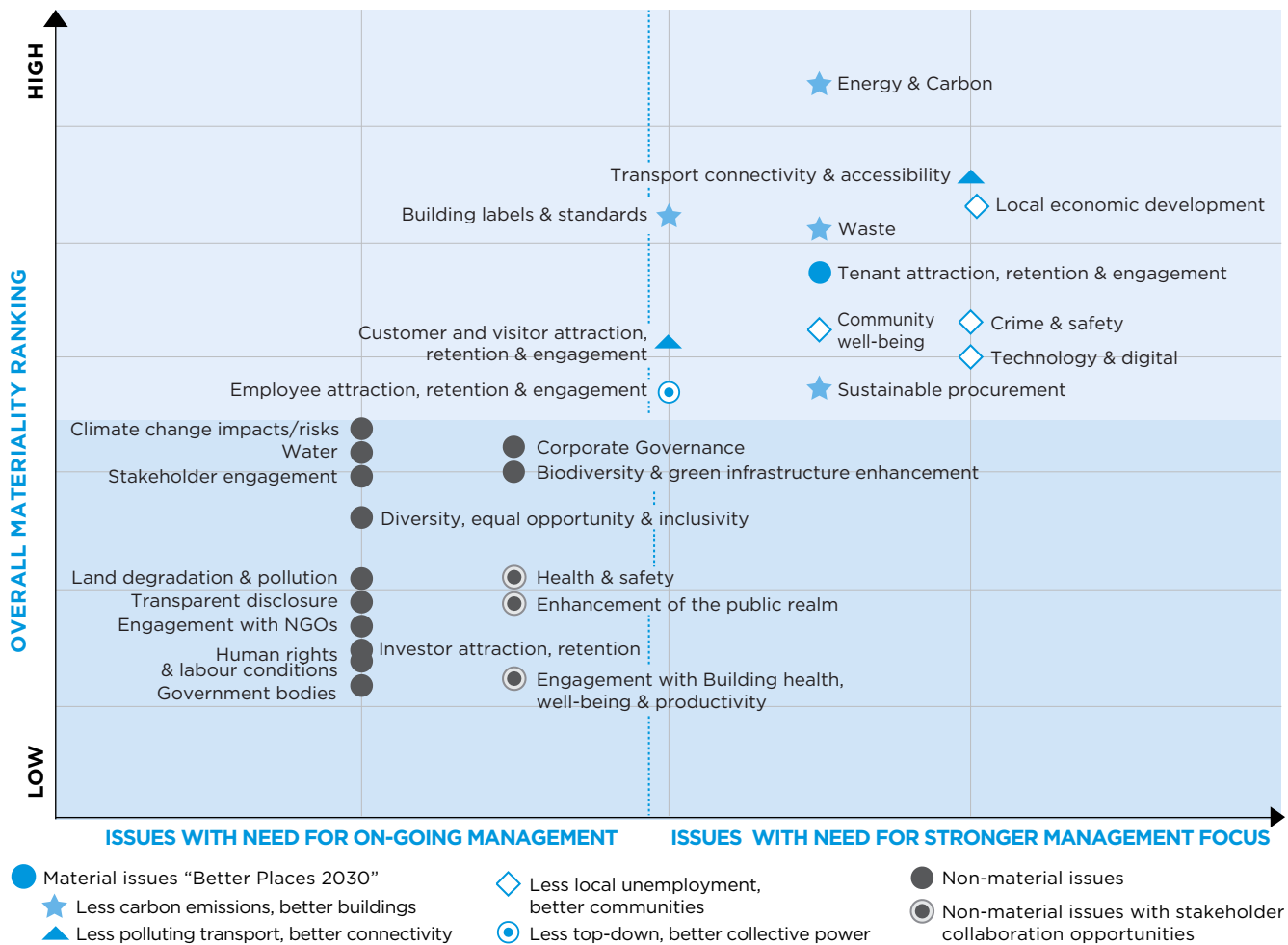
The conclusions of the materiality analysis enable to place the various sustainable development issues on a matrix structured as follows:

- ♦ vertically: impact on the Group’s value creation measured in terms of risks and opportunities, according to different levels:
 - high: key value creation opportunities – core priorities in line with Unibail-Rodamco’s levers to increase the value of its assets,

- medium: fields to be mastered and addressed within Unibail-Rodamco’s CSR strategy to actively manage risks and meet stakeholder expectations, but with a limited impact on the Group’s value,
- low: less material issues with a low impact on the Group’s value – to be addressed through operational policies and internal targets;
- ♦ horizontally: current management of these issues by Unibail-Rodamco, identifying where new initiatives can be undertaken (on the right-hand side of the graphic) and which issues are considered to be under control.

In light of these rankings, the materiality analysis positions the energy transition as well as local economic development as major topics for Unibail-Rodamco activities. In contrast, the Group’s activities being predominantly located in dense cities across continental Europe, they have a minor impact on biodiversity protection and water resources.

UNIBAIL-RODAMCO’S MATERIALITY MATRIX



2.1.2. GOVERNANCE AND CSR

Governance of CSR and the “Better Places 2030” programme

Since January 1, 2017, the monitoring and operational implementation of the “Better Places 2030” programme are based on a governance constructed around two priorities:

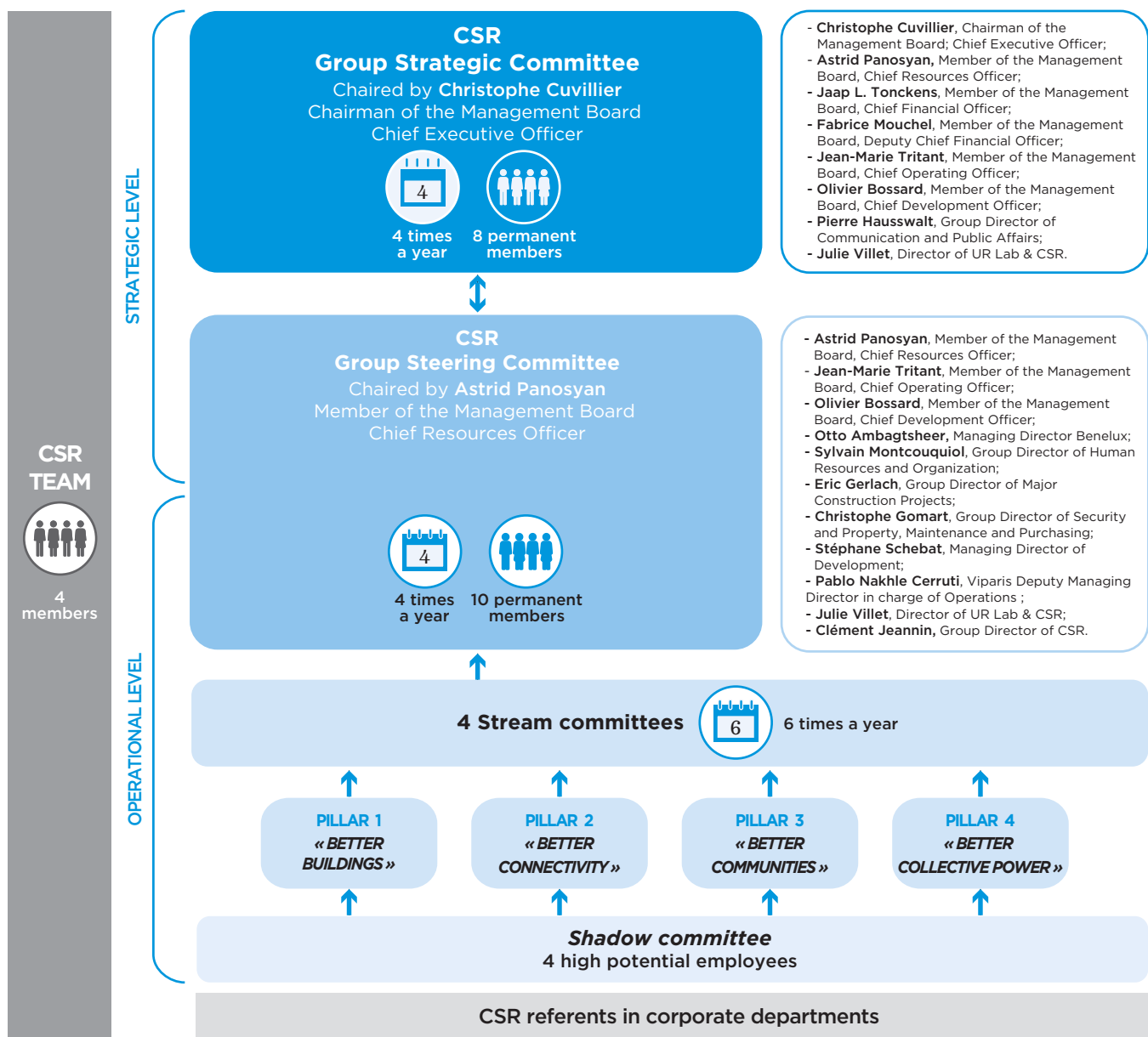
- ♦ monitoring CSR performance by ensuring the full integration of the new objectives of the “Better Places 2030” programme into the Group’s core processes, decision-making and business activities;

- ♦ including, engaging and uniting all stakeholders and employees of the Group in order to collectively achieve the objectives of the “Better Places 2030” programme.

A dedicated CSR team is responsible for overseeing and supporting the implementation of the new Group strategy. This team coordinates the CSR referents in the business departments, develops tools and methodologies, supports and trains the regional teams, identifies and shares best practices, and measures CSR performance to regularly report on results and progress achieved. The team is led by Julie Villet, Group Director of UR Lab & CSR, steered by Clément Jeannin, Group Head of CSR, and overseen by Astrid Panosyan⁽¹⁾, Member of the Management Board and Chief Resources Officer.

2.

OVERVIEW OF THE GROUP’S CSR GOVERNANCE



(1) Reports directly to the Chairman of the Management Board.

The Group CSR Strategic Committee defines the strategy, sets targets, arbitrates and monitors the implementation of the CSR programme. Composed of eight members, including all the Management Board members, it meets four times a year and reports on progress and results to the Supervisory Board every quarter. This committee is chaired by Christophe Cuvillier, Chairman of the Management Board.

The Group CSR Steering Committee oversees the implementation of the CSR programme, defines the strategic directions and the high-priority objectives of the CSR programme, and approves and prepares the decisions which require arbitration from the Group CSR Strategic Committee. Composed of 10 members, including three members of the Management Board, it meets four times a year and reports to the Management Board every quarter on progress and results in the CSR Group Strategic Committee. This committee is chaired by Astrid Panosyan, Member of the Management Board and Chief Resources Officer.

The Stream Committees, with the support of the Group CSR team, organise, coordinate and monitor the strategic actions associated with the four pillars of the “Better Places 2030” programme. These committees are chaired by two directors of different Group operational departments and meet six times a year with the **CSR referents** and the project managers involved in the strategic initiatives undertaken for each pillar.

The invited members are:

- ◆ Group employees involved in a project associated with the priority actions of the pillars;
- ◆ members of the **shadow committee**, comprising high-potential young talent who are responsible for contributing to the Group’s CSR programme.

Integration within core processes and activities

The CSR agenda is fully integrated in core business processes, embedded into strategic and operational activities throughout the Company. Relevant management processes have been set up at each stage of the Group’s business cycle, along with appropriate key performance indicators. For example:

- ◆ the due diligence process for asset acquisitions includes a complete audit of technical, regulatory, environmental and health and safety procedures, including risks such as soil pollution;
- ◆ development projects are regularly reviewed in light of the Design Guidelines in order to deliver the highest standards (environmental performance criteria as well as criteria based on BREEAM certification operational feedback);
- ◆ each managed asset has a customised Environmental Action Plan and performance targets, which are assessed at least once a year;
- ◆ the Internal Audit Department conducts regular assessments of the management and compliance processes with the rules defined by the Group within each of the Group’s business units. Final audit reports are addressed to the Management Board and to the departments involved in the audit;
- ◆ recruitment and career development procedures ensure the promotion of equality and diversity and provide employees with the skills and opportunities required for attractive careers;
- ◆ the Group’s decision-making processes incorporate CSR performance indicators in line with the “Better Places 2030” programme. Since 2017, all budget reviews performed on

assets, either when selecting investments in the standing portfolio, keeping track of construction projects or making new property investment decisions, include criteria such as energy efficiency, carbon footprint, sustainable mobility, tenant involvement and social engagement. These are analysed similarly to economic and financial indicators.

The effective implementation of these processes is verified by external audits and certification schemes on an annual basis.

CSR commitment of the whole organisation

In 2017, quantitative CSR objectives were integrated in the variable remuneration of all members of the Management Board, of the Group Management Team and Country Management Teams. These CSR objectives were based on precise and quantified CSR criteria, presented in section 3.2.3 Remuneration report for 2017 financial year – Say on pay. Individual CSR objectives will be extended to all Group employees for 2018. The relevant member of the Management Board is fully responsible for reaching the CSR objectives and delegates that responsibility to the Managing Director of each region, who in turn ensures the smooth integration of the tools and processes required in the operations of the regional teams.

Initiatives and appropriate targets aligned with the new CSR programme have been established and will be implemented in close cooperation with each department within the Group: Investment, Development, Finance, Operations, Technical Management, Marketing, Leasing, Legal and Human Resources.

For each site, the asset management and shopping centre management teams play a major role in the Group’s CSR strategy. They are responsible for developing close relationships with tenants and local communities and for cooperating with service providers to ensure that daily operations are in line with “Better Places 2030” targets.

When responsibility for obtaining results is shared with other partners, especially with the co-owners of the managed assets, the Group anticipates and cooperates with them in order to meet the set targets. Finally, whenever results depend on factors that cannot be controlled, such as weather conditions, the Group is committed to identifying the associated risks and mitigating them.

CSR training and education

In order to ensure that the Group’s CSR strategy and processes are properly implemented, training sessions are regularly organised. Since 2016, an online CSR training module has been rolled out to all employees. In addition, dedicated technical trainings are offered to all relevant staff members. These trainings cover for example environmental certification or regulations. Notes, manuals and training materials related to new CSR topics are also drafted regularly, shared with the relevant teams, and made freely accessible on the Group’s training platform (“Carbon for Dummies” presentation, instructions on “the reporting of green leases V2”, etc.).

Moreover, in 2017, trainings aligned with the new strategic vision were designed and delivered within the Group to ensure full understanding of the issues and to enhance the technical skills needed to achieve some of the “Better Places 2030” objectives. Trainings specifically addressing climate change and its embedding into core business functions were delivered in 2017, such as training on the carbon footprint assessment of development projects (for more information, refer to the Sustainable Design Attitude Paragraph in Section 2.3.2.1. Environmental Management Systems).

2.1.3. FOCUS ON THE CONVENTION AND EXHIBITION BUSINESS

With 10 million annual visitors, 1,000 events and 10 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 on all its sites since 2014.

In 2017, in line with the “Better Places 2030” programme, Viparis decided to step up its CSR policy through its “Viparis 2030” strategic plan. This new CSR policy outlines Viparis’s major issues and commitments for the coming years and revolves around four key themes:

1. **a reduced environmental footprint**, with a target of cutting Viparis’s **carbon footprint by 50% compared to 2016**;

2. **better mobility**: Viparis is dedicated to working with its partners to boost the accessibility of its sites by sustainable transport means and optimise the logistics flows related to its business;
3. **sustainable partners**: Viparis teams up with all the players in its value chain to fully integrate its activities into the local communities;
4. **collective involvement**: Viparis’s CSR initiative engages all employees.

With this new ambition, Viparis aims, as an industry leader, to play a key role in transforming industry practices to achieve greater sustainability.

To harmonise the vision and share CSR best practices within the Group, Viparis is integrated in the Group CSR governance as of January 1, 2018 (refer to Section 2.1.2).

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2.2. CORPORATE GOVERNANCE, ETHICAL CONDUCT AND RISK MANAGEMENT

Unibail-Rodamco's corporate governance, ethical conduct and risk management policies provide the necessary stability and reliability required for sustainable growth and performance.

The goal of the UN Global Compact is to promote corporate social responsibility. As a signatory to the Compact since 2004, Unibail-Rodamco is committed to embrace, support and enact within its sphere of influence the ten universally recognised principles relating to human rights, labour laws, environmental protection and anti-corruption.

2.2.1. CORPORATE GOVERNANCE

Unibail-Rodamco's governance structure and *Compliance Book* are discussed in Chapter 3. Corporate Governance and Remuneration.

2.2.2. ETHICAL CONDUCT AND ANTI-CORRUPTION POLICY

Unibail-Rodamco's Code of Ethics is discussed in Chapter 6. Risk Factors and Internal Control.

2.2.3. RISK AND CRISIS MANAGEMENT

The Group's risk management procedure is discussed in Chapter 6. Risk Factors and Internal Control.

As part of the materiality study, Unibail-Rodamco's long-term sustainability risks were assessed based on their potential impact on the Group's assets and value. The final prioritising of issues was reached after weighing potential material issues against their associated level of risk. The study identified the greatest risks by assessing their probability and magnitude.

The effects of climate change on Unibail-Rodamco's portfolio will vary by region and by 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.

The risks incurred by the Group's business activities could potentially expose it to the following issues: higher insurance premiums; higher operating costs for energy, water and maintenance; higher risk of flooding; and higher risk of disruption to commercial activity from extreme weather events, including problems affecting local infrastructure that are outside the Group's control. However, thanks to Unibail-Rodamco's strategic focus on major cities in continental Europe, there is a low likelihood of significant changes to the Group's activities due to tidal flooding, extreme temperature variations, aridity, population displacement, etc. considering the low exposure of these locations to those risks. In 2012, a specific study was commissioned in order to assess the Group's exposure to flood and earthquake risks for the entire portfolio (including German assets). It was concluded that very few assets are located in areas exposed to such risks. Furthermore, the Group complies with regulatory requirements in each region with regard to flooding risks, water management, and drainage systems for exceptionally heavy rainfall.

Unibail-Rodamco's due diligence process for acquisitions and new 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 especially soil pollution and the risks associated with climate change, asbestos, legionella and electromagnetic radiation.

As well as it gears its portfolio to limit its exposure to the potential effects of climate change, the Group is working to reduce the impact of its activities on the climate, through the commitments made under "Better Places 2030".

2.3. ENVIRONMENT

As part of its new CSR strategy, “Better Places 2030”, the Group commits to cutting its total carbon footprint by 50% between 2015 and 2030, encompassing its entire value chain. This is the most representative and proactive commitment of its programme, and it stakes out a ground-breaking position in the listed commercial property industry. This marks the first time that this commitment applies to a complete scope of actions that cover greenhouse gas emissions related to both the Group’s activities and those of its stakeholders on which the Group believes it can have an influence.

Accordingly, the Group’s objective includes not only emissions from the common energy it purchases for the operation of its property complexes (Scopes 1 and 2) but especially the Scope 3 induced emissions, which represent most of the organisations’ greenhouse gas emissions, notably the following:

- ◆ greenhouse gas emissions generated in the construction of its development projects, due to the energy required for the extraction, manufacturing, transport and use of construction materials;
- ◆ greenhouse gas emissions due to the private energy consumption of its tenants;
- ◆ and finally, emissions due to travel by building occupants and, especially, visitors to shopping centres, regardless of the modes of transport used.

In that respect, the reduction objective of the Group’s carbon footprint between 2015 and 2030 breaks down into three complementary low-carbon objectives addressing emissions from construction, building operations and travel by visitors:

- ◆ -35% in the carbon intensity from constructing new development projects;
- ◆ -70% in the carbon intensity from operating the standing assets which are owned and managed;
- ◆ -50% in the carbon intensity from shopping centre visitors’ transportation.

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

The first actions and initiatives undertaken in this framework are integrated in the different parts of this Section (energy, transport, materials, etc.), which reports on the Group’s environmental performance and the achievements of this new programme through standard operational management indicators and new “Better Places 2030” indicators.

Alongside the efforts being enacted to meet the climate targets discussed above, the Group is continuing its operational actions that cover a broad environmental scope, particularly in terms of the selection of materials, water and waste management and biodiversity protection.

All the methodologies and monitoring processes relating to the environmental information disclosed in the rest of this Section appear in Section 2.7, “Reporting Methodology”.

2.3.1. GROUP GREENHOUSE GAS (GHG) EMISSIONS

The carbon footprint allows to better measure the entire scope of emissions linked with the Group activities and to identify the responsibilities of the different players to enhance the Group’s carbon strategy. As part of the “Better Places 2030” programme, the Group updated its carbon footprint measures for 2015 and 2017. This work was a follow-up to the first two carbon footprint calculations done in 2009 and 2012, and the methodology of which was adapted to factor in new indicators.

Methodology

The method used for quantifying emissions is based on 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.

In order to define the calculation methodology of its total carbon footprint, Unibail-Rodamco has chosen the so-called “operational control” approach for its entire value chain: consolidation of all the emissions linked with the operations over which the Group has the full authority to implement its operational policies.

The Group’s carbon footprint measure includes the emissions of the following six greenhouse gases designated by the Kyoto protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulphur hexafluoride (SF₆), hydrofluorocarbons (HFC) and perfluorinated hydrocarbons (PFC).

These greenhouse gas emissions are expressed in carbon equivalent (CO₂eq).

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2. Corporate social responsibility

Environment

The scope of the Group's carbon footprint is defined as follows:

- ◆ organisational scope:
 - owned and managed assets: shopping centres and offices⁽¹⁾ (selection rules identical to environmental reporting scope),
 - new development projects,
 - group employees and headquarters;
- ◆ operational scope: all the activities over which the Group has direct operational control or that it can influence.

Emissions items: The sources of emissions included in the Group's total carbon footprint are broken down per scope and entity in the table below. To comply with the Decree of August 19, 2016 (2016-1138 amending Article L. 225-102-1 of the French Commercial Code) concerning application of the law on energy transition for green growth (Article 173, law 2015-992 of August 17, 2015), Unibail-Rodamco calculates its carbon footprint on an expanded interpretation of Scope 3, which is defined in the table below and by doing so

measures the significant indirect emissions along the 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's operational control,
- Scope 3 related – Responsibility of stakeholders that Unibail-Rodamco can influence but does not control directly;
- ◆ Baseline year: 2015;
- ◆ Publication method: greenhouse gas emissions are preferably expressed according to the "Market-Based" approach (suppliers' emissions factors) in order to highlight the efforts made in selecting the Group energy suppliers. However, to take into account stakeholders' expectations, performances are also expressed according to the "Location-Based" approach (countries' emissions factors).

SCOPES 1 & 2 (SHOPPING CENTRES, OFFICES, HEADQUARTERS)

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 urban heating and cooling networks)

SCOPE 3

Scope 3 managed Unibail-Rodamco'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), office supplies (headquarters) Capital equipment: IT equipment on-site, company vehicles Waste: on-site waste management Employee commuting: Unibail-Rodamco employees' transportation from home to work Business travel: Unibail-Rodamco employees' business travel by plane, train and taxi New development projects/cost incurred during the current year: brownfield/greenfield and extension/refurbishment
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 because they do not apply to the Group's business or the Group cannot influence them significantly:

- ◆ direct emissions of processes excluding energy;
- ◆ biomass emissions (soil and forests);
- ◆ upstream transport of goods;
- ◆ upstream leased assets;
- ◆ downstream transport of goods;
- ◆ use of sold products;
- ◆ end of life of sold products;
- ◆ downstream franchised assets;
- ◆ other indirect emissions.

(1) Viparis's business activities are not included in the Group's total carbon footprint. Their carbon footprint is calculated separately by Viparis.

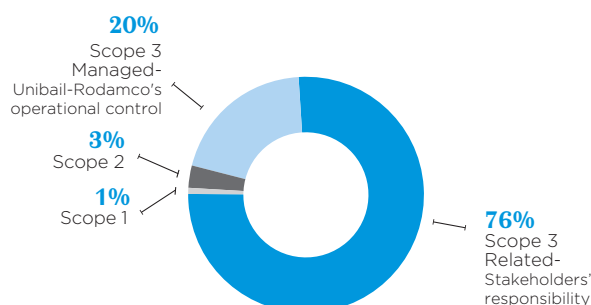
Group total carbon footprint

The Group's 2015 carbon footprint was recalculated following the methodology described above in order to establish a baseline for the "Better Places 2030" strategy.

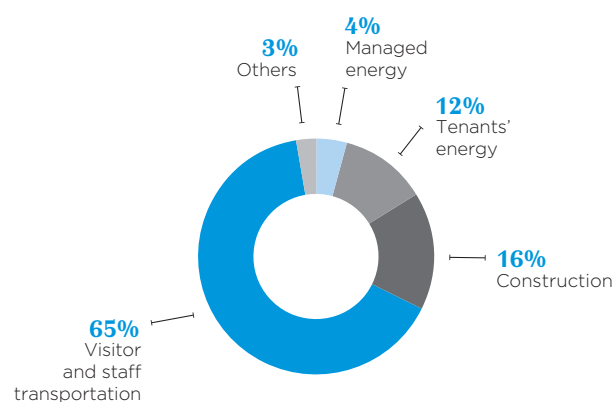
2015 GROUP CARBON FOOTPRINT FOLLOWING "MARKET-BASED" AND "LOCATION-BASED" METHODS ⁽¹⁾

	Carbon footprint (TCO ₂ eq)	
	"Market-Based" method	"Location-Based Based" method
Scope 1	19,508	19,508
Scope 2	58,468	93,042
Scope 3 Managed - Unibail-Rodamco's operational control	390,767	394,507
Scope 3 Related - Stakeholders' responsibility	1,525,073	1,499,009
TOTAL	1,993,816	2,006,065

SPLIT OF THE 2015 GROUP'S CARBON FOOTPRINT PER SCOPE



SPLIT OF THE 2015 GROUP'S CARBON FOOTPRINT PER ACTIVITY



These results confirm the need to factor in an expanded scope of emissions, not limited to the emissions from Group energy consumptions, and especially to act on the most important Scope 3 carbon issues such as:

- ◆ visitor and on-site employee transportation, which represents 65% of the Group's carbon footprint;
- ◆ electricity consumptions of Shopping Centre tenants;
- ◆ construction activity.

This is why Unibail-Rodamco has decided to set very ambitious objectives in terms of reducing emissions under its new CSR strategy. As a major commercial property company, the Group has made commitments in relation to the key items under Scope 3, its aim being to involve all its stakeholders in the process of change management.

GROUP CARBON FOOTPRINT : 2017 EVOLUTION COMPARED TO 2015 ⁽²⁾

	2015	2017	Evolution 2017 comparable to 2015 / 2015	
			2017 comparable to 2015	%
			Thousands TCO ₂ eq	
Total energy	308	302	299	-3%
Construction	324	354	310	-4%
Visitor and staff transportation	1,300	1,400	1,300	0%
Others	62	60	60	-3%
TOTAL	1,994	2,115	1,969	-1%

(1) Greenhouse gas 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 stakeholders' expectations, performances in tons of CO₂ equivalent of the 2015 Group Carbon footprint are also expressed according to the "Location-Based" approach (countries' emissions factors). Further in the document, all results related to greenhouse gas emissions are presented according to the "Market-Based" method.

(2) 2017 comparable to 2015: 2017 carbon intensities applied to 2015 constant activity volumes.

Carbon intensity from construction activity

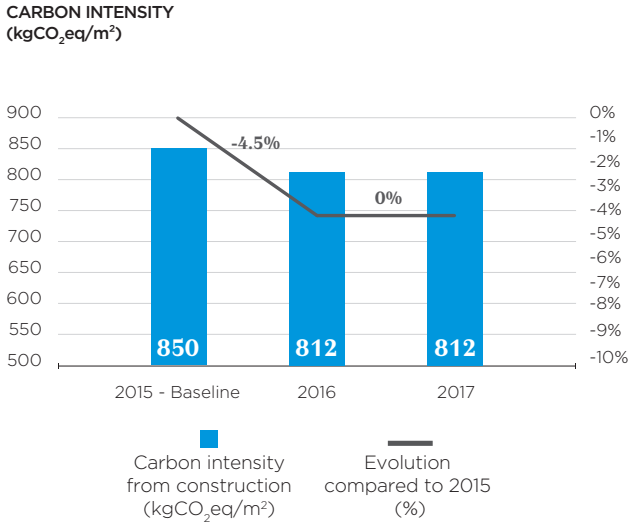
Based on the methodology created by the Group, the value of the carbon intensity of new projects for 2015 was fine-tuned in 2017 thanks to the carbon footprint measures taken for several new Group projects under construction or delivered between 2012 and 2015: Trinity (France), Wroclavia (Poland), Aéroville (France), Majunga (France), Mall of Scandinavia (Sweden). On average, the carbon intensity of these projects is measured at 850 kgCO₂eq/m² constructed⁽¹⁾; this sets the 2015 baseline for carbon intensity of the construction activity.

For 2016 and 2017, the Wroclavia shopping centre in Poland and the Trinity office tower in France are the new projects included in the reporting scope. For 2017, the carbon intensity of these projects is 812 kgCO₂eq/m², which corresponds to a 4.5% reduction compared to 2015.

These projects were already under construction when the "Better Places 2030" strategy was announced. They have particularly limited low-carbon management levers. Notwithstanding, the Trinity project employs as of now low-carbon cement for its foundations and floors.

KPI: Carbon intensity of construction activity

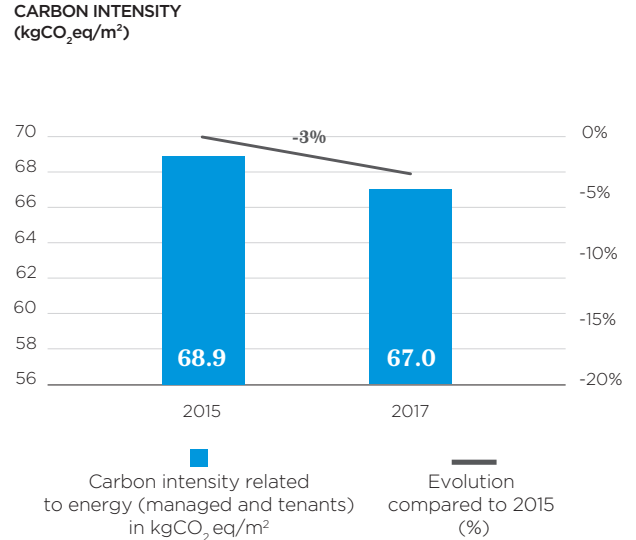
CONSTRUCTION CARBON INTENSITY (KGCO₂E/M²)



Carbon intensity associated with the operation of assets

KPI: Carbon intensity of energy consumption from operation⁽²⁾

CARBON FOOTPRINT INTENSITY EVOLUTION RELATED TO ENERGY CONSUMPTION IN OPERATION



Since 2015, the carbon footprint intensity related to energy decreases by 3%. This reduction is permitted thanks to an improvement of the energy mix (more important share of renewable electricity) for both managed⁽³⁾ and tenants energy. For tenants electricity, it has been taken into account that some of them are already officially engaged in a 100% renewable electricity providing program for their premises.

Carbon intensity associated with the travel of shopping centre visitors and employees

KPI: Carbon intensity of transport⁽⁴⁾

In absolute terms, the carbon footprint related to visitors and employees transportation has increased by 8% between 2015 and 2017. It can be explained by the footfall increase by 6% and the integration of assets delivered in 2015: Mall of Scandinavia, Polygone Riviera, Minto.

After footfall growth correction, the carbon footprint intensity remains stable.

In 2018, the tracking methodology of our clients' travel modes will be reinforced in order to increase the sample sizes and to have a better consolidation of the data sources.

(1) "m² constructed" corresponds to gross floor area (excluding gross floor area from parkings and lift shafts).
 (2) Nota: in 2016, the carbon footprint related to energy (managed and tenants' energy) has not been assessed on the total perimeter and is thus not presented.
 (3) See "section" 2.3.2.3. Direct and indirect greenhouse gas emissions from standing assets (Scope 1 & 2).
 (4) Nota: in 2016, the carbon footprint related to visitors' and employees' transportation has not been assessed on the total perimeter and is thus not presented.

2.3.2. PILLAR 1: LESS CARBON EMISSIONS, BETTER BUILDINGS

The first pillar of the “Better Places 2030” CSR strategy demonstrates the Group’s desire to involve all of its standing assets and development projects in the quest to reduce its carbon footprint. Articulated around two complementary low-carbon targets that pertain to standing assets on the one hand and development projects on the other, this new commitment will accelerate the development of a new generation of buildings more environmentally friendly and will further enhance the reputation of the Group, which is renowned for offering facilities and services of the highest quality in step with market demands.

◆ Reducing by 35% the carbon footprint from the construction of new development projects

Unibail-Rodamco is the first company in commercial real estate to commit to shrinking significantly, on a broad scope, its carbon emissions resulting from construction. In concrete terms, reducing its carbon intensity by 35% means dropping from an average of 850 kg CO₂eq/m² constructed in 2015 to less than 552.5 kg CO₂eq/m² on average by the end of 2030. These figures were specified and fine-tuned in 2017 thanks to the carbon footprint measures completed for the most recently delivered projects.

The main levers of this low-carbon construction strategy 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, reducing number of parking spaces, etc.;
- ◆ using new solutions for construction and choice of alternative and low-carbon materials: low-carbon concrete and cement, wood, recycled products, etc., including the choice of suppliers or products based on their location of manufacture (taking into account the country’s energy mix);
- ◆ developing targeted partnerships with construction firms and manufacturers of building materials for the implementation of innovative solutions.

◆ Reducing the carbon footprint from operating the standing assets by 70%

When it comes to standing assets, the carbon footprint consists mainly of greenhouse gas emissions from energy consumed as part of the operation of the buildings. This substantial reduction target draws on two levers simultaneously:

- ◆ accelerating the reduction of energy consumption: the main commitment of the Group with regards to energy efficiency is the accelerated transition to 100% LED lighting. The expected savings are very significant as lighting represents up to 50% of the energy consumption in the shopping centres. Accordingly, the Group has committed, starting in 2017, to installing LED lighting solutions in all its new projects and in the common areas of existing shopping centres in order to phase in new lighting systems. The continuing efforts in energy improvement will also involve generalising innovative solutions for managing and tracking consumption and establishing incentive contracts with the maintenance service providers (Energy Performance Contract);

- ◆ completing a fast transition to lower-carbon or carbon-free energies: as for low-carbon energy, Unibail-Rodamco is committed to using 100% electricity from renewable sources (100% green electricity), both for the consumption of its assets (used in common areas and facilities), starting in 2018, and for the private consumption of its tenants, starting in 2020.

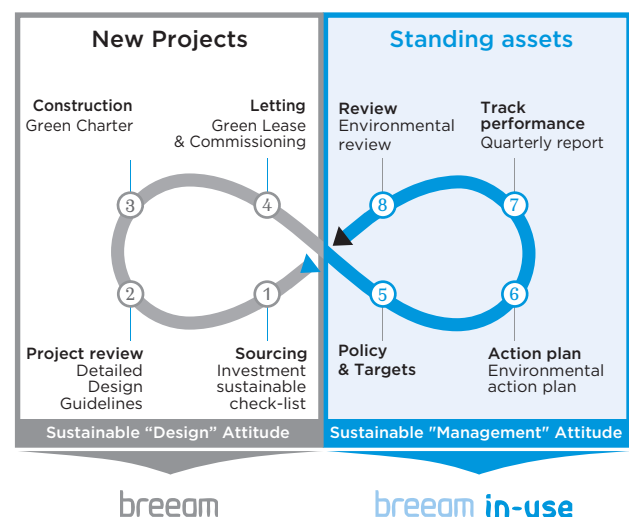
In 2015, tenants’ energy consumption represented 73% of the carbon footprint from the operation of assets. Consequently, the strong engagement of tenants is vital to achieving this objective. To accomplish this, these two levers are also implemented in the private parts of the assets, in cooperation with the tenants:

- ◆ since May 1, 2017, all standard leases that are proposed to the tenants stipulate that LED lighting must be used for all lighting renewals and that 100% electricity from renewable sources must be supplied, taking effect in 2020;
- ◆ between now and 2020, Unibail-Rodamco is committed to signing partnerships with pioneering international retailers in order to speed up this transformation and spur the other tenants to adopt and roll out these solutions in their stores. To this end, the Group has set a goal of signing at least 30 LED partnerships in 2017 with its tenants that operate internationally (see results in Section 2.4.4 “Tenants & Retailers”).

2.3.2.1. Environmental Management Systems

The Group’s environmental strategy is based on two complementary Environmental Management Systems (EMS), which reduce the impact of its assets at every stage in their life cycle, from initial design through to daily operation. Unibail-Rodamco’s EMS for sustainable design and construction is called the “Sustainable Design Attitude” (SDA), while its EMS for sustainable management of operations is known as the “Sustainable Management Attitude” (SMA).

TWO COMBINED ENVIRONMENTAL MANAGEMENT SYSTEMS TO ENSURE THE HIGHEST PERFORMANCE AND CERTIFICATIONS



Best practices from the Sustainable Design Attitude are leveraged to improve the Sustainable Management Attitude and vice versa.

◆ Sustainable Design Attitude: an EMS for development projects

◆ A continually improving management system

The Sustainable Design Attitude ensures that all development projects, whatever their size or type, are designed in the most efficient way over the long-term in order to minimise their environmental impact. It also ensures that every development project larger than 10,000 m² obtains the highest levels of environmental certification (BREEAM or HQE) in line with the Group's targets: at a minimum, the BREEAM "Excellent" certification for new projects and "Very Good" for extension projects.

For each project, the "Sustainable Design Attitude" covers all four stages in the development process and involves several departments, notably Development, Security & PMPS (Property, Maintenance, Purchasing and Sustainability), Operations, Leasing, and on-site Shopping Centre Management teams:

- ◆ sourcing: sustainability and risks related to climate change are analysed and evaluated during the Group's due diligence process;
- ◆ project reviews: at the design stage, each project is assessed using the Group's in-house "Design Guidelines" to ensure the optimisation of the building and to prepare for its "BREEAM" certification;
- ◆ construction: the contractor agrees to abide by the Unibail-Rodamco 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 building's 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.

Since 2009 the Group's "Design Guidelines" have been applied to all new development, renovation and extension projects. The "Design Guidelines" aligned with the BREEAM certification requirements ensure that the Group's projects, whatever their size or scope, will be designed to ensure the highest attractiveness, flexibility and to be the most sustainable, with a low energy intensity and reduced GHG emissions. Best practices from the "Design Guidelines" are also leveraged to improve the energy efficiency of standing assets during major renovation and extension projects.

"Design Guidelines" requirements for new developments include:

- ◆ close attention to structural elements that can affect energy requirements and the carbon footprint of a building (e.g. orientation, prevailing winds, shell composition);
- ◆ architectural design that maximises natural lighting while minimising solar heat gains;
- ◆ the use of natural ventilation, along with a high-performance building envelope to reduce the loss of heated and cooled air; integrated systems to produce renewable energy when appropriate (e.g. geothermal energy to cool and heat large shopping centres);
- ◆ energy efficient equipment, coupled with an effective Building Management System (BMS) that optimises operating hours and conditions of each piece of technical equipment.

The "Design Guidelines" are updated taking into account new studies, technologies and operational feedback from standing assets across the Group. New studies have been conducted to enrich the "Design Guidelines" with innovative solutions such as geothermal systems, lighting, materials and a revolutionary approach regarding sound design.

Since 2011, the Group's Considerate Construction Charter is applied to all new development, renovation and extension projects. 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. It integrates in every respect all the requirements set by the relevant local and national urban planning regulations, as well as the provisions related to the BREEAM certification. Since 2014, the constructors are obliged to adhere to the Group's Considerate Construction Charter when signing any contracts with Unibail-Rodamco in every region where the Group operates.

Topics covered in the Considerate Construction Charter include:

- ◆ providing information to people living nearby and limiting traffic disruptions;
- ◆ training and informing employees of construction companies;
- ◆ ensuring a proper management of risk and of hazardous products' handling;
- ◆ ensuring a 50% minimum 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.

◆ Since 2017: Stepping up the integration of the life cycle approach into decision-making processes

Unibail-Rodamco is the first company in commercial real estate to commit to a significant reduction on a broad scope of its carbon footprint resulting from construction.

As part of the implementation of the "Better Places 2030" strategy, the Group thus systematised in 2017 the measuring of the carbon footprint of its projects from the design phase through a dynamic approach, based on a Life Cycle Assessment (LCA) combined with the Thermal Simulations that have historically been performed on the projects.

Due to the lack of sufficiently precise European guidelines, Unibail-Rodamco created in 2017 a customised methodology and tools to assess the carbon footprint of its development projects with an environmental engineering company specialising in low-carbon projects guidance. Based on the existing standards that were considered too generic (especially the ISO 14040 standard: LCA principles and framework and the EN 15978 standard: Assessment of environmental performance of buildings), this methodology was adapted to correspond to the specific attributes of the shopping centres and offices developed by the Group.

Beginning in September 2017, the Group's Development teams all received training in using this methodology and applying these targets in order to ensure that these new requirements

are fully taken into account at design stage by the design team as well as all construction companies.

In this respect, 80% of development projects⁽¹⁾ have conducted a Life Cycle Assessment analysis in the design phase as at end 2017.

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 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).

This approach is especially needed for in-situ renewable energy projects and more broadly for any energy efficiency solution. It is important to make sure that the carbon emissions avoided in the operation phase are not offset by a larger carbon footprint for the construction phase.

New key performance indicators for the energy and carbon performance of projects have been introduced and are presented to the Management Board members during budget reviews and development project investment committee meetings. Low-carbon solutions specific to each project are proposed and validated on that occasion. In 2017, 60% of development projects⁽²⁾ have defined an Energy and Carbon solutions plan that includes additional solutions to the minimal requirements applicable to all projects. Among these requirements, energy efficiency solutions such as LED lighting are consistently implemented for shopping centres in development. In 2017, 100% of shopping centres in development⁽³⁾ are entirely equipped with LEDs in the common areas.

◆ *Partnerships to speed up innovative low-carbon solutions*

When the "Better Places 2030" programme was announced in September 2016, a partnership was signed with Engie. This agreement aims to identify and develop innovative low-carbon solutions for the portfolio of shopping centres and offices in terms of renewable energy, decentralised energy production, energy efficiency, smart buildings and sustainable mobility. Other targeted partnerships (materials, construction and demolition waste, etc.) will be signed in order to achieve the ambitious objectives set by the Group.

In 2017, the start-up COMBO Solutions was accelerated in the Group's internal innovation programme, UR Link. For a development project in the design phase, COMBO Solutions offered Unibail-Rodamco a customised scan tool for low-carbon solutions that covered a comprehensive scope joining energy consumption and construction materials. This type of tool makes it easier to identify in the early stages of a project the factors that most noticeably affect the carbon performance, so as to design a project as efficiently as possible in keeping with its constraints (schedule, urban planning, immediate environment, etc.).

◆ **Sustainable Management Attitude: an EMS for existing assets**

The Sustainable Management Attitude (SMA) is the in-house Environmental Management System (EMS) implemented across the whole managed portfolio in Europe. This pragmatic and dynamic EMS ensures that the Group is able to meet its annual and long-term targets and supports Unibail-Rodamco's continuous improvement policy for each area covered by the Group's CSR policy, including climate change, resource use and stakeholders.

The Sustainable Management Attitude system is based on four steps of the environmental performance management process: targets' setting, establishing an environmental action plan, measuring results and reviewing the performance:

- ◆ group policy and targets: targets are set each year for each 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, CO₂, water, waste, transport and stakeholders is implemented and challenged for each managed site;
- ◆ quarterly report and annual report: 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: the Security & PMPS (Property, Maintenance, Purchasing and Sustainability) team holds sustainability reviews at least once a year for each managed asset to check their performance and progress and to prepare the environmental action plan for the year to come.

