



UNIBAIL-RODAMCO-WESTFIELD

UNIBAIL-RODAMCO-WESTFIELD N.V.

2023 ANNUAL REPORT

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MANAGEMENT BOARD REPORT

The Management Board (“MB”) of Unibail-Rodamco-Westfield N.V. (“URW NV” or “the Company”) hereby presents its management report and the consolidated and company only financial statements of URW NV for the period ending December 31, 2023.

1.1 GENERAL INFORMATION

URW NV is a public limited liability company under the laws of the Netherlands. The Company was incorporated as Unibail-Rodamco B.V., a private company with limited liability on February 14, 2018 and converted its legal form to a public limited liability company on March 22, 2018. On the same date, the Company changed its name to WFD Unibail-Rodamco N.V. At the Annual General Meeting held on June 9, 2020, the shareholders adopted the name change to Unibail-Rodamco-Westfield N.V.

On June 7, 2018, Unibail-Rodamco SE (now known as Unibail-Rodamco-Westfield SE, or “URW SE”) announced it had completed the acquisition of Westfield Corporation (“Westfield”), to create Unibail-Rodamco-Westfield (“URW Group”), the stapled group which, collectively, consists of URW SE, URW NV and their respective controlled undertakings whose financial information is included in their respective consolidated financial reporting, the premier global developer and operator of flagship destinations. The URW Group combines two of the strongest and most respected names in the real estate industry to build on their legacies. The acquisition of Westfield was a natural extension of URW SE’s strategy of concentration, differentiation, and innovation. Upon completion of the Westfield Transaction, URW SE and former Westfield securityholders held stapled shares, each comprising one ordinary share in the capital of URW SE and one class A share in the capital of URW NV (“Stapled Shares” - see 5.2.2 “authorised share capital - form of shares”). The URW Group has obtained the approval of the Euronext Listing Board on February 28, 2023 to change its market of reference from Euronext Amsterdam to Euronext Paris and delist the URW stapled shares from Euronext Amsterdam. Therefore as at December 31, 2023 the Stapled Shares are listed on Euronext Paris. URW Group has also established a secondary listing on the Australian Securities Exchange to allow former Westfield securityholders to trade Stapled Shares locally in the form of CHESS Depository Interests (“CDIs”).

The main business objectives of the Company and its subsidiaries (together referred to as “the Group” or “URW NV”) are to invest in assets, primarily through the direct or indirect acquisition of real estate and to enter into cash pooling arrangements with, to provide financing to, and to furnish guarantees for the benefit of the URW Group and other affiliated bodies of the Company.

1.2 BUSINESS REVIEW AND 2023 RESULTS

This section provides an overview of the most significant business events for URW NV in 2023. The Company’s accounts reflect the financial results for the period from January 1, 2023, until December 31, 2023. All references to operational results, such as tenant sales, rents and leases signed, relate to the 12-month period ended December 31, 2023, unless indicated otherwise.

Certain amounts in the business review are recorded in USD to eliminate currency impact in comparisons with the previous year. These amounts in case of leasing activity and Commercial Partnerships also reflect data for the full centre and do not consider the URW NV ownership percentage in case of Joint Ventures.

1.2.1 ACCOUNTING PRINCIPLES

The Group’s consolidated financial statements as at December 31, 2023, were prepared in accordance with International Financial Reporting Standards (“IFRS”) as applicable in the European Union as at such date.

The Group also prepares financial information for internal management purposes in a proportionate format, in which the joint-controlled entities are accounted for on a proportionate basis, instead of being accounted for using the equity method under IFRS. The business review and results are presented based on the financial information on a proportionate basis unless otherwise indicated, with no impact on the net results. The proportionate part of the underlying amount is based on the percentage of ownership in the respective companies jointly controlled, associates are accounted for at the equity value.

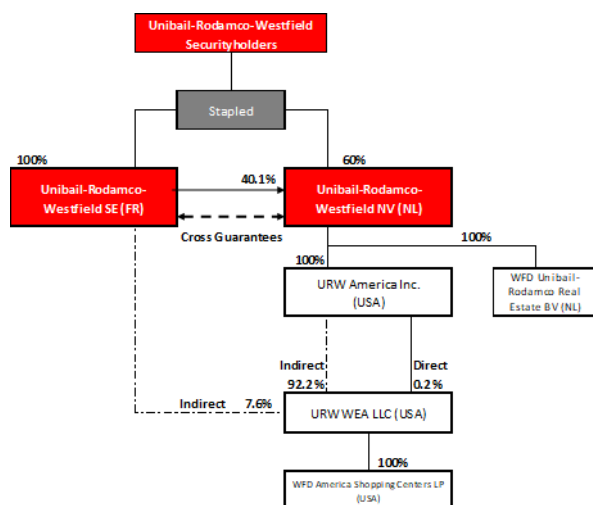
Certain amounts recorded in the consolidated financial statements reflect estimates and assumptions made by management in the current uncertain context regarding inflation, interest rates and energy cost resulting from geopolitical and economic environment and difficulties in assessing their impacts and future prospects. In this context, management has taken into account these uncertainties on the basis of reliable information available at the date of the preparation of the consolidated financial statements, particularly with regards to the fair value of investment properties and financial instruments, the estimation of the provision for doubtful debtors, as well as the testing of goodwill and intangible assets.

Due to inherent uncertainties associated with estimates, the Group reviews those estimates based on regularly updated information. Actual results might eventually differ from estimates made at the date of the preparation of the consolidated financial statements.

98% of URW NV’s property portfolio related to the Shopping Centres and Offices and intangible assets were valued by independent appraisers as at December 31, 2023.

1.2.2 SCOPE OF CONSOLIDATION¹

The organisation chart as at December 31, 2023, is as follows:



The principal changes in the scope of consolidation since December 31, 2022, are:

- The disposal of Westfield North County in February 2023;
- The disposal of Westfield Brandon in May 2023;
- The disposal of Westfield Mission Valley in July 2023;
- The disposal of Westfield Valencia Town Center in September 2023;
- The foreclosure of San Francisco Centre and Emporium (offices included) in October 2023.

1.2.3 OPERATIONAL REPORTING

URW NV operates in 2 regions, the US and the Netherlands and in 2 segments, retail and offices. Since activities in the Netherlands are minor compared to the US, they are reported under “other region”.

1.2.4 OPERATING PERFORMANCE

Over the period, the economic situation continued to be impacted by high inflation and further increase in interest rates by Central Banks but a resilient employment market. In this context, URW NV’s assets showed strong activity which goes beyond the post-COVID recovery. Sales and footfall data in the US relate to Flagship assets as these are the core of URW NV’s activities in the US and as Regional assets are being streamlined.

