

# Financing our **BETTERPLACES** **ROADMAP**

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# Financing our Better Places roadmap



## LIMITED CAPEX NEEDS TO FINANCE NET ZERO TRANSITION

High quality portfolio

Best-in-class operating management  
expertise

Investments already made

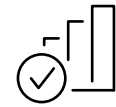


## BETTER PLACES ROADMAP CREATES GROWTH OPPORTUNITIES

Photovoltaic panels

Electric vehicle chargers

Urban regeneration and retrofit  
opportunities



## WELL POSITIONED TO ACCESS ESG FINANCING

URW's strong track record on  
the ESG debt markets

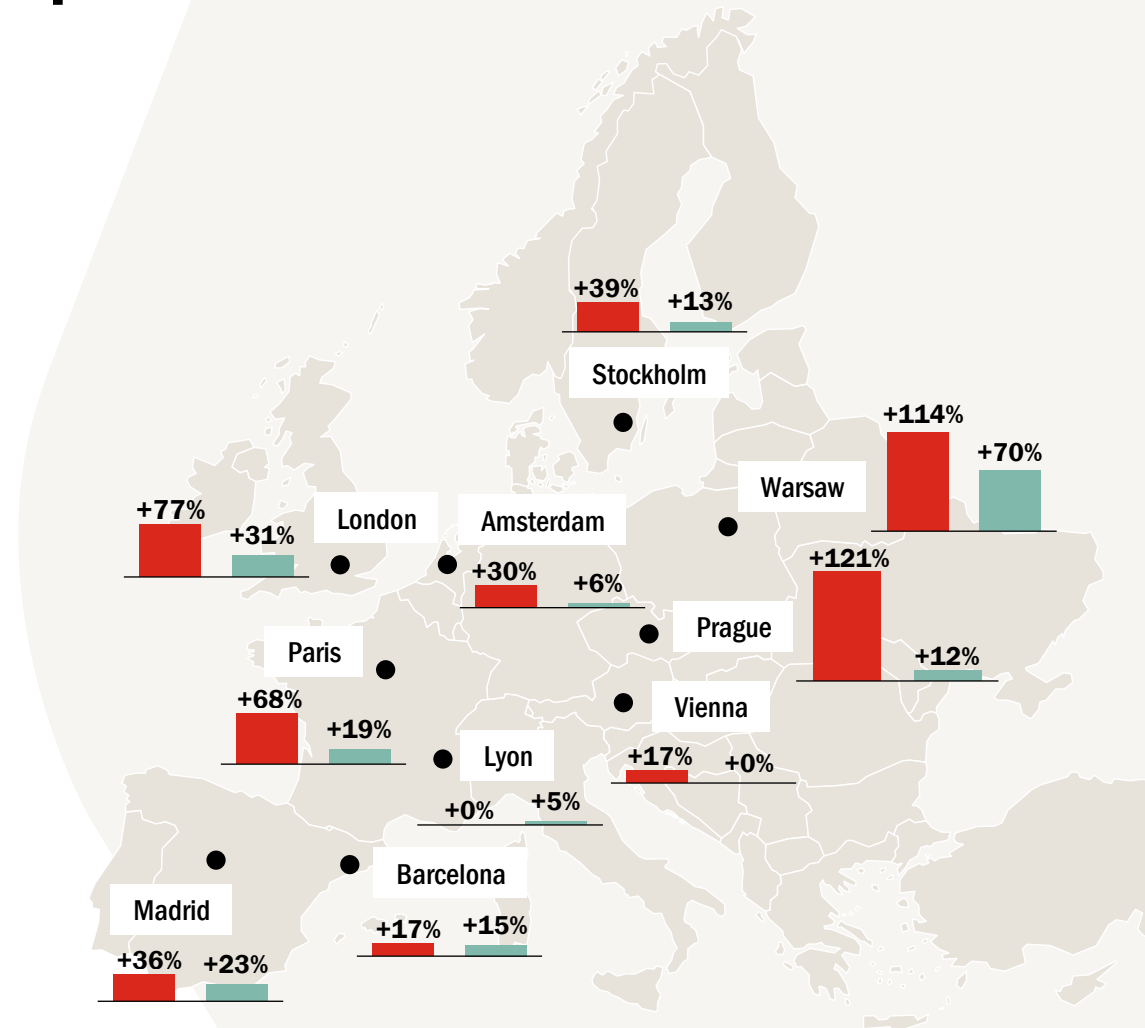
Updated Green Financing Framework

Liquidity and green premium thanks  
to high demand for sustainable  
assets



# URW's well connected European retail portfolio in dense catchment areas

- **c. 700 Mn** visits annually
- **100%** of assets connected to public transport & **80%** connected to Metro or Tram lines with ongoing improvement
- **c. 50%** of visitors using sustainable transport<sup>(1)</sup>
- **100%** of Westfield branded assets located in catchment area of more **than 2 Mn** consumers<sup>(2)</sup>
- **87%** assets located in **Top 40 European cities**<sup>(3)</sup> **with high GDP per capita**



1. Bicycle, electric cars, public buses, foot, subway and tramway  
 2. In number of assets, in Europe, CACI  