The SMA helps ensure that the Group's standing assets will obtain the highest level of in-use certification according to the BREEM In-Use standards. The Group has indeed set the goals of obtaining by 2020 the BREEAM "In-Use" certification with, at a minimum, a rating of "Outstanding" for the "management" part for at least 80% of the portfolio of its owned & managed shopping centres, and of achieving the "BREEAM" In-Use certification with, at a minimum, a rating of "Excellent" for the "management" part for at least 90% of the portfolio of its owned & managed offices. These standards were adopted in 2011 for the shopping centres and offices in order to promote to visitors, tenants and local communities the high quality of the Group's policy and the environmental performances tied to the sound management of its assets. The SMA is fully integrated into the daily operations of teams such as Operating, Leasing, Marketing, Security & PMPS (Property, Maintenance, Purchasing and Sustainability) and Shopping Centre Management.

◆ *SMA certifications*

The effective implementation of this in-house EMS has been verified by an independent third party in each of the countries where the Group operates.

In order to demonstrate the environmental performance of its assets, Unibail-Rodamco has indeed commissioned an independent third-party audit for each country in which it operates to assess the implementation of the Group's internal Environmental Management System by its standing assets and the certification of the compliance of these systems with the "Sustainable Management Attitude" guidelines, when it was created.

(1) Controlled development projects as at 01/01/2017 over 10,000 m² GLA, excluding renovations with no surface extension. Two of them (out of ten development projects) did not perform a life cycle analysis because design studies were temporarily stopped or already finished.

(2) Committed and controlled development projects as at 01/01/2017 over 10,000 m² GLA, excluding renovations with no surface extension.

(3) Committed development projects as at 01/01/2017 over 10,000m² GLA, shopping centres only.

2. Corporate social responsibility

Environment

Furthermore, all 11 of the assets that are owned and managed by the Group in Spain at December 31, 2017, including headquarters, are ISO 14001 certified.

These two complementary EMSs help the Group to:

- ◆ deliver sustainable and flexible projects with the highest “BREEAM” certification levels;
- ◆ secure licenses to operate for the Group’s development projects (new developments and extensions);
- ◆ ensure that managed assets are operated efficiently from a sustainable development and economic point of view;
- ◆ develop its environmental awareness and create a positive trend amongst Unibail-Rodamco’s employees involved in the design, development, management and redevelopment of the Group’s assets;
- ◆ ensure a high level of transparency and security to the Group’s shareholders and investors.

In 2017, the Group defined new indicators that are incorporated into the Group’s decision-making processes to steer and oversee the performance of the new CSR strategy, particularly in order to effectively direct and support the implementation of the LED technology and the purchase of green electricity in common and private areas (retailers) of the owned and managed portfolio. These indicators are provided respectively in Section 2.3.2.4, “Energy consumption”, and Section 2.3.2.5, “Energy mix”. Some of them were introduced in 2017 in the five-year budget review processes of the standing assets.

◆ ISO 20121 Process – Convention & Exhibition (Viparis Group)

Viparis’ ISO 20121 certification process, which began in 2013 and resulted in the certification of all of its sites in 2014, perfectly illustrates the Group’s trailblazing and proactive CSR commitment.

The Viparis group became one of the first global players in the events industry to win this stringent certification for all 10 of its sites and all of its business activities. This significant achievement constitutes a distinctive competitive advantage, which is further improving its profile legibility and its business practices.

In October 2017, Viparis’ ISO 20121 certification was renewed by Bureau Veritas Certification for another three years.

Viparis has a common, structured management system which is consistent with key international principles: due diligence, diversity and inclusion, integrity and transparency.

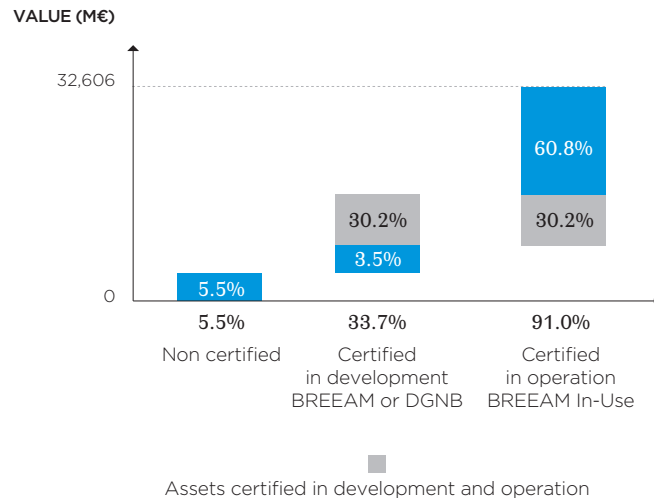
In order to encourage its employees to respect the environment in the workplace, Viparis uses an “eco-gestures” charter structured around four subject areas and 20 commitments. This charter covers the sorting of waste, energy savings, the responsible use of paper and printers, and the rationalisation of business travel.

2.3.2.2. Building environmental certification

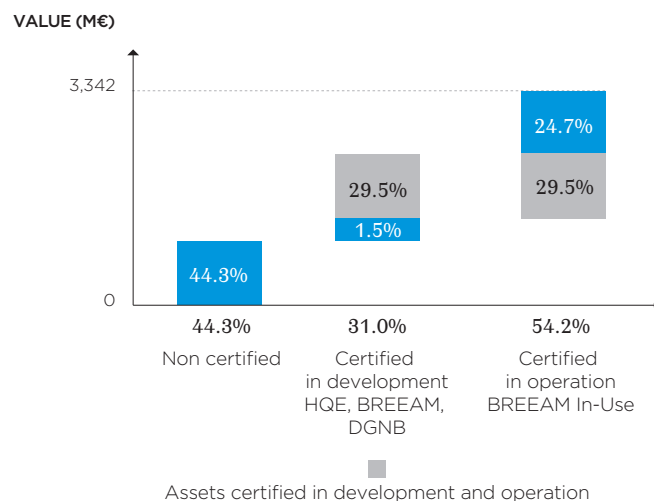
Unibail-Rodamco relies on external environmental certifications to validate the environmental performance of its assets. The Group deploys an active certification policy for both new developments and standing assets based on its two in-house Environmental Management Systems (EMS). This serves as evidence to the Group’s stakeholders that Unibail-Rodamco’s buildings and their responsible management processes respect the highest environmental standards available in the Real Estate sector.

At the BREAA Awards 2017 ceremony, which recognised the best assets certified worldwide in 2016 for their environmental performance, Unibail-Rodamco took home the BREEAM/GRESB Award for Responsible Investment, which honours the organisations that are demonstrating the strongest commitment to the use of environmental building certifications in managing their portfolio.

ENVIRONMENTAL CERTIFICATION PENETRATION RATE (%) WITHIN THE TOTAL STANDING RETAIL PORTFOLIO IN VALUE⁽¹⁾



ENVIRONMENTAL CERTIFICATION PENETRATION RATE (%) WITHIN THE TOTAL STANDING OFFICE PORTFOLIO IN VALUE⁽¹⁾



◆ New development projects

Unibail-Rodamco targets a BREEAM certification for all of its new developments and extensions of more than 10,000 m². BREEAM is the most widely used environmental building certification framework in Europe. Unibail-Rodamco aims to achieve a rating of “Excellent” or better for projects delivered from 2016 onwards.

(1) In terms of Gross Market Values as at December 31 2017, excluding values of shares in assets accounted for using the equity method.

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, the Group has achieved a number of strong market benchmarks across Europe.

In 2017 notably, the Group confirmed its leading position in terms of environmental certification by obtaining the following certificates:

- ◆ three BREEAM certifications with an “Excellent” rating: two for the Wroclavia project in Poland (certificates for the design phase: one for the office, one for the shopping centre), thus establishing a new sectorial benchmark by obtaining the best rating for a shopping centre in Poland at the date of the certification, and one for the extension to the Centrum Chodov shopping centre in Czech Republic (design phase);
- ◆ three HQE certifications for the design phase of the following office projects in the Paris Region: Trinity, Shift, and Gaité.

KPI: BREEAM environmental certification of new developments – Shopping Centres

In 2017, 100% of the projects delivered or in a construction phase were in a BREEAM certification process.

Site name	City	Group's Region	Project type	Dates		Performance		m ² certified (2017 consolidated GLA)
				Certification	Opening	Rating		
						Level	Total score (out of 100%)	
Donauzentrum	Vienna	Austria	Extension	2010	2010	Very Good	63.2%	28,000
Confluence	Lyon	France	New Development	2010	2012	Very Good	59.9%	53,500
So Ouest	Levallois-Perret	France	New Development	2010	2012	Excellent	73.1%	-
Centrum Cerny Most	Prague	Central Europe	Extension	2012	2013	Very Good	58.3%	106,700
El Faro	Badajoz	Spain	New Development	2012	2012	Very Good	57.4%	66,300
Taby Centrum	Stockholm	Sweden	Extension	2013	2013	Very Good	55.5%	81,400
Aéroville	Tremblay	France	New Development	2013	2013	Excellent	72.9%	-
So Ouest*	Levallois-Perret	France	New Development	2013	2012	Excellent	78.4%	54,300
Rennes Alma	Rennes	France	Extension	2014	2013	Very Good	57.1%	32,100
Mall of Scandinavia	Stockholm	Sweden	New Development	2014	2015	Excellent	77.4%	103,200
Toison d'or	Dijon	France	Extension	2014	2013	Very Good	64.9%	46,100
Polygone Riviera	Cagnes sur mer	France	New Development	2015	2015	Very Good	57.1%	73,400
Aéroville*	Tremblay	France	New Development	2015	2013	Excellent	70.5%	83,300
Carré Sénart extension	Lieusaint	France	Extension	2016	2017	Excellent	78.1%	31,448
Parly 2 - Extension Cinema	Le Chesnay	France	Extension	2016	2019	Very Good	59.7%	3,699
Wroclavia Retail	Wroclaw	Poland	New Development	2017	2017	Excellent	81.3%	72,500
Chodov Extension	Prague	Central Europe	Extension	2017	2017	Excellent	75.6%	41,817

* BREEAM final certificate.

Project type	Certified projects	Group's average score	
New development	7	Excellent	70%
Extension	8	Very Good	62%
TOTAL	15	VERY GOOD	67%

KPI: BREEAM environmental certification of new developments – Offices

In 2017, 100% of the projects delivered or in a construction phase were in a “BREEAM” and/or HQE certification process.

Site name	City	Group's Region	Project type	Dates		Performance		m ² certified (2017 consolidated GLA)
				Certification	Opening	Level	Total score (out of 100%)	
Majunga	Paris region	France	New Development	2011	2014	Excellent	77.43%	-
Majunga*	Paris region	France	New Development	2015	2014	Excellent	76.20%	65,600
Village 5*	Paris region	France	Refurbishment	2015	2015	Very Good	61.79%	11,255
Village 3*	Paris region	France	Refurbishment	2016	2016	Very Good	57.90%	6,569
Village 4*	Paris region	France	Refurbishment	2017	2016	Very Good	55.30%	7,350
Wroclavia Offices	Wroclaw	Poland	New Development	2017	2017	Excellent	83.70%	8,500

* BREEAM final certificate

Project type	Certified projects	Group's average score	
New development	2	Excellent	77%
Refurbishment	3	Very Good	59%
TOTAL	5	EXCELLENT	72%

KPI: HQE environmental certification of new developments – Offices

Site name	City	Group's Region	Project type	Dates		Performance		m ² certified (2017 consolidated GLA)
				Certification	Opening	Level	Energy Label	
Majunga	Paris region	France	New Development	2014	2014	Outstanding Passport	BBC/HPE	65,600
Trinity	Paris region	France	New Development	2016	2019	Outstanding Passport		48,939
Gaité Montparnasse Offices	Paris region	France	New Development	2017	2020	Outstanding Passport		11,850
Shift	Paris region	France	Refurbishment	2017	2019	Outstanding Passport		44,566
TOTAL CERTIFIED (M²)								170,955

As regards convention and exhibition assets (Viparis), the Hall 7 of the Paris Nord Villepinte exhibition centre is HQE (High Environmental Quality) certified, accounting for 35,000 m².

◆ Standing assets

Unibail-Rodamco aims to obtain BREEAM “In-Use” certification for all its new owned and managed assets in Europe and “BREEAM In-Use” certification for at least 80% of its shopping centres (number of assets owned and managed) by 2020 with a minimum level of “Outstanding” for the “Building Management” component (part 2) of the scheme.

2017 was a particularly active year in terms of BREEAM “In-Use” certification with 22 shopping centres obtaining certification:

- ◆ 6 new certifications: Equinoccio, Forum des Halles, Mall of Scandinavia, Minto, Höfe am Brühl and Polygone Riviera. All

of these shopping centres achieved a minimum rating of “Excellent” for the Building Management (part 2). Höfe am Brühl and Polygone Riviera achieved the highest level of recognition with a certification level of “Outstanding” for the Asset component (part 1) and of “Outstanding” for the Building Management component (part 2);

- ◆ 16 re-certifications (assets certified in 2014 whose certificates expired in 2017): Aupark, Carré Sénart, Centrum Cerny Most, El Faro, Garbera, Nacka Forum, Rennes Alma, Rosny 2, Shopping City Süd, So Ouest, Solna, Täby, Ullis 2, Villeneuve 2, Wilenska and Toison d’Or, which achieved the highest level of recognition with a certification level of “Outstanding” for the Asset component (part 1) and of “Outstanding” for the Building Management component (part 2). Among these, Garbera, Shopping City Süd, Toison d’Or and So Ouest improved their certification performance compared to 2014.

In 2017, the Group once again achieved strong performances establishing local market benchmarks in different countries. 9 out of the 22 shopping centres certified in 2017 were rated at “Outstanding” level for “Building Management” (part 2) and 5 of them also achieved the “Outstanding” rating level for the Asset component (part 1). Among them, Shopping City Süd obtained the highest score of the Group standing shopping centres portfolio for the Asset component (part 1) in 2017, becoming the best certified shopping centre in Austria under the BREEAM In-Use international 2015 criteria. Centrum Chodov shopping

centre, certified “Outstanding” for the Building Management component (part 2) with the highest scores under the BREEAM In-Use International 2015 scheme across Europe in 2015, remains the shopping centre with the highest score in Unibail-Rodamco’s standing retail portfolio. In 2017, the Toison d’Or shopping centre obtained double “Outstanding” certification when it was re-certified under the BREEAM In-Use International 2015 criteria with the best score for the Asset component (part 1) for a shopping centre in France.

BREEAM “In-Use”: Performance of the 22 certifications obtained in 2017 (owned and managed Shopping Centres)

Group’s Region	City	Asset name	Performance			
			Part 1 - Asset		Part 2 - Building Management	
			Level	Total score (out of 100%)	Level	Total score (out of 100%)
Austria	Vienna	Shopping City Süd	Outstanding	87.3%	Outstanding	86.4%
Central Europe	Bratislava	Aupark	Excellent	71.1%	Excellent	70.4%
Central Europe	Prague	Centrum Cerny Most	Outstanding	85.8%	Excellent	79.9%
Central Europe	Warsaw	Wilenska	Excellent	71.4%	Excellent	76.8%
France	Paris Region	Carré sénart	Excellent	72.5%	Excellent	81.6%
France	Paris Region	Le Forum des Halles	Excellent	73.7%	Excellent	77.4%
France	Cagnes sur Mer	Polygone Riviera	Outstanding	85.7%	Outstanding	86.2%
France	Rennes	Rennes Alma	Excellent	72.6%	Outstanding	86.0%
France	Paris Region	Rosny 2	Very Good	66.6%	Excellent	79.2%
France	Paris Region	So Ouest	Outstanding	85.5%	Outstanding	89.2%
France	Dijon	Toison d’or	Outstanding	86.7%	Outstanding	88.5%
France	Paris Region	Ulis 2	Excellent	71.4%	Excellent	74.4%
France	Villeneuve d’Ascq	Villeneuve 2	Excellent	75.4%	Excellent	74.4%
Germany	Leipzig	Höfe am Brühl	Outstanding	86.3%	Outstanding	86.2%
Germany	Mönchengladbach	Minto	Excellent	73.3%	Outstanding	87.9%
Nordics	Greater Stockholm	Mall of Scandinavia	Excellent	72.6%	Excellent	75.3%
Nordics	Greater Stockholm	Nacka Forum	Very Good	69.4%	Very Good	68.1%
Nordics	Greater Stockholm	Solna	Excellent	70.3%	Very Good	64.8%
Nordics	Greater Stockholm	Täby	Excellent	74.5%	Excellent	74.8%
Spain	Badajoz	El Faro	Excellent	76.6%	Outstanding	87.9%
Spain	Madrid	Equinoccio	Very Good	67.6%	Excellent	75.2%
Spain	San Sebastian	Garbera	Excellent	78.1%	Outstanding	87.6%

As at December 31, 2017, the Group had 51 owned and managed shopping centres certified BREEAM “In-Use” in Europe, of which 32 were rated “Outstanding”, accounting for 3.1 million m² consolidated GLA and 91% of the owned and managed Shopping Centres portfolio (in terms of certified assets’ value, representing €29.6 billion of gross market value).

63% of the BREEAM “In-Use” certificates delivered to the Group’s retail assets achieved the “Outstanding” level for the

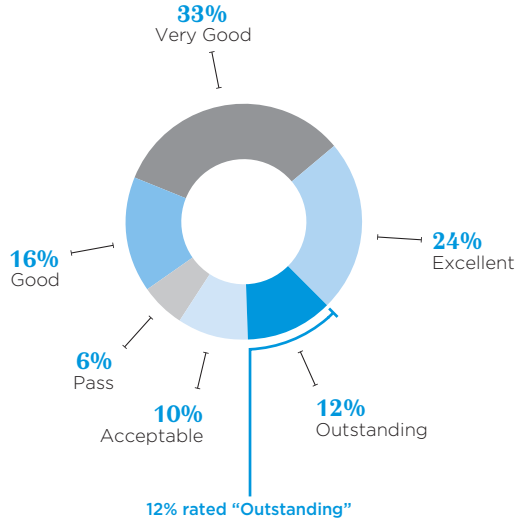
“Building Management” (part 2) component, compared to an average of 12% only for the European Retail Real Estate market⁽¹⁾ confirming the superior environmental performance of the Group’s assets despite the diversity of the portfolio in terms of size, age and location.

At the end of 2017, the Group had 57 assets under BREEAM “In-Use” certification (51 Shopping Centres and 6 Office buildings), accounting for 3.4 million m² GLA.

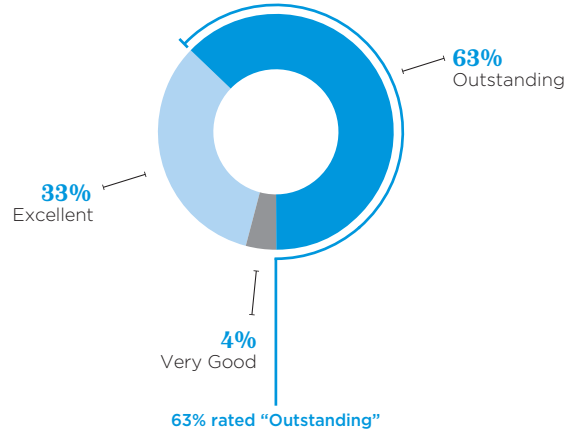
(1) Source: BRE Global “BREEAM In-Use” data (all countries in Europe except Germany, Austria, Spain & The Netherlands), DIFNI/ TÜV SÜD NSO data (Austria, Germany), BREEAM ES/ITG NSO data (Spain), DGBC data (The Netherlands), as at December 31, 2017 - 313 retail assets certified under BREEAM In-Use International 2015 (Part 2).

◆ Breakdown of BREEAM “In-Use” certifications by rating ⁽¹⁾ (in number of assets)

EUROPEAN RETAIL REAL ESTATE SECTOR⁽²⁾

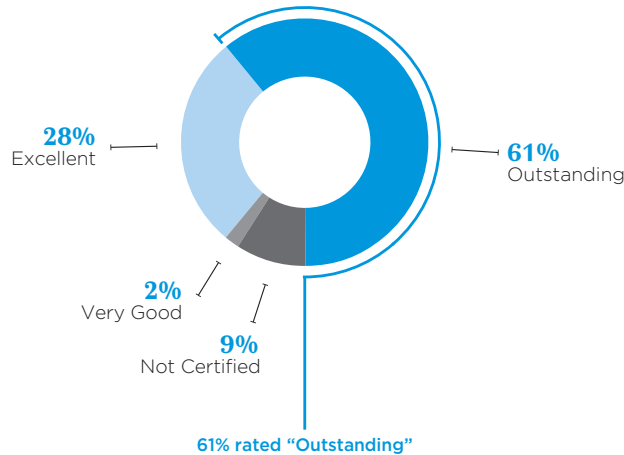


UNIBAIL-RODAMCO⁽³⁾



◆ Breakdown of BREEAM “In-Use” certifications by rating ⁽⁴⁾ (in asset value)

UNIBAIL-RODAMCO: 91% CERTIFIED IN VALUE (€29.6 BN)⁽⁵⁾



(1) Retail assets’ score in Building Management (Part 2).

(2) Source: BRE Global BREEAM In-Use data (all countries in Europe except Germany, Austria, Spain & The Netherlands), DIFNI/ TÜV SÜD NSO data (Austria, Germany), BREEAM ES/ITG NSO data (Spain), DGBC data (The Netherlands), as at December 31, 2017 - 313 retail assets certified under BREEAM In-Use International 2015 (Part 2).

(3) 51 owned and managed Shopping Centres as at December 31, 2017.

(4) Retail assets’ score in Building Management (Part 2).

(5) Value of certified assets in terms of Gross Market Values, as at December 31, 2017, excluding values of shares in assets accounted for using the equity method.

KPI: Environmental certifications of standing assets

BREEAM “IN-USE” – RETAIL (PER REGION)

Region	Owned and managed portfolio ⁽²⁾	Total 2017 consolidated m ² GLA ⁽¹⁾	Assets Certified ⁽²⁾	Certification coverage		Sites name certified as at December 31, 2017
				% (in number)	% (in m ² GLA)	
Austria	2	261,100	2	100%	100%	Donau Zentrum ⁽³⁾ , Shopping City Süd ⁽³⁾
Central Europe	6	425,700	6	100%	100%	Arkadia ⁽³⁾ , Galeria Mokotow ⁽³⁾ , Centrum Chodov ⁽³⁾ , Wilenska ⁽³⁾ , Centrum Cerny Most ⁽³⁾ , Aupark ⁽³⁾
France	19	1,110,200	19	100%	100%	Carré Sénart ⁽³⁾ , Part-Dieu ⁽³⁾ , Les Quatre Temps ⁽³⁾ , Vélizy 2 ⁽³⁾ , CNIT ⁽³⁾ , Toison d’Or ⁽³⁾ , Lyon Confluence ⁽³⁾ , Carrousel du Louvre ⁽³⁾ , Palais des Congrès de Paris ⁽³⁾ , Rosny 2 ⁽³⁾ , Ulis 2 ⁽³⁾ , So Ouest ⁽³⁾ , Rennes Alma ⁽³⁾ , Villeneuve 2 ⁽³⁾ , Euralille ⁽³⁾ , Aéroville ⁽³⁾ , Parly 2 ⁽³⁾ , Forum des Halles, Polygone Riviera
Germany	8	547,700	6	75%	63%	Pasing Arcaden ⁽³⁾ , Höfe am Brühl, Palais Vest ⁽³⁾ , Gera Arcaden ⁽³⁾ , Paunsdorf ⁽³⁾ ; Minto
The Netherlands	4	265,700	3	75%	74%	Amstelveen ⁽³⁾ , Almere ⁽³⁾ , Zoetermeer ⁽³⁾
Nordic	5	350,600	5	100%	100%	Fisketorvet ⁽³⁾ , Solna ⁽³⁾ , Nacka Forum ⁽³⁾ , Täby ⁽³⁾ , Mall of Scandinavia
Spain	11	510,800	10	91%	92%	Parquesur ⁽³⁾ , La Maquinista ⁽³⁾ , Splau ⁽³⁾ , Bonaire ⁽³⁾ , Bahia Sur ⁽³⁾ , Vallsur ⁽³⁾ , Los Arcos ⁽³⁾ , Garbera ⁽³⁾ , El Faro ⁽³⁾ , Equinoccio
TOTAL	55	3,471,800	51	93%	91%	

(1) Total GLA consolidated (owned and managed assets).

(2) In number of owned and managed assets.

(3) Assets certified for the first time before 2017 by BRE and National Scheme Operators (NSO's).

BREEAM “IN-USE” – RETAIL (GROUP TOTAL)

	2017	Cumulated (as at December 31, 2017)
Number of owned & managed assets certified	22	51
Surface certified (m ² GLA)	1,270,400	3,162,400
Average score “Asset” (Part 1)	76.11% – Excellent	75.11% – Excellent
Average score “Building Management” (Part 2)	79.92% – Excellent	82.83% – Excellent

BREEAM “IN-USE” – OFFICES

7 Adenauer, Unibail-Rodamco’s headquarters in Paris, was the first office building within continental Europe to be rated “Excellent” for both the “Asset” and “Building Management” components of the BREEAM “In-Use” International pilot scheme in 2012. In 2017, four office buildings were recertified under BREEAM In-Use International 2015 criteria: Les Villages, la Tour Ariane and le Sextant achieved an “Excellent” rating, and 7 Adenauer a “Very Good” rating for the Building Management

component (part 2). The Majunga tower has been certified with an “Excellent” rating in 2017.

The Group’s aim is to obtain BREEAM “In-Use” certification for at least 90% of its portfolio (number of assets owned and managed) by 2020 with a minimum level of “Excellent” for the “Building Management” component (part 2) of the scheme. As at December 31, 2017, 6 assets were certified representing 83% (in number according to the consolidation scope) and 54.2% (€1.8 billion in gross market value) of the owned and managed office portfolio.

BREEAM “IN-USE” – OFFICES (GROUP TOTAL)

	2017	Cumulated (as at December 31, 2017)
Number of owned & managed assets certified	5	6
Surface certified (m ² GLA)	228,700	242,100
Average score “Asset” (Part 1)	67.96% - Very Good	65.77% - Very Good
Average score “Building Management” (Part 2)	70.38% - Excellent	71.10% - Excellent

2.3.2.3. Direct and indirect greenhouse gas emissions from standing assets (Scope 1 & 2)

As part of its active policy of optimised operation of its assets and in line with its past CSR strategy and its new “Better Places 2030” programme, the Group is monitoring the greenhouse gas emissions (GHG) related to the energy consumption of the buildings owned and managed by the Group, converted into CO₂ equivalent units (CO₂eq).

In particular, in order to manage the carbon performance of its operational activity, Unibail-Rodamco has developed carbon intensity indicators in CO₂ equivalents, per visit and per operated m². These reflect the Group’s activity by offering an accurate picture of the overall carbon efficiency of a building based on its use and scope and thus allow like-for-like analysis to be carried out. Indeed, these material indicators trace the combined performance of the following main components:

- ◆ energy efficiency of the building (*i.e.* less consumption) (kWh/m²);
- ◆ carbon dependency of the primary energy mix (changes in greenhouse gas emissions rates, in CO₂eq/kWh);
- ◆ and the intensity of usage of the building (increased footfall expressed as visit/m²).

After surpassing its target of 30% cumulative reduction in carbon intensity in CO₂eq/visit for its portfolio of owned and managed shopping centres ahead of schedule in 2016 (reaching 41% cumulative reduction between 2012 and 2016), in 2017, the carbon intensity of the Group’s shopping centres portfolio (CO₂eq/visit) continued to decrease significantly: -5%

compared to 2016 on a like-for like basis. This strong performance was due to:

- ◆ the accelerated transition towards electricity from renewable sources under the “Better Places 2030” program which largely contributed to this decline; in 2017 for the first time for a full reporting year all managed shopping centres in Spain and Slovakia were 100% supplied in electricity from renewable sources, and German shopping centres increased the proportion of their electricity from renewable sources in 2017;
- ◆ a stable energy efficiency level of the owned and managed assets portfolio between 2016 and 2017 despite unfavourable weather conditions: +1% in energy consumptions on a like-for-like basis from 2016 to 2017;
- ◆ the improvement of 1% of the emission factors of various energy suppliers (heating & cooling district networks) from 2016 to 2017, reflecting the ongoing effort agreed to by energy producers to improve their energy mix.

As visitors’ footfall in the owned and managed shopping centres stayed stable from 2016 to 2017 on a like-for-like basis, visits did not have an impact on the carbon intensity indicator this year.

The “Better Places 2030” programme is now enabling the Group to accelerate its progress and expand its efforts by involving stakeholders in reducing carbon intensity from operation of assets, in particular its tenants: the Group is now committed to a target of reducing the carbon intensity from operation of assets by 70%, including the footprint of final energy which it buys and manages for the common installations and common areas of its assets (Scope 1 & 2) as well as the footprint of the consumption of private areas (Scope 3) (see Section 2.3.1.).

KPI: Greenhouse gas (GHG) emissions from the energy consumption of standing assets (Scopes 1 & 2) (kgCO₂eq) [GRI 305-1, 305-2, 305-5]

Greenhouse gas (GHG) emissions (CO₂, CH₄, N₂O, etc.) produced by energy purchased and managed by the property manager in the year as an absolute value are calculated based on the “Energy consumption” indicator (see Section 2.3.2.4 “Energy consumption”). 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 produced by the grid but focus on the production and purchase of energy that is certified as being from renewable sources. The indicator distinguishes between direct greenhouse gas emissions (Scope 1: natural gas) and indirect greenhouse gas emissions (Scope 2: electricity, district heating and cooling networks).

Portfolio coverage in gross market value: 92%.

	Scope	Shopping Centres								Offices		Convention & Exhibition venues	
		Total retail	Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain	Scope	France	Scope	France
Total 2015	56/56	65,671,089	3,136,232	32,820,353	5,902,818	7,002,730	749,913	1,246,826	14,812,217	14/14	2,406,507	9/9	9,273,320
Total 2016	58/58	50,908,446	2,975,403	27,283,606	6,413,182	5,492,640	584,662	1,990,163	6,168,791	13/13	2,366,972	9/9	6,173,591
Total 2017	55/57 ⁽¹⁾	53,868,191	3,269,766	33,984,334	7,235,772	5,080,535	531,120	1,558,027	2,208,637	12/12	2,705,936	8/8	7,767,503
of which direct emissions – Scope 1	55/57 ⁽¹⁾	10,130,974	3,092,067	1,829,015	2,183,365	2,438,373	429,221	0	158,932	12/12	245,975	8/8	3,417,413
of which indirect emissions – Scope 2	55/57 ⁽¹⁾	43,737,217	177,699	32,155,319	5,052,406	2,642,162	101,899	1,558,027	2,049,705	12/12	2,459,961	8/8	4,350,090
2016 Like-for-like	46/57	30,189,326	2,632,749	10,626,613	5,776,339	3,642,684	479,073	1,726,191	5,305,677	10/12	1,847,183	7/8	4,590,826
2017 Like-for-like	46/57	28,452,929	2,784,710	11,996,600	6,702,561	2,838,644	531,120	1,391,031	2,208,262	10/12	2,591,469	7/8	5,651,306
Evolution 2017/2016 (%)	46/57	-6%	6%	13%	16%	-22%	11%	-19%	-58%	10/12	40%	7/8	23%
CUMULATIVE EVOLUTION 2017/2015 (%)		-33%	8%	-11%	-7%	-51%	-2%	29%	-83%		18%		-26%

(1) 2017 total scope: Gloriès and le Forum des Halles are excluded from the scope of this indicator due to works affecting the metering systems in 2017.

The Group policy regarding renewable electricity purchase enables to reduce its operations carbon footprint year over year. It also allows to encourage producers to invest in the development of clean technologies by increasing market demand these energy sources. Had the Group not introduced its policy of buying electricity from renewable sources, the greenhouse gas emissions from the energy consumption of its

standing shopping centre and office assets would be 149,600 TCO₂eq for 2017⁽¹⁾ (Scope 1 & 2), which is 2.6 times more than with the green electricity purchasing contracts in place (emissions calculated using the GHG protocol's "location based" method of measuring greenhouse gas emissions for Scope 2, whereby the emission factors used depend solely on the type of energy consumed and the country of consumption).

KPI: Carbon intensity from energy consumption of standing assets (Scope 1 & 2) per usage (gCO₂eq/visit/year for Shopping Centres, gCO₂eq/occupant/year for Offices, gCO₂eq/m²DOP/year for Convention & Exhibition venues) [GRI 305-4]

Numerator: Greenhouse gas emissions from the energy consumption of standing assets (Scope 1 & 2) itself related to the Energy Consumption indicator.

Denominator: usage indicator per business activity (see Reporting Methodology, section 2.7).

Portfolio coverage in gross market value: 92%.

	Scope	Total retail	Shopping Centres (gCO ₂ eq/Visit)							Offices (gCO ₂ eq/occupant)		Convention & Exhibition venues (gCO ₂ eq/m ² DOP)	
			Austria	Central Europe	France	Germany	Netherlands	Nordics	Spain	France	France		
Total 2015	55/56	103	77	399	22	100	21	29	140	14/14	127,134	9/9	357
Total 2016	58/58	77	85	327	23	69	16	46	59	13/13	127,982	9/9	206
Total 2017	55/57 ⁽¹⁾	87	92	398	30	66	19	30	87	12/12	169,472	8/8	298
2016 Like-for-like	36/57 ⁽²⁾	64	75	343	27	65	17	55	62	10/12	137,695	7/8	275
2017 Like-for-like	36/57 ⁽²⁾	61	78	387	30	72	19	40	26	10/12	195,405	7/8	370
Evolution 2017/2016 (%)	36/57 ⁽²⁾	-5%	4%	13%	13%	10%	11%	-26%	-58%	10/12	42%	7/8	35%
CUMULATIVE EVOLUTION 2017/2015 (%)		-32%	26%	-13%	-9%	-30%	-2%	17%	-83%		37%		-3%

(1) 2017 total scope: Gloriès and le Forum des Halles are excluded from the scope of this indicator due to works affecting the metering systems in 2017.

(2) Excluding Galeria Mokotow, Carré Sénart, Cours Oxygène, La Part Dieu, Parly 2, Höfe am Brühl, Pasing Arcaden, Palais Vest, Fisketorvet, Eurostop Orebrö.

KPI: Carbon intensity from the energy consumption of standing assets (Scope 1 & 2) per area (kgCO₂eq/m²/year) [GRI 305-4]

Numerator: Greenhouse gas emissions from the energy consumption of standing assets (Scope 1 & 2) itself related to the Energy Consumption indicator.

Denominator: surface operated in m² (refer to Reporting Methodology, Section 2.7).

Portfolio coverage in gross market value: 92%.

	Scope	Total retail	Shopping Centres							Offices	
			Austria	Central Europe	France	Germany	Netherlands	Nordics	Spain	France	France
Total 2015	56/56	21	10	87	6	13	8	3	44	14/14	8
Total 2016	58/58	16	10	72	6	9	6	5	17	13/13	8
Total 2017	55/57 ⁽¹⁾	17	11	81	8	9	6	3	10	12/12	13
2016 Like-for-like	46/57	12	9	64	6	9	5	5	19	10/12	8
2017 Like-for-like	46/57	12	10	69	8	7	6	4	8	10/12	11
Evolution 2017/2016 (%)	46/57	-3%	9%	8%	22%	-22%	9%	-14%	-59%	10/12	40%
CUMULATIVE EVOLUTION 2017/2015 (%)		-32%	9%	-16%	-2%	-50%	-9%	39%	-85%		27%

(1) 2017 total scope: Gloriès and le Forum des Halles are excluded from the scope of this indicator due to works affecting the metering systems in 2017.

(1) Scope : owned and managed shopping centres and offices.

Other than greenhouse gas emissions from the energy consumption of its buildings, the main item of the Group's greenhouse gas emissions related to the operation of its

buildings is from the leak of refrigerants from heating and refrigeration appliances maintained by the property manager of sites owned and managed by the Group.

KPI: Greenhouse gas emissions from leaking refrigerants (kgCO₂eq) [GRI 305-6]

2017	Shopping Centres							
	Total retail	Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain
Refrigerants' emissions	2,059,596	530,400	469,560	721,404	174,960	76,200	0	87,072

2.3.2.4. Energy consumption

As part of its historical operational environmental performance process, Group is continuing to measure improvements in its energy efficiency by segment against the 2020 targets which involve reducing energy intensity by 25% (kWh/visit) and 35% (kWh/occupant) for owned & managed Shopping Centres and offices respectively compared with 2012 levels, and by 25% (kWh/m²JOOC) for conference and exhibition venues compared with 2014 levels.

In 2017, Shopping Centres owned & managed by the Group were stable in terms of absolute energy consumption in kWh on a like-for-like basis. Energy efficiency efforts deployed since 2012 have led to a cumulative reduction of 17% (kWh/visit) since 2012 and of 4% since 2015.

An energy efficiency attitude is well embedded in all existing processes relating to the technical management of each asset by gradually ensuring (see "A gradual and pragmatic approach to energy savings" below):

- ◆ daily optimisation of technical equipment;
- ◆ technical improvements through non-recurring annual maintenance works;
- ◆ intrinsic building works synchronised with the Group's value creation (5-year business plan).

In order to get the best ROI on energy efficiency solutions, the Group sets daily energy optimisation as its priority. Thus, actions to optimise operations in order to improve energy efficiency are being undertaken in all the assets managed by the Group thanks to the strong commitment of the Group's on-site teams 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 at December 31, 2017, five assets owned and managed by the Group (Shopping Centres and Offices) were using Energy Performance Contracts. Energy performance contracts are a contractual arrangement between Unibail-Rodamco and the maintenance contractor under which the latter makes firm commitments to improve the energy efficiency of a property asset. The commitments are underpinned by bonus-malus incentive clauses/and an explicit description of influencing factors that are unrelated to the contractor's performance (weather factors, variations in activity, comfort conditions, etc.).

These contracts encourage the supplier to commit to reducing energy consumption on site in order to promote its energy efficiency and manage the associated costs.

In 2016 the Group also launched a series of systematic, results-based energy audits on the basis of specifications tailored to the shopping centre sector with reports identifying quick wins as well as longer-term actions aimed at feeding into investment plans for assets. The bulk of the portfolio will have been audited by the end of 2018.

In terms of the upgrading technical equipment, the Group is systematically fitting its assets with Building Management Systems (BMS), so on-site teams can easily monitor and manage performance. Energy efficiency is also a crucial factor when it comes to choosing low consumption technical equipment, especially regular maintenance works related to lighting, heating, cooling and ventilation.

In line with the objectives of its new "Better Places 2030" CSR programme, in 2017 the Group accelerated the implementation of LED lighting technology across its existing portfolio (common and private areas). Two actions were undertaken in this respect:

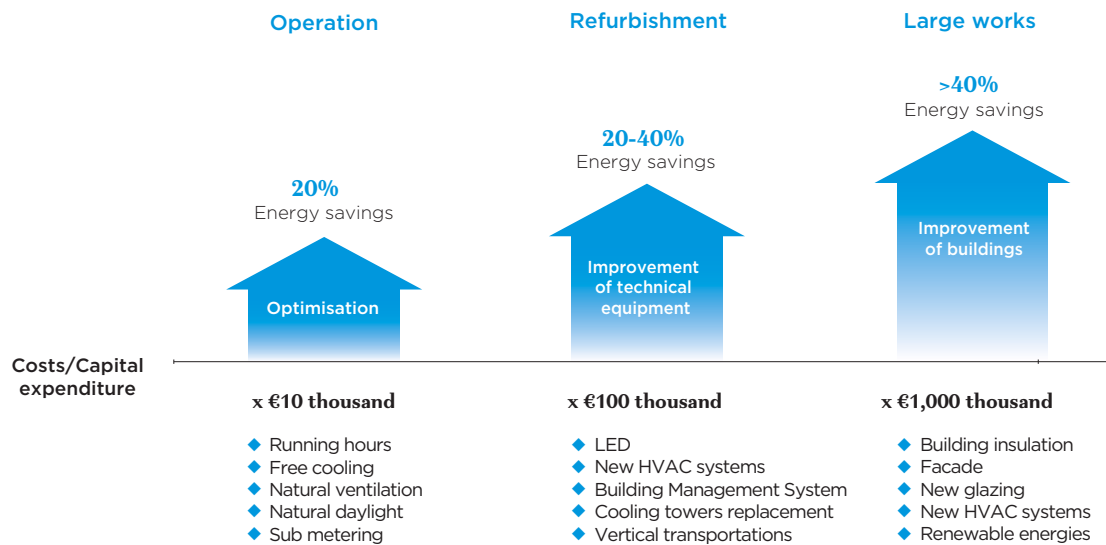
- ◆ budgets were increased in the Group assets' 2017 action plans to support the gradual replacement of existing light sources with LED (common areas, including car parks);
- ◆ retailers were gradually made aware of the LED installation programme in shopping centres owned and managed by the Group, through voluntary partnership agreements signed with international retailers and new tenancy agreements with provision for the systematic installation of LED lighting when renewing their concept, opening new stores or replacing their lighting. The breakdown of agreements between the Group and its tenants on arrangements for the installation of LED lighting is set out in Section 2.4.4 "Tenants and Retailers".

According to the LED mapping performed in 2017 in the common areas of the Group's owned and managed shopping centres, the LED equipment rate amounts to 43% in these areas. The Group has also consolidated for the first time in 2017 the roll out of LED lighting in private areas in its owned and managed shopping centres (mapping performed in 96% of its shopping centres).

The main improvements in the core building efficiency are synchronised with major developments and extension/renovation projects when the Group targets an environmental certification of the highest level.

Through increased energy efficiency together with its work with retailers, Unibail-Rodamco limits its exposure to rising energy prices and it builds protection against the risks of supply shocks.

A GRADUAL AND PRAGMATIC APPROACH
TO ENERGY SAVINGS



2.

KPI: Energy consumption (kWh) [GRI 302-1, 302-2, 302-4, 302-5]

Energy consumption includes both direct and indirect energy. Direct energy refers to primary source energy which is purchased and consumed on site (e.g. natural gas and fuel oil). Indirect energy refers to energy produced by and purchased from a third party in the converted form of electricity or fluid (e.g. electricity, heating/cooling network or steam). For Shopping Centres, Offices and Convention & Exhibition venues, final energy purchased to be used in common areas includes car parks and common equipment (heating & cooling, distribution power, ventilation, vertical transportation and lighting) and energy provided to tenants for heating and/or cooling. Electricity purchased by tenants is not included.

Portfolio coverage in gross market value: 92%.

	Scope	Total retail	Shopping Centres							Offices		Convention & Exhibition venues	
			Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain	Scope	France	Scope	France
Total 2015	56/56	449,641,931	51,477,626	94,261,768	132,677,954	52,669,883	7,774,299	57,140,050	53,640,351	14/14	39,317,608	9/9	153,622,896
Total 2016	58/58	469,549,837	50,628,978	94,413,112	145,103,506	63,240,278	7,072,551	60,582,710	48,508,702	13/13	37,309,121	9/9	106,241,865
Total 2017	55/57 ⁽¹⁾	486,739,518	53,896,392	99,703,722	133,872,948	63,820,053	6,714,228	84,953,828	43,778,347	12/12	40,120,113	8/8	110,712,485
of which direct energy (Scope 1)	55/57 ⁽¹⁾	54,805,787	16,727,233	9,894,471	11,811,407	13,190,927	2,321,968	0	859,781	12/12	1,330,655	8/8	18,487,265
of which indirect energy (Scope 2)	55/57 ⁽¹⁾	431,933,731	37,169,160	89,809,250	122,061,541	50,629,126	4,392,260	84,953,828	42,918,566	12/12	38,789,458	8/8	92,225,219
2016 Like-for-like	46/57	350,058,648	45,665,237	40,188,063	127,055,187	37,714,492	6,290,288	53,698,190	39,447,191	10/12	30,108,461	7/8	72,897,807
2017 Like-for-like	46/57	354,171,177	47,749,678	41,225,491	127,498,586	38,003,600	6,714,228	53,792,863	39,186,731	10/12	34,929,461	7/8	74,055,601
Evolution 2017/2016 (%)	46/57	1%	5%	3%	0%	1%	7%	0%	-1%	10/12	16%	7/8	2%
CUMULATIVE EVOLUTION 2017/2015 (%)		-3%	3%	2%	-12%	3%	6%	6%	-10%		2%		-15%

(1) 2017 total scope: Gloriès and le Forum des Halles are excluded from the scope of this indicator due to works affecting the metering systems in 2017.