The Group uses 2019 in some cases as a comparable year to 2023, URW NV is of the opinion that this is the last full year of business without many disruptions.

FOOTFALL² AND TENANT SALES³

In the US, 2023 footfall⁴ increased compared to 2022, up +3.1%, exceeding 2019 levels.

US TENANT SALES

In the US, 2023 tenant sales⁵ increased by +3.0%, or +4.8% excluding Luxury. Overall, 2023 sales came to +19.2% above 2019 levels⁶.

This performance compares with an average core inflation of 4.8% in 2023 and national sales index of +4.0%⁷.

The performances in 2023 were driven by the experiential sectors with +26.7%⁷ for Entertainment, +13.5% for F&B, +13.4% for Fitness and +8.9% for Health & Beauty, while Fashion was stable (+0.2%), but +16.8% above 2019. Luxury saw a -6.5% decline but remained significantly (+62.3%) above 2019 levels.

¹ The total scope of consolidation consist of more than 300 entities.

² In the US excluding the centres for which no comparable data of the previous year is available. In addition, footfall has been restated from the disposals which occurred during the semester.

³ Tenant sales for all US centres in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, newly acquired assets and assets under heavy refurbishment, and excludes Auto and Department Stores in US. In addition, sales have been restated from the disposals which occurred during the semester.

⁴ US Flagships only. US Regionals at -0.9%.

⁵ US Flagships only. US Regionals and US CBD asset (Westfield World Trade Center) at +3.0%.

⁶ US Flagships only. US Regionals and US CBD asset at +4.1%.

⁷ On a same scope. +90.2% including new openings.

The table below summarises the Group's tenant sales growth during 2023:

US	Footfall (%)		Tenant Sales (%)	
	2023 vs. 2022		2023 vs. 2022	
US Flagships (excl. CBD)	3.1%	3.0%	National Sale Index 4.0%	

BANKRUPTCIES

The Group's tenant insolvency procedures have affected 72 out of 2,768 stores in FY-2023 (vs. 37 out of 3,506 stores in FY-2022). The total leasing revenues (including service charges of URW NV) which remain exposed to tenants currently in some form of bankruptcy procedure amount to €8.3 Mn over c. 18,118 sqm of retail space.

RENT COLLECTION⁸

As at February 16, 2024, 98% of invoiced 2023 rents and service charges⁹ in the US were collected.

Overall rent collection by quarter in 2023 is shown below¹⁰:

	Rent collection (%)				
	Q1-2023	Q2-2023	Q3-2023	Q4-2023	FY-2023
US Total	98%	98%	98%	97%	98%

As at December 31, 2023, the expected loss allowance in the Consolidated statement of financial position amounted to €47.1 Mn compared to €57.1 Mn at the end of December 31, 2022. The expected credit loss for debtors recorded in the Consolidated statement of comprehensive income amounted to a reversal of €4.0 Mn for the period ending December 31, 2023, compared to an expected credit loss of €11.5 Mn for the year ended December 31, 2022.

1.2.5 LEASING ACTIVITY

In 2023, 758 leases were signed on standing assets, representing 2,582,895 sq. ft. and \$175.7 Mn of MGR up compared to \$137.3 Mn of MGR signed in 2022¹¹ (up +28%) on 671 leases (up +13%), representing 2,319,670 sq. ft. (up +11%), illustrating the strong dynamic of the activity. As market conditions improved, the number of long-term deals signed also increased from 343 to 489 (up +43%), representing 65% of 2023 deals, compared to 51% in 2022. MGR signed on leases above 3 years increased by +47% and amounted to 72% vs. 63% in 2022.

The overall uplift on relettings and renewals was +16.8% for the US Shopping Centres (+8.1%) and +20.6% for Flagships¹². In 2023, the Group focused on long-term lettings and relettings, while relying on short-term deals in a more selective and limited way mainly on renewals. Deals longer than 36 months had an MGR uplift of +32.7%, including +36.2% for the US Flagships, while for leases between 12 and 36 months, MGR uplifts were slightly negative (-3.4% compared to -19.8% in 2022). The strong uplift signed on long-term deals compensated for the downlift on short-term deals signed during the Covid-19 pandemic. This allowed the Group to increase the revenues secured through MGR and reduce the portion of SBR attached to the short-term leases previously in place.

In total, the Shopping Centres SBR increased from \$20.5 Mn in 2019 (3.1% of NRI) to \$81.4 Mn in 2022 (13.8% of NRI) and amounted to \$54.0 Mn in 2023 (10.3% of NRI). The decrease of -\$27.4 Mn in 2023 compared to last year and -\$16.6 Mn on a like-for-like basis, is mainly due to high SBR settlement in 2022 based on 2021 sales and conversion of SBR to MGR.

The tenant mix continued to evolve with the introduction of new retailers (Gorjana at Westfield Old Orchard, Westfield UTC and Westfield Valley Fair, Swatch at Westfield UTC, Faherty at Westfield UTC, The North Face and Jo Malone London at Westfield Galleria at Roseville) and DNVBs (Vuori at Westfield Century City, Rothys at Westfield Galleria at Roseville and Alo at Westfield Topanga).

The Luxury sector has also seen strong progress with a number of important openings such as Celine and Dior at Westfield Topanga, Chanel Beauty at Westfield Century City, Chloé, Valentino and Fendi at Westfield Valley Fair as well as Saint Laurent Paris at Westfield UTC and Westfield Valley Fair.

1.2.6 RETAIL MEDIA & OTHER INCOME

Retail Media & other income revenue in 2023 amounted to \$62.4 Mn, a decrease of -\$1.2 Mn (-1.9%) compared to 2022, impacted by disposals. On a like-for-like basis, it increased by +\$6.2 Mn, i.e. +12.2%.

Retail Media continued to perform strongly. In 2023, several product launches were organised by prime brands in the automotive and luxury sectors, including BMW and Jaeger LeCoultre at Westfield Century City.

URW also launched creative campaigns with Disney, Emirates, Dior, Cartier, Chanel, Lucid and L'Oréal.

⁸ MGR + CAM in the US, excluding 2023 settlement.

⁹ MGR + CAM in the US.

¹⁰ Based on cash collection as at February 16, 2024 and assets at 100%.

¹¹ Restated for disposed assets.

¹² Excluding CBD centres.

1.2.7 NET RENTAL INCOME AND VACANCY

The total net change in NRI for URW NV amounted to -\$63.4 Mn and breaks down as follows:

- -\$63.4 Mn related to shopping centres impacted by disposals partly offset by an increase in Flagships NRI;
- -\$0.9 Mn related to offices and residential.