 3. Source: Resonance Consultancy ranking, on a proportionate basis for standing assets  
 4. Source: Eurostat  
 5. Source: CACI

# URW is a preferred partner to retailers

## SUPPORTING RETAILERS' PROFITABILITY THANKS TO HIGH STORES SALES INTENSITY...

- **+21%** in sales intensity compared to European peers<sup>(1)</sup>
- Retailers' increasing focus on **omnichannel model** and **drive-to-store strategy**
- Expanding in **prime locations** at the expense of smaller ones
- Leveraging stores' profitability through **Click & Collect** and **Product Return**
- **38%** of consumers find Click & Collect services appealing for a physical store<sup>(2)</sup>

## ... WHILE SHOWCASING THEIR **SUSTAINABILITY** **JOURNEY**

- **Better Places Certification** to accelerate the change of our retail destination
- **Sustainability Retail Index** to curate retail offer for customers
- Hosting events in URW's centres such as **Westfield Good Festival**, increasing **footfall** and **sustainability awareness**
- Emerging new sustainable retail concepts through the **Westfield Grand Prix** competition

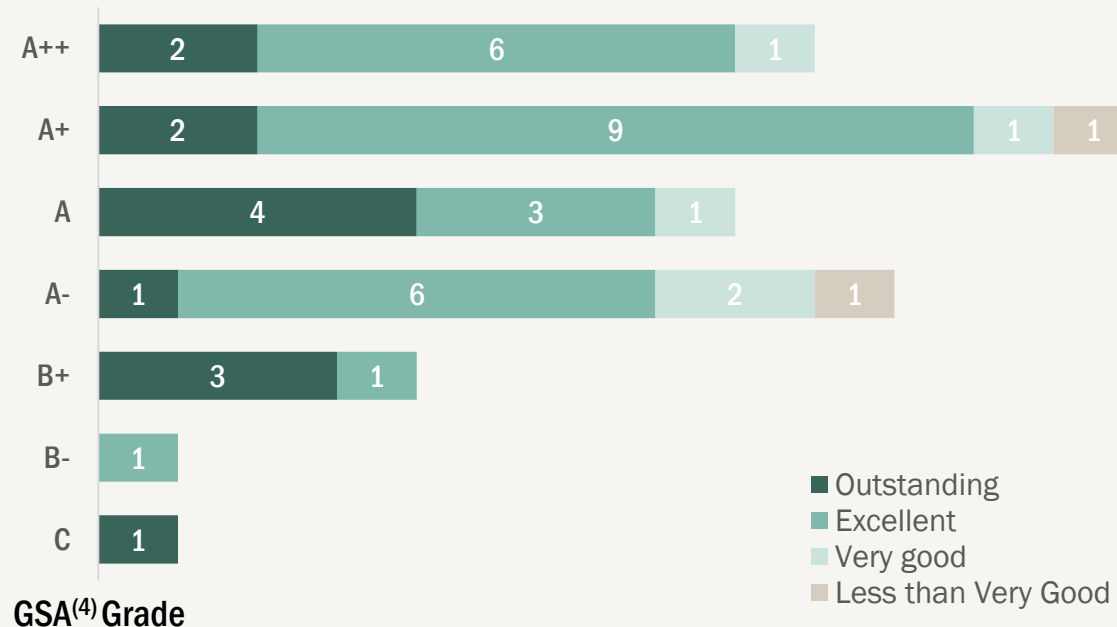
1. Source: Green Street Advisors, Analysis undertaken on A category malls >30,000 sqm in total GLA, excluding The Netherlands due to lack of available data and Slovakia due to lack of comparables