KPI: Tenants' collected electricity consumption (kWh)

Private energy consumption by tenants includes electricity purchased by the site manager and distributed to private parts for the personal use of tenants (lighting, processes, ventilation) in the case of owned and managed shopping centres that distribute electricity to tenants and bill them for it.

2017	Shopping Centres ⁽¹⁾			
	Landlord: consumption of common electricity managed (kWh)	Tenants: private electricity consumptions (kWh)	Number of tenants	Area (GLA)
Split of electricity consumptions	63,326,499	67,335,349	1,507	497,600

(1) Scope: 5 shopping centers.

KPI: Financial impact resulting from variations in energy consumption (€) [GRI 302-4]

Total cost saved due to the reduction of energy consumption as measured by the Energy Consumption Indicator, estimated with an average energy cost per supplier.

Definition:

Difference in energy consumption year-on-year, "like-for-like scope".

Energy consumption difference multiplied by energy cost, per supplier, per asset and consolidated per region.

	Shopping Centres								
	Scope	Total retail	Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain
Energy consumptions evolution 2017/2016 (kWh)	46/57	4,112,529	2,084,441	1,037,428	443,400	289,108	423,940	94,673	-260,460
Financial savings 2017/2016 (€)	46/57	-142,998	128,877	66,839	-239,148	-26,141	44,455	-88,825	-29,055

KPI: Energy efficiency per usage (kWh/visit/year for Shopping Centres, kWh/occupant/year for Offices, kWh/m² DOP/year for Convention & Exhibition centres) [GRI 302-3]

Numerator: "Energy Consumption" indicator.

Denominator: usage indicator per business activity (refer to Reporting Methodology, Section 2.7).

Portfolio coverage in gross market value: 92%.

	Shopping Centres (kWh/visit)									Offices (kWh/occupant)		Convention and Exhibition venues (kWh/m ² DOP)	
	Scope	Total retail	Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain	Scope	France	Scope	France
Total 2015	55/56	0.69	1.16	1.15	0.50	0.75	0.21	1.33	0.51	14/14	2,028	9/9	5,37
Total 2016	57/58	0.68	1.15	1.13	0.45	0.92	0.20	1.40	0.46	13/13	2,040	8/9	3,55
Total 2017	55/57 ⁽¹⁾	0.79	1.51	1.17	0.55	0.83	0.23	1.61	0.46	12/12	2,557	8/8	4,25
2016 Like-for-like	36/57 ⁽²⁾	0.69	1.30	0.77	0.57	0.76	0.22	1.78	0.46	10/12	2,284	7/8	4,36
2017 Like-for-like	36/57 ⁽²⁾	0.69	1.34	0.84	0.56	0.77	0.23	1.75	0.46	10/13	2,679	7/9	4,83
Evolution 2017/2016 (%)	36/57 ⁽²⁾	0%	3%	9%	-2%	1%	5%	-2%	0%	10/14	17%	7/10	11%
CUMULATIVE EVOLUTION 2017/2015 (%)		-4%	2%	5%	-14%	4%	5%	3%	-10%		19%		-27%

(1) 2017 total scope: Gloriès and le Forum des Halles are excluded from the scope of this indicator due to works affecting the metering systems in 2017.

(2) Excluding Galeria Mokotow, Carré Sénart, Cours Oxygène, La Part Dieu, Parly 2, Höfe am Brühl, Pasing Arcaden, Palais Vest, Fisketorvet, Eurostop Orebrö.

KPI: Energy efficiency per area (kWh/m²/year) [GRI 302-3]

Numerator: "Energy Consumption" indicator.

Denominator: surface operated in m² (refer to Reporting Methodology, Section 2.7).

Portfolio coverage in gross market value: 92%.

	Scope	Total retail	Shopping Centres							Offices	
			Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain	Scope	France
Total 2015	56/56	146	168	250	133	100	82	131	161	14/14	133
Total 2016	58/58	139	163	250	118	107	71	140	131	13/13	127
Total 2017	55/57 ⁽¹⁾	157	180	238	143	111	73	185	134	12/12	144
2016 Like-for-like	46/57	139	163	243	137	91	69	147	141	10/12	128
2017 Like-for-like	46/57	144	175	239	145	92	73	159	139	10/12	149
Evolution 2017/2016 (%)	46/57	4%	7%	-2%	6%	1%	6%	8%	-1%	10/12	16%
CUMULATIVE EVOLUTION 2017/2015 (%)		-2%	4%	-4%	-7%	4%	-1%	16%	-20%		10%

(1) 2017 total scope: Gloriès and le Forum des Halles are excluded from the scope of this indicator due to works affecting the metering systems in 2017.

KPI: Installation of LED lighting in common areas of existing shopping centres (%)

This indicator represents the percentage of LED installations in the common areas of shopping centres owned and managed by the Group.

Installation of LEDs in the common areas of standing Shopping Centres	Scope (in number of shopping centres)	2017 ⁽¹⁾
Proportion of LED lighting in the common areas of existing shopping centres (%)	53/55	43%

(1) Measurement made at 30 June 2017 on the scope of owned and managed shopping centres at 31.12.2017.

KPI: Installation of LED lighting in private areas of existing shopping centres (%)

These indicators show the proportion of private areas as a percentage of the number of stores and in GLA of shopping centres owned and managed by the Group that are entirely fitted out with LEDs (share of LED lighting 80% or over).

Installation of LEDs in the private areas of standing Shopping Centres	Scope (in number of Shopping Centres)	2017
Share of private areas fully fitted with LEDs (in number of stores)	53/55	24%
Share of private areas fully fitted with LEDs (in GLA)	53/55	22%

2.3.2.5. Energy mix

Unibail-Rodamco works at reducing the environmental impact of the energy it consumes by purchasing low-carbon or renewable energy from suppliers and generating low-carbon/renewable energy on site. The electricity derived from renewable sources is covered by mechanisms of Guaranty of Origin as defined by the 2009/28/EC European Directive. It can be for instance generated from solar, wind, oceanic, hydroelectric, biomass or geothermic resources.

As part of its "Better Places 2030" strategy, the Group has particularly accelerated its transition towards sourcing 100% of its electricity from renewable sources ("green electricity") in order to meet its target of having in 2018 all of its owned and managed assets run on this type of carbon-free electricity. Thus, in 2017, "green" electricity contracts in place in 2016 were maintained by the Group and Spain, Slovakia and Germany joined the list of countries in which for a full reporting year all of the Group's Shopping Centres ran entirely on energy from renewable sources, leaving just two of the Group's regions that

are not yet run 100% on "green" electricity. In total, six of the seven regions where the Group is present ran entirely or partially on "green" electricity in 2017 and a "green" electricity contract has been signed in September 2017 for the last region not to be covered (France), to take effect on January 1, 2018.

The energy mix is a key focus. For example, the Group chooses district systems rather than natural gas to heat its buildings where possible, as in the case of the existing partnership using Climespace, a subsidiary of Engie for cold distribution to the Forum des Halles and Carrousel du Louvre. In Germany, the natural gas supplier of Minto shopping centre furthermore commits to compensate the greenhouse gas emissions linked to this energy supply to the Group.

The Group's policy of purchasing low-carbon emission 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 the strong and growing market demand for low-carbon and renewable energies.

This is why the Group wanted to extend this measure to shopping centre tenants who will have to sign renewable electricity supply contracts by 2020 at the latest. This commitment has been incorporated as a contractual requirement in all new tenancy standard agreements proposed by the Group since May 1, 2017. Moreover, ahead of this, in order to lay the groundwork for and accelerate this transformation, the Group has also been offering those tenants who wish to do so the opportunity to commit to using “green” electricity in the stores in its centres by signing targeted partnership agreements

with leading international retailers since 2016 (refer to Section 2.4.4 “Tenants & Retailers”).

Finally, some of the Group's Assets are fitted with systems to generate low-carbon or renewable energy. For example, solar panels are installed in 9 assets in Spain, Austria, and the Netherlands and produce renewable electricity for sale to the national grid. In Spain, two shopping centres are also equipped with tri-generation systems. For its heating and cooling needs, Aéroville, in France, also has an on-site geothermal energy production unit.

KPI: Carbon weight of energy mix (gCO₂eq/kWh) [GRI 305-1, 305-2]

Numerator: Indicator “Reduction of greenhouse gas (GHG) emissions from the energy consumption of standing assets”.

Denominator: “Energy consumption” indicator.

	Scope	Total retail	Shopping Centres							Offices		Convention & Exhibition venues	
			Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain	Scope	France	Scope	France
Total 2015	56/56	146	61	348	45	133	97	22	276	14/14	61	9/9	66
Total 2016	58/58	109	59	289	44	87	83	33	127	13/13	63	9/9	58
Total 2017	55/57 ⁽¹⁾	111	61	301	52	76	75	18	55	12/12	68	8/8	72
Evolution 2017/2016 (%)	46/57	-7%	0%	10%	18%	-30%	-1%	-19%	-59%	10/12	21%	7/8	24%
CUMULATIVE EVOLUTION 2017/2015 (%)		-31%	4%	-13%	8%	-57%	-13%	22%	-81%		16%		7%

(1) 2017 total scope: Gloriès and le Forum des Halles are excluded from the scope of this indicator due to works affecting the metering systems in 2017.

KPI: Direct and indirect final energy consumption by primary energy source (energy mix) (%) [GRI 302-1, 302-2]

Direct energy refers to the primary source of energy which is purchased and consumed on site in the same form (e.g. natural gas). Indirect energy refers to energy which was generated by and purchased from a third party in the form of electricity, heat or steam. Primary energy sources used to produce indirect energy are accounted for within total indirect energy in the table below.

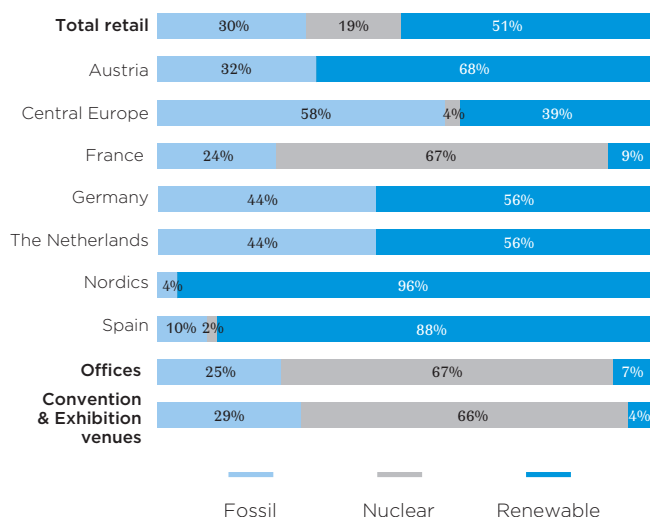
Portfolio coverage in gross market value: 92%.

2017 (in %)	Total retail ⁽¹⁾	Shopping Centres							Offices		Convention & Exhibition venues	
		Austria	Central Europe ⁽²⁾	France	Germany	The Netherlands	Nordics	Spain	France ⁽²⁾	France ⁽²⁾		
Nuclear	19 %	0%	4%	67%	0%	0%	0%	2%	67%	66%		
Direct natural gas	11%	31%	10%	9%	21%	35%	0%	2%	3%	17%		
Indirect natural gas	6%	0%	2%	11%	12%	9%	1%	6%	16%	10%		
Fuel oil	1%	0%	0%	3%	0%	0%	1%	0%	4%	1%		
Coal	11%	0%	45%	1%	11%	0%	1%	2%	2%	1%		
Other fossil fuels	1%	1%	0%	0%	0%	0%	2%	0%	0%	0%		
Sub-total: Fossil	30 %	32%	58%	24%	44%	44%	4%	10%	25%	29%		
Hydro power	26%	52%	15%	6%	50%	0%	22%	54%	3%	3%		
Wind power	10%	0%	1%	0%	0%	56%	38%	27%	0%	0%		
Solar power	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%		
Geothermal power	1%	0%	0%	0%	0%	0%	3%	0%	0%	0%		
Biomass based intermediate energy	9%	15%	15%	3%	6%	0%	12%	2%	3%	0%		
Other renewable sources	6%	0%	8%	1%	0%	0%	21%	5%	1%	1%		
Sub-total: Renewable	51%	68%	39%	9%	56%	56%	96%	88%	7%	4%		
TOTAL FINAL ENERGY (KWH)	486,739,518	53,896,392	99,703,722	133,872,948	63,820,053	6,714,228	84,953,828	43,778,347	40,120,113	110,712,485		
of which direct energy	54,805,787	16,727,232	9,894,471	11,811,407	13,190,927	2,321,968	0	859,781	1,330,655	18,487,265		
of which indirect energy	431,933,730	37,169,160	89,809,250	122,061,541	50,629,126	4,392,260	84,953,828	42,918,566	38,789,458	92,225,219		

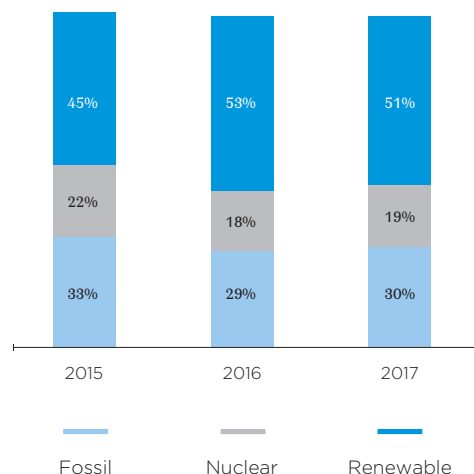
(1) 2017 total scope: Gloriès and le Forum des Halles are excluded from the scope of this indicator due to works affecting the metering systems in 2017.

(2) Gaps in totals may exist due to rounded figures.

2017 DIRECT AND INDIRECT ENERGY MIX BY REGION
(ALL OWNED & MANAGED ASSETS)



DIRECT AND INDIRECT ENERGY BY PRIMARY SOURCE
(OWNED & MANAGED SHOPPING CENTRES)



The primary energy mix varies from country to country and is mainly influenced by national electricity generation industries. The Group's voluntary low-carbon energy purchasing policy lowered the share of fossil energy in the final energy mix purchased by the shopping centres owned and managed by the Group from 42% in 2011 to 30% in 2017.

KPI: Electricity from renewable sources as a proportion of total electricity consumption of common areas and installation of assets owned & managed by the Group (%) [GRI 302-1]

The proportion of electricity from renewable sources consumed by common areas and common installations represents the amount of electricity from renewable sources purchased by a site as a proportion of the total electricity purchased by that site (refer to indicator "Energy consumption").

	Scope	Shopping Centres								Offices		Convention & Exhibition venues	
		Total retail	Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain	France	Scope	France	
Total electricity consumption 2015 (kWh)	56/56	266,272,604	29,25,612	64,478,388	80,639,162	24,559,896	3,571,071	30,246,216	33,521,259	14/14	23,271,364	9/9	95,708,224
Of which green electricity purchase 2015 (kWh)	24/56	123,736,835	29,256,612	38,264,575	0	22,398,361	3,571,071	30,246,216	0	0/14	0	0/9	0
Of which green electricity purchase 2015 (%)	24/56	46%	100%	59%	0%	91%	100%	100%	0%	0/14	0%	0/9	0%
Total electricity consumption 2016 (kWh)	58/58	269,330,966	28,109,422	64,451,305	78,458,932	30,968,619	3,573,269	33,506,032	30,263,387	13/13	21,778,113	9/9	85,434,924
Of which green electricity purchase 2016 (kWh)	37/58	150,966,661	28,109,422	33,388,084	0	29,560,452	3,573,269	33,506,031	22,829,404	0/13	0	0/9	0
Of which green electricity purchase 2016 (%)	37/58	56%	100%	52%	0%	95%	100%	100%	75%	0/13	0%	0/9	0%
Total electricity consumption 2017 (kWh)	55/57 ⁽¹⁾	275,707,684	28,277,096	64,522,238	81,752,073	28,645,940	3,770,220	42,143,375	26,596,742	12/12	21,369,654	8/8	76,683,364
Of which green electricity purchase 2017 (kWh)	36/57 ⁽¹⁾	163,197,860	28,277,096	33,764,487	0	2,645,940	3,770,220	42,143,375	26,596,742	0/12	0	0/8	0
Of which green electricity purchase 2017 (%)	36/57 ⁽¹⁾	59%	100%	52%	0%	100%	100%	100%	100%	0/12	0%	0/8	0%

(1) 2017 total scope: Gloriès and le Forum des Halles are excluded from the scope of this indicator due to works affecting the metering systems in 2017.

KPI: Energy from renewable sources as a proportion of total consumption from heating and cooling networks of assets owned & managed by the Group (%) [GRI 302-1]

Energy from renewable sources consumed by heating and cooling networks refers to the energy from renewable sources present in the energy mix of the network powering the site as a share of total energy consumption from those networks (refer to Indicator "Energy consumption").

2017	Scope	Total Retail	Shopping Centres							Offices		Convention & Exhibition	
			Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain	Scope	France	Scope	France
Consumption of energy from district heating and cooling networks (kWh)	55/57 ⁽¹⁾	156,226,047	8,892,064	25,287,011	40,309,468	21,983,187	622,040	42,810,453	16,321,824	12/12	17,419,804	8/8	14,962,559
of which share generated by renewable sources (kWh)	55/57 ⁽¹⁾	60,525,191	8,440,715	1,533,269	6,892,429	5,768,563	0	30,597,078	7,293,137	12/12	1,271,586	8/8	0
of which share generated by renewable sources (%)	55/57 ⁽¹⁾	39%	95%	6%	17%	26%	0%	72%	45%	12/12	7%	8/8	0%

(1) 2017 total scope: Gloriès and le Forum des Halles are excluded from the scope of this indicator due to works affecting the metering systems in 2017.

KPI: Energy from renewable sources as a share of total direct energy consumption of assets owned & managed by the Group (%) [GRI 302-1]

Energy from renewable sources as a share of the energy mix of direct energy purchased and consumed by sites (natural gas, fuel oil) is negligible in 2017 owing to high prices and the low penetration rate of this technology.

KPI: Renewable electricity produced (kWh) and greenhouse gas emissions avoided (kgCO₂eq) [GRI 302-1, 302-2, 302-5]

Electricity output from photovoltaic plants installed at nine shopping centres in Spain, Austria, and the Netherlands.

Renewable electricity produced on site is sold to the public network and not consumed on site. The greenhouse gas emissions avoided as a result of this production are the emissions that would have been generated by the production of the same quantity of final electricity based on the electricity mix in the country in question. These assets permit the electricity supplier to produce this quantity of electricity and therefore the equivalent CO₂ emissions are indirectly saved.

	2015	2016	2017
Renewable energies produced on site (kWh)	1,120,546	1,026,965	1,091,554
Corresponding greenhouse gas emissions avoided (kgCO ₂ eq)	271,762	248,430	263,636

2.3.2.6. Use of resources

Unibail-Rodamco's resource use policy covers materials, water, waste and biodiversity. In-house Environmental Management Systems for new developments and existing assets provide clear, comprehensive guidelines on the use of resources. Certification systems and third-party audits are used to validate these guidelines and ensure that imposed standards are met.

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 used in 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, bio-sourced materials, recycled materials, etc.);

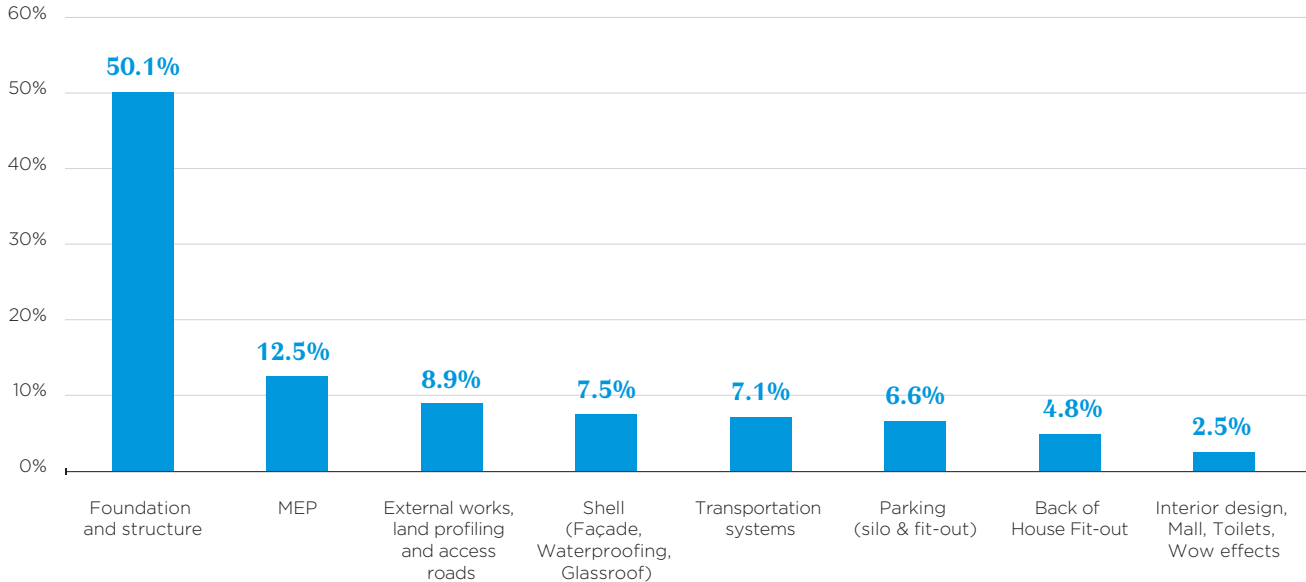
- ◆ insisting that subcontractors put forward alternative solutions optimised in terms of their carbon content;
- ◆ adopting a purchasing policy which includes criteria for the carbon content of products and construction materials (requiring environmental and health and safety certification – Environmental Product Declarations and "Fiches de Déclaration Environnementale et Sanitaire" in France) and energy mix in the countries where the materials are manufactured.

In 2017 a methodology for measuring the carbon footprint of new development projects was developed and rolled out by the Group across several projects under development, particularly in order to promote the use of optimal materials with a view to moving towards a smaller carbon footprint for each project.

This policy will ensure that materials are matching the carbon goals, that reused of existing structures and materials will be examined, and that preference will be given to materials with low environmental impact and to recycled products. The Group began work on identifying and ranking materials as well as seeking alternative solutions so as to produce guidelines for development teams and suppliers (list of preferred materials and those to be avoided). Similarly, the Group is working on the last of the projects to produce guidelines on low-carbon interior design.

In the case of a conventional shopping centre project the carbon impact follows the Pareto principle: around 20% of construction materials account for 80% of the construction carbon impact of a project. Most of the carbon impact is generated by the structure of the building. This is followed by technical

equipment, earthwork and road systems, building insulation (facade and waterproofing) and transport infrastructure (escalators and lifts). On average, fixtures, fittings and finishing works account for less than 3% of carbon impact.



With this in mind, 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.

For example, the Group now uses low-carbon cements in the foundations of the Trinity office project, covering infrastructure of Avenue de la Division Leclerc, and composite floors of the office spaces. This type of cement, which minimises the amounts of Portland cement by adding industrial by-products to it, such as blast furnace slag, fly ash, etc., is currently being studied for other development projects.

Although there are still many regulatory hurdles to clear, such as fire safety and insurance, in order to be able to establish a strong reuse strategy in public access buildings (in French, "Établissements recevant du public", or ERP), the Group takes an interest in circular economy initiatives, reuse of materials and recovery of construction waste. In 2017, the Group participated in the Démoclès request for proposals for better waste recovery from finishing works in the construction industry in close partnership with local industries and stakeholders (see section 2.3.2.6. "Waste").

◆ Healthy interior surfaces

The materials should not exceed the emission thresholds for volatile organic compounds set by the European Union.

As such, the BREEAM certification the Group is seeking for development projects requires 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.

For office projects, interior air quality can be measured following the completion of works so as to certify the performance of materials used and the standard of comfort offered to future occupants.

◆ A responsible supply chain

In line with BREEAM certification requirements, the Group's materials policy specifies that at least 80% of wood used in development, extension and renovation projects must be responsibly sourced (*i.e.* from certified, managed forests with FSC or PEFC for example) and that 100% must be legally sourced. Where possible, materials certified ISO 14001 are used to attest to the responsible supply chain.

This policy is systematically specified in tender documents for construction projects and all contractors are asked to abide by its terms. The Group works with reputable construction companies. In-house project managers are asked to pay closer attention to this contractual requirement. Nevertheless, given the low volumes involved and the nature of the manufactured products purchased, it is not possible to monitor the weight, nor the origins of the wood used in all projects. The Group aims to obtain "post-construction" final certification according to the BREEAM standard for as many projects as possible. As part of this certification process, the sourcing of wood used during construction is verified and validated.

In line with BREEAM "In-Use" certification requirements for its managed assets, the Group deploys a specific addendum regarding materials in the purchasing contracts signed with the main service providers (use of less polluting materials, use of certified wood, etc.).

Water

The materiality study pointed out that water is not a key environmental issue for Unibail-Rodamco. Indeed, the assets of the Group's portfolio, as the ones of the market, are not considered as being significant water consumers. Moreover, its location in continental European countries means that water scarcity is not a risk, except for three shopping centres located in Spain. In 2012, with the support of the WBCSD Global Water Tool, the Group simulated its exposure to water scarcity for its entire owned and managed portfolio. In 2015, the analysis was updated according to the "Mean Annual Relative Water Stress Index" and showed that 85% of the Group's assets are located in areas with no or limited water scarcity issues.

Consequently, the Group has not set any long-term water target published in its CSR Strategy, "Better Places 2030". However, as part of monitoring policy of its resource use, reducing water consumption is still an operational target on sites and continues to be closely tracked and managed.

Based on environmental best practice, the Group is taking active steps to limit water consumption, reduce 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. Run-off water collected from car parks is treated before being disposed of through municipal networks. Closed-circuit systems are being favoured to reuse water during the testing of sprinkler equipment.

At existing assets, the Group relies on a close cooperation with tenants to reduce water consumption. "Green leases" and tenants sustainability committees are used to help raise awareness and assist with water management.

At new developments and during renovations and extensions, water consumption is a determining factor in the choice of technical equipment (toilets, urinals, taps, sprinkler systems, cooling systems, etc.). The "Design Guidelines" provide clear steps on how to achieve water efficiency from the design stage.

In 2017, water efficiency at owned and managed Shopping Centres decreased by 0.66% on a like-for-like basis compared with 2016. This accounts for a cumulative trend of -21% in litres/visit since 2012 and the cumulative trend remained stable since 2015.

The variability of billing frequency and the reading of meters to allow water companies to make adjustments, which is mainly an issue in France, also introduces a degree of variability in the data reported and a possible delay in recording actual consumption.

◆ Reused water

In 2017, the shopping centres Donau Zentrum, Centrum Cerny Most, Centrum Chodov, Stadshart Almere, La Maquinista collected 163,350 m³ of rainwater and ground water on site, which were re-used for cleaning and watering of green spaces.

Moreover 22 shopping centres across the Group reuse the water from the periodic regulatory sprinkler tests.

KPI: Water consumption (m³) broken down by use (%) and by source [GRI 303-1]

The table below shows water purchased from the district network for common and private use (restrooms, cleaning, heating & cooling systems, sprinkler systems, watering of green spaces, etc.). Water consumption in tenants' premises is indicated as a percentage when consumption can be measured.

	Scope	Shopping Centres								Offices		Convention & Exhibition venues	
		Total retail	Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain	Scope	France	Scope	France
Consumption of water from the district network.													
Total 2015	56/56	2,783,073	241,738	464,972	974,166	208,641	17,614	290,651	585,292	14/14	140,195	9/9	546,067
Total 2016	57/58	3,026,768	255,600	474,049	1,076,575	261,075	20,764	288,793	649,911	13/13	121,689	9/9	330,258
2017 Total	56/57 ⁽¹⁾	3,042,720	260,614	479,509	983,537	264,007	21,201	380,735	653,117	12/12	125,795	7/8 ⁽²⁾	325,019
of which tenant consumption 2017 (%)	56/57 ⁽¹⁾	52	57	49	53	68	24	0	54	12/12	/	7/8 ⁽²⁾	/
2016 Like-for-like	46/57	2,303,963	216,142	230,660	1,032,156	148,412	15,880	242,194	418,518	10/12	95,223	6/8	210,164
2017 Like-for-like	46/57	2,251,648	211,246	230,850	944,672	154,869	21,201	273,885	414,925	10/12	89,063	6/8	194,670
Evolution 2017/2016 (%)	46/57	-2%	-2%	0%	-8%	4%	34%	13%	-1%	10/12	-6%	6/8	-7%
CUMULATIVE EVOLUTION 2017/2015 (%)		0%	3%	3%	-13%	10%	47%	12%	10%		-3%		-30%

(1) The Forum des Halles is excluded from 2017 total perimeter due to works affecting the metering systems in 2017.

(2) Espace Grande Arche is excluded from 2017 total perimeter due to an invoicing delay.

The table below shows water withdrawals at sites from other sources (off-network) for Group assets that are diversifying their supply (rainwater, ground water etc.) and are able to account for the volumes withdrawn.

Consumption of water from other sources in 2017 (m ³)	Scope	Retail ⁽¹⁾
Rainwater	56/57	98,644
Groundwater (water table)	56/57	64,706
Other sources ⁽²⁾	56/57	233,442
Total water withdrawals other than water purchased from the local network	56/57	396,792

(1) The French assets included in the reporting scope only draw water from the district network, so there are no additional water sources for offices and convention and exhibition centres.

(2) Surface water including marshes, rivers, lakes and sea / Waste water disposed of by another organisation (grey water) / Desalination of sea water, etc.

KPI: Financial impact due to variations in water consumption (€) [GRI303-1]

Total cost saved thanks to the reduction of water consumption as measured by the “Water Consumption” indicator, estimated with an average water cost per supplier.

Definitions:

Difference in water consumption year-on-year, “like-for-like scope”.

Water consumption difference multiplied by water cost, per supplier, per asset and consolidated per region.

	Shopping Centres								
	Scope	Total retail	Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain
Water consumption evolution 2017/2016 (m ³)	46/57	10,595	-4,896	190	-24,574	6,457	5,321	31,691	-3,593
Financial savings 2017/2016 (k€)	46/57	-77	-12	8	-128	16	5	44	-11

KPI: Water intensity per usage (Litre/visit/year for Shopping Centres, litre/occupant/year for Offices, litre/m² DOP/year for Convention & Exhibition centres) [GRI 303-1]

Numerator: Water purchased from the district network (“Water consumption” indicator).

Denominator: usage indicator per business activity (refer to Reporting Methodology, Section 2.7)

	Shopping Centres (litre/visit)									Offices (litre/occupant)		Convention & Exhibition venues (litre/m ² DOP)	
	Scope	Total retail	Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain	Scope	France	Scope	France
Total 2015	55/56	4.27	4.78	5.66	3.71	2.99	0.48	6.76	5.52	14/14	7,216	9/9	19.10
Total 2016	57/58	4.57	7.27	5.69	3.84	3.27	0.58	6.66	6.17	13/13	6,650	9/9	11.04
Total 2017	56/57 ⁽¹⁾	4.82	7.31	5.61	4.05	3.42	0.74	7.23	6.00	12/12	8,006	7/8 ⁽²⁾	12.62
2016 Like-for-like	36/57 ⁽³⁾	4.54	6.15	5.54	4.41	2.52	0.55	7.22	4.92	10/12	7,089	6/8	12.81
2017 Like-for-like	36/57 ⁽³⁾	4.51	5.93	5.60	4.15	2.62	0.74	8.47	4.89	10/12	6,794	6/8	12.98
Evolution 2017/2016 (%)	36/57 ⁽³⁾	-1%	-4%	1%	-6%	4%	35%	17%	-1%	10/12	-4%	6/8	1%
CUMULATIVE EVOLUTION 2017/2015 (%)		1%	-2%	2%	-11%	/	48%	16%	11%		15%		-16%

(1) The Forum des Halles is excluded from 2017 total perimeter due to works affecting the metering systems in 2017.

(2) Espace Grande Arche is excluded from 2017 total perimeter due to an invoicing delay.

(3) Excluding Galeria Mokotow, Carré Sénart, Cours Oxygène, La Part Dieu, Parly 2, Höfe am Brühl, Pasing Arcaden, Palais Vest, Fisketorvet, Eurostop Orebrö.

KPI: Water consumption per area (litre/m²/year) [GRI 303-1]

Numerator: water purchased from the district network (indicator “Water consumption”).

Denominator: surface operated in m² (see Reporting Methodology, Section 2.7).

	Shopping Centres									Offices	
	Scope	Total retail	Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain	Scope	France
Total 2015	56/56	838	855	1,069	903	482	482	667	1,127	14/14	474
Total 2016	57/58	827	858	1,093	860	415	438	669	1,152	13/13	413
Total 2017	56/57 ⁽¹⁾	863	919	987	904	431	735	830	1,151	12/12	453
2016 Like-for-like	46/57	849	801	1,100	1,016	346	463	665	1,068	10/12	407
2017 Like-for-like	46/57	837	826	1,013	930	362	735	808	1,050	10/12	380
Evolution 2017/2016 (%)	46/57	-1%	3%	-8%	-8%	5%	59%	21%	-2%	10/12	-7%
CUMULATIVE EVOLUTION 2017/2015 (%)		-2%	4%	-6%	-13%	/	19%	22%	0%		4%

(1) The Forum des Halles is excluded from 2017 total perimeter due to works affecting the metering systems in 2017.

Waste

Unibail-Rodamco's waste management approach is designed to maximise recycling and minimise disposal to landfill

In all existing assets, tenants are regularly informed and made aware of local on-site waste management policies and processes. Both supplier purchasing contracts and tenant "green leases" establish the minimum requirements to be met for waste-sorting and recycling. Suitable waste segregation facilities are in place in all assets. Unibail-Rodamco's waste management responsibilities and reporting scopes may vary by region. 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 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.

In 2017, 42% of waste was valorised through reuse, recycling, composting, or methanisation and 36% were valorised through energy recovery. In total, 78% of the waste generated in the Group's managed Shopping Centres is recycled, reused or valorised, compared to only 61% in 2012.

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 tonnes they generate. A better waste selection enables tenants to reduce the tons of residual waste for which the final disposal is more expensive. It offers them the opportunity to minimise their charges. This system contributes efficiently to improving the recycling rate.

The Group's development projects are built in line with in-house Design Guidelines and BREEAM certification, which require waste management plans and specific reduction/reuse/recycling targets as standard practice. Unibail-Rodamco's Considerate Construction Charter, which sets out the Group's requirements and recommendations for

optimising the environmental quality of its construction sites in order to create a positive experience for the workforce, local communities and people living nearby, includes waste recycling targets and financial incentives for construction contractors. Signing the charter is a pre-requisite for companies signing construction contracts. It should be noted that Unibail-Rodamco works with large, reputable construction firms, which also apply their own certified construction and demolition waste management schemes.

In 2017, the Group joined the Democlès programme, coordinated by Recylum, to bolster its waste from demolition and dismantling management policy. For example, a 90% waste recovery rate is the target for the demolition of the 3,000 car park as part of the Lyon Part-Dieu shopping centre extension project. The group is in the process of identifying a pilot project in order to determine more accurately the waste due to demolition, in particular site preparation work on commercial spaces leased to retailers, and will contribute to an effort to recycle this waste in conjunction with the best companies available in a given geographic area. On a wider scale, future extension, redevelopment and renovation projects will fit into a circular economy approach that aims to identify opportunities for recycling demolition waste right in the local area, in close cooperation with local stakeholders (local authorities, urban planners, industrial companies, local associations, etc.).

As part of its start-up accelerator programme, in 2017 the Group selected Phenix to work on streamlining the recycling of waste produced by its assets. Two pilot projects have been set up in partnership with Phenix to create new functions in order to recycle the waste from shopping centres that would otherwise be destined for disposal.

Offices and Convention & Exhibition business units are excluded from the scope of waste indicators. At Convention & Exhibition venues, waste is managed by exhibition planners and exhibitors rather than the Group's team. At Offices, a waste collection service, whether ensured by a private company or the local authority, is shared with other buildings and owners in order to optimise waste disposal truck routes. Consistent and separate data tracking for the Group is therefore not yet available.

KPIs: Total waste generated (tonnes) and share of recycled and valorised waste (%) [GRI 306-2]

These indicators represent all total waste collected on site (common and tenant areas) as well as the share of waste recycled or valued using other disposal routes: recycled waste includes compost, incineration with energy recovery and landfill with energy recovery of biogas.

	Scope	Total retail	Shopping Centres						
			Austria	Central Europe	France	Germany	Netherlands	Nordics	Spain
Total 2015	56/56	58,388	5,561	5,144	23,256	4,261	829	6,895	12,441
of which recycled waste 2015 (%)	52/56	32 %	40 %	20 %	26 %	53 %	35 %	37 %	33 %
of which valued waste 2015	52/56	50 %	60 %	28 %	62 %	42 %	23 %	63 %	26 %
Total 2016	55/58	65,244	5,904	9,464	23,942	5,173	626	6,763	13,372
of which recycled waste 2016 (%)	55/58	36 %	42 %	34 %	28 %	66 %	63 %	40 %	34 %
of which valued waste 2016 (%)	55/58	37 %	58 %	13 %	51 %	22 %	37 %	60 %	14 %
Total 2017	56/57 ⁽¹⁾	70,832	6,763	8,859	25,378	5,412	495	9,683	14,241
of which recycled waste 2017 (%)	56/57 ⁽¹⁾	37 %	46 %	31 %	29 %	69 %	50 %	44 %	36 %
of which valued waste 2017 (%)	56/57 ⁽¹⁾	40 %	54 %	36 %	49 %	31 %	49 %	46 %	16 %

(1) Stadshart Almere shopping centre is excluded from the scope of this indicator because its waste is directly managed by the municipality.

KPI: Split of total waste by method of treatment (%) [GRI 306-2]

Weight of hazardous and non-hazardous waste broken down by treatment method.

The disposal of most hazardous waste is managed directly by the maintenance contractors who are responsible for it, using the appropriate disposal route.

2017	Shopping Centres							
	Total retail	Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain
TOTAL WASTE (IN TONNES)⁽¹⁾	70,832	6,763	8,859	25,378	5,412	495	9,683	14,241
Recycling/Reuse/Compost/Methanisation (%)	42 %	46 %	45 %	35 %	69 %	50 %	44 %	39 %
Incineration with Energy recovery (%)	26 %	29 %	14 %	37 %	24 %	49 %	38 %	5 %
Incineration without Energy recovery (%)	1 %	0 %	0 %	0 %	0 %	0 %	0 %	2 %
Landfill with energy recovery (%)	10 %	25 %	19 %	7 %	6 %	0 %	8 %	8 %
Landfill without energy recovery (%)	16 %	0 %	0 %	21 %	1 %	0 %	0 %	43 %
Managed by local authority ⁽²⁾ (%)	4 %	0 %	19 %	0 %	0 %	1 %	9 %	2 %
Other (%)	1 %	0 %	4 %	1 %	0 %	0 %	0 %	0 %

(1) Stadshart Almere shopping centre is excluded from the scope of this indicator because its waste is directly managed by the municipality.

(2) Information on how local authorities manage the waste they collect is not available.

KPI: Split of total waste by type (tonnes) [GRI 306-2]

2017	Shopping Centres							
	Total retail	Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain
TOTAL WASTE (IN TONNES)⁽¹⁾	70,832	6,763	8,859	25,378	5,412	495	9,683	14,241
Cardboard	16,903	1,662	1,568	6,100	1,753	149	2,354	3,317
Pallet & Wood	1,369	123	4	317	44	0	376	505
Plastic	1,361	177	73	278	136	0	88	609
Glass	1,418	154	51	282	108	19	420	386
Ordinary Industrial Waste/Mixed waste	38,036	1,919	5,090	15,736	2,193	321	4,583	8,195
Organic Bio Waste	6,784	1,716	239	1,940	709	6	1,438	737
Cooking oil	539	478	0	1	4	0	53	4
Green waste	43	0	0	19	24	0	0	0
Metals	156	39	0	56	25	0	8	27
Batteries*	6	0	0	3	0	0	1	2
Electrical and electronic equipment waste*	46	0	1	3	2	0	37	4
Bulky waste	657	28	0	242	12	0	50	325
Other	3,512	468	1,833	401	403	0	277	131

* Hazardous waste collected on site as part of standard operations managed by the asset property manager.

(1) Stadshart Almere shopping centre is excluded from the scope of this indicator because its waste is directly managed by the municipality.

Biodiversity

Unibail-Rodamco has developed a clear strategy and methodology for integrating biodiversity and ecology into its activities. The Group worked closely with biodiversity experts to define and implement its approach to these issues and has incorporated these principles in the "Design Guidelines". Unibail-Rodamco's corporate policy measures the potential biodiversity impact and the way it is addressed and managed through the BREEAM certification for all new development projects and is being extended to BREEAM "In-Use" for existing assets.

For all development projects involved in a BREEAM certification process (i.e. projects over 10,000 m²), an ecologist is systematically appointed to the design team. The ecologist advises the architects and designers on the most appropriate plant species to choose for the development project, taking into account their relevance to local habitats and their potential to create a positive ecological impact by enhancing and/or

conserving local fauna and flora. For all other development projects, the site is checked to estimate its potential and ensure that all opportunities to foster biodiversity are explored. An impact assessment, which includes an environmental/biodiversity component, is a pre-requisite for obtaining a building permit and commercial planning permission in France. A public consultation is also carried out as part of this process.

Under the supervision of the international landscape artist Jean Mus, more than 1,000 trees were planted at Polygone Riviera the first lifestyle open-air mall in France, located in the French Riviera (Cagnes-sur-Mer), which was inaugurated in October 2015. The Mall of Scandinavia shopping centre (Stockholm), inaugurated in November 2015, achieved 70% of credits in the "Land Use and Ecology" Section in the BREEAM interim certification, helping it in 2014 to become the first shopping centre in Sweden to obtain an overall "Excellent" rating (design stage). The development projects (new projects and extensions) delivered in 2017 have also adopted this approach, as in the case of the Chodov and Carré Sénart

extensions which have achieved 90% and 70% of credits in the “Land Use and Ecology” category. Other current development projects have a specific biodiversity component with the use of green roofs in the heart of the city, such as the Gâté Montparnasse project in Paris and the project to extend La Part-Dieu in Lyon.

Existing assets benefit from an equally pragmatic approach as far as biodiversity and ecology are concerned, even though the very dense urban locations of most assets severely limit the potential to enhance biodiversity. As a result, Unibail-Rodamco’s main focus is on creating “green” spaces, such as green roofs and green walls, and carefully selecting the plant species. The Group undertakes a biodiversity study prior to major renovations and/or extensions. Gap analysis methodology is used to measure the site’s ecological potential against its initial status.

In keeping with its commitment to turn its assets into better living spaces, the Group has begun research and development into urban agriculture and beekeeping projects at a number of its assets. Other than the benefits in terms of diversification of usage and consumption patterns, this type of project also has a positive impact on promoting biodiversity in cities. As such, the Group is working with the start-up “Sous les Fraises”, selected in 2016 as part of its UR Link programme, to trial urban agricultural production on the roofs of its assets. In 2017, two urban agriculture pilots were developed with “Sous les Fraises” on the roofs of the Group’s assets. Moreover, a number of the Group’s shopping centres already have beehives and produce their own honey. One such example is the shopping centre Mall of Scandinavia which has a green roof and an urban beekeeping centre which has housed beehives with over 250,000 bees since Spring 2016. Another is the Minto shopping centre which introduced beehives and bee-attracting plants on its roof in 2017 and which sells its own honey.