US shopping centre NRI has been impacted by 2022 and 2023 disposals and foreclosure for -\$74.7 Mn (Westfield Santa Anita, The Village at Topanga, Westfield Trumbull, Westfield South Shore, Westfield North County, Westfield Brandon, Westfield Mission Valley, Westfield Valencia Town Center and San Francisco Centre and Emporium (offices included)).

Overall, US like-for-like shopping centre NRI increased by +\$8.7 Mn i.e. +1.9% mainly driven by Flagship assets. Like-for-like NRI growth for Flagship assets was +\$22.2 Mn i.e. +6.2% driven by net leasing revenue¹³ of +5.9%, increase in variable income and recovered property taxes¹⁴, partly offset by lower SBR and negative impact of doubtful debtors (release in 2022 of moratorium provision booked in 2021). Like-for-like NRI performance for Regionals was -12.3% and -5.2% for CBD assets.

As at December 31, 2023, the EPRA vacancy was 8.4% (\$86.9 Mn), down by -190 bps from December 31, 2022. The decrease in vacancy was driven by the proactive leasing approach of the Group and change in scope¹⁵. The vacancy decreased by -90 bps to 7.3% in the Flagships, below its pre-Covid level of 2019 (7.7%). It decreased by -160 bps to 10.1% in the Regionals, along with the vacancy of the CBD assets that decreased by -290 bps to 20.1%.

Occupancy on a GLA¹⁶ basis was 93.5% as at December 31, 2023.

The OCR on a rolling 12-month basis stood at 10.7% as at December 31, 2023, compared to 10.5%¹⁷ as at December 31, 2022 and 11.8% as at December 31, 2019, reflecting a combination of rental uplifts and strong sales performance. OCR for Flagships stood at 11.4% as at December 31, 2023, below 2019 level of 11.7%.

¹³ Net MGR and CAM.

¹⁴ Based on Capex spent.

¹⁵ Disposals/foreclosures in the US.

¹⁶ GLA occupancy taking into account all areas, consistent with financial vacancy.

¹⁷ Based on all stores operating for more than 12 months (excluding atypical activities) and not only Specialty stores.

1.3 FINANCIAL REVIEW 2023 RESULTS

The Group's consolidated financial statements (based on IFRS basis) reflect the activities of URW America Inc, URW WEA LLC ("WEA") and WFD Unibail-Rodamco Real Estate B.V. The table below shows the result of the Group in recurring and non-recurring activities. This definition is utilised by URW NV's management to distinguish between operational (recurring) and other (non-recurring, including fair value valuations of Investment Properties and loans) activities and does not intend to reflect IFRS nor EPRA definitions:

(€Mn)	2023			2022			
	Recurring activities	Non-recurring activities*	Result	Recurring activities	Non-recurring activities*	Result	
United States	Gross rental income	340.8	-	340.8	379.3	-	379.3
	Operating expenses & net service charges	(122.6)	-	(122.6)	(140.4)	-	(140.4)
	Net rental income	218.2	-	218.2	238.9	-	238.9
	Share of result of companies accounted for using the equity method	215.4	(487.6)	(272.2)	257.1	(469.0)	(211.9)
	Gains/losses on sale of properties	-	28.0	28.0	-	0.1	0.1
	Valuation movements on assets	-	(165.5)	(165.5)	-	(395.6)	(395.6)
	Result Shopping Centres United States	433.6	(625.1)	(191.6)	496.0	(864.5)	(368.5)
Other	Gross rental income	2.0	-	2.0	2.2	-	2.2
	Operating expenses & net service charges	(0.4)	-	(0.4)	(0.3)	-	(0.3)
	Net rental income	1.6	-	1.6	1.9	-	1.9
	Gains/losses on sales of properties	-	0.1	0.1	-	(3.1)	(3.1)
	Valuation movements on assets	-	0.8	0.8	-	(0.3)	(0.3)
	Result Shopping Centres Other	1.6	0.9	2.6	1.9	(3.4)	(1.5)
TOTAL RESULT SHOPPING CENTRES	435.2	(624.2)	(189.0)	497.9	(867.9)	(370.0)	
United States	Gross rental income	3.7	-	3.7	5.3	-	5.3
	Operating expenses & net service charges	(2.3)	-	(2.3)	(2.9)	-	(2.9)
	Net rental income	1.4	-	1.4	2.4	-	2.4
	Share of result of companies accounted for using the equity method	1.4	(4.9)	(3.5)	1.1	(12.7)	(11.6)
	Valuation movements on assets	-	(19.8)	(19.8)	-	(2.2)	(2.2)
	Result Offices United States	2.8	(24.6)	(21.8)	3.5	(14.8)	(11.3)
TOTAL RESULT OFFICES	2.8	(24.6)	(21.8)	3.5	(14.8)	(11.3)	
Other property services net income	0.2	-	0.2	0.5	-	0.5	
Corporate expenses	(18.3)	-	(18.3)	(20.7)	-	(20.7)	
Acquisition and related costs	-	(5.1)	(5.1)	-	(5.9)	(5.9)	
NET OPERATING RESULT	419.8	(653.9)	(234.1)	481.2	(888.6)	(407.4)	
Financing result	(448.3)	(45.2)	(493.4)	(361.9)	523.8	162.0	
RESULT BEFORE TAX	(28.4)	(699.1)	(727.5)	119.3	(364.8)	(245.4)	
Tax income (expense)	(2.9)	38.0	35.1	(1.2)	12.9	11.7	
NET RESULT FOR THE PERIOD	(31.3)	(661.0)	(692.4)	118.2	(351.8)	(233.7)	
External non-controlling interests	(16.4)	(66.4)	(82.8)	3.7	(85.1)	(81.5)	
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF URW N.V. SHARES	(14.9)	(594.6)	(609.6)	114.5	(266.8)	(152.2)	

* Non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, impairment of goodwill or recognition of negative goodwill as well as costs directly incurred during a business combination and other non-recurring items.

FINANCIAL RESULTS¹⁸

URW NV reported negative net operating results of -€234.1 Mn (2022: -€407.4 Mn) for the period ended December 31, 2023. The recurring net operating result decreased to €419.8 Mn (2022: €481.2 Mn) mainly due to the disposal of properties in the US in 2023 (Westfield North County, Westfield Brandon; Westfield Mission Valley Shopping Centres, Westfield Valencia Town Center and San Francisco Centre and Emporium (offices included)). The negative net operating result of the non-recurring activities for the period ending December 31, 2023, decreased from -€888.6 Mn to -€653.9 Mn, mainly due to the decrease of -€213.7 Mn in the negative valuation movement on assets compared to December 31, 2022.