2. Source: PwC Global Consumer Insights Survey 2023

# European retail portfolio comprised of best-in-class, sustainable assets

## 94%

of URW's European assets certified BREEAM In-Use<sup>(1)</sup>



1. In number of shopping centres. BREEAM In-Use part II  
 2. Based on JLL and C&W ESG Asset Assessments. 4-scale ratings from "Poor" to "Very good"  
 3. Average age of European retail portfolio calculated based on latest construction, extension and/or refurbishment date in terms of GMV on a proportionate basis as at June 30, 2023  
 4. Green Street Advisors

High quality, updated assets

## 85%

European certified assets rated at least **BREEAM In-Use Excellent**<sup>(1)</sup>

## 73%

Assets rated at least **"Good"** based on Appraisers' ESG Asset Assessment<sup>(2)</sup>

## 79%

Assets built, extended and/or refurbished since 2013<sup>(3)</sup>

## 7.4 years

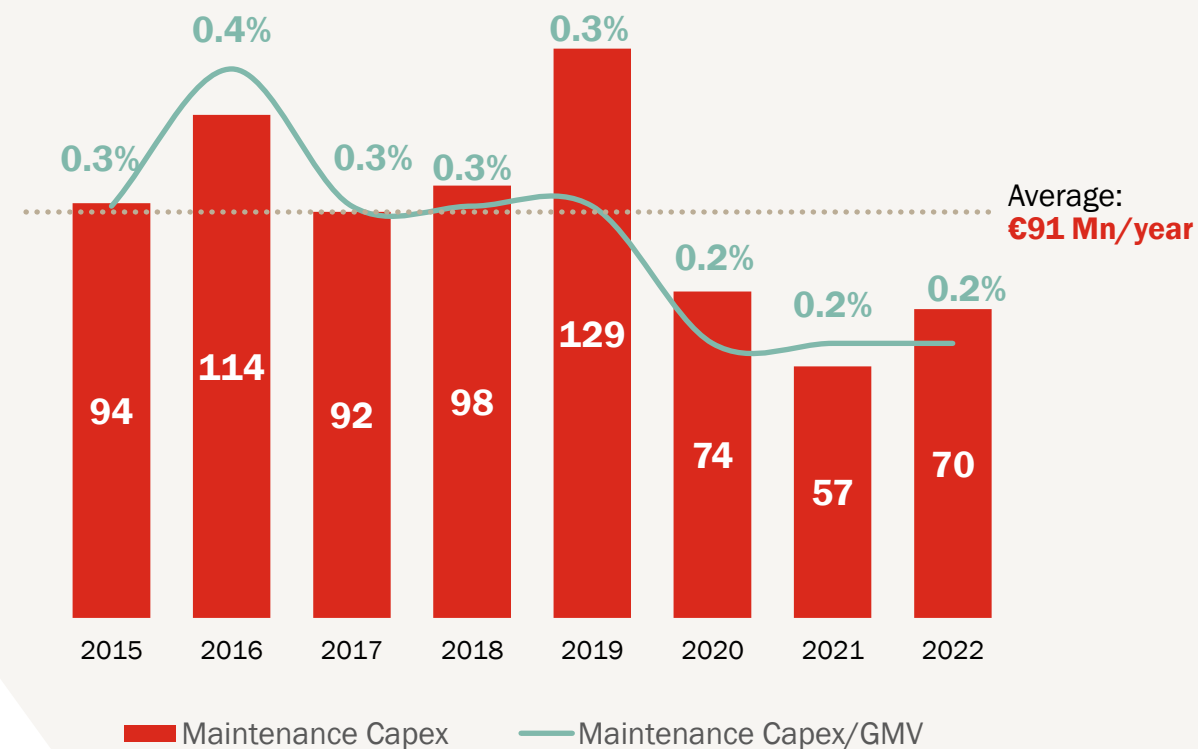
Average age of URW shopping centres<sup>(3)</sup>

# Consistent & disciplined maintenance Capex

## Consistent investment in standing assets over time

- Ensures **high energy efficiency** standards
- Contributes to **carbon emission reduction** since 2015
- Drives the **quality and value** of the portfolio