The BREEAM “In-Use” certification policy ensures that, biodiversity issues are well addressed and promoted to achieve high standards. Design and development teams at Unibail-Rodamco are responsible for ensuring that biodiversity impact assessments are commissioned and that the biodiversity expert’s recommendations (e.g. choice of plant species) are implemented. Once the 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 Corporate Sustainability team monitors the application of the Group’s biodiversity policy and is there to provide additional support to operating teams if necessary.

2.3.2.7. Health & Safety and environmental risks and pollution

Unibail-Rodamco is fully aware and mobilised regarding the health and safety of its employees, customers, tenants, suppliers, contractors and local communities. The Group’s main concern is to prevent potential risks to people and the environment. The Group complies of course with all applicable health and safety legislation and often exceeds minimum standards required by laws to ensure a higher standard of health and safety in its assets.

As such the Group has drawn up an appropriate health and safety risk management policy which includes rules and guiding principles at Group level. These are supplemented at local level by additional procedures imposed by local legislation. This Group policy includes, in particular, an annual review of health and safety risks at standing assets and the inspection and continuous improvement of these buildings and technical

equipment liable to have an impact on the environment or on personal safety. Monitoring is conducted by on-site teams and checked every year by external auditors. This proactive strategy is part of the broader and more comprehensive framework that is the Group’s risk management policy which has been drawn up with the activities at each site in mind.

The main areas covered by the Group’s risk management policy are air and water quality, asbestos, soil and air pollution, legionnaires’ disease, electromagnetic radiation, installations classified under the European Directive for Pollution Prevention and Control, which covers the risk of soil pollution, technical and safety installations and measures such as lifts and escalators and fire extinguishing and alarm systems.

For example: in order to reduce its exposure to the risk of legionnaires’ disease, as soon as possible the Group will be replacing “open” cooling towers with systems which will permanently eradicate this risk on the sites in question. The Group continued its reduction effort with 18 managed shopping centres or conference centres still equipped with “open” cooling towers under the Group’s responsibility at the end of 2017, compared with 31 in 2014.

In 2017, like every year, Unibail-Rodamco continued to perform Health & Safety assessments conducted by an independent third party in each country where the Group operates. The auditor visits each asset to carry out a risk assessment based on a framework which incorporates legalisation and Group policies to check that these are being complied with. He or she awards the site a general score which reflects the extent to which health and safety risks are monitored.

There are four ratings:

- A. corresponding to satisfactory risk management and monitoring;
- B. corresponding to satisfactory risk management and monitoring, with improvements still needed for certain indicators;
- C. areas of non-compliance requiring the implementation of corrective actions;
- D. corresponds to unsatisfactory risk management and monitoring.

In addition to the risk rating and the assessment report for each asset, a personalised action plan which is followed every day by operational teams is systematically updated following each assessment in order to improve the quality of risk monitoring at each managed asset 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 any corrective actions identified have been implemented.

This in-house “Health & Safety” management system enables the Group to monitor and assess its risk performance on a day-to-day basis, and maintains a high level of risk management culture embedded within operating and shopping centre management teams. In 2017, 97% of scores obtained by audited sites (Shopping Centres, Offices, Convention & Exhibition) improved or remained stable compared with 2016. 87% of audited sites obtained an “A” level (best rating). No asset obtained a “C” rating. No D rating has been given in these last six years.

Moreover, every year the Group’s Purchasing, Maintenance, Property & Sustainability Department reviews across all of the Group’s regions. This exercise is a means of taking stock, on a site-by-site basis, of the actions implemented over the previous year and also of presenting and validating the action plan for the current year. The main critical points and actions implemented

(or that the sites wish to implement) are addressed. Following these reviews a report is produced for each country.

The Group also places a particular emphasis on training in risk prevention. As such, all new employees of the Group's Purchasing, Maintenance, Property & Sustainability Department attend a two-day course on risk monitoring delivered by the Synergy and Expertise Department. On-site teams are trained in first aid techniques and maintain close relationships with local emergency services (fire brigade, paramedics and police). Defibrillators made available for security staff have been installed in all Shopping Centres across Europe.

In 2017, the Group also rolled out across all countries a regulatory monitoring tool covering health and safety and environmental matters among others.

The Group's acquisitions and developments are also covered by the policy of risk management and subject to health and safety and environmental risk analysis.

As such, Unibail-Rodamco's acquisition process incorporates an assessment of technical, regulatory, health and safety and environmental risks, including soil pollution, as part of its pre-acquisition due diligence. For new developments, the Group complies with all applicable regulation regarding health, safety and environmental matters. An assessment of the environmental impact is carried out at a very early stage. In the event that a health issue is identified (land degradation & pollution and asbestos in particular) this assessment may result in works to ensure the site is suitable for future use in order to ensure a safe environment for users, retailers and visitors. Moreover, the Group ensures that the action plans and preventative measures are implemented by contractors during construction.

There is no provision for environmental risk in the Group's accounting in 2017.

KPI: Annual risk management assessment [GRI 416-1]

Total number and percentage of owned and managed assets having been subject to a risk assessment carried out by a third party and ratings obtained and their progression.

2017	Total retail	Shopping Centres							Offices	Convention & Exhibition venues	Total Group
		Austria	Central Europe	Germany	France	Netherlands	Nordics	Spain	France	France	
Total number of owned and managed assets	54	2	6	8	19	3	5	11	6	7	67
Number of owned and managed assets audited by a third party ⁽¹⁾	54	2	6	8	19	3	5	11	6	7	67
Assessment coverage (%)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
% of audited sites in improvement or stable regarding 2016	98%	100%	100%	100%	95%	100%	100%	100%	100%	86%	97%
% of audited sites obtaining an A or B annual score	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(1) Sites not audited this year: Eurostop Örebro (divestment), Eurostop Arlanda (divestment), Arninge (divestment) and Issy Guynemer (major restructuring).

KPI: Soil pollution and site remediation

Annual (for current year) monetary expenses for soil detoxification/site remediation and volumes that have been detoxified.

	2017
Monetary expenses in depollution (k€)	9,275
Volumes concerned (m ³)	214,438

The increase in monetary expenses and volumes compared to 2016 is due to the start of earthworks and land profiling in construction works launched in 2017. The projects reported last year were at an advanced stage, thus there was few land profiling and earthworks.

KPI: Fines for environmental breaches [GRI 307-1]

Annual monetary value of fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.

	2015	2016	2017
Monetary value of significant fines (€)	3,720	2,012	2,660
Total number of non-monetary sanctions	6	10	11

2.3.2.8. Comfort, Well-being and Productivity

The materiality study pointed out that comfort and well-being were not a key environmental issue for Unibail-Rodamco. Therefore, the Group did not set a long-term comfort and well-being target in its CSR “Better Places 2030” strategy. However, as part of its environmental and operational policy, the well-being and comfort of our buildings is closely monitored and managed, and is an operational target for our sites, particularly for our office buildings.

Comfort and well-being issues are a determining factor in our technical and architectural choices for development, refurbishment and extension projects (e.g. facades, glassroof, interior finishes, heating, ventilation and air-conditioning equipment, lighting, occupant control methods etc.). The Design Guidelines 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 the majority of our office buildings, occupants are able to directly manage comfort settings from their workstations or within their working environment, depending on the space planning chosen, including local control of artificial lighting, blinds, air temperature and ventilation flow.

In our new development projects, facades are designed to achieve a balance between thermal performance rating (insulation value, solar factor) and visual comfort (daylight illumination, glare control). Therefore, the Majunga Tower, widely glazed, has a double-skin facade with blinds built into the ventilated air gap for its south orientation. This provides protection from sunlight and glare, while providing improved insulation and high levels of natural daylight.

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 facades, to improve interior sound absorption and insulation between premises.

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.

2.3.3. PILLAR 2: LESS POLLUTING TRANSPORT, BETTER CONNECTIVITY

In the “Better Places 2030” program, Unibail-Rodamco wants to initiate a new momentum regarding sustainable transport in the regions where the Group operates. By making a commitment to transport, the Group seeks to enhance the attractiveness and improve the access of its properties as a guarantee of their long-term success by anticipating changes in the commuting habits of new visitors and by encouraging new sustainable

mobility solutions. This approach also covers two major transport-related pollution factors: visitor travel and the logistical activity of retailers.

Currently, CO₂ emissions from visitor or tenant transport are significantly higher than CO₂ emissions from the operation of the buildings themselves (see section 2.3.1. Group greenhouse gas (GHG) emissions). On average 40% of visitors travel by car to the Group’s shopping centres. Unibail-Rodamco is committed to developing sustainable mobility and sets itself a challenging target that, by 2030, 75% of all visitors will come to its centres by a sustainable means of transport. This is reflected in the objective of reducing visitors’ transport-related carbon footprint by 50%.

This requirement affects 100% of new development projects coming into the portfolio in 2020 and beyond, which will have to provide for at least one significant sustainable mode of transport (public transport). In this way, the Group’s selection and investment process will prioritise connected projects and sustainable mobility solutions, with a strong positive impact on the surrounding territories.

For existing assets, Unibail-Rodamco is committed to systematically providing its visitors, retailers and employees with an extended offer of sustainable transportation solutions: short-distance carpooling, testing of car-sharing solutions, increasing the number of parking spaces fitted with free charging stations for electric vehicles, availability of charging stations for electric bikes, separate bike lanes (bicycle paths) on the sites, and autonomous electric transportation when available.

Unibail-Rodamco is also aiming to reduce the impact of deliveries to retailers in urban centres by developing pooled logistics solutions enabling to optimise the load carried by delivery vehicles, reducing the number of round trips and using low-emission vehicles.

The Group is convinced that its objectives can only be achieved by working with players in the transport sector and as such has entered into partnerships with Tesla to roll out the “destination charging” stations for their electric vehicles, as well as with the logistics firm Deret to study proposals for pooled delivery using clean vehicles at certain shopping centres.

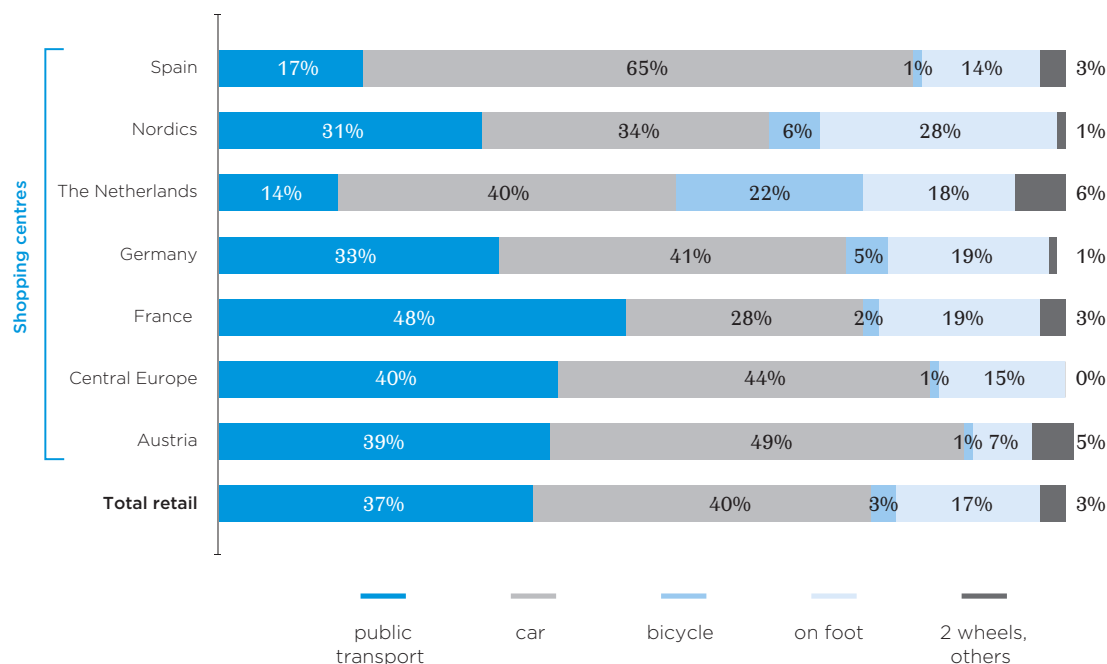
2.3.3.1. Transport of visitors and occupants

The Group is focusing on assets that are especially well located within major European cities and have excellent connections to the public transport network. All of the Group’s assets are connected to the public transport network. The marketing surveys conducted annually on the Group’s shopping centres show that around 54% of customers travelled on foot or by public transport to the Group’s shopping centres in 2017. 68% of the Group’s owned and managed assets are connected to a cycle lane. The Offices portfolio is also quite well connected to the main transport networks.

KPI: Split of Shopping Centres' visits by transport means (%)⁽¹⁾ [GRI 305-3]

In 2017, the figures of the marketing surveys were updated for 100% of the owned and managed shopping centres, except for Carré Sénart, in which works were in progress during the year.

Portfolio coverage in gross market value: 95%.



2.

KPI: Access to public transport (%)

Share of assets with excellent connections to public transport.

Definition:

Assets located less than 200 metres from a public transport station.

Assets with public transport connections, with intervals not exceeding 15 minutes, during weekdays and office hours.

2017	Scope	Total retail	Shopping Centres							Offices		Convention & Exhibition venues	
			Austria	Central Europe	France	Germany	The Netherlands	Nordics	Spain	France	France		
Percentage of assets located less than 200 metres from a public transport connection	57/57	91%	100%	100%	95%	100%	100%	67%	83%	12/12	83%	8/8	88%
Percentage of assets served at least every 15 minutes during weekday office hours	57/57	81%	50%	83%	80%	100%	100%	83%	75%	12/12	100%	8/8	88%

Since 2006, in close conjunction with local authorities, a growing number of Unibail-Rodamco assets have benefited from being directly linked to tram services (Carré Sénart, Lyon Part-Dieu, Lyon Confluence, Toison d'Or, Vélizy 2, Porte de Versailles, Mall of Scandinavia). Wrocławia, which opened in October 2017, is located close to Wrocław train station, 13 tram lines and to 15 bus routes. The centre has 400 bicycle parking spaces. Moreover, as at the end of 2017, 87.5% of development projects are connected to significant sustainable transport solutions (public transport).

Both to improve customer experience and as a time and fuel saving measure, the Group is rolling out smart traffic and parking management systems at its shopping centres.

The Group is encouraging the use of electric vehicles by installing recharging stations at its shopping centres throughout Europe. As of the end of 2017, 56 owned and managed assets (Shopping Centres, Offices, Conventions & Exhibition) were equipped with free electric-vehicle charging stations. A European partnership was signed with Tesla at the end of 2016 to roll out a specific charging solution in shopping centres managed by the Group. At the end of year 2017, 18 of the Group's owned and managed shopping centres had rolled out this type of charging infrastructure. In 2017, the Group opened its two first "supercharger" stations at its shopping centres Polygone Riviera (France) and Aupark (Slovakia).

(1) Gaps in totals may exist due to rounded figures.

KPIs: Proportion of existing shopping centres and shopping centres in development equipped with charging facilities for electric vehicles.

Proportion of existing shopping centres equipped with charging facilities for electric vehicles	96%
Proportion of shopping centres in development equipped with charging facilities for electric vehicles	100%

Since September 2016, the Confluence leisure and commerce hub in Lyon has been participating in the Navya Arma project. Navya Arma is a mass transit vehicle that is 100% electric and fully self-driving. This innovative smart driverless shuttle can transport up to 15 people and travel safely at up to 45 km/h.

Finally, in 2017, the Group developed an internal tool for assessing and working on all transport issues at shopping centres which should be rolled out to all assets: the mobility action plan (*MOBAP*). In 2017, these mobility action plans were rolled out across three pilot assets prior to being rolled out on a larger scale from 2018.

2.3.3.2. Tenant logistics

Unibail-Rodamco is aiming to reduce the impact of deliveries to retailers in urban centres by optimising the load factor of delivery vehicles, reducing the number of round trips and using low-emission vehicles.

In order to meet these challenges, the Group has launched the “UR Delivery” project, a pooled logistics service for the tenants of small stores in downtown shopping centres. The ambition is to pool deliveries at a logistics base located outside the city centre; shared trucks then deliver from this remote logistics base to the shopping centre.

To rapidly identify the best urban logistics arrangements, in December 2016 the Group signed a technical partnership with the logistics company Deret. This partnership will offer retailers in the shopping centres developed, owned and managed by Unibail-Rodamco, an efficient pooled logistics service that minimises the impact (traffic congestion, carbon footprint, noise disturbance, pollution, etc.).

The ongoing Gaité redevelopment project in Paris has already incorporated this ambition into its plans and has made a commitment to the city to roll out a pooled logistics service for retailers.

2.3.3.3. Business travel of employees

The Group’s policy regarding employees’ business travel aims to reduce the carbon footprint associated with transport. All

employees are encouraged to travel by train when possible and give preference to videoconferencing rather than physical meetings involving travel. Unibail-Rodamco has not set a target for reducing emissions associated with business travel, as it is highly dependent on the Company’s level of activity and can fluctuate significantly from one year to the next (prospection, acquisitions, sales, meetings with international retailers, etc.).

Unibail-Rodamco gathers data on CO₂ emissions from the business travel of its employees by plane and by train for each region.

As part of the “Better Places 2030” programme, Unibail-Rodamco has tightened its guidelines for ensuring that its vehicle fleet is environmentally friendly:

- ◆ the Group’s car fleet will consist only of vehicles whose rate of CO₂ emissions is lower than 120 g/km;
- ◆ whenever a new car is ordered, the model chosen will be hybrid or electric.

As at the end of 2017, 23% of the Group’s vehicle fleet was hybrid or electric.

With the aim of educating the employees about the carbon impact of emissions from business travel and thus limiting that impact, the Group:

- ◆ began using the Skype for Business application from January 2017, giving all staff direct and efficient access to enhanced videoconferencing;
- ◆ committed in 2016 to offset the annual greenhouse gas emissions from employees’ business travel by rail and air. In 2017, 100% of greenhouse gas emissions from these business trips for the year 2016 (*i.e.* 2,815 TCO₂eq) were offset with carbon credits.

Finally, a car sharing service with electric vehicles has been in operation since 2013 in the car park of the Group’s headquarters. Any employee can reserve and use one of these vehicles for his or her professional needs in and around Paris.

KPI: CO₂ emissions from employees’ business travel by train and plane (tonnes CO₂eq)

The indicator is given both as an absolute value and as the ratio between CO₂ emissions from business travel and the average number of employees in 2017. Data and methodology are provided by referenced travel agencies for each region.

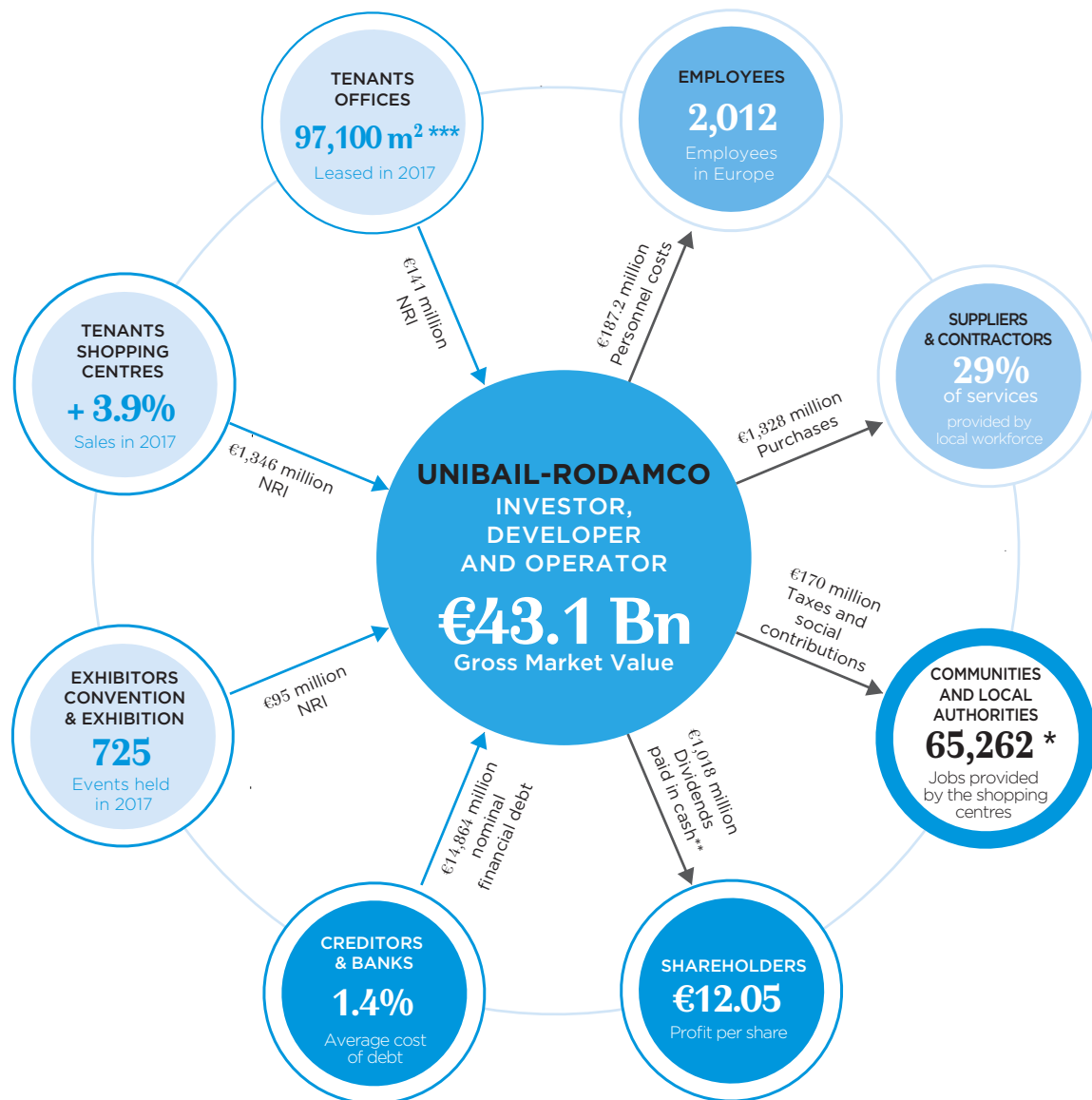
2017	Total	Headquarters & France	Austria	Germany ⁽¹⁾	Central Europe	The Netherlands	Nordics	Spain
TOTAL EMISSIONS (TCO₂EQ)	3,749	1,234	101	461	351	138	178	1,286
kg CO ₂ eq/employee	1,864	1,165	1,690	1,063	2,762	1,864	1,633	8,631

(1) Emissions due to business travel in Germany are estimated (data unavailable).

2.4. STAKEHOLDERS

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 terms of shopping experience, financial return and environmental performance is core to the Group's strategy. These areas are regularly discussed at Supervisory Board and Management Board level, and are subject to careful analysis and monitoring. Relevant tools have been developed to identify and respond to the expectations of each stakeholder community and communicate this information to all teams, including on-site.

DRIVING VALUE FOR STAKEHOLDERS



* Economic impact study updated in 2016, Beyond Financials
** Subject to the approval of the Annual General Meeting
*** Weighted square meters

◆ Pillar 3: Less local unemployment, better communities

Unibail-Rodamco is aware of the leading economic role its real estate properties play in the regions where it operates. The Group's key roles in the local economy are:

- ◆ 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 NGOs, places for a unique experience (events, entertainment, shopping, etc.);
- ◆ urban planner: high connectivity, iconic architecture, brownfield requalification, provision of public facilities.

In order to ensure that neighbouring communities fully benefit from its investments, developments and operations and that their expectations are met, the Group works to build and maintain long-term partnerships with the territory's stakeholders (local residents, public authorities and associations). Extensive public consultations are held for all development and extension projects.

Considering the still difficult employment situation in many regions where the Group operates, Unibail-Rodamco has chosen to promote and implement "UR for Jobs", a programme aimed at training and supporting the recruitment of young people cut off from the job market: the Group commits to supporting the recruitment by retailers and service providers, of 1,000 young people per year by 2020 through the programme in all shopping centres welcoming 6 million or more visits per year.

The Group is committed to supporting the development of local economic players by fostering new local retail concepts through partnerships with entrepreneurs and regional networks, by supporting initiatives that promote short channels, particularly for restaurants, or activities connected with the circular economy.

In addition, as part of reinforcing its partnerships with local associations, Unibail-Rodamco has made a commitment that, starting in 2018, 100% of its centres will organise an event at least once each year in partnership with an NGO or a local association.

Finally, Unibail-Rodamco has made a commitment with regards to the community of employees who work in the Group's centres (Group staff, retailers and service providers) to take advantage of technology and digital resources. The smartphone application, Connect, is being implemented in order to make on-site communication and interaction easier between shopping centre management and retailers' employees, to support local employment by publishing job offers in real time, while improving services provided in the centre. The goal is for 100% of Group operated shopping centres to use this solution by the end of 2019.

2.4.1. COMMUNITIES AND LOCAL AUTHORITIES

2.4.1.1. The Group's local economic footprint

In 2013, the Group decided to consult an independent external advisor, Beyond Financials, to perform a review of the economic contribution of its owned and managed Shopping Centres in France to the French economy. This review considered both direct (shopping centre operations involving tenants) and indirect (providers' activities) impacts. Based on a transparent and reliable methodology, the study was able to assess the economic impacts generated locally (on a local scale ranging from the city to the local region) and at national level. The study estimated the total amount of salaries paid related to shopping centre activities in France, the number of jobs created within the area and the local taxes paid through the activities of the shopping centres.

The economic impact study was updated in 2014 to include Spain and Sweden, then extended in 2015 with the aim of evaluating the total number of jobs hosted across the entire managed shopping centres portfolio, which added 21 shopping centres not evaluated in 2014. This mission focused on the hosted jobs, including Unibail-Rodamco's employees, tenants' employees, and suppliers working on site, considered as full-time employees (FTE).

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 2016 an economic impact study was conducted for the Mall of Scandinavia shopping centre. The Group economic impact study was therefore updated in 2016, incorporating the scope of the previous study for the following sites, which were opened in 2015:

- ◆ Mall of Scandinavia;
- ◆ Polygone Riviera;
- ◆ CentrO.

◆ Methodology

Overall economic impact at national level has been assessed using a bottom-up approach: the results of empirical shopping centre economic studies⁽¹⁾ for each region (local method) have been used to estimate the national economic impact of Unibail-Rodamco's Shopping Centre activities in all regions based on available data (accounting, surfaces, tenants, taxes).

This approach has been extended to the total managed Shopping Centres portfolio: the 2016 and 2015's extrapolation applies 2014's methodology and ratios to evaluate hosted jobs for other shopping centres (not assessed in 2015).

(1) Economic Impact of Shopping Centres: Carré Sénart in 2013, So Ouest, Aéroville, Confluence, Täby and Maquinista in 2014.

◆ **Scope**

2016: 60 Shopping Centres

- ◆ France: 19 shopping centres (including Polygone Riviera);
- ◆ Spain: 12 shopping centres;
- ◆ Sweden: 7 shopping centres (including Mall of Scandinavia);
- ◆ Austria, the Czech Republic, Denmark, Germany (including CentrO), Poland, Slovakia, the Netherlands: 22 shopping centres.

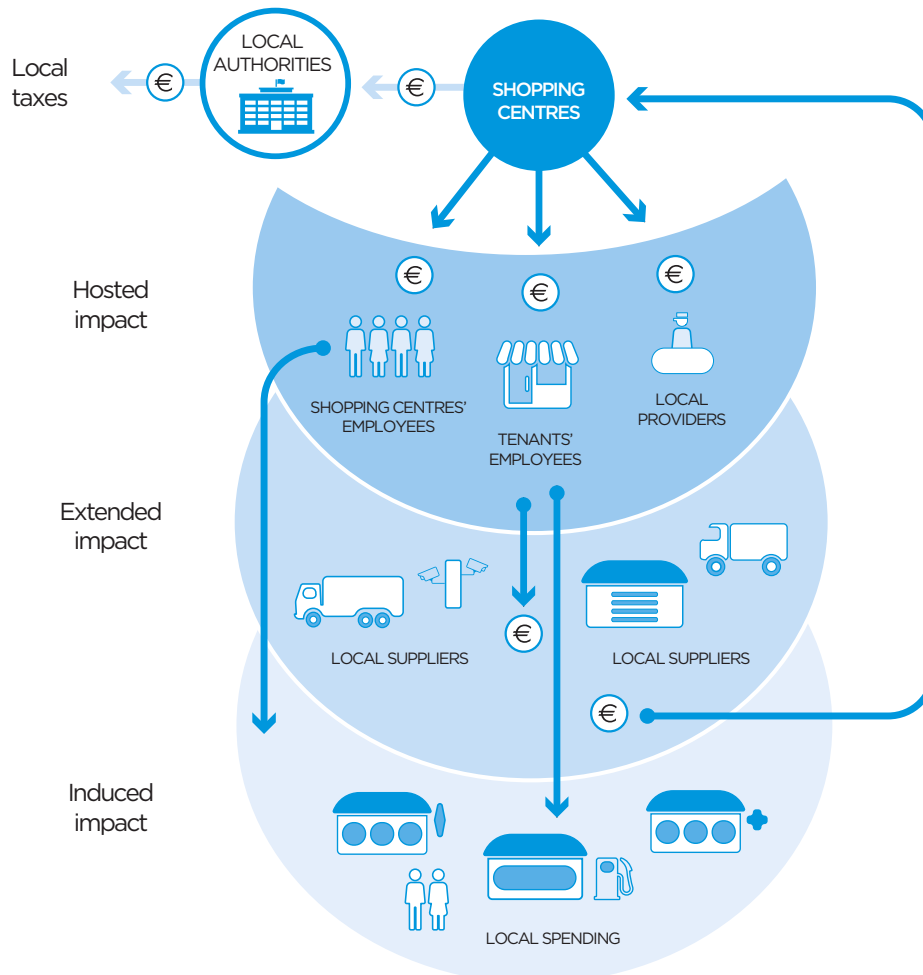
The economic impact study conducted in 2016 covers 95% of existing portfolio of Shopping Centres in value (consolidated gross market value as at December 31, 2016).

◆ **Definition**

Unibail-Rodamco's local economic footprint has been assessed as follows:

- ◆ hosted impact: the direct impact analysis takes into account the number of employees (and salaries paid) working at the shopping centre (Unibail-Rodamco's staff at the shopping centres, tenants and on-site suppliers' staff);

- ◆ extended impact: the local indirect impact analysis measures the economic flows generated by Unibail-Rodamco through purchases from its different suppliers (amount of purchasing contracts converted into salaries; for rank 1 suppliers only, not the entire supply chain) and those of tenants to their suppliers (converted in jobs and in salaries; generic services: security, cleaning and maintenance). This impact does not include products sold in-store;
- ◆ induced impact: the induced impact analysis estimates the potential local spending of all employees working within the shopping centre (Unibail-Rodamco shopping centre's staff, tenants' staff and on-site suppliers' staff);
- ◆ taxes: landlords' and tenants' local taxes paid to local authorities:
 - For the landlord: Land tax, Waste tax, Value-Added Tax (Corporate tax), Office tax,
 - For the tenant: Commercial tax, Value-Added Tax (Corporate tax).



◆ Results

Beyond Financials estimated employment, salaries and tax contribution figures using economic modelling techniques, data provided by Unibail-Rodamco and assessment methods and simulation based upon national statistical databases. Unibail-Rodamco's total tax contribution was based on data provided by the Group.

KPI: Total hosted jobs

2016

	Total Group hosted jobs (FTE)	Spain ⁽¹⁾	Sweden ⁽¹⁾	France ⁽²⁾	Others (Austria, Czech Republic, Denmark, Germany, Poland, Slovakia, The Netherlands) ⁽²⁾
Unibail-Rodamco employees (FTE)	341	41	24	97	179
Tenants' employees (FTE)	62,594	9,899	4,944	22,140	25,611
Suppliers' employees (FTE)	2,326	201	105	1,267	754
Total Hosted Jobs (FTE)	65,262	10,141	5,073	23,504	26,544

(1) From 2014 study, completed in 2016 with the economic footprint of Mall of Scandinavia.

(2) Extrapolation conducted in 2015 to the entire managed Group portfolio of shopping centres, and extended in 2016 to Polygone Riviera and Centro.

◆ Conclusion

The results of Unibail-Rodamco's economic footprint study confirms the significant economic contribution of the Group and its suppliers to their stakeholders (tenants, suppliers and local authorities) in the economy of each region both at local and national levels.

The survey has also allowed the Group to establish a transparent method to assess in detail the economic impact of its Shopping Centre operations, which helps the Group to address the following issues:

- ◆ supply chain: enhanced capability to assess more precisely the economic and social value of the Group's supply chain;
- ◆ operating license and local authorities: evaluate the current and future economic impact of development projects.

2.4.1.2. Group commitments in local communities

Each of the Group's assets provides a valuable contribution to the sustainable economic development of the local area, and creates social value for the communities in which it operates.

This commitment is made by implementing various levels of social action, using the Group's drivers and assets to raise awareness, mobilise and provide practical solutions to specific local area needs.

UR for Jobs and Solidarity Day are two major social initiatives which the Group has implemented. These two major initiatives are held every year in collaboration with public partners and local charities, and are supported by the commitment of Unibail-Rodamco employees who volunteer during their working hours (see 2.5.5.).

In 2017, 46% of the shopping centres with more than six million visits per year. (i.e. 26 shopping centres) set up one of these two social initiatives.

◆ UR for Jobs ("Unibail-Rodamco for Jobs")

The Group's first social initiative covers the return to employment of young people cut off from the job market.

The UR for Jobs ("Unibail-Rodamco for Jobs") initiative aims to create employment opportunities in partnership with local public employment stakeholders and local charities. Young people who join the programme will receive free support and training designed to meet the requirements of retailers in the Group's shopping centres, and will receive coaching from Unibail-Rodamco employees. At the end of this process they will be put in contact with recruiters from the shopping centre and surrounding area for recruitment interviews.

The Group's long-term goal for the initiative is to enable 1,000 low-skilled young people per year to be hired or integrate a graduating training Programme through the UR for jobs initiative held in its shopping centres by 2020.

In 2017, the programme was implemented by 15 centres in all of the Group's regions. These 15 centres also facilitated training for 441 young people. More than 18,000 training hours were delivered (equating to an average of five days of training per candidate) and enabled the young people to make career plans, gain know-how and customer service skills and above all to improve their self-confidence.

The result of the 2017 initiative is very encouraging: 250 young people, meaning 56% of the candidates supported had found a job or begun studies leading to a qualification by the end of the programme. In addition, it provided a suitable solution to the local recruitment issues experienced by shopping centre retailers and suppliers.

The Group follows the professional evolution of the young candidates during six months after the program in order to secure a sustainable social impact of the initiative. For the 11 initiatives which have progressed enough for feedback to be obtained, the professional integration rate at 6 months or more is 31%, which corresponds to more than 120 young people who have found long-term employment or integrated a certifying training program.

◆ Solidarity Day

The Solidarity Day is the Group's second social initiative. The Solidarity Days are event lasting several days held in the Group's Shopping Centres, in partnership with one or several charities. They aim to support the community and local charities, by raising the public's awareness on priority issues affecting young people in their local areas. Many of the Group's employees took part to coordinate and animate these events.

In 2017, visitors to the Group's Shopping Centres had the opportunity to take part in fun and educational activities on equal opportunity in France, on the fight against poverty amongst young children in Sweden, Spain and the Netherlands, on environmental issues in Austria and Germany and health issue in Poland and the Czech Republic.

These events directly impacted more than 3,300 young people, through the participation in pedagogical workshops for half of them, or through financial donations or supplies collected during the events for the other half.

◆ Iconic Partnerships

In 2017, the Group entered into iconic partnerships with charities and associations in each region where it operates, including the

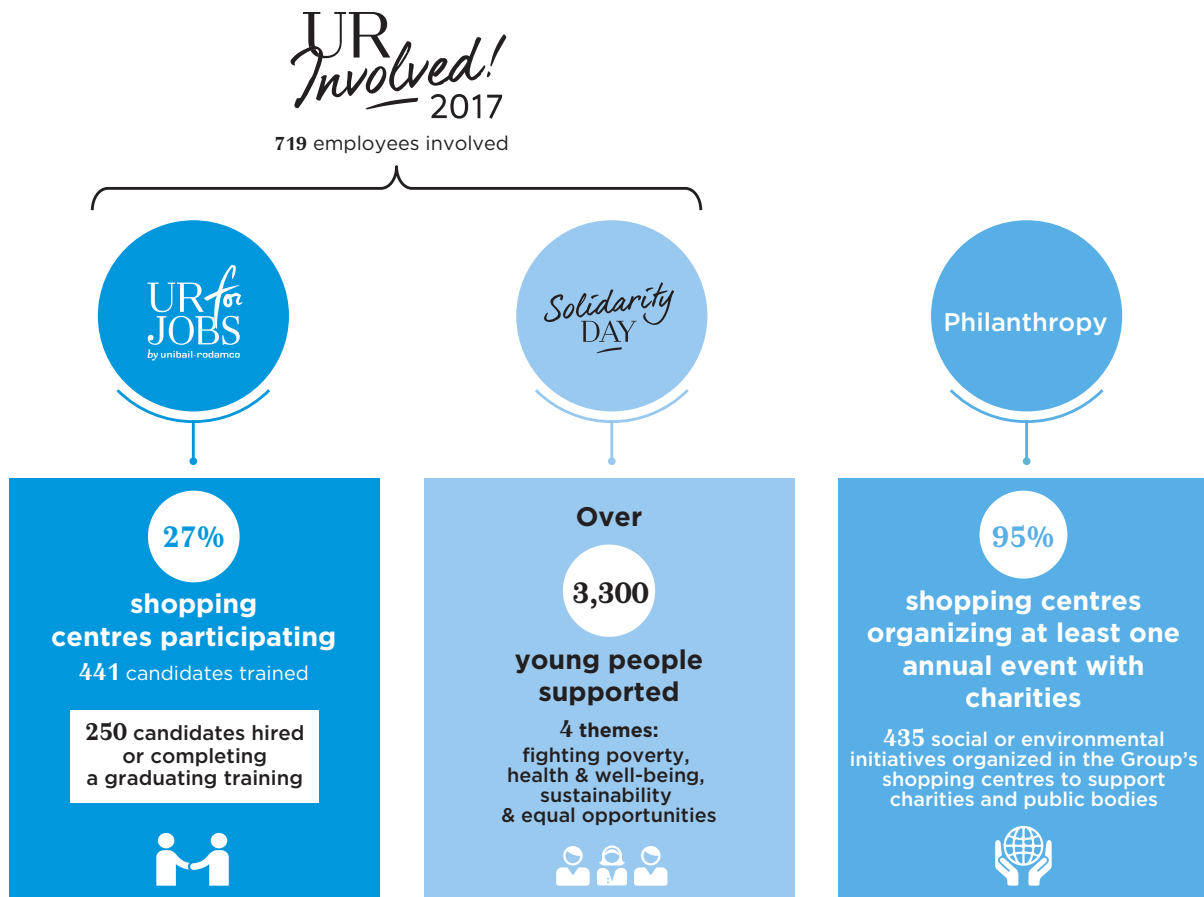
Mickinsey Generation foundation in Spain, Joblinge in Germany and Childhood in Sweden.

Historic partnerships have also been forged in France, with many students from the Écoles de la 2^e Chance ("second-chance schools") taking part in the UR for Jobs programme and organising the Solidarity Day with Article 1 (formerly Passport Avenir and Frateli).

Finally, partnerships between shopping centres and local charities and infrastructure were strongly recommended throughout the year: 95% of the Group's shopping centres have organised at least one event in 2017 in partnership with a local charity or NGO. In total, 435 social or environmental actions providing cash or in-kind support to charities or public bodies were held in the Group's assets (providing venues, donations, collecting supplies, educational activities, etc.). These actions amounted at €2.4 million.

In 2018, all shopping centres will host at least one charity event per year.

The Group has also directly participated in philanthropic projects through donations and contributions totalling €0.5 million, and by investing €1.35 million in the eleventh Grand Prix des Jeunes Créateurs du Commerce (Grand Prize for Young Retail Entrepreneurs) to support young entrepreneurs (see section 2.4.4. Tenants & retailers).



2. Corporate social responsibility

Stakeholders

◆ Education and promotion of the real estate sector

As industry leader, Unibail-Rodamco wishes to promote and drive forward education and research in the fields of real estate and urban planning.

Unibail-Rodamco is a founding member of the Palladio Foundation, which together with the biggest players in the French real estate industry is striving to co-create the city of the future by meeting the major challenges facing modern societies.

In 2017, the Group took part in the Palladio Institute's annual cycle of conferences sponsored by the Mayor of Nantes and on the topic of "Living in the Towns/Cities of Tomorrow".

In addition to these working groups and task forces, the Foundation also finances the brightest students in the real estate field, helping them to continue their higher education or pursue research projects. In 2017, the Foundation therefore granted 16 scholarships. This year the foundation also awarded the Prix junior de l'immobilier (Junior Real Estate Prize) during the Business Real Estate Trade Fair (SIMI) hosted by one of the Group's assets which hosted more than 30,000 visitors in 2017.

The Group also organised a series of architecture conferences ("les mardis de l'architecture"), hosting well-known female architects such as Anouk Legendre and Manuelle Gautrand. These conferences are open to a broad public audience and look to encourage debate among students, architects and the Group's employees on the future of towns and cities and urban planning.

2.4.2. TAX AUTHORITIES AND TAXATION

Unibail-Rodamco is a publicly traded company dedicated to investing in commercial real estate across Europe. Many countries in Europe have adopted laws on local tax transparency to encourage long-term investment in real estate. These regimes subject the Group to distribution obligations⁽¹⁾. The Group distributed 90% of its 2016 recurring earning per share as a dividend in 2017. Based on these tax transparency regimes, the profits made are taxed at the shareholder level directly, instead of at the level of the Group. Unibail-Rodamco promotes the concept of a European 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 resident, through income tax payments.

Unibail-Rodamco 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.

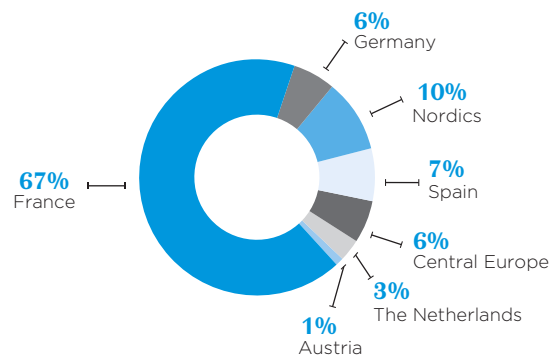
The tax position of Unibail-Rodamco reflects the geographical location of its activities. The Group declares profits and pays taxes where its activities are carried out. This translates into payments to local or national tax authorities of corporate income tax, business taxes and taxes withheld on dividend payments⁽²⁾.

The Group's tax position mirrors the location of its investments. Considering its €43.1 billion portfolio and the fact that holding real estate assets requires it to pay property taxes, Unibail-Rodamco 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, tenants in the Group's shopping centres employ many people locally and contribute significant amounts in taxes and social charges.

KPI: Taxes and social security contributions

In 2017, Unibail-Rodamco paid €170 million of local taxes and social contributions.

GEOGRAPHIC BREAKDOWN OF TAXES AND SOCIAL CONTRIBUTIONS PAID IN 2017



Furthermore, the €1.018 billion dividend payment made by Unibail-Rodamco in 2017 gave rise to an immediate payment of withholding tax, the cost of which is borne by shareholders, with an estimated amount of €133 Mn paid to French tax authorities.