The net result for the year ended December 31, 2023 is -€692.4 Mn (2022: -€233.7 Mn) of which -€609.6 Mn (2022: -€152.2 Mn) attributable to the shareholders of URW NV with a net result per share (owners of URW NV shares) for the period of -€2.63 (2022: -€0.66).

Non-recurring financing result decreased by -€569.0 Mn to -€45.2 Mn (2022: €523.8 Mn). The decrease is predominantly caused by the unwinding of Macro Swaps, this resulted in a decrease of -€450.6 Mn to €14.7 Mn (2022: €465.3 Mn) in the fair value of derivatives. Non-recurring financing result is further affected by a decrease in fair value adjustment of preference shares from €64.2 Mn in 2022 to €9.8 Mn for the period ended December 31, 2023, as well as an impairment on Rouse of -€61.7 Mn (2022: -€7.5 Mn) for the year ended December 31, 2023.

The recurring net result for the period decreased with -€149.5 Mn from €118.2 Mn as at December 31, 2022, to -€31.3 Mn for the period ended December 31, 2023. The decrease in the net recurring result for the period ended December 31, 2022 can mainly be attributed to the increase in the interest rate in 2023, this resulted in a further decrease of -€86.4 Mn in financing result from -€361.9 Mn in 2022 to -€448.3 Mn for the year ended December 31, 2023. The contribution of companies accounted for using the equity method decrease with -€41.4 Mn to €216.8 Mn (2022: €258.2 Mn) for the year ended December 31, 2023, this is mainly due to the disposals that took place in 2023.

¹⁸ The figures are presented on IFRS basis.

LIQUIDITY POSITION

URW NV has cross guarantees with URW SE and the liquidity needs are covered by the available undrawn credit lines at URW Group level. As at December 31, 2023, the URW Group had €13.6 Bn of cash on hand and undrawn credit lines (€13.7 Bn on a proportionate basis) including €5.5 Bn of cash on hand (€5.6 Bn on a proportionate basis).

1.3.1 INVESTMENT AND DIVESTMENT

Unless otherwise indicated, the data presented in investment and divestment are on a proportionate basis as at December 31, 2023, and comparisons are with values as at December 31, 2022.

INVESTMENTS

In 2023, URW NV invested €166.2 Mn in capital expenditures in investment properties, compared to €110.3 Mn in 2022. The total investment breaks down as follows:

(€Mn)	2023	2022
Shopping Centres	166.2	106.5
Offices	-	3.8
TOTAL CAPITAL EXPENDITURE	166.2	110.3

DISPOSALS

Disposal of Westfield North County

On February 1, 2023, the Group completed the sale of the Westfield North County ground lease located in Escondido, California, to Bridge Group Investments and Steerpoint Capital, transferring ownership and management of the asset. The sale price of \$57 Mn (at 100%, URW share 55%) for the asset, which has 30 years left on its ground lease, reflects the property's book value as at December 31, 2022.

Disposal of Westfield Brandon

On May 25, 2023, URW disposed Westfield Brandon Shopping Centre in the US. The sale price of \$220 Mn (URW share 100%) reflects a 10.0% net initial yield and a 4.4% discount to the latest unaffected appraisal.

Disposal of Westfield Mission Valley

On July 21, 2023, the Group completed the sale of Westfield Mission Valley Shopping Centres in San Diego, California, for a total amount of \$290 Mn (at 100%, URW share 42%), including the sale of Westfield Mission Valley "East" to Lowe Enterprises and Real Capital Solutions, and Westfield Mission Valley "West" to Sunbelt Investment Holdings Inc. The transaction value reflects a combined initial yield of 8.5% on the in-place net operating income ("NOI") and a 12% discount to the last unaffected appraisal.

Disposal of Westfield Valencia

On September 4, 2023, the Group completed the sale of Westfield Valencia Town Center, in Santa Clarita, California, to Centennial Real Estate at a total value of \$199 Mn (at 100%, URW share 50%), above the \$195 Mn debt amount (at 100%, URW share 50%) on the asset. The transaction value reflects less than 3% discount to its last unaffected appraisal.

Foreclosure of San Francisco Centre and Emporium

On October 26, 2023, San Francisco Centre and Emporium (office included) was put on foreclosure. The Group lost control of the asset (asset value of \$301 Mn as at June 30, 2023) and the companies holding it were thus deconsolidated together with the debt allocated to it (\$340 Mn).

Investment property classified as held for sale

In H2-2023, URW signed a Sale, Purchase and Escrow Agreement with a \$30 Mn non-refundable cash deposit for the disposal of Westfield Oakridge. The transaction is expected to be completed in Q2-2024.

1.3.2 PROJECTS

URW NV did not have any share in URW Group's projects pipeline for the year ended December 31, 2023.

1.3.3 PROPERTY PORTFOLIO AND NET ASSET VALUE AS AT DECEMBER 31, 2023

Unless otherwise indicated, the data presented in the property portfolio are on a proportionate¹⁹ basis and as at December 31, 2023, and comparisons are with values as at December 31, 2022.

PROPERTY PORTFOLIO

Investment market retail

US retail investment volumes saw a -38% year-on-year decrease in 2023, with total transactions reported by Real Capital Analytics of \$57.3 Bn. For shopping centres, the decrease in deal volume year-on-year was -51% at \$30.5 Bn.

Shopping Centre portfolio

The value of URW NV's Shopping Centre portfolio is the addition of the value of each individual asset as determined by the Group's appraisers and the value of the Westfield trademark. In the information all respective assets are included, including investment property under construction.

98% of the value of URW NV's portfolio was appraised by independent appraisers as at December 31, 2023.

¹⁹ The sum of the Gross Market Value ("GMV") for the assets fully consolidated, the ownership at share of the GMV of assets jointly controlled accounted for using the equity method and the equity values for assets not controlled by URW NV.

The following table shows the breakdown for the US Shopping Centre portfolio:

Proportionate US Shopping Centre portfolio by category	December 31, 2023				December 31, 2022			
	Valuation incl. transfer taxes	Valuation excl. estimated transfer taxes ^(a)	Net Initial Yield ^(b)	Potential Yield ^(c)	Valuation incl. transfer taxes	Valuation excl. estimated transfer taxes	Net Initial Yield ^(b)	Potential Yield ^(c)
	in € Mn	in € Mn			in € Mn	in € Mn		
US Flagships ^(d)	9,026	8,845	4.6%	5.2%	9,944	9,851	4.2%	4.7%
US Regionals	512	512	9.4%	11.2%	1,004	1,004	8.6%	9.5%
US SC TOTAL	9,538	9,357	4.9%	5.5%	10,947	10,854	4.6%	5.2%

Figures may not add up due to rounding.