## Annual maintenance Capex in Europe<sup>(1)</sup> (€Mn)






1. Shopping centres only. On a proportionate basis

# Sustainability driven by regular maintenance investments – Westfield Les 4 Temps



## Recent Actions

-  LED lighting
-  Cooling & heating
-  Building management system

## Total Capex

**€4.2 Mn**

## Reduction in total energy consumption

**- 40%**  
vs. 2019

## Financial savings

**- €818,000**  
per year



# Our pathway to achieve our net-zero transition

**01.** **REDUCE**  
Cut carbon emissions from **5 MtCO<sub>2</sub>** to **0.5 MtCO<sub>2</sub>**<sup>(2)</sup>

**02.** **AVOID**  
Help our value chain lower their emissions

**03.** **REMOVE**  
Neutralise residual emissions

## SCOPES 1 & 2<sup>(1)</sup>

-71% in 2022

-90% in 2030

## SCOPES 1, 2 & 3<sup>(1)</sup>

-41% in 2022

-50% in 2030

-90% in 2050

Focus on **low carbon development projects**

**16,000 tCO<sub>2</sub>**  
**of carbon sequestration**  
per year over 2030 – 2050<sup>(3)</sup>

## OPPORTUNITIES

New businesses:

- EV chargers
- PV panels

Value creation through asset retrofit and urban regeneration

Secure the neutralisation of residual emissions at attractive conditions

1. Target in absolute carbon emissions from a 2015 baseline. Targets assume all energy supply for common parts is green electricity in line with today's situation and 80% of tenants' electricity is green.