The business strategy of Unibail-Rodamco consists in creating value with its real estate portfolio over the long term. On average, the Group has invested €1.3 billion per year over the last 10 years in capital expenditure. 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 2017, the Group operated in 11 different countries in continental Europe. The Group does not use investment routes through non-cooperative⁽³⁾ countries or territories. As a matter of principle, Unibail-Rodamco 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 Chief Executive Officer and the Chief Financial Officer, the Group's auditors, the Group's Audit Committee and Supervisory Board. Unibail-Rodamco complies with tax transparency regulations such as the United States FATCA (Foreign Account Tax Compliance Act) and CRS (Common Reporting Standard) and filed in 2017 its first fiscal Country-By-Country-Report with the French tax authorities.

(1) See note 8 to the consolidated financial information in chapter 5.2 Notes to the consolidated financial statements, section 8.1.3. Tax regimes, for an overview on these regimes.

(2) See note 8 to the consolidated financial information in chapter 5.2 Notes to the consolidated financial statements, section 8.2. Income tax expenses, for the Group's income tax expense.

(3) Non-cooperative countries or territories are usually defined as countries or territories refusing to adhere to international tax good governance standards.

2.4.3. VISITORS & CUSTOMERS

The quality of the customer experience is central to the economic sustainability of Unibail-Rodamco's business as it attracts visitors and encourages loyalty. Innovation in this area results from the hard work of the Group's different teams and the diversity of their skills as well as their ability to work together towards a common goal, continuously striving for a better, and more distinctive customer experience. The variety of the Group's skills can be seen in its outstanding architecture and design (development), a distinctive tenant mix (leasing), the focus on comfort and safety (property management), roll-out of great events and innovative customers relationship management (marketing), an excellent welcome attitude and quality services to our visitors and customers (on-site teams).

The Group is continuously adding to and adapting its customer service strategy for its shopping centres, known as the Welcome Attitude, which is reflecting in its "4 Star" label launched in 2012. This label improves the customer experience and ensures improved quality and services within all of the shopping centres managed by the Group. It is intended to provide customers with a unique shopping experience through a welcoming atmosphere, quality management and a set of "hotel-like" services: reception desk, valet parking, personal shopper, free Wi-Fi, free newspapers, etc. This label is based on a 680-point reference system and an external audit conducted by the world leader in certification, SGS. At the end of 2017, 31 shopping centres complied with the "4 Star label" (including the recently-opened sites at Wroclavia, Parly 2, Centrum Chodov, Glories and Bonaire), together with 17 AQS label Centres (Accueil Qualité Service - Welcome Quality Service), representing a total of 48 Centres with label awards. In 2018, an updated version of the "4 Star" label will be released to tie in with Group innovation and commitments, specifically in relation to services, digital tools and sustainable development.

Unibail-Rodamco works hard to ensure its assets are welcoming and accessible to all members of the community. Special provisions are made for customers with disabilities, as well as for elderly customers and families. In France, for example, the Group is building a close partnership with UNAPEI, a NGO dedicated to people with mental disabilities. Since 2016, all customer-facing shopping centre staff (store employees, security staff, cleaning contractor staff, etc.) receives specific training on how to interact with customers with a mental

disability. These shopping centres display the "S3A" label as a permanent sign of their commitment to the 700,000 people and their families who are affected in France by mental disability.

Unibail-Rodamco has attempted to meet the increasing needs of its visitors and the communities in which its shopping centres operate by creating Destinations, which aim to offer a wider range of services by prioritising new partnerships, innovative concepts and exclusive services. 13 Dining Experience™ provide visitors with a wide range of dining options, from simple snacks to "bistrot-style" meals. Meanwhile, 4 Designer Gallery™ showcase a unique selection of retailers and fashion designers and local personalities in shopping centres. Fresh!™ offers a combination of fresh and luxury products in a warm social space. Finally, Family Experience™ enables families to receive the warmest possible welcome and enjoy an unforgettable experience.

On the digital side, Unibail-Rodamco signed up almost +1.8 million new customers to its loyalty program in 2017 to reach a total of 4.2 million members. 85% of these new members came through digital channels (web and apps) compared to 37% in 2016. In 2017, the audience on the Group's digital channels also showed an increase with 53 million web sessions (compared to 52 million in 2016) and 235,000 app users (vs. 120,000 in 2016). The Group also continued the roll out and improvements of its digital services, such as a new interactive map in mobile apps for all shopping centres (introduced in Q4-2017) and "Find my car" app, now in 16 shopping centres (vs. four as at December 31, 2016). 2017 was also marked by the roll-out of Salesforce, the B2C CRM tool that will be at the heart of Unibail-Rodamco's "visitor farming" strategy in 2018. As at December 31, 2017, 55% of the portfolio is equipped with the Salesforce CRM capability. The average opening rate on email campaigns is 21.9% (vs. the retail benchmark of 20%) and the average click rate is 3.8% (vs. the retail benchmark of 2.5%).

To continuously improve the quality of service to its customers and measure progress in this area, the Group conducts annual customer satisfaction surveys and two internal quality audits per year for each of its shopping centres. Customer satisfaction surveys were conducted in 65 assets in 2017 with 32,978 respondents; the average score across the Group was 8/10. In 2017, the satisfaction questionnaire introduced specific questions on sustainable development for the first time. In each shopping centre in which the survey was carried out, customers were asked about their views on the centre in the areas of energy consumption, sustainable mobility, economic development and social diversity.

KPI: CSR performance rating of shopping centres as perceived by visitors

CSR Criteria	% Visitor satisfaction
The centres aim to optimise their energy consumption	81%
The centres are easily-accessible using non-polluting methods of transport	87%
The centres promote economic development and support local employment	88%
The centres are part of life in the region and promote social diversity	81%

Internal quality audits were used to assess 386 services and comfort criteria for each centre, with 87/100 as the average score across the Group. These audits help to ensure that the Group's assets maintain their prime position on the market.

KPI: Average score in internal quality audit

	2015	2016	2017 ⁽¹⁾
Average score in internal quality audit	92/100	94/100	87/100

(1) The decrease in the score in 2017 is due to an evolution of the audit grid, enabling to set ever more demanding quality standards.

Finally, the critical risk of terrorist attacks faced by several European countries has prompted the Group to develop a resolute, responsible policy for providing protection and preventing the risk of attacks, with the chief aim of reassuring 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. Such plans help maintain the attractiveness of shopping centres for their customers.

2.4.4. TENANTS & RETAILERS

Strong, mutually beneficial relationships with tenants are crucial to the Group's long-term success and sustainability. Unibail-Rodamco devotes considerable energy to attracting premium retailers and supporting their national and international expansion *via* its extensive network of well-located, prime shopping centres. The prime and relevant tenant mix offer is a key driver for attractiveness, differentiation from competitors, and therefore customer retention for the Group. With a strong focus on differentiation and exclusive retail concepts which generate traffic and customer preference, 223 leases were signed with international premium retailers – as Jo Malone, Five Guys and Nespresso - in 2017. “Retailer open house” events are regularly held in different regions to present the Group's portfolio of existing assets and new developments to current and potential tenants.

The Group is also committed to leasing space and providing support to entrepreneurs and smaller national and local retailers. In 2007, Unibail-Rodamco created the Grand Prix des Jeunes Créateurs du Commerce (Grand Prize for Young Retail Entrepreneurs) to foster, add value to and support retail innovation and business creation. Each year, the “Grand Prix” identifies over 100 high-potential concepts, and has thus contributed over the years to the emergence of a new generation of well-known retailers. In addition to the €1,350,000 in funding, the competition offers prize winners personalised support from retail experts for a successful integration into the Group's assets.

The 11th Grand Prix des Jeunes Créateurs du Commerce awarded prizes to the 3 of the most innovative new retailers on the market in 2017: Laboté and Canard Street won joint first place to be awarded the Grand Prix. Laboté is a laboratory whose mission is to rethink the way in which cosmetics are made, and to offer an individual bespoke service with no intermediaries; Canard Street offers street food based on duck and sauces/dressings. It is both a restaurant and a grocery store, and provides a home delivery service for a range of duck products. In third place, Life won the “coup de cœur” prize for its healthy food for athletes. Each sporting activity has a menu tailored to the specific nutritional needs linked to that activity.

To strengthen the dialogue with tenants, the Group conducts annual tenant satisfaction surveys in each shopping centre, holds one-on-one meetings with tenants, and participates in retail industry round tables and conferences. In 2017,

5,649 tenants responded to the Group's satisfaction survey which represents a global response rate of 65%. The results showed an increase in the overall satisfaction rate, scored at 72/100 in 2017, against 69/100 in 2016. 15% of these surveys were submitted using the Connect application. These surveys help implement improvements in the shopping centres and continuously improve the customer journey together with retailers.

In addition, tenants are Unibail-Rodamco's special partners when it comes to reducing the global environmental footprint of its assets. This is indicated by both a contractual commitment (green leases), and a voluntary commitment (signed partnerships for LED and green electricity).

Green Leases

Since the end of 2009, the Group has been committed to an active policy of promoting “green leases”. This approach is based on dialogue, information and sharing of best practices, and encourages tenants to play a role in the environmental performance of the sites. As well as contributing to lower common and private service charges through decreasing energy and utilities consumption, this change in behaviours is helping the Group and its stakeholders to prepare for a tougher regulatory environment in the future.

In that respect, since 2010 and ahead of all existing regulations, all new leases and renewals signed with retail and office tenants have been containing environmental clauses. The first versions of “green leases” covered the issues that are most relevant to improving environmental awareness and performance among tenants, such as the sharing of energy consumption data, technical specifications for fitting-out projects (especially maximum power for private lighting), and various measures to save energy, water and sort waste.

As part of the “Better Places 2030” commitments, this environmental appendix on leases has been strengthened in 2017 to reflect the Group's new ambitions in terms of environmental performance and contributions to the community. These include in particular the obligation to install LED lighting solutions in any new private tenant space from 2020 onwards and to sign a supply contract guaranteeing that electricity is procured from renewable sources, again from 2020, as well as supporting initiatives organised by the Group to promote local employment.

This new version of the environmental appendix of leases (version 2) has a penetration rate of 54% among all leases signed in both existing and pipeline shopping centres in 2017. Due to its recent launch (May 1, 2017) and to its limitation to shopping centres in the first instance, this rate appears to be lower than the penetration rate of the first version of green leases (version 1), published for the year 2016. The latter reached 91%, thereby achieving the previous target of 90% of green leases version 1 signed before 2018 in the whole Group portfolio.

It should be noted that the first version of green leases is still applied to offices, with a penetration rate of 72% of active leases for owned and managed offices (excluding Rosny 2 lots not owned at the time the leases were signed).

KPI: Number and rate of Green Leases Version 2 among signed and active leases

Year	2017
Number of green leases version 2 signed during the year	833
% of green leases version 2 signed during the year	54%
% of green leases version 2 signed vs total active leases in the Group	8%

LED and “green” electricity partnerships

As part of the “Better Places 2030” programme, LED and “green” electricity partnerships, or “Memorandums of Understanding” (MoUs) are voluntary agreements entered into by the Group with retailers within its Shopping Centres (existing and future stores) to accelerate the transition towards a lower carbon footprint related with operations. LED lighting partnership clauses require retailers to fit out any new stores in

the Shopping Centres held and managed by the Group with LED lighting from the signing date, and to gradually fit out existing stores with LED lighting when undertaking refurbishment works. Some partnerships include a clause on renewable electricity supply (“green” electricity). These partnerships with retailers are usually effective for the whole Group or one of the regions. In 2017, the Group outreached its initial objective of 30 LED partnerships signed, by committing 146 retailers to sign a partnership.

KPI: Number of LED partnerships (or Memorandums of Understanding – MoUs) signed

Year	2017
Total number of LED MoUs signed	146

CONNECT, an app designed for the employees in the Group’s shopping centres

Finally, Unibail-Rodamco builds upon technology and digital resources as a means of working with the community of staff and of retailers at each of its centres. The Connect application was launched by the Group in 2016 and rolled out in 32 shopping centres in 2017. The objectives of this roll-out are to

facilitate communication and interaction between the centre management team and the retailers, to encourage employment by communicating in real time job offers from the retailers and service providers in the centre, and lastly to strengthen the sense of a community of employees working at the same site by improving the quality of life and the services provided to customers.

KPI: Percentage of shopping centres which have rolled out the ‘Connect’ application, and percentage of retailers connected to the application

	2016	2017
Number of shopping centres which have rolled out the ‘Connect’ application	3	32
Percentage of shopping centres which have rolled out the ‘Connect’ application	5%	59%
Percentage of retailers connected to the application 6 months or more after its launch	NA	98%

2.

2.4.5. SUPPLIERS AND CONTRACTORS:
SUPPLY CHAIN MANAGEMENT -
PURCHASES MAPPING

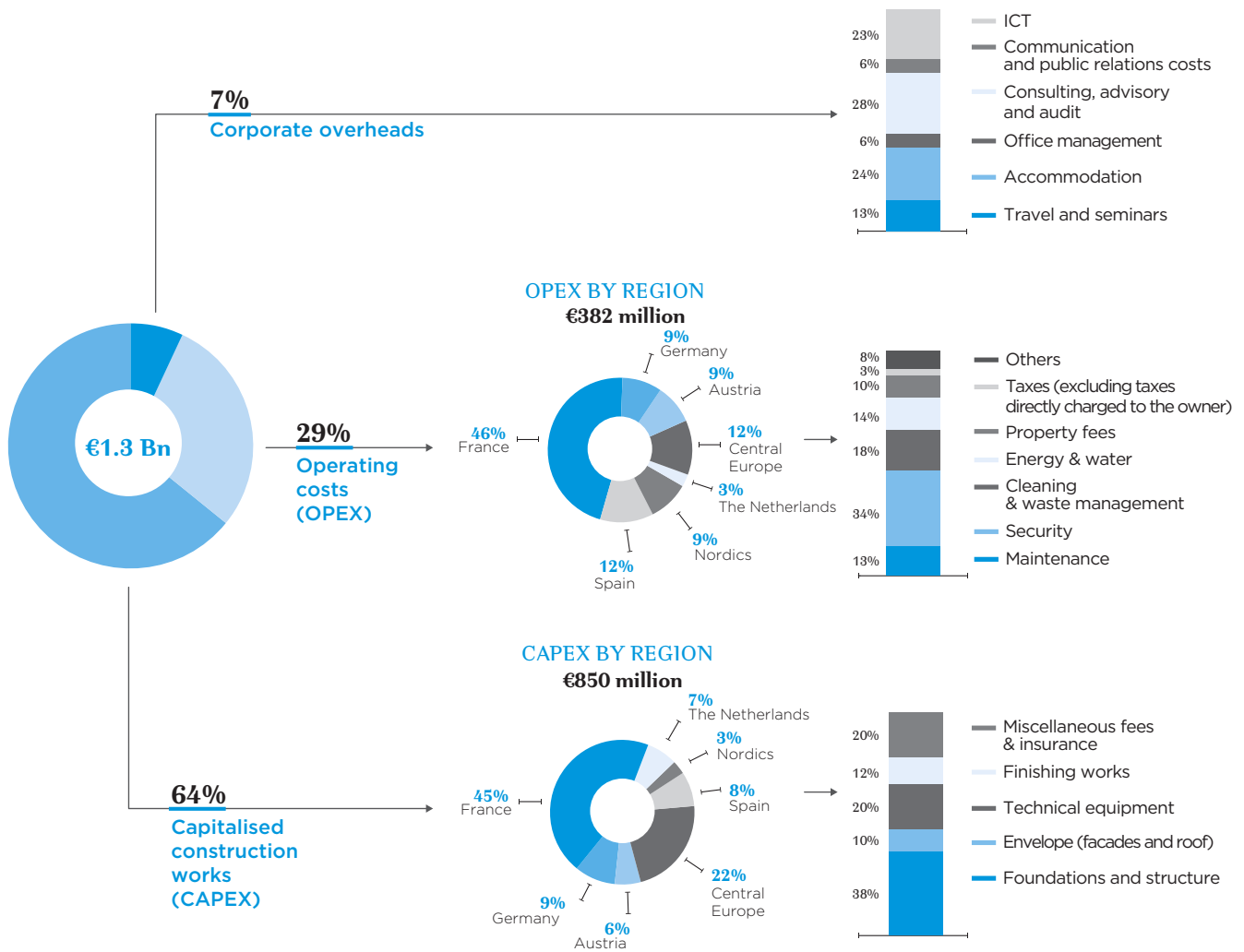
With a procurement volume of €1.3 billion for the entire Group in 2017, Unibail-Rodamco plays a substantial buyer role at the European market level. Given the size of its portfolio, the varied nature of procurements and the diverse locations of its properties, Unibail-Rodamco works with a large number of suppliers and contractors, most of them being local companies or subsidiaries that support the local economy where the Group operates.

KPI: Purchasing Mapping

Purchases at Unibail-Rodamco 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 re-letting works (CAPEX paid by the property owner); these include mainly purchases from constructors, fees for architects, designers and engineering firms, and insurance premiums.



Overheads being a small part of the overall expenses, purchases are mainly made up of OPEX and CAPEX for the operation and development of properties. Therefore, 29% of the purchases are services on assets provided by the local workforce. These operating expenses are locally labour-intensive and to that extent are purchases that cannot be relocated. Regarding construction expenses, Unibail-Rodamco prompts its suppliers and providers to hire local workforce, notably through social integration clauses inserted in the contracts.

Capitalised construction works are non-recurring expenses depending on development activity.

The Group also measures the breakdown of its construction costs (CAPEX) using the following five components: foundations and structure, envelope (facades and roof), technical equipment, finishing works for decoration, and fees related to the project. This confirms that the largest share of purchases relates to labour-intensive works.

In total, purchases are split between a very large number of suppliers ensuring the Group is not exposed to the risk of depending on only a few main strategic suppliers. 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.

Procurement Policy

The procurement strategy of the Group is designed to comply with the following rules: fairness, focus on quality, long-term partnerships, reduced risk and the respect for both applicable regulations and the trust given to Unibail-Rodamco through property management contracts which aim to be transparent and cost-efficient.

In 2014, the Group voluntarily signed the "Responsible Procurement Charter" in France, which is an initiative led by the French authorities. This charter, structured around 10 commitments, aims to promote best practices for more responsible purchases and a more balanced and cooperative relationship between large companies towards their providers.

Unibail-Rodamco chooses its contractors with great care and ensures they comply with the Group's procurement policy. This is why the Group has started implementing since 2010 a Group-wide Purchasing Procedure in order to guarantee an optimised price for the best level of service, to encourage equal treatment among providers/suppliers (transparency), to protect owners' interests, and to respect the approved budget per property. The tender process and the use of standard contracts ensure fairness. General Purchasing Conditions apply for all the countries in which the Group operates and also includes social and environmental requirements.

In addition to the principles and rules detailed in the Group procedures, all purchases must comply with the Group's Compliance Book (and specifically the Code of Ethics), the applicable local laws and regulations, especially labour laws, and the use of standard contracts which include sustainable development and ethics clauses. The Group-wide purchasing policy and processes in place enable a better identification of

supply chain risks. Each purchasing step is duly documented for traceability. Internal compliance rules state 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. In the case of a tender process and over the term of a contract, the supplier can contact the Group's Compliance Officer at any time to raise and submit a complaint. Unibail-Rodamco's Corporate Internal Audit team carries out regular audits across the Group to validate the thorough application of the Group's procurement policy and of the Group's Compliance Book, including the Code of Ethics. The anti-corruption policy set up in 2017 is detailed in section 6.2.3.11. Legal, regulatory and compliance risks.

A web solution for purchasing management was launched in the Autumn of 2017, for the European services procurement scope in the standing portfolio. The use of this purchasing platform, which integrates service providers and suppliers, makes Group procedures 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 mitigations. The solution should generate productivity gains in administrative management for the whole purchasing cycle.

Responsible supply chain

The CSR approach is fully integrated at each step of the procurement process and for all procurement employees (project managers for construction works, and on-site technical managers), who have been trained to respect the Group's rules and purchasing procedures. When referencing a new supplier, a detailed list of information is required, which includes the main environmental and social policies that they identify as a priority. CSR issues are part of the selection criteria, both for tenders and for appointments.

To encourage existing suppliers and contractors to adopt sustainable operating practices and use environmentally sustainable materials, Unibail-Rodamco communicates with key suppliers about its environmental and social targets. The Group in turn asks its suppliers to set out their CSR strategy and practices. Service providers in existing assets, primarily cleaning, facilities management and security providers, are also asked to sign a contract addendum. The addendum covers a range of issues, including energy efficiency, waste, use of environmentally sound products and materials, and social and ethical behaviour, notably an engagement to comply with International Labour Organization (ILO) conventions and local labour laws and regulations. Concerning development projects, contracts signed with suppliers mention that Unibail-Rodamco and the companies under its control commit to reduce the carbon footprint, particularly in the construction project they undertake. A clause requests that construction companies contracting with the Group must take this commitment into account, when selecting building processes, materials, technical solutions, etc. After each project review and at all project stage, an arbitrage should be taken for carbon footprint impact for the proposed solution to be submitted to the Customer.

Initiatives are also in place concerning incentives for energy savings and waste selection performance. These site-by-site

Measuring performance:

- ◆ in 2017, an annual supplier assessment was performed for 301 contracts on key services (multi-technical, health and safety, mechanical transport, cleaning, and waste management) in 69 shopping Centres, Offices and Convention & Exhibition venues for a total contractual purchased amount of €148 million;

practices challenge suppliers and serve as a basis to involve them in a process of continuous improvement for all managed assets.

- ◆ in 2017, as part of the Group's "4 Star" criteria, Unibail-Rodamco continued to deliver trainings in "customer-service" skills to supplier staff involved in the roles of security and cleaning across all shopping centre's labelled "4 Star". In France, maintenance suppliers are trained in the Group's Environmental and Health & Safety processes, free of charge.

KPI: Coverage of the assessment of suppliers, and total amount of contracts assessed [GRI 412-3, 414-1]

Assessment of compliance with environmental rules, modes of management and quality of service associated with contracts for maintenance services covering a range of techniques, security, mechanical transportation, cleaning and waste management.

	2015	2016	2017
Total number of contracts in force in the area managed ⁽¹⁾	311	324	304
Number of contracts assessed	293	318	295
COVERAGE OF THE ASSESSMENT (%)	94%	98%	97%
Value of contract, equals expenditures measured (€)	117,939,265	147,036,033	149,622,448

⁽¹⁾ Contracts for maintenance services covering a range of techniques, security, mechanical transportation, cleaning and waste management at 69 managed assets (Shopping Centres, Offices, Conventions & Exhibitions).

As part of the launch of its new procurement platform, the Group wanted to reaffirm to its suppliers the scale of its sustainable development challenges. The Group used its eight-question survey to reiterate the goals of its "Better Places 2030" strategy, and surveyed all respondents on their environmental, social and societal practices.

98% of the respondents (covering 30% of the companies registered on the platform) confirmed that they are on Board with the strategy, and that they have also implemented measures in these areas.

2.4.6. PROFESSIONAL ORGANISATIONS

As the leading European listed commercial real estate company, Unibail-Rodamco has the responsibility to encourage the industry as a whole to adopt more sustainable operating practices.

Within the European Public Real Estate Association (EPRA), Unibail-Rodamco has made a significant contribution to the definition and the update of consistent, shared KPIs for the industry. The indicators reported in this 2017 Annual and Sustainable Development Report have been updated in accordance with the 3rd edition of the Best Practice Recommendations on sustainability reporting (sBPR), published by EPRA in September 2017 (see cross-reference table in Section 2.9.1 EPRA Sustainability Performance Measures). Christophe Cu villier, Chairman of the Management Board has chaired the EPRA since September 2016. The Group is an active member in the EU Public Affairs Committee (EPAC) and the sustainability group of the International Council of Shopping Centres (ICSC). In France, the Group is a member of the Sustainability Committee of the French Council of Shopping Centres (CNCC).

The Unibail-Rodamco Group is also a member of the French Association of Private Businesses (AFEP).

2.4.7. INVESTOR AND SHAREHOLDER TRANSPARENCY

2.4.7.1. Investor Relations

The Group reports to investors on its Environmental, Social and Governance (ESG) strategy and achievements *via* regular publications to its institutional and SRI investors⁽¹⁾ (annual results, periodical publications and newsletters), *via* written answers to direct information requests and to a number of questionnaires sent by non-financial ratings agencies, and through holding and taking part in dedicated meetings or exchanges on sustainable development (SRI meetings, one-to-one meetings, SRI roadshows and Investor Days). In 2017, the Group therefore opted to focus on direct communication with investors based around its challenges, encouraging them to set out their CSR-related strategy, commitments and progress. The Group's CSR strategy formed the main topic of meetings with 33 investors representing 15.2% of shareholders. In 2016 this figure was 18 investors representing 6.7% of shareholders. These meetings also enable Unibail-Rodamco to learn more about the vision of sustainability in the real estate sector on the part of mainstream and SRI investors and to improve its yearly ratings in the different SRI indexes. Indeed, Unibail-Rodamco is a member of a number of recognised SRI indexes and ESG benchmarks (see following Section).

⁽¹⁾ Socially-Responsible Investment.

2.4.7.2. ESG (Environmental, Social and Governance) ratings and awards

In 2017, Unibail-Rodamco featured in a number of prestigious SRI indices and ESG profiles or benchmarks, boosting its position as industry leader.

◆ ESG Profiles and Benchmarks

The Group's ESG Profiles have been updated by the following agencies:

- ◆ Oekom research AG is one of the world's leading rating agencies and provides a crucial head start in the segment of sustainable investments: as at April 21, 2017, the Group was still ranked 3rd out of 243 real estate companies rated by Oekom research. It achieved a C+ (Prime status);
- ◆ Sustainalytics, a global leader in research and environmental, social and governance analysis (ESG) linked to Socially-Responsible Investment (SRI): in 2017 the Group jumped up one place in the rankings with 2nd position of 278 businesses in its industry. It also retained its Industry Leader status and was ranked first amongst its peers in terms of market capitalisation;
- ◆ Vigeo, a European expert in the assessment of corporate environmental, social and governance (ESG) performance: in 2017, the Group was awarded first place of 37 rated companies within the "financial services - real estate" sector. This represents a 2-point improvement on its 2016 rating by the same agency;
- ◆ the GRESB (*Global Real Estate Sustainability Benchmark*), which is an international body which measures the sustainability performance of real estate portfolios worldwide (free float, listed and non-listed): in 2017, for the seventh year running Unibail-Rodamco was awarded the GRESB "Green Star" rating for its sustainability performance, obtaining the highest possible performance level with a rating of 5 stars. It also increased its industry ranking to 2nd place in the category of listed European commercial real estate companies;
- ◆ MSCI, a leading provider of investment decision support tools providing institutional investors with ESG ratings: in 2017 and for the fourth year in a row, Unibail-Rodamco obtained a rating of AAA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.

◆ ESG Indices

In 2017, Unibail-Rodamco again features in a number of renowned SRI indices, including:

- ◆ FTSE4Good (since 2005): The FTSE4Good index series is made up of companies that meet globally-recognised corporate responsibility standards. In 2017, Unibail-Rodamco was confirmed as a constituent company in the index;
- ◆ Euronext Vigeo Indices (since 2013): Vigeo's indices are composed of the highest-ranking listed companies as evaluated by the agency in terms of their corporate responsibility performance. In December 2017, the Group was confirmed as a constituent company in the Euronext Vigeo World 120, Euronext Vigeo Eurozone 120, Euronext Vigeo Europe 120 and Euronext Vigeo France 20 indices;

- ◆ CAC 40^o Governance index (since 2017): in December 2017, Unibail-Rodamco made the list of "Top 10 Performers" of the CAC 40^o Governance index, which debuted in 2017 and ranks the CAC 40^o businesses according to their responsible governance score;
- ◆ Ethibel^o (Excellence since 2011, and Pioneer since 2013): The 'Ethibel Sustainability Index' (ESI) indices include companies that achieve a better than average performance in terms of sustainable development and social responsibility in their respective sectors. Unibail-Rodamco has been reconfirmed as a member of the Ethibel^o Sustainability Index Excellence Europe and the Ethibel^o Sustainability Index Excellence Global (last updated on September 25, 2017);
- ◆ STOXX^o Global ESG Leaders Index (since 2011): The STOXX^o Global ESG Leaders index is composed of the leading global companies in terms of environmental, social and governance (ESG) criteria. Unibail-Rodamco is included in all STOXX ESG Leaders indexes and also in three specific sub-indexes STOXX ESG Social Leaders, Governance Leaders and Leaders. In 2017, Unibail-Rodamco remained a member of the STOXX^o Global ESG Leaders index for the sixth consecutive year and was named industry leader;
- ◆ ECPI Indices (since 2007): ECPI is a leading rating and index company dedicated to ESG Research (Environmental, Social and Governance). In 2017, Unibail-Rodamco has been confirmed for inclusion in the following ECPI^o indices: ECPI Global Eco Real Estate and Building Equity, ECPI Global Eco Real Estate & Building Liquid, ECPI World ESG Equity, ECPI Euro ESG Equity, ECPI Global Ethical Equity, ECPI EMU Ethical Equity, ECPI Euro Ethical Equity, and ECPI European Top 10 ECO Real Estate Equity.

2.4.7.3. Green Bonds

With its clear sustainability policy and its recognised ESG performance within the real estate sector over many years, the Group has decided to develop the framework of a Unibail-Rodamco "Green Bond" to finance brownfield and/or existing assets which meet strong and selective criteria in social, environmental and sustainable areas both during the construction and the operating phases of these eligible assets. As part of its innovative and diversified funding sources, Unibail-Rodamco issued the 1st Green Bond for a real estate company on the Euro market in February 2014 and the 1st Green Bond on the SEK market in May 2014 for a non-Swedish corporate issuer. In April 2015, the Group issued its second Green Bond on the Euro market. These issues demonstrate the successful team work between Unibail-Rodamco's sustainability, legal, finance and communication departments and the capacity for the Group to turn individual strengths into collective power.

2. Corporate social responsibility

Stakeholders

◆ Use of Proceeds of the “Unibail-Rodamco Green Bond”

- ◆ Strict limitation of proceeds to the “best-in-class” sustainable assets: net proceeds from issuing the “Green Bonds” are used to finance (through loans or equity) construction and/or new development projects. The Eligible Assets are defined as below:
 - new or ongoing projects (including brownfield, greenfield and/or extension/renovation projects);
 - and/or existing assets under management by Unibail-Rodamco SE or any of its subsidiaries, which:
 - a) have received a “BREEAM” Certificate⁽¹⁾ Design Stage (or any equivalent certification) of at least (and including) “Very Good” (i.e. a minimum score of 55/100),
 - b) and which have obtained or will obtain a BREEAM In-Use Certificate (or any equivalent certification) in respect of the asset and building management, respectively Part 1 (Asset) and Part 2 (Building Management), of at least (and including) “Very Good” under the BREEAM⁽¹⁾ assessment (www.breem.org) as soon as reasonably possible after the commencement of operations.

Eligible Assets will also meet the additional social and environmental criteria developed with and validated by Vigéo (or any other third party appointed by the Issuer as a

successor to Vigéo in the future), to be published on the Issuer’s website (the “Additional Criteria”) (www.unibail-rodamco.com).

- ◆ Third-party auditor: EY (or any other third party appointed by the Issuer as a successor to EY in the future) is expected to issue a report each year in the Issuer’s Annual & Sustainable Development Report on the compliance, in all material respects, of the Eligible Assets with the eligibility criteria described above.
- ◆ Annual publication: Each year, Unibail-Rodamco SE is also expected to list in its Annual and Sustainable Development Report the Eligible Assets funded by the proceeds of Bond issues, including the following indicators for these Eligible Assets: environmental impact, energy performance, impact on local communities and the well-being of visitors and tenants, to be published on the issuer’s website (the “Indicators”) (www.unibail-rodamco.com).

◆ Relevant and ambitious social and environmental criteria

The social and environmental criteria have been developed with and validated by Vigéo. Criteria are aligned with (i) the “Green Bond Principles” (GBP) updated in March 2015 and (ii) relevant to the Group’s sustainability strategy, which has been in force for several years and has structured long-term targets.

Prerequisite	“BREEAM” certifications	
	Construction	Operation
New development projects: BREEAM certification with a minimum score of “Very Good”	√	N/A
Existing: BREEAM In-Use with a minimum “Very Good” score for both Asset (Part 1) and Building Management (Part 2)	N/A	√

Criteria in five additional domains	Sub criteria to meet	
	Construction	Operation
I - Select the countries in which eligible assets are located based on human rights and governance	2	/
II - Contribution of the eligible assets to the development and well-being of the communities in which they are located	4	1
III - Monitor the environmental impacts of the eligible assets	6	3
IV - Promote sustainable and enduring relationships with tenants and visitors	1	5
V - Promote social and environmental factors with suppliers	4	4
SUB CRITERIA (TOTAL)	17	13

◆ Green bonds issued by Unibail-Rodamco⁽²⁾

Unibail-Rodamco has issued three “green bonds”:

- February 19, 2014, 1st real estate company to issue a “green bond” on the Euro market;
- May 23, 2014, 1st international non-Swedish corporate to issue a “green bond” on the SEK market;
- April 8, 2015, third “green bond”, (and second on the Euro market).

(1) BREEAM is an environmental assessment method and rating system for buildings launched in 1990. BREEAM sets a standard for best practice in sustainable building design, construction and operation and a measure of a building’s environmental performance. It encourages designers, clients and others to think about low-carbon and low-impact design, minimising the energy demands created by a building before considering energy efficiency and low-carbon technologies (please see www.breem.org for more information).

(2) Issuing of Green Bonds and allocation of funds are validated by the Group Asset & Liability Management Committee (ALM Committee, see section 6.2.2.2. Risks associated with access to funds, interest rate, counterparties and capital markets) following a specific procedure that has been formalised internally.

	Euro	SEK	Euro
	GB I	GB II	GB III
Issuer (legal entity name)	Unibail-Rodamco SE	Rodamco Sverige	Unibail-Rodamco SE
Date	February 19, 2014	May 23, 2014	April 8, 2015
Size	€750 million	1.5 billion	€500 million
Maturity	10 years	5 years	10 years
Coupon	2.5%	Stibor 3 million +78 bps	1%

◆ Current allocation of Unibail-Rodamco's Green Bond proceeds

In accordance with the internal procedures governing the analysis, selection and monitoring of the Group's Green Bonds, proceeds from bond issues are allocated to the selected assets based on the previously-identified list of "eligible assets". 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 2017: on October 2, 2017, Unibail-Rodamco disposed of the So Ouest Plaza asset, to which 24% of the GB III proceeds had been allocated for a funding period lasting until 2025. Therefore, the partner proceeds were reallocated to the extension of Carré Sénart.

The allocation of the proceeds from the three Green Bonds is illustrated below:

	GB I €750 million			GB II SEK 1.5 billion		GB III €500 million	
	Lyon Confluence (Lyon)	So Ouest	Aéroville	Mall of Scandinavia	Majunga	Carré Sénart ext	
Business	Shopping Centre	Shopping Centre	Shopping Centre	Shopping Centre	Offices	Shopping Centre	
Funds allocated to projects (%) ⁽¹⁾	20%	40%	40%	100%	68%	8% +24%	
GLA scope of consolidation (m ²)	53,500	48,500	83,300	103,200	65,600	31,448	
2016 Visits (million)	9.4	7.4	8.7	14.1	n.a.	n.a.	
Opening date to public	April 4, 2012	October 16, 2012	October 16, 2013	November 11, 2015	Delivered in July 2014	October 25, 2017	

(1) Allocation carried out through internal loans.

◆ Annual report on the Unibail-Rodamco Green Bond and Use of Proceeds (for GB I and GB II issued in 2014)

CONSTRUCTION PHASE

◆ BREEAM prerequisite

Prerequisite	Criteria	Commitments/supporting elements	GB I €750 million			GB II SEK 1.5 billion
			Lyon Confluence (Lyon)	So Ouest	Aéroville	Mall of Scandinavia
Environmental certification	BREEAM	Minimum BREEAM rating of "Very Good"	Very Good ⁽²⁾	Excellent ⁽³⁾	Excellent ⁽⁴⁾	Excellent ⁽⁵⁾

(2) Has achieved an interim overall score of 59.92% and a BREEAM rating of "Very Good" under the "2008 version of BREEAM international".

(3) Has achieved a final overall score of 78.4% and a BREEAM rating of "Excellent" under the "2009 version of BREEAM Europe commercial retail".

(4) Has achieved a final overall score of 70.5% and a BREEAM rating of "Excellent" under the "2009 version of BREEAM Europe commercial retail".

(5) Has achieved an interim overall score of 77.4% and a BREEAM rating of "Excellent" under the "2008 version of BREEAM Europe commercial retail".

◆ 17 sub criteria

Domains	Criteria	Sub criteria	GB I €750 million		GB II SEK 1.5 billion	
			Lyon Confluence (Lyon)	So Ouest	Aéroville	Mall of Scandinavia
I – Select the countries in which eligible assets are located based on human rights and governance	Respect, protection and promotion of freedom and human rights	Integration, signature or ratification of conventions related to Human Rights, and Labour Rights KPI: country score Vigeo (out of 100)		97.22/100 ⁽¹⁾		97.22/100 ⁽¹⁾
		Democratic institutions KPIs related to: Political Freedom and Stability; Prevention of corruption; Press freedom; Independence of the judicial system; Legal certainty KPI: country score Vigeo (out of 100)		88.48/100 ⁽¹⁾		99.55/100 ⁽¹⁾
II – Contribution of the eligible assets to the development and well-being of the communities in which they are located	Sustainable insertion and local consultation	Existence of information on projects to neighbours	√	√	√	√
		Absence of material public recourse on the project preventing the completion of the project	√	√	√	√
	Development of sustainable transport and connectivity	Accessibility of the asset by public transport (within 500 metres) KPI: Distance to a public transport mode (m)	30 m	45 m	40 m	120 m
		Promote the potential use of alternative transport solution and sustainable mobility	tramway	bus line	bus line	train
III – Monitor the environmental impacts of the eligible assets	Environmental Management Systems (EMS)	Involvement of an external environmental consultant	√	√	√	√
		Commissioning Report	√	√	√	√
	Pollution prevention and control	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	√	√	√	√
	Carbon intensity management	Optimise intrinsic energy performance of the asset in view of applicable regulatory constraints KPI: Percentage improvement over national standard building energy performance (%)	-34% ⁽²⁾	-57.7% ⁽²⁾	-55% ⁽²⁾	-32% ⁽³⁾
		Biodiversity conservation and landscape integration	Involvement of an ecologist during the Project Phase	√	√	√
IV – Promote sustainable and enduring relationships with tenants and visitors	Sustainable relations with tenants	Promote “Green Leases” signature before opening KPI: Percentage of “green lease” signed (%)	91%	86%	98%	100%
V – Promote social and environmental factors with suppliers	Social responsibility towards suppliers’ workers	Promote if possible health & safety coordinator contract (or equivalent)	√	√	√	√
		Integration of environmental and social factor in the supply chain	Promote access control to building site	√	√	√
	Sustainable relations with suppliers	Promote Considerate Construction Charter to minimise environmental impact of building sites	√	√	√	√
E-learning for Unibail-Rodamco’s employees on its Code of Ethics		√	√	√	√	

(1) Source: Country score Vigeo – February 2018.

(2) According to dynamic thermal simulation aligned with RT 2005 requirements.

(3) According to Swedish thermal building regulation (BBR 17).

OPERATION PHASE

◆ BREEAM In-Use prerequisite

Prerequisite	Criteria	Commitments/supporting elements	GB I €750 million			GB II SEK 1.5 billion
			Lyon Confluence (Lyon)	So Ouest	Aéroville	Mall of Scandinavia
Environmental certification	Breeam in-use	BREEAM In-Use scores minimum "Very Good" for Asset (P1) and Building Management (P2) ⁽¹⁾	(P1): Excellent (P2): Outstanding Obtained on Dec. 19, 2013 Re-certified on Dec. 22, 2016 ⁽²⁾	(P1): Excellent (P2): Outstanding Obtained on Dec. 11, 2014 Recertified on Dec. 21, 2017 ⁽³⁾ (P1): Outstanding (P2): Outstanding	(P1): Excellent (P2): Outstanding Obtained on July 28, 2015	(P1): Excellent (P2): Excellent Obtained on Nov. 29 2017 ⁽³⁾

(1) According to "BREEAM In-Use International" scheme.

(2) According to "BREEAM In-Use International 2015" scheme, scores maintained.

(3) According to "BREEAM In-Use International 2015".

◆ 13 sub criteria

Prerequisite	Criteria	Sub criteria	GB I €750 million			GB II
			Lyon Confluence (Lyon)	So Ouest	Aéroville	Mall of Scandinavia SEK 1.5 billion
II – Contribution of the eligible assets to the development and well-being of the communities in which they are located	Assess the local social and economic development	Assess local employment through tenants' activities (e.g. follow-up of number of jobs created in the catchment area) KPI: Total tenant supported jobs (FTE)	869 ⁽¹⁾	735 ⁽¹⁾	1,387 ⁽¹⁾	1,639 ⁽¹⁾
III – Monitoring the environmental impacts of the Eligible assets	Environmental Management Systems ("Sustainable Management Attitude")	Environmental action plan and follow-up with regular reporting (from 1 year after opening)	√	√	√	√
	Pollution prevention and control	Annual audit of health and safety risks (from 2 years after opening) KPI: Annual health & safety audit (rating from A to D)	A ⁽²⁾	A ⁽²⁾	A ⁽²⁾	A ⁽²⁾
	Carbon intensity management	Assess energy consumption and CO ₂ emissions with potential action plan if needed KPI: Energy intensity (kWh/visit) since measured baseline KPI: Carbon intensity trend (in CO₂/visit) since measured baseline	-42.7% kWh/Visit -46.3% CO ₂ /Visit (2017/2013)	-14.6% kWh/Visit -6.0% CO ₂ /Visit (2017/2014)	-14.9% kWh/Visit +19.4% CO ₂ /Visit (2017/2015)	Expected in 2018 Annual Report ⁽³⁾
IV – Promote sustainable and enduring relationships with tenants and visitors	Sustainable relations with tenants	Organise on site Sustainability Committee	√	√	√	√
		Conduct satisfaction survey with retailers KPI: Overall satisfaction score (out of 100)	69/100	75/100	72/100	74/100
	Sustainable relations with visitors	4-Star labelling or equivalent if applicable	√	√	√	√
		Conduct satisfaction survey KPI: Overall satisfaction score (out of 100)	82/100	78/100	84/100	87/100
V – Promote social and environmental factors with suppliers	Social responsibility towards suppliers' workers	Promote labour rights to suppliers via contractual documentation	√	√	√	√
		Promote environmental and social factors to suppliers via contractual documentation	√	√	√	√
	Sustainable relations with suppliers	Promote ethics to suppliers via contractual documentation	√	√	√	√
		Assess regularly compliance with contractual clause by the main suppliers	√	√	√	√

(1) Source: Shopping centre economic impact study performed by Beyond Financial.

(2) In-house risk audit – methodology and detailed scores in Section 2.3.2.7. Health, safety and environmental risks and pollution of the Financial Report.

(3) No data available due to an opening to public in November 2015, energy consumption and CO₂ emissions have been tracked since the opening and the evolution of these indicators will be published in the 2018 Annual Report.

◆ Annual report on the “Unibail-Rodamco Green Bond” and the Use of Proceeds (for GB III issued in 2015)

CONSTRUCTION PHASE

◆ “BREEAM” prerequisite

Prerequisite	Criteria	Commitments/supporting elements	GB III €500 million	
			Majunga	Carré Sénart ext
Environmental certification	BREEAM	Minimum BREEAM rating of “Very Good”	Excellent ⁽¹⁾	Excellent ⁽²⁾

(1) Has achieved a final overall score of 76.2% and a BREEAM rating of “Excellent” under BREEAM “2009 Europe commercial office”.
(2) Has achieved a final overall score of 78.1% and a BREEAM rating of “Excellent” under “2009 BREEAM Europe commercial retail”.