(a) The sum of the Gross Marked Value ("GMV") for the assets fully consolidated, the ownership at share of the GMV of assets jointly controlled accounted for using the equity method and the equity values for assets not controlled by URW. Valuation excluding estimated transfer taxes represents the GMV minus transfer taxes and transaction costs which are estimated after taking into account the likely disposal scenario: sale of the asset or of the company that owns it.

(b) Annualised contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under development or not controlled by URW and the Westfield trademark are not included in the calculation of NIY.

(c) Annualised contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses + the ERV of vacant space, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under development or not controlled by URW, and the Westfield trademark are not included in the calculation of Potential Yield.

(d) The Westfield trademark is included in the valuation of the US Flagships.

ADDITIONAL VALUATION PARAMETERS - IFRS 13

URW NV complies with the IFRS 13 fair value measurement and the position paper²⁰ on IFRS 13 established by EPRA, the representative body of the publicly listed real estate industry in Europe. Considering the limited public data available, the complexity of real estate asset valuations, as well as the fact that appraisers use in their valuations the non-public rent rolls of the Group's assets, URW NV believes it is appropriate to classify its assets under Level 3. In addition, unobservable inputs, including appraisers' assumptions on growth rates and Exit Capitalisation Rate ("ECR"), are used by appraisers to determine the fair value of URW NV's assets. In addition to the disclosures provided above, the following tables provide a number of quantitative data in order to assess the fair valuation of the Group's assets.

SHOPPING CENTRES

The below overviews including most significant input and output parameters of the external valuations of the investment properties and the sensitivity overviews of the fair value of investment property are presented based on a proportional basis for the fully consolidated investment property as well as the investment property included in the joint ventures accounted using the equity method. The total value of investment property represents €9,015.6 Mn, this consist of the total €4,217.4 Mn presented investment property in the consolidated position excluding investment property under contraction carried at cost and €4,798.2 Mn of the proportioned share of the investment property presented in the joint venture and equity value for the associate overview in note 7.2.

The shopping centres are valued using the discounted cash-flow and/or yield methodologies using Compound Annual Growth rates ("CAGR") as determined by the appraisers.

Shopping Centres - December 31, 2023		Net Initial Yield	Rent in € per sqm ^(a)	Discount Rate ^(b)	Exit Capitalisation Rate ^(c)	CAGR of NRI ^(d)
US	Max	12.2%	1,438	14.0%	12.0%	9.5%
	Min	3.2%	345	6.8%	5.0%	1.9%
	Weighted average	4.9%	767	7.4%	5.5%	4.8%

NIY, DR and ECR weighted by GMV. Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or not controlled by URW NV and the Westfield trademark are not included in this table.

(a) Average annual rent (MGR + SBR) per asset per sqm.

(b) Rate used to calculate the net present value of future cash-flows.

(c) Rate used to capitalise the exit rent to determine the exit value of an asset.

(d) Compound Annual Growth Rate (CAGR) of NRI determined by the appraiser (10 years).

For the US, the split between Flagships and Regionals is as follows:

Shopping Centres - December 31, 2023		Net Initial Yield	Rent in € per sqm ^(a)	Discount Rate ^(b)	Exit Capitalisation Rate ^(c)	CAGR of NRI ^(d)
US Flagships incl. CBD	Max	6.1%	1,438	7.8%	6.0%	9.5%
	Min	3.2%	476	6.8%	5.0%	2.5%
	Weighted average	4.6%	842	7.2%	5.3%	5.0%
US Regionals	Max	12.2%	593	14.0%	12.0%	4.5%
	Min	7.8%	345	10.0%	8.3%	1.9%
	Weighted average	9.4%	421	10.9%	9.2%	2.9%

NIY, DR and ECR weighted by GMV. Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or not controlled by URW NV and the Westfield trademark are not included in this table.

(a) Average annual rent (MGR + SBR) per asset per sqm.

(b) Rate used to calculate the net present value of future cash-flows.

(c) Rate used to capitalise the exit rent to determine the exit value of an asset.

(d) Compound Annual Growth Rate (CAGR) of NRI determined by the appraiser (10 years).

²⁰ EPRA Position Paper on IFRS 13 - Fair value measurement and illustrative disclosures, February 2013.

The ECR²¹ used by appraisers in December 2023 valuations increased compared to the ones in December 2022 valuations:

- In the US from 5.1% to 5.5% (from 4.8% to 5.3% for the US Flagships and from 8.0% to 9.2% for the US Regionals).

The Discount Rate²¹ used by appraisers in December 2023 valuations increased compared to the ones in December 2022 valuations:

- In the US from 7.0% to 7.4% (from 6.8% to 7.2% for the US Flagships and from 9.5% to 10.9% for the US Regionals).

The CAGR of NRI in below table is based on 2023 NRI. Compared to 2022, the CAGR of NRI are as follows:

	CAGR of NRI - Starting from Dec 31, 2022		
	CAGR of NRI determined by the appraiser in the DCF	Valuations as at Dec 31, 2023	Valuations as at Dec 31, 2022
Shopping Centres			
US Flagships incl. CBD	5.0%	4.7%	5.0%
US Regionals	2.9%	1.7%	2.3%

OFFICES PORTFOLIO & OTHERS

Offices & Others portfolio includes offices and the residential projects. The value for the total US Office & Others portfolio saw a significant change from 2022 at €69.3 Mn on December 31, 2023 (December 31, 2022: €163 Mn), the change is mainly attributed to the foreclosure of San Francisco Centre and Emporium (offices included) in 2023.

For occupied offices and based on an asset value excluding estimated transfer taxes and transaction costs, the Offices & Others division's Net Initial Yield ("NIY") increased by +600 bps to 11.5%.

Proportionate	December 31, 2023			December 31, 2022		
	Valuation incl. transfer taxes ^(a)	Valuation excl. estimated transfer taxes ^(a)	Net Initial Yield ^(b)	Valuation incl. transfer taxes ^(a)	Valuation excl. estimated transfer taxes ^(a)	Net Initial Yield ^(b)
	in € Mn	in € Mn		in € Mn	in € Mn	
Valuation of US occupied office space						
US Office	28	27	11.5%	44	42	5.5%

(a) Valuation of occupied office space based on the appraiser's allocation of value between occupied and vacant spaces.

(b) Annualised contracted rent (including latest indexation) and other incomes for the next 12-months, net of operating expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. Assets under development are not included in this calculation.