2. Per year, Scopes 1, 2 & 3, from 2015 to 2050

3. Equivalent to URW's residual emissions from Scopes 1 & 2



# Our carbon reduction targets require limited Capex



## OPERATIONS<sup>(4)</sup>

Achievement to date<sup>(1)</sup>

**-71%**  
(kgCO<sub>2</sub>e)

2030 Target<sup>(2)</sup>

**-90%**  
(kgCO<sub>2</sub>e)



Capex requirements<sup>(3)</sup>

**€28 Mn**  
Additional Capex  
per year



## TRANSPORT

**-10%**  
(kgCO<sub>2</sub>e/visitor)

**-40%**  
(kgCO<sub>2</sub>e/visitor)



No Capex<sup>(5)</sup>



## CONSTRUCTION

**-12%**  
(kgCO<sub>2</sub>e/sqm)

**-35%**  
(kgCO<sub>2</sub>e/sqm)

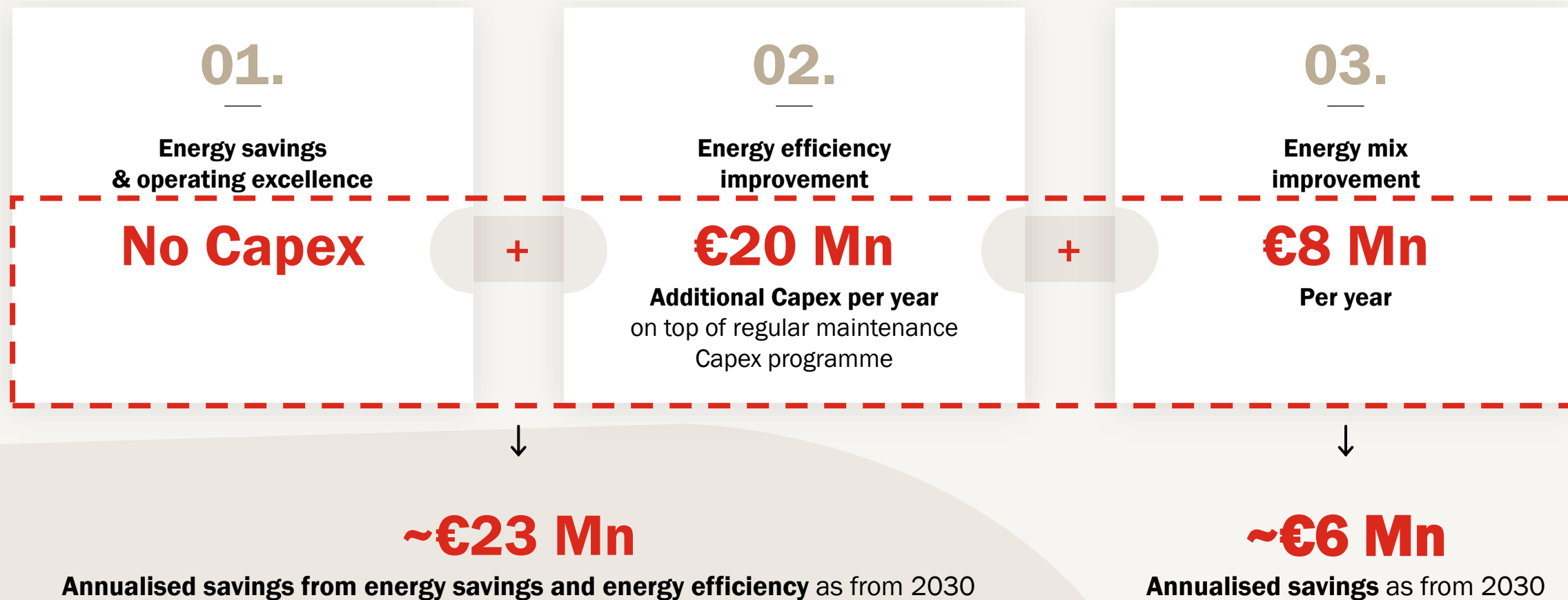


Limited increase  
in construction cost

1. By end of 2022 versus 2015 – Group figures
2. Versus 2015. Targets assume all energy supply for common parts is green electricity in line with today's situation and 80% of tenants' electricity is green. Target on Operations for Scopes 1, 2 & 3 at -80%.
3. On average per year over 2024-2030. Europe only. On a proportionate basis
4. For Scopes 1 & 2.
5. No investment in EV chargers



# Main carbon reduction initiatives combine operating improvement & limited investment needs



# Growth of solar PV to improve energy mix & generate savings

## 2030 OBJECTIVES

**50 MWp**  
PV plants installed power  
o/w **6.4 MWp** already installed<sup>(1)</sup>

**~300,000 sqm**  
Installed  
o/w **40,000 sqm** already installed

**~55 GWh**  
Energy production  
o/w **5.3 GWh** already produced

**€55 Mn**  
Remaining to be invested by 2030  
On top of **€10 Mn** already invested

**~€6 Mn** annualised savings as from 2030<sup>(2)</sup>



1. Total installed renewable energy capacity in Europe at end 2022  
2. Estimated based on relevant of factors including electricity price, sun conditions, country regulations, type of PV panels

# EV growth reduces carbon emissions & creates opportunities



## Levers on transport **carbon emissions reduction**

- **Assets connectivity**
- **Electrification** of vehicle fleet
- **Reduction** of car modal share
- **Increase** of car occupancy



## New revenues from **EV Chargers**

# **charging** points **>4,000**

**Estimated tCO<sub>2</sub>**  
avoided per year<sup>(1)</sup> **50,000**

**Investment**  
in EV chargers<sup>(2)</sup> **€0**

**Estimated annual**  
net revenue per year<sup>(2)</sup> **€8 Mn**

1. Estimation based on average power delivered & average emission avoided

2. On a proportionate basis – based on leasing model with optimisation potential. Europe Only

# From sustainable retrofit to improved performance

## Westfield Mall of the Netherlands

BEFORE 2016



AFTER 2022



### Excellence in construction

- **80%+** of construction & demolition recycled
- BREEAM Excellent **for Renovation**

### High ESG standard

- **BREEAM** In-Use Excellent & **EPC A+++**
- **LED lighting**, geothermic heating ATES system
- **103 EV** chargers & 1,500 bike spaces
- **92%** green leases signed

### Improved performance

- GLA increase **+73%**<sup>(1)</sup>
- Footfall **+143%**<sup>(1)</sup>
- Occupancy from **93% to 96%**<sup>(1)</sup>
- Rental income increase **+185%**<sup>(2)</sup>
- **+11%** of value creation<sup>(3)</sup>