◆ 17 sub criteria

Domains	Criteria	Sub criteria	GB III €500 million	
			Majunga	Carré Sénart ext
I – Select the countries in which eligible assets are located based on human rights and governance	Respect, protection and promotion of freedom and human rights	Integration, signature or ratification of conventions related to Human Rights, and Labour Rights KPI: country score Vigéo (out of 100)	97.22/100 ⁽¹⁾	
	Democratic institutions	KPIs related to: Political Freedom and Stability; Prevention of corruption; Press freedom; Independence of the judicial system; Legal certainty KPI: country score Vigéo (out of 100)	88.48/100 ⁽¹⁾	
II – Contribution of the eligible assets to the development and well-being of the communities in which they are located	Sustainable insertion and local consultation	Existence of information on projects to neighbours	√	√
		Absence of material public recourse on the project preventing the completion of the project	√	√
	Development of sustainable transport and connectivity	Accessibility of the asset by public transport (within 500 metres) KPI: Distance to public transport (m)	440 m La Défense Interchange	150 m Bus line
		Promote the potential use of alternative transport solution and sustainable mobility	√	√
III – Monitor the environmental impacts of the eligible assets	Environmental Management Systems (“Sustainable Design Attitude”)	Involvement of an external environmental consultant	√	√
		Commissioning Report	√	Pending ⁽²⁾
	Pollution prevention and control	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	√	√
	Carbon intensity management	Optimise intrinsic energy performance of the asset in view of applicable regulatory constraints KPI: Percentage improvement over national standard building energy performance (%)	-58.7% ⁽³⁾	-53.1% ⁽⁴⁾
Biodiversity conservation and landscape integration	Involvement of an ecologist during the Project Phase	√	√	
IV – Promote sustainable and enduring relationships with tenants and visitors	Sustainable relations with tenants	Promote “Green Leases” signature before opening KPI: Percentage of “green lease” signed (%)	100%	95% ⁽⁵⁾
V – Promote social and environmental factors with suppliers	Social responsibility towards suppliers’ workers	Promote if possible health & safety coordinator contract (or equivalent)	√	√
		Promote access control to building site	√	√
	Integration of environmental and social factor in the supply chain	Promote Considerate Construction Charter to minimise environmental impact of building sites	√	√
	Sustainable relations with suppliers	E-learning for Unibail-Rodamco’s employees on its Code of Ethics	√	√

(1) Source: Country score Vigéo – February 2018.
(2) Commissioning report expected in 2018 for Carré Sénart extension.
(3) According to thermal regulation RT 2005.
(4) According to dynamic thermal simulation aligned with RT 2012 requirements.
(5) as at December 31, 2017.

OPERATION PHASE

◆ “BREEAM In-Use” prerequisite

Prerequisite	Criteria	Commitments/supporting elements	GB III €500 million	
			Majunga	Carré Sénart ext
Environmental certification	Breem in-use	BREEAM In-Use scores minimum “Very Good” for Asset (P1) and Building Management (P2) ⁽¹⁾	(P1): Excellent (P2): Excellent Obtained on Nov. 29, 2017 ⁽²⁾	Expected in 2020 Annual Report

(1) According to “BREEAM In-Use International” scheme.

(2) According to “BREEAM In-Use international 2015”.

◆ 13 sub criteria

Prerequisite	Criteria	Sub criteria	GB III €500 million		
			Majunga	Carré Sénart ext	
II – Contribution of the eligible assets to the development and well-being of the communities in which they are located	Assess the local social and economic development	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)	N/A	Expected in 2019 Annual Report	
		Environmental Management Systems (“Sustainable Management Attitude”)	√	Expected in 2018 Annual Report	
		Pollution prevention and control	Annual audit of health and safety risks (from 2 year after opening) KPI: Annual health & safety audit (rating from A to D)	A ⁽¹⁾	Expected in 2019 Annual Report
III – Monitor the environmental impacts of the eligible assets	Environmental Management Systems (“Sustainable Management Attitude”)	Assess energy consumption and CO ₂ emissions with potential action plan if needed KPI: Energy intensity (kWh/occupant) since measured baseline KPI: Carbon intensity trend (in CO ₂ /occupant) since measured baseline	+35% kWh/occupant +53% CO ₂ /occupant (2017/2016)	Expected in 2019 Annual Report ⁽²⁾	
		Carbon intensity management			
		Sustainable relations with tenants	Organise on site Sustainability Committee	√	Expected in 2018 Annual Report
IV – Promote sustainable and enduring relationships with tenants and visitors	Sustainable relations with tenants	Conduct satisfaction survey with retailers KPI: Overall satisfaction score (out of 100)	N/A	Expected in 2018 Annual Report	
		Sustainable relations with visitors	4-Star labelling or equivalent if applicable	N/A	Expected in 2018 Annual Report
			Conduct satisfaction survey KPI: Overall satisfaction score (out of 100)	N/A	Expected in 2018 Annual Report
			Relevant safety management (e.g. video protection plan)	N/A	Expected in 2018 Annual Report
V – Promote social and environmental factors with suppliers	Social responsibility towards suppliers’ workers	Promote labour rights to suppliers via contractual documentation	√	Expected in 2018 Annual Report	
		Promote environmental and social factors to suppliers via contractual documentation	√	Expected in 2018 Annual Report	
		Promote ethics to suppliers via contractual documentation	√	Expected in 2018 Annual Report	
		Assess regularly compliance with contractual clause by the main suppliers	√	Expected in 2018 Annual Report	

(1) In-house risk audit - methodology and detailed scores in Section 2.3.2.7. Health, safety and environmental risks an pollution of the Financial Report.

(2) No data available for Carré Sénart extension due to ongoing works in 2017.

◆ Independent verifier's report on Green Bond criteria and indicators

Unibail-Rodamco has commissioned the EY firm 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) and detailed on-site audits including "Mall of Scandinavia" in 2017. The EY reasonable assurance report is available below.

Independent report of one of the Statutory Auditors on compliance with environmental and social criteria for selection and monitoring of assets eligible for Green Bonds and the allocation of funds raised under these obligations

2.

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and applicable regulations in France.

Year ended December 31st, 2017

To Mr. Christophe Cuvillier, Chairman of the Management Board,

In our capacity as statutory auditor of the company, we hereby present our report on environmental and social criteria for selection and monitoring processes, defined in the "Use of Proceeds"⁽¹⁾ requirements of Green Bonds "Selection and Monitoring Criteria" for the assets selected for Green Bonds in effect on December 31st 2017.

Responsibility of the company

It is the responsibility of the Company's Chairman to establish the Selection and Monitoring Criteria and ensure their implementation.

Independence and quality control

Our independence is defined by regulatory requirements and the Code of Ethics of our profession and the conditions laid down by Article L. 822-11-3 of the French Commercial Code. In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards and applicable laws and regulations.

Responsibility of the statutory auditor

- ◆ It is our role, based on our work to express a reasonable assurance as to whether the assets selected for Green Bonds in effect on December 31st 2017 comply, in all material aspects, with the Selection and Monitoring Criteria (reasonable assurance report).
- ◆ to attest to the allocation of funds raised under Green Bonds to the selected assets and attest to the concordance of funds allocated to these assets with the amount in the accounts, knowing that no new "Green Bond" was issued in 2017.

We conducted the work described below in accordance with the international standard ISAE 3000 (International Standard on Assurance Engagements) and the professional doctrine of the French Compagnie Nationale des Commissaires aux Comptes in relation to this intervention. We called, to assist us in performing our work, on our experts in sustainable development, under the responsibility of Mr. Eric Duvaud, Partner.

1. REASONABLE ASSURANCE REPORT ON ENVIRONMENTAL AND SOCIAL CRITERIA FOR SELECTION AND MONITORING

Nature and scope of work

In order to be able to express our conclusion, we undertook the following work, between November 2017 and February 2018:

- ◆ We assessed the suitability of the Selection and Monitoring Criteria regarding their relevance, completeness, clarity, neutrality and reliability, taking into consideration the "Green Bonds Principles"⁽²⁾;
- ◆ We undertook interviews at the main office of the Company in order to understand selection and monitoring procedures and to verify the compliance with Selection and Monitoring Criteria, based on the documentary evidence available at the company main office relating to the six assets monitored in the framework of bonds issued during the previous financial years (Lyon Confluence, So Ouest, Aéroville, Mall of Scandinavia, Majunga and Carré Sénart Extension).

Information or explanations on the Selection and Monitoring Criteria

- ◆ The Selection and Monitoring Criteria only cover environmental and social aspects of eligible assets, and exclude their economic aspects. These criteria are the minimum requirements to be met by eligible assets in order to be considered as Green Bonds. They are related to construction and operating phases and the monitoring of assets. The company also publishes the justification or the confirmation of the compliance with each criterion for the selected assets in the chapter « 2.4.7.3 Green Bonds Framework and Reporting » of the Management Report.
- ◆ For the operating phase, part of the criteria cannot be applied and verified before one or several years of operation (e.g. certification BREAM-In-Use). For assets still under construction or recently delivered (e.g. Carré Sénart extension, Majunga), the expected date of compliance with these criteria is specified in the detailed table by asset in the chapter 2.4.7.3 of the Management Report.

Conclusion

In our opinion, the assets selected for Green Bonds in effect on December 31st, 2017 comply, in all material aspects, with the Selection and Monitoring Criteria.

(1) "Criteria" and "Indicators" press releases published on February 19th 2014, about Selection criteria ("Additional criteria") and Monitoring Criteria (Indicators) for Green Bonds, available at www.unibail-rodamco.fr

(2) The Green Bonds Principles (updated version of June 2017) are available on the website of the ICMA (International Capital Market Association) <http://www.icmagroup.org>

2. ATTESTATION ON FUNDS ALLOCATION

It is also our responsibility to express our conclusion on the funds allocated to the assets that were selected and on the consistency between the amount of funds allocated to these assets within the framework of the Green Bonds issuance and the accounting records and their underlying data, knowing that no new "Green Bond" was issued in 2017.

However, it is not our responsibility to express a conclusion on the use of the funds allocated to the eligible assets following their allocation.

In our capacity as statutory auditor of Unibail-Rodamco, we conducted jointly with the co-statutory auditor, the audit of the consolidated financial statements of the company for the year ended December 31st, 2017. Our audit aimed at expressing an opinion on the consolidated financial statements considered globally and not on specific elements of these statements used to establish this information. Therefore, we did not perform any audit tests or sampling to this purpose and we do not express any opinion on these isolated elements.

Our intervention, which is neither an audit nor a limited review, was performed in accordance with the professional doctrine of the French Compagnie Nationale des Commissaires aux Comptes in relation to this intervention, in order to:

- ◆ understand the procedures that the company put in place so as to determine the information provided in chapter "2.4.7.3 Green Bonds Framework and Reporting" in the 2017 Management Report;
- ◆ verify that the internal loans or financing contracts signed with the subsidiaries owning Lyon Confluence, So Ouest, Aéroville, Mall of Scandinavia, Majunga, and Carré Sénart Extension are still running on 31 December 2017, knowing that in date of the issuance of our report, on the respect of environmental and social **Selection and Monitoring** Criteria for the selected assets for "Green Bonds" and on the allocation of funds raised for these obligations in date of 31 December 2015, we verified that these contracts mention the source of the funds;
- ◆ The So Ouest Plaza asset, covered by green bonds financing since 2015 was sold at the end of 2017. The funds initially allocated to this asset were reallocated to another eligible asset (Carré Sénart Extension), in addition to the existing financing.
- ◆ verify the consistency between the information provided in the introduction of chapter "2.4.7.3 Green Bonds Framework and Reporting" of the 2016 Management Report for the year ended December 31st, 2017 and the data from the consolidated financial statements of the company for the same year.

Based on our work, in the context of the Green Bonds issuance, we have nothing to report with regard to the allocation of the funds to the assets selected or to the consistency of the amount of funds allocated to these eligible assets with the accounting records and underlying data, knowing that no new "Green Bond" was issued in 2017 and that the funds initially allocated to So Ouest Plaza were reallocated post closure.

Paris-La Défense, the 23 of March 2018,

French original signed by:

Jean-Yves Jégourel

One of the Statutory Auditors
ERNST & YOUNG Audit

Eric Duvaud
Sustainability Expert

2.4.7.4. Green Loans

In April 2017, Unibail-Rodamco took out a Green Loan of €650 million 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. The approach is complemented by a transparency obligation, whereby the Group must ensure that compliance with its green covenants is checked by an independent verifier, together with the environmental, social and societal information published in this report.

2.5. COLLECTIVE POWER @ UNIBAIL-RODAMCO

◆ Pillar 4: Better Places Less top down – Better collective power

A CSR strategy is fully effective only if supported by all and sustained by the motivation of employees and stakeholders. The achievement of the ambitions laid out in the first three « Better Places 2030 » pillars is conditioned to the involvement of the entire Group ecosystem.

For this reason, Unibail-Rodamco reinforced its Human Resources commitment towards employees with additional social and environmental ambitions:

- ◆ 100% of the Group's employees have individual CSR objectives;
- ◆ 100% of the employees are offered the volunteering program UR involved!;
- ◆ 100% of the Group's company cars gradually replaced by hybrid or electric vehicles;
- ◆ 100% of the greenhouse gas emissions related to employees' business travel by air or by train are offset through carbon credits.

2.5.1. TALENT MANAGEMENT AND ENGAGEMENT

Unibail-Rodamco's recruitment and career development policies are designed to attract and retain the best talent on the market. The Group is committed to offering employees a working environment that fosters equal opportunities and talent diversity to enable each individual to acquire the skills and opportunities needed to build exciting careers that also create value for the Company.

Employees receive regular support and advice on career development. They meet with their managers once a year for year-end appraisals, and also have the opportunity to provide feedback all year long through a specific process that was put in place in 2017. This gives them the opportunity to discuss their performance, objectives, career advancement and training needs.

Unibail-Rodamco's competency model was updated in 2014 to include in the appraisal methodology the six values and expected behaviours outlined in the UR Experience.

The Management Board captured the essence of Unibail-Rodamco's culture in six specific, unique and guiding pillars, referred to as the UR Experience. These pillars are:

- ◆ we work harder, we deliver faster;
- ◆ we create unique opportunities;
- ◆ we only play to win;
- ◆ we never compromise on ethics;
- ◆ we turn individual strengths into collective power;
- ◆ we trust our people, we empower them to dare.

These were then classified into expected behaviours. The UR Experience has been part of the competency model used in the Group's bi-yearly evaluation since 2014 and is now firmly embedded in the mindset and day-to-day activities of all employees.

This gives all employees the opportunity to understand the mindset and skills expected in the UR Experience. The internal Job Grading system enhances communication, consistency and transparency in managing mobility across the Group. Internal mobility between functions is strongly encouraged and is conceived as a collaborative process involving employees, managers and HR department. It gives employees a more in-depth understanding of the Group's various activities and priorities at each stage in the lifecycle of its assets. Internal mobility also helps employees to build and consolidate networks and share best practices among the various regions. The international mobility policy has been re-designed to cover all mobility schemes, increase awareness of the related benefits and provide full support to expatriate employees and their families. In 2017, 234 employees made a lateral or geographical career move within the Group, 277 employees (13.7% on average) were promoted and 43 conducted an international mobility (compared to 44 in 2016).

Several talent development initiatives took place in 2017:

- ◆ a Leadership Program was launched to support the professional development of managers in the Principal grade, and to build their European network within the Group. In 2017, 12 Principals from 8 countries participated to the Program including a new training “From Management to Leadership”, developed with a former McKinsey consultant and a leadership seminar;
- ◆ the Executive Leadership Development Program designed in 2016 was renewed in 2017 with experienced managers, with a view to develop the future leaders of Unibail-Rodamco;
- ◆ to harness collective intelligence and innovation, open new career perspectives and promote diversity within teams, the Group continued to develop its Innovation Champions network through its internal “Innovation Champion Graduate Programme”. Either remaining in their operational roles and dedicating up to 20% of their time to innovation projects, or being involved in UR Lab, the Group’s dedicated R&D team on a full-time basis. 25 employees from various functions and countries completed a phase or more of an innovation project on a Group level. All participants received specific training and coaching in areas such as brainstorming and design thinking, as well as pitched their project outcomes at various innovation meetings and workshops.

Following the 2016 edition of the UR Experience Survey which was the first survey on employee engagement for Unibail-Rodamco, over 60 actions were implemented in 2017 at Group and regional levels, covering areas such as homeworking,

transparency on compensation and benefits policy, diversity and improved tools and processes, to mention a few.

2.5.2. UR ACADEMY – DEVELOPING PEOPLE

In 2017, learner experience, internationalization and innovation were the key-words for the UR Academy. To ensure that the needs are quickly met *via* PC, iPad and iPhone, the Academy has intensified the creation of e-learning and provides now 14 different modules.

To guarantee employees have the relevant knowledge and skills, training paths were created in collaboration with each department director. The Academy also wants to create iconic events like the Operating Management Conference, the EGP Seminar, the UR Fundamentals and the Trainers Club.

In 2017, Business training represented almost 67% of training hours delivered and 81% of trainees. These trainings are delivered by internal experts and senior Managers of the Group, and emphasize the importance of Unibail-Rodamco’s expertise.

The UR Academy is also a powerful lever to accelerate the internationalization on the Group, by fostering networking between European participants, and through specific training on “Managing in Intercultural Environment”.

Finally, the UR Academy continued supporting diversity with dedicated training such as “Gender balanced Leadership” and “Unlocking Potential of Women Leaders”.

In figures:



2,028
number of employees trained



22.8
average number of training hours per employee



International focus
Prague, Dusseldorf, Paris and Amsterdam

Unibail-Rodamco values authentic leadership and supports future managers by developing a training path tailored to their international management environment.

A total of 14,646 personal development training hours were provided in 2017 (vs 9,900 hours in 2016), including 2,244 hours dedicated to leadership.

Similarly, to ensure the best possible preparation for future Group leaders, UR Academy held several major international events in 2017:

Name	Number of people trained in 2017	Total hours in 2017
Gender Balanced Leadership	76	308
Unlocking Potential of Leaders/Women @ UR	42	630
From Management to Leadership	36	1,044
Intercultural Training	40	320.5

Since 2017, the Learning Management System is available for all Regions and allows employees to access the training offer of the Academy. The learner experience was greatly improved with the creation of a knowledge bank providing all training materials, accessible to all employees in the Group at any time. A Q&A section has also been created to help users navigate the platform.

KPI: TRAINING [G4-LA9]

Total training hours attended by employees on permanent and fixed-term contracts.

	2015	2016	2017
Total hours attended	41,023	43,404	45,832
Average number of hours per employee ⁽¹⁾	20.6	21.8	22.8

(1) Based on average headcount for the year.

2.5.3. ATTRACTING THE BEST

With the support of Universum, the global leader in employer attractiveness research and insights, Unibail-Rodamco formalized for the first time its Employer Value Proposition through the definition of 3 main themes: Inspiring Impact, Stimulating Challenges and Empowering Talent. This new employer branding identity resulted in the launch of an external communication campaign in September 2017 on offline & online media.

The Group consolidated its partnership with the CEMS Global Alliance, with the renewal of the mandate of Unibail-Rodamco Group HR Director as Member of its Executive Board. In 2017, 25% of graduates recruited through the European Graduate Programme (EGP) hold a CEMS Master's degree.

Overall, through the European Graduate Programme, the Group recruited 48 young graduates in 2017 from among Europe's most prestigious universities, engineering and business schools, increasing international and gender diversity. The Group led a total of 159 EGP assignments during the year. For the third year in a row in Germany, the European Graduate Programme won the 2018 Graduate Trainee Award in recognition of its status as one of the best programmes of this type.

The URmall business game was held for the fourth time and attracted 245 candidates across Europe to work on the Group's strategy to build better places. 45 students were chosen during a regional selection phase held in 8 European capital cities. In all, 21 finalists were given the opportunity to travel to the Group's Headquarters in Paris to work in teams on potential start-up collaborations with Unibail-Rodamco and present their findings to the Management Board.

Rewarding the quality of the Group's career opportunities and attractiveness, Unibail-Rodamco received in 2017 a number of awards:

- ◆ it was certified once again as one of the "most attractive employer" for French students, and for the first time for Dutch students as well (Universum survey 2017). On a similar survey for experienced professionals, Unibail-Rodamco was recognized as an attractive employer in France, Sweden and the Netherlands;
- ◆ Unibail-Rodamco reiterated its commitment to training young talent when it was selected among 1,500 companies to receive the Happy Trainees label for the third year in a row. Some 94.7% of our trainees recommend the Company, giving us an overall score of 4.31/5 as regards to their experience with the Group;
- ◆ finally, Unibail-Rodamco France received the "HappyAtWork for Starters" label delivered by choosemycompany.com. The Company was ranked fifth as a great place to start a career, in the category of companies with fewer than 1,000 employees.



While maintaining the focus on internal mobility, several key senior management-level recruitments were made in 2017, bringing to the Group a variety of experience and a more international profile. At Group level, 26 people were hired with the grade of Principal or above.

To continue expanding its international scope, the Group paid special attention to the recruitment of candidates in countries other than their country of origin.

To speed up recruitment, the Group launched a referral programme called *coopt@ur*. Vacant positions are published on the Company's social networking site (UR World) and employees can each put forward one professional acquaintance. If the recommended person is hired, the referring employee receives €1,000, with an additional €1,000 given to a charity of her/his choice.

Since the launch of the program in October 2016, 160 eligible candidates were referred in all countries and 20 were successfully recruited. €21,000 were donated all over Europe to charities through this referral programme.

Unibail-Rodamco continued to reinforce its presence on professional social networks such as LinkedIn, with its almost 34,000 followers. The Group enriched its editorial line with 121 posts published in 2017, representing a 40% increase since 2016, while the average number of likes on these posts increased in 2017 by 27%.

Employee turnover in 2017, 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 2016, stood at 17.3% (compared with 17.1% in 2016).

KPI: Recruitment [G4-10, G4-LA1]

Total new employees (excluding trainees)

Employees by contract type	2016	2017
Permanent contracts	357	315
Fixed-term contracts	55	51
Apprenticeships ⁽¹⁾	19	25
TOTAL	431	391

(1) Excluding traineeships.

KPI: Departures [G4-LA1]

Total number of departures (excluding trainees)

Reasons for departure	2016	2017
Resignations	163	171
Dismissals	66	58
Mutual agreements	57	57
Retirements	14	11
Departures during trial period	25	38
Expiry of fixed-term contracts	46	53
Outsourcing	26	4
Death	2	1
TOTAL	399	393

2.5.4. EQUAL OPPORTUNITY AND INCLUSION

Average headcount for the Group in 2017 was 2,012 employees. Unibail-Rodamco maintained its positive track record for gender and age diversity with an almost equal split between men and women and a well-balanced age pyramid.

Diversity in all forms in the workplace is of prime importance for Unibail-Rodamco. The Group strongly advocates trust, professionalism, efficiency, integrity, transparency, team work and mutual respect, regardless of gender, age, disability, sexual orientation or religion.

Since 2014, the Group developed the UR Experience with the aim of:

- ◆ reasserting the fundamental values at the heart of Unibail-Rodamco's success and culture;
- ◆ enhancing the Group's performance.

These principles are also highlighted in the Group's Code of Ethics and in its Compliance Book. In 2012, a European Diversity Charter was promoted throughout the Group to fight all forms of discrimination and harassment. Candidates are encouraged to submit anonymous CVs through the Group's corporate website.

Pursuant Sapin II law regarding whistleblowing policy, Unibail-Rodamco has completed its reporting system by encouraging company staff and contractors to reveal or report any fact relating to a crime, offense or a serious and manifest violation of French law or regulation to the Compliance Hotline.

Since 2015, the Group has been developing its Equal Opportunities project to promote diversity in its Talent

Management policy. Action plans involving KPI monitoring have been launched on a region-by-region basis under the sponsorship of the Human Resources Department.

In 2017, 30.4% of positions at Principal grade and above were held by women, compared to 28.4% in 2016.

The Women@UR network is now present in all regions. It includes a mentoring programme and events with well-known guest speakers. The Regional Managing Director for Central Europe and the Director of Human Resources for Spain are sponsors for the Women@UR initiative at Group level, thus ensuring its European dimension.

A half-day seminar on Gender Balanced Leadership was designed to raise awareness on managing diversity in the workplace and 83 top managers were trained. A two-day leadership development course designed in conjunction with McKinsey was held for the sixth consecutive year and 42 women were trained in 2017.

In 2016, Unibail-Rodamco France once again signed the charter for diversity and inclusion of disabled persons in the workplace. The Group ensures that the standards set out in these charters are enforced in all countries in which it has operations. Each year, the French recruitment team participates in forums on employment of people with disabilities. All job offers are opened to people with disabilities and feature a special logo on websites offering this possibility. The Group (including Viparis) had 26 disabled employees in 2017. An action plan entitled "Handicap and Performance" was put in place in France, which included a quizz launched during the European disability employment week as well as training on how to recruit, welcome and work with disabled people. In several countries, the Group also purchases office supplies from companies that employ people with disabilities.

KPI: Employment by country [G4-10, G4-LA12]

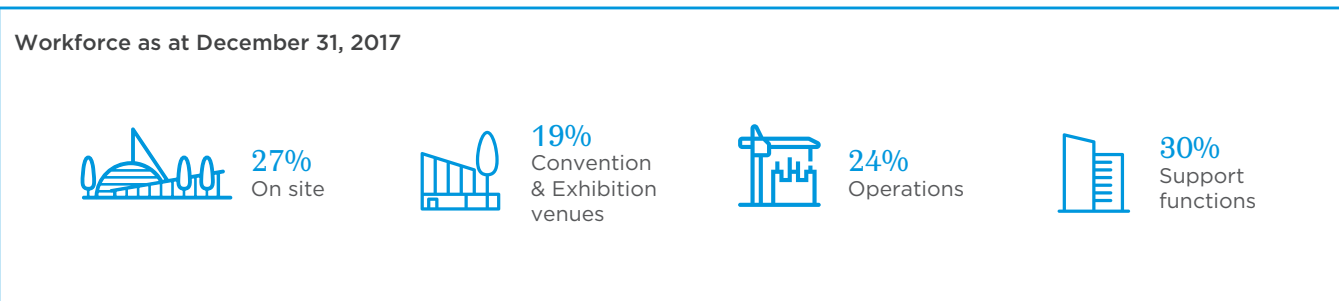
Average monthly headcount (total employees on the last day of each month divided by 12)

	2016	%	2017	%
Austria	56	2.8%	60	3.0%
Czech Republic	47	2.4%	49	2.5%
Denmark	8	0.4%	8	0.4%
France ⁽¹⁾	1,022	51.3%	1,059	52.6%
Germany	467	23.5%	434	21.6%
Netherlands	68	3.4%	74	3.7%
Poland	62	3.1%	69	3.4%
Slovakia	10	0.5%	9	0.4%
Spain	153	7.7%	149	7.4%
Sweden	97	4.9%	101	5.0%
TOTAL	1,990	100.0%	2,012	100.0%

(1) Including all Viparis employees (379 in 2016 and 376 in 2017)/employees seconded to CAML (1 in 2016 and 1 in 2017).

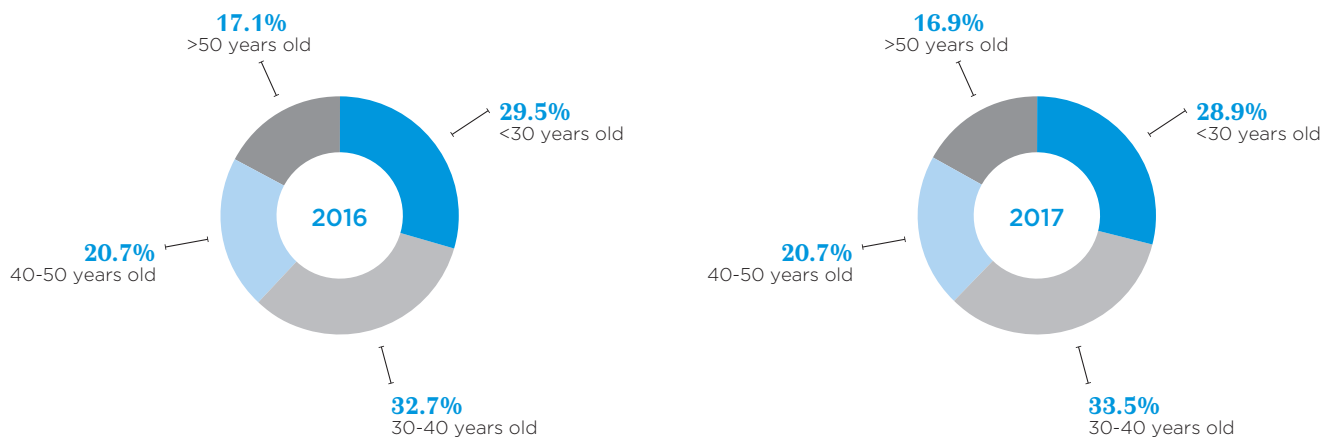
Since January 1, 2015, members of the Management Board are not included in Group headcount.

KPI: Employment by activity [G4-10, G4-LA12]



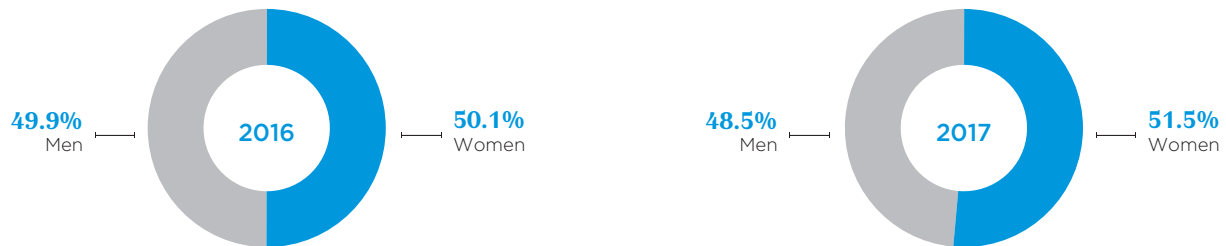
KPI: Employment by age [G4-10, G4-LA12]

Workforce as at December 31, 2017



KPI: Employment by gender [G4-10, G4-LA12]

Workforce as at December 31, 2017



2.5.5. EMPLOYEE COMMITMENTS AND CSR

A CSR strategy is fully effective only if shared and sustained by all employees and stakeholders. It must be integrated into the daily actions of each and every individual, whether they work at the head office or in the Group's asset in direct contact with the local communities.

Individual Targets

Employees of Unibail-Rodamco are actively involved, accountable of their own contribution to collective success through individual CSR objective. In 2017, members of the Management Board, the Group Management Team and the management teams in each of the countries (68 people in total) have been assigned CSR objectives, used to determine their year-end Short-Term Incentive.

A number of (both general and specialist) training courses have been updated to raise employees' awareness of the importance of their actions and the relevance of the strategy on a day-to-day basis.

Launch of the UR Involved! Programme

2017 was also the year in which the UR Involved! ("Unibail-Rodamco commits") Programme was launched. The Programme offers each of the Group's employees (excluding Viparis) the opportunity to dedicate a working day to supporting social action.

Each employee was able to select one of the 27 social initiatives set up by the Group in 2017 to match their interests and geographical or time preferences.

44% of Unibail-Rodamco employees (*i.e.* 719 employees) volunteered to spend one day supporting young job seekers, help charities overall running educational workshops or refurbishing care centres for disadvantaged children.

Employees spent more than 4,400 working hours (representing more than 550 working days) working actively to help young people to build the world of the future.

Promoting Eco-gestures at Work

To be consistent and set an example, change is also driven by offering all its employees the work setting and resources needed to improve their habits and reduce their impact on the

environment. In particular, as regard work-related travel, thanks to the new technologies put in place in January 2017, remote meetings by video-conference are favoured as an efficient alternative to physical meetings and a way to limit travel. In addition, since October 2016, all new company vehicles in any country must be hybrids or electric. Moreover, the carbon emissions from business travel by train or plane by all Group personnel are offset through a reforestation or ecosystem preservation program.

In order to make offices more sustainable and environmentally friendly, all employees were encouraged to express their suggestions on how to make their workplace much "greener" by launching a Group "Work greener" contest. As a result, actions were taken such as electronic pre-paid lunch, card instead of paper voucher, reduction of the number of individual printers, changing plastic cups and plastic bottles to personal mugs and glass bottles, as working consistently on implementing new suggested ideas.

Supporting partnerships to foster Better Places

The success of the "Better Places 2030" strategy and the speed with which it is implemented depend on stakeholders' contributions. They are thus involved in innovative initiatives and strategic partnerships to accelerate the transition. Unibail-Rodamco develops a supportive ecosystem comprising major industrial groups, SMEs, start-ups and research centres through cooperation projects and open innovation partnerships to design solutions for the future, on the model of partnerships. The UR Lab also fosters an innovative mindset and skills across the whole organisation so that the Group's management and teams speed up implementation of their projects. Moreover, the UR Lab encourages each of the Group's employees to participate in the sourcing of new concepts, ideas and projects and to feed the innovation roadmap.

UR Link, the Group's start-up accelerator programme is a concrete example of the action of the Group and its employees to engage with its ecosystem to find solutions.

Since its creation, UR Link has supported 19 start-ups, seven of which have CSR ambitions, with regard to the circular economy, mobility, urban agriculture and back-to-work plans.

The third season of the UR Link programme saw Unibail-Rodamco continuing to address CSR themes by working on pilot projects with *Phenix* to optimise and reduce centre waste, and with *Combo Solutions* to simulate the carbon impact generated by our asset development and operations. In 2017, the Group also tested a UR Link rollout to the Germany region.

A key element in this programme is the involvement of Unibail-Rodamco employee. Indeed, each start-up is supported during the four months of acceleration by one or two employees who help them test and prove their concept in one of the Group's asset.

This added value is essential for the accelerated start-ups and a key element of success of the programme. After three seasons, over 40 Unibail-Rodamco employees have been involved in supporting start-ups and dedicating a significant time.

2.5.6. WELL-BEING AT WORK

2.5.6.1. Work life Balance

Better collaboration and work-life balance have been identified as areas of improvement in the 2016 UR Experience survey. In a fast-paced and stimulating work environment, the Group always pays attention to the way its employees work together and keeps improving it. To foster better collaboration within the Group and as part of the UR Experience, the Together@Work charter, launched in 2017, defines six smart behaviours in the workplace. From valuing everyone's time to being tech smart, they focus on what each employee can do individually and collectively to encourage work-life balance and a productive and sustainable work environment, while supporting long-term engagement and the Group's performance. To raise awareness on these smart behaviours, the Together@Work charter has been included in the newcomers' presentation and in managerial trainings.

A homeworking initiative was launched in France in 2016. Today, 60 people across Europe are benefiting from this flexwork arrangement. This will be extended in the course of 2018.

In 2013, the Group signed the parenthood charter.

2.5.6.2. Working Environment

The *WorkSmarter* initiative, launched in 2014, still aims to improve the day-to-day life of the Group's employees. Along the lines of *WorkSmarter*, in 2015 several of the countries in which the Group operates provided their employees with "Ureka!" rooms to encourage creativity. Fitted out in an unconventional style (post-it walls, digital tablets), the rooms encourage teamwork and brainstorming. Some countries have also relocated or refurbished their offices, offering their employees modern work spaces featuring company restaurants, cafés and multi-purpose rooms, as well as easier access on foot, by bike or public transportation.

The Mixer was unveiled at the Group's head office in 2016 and is a 900 m² space dedicated to innovation, where Unibail-Rodamco teams, start-ups and partners work together to create the shopping centres and offices of tomorrow. Each week, meetings

and conferences are organised on architecture, retail, digital revolution, co-working and sustainable development.

In May 2017, *7Garden* was inaugurated, a urban agricultural rooftop, in line with Unibail-Rodamco's CSR strategy "Better Places 2030", and a workspace composed of 3 outdoor meeting spaces. Located at the Group's headquarters in Paris, the rooftop-terrace was created by *Sous les Fraises*, a UR Link startup and a pioneer in the organic production of edible plants in urban areas.

As part of its ongoing drive to improve working environments, the Group also pursued its efforts to provide its employees with the latest technological innovations such as multi-function printers, Single Sign-On connections for all sites and internal apps, Apple TV, UR Services and so on. Skype for Business was set up in January 2017 to facilitate online meetings and communication in real time, either internally or with parties outside the Group.

Local initiatives in all regions encourage sports and healthy activities and family friendly practices.

In the Nordics, the Company subsidizes and promotes employee participation in different running competitions and yoga-classes are held by employees for employees. Furthermore, the Nordics contribute with a fixed monetary reimbursement amount for individual health and well-being activities per year. Breakfast meetings are organized once a month on different topics, two of these included work environment and work-life balance.

In France, 54 employees took part in the *Foulées de l'Immobilier* sports event in support to the Abbé Pierre Foundation in 2017. The "vitality room" offers sports classes, relaxation sessions including yoga, free balance, Pilates and cross-training and also conferences on well being topics. In the Netherlands, the following events were supported: a breakfast seminar on workstress & health and free medical health checks for all employees above 40.

In Austria childcare vouchers were implemented. They can be used with more than 100 institutions who offer childcare during the year, enabling a better work-life balance.

In Germany a Health Day was conducted for the first time, including workshops and information on a healthy lifestyle. Health check-ups were also offered to our employees throughout the year.

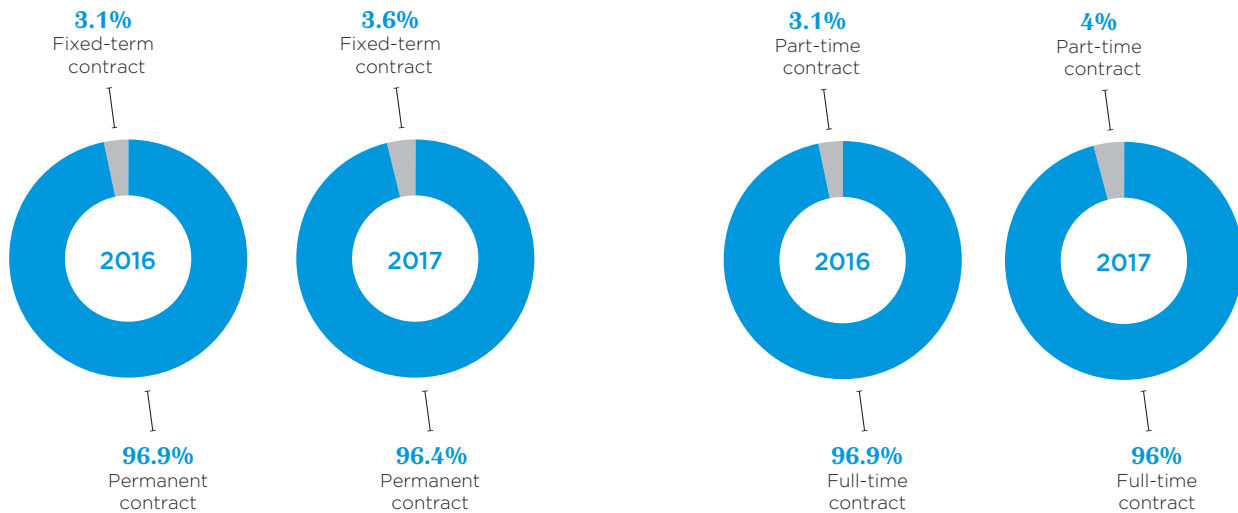
In Spain, UR running events have been launched which have entailed the participation of several team members in Madrid, such as the "Carrera de las Empresas" where different companies participate.

Most countries in which the Group operates offer their employees fresh fruit or complimentary drinks. The Group organises Christmas parties for its employees and also invites them to openings of new shopping centres such as Carré Sénart, Glories or Wroclavia.

The Group continued its risk prevention training strategy in 2017, through "HR toolbox" sessions to raise new managers' awareness of fundamental working rights in France (paid leave, working hours, etc.) and of internal HR processes, or through training on psychosocial risks, first launched in 2013.

KPI: Employment contracts [G4-10]

Headcount as at December 31, 2017



In 2017, sick leave represented 10,305 working days (2.4% of total working days) and days of absence for work-related/commuting accidents or illness represented 694 working days (0.2% of total working days):

- 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 2017 were 3.30% and 0.10%, respectively⁽¹⁾.

KPI: Absenteeism [G4-LA6]

Accident type	2016 Number of incidents	2017 Number of incidents
Work-related accidents causing injury	11	11
Commuting accidents causing injury	13	15
Work-related/commuting accidents causing death	0	0

	2016 Number of working days	2016 Ratio	2017 Number of working days	2017 Ratio ⁽¹⁾
Lost days for work-related/commuting accidents	629	0.1%	694	0.2%
Lost days for work-related illness	0	0.0%	0	0.0%
Lost days for sick leave	12,925	3%	10,305	2.4%
Lost days for personal/family events	1,263	0.3%	1,388	0.3%
TOTAL	14,817	3.4%	12,387	2.8%

⁽¹⁾ The absenteeism ratio is calculated in working days: total number of days absent in 2017 divided by the average number of working days in 2017 multiplied by average headcount in 2017.

The absenteeism ratio does not include absence for maternity/paternity/parental leave, representing 15,144 working days (3.43% of total working days).

The absenteeism ratio does not include other absences such as sabbatical leave, which represents 1,181 working days (0.27% of total working days).

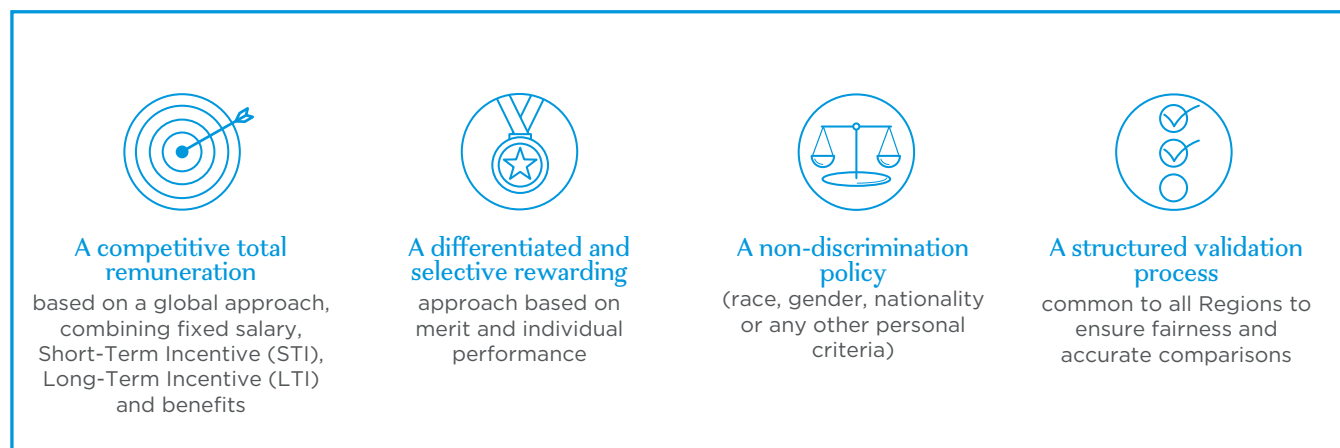
⁽¹⁾ The frequency rate is the number of work-related accidents in 2017 multiplied by 1,000,000 and divided by the number of hours worked. The injury severity rate is the number of days lost due to work-related accidents in 2017 multiplied by 1,000 and then divided by the number of hours worked.

2.5.7. REWARDS & RECOGNITION

Unibail-Rodamco's rewards and recognition 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.