The value of URW NV's Offices & Others portfolio, after accounting for the impact of works and capitalised financial and leasing expenses, decreased by -€27.0 Mn (-35.8%) on a like-for-like basis, due to a yield impact of -25.0% and a rent impact of -10.7%.

1.3.4 FINANCIAL RESOURCES

URW NV has cross guarantees with URW SE and the liquidity needs are covered by the available undrawn credit lines at URW Group level.

2023 was marked by a significant rates increase and high volatility in credit markets, driven by uncertainties around geopolitical tensions, concerns over economic prospects and monetary policy.

However, year-end saw a decrease in rates, as Central Banks hinted the end of these rates hike cycles on the back of decreasing inflation. Thanks to this improved market sentiment, credit markets rallied with bond issuance volumes surging at year-end.

URW Group took advantage of the favourable market conditions in early December to issue a €750 Mn 7-year green bond, that garnered a strong investor demand, achieving an oversubscription of 6.1 times at peak.

Overall, in 2023, URW Group raised €3,250 Mn (€3,559 Mn on a proportionate basis) of medium to long-term funds in the bond and bank markets (including credit facilities renewals), further strengthening its liquidity position.

In addition, in June 2023, URW Group successfully completed an Exchange Offer on its €1.25 Bn Perp-NC23 hybrid notes into a combination of new hybrid notes and cash, achieving a participation rate of 92%.

As at December 31, 2023, URW Group had €13.6 Bn of cash on hand and undrawn credit lines (€13.7 Bn on a proportionate basis including €5.5 Bn of cash on hand (€5.6 Bn on a proportionate basis)).

This liquidity position increased by c. €0.6 Bn compared to 2022 end of year's position that stood at €13.0 Bn (€13.2 Bn on a proportionate basis) including €3.3 Bn (€3.5 Bn on a proportionate basis) of cash on hand. It takes into account €1.1 Bn of financing repayment including partial hybrid repayment in 2023.

²¹ Restated from 2023 disposals.

As at December 31, 2023:

- The Interest Coverage Ratio (“ICR”) was 4.2x (4.2x);
- The Funds From Operations (FFO) to Net Financial Debt Ratio (“FFO/NFD”) was 7.8% (7.6%);
- The Loan-to-Value (“LTV”) ratio²² was 41.8%²³ (41.2%);
- The Net debt/EBITDA ratio²⁴ was 9.3x (9.6x).

The average cost of debt for the period was 1.8% (2.0%), representing the blended average cost of 1.2% for Euro denominated debt and 4.2% for USD and GBP denominated debt as a result of improved cash remuneration on an increasing cash position and a stable cost of gross debt thanks to hedges in place.

DEBT STRUCTURE AS AT DECEMBER 31, 2023

URW NV’s financial debt as at December 31, 2023, amounted to €8,300.9 Mn (2022: €8,569.2 Mn). The total IFRS cash on-hand of URW NV came to €38.1 Mn as at December 31, 2023 (2022: €76.0 Mn). The solvability ratio as at December 31, 2023 is 5.5% (2022: 7.2%).

The financial debt breakdown and outstanding duration to maturity as at December 31, 2023, is disclosed on IFRS basis:

Outstanding duration to maturity (€Mn)	Current		Non-current		Total December 31, 2023	Total December 31, 2022
	Less than 1 year	1 year to 5 years	More than 5 years	December 31, 2023		
Bonds and notes	927.2	1,131.9	1,587.4	3,646.5	3,774.2	
Bank borrowings	(6.3)	1,086.0	-	1,079.7	105.0	
Other financial liabilities	70.4	3,441.7	56.5	3,568.6	4,646.4	
Lease liabilities	1.2	4.9	-	6.1	43.6	
TOTAL	992.5	5,664.5	1,643.9	8,300.9	8,569.2	

€500 Mn of the loan with an original nominal value of €1,250 Mn, of which already €750 Mn has been converted earlier, has been converted into a capital security with a 99-year maturity as per December 31, 2023. The remaining part of the loan is €55.4 Mn.

The converted part qualifies as equity with the exception of the amount due on this instrument, which is initially measured at fair value at balance sheet date (€0.2 Mn at December 31, 2023) and subsequently at amortised cost using the effective interest method. The amendment fee paid to URW SE of €12.5 Mn has been recorded in 2023 under financial expenses.

1.4 DIVIDEND

Given the statutory results and cumulated negative retained earnings of URW NV in 2023 as well as in 2022, URW NV had no obligation to pay a dividend neither in 2024 for the fiscal year 2023, nor in 2023 for the fiscal year 2022, under the FII regime and other REIT regimes it benefits from.

URW Group however, will propose to the URW SE annual general meeting (“AGM”²⁵) a cash distribution of €2.50/share to be paid on May 16, 2024. This cash distribution will be made out of premium and will qualify as an equity repayment²⁶ for French tax purposes (article 112, 1 of the French tax code).

This proposal is based on 2023 URW Group achievements, the improved visibility of the URW Group’s operating performance, the delivery of its main committed projects in 2024, the limited forecasted Capex beyond 2024, its credit metrics and its liquidity position.

S&P and Moody’s confirmed the proposed cash distribution would have no impact on the current rating of the URW Group.

1.5 NON-FINANCIAL INFORMATION

1.5.1 BUSINESS MODEL

URW NV is part of the URW Group, the world’s premier developer and operator of Flagship destinations. URW NV owns a portfolio of prime commercial properties, located in the largest and most prosperous cities across the United States.

URW NV’s strategy is to vertically integrate the entire chain of value creation in real estate. The combination of its three activities of i) refurbishment and renovation, ii) investment and iii) management, provides URW NV with unique market knowledge and expertise. This knowledge and expertise assist URW NV in dealing with markets that are cyclical in nature and its strategy is designed to allow URW NV to continue its investment programmes even during economic downturns.

Thanks to this portfolio of high-quality assets and talents including experts in the business of investment, refurbishment, leasing, management, and divestment, URW NV has been able to face the pandemic and foresees a future generating strong growth.

²² Net financial debt (or “net debt”) as shown on the Group’s balance sheet, after the impact of derivative instruments on debt raised in foreign currencies/total assets, including transfer taxes (43.4% excluding transfer taxes).

²³ Excluding €726 Mn of goodwill not justified by fee business as per the Group’s European bank debt leverage covenants (€779 Mn on a proportionate basis).

²⁴ On last 12-month basis.

²⁵ To be held on April 30, 2024.

²⁶ For the tax treatment please refer to relevant financial advisors.