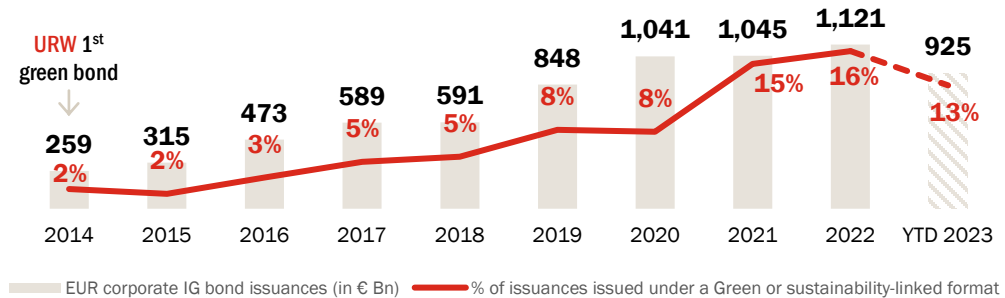
1. From 2016 to June 2023

2. Evolution of MGR+SBR in 2022 compared to 2016

3. Revaluation gain as at June 30, 2023 divided by Cost to Date

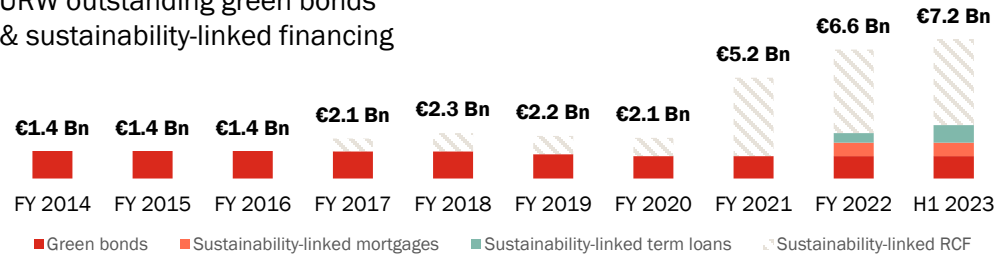
# URW has a strong track record in sustainability-linked financing markets

## Fast growth of the ESG-linked bond market<sup>(1)</sup>



## URW's increasing sustainability-linked borrowing activity

URW outstanding green bonds & sustainability-linked financing



## URW is well positioned to access sustainability-linked financing markets

### Quality of assets



### Track Record



Industry green bond on the Euro market<sup>(2)</sup> - 2014



Sustainability-linked syndicated credit facility in Europe - 2017

### Updated Green Financing Framework in 2022

**ISS ESG**  
Second Party Opinion

**Deloitte.**  
Independent External Auditor<sup>(2)</sup>

1. Source: Bloomberg, as at September 15, 2023, with ESG bonds including green and sustainability-linked bonds  
2. For the annual verification of alignment with eligibility criteria

# Access to sustainability-linked financing

€700 Mn refinancing of Westfield Centro<sup>(1)</sup>



**Destination Shopping Centre**  
in Germany



**GSA<sup>(3)</sup>**  
grade

**BREEM<sup>®</sup>**  
EXCELLENT

**BREEM**  
In-Use



**Energy efficiency**  
& carbon emission targets



**Ambitious targets**  
vs. CRREM pathway<sup>(2)</sup>



**Attracting lenders**  
with demanding ESG targets



Leading to margin  
**reduction mechanism**

1. At 100%, closed in July 2022
2. Comparison considering for Centro KPIs the carbon emissions from common areas only and compared to the 1.5°C CRREM pathway for shopping centres in Germany
3. Green Street Advisors



UNIBAIL-RODAMCO-WESTFIELD

FINANCING OUR BETTER PLACES ROADMAP



# Sustainability is not a constraint, it is an opportunity for URW

## BEST CUSTOMER EXPERIENCE

Well-connected to transportation

Complete, diverse & curated offer

Premium experience

## BEST PARTNER FOR RETAILERS

Best location in wealthy and dense areas

High sales intensity

Increased store profitability through drive-to-store strategies

## BEST ASSETS FOR INVESTORS

High ESG standards

Limited Capex needed to achieve carbon neutrality

Limited competition with land artificialisation regulations

## BEST PRACTICES FOR FUTURE GROWTH

Operating management excellence

New business lines (EV, PV)

Urban regeneration and retrofit opportunities

**URW well positioned to capture these opportunities and reduce carbon emissions with limited additional investment**



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