The Remuneration Policy aims to attract, motivate, reward and retain the best talent on the market, with strong drive, engagement and loyalty. The founding principles of Unibail-Rodamco's Remuneration Policy are:



A competitive total remuneration

The Group seeks to attract and retain in the long term the best talent on the market. This is why it has a comprehensive and competitive compensation policy based on merit, performance and loyalty. The global package aims to motivate, reward and retain.

Group Compensation and Benefits team and Regional Directors of Human Resources use benchmarks from established external professionals and *ad-hoc* studies to ensure attractiveness of Unibail-Rodamco's compensation package compared to relevant markets.

Total remuneration ⁽¹⁾	2014/2015	2015/2016	2016/2017
Annual increase in average salary, including STI	3.20%	3.85%	4.09%

(1) Based on like-for-like headcount.

A differentiated and selective rewarding

The STI rewards individual annual performance, personal engagement, team spirit, coherence to the Group's values and contributions to the Group's initiatives.

LTI aims to attract, reward and retain key talent for the future of the Group, engaging beneficiaries with Unibail-Rodamco's long-term performance through this equity compensation tool.

Variable remuneration	2015	2016	2017
STI beneficiaries ⁽¹⁾	66.4%	73.2%	78.3%
Stock option and Performance Shares beneficiaries	15.2%	16.3%	16.3%

(1) STI paid in year Y to employees on the payroll at December 31 of year Y-1.

In 2017, 611,611 performance Stock-Options and 39,770 Performance Shares were awarded to 16.3% of employees and members of the Management Board, with no discount on the share price at the grant date. These options and Performance Shares were all subject to conditions based on Unibail-Rodamco share price performance compared with that of the EPRA Eurozone index, being the benchmark for the sector's performance.

In addition, the Group employer contribution to the employee savings plan in 2017 was €578,667.

As at December 31, 2017, 76.9% of eligible employees (excluding Viparis) were Unibail-Rodamco shareholders through the Group's Savings Plan.

A non-discrimination policy

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.

	2015/2016		2016/2017	
	Female	Male	Female	Male
Salary increase beneficiaries ⁽¹⁾	48.2%	46.0%	51.9%	52.0%
STI beneficiaries ⁽²⁾	70.3%	75.9%	78.8%	77.7%

(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.

A structured validation process

Fixed salaries and short-term Incentives are decided 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 values achievements, and also the manner in which they are carried out.

Unibail Rodamco's compensation policy is applied consistently, through a thorough process, with no compensation decision taken by only one person. Once a year, a 360° review provides employees and managers with comprehensive feedback on their strengths, development areas, training needs and career planning. Employees also have the opportunity to discuss contributions they have 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 staff, a number of managers across functions and often members of the Management Board.

2.5.8. LABOUR RELATIONS

Unibail-Rodamco complies with the labour standards set by the International Labour Organization (ILO). Unibail-Rodamco only operates in the European Union where social regulations are well developed through democratic frameworks. Internally, specific frameworks set up by Unibail-Rodamco 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 program, etc.).

Since 2004, Unibail-Rodamco has been a member of the UN's Global Compact, which promotes ethical conduct and

fundamental moral values in businesses. Unibail-Rodamco strives to adopt, support and apply in its particular sphere of influence the ten principles of the Global Compact concerning human rights, labour, environment and anti-corruption.

Unibail-Rodamco 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 each year is informed of issues relating to the market at large and to the Group's economic situation (presentation of the Group's earnings, development and investment projects, etc.). This committee also discusses all issues concerning the Group's employees with resonance at EU level. Through workshops, it regularly contributes to the exchange of best practices or Group projects concerning employment issues. For example, the committee helped define the Group's CSR strategy. It is also consulted when a given measure is likely to significantly impact two or more countries. EEC members were renewed in June 2016.

The Group also organises various meetings on different topics with works councils, the CHSCT (in France), and the trade union organisations representing each region.

A total of 60 agreements are currently signed or in force with trade unions in France (including Viparis). These agreements cover a variety of topics such as equal opportunities for men and women, senior and youth employment, working time flexibility and the mandatory annual collective bargaining round.

As at December 31, 2017, 68.70% of employees were covered by a collective agreement.

2.6. 2017 ACHIEVEMENTS & “BETTER PLACES 2030” OBJECTIVES

After launching “Better Places 2030”, the Group adjusted its long-term CSR targets to align with the material issues identified through the materiality study that was done in 2012 and then updated in 2015.

Pillars	Material issue	Target/engagement	Scope ⁽¹⁾	Deadline	Progress	Actions
1 Less carbon emissions, better buildings	Construction and carbon	Reduce by 35% the construction carbon footprint (CO_2/m^2) by 2030 compared to the 2015 level	C + B	2030	13% 	In 2017, the carbon construction footprint decreased by 4,5% compared to the 2015 level.
		Implement low-carbon solutions in all new projects	C + B	2020	60% 	In 2017, 60% ⁽²⁾ of development projects have defined an Energy and Carbon solutions plan that includes additional solutions to the minimal requirements applicable to all projects.
		Define the Group methodology for measuring the carbon footprint of a construction project and train the development teams	C + B	2017	100% 	Unibail created in 2017 a customised methodology and tools to assess the carbon footprint of its development projects with an environmental engineering company specialising in low-carbon projects guidance. Beginning in September 2017, the Group's Development teams all received training in using this methodology and applying these targets in order to ensure that these new requirements are fully taken into account at design stage by the design team as well as all construction companies.
		Perform a Life Cycle Assessment (LCA) at design stage for all extension and new projects (over 10,000 m ²) in order to identify the levers for reducing their carbon footprint ⁽³⁾	C + B	2017	80% 	The Group systematized in 2017 the measuring of the carbon footprint of its projects from the design phase through a dynamic approach, based on a Life Cycle Assessment (LCA) combined with the Thermal Simulations that have historically been performed on the projects. 80% ⁽⁴⁾ of development projects have conducted a Life Cycle Assessment analysis in the design phase as at end 2017.
		Systematically select LED lighting for the common areas of construction projects	C	Permanent	100% 	In 2017, 100% of shopping centres in development ⁽⁵⁾ are entirely equipped with LEDs in the common areas.
		Define and integrate carbon performance indicators into Group and decision-making processes (6A, BP)	C + B	2017	100% 	The Group's decision-making processes incorporate CSR performance indicators which are consistent with the “Better Places 2030” programme. Since 2017, all budget reviews performed on assets, either when selecting investments in the standing portfolio, keeping track of construction projects or making new property investment decisions, include criteria such as energy efficiency, carbon footprint and sustainable mobility.
		Obtain minimum “Very Good” “BREEAM” certification for extension projects and minimum “Excellent” for new projects (over 10,000 m ²)	C + B	Permanent	100% 	In 2017, 100% of the retail projects delivered or in a construction phase were in a BREEAM certification process. In 2017, 100% of the offices projects delivered or in a construction phase were in a “BREEAM” and/or HQE certification process. All extensions are certified with a minimum “Very Good” level. The only new project delivered in 2017 (Wroclavia) is certified BREEAM “Excellent”.

Pillars	Material issue	Target/engagement	Scope ⁽¹⁾	Deadline	Progress	Actions
1 Less carbon emissions, better buildings	Energy, carbon and certifications	Reduce by 70% the carbon footprint associated with operations by 2030 compared with the 2015 level	C + B	2030	4%	In 2017, the carbon footprint associated with operations decreased by 3% compared with the 2015 level.
		Improve the energy efficiency (<i>kWh/visit</i>) at owned & managed shopping centres by 25% by 2020 compared to the 2012 level (managed scope)	C	2020	68%	Energy intensity decreased by 17.2% compared with the 2012 level.
		Improve the energy efficiency (<i>kWh/occupant</i>) at owned & managed office buildings by 35% by 2020 compared to the 2012 level (managed scope)	B	2020	14%	Energy intensity decreased by 4.9% compared with the 2012 level.
		Improve the energy efficiency (<i>kWh/m² JOOC</i>) at owned & managed Viparis sites by 25% by 2020 compared to the 2014 level (managed scope)	E	2020	11%	Energy intensity decreased by 2.8% compared with the 2014 level.
		Promote the installation of 100% LED lighting systems by retailers and the purchase of electricity from renewable sources <i>via</i> the rolling out of the Group's new green lease from 2017 (LED and Green electricity mandatory from 2020)	C	2020	54%	The new version of the environmental appendix of leases (version 2) has a penetration rate of 54% among all leases signed during the year in both existing and pipeline shopping centres, and 8% among total active leases in the Group.
		Obtain the “BREEAM In-Use” certification for at least 80% of the managed shopping centre portfolio with a minimum level of “Outstanding” for the “management” part by 2020 (in number of assets)	C	2020	72%	As at December 31, 2017, 58% of the managed shopping centre portfolio was certified BREEAM In Use “Outstanding” for the “management” part (32 out of 55 managed shopping centres).
		Obtain the “BREEAM In-Use” certification for at least 90% of the managed office portfolio with a minimum level of “Excellent” for the “management” part by 2020 (in number of assets)	B	2020	74%	As at December 31, 2017, 67% of the managed office portfolio was certified BREEAM In Use “Excellent” for the “management” part (4 out of 6 managed offices).
		Purchase 100% of electricity from renewable sources for all assets owned and managed by the Group (common energy)	G	2018	44%	44% of electricity purchased by assets owned and managed comes from renewable sources. In total, six of the seven regions where the Group is present ran entirely or partially on “green” electricity in 2017. 51% of the energy consumed by managed shopping centres comes from renewable sources.
		Systematically use LED lighting solutions for the common areas of shopping centres owned and managed by the Group	C	Permanent	43%	According to the LED mapping performed in 2017 in the common areas of the Group's owned and managed shopping centres, the LED equipment rate amounts to 43% in these areas.
		Roll-out the new version of the “green lease” incorporating mandatory use of LED lighting and electricity from renewable sources	C	2017	100%	As part of the “Better Places 2030” commitments, a new version of the environmental appendix on leases has been rolled-out in 2017. This includes in particular the obligation to install LED lighting solutions in any new private tenant space from 2020 onwards and to sign a supply contract guaranteeing that electricity is procured from renewable sources, again from 2020, as well as supporting initiatives organised by the Group to promote local employment.
Sign 30 LED partnerships with international retailers	C	2017	100%	In 2017, 146 LED partnerships were signed.		

Pillars	Material issue	Target/engagement	Scope ⁽¹⁾	Deadline	Progress	Actions
2 Less polluting transport, better connectivity	Sustainable mobility and transport	Reduce by 50% the transport carbon footprint by 2030 compared to the 2015 level	C	2030	0%	In 2017, the transport carbon footprint has remained stable compared to the 2015 level.
		Increase to 75% the proportion of visitors travelling to managed shopping centres by a sustainable means of transport (like-for-like scope)	C	2030	76%	In 2017, 57% of visitors travelled to managed shopping centres either by public transports, bike or on foot.
		Ensure that all new development projects include at least one sustainable transport solution	C	2020	87,5%	As at the end of 2017, 87.5% of development projects are connected to significant sustainable transport solutions (public transport).
		Create an action plan for each centre which encourages the deployment of “soft” transport solutions (carsharing, bicycle access, electric shuttles, etc.)	C	2020	5%	In 2017, the Group developed an internal tool for assessing and working on all transport issues at shopping centres which should be rolled out to all assets: the mobility action plan (MOBAP). In 2017, these mobility action plans were rolled out across three pilot assets prior to being rolled out on a larger scale from 2018.
		Deploy a recharging infrastructure specifically designed for electric vehicles in 100% of shopping centre car parks owned and managed by the Group	C	2020	96%	96% of existing owned and managed shopping centres are equipped with charging facilities for electric vehicles.
		Develop partnerships with sustainable mobility and transport operators	C + B	2020	100%	The Group is convinced that its objectives can only be achieved by working with players in the transport sector and as such has entered into partnerships with Tesla to roll out the “destination charging” stations for their electric vehicles, as well as with the logistics firm Deret to study proposals for pooled delivery using clean vehicles at certain shopping centres.
		Test at one site a pilot shared urban logistics solution for deliveries to retailers (“UR Delivery”)	C	2017	50%	The Group has launched the “UR Delivery” project, a pooled logistics service for the tenants of small stores in downtown shopping centres. The ongoing Gaité redevelopment project in Paris integrates this pooled logistics service for retailers.
3 Less local unemployment, better communities	Support for employment and local economic initiatives	Enable 1,000 young people every year to get a long-term job or a qualifying training programme through the “UR for Jobs” programme implemented in 100% of shopping centres which welcome over 6 million visits per year	C	2020	25%	In 2017, 27% of owned and managed shopping centres welcoming over 6 million visits organised the UR for Jobs initiatives. 250 candidates were hired or are now completing skills training.
		Organise an annual event in partnership with local and national associations at 100% of owned and managed shopping centres	C	2018	95%	In 2017, 95% of shopping centres organised at least one social or environmental initiative.
		Roll-out the “UR for Jobs” programme in 15 shopping centres with the objective of providing a job or a course leading to a qualification for 225 young people in 2017	C	2017	100%	In 2017, the UR for Jobs programme was implemented in 15 shopping centres. 250 candidates were hired or are now completing skills training.
		Deploy DEX in 12 owned and managed shopping centres	C	2019	100%	In 2017, Dining Experience has been rolled-out in 13 owned and managed shopping centres.
Development of services	Equip 100% of owned and managed shopping centres with the “Connect” application	C	2019	59%	In 2017, 59% of owned and managed shopping centres were equipped with the “Connect” application.	
	Roll-out the “Connect” application in 30 owned and managed shopping centres in 2017	C	2017	100%	In 2017, the “Connect” application has been rolled-out in 32 owned and managed shopping centres.	

2.

Pillars	Material issue	Target/engagement	Scope ⁽¹⁾	Deadline	Progress	Actions
4 Less top down, better collective power	Governance and performance	Define an individual contribution or CSR objectives for all Group employees	G	2018	50%	A toolkit to support the adoption of individual CSR objectives has been designed and shared in 2017 within the Group, preparing the rollout in 2018.
		Implement the new Group CSR Governance (committees and CSR referents)	G	2017	100%	In 2017, a dedicated four-member CSR team was created, in order to implement the new Group strategy. It oversees the CSR referents and coordinates the Group CSR Strategic committees, the Group CSR Steering committees and the Stream committees.
		Define CSR quantitative objectives for the Management Board, the Group Management Team and Country Management teams in all the regions where the Group operates	G	2017	100%	In 2017, members of the Management Board, the Group Management team and the management teams in each of the countries (68 people in total) have been assigned CSR objectives, used to determine their year-end short-term incentive.
		Reduce paper consumption by staff (annual processes digitalised)	G	2020	86%	In 2017, in order to make offices more sustainable and environmentally friendly, all employees were encouraged to express their suggestions on how to make their workplace much “greener” by launching a Group “Work greener” contest. Six out of seven regions have defined at least one action aiming at reducing paper consumption by staff.
	Involving and raising awareness of staff	100% of the Group’s company car fleet hybrid or electric	G	2020	23%	As at the end of 2017, 23% of the Group’s vehicle fleet was hybrid or electric.
		100% of employees take part in UR Involved!	G	2018	44%	In 2017, 44% of Unibail-Rodamco employees (<i>i.e.</i> 719 employees) volunteered to spend one day supporting young job seekers, help charities overall running educational workshops or refurbishing care centres for disadvantaged children.
		Involve 40% of Group employees in UR Involved, which will be inaugurated in 2017	G	2017	100%	See above.
	Partnerships	Offset 100% of employee business travel (plane and train) through a carbon offset programme	G	2017	100%	In 2017, 100% of greenhouse gas emissions from employees business travel (plane and train) for the year 2016 (<i>i.e.</i> 2,815 TCO ₂ e) were offset with carbon credits.
		Develop partnerships with our stakeholders (large companies, start-ups and research centres)	G	Permanent	100%	When the “Better Places 2030” programme was announced in September 2016, a partnership was signed with Engie. Plus, UR Link, the Group’s start-up accelerator programme is a concrete example of the action of the Group and its employees to engage with its ecosystem to find solutions. Since its creation, UR Link has supported 19 start-ups.
		Innovation	Continue the start-up incubation programme (UR-Link) and incubate at least 10 start-ups a year	G	2017	100%

(1) Scope: C = Shopping Centres; B = Offices; E = Convention & Exhibition; G = Entire Group.

(2) Committed and controlled development projects as at 01/01/2017, over 10,000m² GLA, and excluding renovations with no surface extension.

(3) Excluding projects whose design is completed or whose work is in progress.

(4) Two of them (out of ten development projects) did not perform a life cycle analysis because design studies were temporarily stopped or already finished.

(5) Committed development projects as at 01/01/2017, over 10,000m² GLA, shopping centres only.

The Group is also continuing to address and manage operational targets. The table below restates the targets set before “Better Places 2030” was launched:

- ◆ with a deadline of 2016 but completed in 2017;
- ◆ with a deadline of 2018 or later but already completed in 2017;




◆ with a deadline of 2020 and in progress.

Targets that date to before 2016 but are restated in Better Places 2030 are included in the first table.

Targets with a deadline of 2016 and reported as 100% achieved in the 2016 report are no longer shown this year.

Material issue	Targets that date prior to “Better Places 2030”.	Scope ⁽¹⁾	Deadline	Progress	Actions	
Cooperating with cities and communities	Transport connectivity & accessibility	Promote alternative transport means to reduce the share of visitors coming by individual car to 35% by 2020 for managed Retail portfolio (like-for-like)	C	2020	92%	In 2017, 40% of visitors came to the Group’s managed shopping centres by car.
	Responsible supply chain	Carry out a life-cycle assessment (LCA) for a development project in order to identify the most relevant levers for reducing the embodied carbon (materials and construction)	C+B	2017	100%	As part of the implementation of the “Better Places 2030” strategy, the Group thus systematised in 2017 the measuring of the carbon footprint of its projects from the design phase through a dynamic approach, based on a Life Cycle Assessment (LCA) combined with the Thermal Simulations that have historically been performed on the projects.
Integrating building & users	Energy and carbon	Reduce carbon intensity (CO ₂ emissions/visit) at managed Shopping Centres down to 30% in 2020 relative to 2012	C	2020	100%	In 2017, carbon intensity (CO ₂ emissions/visit) at managed shopping centres decreased by 43% relative to 2012.
		Define the Group’s low carbon vision and action plan for new development project	C	2018	100%	“Better Places 2030”: The Group has set its vision and priorities with a 35% reduction target of the carbon footprint from construction in 2030 (relative to 2015).
	Waste	Aim to send zero waste to landfill by 2020	C	2020	84%	In 2017, 16% of waste were sent to landfill without any valorization.
		Reach a waste recycling rate of at least 80% by 2020, thanks to individual tenants sorting and invoicing	C	2020	46%	In 2017, the waste recycling rate reached 37%.
Visitors & Customers	Extend the service quality programme within the Group and achieve at least 48 managed Shopping Centres successfully audited according to the “4 Star” label by 2016	C	2016	100%	At the end of 2017, 31 shopping centres complied with the “4 Star label” (including the recently-opened sites at Wroclavia, Parly 2, Centrum Chodov, Glories and Bonaire), together with 17 AQS label Centres (Accueil Qualité Service - Welcome Quality Service), representing a total of 48 Centres with label awards.	
	Obtain minimum B score for all managed asset in “health & safety risks” assessment measured through the annual third-party audits	G	Permanent	100%	In 2017, 100% of audited sites obtained either A or B score.	
	Suppliers	Carry out a pilot for a web-solution supporting the Group’s purchasing processes and policy	G	2016	100%	A web solution for purchasing management was launched in the Autumn of 2017, for the European services procurement scope in the standing portfolio.

(1) Scope: C = Shopping Centres; B = Offices; E = Convention & Exhibition; G = Entire Group.

Material issue	Targets that date prior to “Better Places 2030”.	Scope ⁽¹⁾	Deadline	Progress	Actions	
Engaging Business and People						
	Employee attraction, retention & engagement	Increase and nurture our innovative culture and community of innovative champions	G	2017	 100%	In 2017, 25 employees took part in the Innovation Champion Graduate Program.
		Take advantage of our new Learning Management System to reach everyone in the Group with: on-site trainings, e-learnings and videos (partnership with TED Talks)	G	2016	 100%	Since 2017, the Learning Management System is available for all Regions and allows employees to access the training offer of the Academy. The learner experience was greatly improved with the creation of a knowledge bank providing all training materials, accessible to all employees in the Group at any time.
	Tenant attraction, retention & engagement	Exceed 90% of “green lease” for total active Retail and Offices portfolio by 2016	C + B	2016	 100%	The new version of the environmental appendix of leases (version 2) has a penetration rate of 54% among all leases signed in both existing and pipeline shopping centres. Due to its recent launch (May 1st, 2017) and to its limitation to shopping centres in the first instance, this rate appears to be lower than the penetration rate of the first version of green leases, published for the year 2016. The latter reached 91%, thereby achieving the previous target of 90% of green leases version 1 signed before 2018 in the whole Group portfolio.

(1) Scope: C = Shopping Centres; B = Offices; E = Convention & Exhibition; G = Entire Group.

2.7. REPORTING METHODOLOGY

2.7.1. REPORTING METHODOLOGY FOR ENVIRONMENTAL AND SOCIETAL DATA

The Group 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 the Group's environmental and societal management approach, track results and inform its stakeholders about performance.

Unibail-Rodamco continuously improves its environmental and societal 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.

For four years, the Group has been using and developing a new reporting tool in order to gather and standardise all processes and indicators for all regions at the Group level. This web platform has been selected and designed from one of the most renowned pieces of specialised software for CSR performance reporting available on the market. Since 2015, all sites have been reporting the majority of their environmental and societal data using this unique tool within a workflow. The tool is now an integral part of environmental and societal performance management at sites owned and managed by the Group.

In 2017, some environmental and societal data were tracked and managed through special reporting tools other than this tool. This was the case for data related to the roll-out of the Group's new CSR strategy, "Better Places 2030". These data will be phased in to the Group's main reporting tool.

2.7.1.1. Description of Environmental Key Performance Indicators (KPIs) and adherence to external reporting frameworks

Environmental Key Performance Indicators (KPIs) covering climate change and resource use are tracked for the entire Group's owned and managed assets. Definitions of each KPI are provided at the top of the relevant data tables.

Since 2012, the Group has added data and KPIs to comply with Article 225 of the French Grenelle II law on businesses' transparency obligation regarding social and environmental reporting, and on the law's implementing measures (43 items). A content index for Article 225 appears in Section 2.9.3, "Grenelle II, Article 225".

For effective management of the new "Better Places 2030" CSR strategy, the Group also defined and adopted new KPIs in 2017. These indicators are described and reported in this document.

In June 2013, Unibail-Rodamco embraced the CNCC's sector-specific guidelines for reporting under the terms of "Article 225" in the Shopping Centre industry. The guide has been designed under the supervision of the audit firm EY.

The 2017 Annual and Sustainable Development Report also complies with the *Best Practices Recommendations on Sustainability Reporting* established by EPRA, which were updated in September 2017. For the sixth time in a row, Unibail-Rodamco received the EPRA Gold Award in 2017 for completing its 2016 reporting in accordance with the EPRA Sustainability BPR.

Unibail-Rodamco, which was a trailblazer in 2013 for being among the first entities to follow the new GRI (*Global Reporting Initiative*) guidelines, has continued to comply with the updated versions of these standards. In 2016, the Group took the so-called *core approach* to publishing its reporting in line with the GRI G4 framework, and in 2017 it began to comply with the new GRI Standards, which were published in October 2016 in keeping with the GRI G4 guidelines.

The content indexes with the EPRA and GRI indicators appear in Section 2.9.1, "EPRA Sustainability Performance Measures", and Section 2.9.2, "GRI Standards of this report".

2.7.1.2. Reporting values

Indicators are expressed in absolute value (e.g., energy and water consumption, CO₂ emissions, amount of waste) or in the form of ratios to express efficiency and comparable trends.

In addition to the standard intensity that gives the ratio between information used and the corresponding floor space (energy, CO₂ emissions, water/m²), Unibail-Rodamco promotes indicators that reflect the intensity of use relating to a building's specific activity.

For standard intensity indicators, denominators are related to surface (m²) and defined as:

- ◆ for Shopping Centres: with the maximum surface of all the publicly accessible common areas (including the shopping centre's management offices) and the GLA delivered with common utilities such as energy or water depending on the indicator;
- ◆ for Offices: with total floor area.

For intensity of use indicators, denominators are adapted to each business unit:

- ◆ for Shopping Centres: the annual number of visitors, which is monitored by a footfall counting system (i.e., energy, CO₂ emissions, water/visitor);
- ◆ for Offices: the number of occupants during the period calculated by multiplying the occupation rate (sum of occupied rented areas divided by the total number of areas for rent in the building) by the maximum capacity (number of occupants allowed simultaneously in the asset according to current French regulations) and number of working stations in the building (i.e., energy, CO₂ emissions, water/occupant);
- ◆ for Convention & Exhibition venues: the annual total surface occupied when the spaces are open to the public is tracked based on the leases for the spaces (energy, CO₂ emissions, water/m² on days when open to the public).

2.7.1.3. Reporting scope

The historical environmental indicators (energy efficiency, greenhouse gas emissions and resource use) cover the Shopping Centres, Offices and Convention & Exhibition venues owned and managed by Unibail-Rodamco, for which these data may be verified and measured, and represent 92% of the total gross market value of the consolidated portfolio at December 31, 2017. Exclusions from the reporting scope are specified in the tables presenting each indicator where applicable. Control of operation and operational management of the data produced take precedence when identifying the scope of each indicator. When an indicator covers a narrower scope, this is specified in its description.

In 2017, Unibail-Rodamco reported energy and water data for all of its owned and managed assets (all sectors combined), and waste data for all of its managed Shopping Centres, unless otherwise stipulated in the presentation of each indicator.

Historical environmental KPIs are reported using two scopes:

- ◆ “All assets”, used to report the value of an indicator for the year in question. This scope includes all assets that were owned and managed by the Group for a whole year. Assets which enter the managed portfolio for a given year through acquisition, construction or the delivery of a management mandate are included in the scope the following year on a full-year basis, or in the current year if and only if all data for the whole rolling year is available;
- ◆ “Like-for-like”, used to show the change in an indicator over time at a comparable portfolio scope (particularly in terms of the monitored assets). This scope includes assets that were owned and managed by Unibail-Rodamco over a whole two-year comparison period. To assess the positive impact of its management policy at the earliest opportunity, Unibail-Rodamco ensures that the like-for-like scope for year (Y+1) includes all sites acquired in year Y and/or managed as from year (Y), if and only if a complete set of data is available for the whole year (Y).

As part of its new “Better Places 2030” strategy, the Group has also committed to monitoring its environmental and societal performance over and above its owned and managed assets and beyond the direct management of its operational scope of its performance. This initiative involves formulating commitments that pertain to its expanded accountability, namely, its construction activities (assets under development) and the activities of its stakeholders (tenants, visitors, etc.). Accordingly, some indicators are also tracked in this scope of expanded accountability. This applies to the Group total carbon footprint, which covers an expanded reporting scope (cf. Section 2.3.1, “Group greenhouse gas (GHG) emissions”), and indicators on the incorporation of environmental criteria beginning from building design (e.g., certification of assets, fitting assets under development with LEDs, etc.). This is specified in their description.

2.7.1.4. Changes in reporting scope

Changes in reporting scope may 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.

The following rules are applied to reflect these situations:

- ◆ for property management mandates ending and for disposals occurring during the rolling year (Y), all corresponding data for the rolling year (Y) are excluded;
- ◆ for property management mandates starting and for acquisitions occurring during the rolling year (Y), the asset is included in the “all assets” scope for year (Y) and “like-for-like” scope for year (Y+1) only if all corresponding data for the full rolling year (Y) is available;
- ◆ property developments in progress are not included in the “all assets” reporting scope until the building goes into operation and this will take effect from the next full rolling year; the asset will be included in the “like-for-like” scope as from the second full rolling year;
- ◆ refurbished assets during the rolling year (Y) remain in the reporting scope for the year (Y);
- ◆ assets whose common floor space is being extended by more than 20% during the rolling year (Y) remain in the “all assets” scope, and will be excluded from the “like-for-like” scope from the end of works (opening of extension) until the full rolling year (Y+2), following completion of the works. Where it is possible to exclude data related to the extension, the asset will remain in the “like-for-like” scope.

Owned assets in total reconstruction during the year Y (100% of the area under works) are excluded from the reporting scope of year Y.

The assessment of the evolution of the portfolio's performance includes assets under refurbishment and extension works, both integral to the Group's activities. The extended asset is excluded only at the opening of the extension (works ended, new rents) and for one rolling year period in order to manage the change in scope reported.

In 2017, some changes in the portfolio impacted the reporting scope as follows:

- ◆ since the 2015 reporting, Germany has become a region in its own right (it was previously integrated into the Central Europe region). However, the German assets not owned but managed by the Group for a third party are not included in the reporting;
- ◆ the management mandate of Usine Mode et Maison has been outsourced since 2015, it is thus excluded from the reporting;
- ◆ 2017 asset disposals are fully excluded from the reporting scope: 70-80 Wilson (offices, France), Arninge Centrum et Eurostop Arlanda (shopping centres, Sweden);
- ◆ two new shopping centres and offices delivered in 2015 entered the 2017 reporting scope: Mall of Scandinavia (shopping centre, Sweden) and So Ouest Plaza (offices, France);
- ◆ two assets owned and in complete restructuring in 2017 (100% of the surface under works) are excluded from the reporting scope in 2017: Leidsenhage (future Mall of the Netherlands, The Netherlands) and Issy Guynemer (future Shift, France);
- ◆ Wroclavia (Poland), new opening in 2017 that will be incorporated into the total reporting scope in 2019, when its consumption will be available over 12 rolling months;
- ◆ So Ouest Plaza (France), sold late 2017, will be excluded from the reporting scope over 12 rolling months in 2018.

Assets included in the 2017 reporting scope for environmental KPIS

Region	Number of assets	Assets	Reporting areas for standard intensity of energy and carbon indicators ⁽¹⁾	Denominators for intensity of use indicators ⁽³⁾
Austria	2	Donau Zentrum (inclus Dux), Shopping City Süd (inclus Mux)	299,476 m ²	35,651,013 visits
Central Europe	6	Aupark, Centrum Cerný Most, Centrum Chodov, Arkadia, Galeria Mokotów, Wilenska	418,126 m ²	85,431,396 visits
France	20	Aéroville, Carré Sénart (including Shopping Parc), Carrousel du Louvre, CNIT Retail, Cour Oxygène, Euralille, Gaité Montparnasse, La Part-Dieu, Le Forum des Halles, Les Quatre Temps, Lyon Confluence, Parly 2, Polygone Riviera, Rennes Alma, Rosny 2, So Ouest, Toison d'Or, Ullis 2, Vélizy 2, Villeneuve 2	1,005,055 m ²	285,056,462 visits
Germany	8	Gera Arcaden, Gropius Passagen, Höfe am Brühl, Pasing Arcaden, Paunsdorf Center, Ruhr Park, Minto, Palais Vest	576,324 m ²	77,153,394 visits
The Netherlands	3	Stadshart Almere, Stadshart Amstelveen, Stadshart Zoetermeer	91,910 m ²	28,592,446 visits
Nordics	6	Eurostop Örebro, Fisketorget, Nacka Forum, Mall of Scandinavia, Solna Centrum, Täby Centrum	458,866 m ²	52,675,666 visits
Spain	12	Los Arcos, El Faro, Bahía Sur, Barnasud, Bonaire, Equinoccio, Garbera, La Maquinista, Las Glorias, Parquesur, Splau, Vallsur	380,448 m ²	108,861,284 visits
Offices	12	7 Adenauer, Capital 8, Espace 21 (Villages 3, 4, 5, 6, 7, Village commerce), Majunga, Tour Ariane, Sextant, So Ouest Plaza Espace 21 (Villages 4, 5, 6, 7, Village commerce), Majunga, Tour Ariane, Sextant	277,755 m ² (2)	15,494 occupants
Convention & Exhibition venues	8	Espace Champéret, Espace Grande Arche, Carrousel du Louvre, Palais des Congrès de Paris, Palais des Congrès d'Issy, Paris Nord-Villepinte, Paris Nord-Le Bourget, Porte de Versailles	583,200 m ² (2)	26,025,055 m ² occupied per day open to the public (m ² day open)

(1) See the definition of reporting area for Shopping Centres above in Reporting value - standard intensity indicators.

(2) Surface according to consolidation; see section 1.4. Portfolio.

(3) See the definition of denominators used for intensity of use calculation above in Reporting value - intensity of use indicators.

In Europe, some office buildings and hotels linked to a shopping centre are included in the reporting scope, reported under the shopping centre entity:

Region	Number of assets	Assets	Managed GLA
Austria	1	Shopping City Süd Office	9,200 m ²
Sweden	4	Eurostop Örebro Offices and hotel, Nacka Forum Office, Solna Office and residentials, Täby Office	69,900 m ²
Denmark	1	Fisketorget Office	857 m ²

2.7.1.5. Reporting period and reference year

Most environmental 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 Financial Report (1st quarter of the following year), some environmental data are reported for a rolling 12-month period (4th quarter of the previous financial year and 1st, 2nd and 3rd quarters of the reporting year ended): data on energy and water consumption.

The Group has traditionally reported its performance as measured over the period from 2012 to 2020, in accordance with the targets set (e.g., energy intensity and carbon intensity indicators). After announcing its new CSR strategy, "Better Places 2030", in 2016, the Group introduced new indicators and a new reference year: 2015. Some of the new indicators that were established have a later reference year, and this is specified in their description. The measurement of historical indicators whose reference year is 2012 and whose target value had not yet been achieved as of 2016 has been preserved (energy intensity indicator).

Calculation of evolutions:

Two modes of calculations of evolutions have been defined: an annual evolution on a rolling 12-months period, and a cumulative evolution since the baseline year. The cumulative evolution rate between the baseline (N0) and the current year (N) is the result of the cumulative annual evolutions on a rolling like-for-like scope. Given the dynamic management of Unibail-Rodamco's portfolio (asset acquisition and disposal), the consideration of a constant scope on a long period of time would lead to the inclusion of a limited number of assets in the scope and would not be representative of the overall Group performance. For this reason, the option taken consists in the calculation of this cumulative evolution rate allowing to measure performance on a larger operational scope. Evolutions are calculated using this methodology for indicators related to energy, water and carbon.

2.7.1.6. Reporting system

Each region is responsible for collecting, checking and validating the data for its managed assets. At the corporate level, data is consolidated, analysed and reported:

- ◆ quarterly for the consumption of each energy source used, environmental certifications, occupation rate of Offices, and m² per days of opening of Convention & Exhibition venues to the public. Energy data is made available monthly as a minimum requirement and can sometimes be measured on a real-time basis. Regular, detailed monitoring of these indicators ensures that performance issues are identified and corrected swiftly at asset level. The quarterly frequency provides a regular assessment of the asset's performance in relation to the targets that have been set. It promotes the sharing of best practices between the various sites and enables corrective action plans to be implemented swiftly;
- ◆ annually for all other environmental and societal indicators, and for additional data needed to calculate certain indicators, such as greenhouse gas emissions factors and footfall in shopping centres.

Since 2015, Unibail-Rodamco's new reporting tool has been implemented and made available to end-users across the Group for the whole reporting scope. The tool has been totally integrated into the process on site and allows for efficient monitoring of environmental performance. It is central to the management of the sites by the Technical Managers. To make the most of the tool's many features, two training sessions were given by the Security & PMPS (Property Maintenance and Purchasing) team. New employees also received training in 2017.

The IT solution is composed of a predefined workflow including a mandatory validation step. It is a three-level process:

- ◆ contributors: the on-site Technical Managers enter the raw data that are collected into the online tool. They are in charge of the site's environmental action plan and they track and assess their performance compared to their annual target;
- ◆ validators: the property managers, responsible at the regional level for several assets, validate the information sent by the contributors and challenge their results;
- ◆ administrator: the Security & PMPS (Property Maintenance and Purchasing) Department consolidates the data that have previously been validated, and with assistance from the Group CSR team it measures the Group's performance compared to the long-term targets.

This IT solution homogenises, automates and safeguards the reporting process and the indicator calculation for the Group's entire managed portfolio.

2.7.1.7. Continuous improvement of definitions and data quality

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

As a consequence, adjustments may occur on data from the previous years whenever relevant.

◆ Transparent presentation of KPI tables in the Financial Report

- ◆ The Group's Annual and Sustainable Development Report presents all the indicators and their annual and combined changes by business segment (Shopping Centres, Offices, Convention & Exhibition venues) and by region (country or group of countries based on the regional organisation of operational management within the Group).
- ◆ In this report, material key performance indicators are presented in tables, and indicators used for tracking and managing the "Better Places 2030" strategy are summarised in a content table that shows their progress compared to the targets in Section 2.6, "2017 achievements and 'Better Places 2030' objectives".
- ◆ For the main material KPIs, a hedge ratio is given in Group portfolio value, *i.e.*, gross market values of reported assets divided by Group total gross market value.
- ◆ Since the CSR targets were updated to use 2015 as the reference year, the Group has been measuring its progress compared to this new reference year and its 2030 targets, and it continues to track the indicators with a 2012 reference year for past targets that have not been achieved.
- ◆ In accordance with EPRA's Best Practices Recommendations on Sustainability Reporting, Unibail-Rodamco provides the absolute values on the like-for-like scope for all the material key performance indicators.

◆ Continuous updates in environmental reporting and data quality improvement

The Asset Booklets are the in-house reference documentation for each managed asset describing, among other things, technical characteristics and functioning, areas and scopes of collected data. In 2017, the Asset Booklets of managed shopping centres were updated by the shopping centres' Technical Managers.

On-site internal audits of environmental and societal reporting are done regularly: a sample of assets is audited each year by the Security & PMPS (Property Maintenance and Purchasing) team to check the accuracy and compliance of their reporting with the Group's Reporting Guidelines.

Since 2015, the data quality has improved thanks to the implementation of the new environmental and societal reporting tool. The tool's architecture is programmed to precisely identify the scope of the reported assets, categorised by business segment: Shopping Centres, Offices, Convention & Exhibition venues, and other buildings such as hotels and residential. This last category brings changes and more clarity in terms of the historical data that were not previously identified separately. A detailed review of the scope reported in the case of the German portfolio (which has recently been incorporated into the Group reporting process) was conducted. It resulted in historical adjustments of the energy consumption reported in order to comply fully with the Group's Reporting Guidelines.

Moreover, additional features of the tool were activated in 2016: a standard set of key indicators was created and provided to all the Technical Managers to help them analyse their environmental performance in more detail and thereby make it easier to detect potential data-entry errors and significant disparities.

◆ Identifying uncertainty as regards the Group total carbon footprint

Given the range of topics dealt with and the fact that the processed information can only be partially managed (particularly for Scope 3), with the current knowledges it is impossible to quantify margins of error for the Group total carbon footprint calculations. We have therefore completed a qualitative analysis of margins of error for the three main areas of Construction, Operation and Mobility.

◆ *Construction:*

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, the calculation methods that the Group developed in 2017 ensure that environmental data (emission factors) cover the entire life cycle. Quantities of materials used are questioned by construction managers during product reviews (to optimize construction costs and carbon impact).

◆ *Operation:*

Margins of error may be primarily linked to energy consumption or to the carbon emission factor.

For managed energy sources:

- ◆ energy consumption for managed sources is based on invoices issued by energy suppliers (metered or estimated). Estimated invoices may result in under or over-estimations which are usually resolved during the following year;
- ◆ carbon emission factors justified by energy providers thanks to their energy mix.

For non-managed energy sources:

- ◆ private energy consumptions are calculated by using ratios from the Group's portfolio, where the landlord provide electricity directly to the tenants. The sample size should be representative of the Group's centres;
- ◆ the carbon emission factors are calculated based on conservative assumptions (particularly for energy Scope 3) as it is impossible to know exactly which energy mix each tenant will use.

◆ *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.

The following changes will be applied to marketing surveys (core data source) in 2018 to ensure that the entered data is reliable: Increase of sample size (approximately 20,000 responses instead of the current 500), distance automatically calculated using postcodes rather than the current journey time method. Mobility is going to be the main work area as it regards the Group carbon footprint assessment in 2018.

2.7.2. REPORTING METHODOLOGY FOR SOCIAL DATA

Throughout the year, Unibail-Rodamco uses Key Performance Indicators (KPI) to collect and analyse the main human resources data and help implement Group policies in this regard.

Reporting scope

Human Resources KPI are based on specific data references for each country where the Group is present. The reporting is based on data provided by all the countries and addresses its three asset types, namely Shopping Centres, Offices and Convention & Exhibition venues over the period from January 1 to December 31, 2017.

Reporting tool

Each region controls and collects data relevant to its own operations, which are integrated into a common database - the Human Resources Information System (HRIS), accessible by head office HR teams, in accordance with Data Protection laws and authorities. The HRIS installed in 2016 includes an HR administrative database, a training platform (Learning Management System across the Group) and a new payroll tool for France.

2.7.3. AUDIT AND CERTIFICATION OF REPORTING BY AN INDEPENDENT THIRD PARTY

Unibail-Rodamco has commissioned a third-party audit for its sustainability data since 2009. The Group has extended the scope of external verification through the years. Since 2012, and in accordance with Article 225 of the French Grenelle II law, the third-party auditor thoroughly checks the information and KPIs published by the Group covering the 43 topics of this article (see assurance report in Section 2.8, “Independent verifier’s report on consolidated social, environmental and societal information included in the management report”).

In 2017, the audit included a comprehensive on-site review of the data reported by seven key assets: Carrousel du Louvre, Euralille, Mall of Scandinavia, Paris Nord Villepinte, Vélizy 2, Arkadia and Galeria Mokotów.

The auditor was also commissioned to carry out the audit of the annual reporting for the “Green Bonds” issued in 2014 and 2015. This audit consists of checking compliance of funded assets with a set of eligibility criteria. It includes a yearly review of the documentary evidence in each domain and the criteria for each asset (for both construction and operation phases) as well as on-site audits of a sample of sites. In 2017, the audit covered: Aéroville, Lyon Confluence, So Ouest, Mall of Scandinavia, Carré Sénart extension and Majunga.

2.8. INDEPENDENT VERIFIER'S REPORT ON CONSOLIDATED SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION PRESENTED IN THE MANAGEMENT REPORT

2.

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Year ended the December 31st 2017

To the shareholders,

In our quality as an independent verifier accredited by the COFRAC⁽¹⁾, under the number n° 3-1050, and as a member of the network of one of the statutory auditors of the company Unibail-Rodamco SE, we present our report on the consolidated social, environmental and societal information established for the year ended on the December 31st 2017, presented in the management report, hereafter referred to as the "CSR Information", pursuant to the provisions of the article L.225-102-1 of the French Commercial code (*Code de commerce*).

Responsibility of the company

It is the responsibility of the management board to establish a management report including CSR Information referred to in the article R. 225-105 of the French Commercial code (*Code de commerce*), in accordance with the environmental and social protocols used by the company (hereafter referred to as the "Criteria"), of which a summary is included in the management report and available on request at the company's headquarters.

Independence and quality control

Our independence is defined by regulatory requirements, the Code of Ethics of our profession as well as the provisions in the article L. 822-11-3 of the French Commercial code (*Code de commerce*). In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

Responsibility of the independent verifier

It is our role, based on our work:

- ◆ to attest whether the required CSR Information is present in the management report or, in the case of its omission, that an appropriate explanation has been provided, in accordance with the third paragraph of R. 225-105 of the French Commercial code (*Code de commerce*) (Attestation of presence of CSR Information);
- ◆ to express a limited assurance conclusion, that the CSR Information, overall, is fairly presented, in all material aspects, in according with the Criteria;

It is however not our responsibility to attest the compliance with other applicable legal provisions, in particular those pursuant to law no. 2016-1691 of 9 December 2016, known as Sapin II (anti-corruption law).