URW NV's strategy, as member of the URW Group, is led by its purpose to creating sustainable places that "Reinvent Being Together". URW NV is a committed partner in the regeneration of cities to accelerate urban environmental transformation by creating and operating unique sustainable places that connect people through extraordinary experiences. For examples of sustainable long term growth value creation, the strategy to realise this and the contribution made, reference is made to the URW Group's Sustainability Report.

With a company culture based on belonging, passion and innovation, our actions are guided by our six Together at URW values: **boldness, excellence, teamwork, ethics, passion and ownership**. These values make us who we are, and are the foundation of how we succeed together today, and how we will succeed together tomorrow. As member of the URW Group, URW NV's achievements, efforts and desires, are gathered on URW Group level in the URW Universal Registration Document and reference is made to it.

Finally, URW NV is, by nature, a long-term player committed to sustainable construction and social responsibility across all of its activities. Whether it be architecture, city planning, design, energy efficiency, social responsibility, the URW Group is recognised as a leader in the industry.

1.5.2 ENVIRONMENTAL, SOCIAL, AND CORPORATE GOVERNANCE ("ESG")

In October 2023, URW Group announced a comprehensive evolution of the Better Places roadmap setting ambitious SBTi-approved net-zero targets in terms of carbon emissions reduction and reinforcing its environmental performance objectives, with the aim to develop and operate places that provide sustainable experiences and contribute to thriving communities. For more information on this updated roadmap, please visit: www.urw.com/2023-sustainability-investor-event as well as the updated Better Places Scorecard.

2023 marks another exceptional year in terms of sustainability performance for the Group, as URW Group continued to deliver high performance on its Better Places roadmap:

ENVIRONMENTAL TRANSITION

- The URW Group achieved a -43% GHG emissions' reduction in Scopes 1, 2 & 3, in absolute terms compared to 2015²⁷;
- This has been partly driven by a reduction of -30% in energy intensity across the portfolio since 2015 thanks to energy savings and investments in energy efficiency across the retail portfolio. URW Group retail assets are provided with 100% electricity from renewable resources;
- At year-end, the URW Group reached 23.8 MWp of installed on-site renewable energy capacity, of which 13.8 MWp in Europe, on track to reach its objective of 50 MWp in Europe by 2030;
- The Westfield Topanga renovation received the LEED Platinum certification, the most ambitious level achievable.

SUSTAINABLE EXPERIENCE

- URW Group rolled out its innovative Sustainable Retail Index, built in cooperation with Good On You. More than 2,500 stores were assessed and 800 brands rated during the roll-out in the Fashion sector²⁸. 82% of the URW Group's fashion sector eligible revenues are already engaged in sustainability initiatives with 52% rated "Leader", "Advanced" or "Active";
- The Health & Beauty methodology has been developed with Good On You in 2023, including wide-scale stakeholder engagement on more than 50 indicators. Health & Beauty retailers will be rated in 2024;
- Finally, the cooperation with WWF as a critical friend is ongoing on the Fashion methodology review;
- URW Group launched the first edition of its Westfield Good Festival in 22 Westfield assets in Europe (equivalent events were held in all other European retail assets). The festival aimed at informing consumers with an emphasis on the circular economy for the first year. This year, key partners such as Douglas, Adidas, IKEA, Primark, Decathlon, SodaStream, Too Good To Go, L'Occitane, Kiko and Innocent took part in the initiative;
- In 2023, URW Group expanded the Westfield Grand Prix, a competition recognising and rewarding the sustainable retail champions of tomorrow, to 5 countries: Austria, France, Germany, Spain and the UK. Among the 310 candidates, 9 winners were rewarded; they feature innovative business models in circularity (e.g. Airpaq, a German manufacturer of accessories made from automotive industry waste; Biicou, a French marketplace for refurbished children's products), durability (e.g. P.J.Lobster, a Spanish manufacturer of long-lasting repairable eyewear) and community (e.g. Known Source, a community-based second-hand fashion retailer).

THRIVING COMMUNITIES

- URW Group donated c. €13 Mn in 2023²⁹ and supported approximately 600 charities and NGOs on topics such as employment and skills, social inclusion and environment;
- Through the URW Group for Jobs initiative, the URW Group supported more than 2,600 people via job placements and targeted trainings;
- 93% of URW Group's employees participated in a sustainable learning, through the URW Group's Climate School launched earlier this year, specific sustainability-focused programmes and courses organised in different countries, and/or our annual leadership event centred again on the URW Group's sustainability transition;
- In 2023, the URW Group hosted its annual Community Days with all regions organising initiatives. More than 1,300 URW employees volunteered over 9,000 hours of their time, participating in activities focused on promoting social inclusion and preserving biodiversity around the URW Group's shopping centres;
- In 2023, URW Group advanced its global inclusion learning offer with a Group-wide Allyship Programme, encompassing a webinar and e-doing tool to help teams integrate habits into daily work. Inclusion was embedded throughout key learning activities, including the URW Group Manager Programme, a Learning Week event and onboarding series;

²⁷ As at year-end 2023.

²⁸ Fashion sector: Fashion Apparel, Sport Apparel, Jewellery, Bags & Footwear & Accessories.

²⁹ Including donations of the airports division and contributions made at national and corporate levels.

- The URW Group set a commitment that at least 40% of senior management positions³⁰ would be held by women before the end of 2024. This has already been achieved with 42.5% of such positions held by women in 2023;
- In addition, URW Group's employee-led Be You at URW Networks delivered an International Women's Day campaign to celebrate the women positively impacting communities (48 centres and all HQs participated) and teams in Austria, Central Europe, Germany, UK and US hosted Pride activities;
- 80% of URW Group's global workforce participated in the 2023 employee pulse survey and 70% (vs. 65% in 2022) indicated positive sentiment towards URW Group's commitment to diversity and creating an environment of inclusion.

GREEN AND SUSTAINABILITY-LINKED FINANCING

- The URW Group issued its first green bond (of €750 Mn) in the Euro bond market since 2015, to finance or refinance Eligible Green Assets in line with the URW Group's 2022 ambitious Green Financing Framework³¹;
- Eligibility criteria within the framework include among others the BREEAM certification of at least Excellent level, the EU Taxonomy substantial contribution criteria of the climate mitigation delegated act, or a maximum amount of carbon emissions emitted during the year;
- 66%³² of the URW Group's funds raised (including credit facility renewals) over 2023 are under a sustainability-linked or green format including 90% in Europe (see "Financial resources" note for more details).