Our verification work was undertaken by a team of six people between September 2017 and February 2018 for an estimated duration of eleven weeks.

We conducted the work described below in accordance with the professional standards applicable in France and the Order of 13 May 2013 determining the conditions under which an independent third-party verifier conducts its mission, and in relation to the opinion of fairness, in accordance with the international standard ISAE 3000⁽²⁾.

1. ATTESTATION OF PRESENCE OF CSR INFORMATION

Nature and scope of the work

We obtained an understanding of the company's CSR issues, based on interviews with the management of relevant departments, a presentation of the company's strategy on sustainable development based on the social and environmental consequences linked to the activities of the company and its societal commitments, as well as, where appropriate, resulting actions or programmes.

We compared the information presented in the management report with the list provided in the Article R. 225-105-1 of the French Commercial code (*Code de commerce*).

In the absence of certain consolidated information, we verified that the explanations were provided in accordance with the provisions in Article R. 225-105-1, paragraph 3, of the French Commercial code (*Code de commerce*).

We verified that the information covers the consolidated perimeter, namely the entity and its subsidiaries, as aligned with the meaning of the Article L.233-1 and the entities which it controls, as aligned with the meaning of the Article L.233-3 of the French Commercial code (*Code de commerce*), with the limitations specified in the Methodological Note in chapter 2 of the management report.

Conclusion

Based on this work, and given the limitations mentioned above, we confirm the presence in the management report of the required CSR information.

(1) Scope available at www.cofrac.fr.

(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical information.

2. LIMITED ASSURANCE ON CSR INFORMATION

Nature and scope of the work

We undertook ten interviews with people responsible for the preparation of the CSR Information in the CSR, Synergies and Expertise, Security and Real Estate Engineering, Finance and Treasury and Human Resources departments, in charge of the data collection process and, if applicable, the people responsible for internal control processes and risk management, in order to:

- ◆ Assess the suitability of the Criteria for reporting, in relation to their relevance, completeness, reliability, neutrality, and legibility, taking into consideration industry standards, especially the sectorial recommendation of the EPRA (European Real Estate Association) as well as the environmental and societal Guidelines of the National Council of Shopping Centres (CNCC) issued in July 2013 ;
- ◆ Verify the implementation of the process for the collection, compilation, processing and control for completeness and consistency of the CSR Information and identify the procedures for internal control and risk management related to the preparation of the CSR Information.

We determined the nature and extent of our tests and inspections based on the nature and importance of the CSR Information, in relation to the characteristics of the Company, its social and environmental issues, its strategy in relation to sustainable development and industry best practices.

For the CSR Information which we considered the most important⁽¹⁾:

- ◆ At the level of the consolidating entity, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions, etc.), we implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also verified their coherence and consistency with the other information presented in the management report;
- ◆ At the level of the representative selection of sites that we selected⁽²⁾, based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we undertook interviews to verify the correct application of the procedures and undertook detailed tests on the basis of samples, consisting in verifying the calculations made and

linking them with supporting documentation. The sample selected therefore represents 13% of the gross leasable area (assets owned and managed as of the 31st of December, 2017), 19% of the energy consumption of the 2017 reporting scope, considered as a significant indicator of the environmental component. The sample selected for the social indicators represents 9% of the workforce at the end of the year.

For the other consolidated CSR information, we assessed their consistency in relation to our knowledge of the company.

Finally, we assessed the relevance of the explanations provided, if appropriate, in the partial or total absence of certain information taking into account, if relevant, professional best practices formalised in the CSR reporting sectorial Guide of the National Council of Shopping Centre. According to this Guide, the environmental impacts (energy, water and waste) of shopping centres are monitored for the volumes that are managed and procured (i.e. volumes used for common areas and private areas connected to the common network), except those procured directly by tenants.

We consider that the sample methods and sizes of the samples that we considered by exercising our professional judgment allow us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work. Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the CSR Information cannot be entirely eliminated.

Conclusion

Based on our work, we have not identified any significant misstatement that causes us to believe that the CSR Information, taken together, has not been fairly presented, in compliance with the Criteria.

Paris-La Défense, March 23, 2018

French original signed by:

Independent Verifier
ERNST & YOUNG et Associés

Eric Duvaud
Partner, Sustainable Development

Bruno Perrin
Partner

⁽¹⁾ **KPIs (Environmental, societal and social):**

Quantitative information: certifications of new developments and standing assets, in particular the share of BREEAM In-Use certifications for all of the Group's shopping centers and among them the share with an "Outstanding" level, energy consumptions and greenhouse gas emissions per square meter and per visit, , the share of sorted managed waste and the recovery rate, Group greenhouse gas emissions (scope 1 and 2 and the assessment of scope 3), the deployment rate of LED lamps in the common and private areas of the assets in operation, the share of green leases "V2" in developing and operating assets, the share of developing and operating shopping centers equipped with electric charging parking spaces, water consumptions ; the share of shopping centers of more than 6 million visitors having implemented the UR for Jobs initiative, the number of people having found a job through the UR for Jobs program, the total workforce, the absenteeism rate, the share of employees volunteering at UR for Jobs or Solidarity Day events.

Qualitative information: the company's organisation to take into account environmental matters and environmental assessment approaches, actions implemented to improve energy efficiency and reduce greenhouse gas emissions, the territorial, economic and social impact of the Company in terms of employment and regional development (deployment of the UR for Jobs and Solidarity Day programs), measures implemented in favor of customers health and safety, the human resources policy, social relations, policies implemented in training the workforce, the commitment of employees to CSR policy.

⁽²⁾ **Environmental and Societal Indicators:** Arkadia and Galeria Mokotow (Shopping Centers, Poland), Carrousel du Louvre, Euralille and Vélizy 2 (Shopping Centers, France), Mall of Scandinavia (Shopping Center, Sweden) and Paris Nord Villepinte (Congress and Exhibitions, France). **Social indicators:** Nordic countries and Poland.

2.9. CONTENT INDEXES

2.9.1. EPRA SUSTAINABILITY PERFORMANCE MEASURES

In 2017, Unibail-Rodamco received the EPRA Gold Award, for its exceptional compliance in its sustainability reporting 2016 with the EPRA Best Practice Recommendations on sustainability reporting (EPRA sBPR).

The indicators reported in the 2017 Annual and Sustainable Development Report comply with the third edition of the EPRA (sBPR) published in September 2017. The table below shows the cross-check results between the EPRA guidelines and Unibail-Rodamco report.

Code	Indicator	Description	Reported	Cross- reference	External assurance
PERFORMANCE MEASURES					
Elec-Abs	Total Electricity consumption (annual kWh)	Total amount of electricity consumed from renewable and non-renewables sources, whether imported and generated onsite		KPI: Energy consumption (kWh)	√
				KPI: Direct and indirect final energy consumption by primary energy source (energy mix) (%)	√
		Proportion of electricity consumption from purchased and self-generated renewable sources		KPI: Electricity from renewable sources as a proportion of total electricity consumption of common areas and installation of assets managed by the Group (%)	√
		Self-generated electricity that is exported/sold		KPI: Renewable electricity produced (kWh) and greenhouse gas emissions avoided (kgCO ₂ e)	√
Elec Lfl	Like-for-like total electricity consumption (annual kWh)	Total electricity consumed on a like-for-like scope		KPI: Energy consumption (kWh)	√
DH&C-Abs	Total district heating & cooling consumption (annual kWh)	Total amount of indirect energy consumed from district heating & cooling systems		KPI: Energy consumption (kWh)	√
		Proportion of energy consumption from district heating and cooling from renewable sources		KPI: Energy from renewable sources as a proportion of total consumption from heating and cooling networks of assets owned & managed by the Group (%)	√
DH&C-Lfl	Like-for-like total district heating & cooling consumption (annual kWh)	Total amount of district heating & cooling consumed on a like-for-like scope		KPI: Energy consumption (kWh)	√
Fuels-Abs	Total fuel consumption (annual kWh)	Total amount of fuel used from direct (renewable and non-renewable) sources		KPI: Energy consumption (kWh)	√
		Proportion of the total amount of fuel consumption that is consumed within the organisation from renewable sources		KPI: Energy from renewable sources as a share of total direct energy consumption of assets owned & managed by the Group (%)	√
Fuels-Lfl	Like-for-like total fuel consumption (annual kWh)	Total amount of fuels consumed on a like-for-like scope		KPI: Energy consumption (kWh)	√
Energy-Int	Building energy intensity (kWh/person/year or kWh/m ² /year or kWh/revenue/year)	Amount of energy normalised by an appropriate denominator		KPI: Energy efficiency (kWh/visit/year per usage for Shopping Centres, kWh/occupant/year for Offices, kWh/m ² DOP/year for Convention & Exhibition centres)	√
				KPI: Energy efficiency per m ² (kWh/m ² /year)	√

Reported Not reported

Code	Indicator	Description	Reported	Cross- reference	External assurance
GHG-Dir-Abs	Total direct greenhouse gas (GHG) emissions (annual metric tonnes CO ₂ eq)	Total amount of direct greenhouse gas emissions emitted from fuels burned on site		KPI: Greenhouse gas (GHG) emissions from the energy consumption of standing assets (scopes 1 & 2) (kgCO ₂ eq)	√
				Group total carbon footprint	√
		Fugitive emissions		KPI: Greenhouse gas emissions from leaking refrigerants (kgCO ₂ e)	
GHG-Indir-Abs	Total indirect greenhouse gas (GHG) emissions (annual metric tonnes CO ₂ eq)	Total amount of indirect greenhouse gas emissions generated by off-site generation of electricity, heat or steam		KPI: Greenhouse gas (GHG) emissions from the energy consumption of standing assets (scopes 1 & 2) (kgCO ₂ eq)	√
				Group total carbon footprint	√
GHG-Dir-Lfl	Like-for-like total direct greenhouse gas (GHG) emissions (annual metric tonnes CO ₂ eq)	Total amount of direct greenhouse gas emissions on a like-for-like scope		KPI: Greenhouse gas (GHG) emissions from the energy consumption of standing assets (scopes 1 & 2) (kgCO ₂ eq)	√
GHG-Indir-Lfl	Like-for-like total indirect greenhouse gas (GHG) emissions (annual metric tonnes CO ₂ eq)	Total amount of indirect greenhouse gas emissions on a like-for-like scope		KPI: Greenhouse gas (GHG) emissions from the energy consumption of standing assets (scopes 1 & 2) (kgCO ₂ eq)	√
GHG-Int	Greenhouse gas (GHG) emissions intensity from energy consumption of buildings (kg CO ₂ eq/m ² /year, kg CO ₂ eq/person/year, kg CO ₂ eq/revenue/year)	Total amount of direct and indirect GHG emissions generated from energy consumption normalised by an appropriate denominator		KPI: Carbon intensity from energy consumption of standing assets (Scope 1 & 2) per usage (gCO ₂ eq/visit/year for Shopping Centres, gCO ₂ eq/occupant/year for Offices, gCO ₂ eq/m ² JOP/year for Convention & Exhibition venues)	√
				KPI: Carbon intensity from the energy consumption of standing assets (Scope 1 & 2) by area (kgCO ₂ e/m ² /year)	√
				KPI: Carbon intensity of energy consumption from operation	√
Water-Abs	Total water consumption (annual m ³)	Total amount of water withdrawn (including intermediaries and abstraction of cooling water)		KPI: Water consumption (m ³) broken down by use (%) and by source	√
				KPI: Water consumption (m ³) broken down by use (%) and by source	√
Water-Lfl	Like-for-like total water consumption (annual m ³)	Total amount of water withdrawn on a like-for-like scope		KPI: Water consumption (m ³) broken down by use (%) and by source	√
Water-Int	Building water intensity (litres/person/day or m ³ /m ² /year) or (litres/m ³ /revenue/year)	Total amount of water withdrawn normalised by an appropriate denominator		KPI: Water intensity per usage (litre/visit/year for Shopping Centres, litre/occupant/year for Offices, litre/m ² DOP/year for Convention & Exhibition centres)	√
				KPI: Water consumption per area (litre/m ² /year)	√
Waste-Abs	Total weight of waste by disposal route (annual metric tonnes and proportion by disposal route)	Total amount of non-hazardous and hazardous waste produced and disposed of by disposal routes		KPIs: Total waste generated (tonnes) and share of recycled and valorised waste (%)	√
				KPI: Split of total waste by method of treatment (%)	√
Waste-Lfl	Like-for-like total weight of waste by disposal route (annual metric tonnes and proportion by disposal route)	Total amount of waste (hazardous and non-hazardous) produced and disposed of by disposal routes (recycling, composting, etc.) on a like-for-like scope		KPIs: Total waste generated (tonnes) and share of recycled and valorised waste (%)	√

Reported

Not reported

Code	Indicator	Description	Reported	Cross- reference	External assurance
Cert-Tot	Type and number of sustainability certified assets (total number and percentage by certification/rating/labelling scheme)	Percentage of assets within a portfolio that have formally obtained sustainability certification, rating or labelling		Environmental certification penetration rate (%) within the total standing Retail portfolio in value	√
				Environmental certification penetration rate (%) within the total standing Office portfolio in value	√
				KPI : Environmental certifications of standing assets	√
				KPI: BREEAM environmental certification of new developments - shopping centres	√
				KPI: BREEAM environmental certification of new developments - offices	√
				KPI: HQE environmental certification of new developments - offices KPI: HQE environmental certification of new developments - offices	√
				Total number of assets that have achieved a certification, rating or labelling within a portfolio and level of certification attained	√
		Breeam "in-use" : performance of the 22 certifications obtained in 2017 (owned and managed shopping centres)	√		
		Breakdown of breeam "in-use" certifications by rating (in number of assets)	√		
Diversity-Emp	Breakdown of employees by gender	Proportion of male and female employees		KPI: Employment by gender	√
Diversity-Pay	Differences in remuneration between men and women	Ratio of average salary for men and average salary for women			
Emp-Training	Employee training and development	Total number of training hours delivered		KPI: Training	
Emp-Dev	Employees performance review	Proportion of employees who have had an annual review		"A structured validation process" (2.5.7. Rewards and recognition)	
Emp-Turnover	Hires and turnover rate	Number and ratio of new hires		KPI: Recruitment	√
		Number of employees departures and turnover rate		KPI: Departures	√
H&S-Emp	Employees health and safety	Frequency rate of workplace accidents, severity rate, absenteeism rate, equivalent in percentage of working days, type of workplace accidents		KPI: Absenteeism	√
H&S-Asset	Building safety	Proportion of assets that have undergone a health and safety assessment		KPI: Annual risk management assessment	√
H&S-Comp	Building compliance	Number of incidents of non-compliance related to building health and safety		Corrective measures in case of non-compliance detected through the annual audit (2.3.2.7. Health & Safety and environmental risks and pollution).	√
Comty-Eng	Community commitment, measures of impact and development programmes	Proportion of assets that have conducted measures of impact and development programmes		Proportion of owned and managed shopping centres implementing the UR for Jobs programme (2.4.1.2. Group commitments in local communities)	√
				KPI: Total hosted jobs	√
Gov-Board	Composition of the highest governance body	Composition of the Supervisory Board		3.1.2.1 Supervisory Board composition and diversity	
Gov-Select	Procedure for selecting and appointing members of the highest governance body	Selection and appointment of the Supervisory Board members		3.1.2.1 Supervisory Board composition and diversity	
Gov-Col	Procedure for managing conflicts of interest	Procedures for preventing and managing conflicts of interest by the Supervisory Board		"Management of conflicts of interest" (3.1.2.5 Additional information related to Management Board and Supervisory Board Members)	

Reported Not reported

Code	Indicator	Description	Reported	Cross- reference	External assurance
OVERARCHING RECOMMENDATIONS					
Organisational boundaries		Organisational structure by type of asset (subsidiaries, associates, etc.) and financial/operational leases		1.3. Business overview	√
Coverage		Percentage of assets within the organisational boundary included in data disclosed for each sustainability performance measure		Coverage given in every KPI tables	√
Estimation of Landlord-obtained utility consumption		Methodology used to estimate utility consumption		2.7.1. Reporting methodology for environmental and societal data	√
				KPI: Tenants' collected electricity consumption (kWh)	√
				KPI: Carbon intensity of energy consumption from operation	√
Third Party Assurance		Level of third party assurance according to AA1000 or ISAE3000		2.7.3. Audit and certification of reporting by an independent third-party	√
				2.8. Independent verifier's report on consolidated social, environmental and societal information presented in the management report	√
Boundaries - reporting on landlord and tenant consumption		Absolute consumption (only Landlord-obtained energy/water)		KPI: Energy consumption (kWh)	√
				KPI: Water consumption (m ³) broken down by use (%) and by source	√
		Private consumption (tenant-obtained consumption) collected by the Landlord		KPI: Tenants' collected electricity consumption (kWh)	√
				KPI: Water consumption (m ³) broken down by use (%) and by source	√
		Intensity sustainability performance measures (denominators: managed floor area or occupancy)		2.7.1.2. Reporting values	√
Segmental analysis (by property type, geography)		Concordance with property typology adopted in financial reporting		1.3. Business overview	√
				2.7.1.3. Reporting scope	√
Disclosure on own offices		Own office performance measure		1.3. Business overview	√
				Assets included in the 2017 reporting scope for environmental KPIs: Unibail-Rodamco's headquarters is reported within the Offices portfolio -France	√
Narrative on performance		Commentaries/ explanations on environmental performance		2.3. Environment	√
Location of EPRA Sustainability Performance Measures in company's report		EPRA and environmental measures included in the annual report		2.9.1. EPRA Sustainability Performance Measures	
Reporting period		Disclosure of historical data for absolute and intensity performance measures		2.7.1.5. Reporting period and reference year	√
Materiality		Materiality survey and adherence to GRI standards		2.1.1. Meeting the major real estate challenges	√
				2.9.2 GRI Standards	

Reported Not reported

2.9.2. GRI STANDARDS

The concordance table below shows where the information required under the new “GRI Standards” published in October 2016 has been disclosed in this 2017 Annual and sustainable development report. For the fifth year in a row, this table has been produced in accordance with the “core approach” method of the GRI guidelines. It complies with all 33 reporting requirements of the Core Option. Unibail-Rodamco has identified 12 material topics. Each of them complies with all reporting requirements of the management approach, and of at least one topic-specific disclosure. The Group also reports compliance with the GRI Standards for 6 additional topics.

Disclosure Number	Disclosure Title (Individual disclosure items “a”, “b”, “c”, etc. are not listed here)	Reported	Cross-reference	External assurance
GENERAL DISCLOSURES				
102-1	Name of the organisation		7.1. Information on the company	√
102-2	Activities, brands products and services		1.3. Business overview	
102-3	Location of headquarters		7.1. Information on the company	√
102-4	Location of operations		1.3. Business overview	
102-5	Ownership and legal form		7.1. Information on the company	√
102-6	Markets served		1.3. Business overview	
102-7	Scale of the organisation		1.3. Business overview 2.5. Collective Power @ Unibail-Rodamco 4.1. Business review and 2017 results	√
102-8	Information on employees and other workers		2.5. Collective Power @ Unibail-Rodamco	√
102-9	Supply chain		2.4.5. Suppliers and contractors: Supply Chain Management – Purchases Mapping	√
102-10	Significant changes to the organisation and its supply chain		4.1. Business review and 2017 results 2.4.5. Suppliers and contractors: Supply Chain Management – Purchases Mapping	√
102-11	Precautionary Principle or approach		2.2.3. Risk and crisis management 2.3.2.1. Environmental management systems 6. Risk factors and internal control	√
102-12	External initiatives		2.2. Corporate governance, ethical conduct and risk management 2.4.7. Investor and shareholder transparency 2.9. Content indexes 3. Corporate Governance and remuneration	√
102-13	Membership of associations		2.4.6. Professional organisations	
102-14	Statement from senior decision-maker		8.1. Statement of the persons responsible for the Registration Document	
102-15	Key impacts, risks and opportunities		2.1.1. Meeting the major real estate challenges 2.2.3. Risk and crisis management 6.2. Main risk factors & mitigating measures 2.6. 2017 achievements & “Better Places 2030” objectives	√
102-16	Values, principles, standards and norms of behaviour		3. Corporate Governance and remuneration 2.2. Corporate governance, ethical conduct and risk management 6.1.3. Internal Control System	√
102-17	Mechanisms for advice and concerns about ethics		2.2.3. Risk and crisis management 6.2. Main risk factors & mitigating measures	√
102-18	Governance structure		3. Corporate Governance and remuneration 2.1.2. Governance and CSR 2.2. Corporate governance, ethical conduct and risk management	√
102-19	Delegating authority		2.1.2. Governance and CSR	√
102-20	Executive-level responsibility for economic, environmental and social topics		2.1.2. Governance and CSR	√
102-21	Consulting stakeholders on economic, environmental and social topics		2.4. Stakeholders	√
102-22	Composition of the highest governance body and its committees		3.1. Management and Supervisory Boards	√
102-23	Chair of the highest governance body		3.1. Management and supervisory boards	√
102-24	Nominating and selecting the highest governance body		3.1. Management and supervisory boards	√
102-25	Conflicts of interest		3.1. Management and Supervisory Boards 3.1.2.5. Additional information related to Management Board and Supervisory Board Members	√

Reported Partially reported

Disclosure Number	Disclosure Title Individual disclosure items ("a", "b", "c", etc.) are not listed here	Reported	Cross-reference	External assurance
102-26	Role of highest governance body in setting purpose, values and strategy		2.1.2. Governance and CSR 3.1. Management and Supervisory Boards	√
102-28	Evaluating the highest governance body's performance		2.1.2. Governance and CSR 3.1. Management and Supervisory Boards 3.1.2.4. Evaluation of the Supervisory Board 3.2 Remuneration	√
102-29	Identifying and managing economic, environmental and social impacts		1.3. Business overview 2.1.1. Meeting the major real estate challenges 2.1.2. Governance and CSR 2.3. Environment 2.4. Stakeholders	√
102-30	Effectiveness of risk management processes		2.1.2. Governance and CSR 3. Corporate Governance and remuneration 6.2. Main risk factors & mitigating measures	√
102-31	Review of economic, environmental and social topics		2.1.2. Governance and CSR	√
102-32	Highest governance body's role in sustainability reporting		2.1.2. Governance and CSR	√
102-33	Communicating critical concerns		2.2. Corporate governance, ethical conduct and risk management 6.2. Main risk factors & mitigating measures	√
102-35	Remuneration policies		2.1.2. Governance and CSR 3. Corporate Governance and remuneration	√
102-36	Process for determining remuneration		2.5.7. Rewards & recognition 3. Corporate Governance and remuneration	√
102-37	Stakeholders' involvement in remuneration		2.5.7. Rewards & recognition 3. Corporate Governance and remuneration	√
102-40	List of stakeholder groups		2.4. Stakeholders	√
102-41	Collective bargaining agreements		2.5.8. Labour relations	√
102-42	Identifying and selecting stakeholders		2.4. Stakeholders	√
102-43	Approach to stakeholder engagement		2.4. Stakeholders	√
102-44	Key topics and concerns raised		2.1.1. Meeting the major real estate challenges 2.1.2. Governance and CSR 2.4. Stakeholders	√
102-45	Entities included in the consolidated financial statements		1.4. Portfolio 4. Business review as of december 31, 2017 5.1. Consolidated financial statements 5.2. Notes to the consolidated financial statements (Note 3. Scope of consolidation)	√
102-46	Defining report content and topic boundaries		2.1.1. Meeting the major real estate challenges 2.7. Reporting methodology	√
102-47	List of material topics		2.1.1. Meeting the major real estate challenges	√
102-48	Restatements of information		1.3. Business overview 2.7. Reporting methodology 5.2. Notes to the consolidated financial statements	√
102-49	Changes in reporting		2.7.1.4. Changes in reporting scope	√
102-50	Reporting period		2.7.1.5. Reporting period and reference year 4. Business review as of december 31, 2017	√
102-51	Date of most recent report		TBD	
102-52	Reporting cycle		2.7 Reporting methodology	
102-53	Contact point for questions regarding the report		8.1. Statement of the persons responsible for the Registration Document	
102-54	Claims of reporting in accordance with the GRI Standards		2.9.2. GRI Standards	
102-55	GRI content index		2.9.2. GRI Standards	
102-56	External assurance		2.7.3. Audit and certification of reporting by an independent third-party	√

Reported Partially reported

Disclosure Number	Disclosure Title Individual disclosure items ("a", "b", "c", etc.) are not listed here	Reported	Cross-reference	External assurance
MANAGEMENT APPROACH				
Energy & carbon				
103-1	Explanation of the material topic and its boundary		2.1.1. Meeting the major real estate challenges 2.3.1. Group greenhouse gas (GHG) emissions 2.7. Reporting methodology	√
103-2	The management approach and its components		2.3.2. Pillar 1: Less carbon emissions, better buildings 2.3.3. Pillar 2: Less polluting transport, better connectivity	√
103-3	Evaluation of the management approach		2.6. 2017 Achievements & Better Places 2030 objectives	√
Building labels & standards				
103-1	Explanation of the material topic and its boundary		2.1.1. Meeting the major real estate challenges 2.3.1. Group greenhouse gas (GHG) emissions 2.7. Reporting methodology	√
103-2	The management approach and its components		2.3.2.2. Building environmental certification	
103-3	Evaluation of the management approach		2.6. 2017 Achievements & Better Places 2030 objectives	√
103-2	The management approach and its components		2.3.2.2. Building environmental certification	
103-3	Evaluation of the management approach		2.6. 2017 Achievements & Better Places 2030 objectives	√
Waste				
103-1	Explanation of the material topic and its boundary		2.1.1. Meeting the major real estate challenges 2.7. Reporting methodology	√
103-2	The management approach and its components		2.3.2.6. Use of resources	√
103-3	Evaluation of the management approach		2.6. 2017 Achievements & Better Places 2030 objectives	√
Sustainable procurement				
103-1	Explanation of the material topic and its boundary		2.1.1. Meeting the major real estate challenges 2.4. Stakeholders	√
103-2	The management approach and its components		2.4.5. Suppliers and contractors: Supply Chain Management – Purchases Mapping	√
103-3	Evaluation of the management approach		2.6. 2017 Achievements & Better Places 2030 objectives	√
Transport connectivity & accessibility				
103-1	Explanation of the material topic and its boundary		2.1.1. Meeting the major real estate challenges 2.3.1. Group greenhouse gas (GHG) emissions 2.7. Reporting methodology	√
103-2	The management approach and its components		2.3.3. Pillar 2: Less polluting transport, better connectivity	√
103-3	Evaluation of the management approach		2.6. 2017 Achievements & Better Places 2030 objectives	√
Customer and visitor attraction, retention & engagement				
103-1	Explanation of the material topic and its boundary		1.3. Business overview 2.1.1. Meeting the major real estate challenges 2.4. Stakeholders	√
103-2	The management approach and its components		2.4.3. Visitors & customers	√
103-3	Evaluation of the management approach		2.4.3. Visitors & customers 2.6. 2017 Achievements & Better Places 2030 objectives	√
Tenant attraction, retention & engagement				
103-1	Explanation of the material topic and its boundary		2.1.1. Meeting the major real estate challenges 4.1.2. Business review by segment	
103-2	The management approach and its components		2.4.4. Tenants and retailers	√
103-3	Evaluation of the management approach		2.4.4. Tenants and retailers 2.6. 2017 Achievements & Better Places 2030 objectives	√
Local economic development				
103-1	Explanation of the material topic and its boundary		2.1.1. Meeting the major real estate challenges 2.4. Stakeholders	√
103-2	The management approach and its components		2.4.1. Communities and local authorities 2.4.2. Tax authorities and taxation	√
103-3	Evaluation of the management approach		2.6. 2017 Achievements & Better Places 2030 objectives 5.2. Notes to the consolidated financial statements (note 8. Taxes)	√
Community well-being				
103-1	Explanation of the material topic and its boundary		2.1.1. Meeting the major real estate challenges 2.4. Stakeholders Comfort, Well-being and Productivity	√
103-2	The management approach and its components		2.4.1. Communities and local authorities Comfort, Well-being and Productivity	√
103-3	Evaluation of the management approach		2.6. 2017 Achievements & Better Places 2030 objectives	√

Reported Partially reported

Disclosure Number	Disclosure Title Individual disclosure items ("a", "b", "c", etc.) are not listed here	Reported	Cross-reference	External assurance
Water				
303-1	Water withdrawal by source		2.3.2.6. Use of resources	√
303-3	Water recycled and reused		2.3.2.6. Use of resources	√
Emissions				
305-1	Direct (Scope 1) GHG emissions		2.3.1. Group greenhouse gas (GHG) emissions 2.3.2.3. Direct and indirect greenhouse gas emissions from standing assets (scope 1 & 2)	√
305-2	Energy indirect (Scope 2) GHG emissions		2.3.1. Group greenhouse gas (GHG) emissions 2.3.2.3. Direct and indirect greenhouse gas emissions from standing assets (scope 1 & 2)	√
305-3	Other indirect (Scope 3) GHG emissions		2.3.1. Group greenhouse gas (GHG) emissions 2.3.2.3. Direct and indirect greenhouse gas emissions from standing assets (scope 1 & 2)	√
305-4	GHG emissions intensity		2.3.1. Group greenhouse gas (GHG) emissions 2.3.2.3. Direct and indirect greenhouse gas emissions from standing assets (Scope 1 & 2)	√
305-5	Reduction of GHG emissions		2.3.1. Group greenhouse gas (GHG) emissions 2.3.2.3. Direct and indirect greenhouse gas emissions from standing assets (scope 1 & 2) 2.6. 2017 achievements & "Better Places 2030" objectives	√
305-6	Emissions of ozone-depleting substances (ODS)		2.3.2.3. Direct and indirect greenhouse gas emissions from standing assets (scope 1 & 2) 2.3.2.6. Use of resources 2.3.2.7. Health & Safety and environmental risks and pollution	√
Effluents and Waste				
306-2	Waste by type and disposal method		2.3.2.6. Use of resources	√
Environmental Compliance				
307-1	Non-compliance with environmental laws and regulations		2.3.2.7. Health & Safety and environmental risks and pollution	√
Supplier Environmental Assessment				
308-1	New suppliers that were screened using environmental criteria		2.4.5. Suppliers and contractors: Supply Chain Management - Purchases Mapping	√
SOCIAL				
Employment				
401-1	New employee hires and employee turnover		2.5.3. Attracting the best	√
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		2.5.7. Rewards & recognition 10.3. Employee benefits	√
Occupational Health and Safety				
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities		2.5.6. Well-being at work	√
Training and Education				
404-1	Average hours of training per year per employee		2.5.2. UR Academy - Developing people	√
404-2	Programmes for upgrading employee skills and transition assistance programs		2.5.2. UR Academy - Developing people	√
404-3	Percentage of employees receiving regular performance and career development reviews		2.5.1. Talent management and engagement 2.5.7. Rewards & recognition	√
Diversity and Equal Opportunity				
405-1	Diversity of governance bodies and employees		2.5. Collective power @ Unibail-Rodamco 3. Corporate governance and remuneration	√
405-2	Ratio of basic salary and remuneration of women to men		2.5.7. Rewards & recognition	√

Reported Partially reported

2.

Disclosure Number	Disclosure Title Individual disclosure items ("a", "b", "c", etc.) are not listed here	Reported	Cross-reference	External assurance
Non-discrimination				
406-1	Incidents of discrimination and corrective actions taken		2.5.4. Equal opportunity and inclusion 6.2.3.11. Legal, regulatory and compliance risks	√
Human Rights Assessment				
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		2.4.5. Suppliers and contractors: Supply Chain Management – Purchases Mapping 6.2.3.11. Legal, regulatory and compliance risks	√
Local Communities				
413-1	Operations with local community engagement, impact assessments, and development programs		2.3.2.1. Environmental Management Systems 2.4.1. Communities and local authorities	√
413-2	Operations with significant actual and potential negative impacts on local communities		2.3.2.1. Environmental Management Systems 2.4.1. Communities and local authorities	√
Supplier Social Assessment				
414-1	New suppliers that were screened using social criteria		2.4.5. Suppliers and contractors: Supply Chain Management – Purchases Mapping	√
Customer Health and Safety				
416-1	Assessment of the health and safety impacts of product and service categories		2.3.2.7. Health & Safety and environmental risks and pollution	√
Marketing and Labelling				
417-1	Requirements for product and service information and labelling		2.3.2.1. Environmental Management Systems 2.3.2.2. Building environmental certification	√
Socioeconomic Compliance				
419-1	Non-compliance with laws and regulations in the social and economic area		2.3.2.7. Health & Safety and environmental risks and pollution 6.2.3.11. Legal, regulatory and compliance risks	√
	Reported	Partially reported		

2.9.3. GRENELLE II, ARTICLE 225

Decree no. 2012-557 of April 24, 2012 relative to companies' transparency obligations on Corporate social and environmental matters.

Unibail-Rodamco has commissioned a third-party audit for its sustainability data since 2009. The Group has extended the scope of external verification through the years. In 2017, and according to Article 225 requirements (French Grenelle law), the EY audit firm performed a review of the Group's disclosures covering all the information covered by the Article and has notably performed an in-depth review of the most material topics and key performance indicators (see assurance statement in the section 2.8. Independent verifier's report on consolidated

social, environmental and societal information presented in the management report). The table below shows the concordance between legal requirements and Unibail-Rodamco's audited disclosures published in the present chapter.

In order to comply with the Decree of August 19, 2016 (no 2016-1138 amending Article L. 225-102-1 of the Commercial Code) adopted pursuant to the Energy Growth Transition Law for Green Growth (Article 173, law no. 2015-992 of August 17, 2015) Unibail-Rodamco calculates its carbon footprint on an extended Scope 3, measuring significant indirect emissions over the entire value chain (see chapter 3.3.4.1. Carbon footprint). However, the Group is not directly concerned with the theme of "action to fight against food waste".

2.

Article 225 nomenclature	Description	References	Materiality ⁽¹⁾
I. SOCIAL INFORMATION			
I. A – Employment	Total number and breakdown of employees by gender, age, and geographical zone	KPI: Employment by gender KPI: Employment by age KPI: Employment by country	M
I. A – Employment	New hires and dismissals	KPI: Recruitments KPI: Departures	P
I. A – Employment	Salaries and their evolution	2.5.3. Attracting the best 2.5.7. Rewards & recognition Annual increase in average salary Proportion of employees benefiting from STI Proportion of employees benefiting from stock option and performance shares Proportion of employees benefiting from salary increase	P
I. B – Labour organization	Working time organisation	2.5.6. Well-being at work	P
I. B – Labour organization	Absenteeism	KPI: Absenteeism	M
I. C – Social Relations	Organisation of social dialogue (procedures for consultation and negotiation)	2.5.8. Labour relations	P
I. C – Social Relations	Review of collective agreements	KPI: Collective bargaining	P
I. D – Health & Safety	Health and safety conditions at work	2.5.6. Well-being at work	P
I. D – Health & Safety	Review of the agreements signed with trade unions or staff representatives on health and safety at work	2.5.8. Labour relations	P
I. D – Health & Safety	Occupational accidents, including the frequency and severity rates, and occupational diseases	KPI: Absenteeism	P
I. E – Training	Implemented training policies	2.5.2. UR Academy – Developing people	P
I. E – Training	Total number of hours trained	KPI: Training	M
I.F – Equality of treatment	Implemented policies and measures in favour of equality between women and men	2.5.4. Equal opportunity and inclusion Proportion of men and women benefiting from a salary increase (2.5.7. Rewards & recognition)	P
I.F – Equality of treatment	Implemented policies and measures for employment and integration of disabled people	2.5.4. Equal opportunity and inclusion	P
I.F – Equality of treatment	Implemented policies and measures to fight discrimination	2.1.2. Governance and CSR 2.2. Corporate governance, ethical conduct and risk management 2.5.4. Equal opportunity and inclusion	P
I.G – Respect/Promotion of ILO Principles	For freedom of association respect and right to collective bargaining	2.5.8. Labour relations	N/A
I.G – Respect/Promotion of ILO Principles	To the elimination of discrimination in matters of employment and profession	2.4.5. Suppliers and contractors: Supply Chain Management and Purchases Mapping 2.5.8. Labour relations	P
I.G – Respect/Promotion of ILO Principles	To the elimination of forced or compulsory labour	N/A	N/A
I. G – Respect/Promotion Principles OIT	To the effective abolition of child labour	N/A	N/A

Article 225 nomenclature	Description	References	Materiality ⁽¹⁾
II. ENVIRONMENTAL INFORMATION			
II.A – Overall environmental policy	Group’s organisation to take into account environmental matters and environmental assessment approaches or certification	2.1.2. Governance and CSR 2.3.2.1. Environmental Management Systems (EMS) 2.7.1. Reporting methodology for environmental and societal data 2.3.2.2. Product labelling: Environmental certification KPI: Environmental certification of new developments KPI : Environmental certification of standing assets 2.6. 2017 Achievements and “Better Places 2030” objectives	M
II.A – Overall environmental policy	Training and informing activities conducted on employees for the protection of the environment	2.5.2. UR Academy – Developing people	P
II.A – Overall environmental policy	Resources devoted to the prevention of environmental risks and pollution	2.1.2. Governance and CSR 2.3.2.7. Health & Safety and environmental risks and pollution KPI: Annual risk management assessment	P
II.A – Overall environmental policy	Amount of provisions and guarantees for environmental risks (if the information is not likely to cause serious harm to society in a pending litigation)	2.3.2.7. Health & Safety and environmental risks and pollution (no provision for environmental risks)	P
II. B – Pollution	Prevention, reduction or compensation measures for air rejections, water and soil discharge that seriously harm the environment	2.3.1. Group greenhouse gas (GHG) emissions 2.3.2.6. Use of ressources 2.4.5. Suppliers and contractors: Supply Chain Management – Purchases mapping	P
II. B – Pollution	Consideration of noise pollution and any other form of pollution specific to an activity	2.3.2.1. Environmental Management Systems (EMS) (Considerate Construction Charter) 2.3.2.7. Health & Safety and environmental risks and pollution 2.3.2.6. Use of ressources (Waste)	P
II. C – Circular economy	Actions taken in support for the prevention, recycling and waste disposal	KPI: Total waste (tonnes) and shares of recycled and valued waste (%) KPI: Split of total waste by disposal route (%) KPI: Split of total waste by type (tonnes)	P
II. C – Circular economy	Actions to combat food waste	Not disclosed – not under the direct responsibility of the Group	N/A
II. C – Circular economy	Water consumption and supply according to local regulations	2.3.2.6. Use of ressources (Water) KPI: Water consumption (m3) broken down by use (%) and by source KPI: Intensity of water use (litre/visit/year for Shopping Centres, litre/occupant/year for Offices, litre/m2 JOP/year for Convention & Exhibition centres) KPI: Water consumption per m2 (litre/m ² /year)	P
II. C – Circular economy	Consumption of raw material and measures taken to improve their use efficiency	2.3.2.6. Use of ressources	P
II. C – Circular economy	Energy consumption	KPI: Energy consumption (kWh) KPI: Energy efficiency PER USAGE (kWh/visit/year for Shopping Centres, kWh/occupant/year for Offices, kWh/m2 DOP/year for Convention & Exhibition centres) KPI: Energy efficiency per m ² (kWh/m ² /year) KPI: Direct and indirect final energy consumption by primary energy source (energy mix) (%) KPI: Tenants’ collected electricity consumption (kWh)	M
II. C – Circular economy	Use of renewable energies	2.3.2.3. Direct and indirect greenhouse gas emissions from standing assets (Scope 1 & 2) - Focus on renewable electricity KPI: Renewable electricity produced (kWh) and greenhouse gas emissions avoided (kgCO ₂ e)	
II. C – Circular economy	Measures taken to improve energy efficiency	2.3.2.4. Energy consumption 2.6. 2017 Achievements and “Better Places 2030” objectives	
II. C – Circular economy	Land use	2.3.2.7. Health & Safety and environmental risks and pollution - Soil depollution and prevention in case of acquisition KPI: Soil pollution and site remediation	P

Article 225 nomenclature	Description	References	Materiality ⁽¹⁾
II. D - Climate change	Significant items of Green House Gases emissions (GHG) generated as a result of the Company's activity, in particular the goods and services it produces	2.3.1. Group greenhouse gas (GHG) emissions	M
		2.3.2.3. Direct and indirect greenhouse gas emissions from standing assets (Scope 1 & 2)	
		2.3.2. Pillar 1: Less carbon emissions, better buildings	
		KPI: Carbon intensity of construction activity (kgCO ₂ /m ²)	
		KPI: Carbon intensity of energy consumption from operation (kgCO ₂ /m ²)	
		KPI: Carbon intensity of transport (kgCO ₂ /m ²)	
		KPI: Greenhouse gas (GHG) emissions from the energy consumption of standing assets (scopes 1 & 2) (kgCO _{2eq})	
		KPI: Carbon intensity from energy consumption of standing assets (Scope 1 & 2) PER USAGE (gCO _{2eq} /visit/year for Shopping Centres, gCO _{2eq} /occupant/year for Offices, gCO _{2eq} /m ² JOP/year for Convention & Exhibition venues)	
		KPI: Renewable electricity produced (kWh) and greenhouse gas emissions avoided (kgCO _{2e})	
		KPI: Carbon intensity from the energy consumption of standing assets (Scope 1 & 2) by AREA (kgCO _{2eq} /m ² /year)	
KPI: Split of Shopping Centres' visits by transport means (%)			
II. D - Climate change	Adaptation to climate change impacts	2.1.1. Meeting the major real estate challenges	P
		2.1.2. Governance and CSR	
		2.3. Environment	
II. E - Biodiversity protection	Measures taken to preserve or develop biodiversity	2.3.2.6. Use of resources	P
III. SOCIETAL INFORMATION			
III. A - Territorial, economic and social impact of the Company	In terms of employment and regional development	2.4.1. Communities and local authorities	M
		2.4.1.1. The Group's local economic footprint	
		2.4.1.2. Group commitments in local communities	
III. A - Territorial, economic and social impact of the Company	On local population	2.5. Collective Power @ Unibail-Rodamco	P
		2.4.1. Communities and local authorities	
III.B - Relationships with interested in the Company's business	Dialogue conditions with said persons or organisations	2.4. Stakeholders	M
		2.4.3. Visitors & customers (customers' satisfaction surveys)	
		2.4.4. Tenants & retailers (tenants' satisfaction surveys; Green Leases version 2)	
		KPI: Green Leases version 2	
III.B - Relationships with persons or organisations interested in the Company's business	Partnerships or sponsorships	2.6. 2017 Achievements and "Better Places 2030" objectives	P
		2.4.1.2. Group commitments in local communities	
III.C - Subcontractors and suppliers	Consideration of social and environmental issues in the procurement policy of the Company	2.5.5. Employee Commitments and CSR	P
		2.4.5. Suppliers and contractors: Supply Chain Management - Purchases mapping	
III.C - Subcontractors and suppliers	The importance of subcontracting and addressing suppliers' social and environmental responsibility	KPI: Coverage of the assessment of supplier performances, and total amount of contracts assessed	M
		2.4.5. Suppliers and contractors: Supply Chain Management - Purchases mapping	
III. D - Fair practices	Actions taken against corruption	2.6. 2017 Achievements and "Better Places 2030" objectives	M
		2.2.2. Ethical conduct and anti-corruption policy	
		2.1.2. Governance and CSR	
III. D - Fair practices	Actions taken in favour of customers' health and safety	2.4.5. Suppliers and contractors: Supply Chain Management - Purchases mapping	M
		2.6. 2017 Achievements and "Better Places 2030" objectives	
		2.3.2.7. Health & Safety and environmental risks and pollution	
III. E - Human Rights	Other actions taken in favour of Human Rights	KPI: Annual risk management assessment	P
		As a signatory of the UN Global Compact, Unibail-Rodamco promotes the application of fundamental values with respect to human rights, labour, environment and the fight against corruption.	

(1) M = Material; P = Potentially material; N/A = Non applicable.