URW Group is included in the main ESG indices and the URW Group's sustainability achievements are reflected in the ratings and awards, including to date:

- **Corporate Knights:** inclusion in the 2024 Global (worldwide) 100 Ranking;
- **CDP:** positioned in the A-list of organisations committed to tackling climate change for the 6th year in a row (2024 results on CDP 2023);
- **ISS ESG Corporate:** confirmed B rating (prime status; 1st decile rank);
- **GRESB:** "5 Star" rating, ranked among the top 20 rated entities worldwide;
- **Sustainalytics:** 3rd in the REIT subindustry worldwide with a "Negligible" risk rating;
- **Refinitiv:** positioned among the best of the RE sector with an A score;
- **EPRA sBPR Award:** for the 12th time in a row, URW Group received the EPRA Gold Award in 2023 for completing its 2022 reporting in accordance with the EPRA Sustainability BPR;
- **ESG indices:** in addition to maintaining its position in the top 10 of the Euronext CAC 40 Governance Index, URW Group is a component of the Euronext CAC 40 ESG Index, the Euronext Low Carbon 100 Europe® Paris-Aligned Benchmark Index, the MSCI Global Green Building Index, MSCI Europe Low Carbon Leaders MSCI World Low Carbon Leaders and the ECPI Global ESG Gender Equality Index.

For more information on Better Places and the detailed 2023 sustainability performance, please refer to the 2023 Universal Registration Document to be released in March 2024 as well as the Sustainability section of URW Group's website: <https://www.urw-nv.com/en/investors/financial-information>.

1.5.3 RISK MANAGEMENT AND CONTROL SYSTEM

URW NV conducts its business in 2 countries and drives its real-estate activity with a wide variety of actors and business partners. Due to business activities and relationship with business partners, URW NV faces risks of failure in compliance with international and national anti-bribery, corruption, money laundering & fraud law. For more information regarding the various compliance policies, the implemented processes, the outcome of those policies and the principal risks related to the policies and how these are managed, reference is made to chapter 4.2.2.5 category # 5: legal and regulatory risks. In light of its values, mission and strategy, URW NV acknowledges the importance of good governance as an important basis for sound operational management and meeting its corporate objectives, whilst ensuring an adequate system of governance to protect all interests of its management, staff, shareholders and other relevant stakeholders.

In this respect, URW NV considers that good governance starts with good behaviour and attitude at the top and establishing awareness and compliance regarding sound operations and ethical behaviour in URW NV's business culture. To achieve this, URW NV has established its Administrative Organisation and Internal Control ("AOIC") based on the following objectives:

- to provide insight in the organisational set-up in a clear and unequivocal manner, including duties, obligations and division of roles and responsibilities;
- to ensure ethical and sound management over the policies, control processes and operating risks of the organisation;
- to facilitate proper guidance on the organisation and its governance, policy house and processes to the staff of URW NV, its shareholders or other external parties; and
- to comply with applicable statutory and regulatory obligations.

During the year no major failings in the internal risk management and control system have been observed.

The main features of the risk management and control system of the Company including the risk appetite can be found in chapter 4 "Risk Management and Internal Control" of this Annual Report.

³⁰ Senior management positions: all positions with a job level 15 and above, plus any country/regional management team at job level 14. 160 executives in total as at December 31, 2023.

³¹ The green financing framework is available under: <https://cdn.urw.com/-/media/Corporate-o-Sites/Unibail-Rodamco-Corporate/Files/Homepage/INVESTORS/Financing-Activity/Sustainable-Financing/Framework/2022/20221116-URW-Green-Financial-Framework-Brochure.ashx>

³² On an IFRS basis.

1.5.4 PERSONNEL-RELATED INFORMATION

URW NV'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 diversity and equal opportunities to enable each individual to acquire the experience needed to build an exciting career that creates value for the Company.

Employees receive regular support and advice on career development. They meet with their managers once a year for year-end appraisals and have the opportunity to provide and receive ongoing feedback through a specific process, which gives them the opportunity to discuss their performance, objectives, career advancement and training needs.

1.6 RELATED PARTY TRANSACTIONS

All transactions between the company and legal or natural persons who hold at least ten percent of the shares in the company, have been disclosed in note "7.4. Transactions with related parties" of the Financial Statements and are compliant with best practice provision 2.7.5. of the Dutch Corporate Governance Code.

1.7 POST-CLOSING EVENTS

There have been no material subsequent events that management are aware about at March 19, 2024, that require adjustment to, or disclosure in, the financial statements.

1.8 OUTLOOK

URW Group has seen a continuous improvement in its operating performance, now back to or better than pre-Covid levels in all its sectors. The increasing appeal for prime retail assets should support URW Group's performance even in a macro-economic environment that remains uncertain.

In parallel, URW Group has continued to sell non-strategic assets and is committed to further deleveraging. URW NV is well-positioned to continue to perform in what is expected to remain an uncertain macro environment in 2023, the main drivers of these are:

- Consistent operating performance in retail following a strong 2023;
- Increasing variable income revenues;
- Ongoing cost discipline;
- The impact of disposals as part of its ongoing deleveraging plan.

The Group assumes no major deterioration of the macro-economic and geopolitical environment.

1.9 STATEMENT OF THE PERSONS RESPONSIBLE FOR THE ANNUAL REPORT

We confirm that the information contained in this Annual Report gives, to the best of our knowledge, an accurate and fair view of the Company and the information contained within is free from any material misstatement.

We confirm that, to the best of our knowledge, the financial statements have been prepared in accordance with the applicable accounting and financial reporting standards, and give an accurate and fair view of the financial situation of the Company and of the entities taken as a whole included in the scope of consolidation and that the enclosed management report presents a fair view of the development and performance of the business, the results and of the financial situation of the Company and of the entities taken as a whole included in the scope of consolidation and describes the main risks and uncertainties to which they are exposed.

Schiphol, March 19, 2024

Dominic Lowe
Chairman of the Management Board
Chief Operating Officer United States

Gerard Sieben
Member of the Management Board
Chief Financial Officer URW NV



CORPORATE GOVERNANCE AND REMUNERATION

2.1 CORPORATE GOVERNANCE

2.1.1 THE MANAGEMENT BOARD

The Company adopted a dual board structure: a Management Board (“MB”) and a Supervisory Board (“SB”). Such governance structure meets the highest standards of corporate governance ensuring an efficient balance between management and supervision allowing a responsive and reactive MB in the performance of its executive duties, in accordance with the non-executive prerogatives of the SB, whose balanced and diverse composition guarantees independent oversight.

The MB is entitled to represent Unibail-Rodamco-Westfield N.V. (“URW NV”). Pursuant to the articles of association the power to represent URW NV also vests in the Chief Operating Officer US (“COO US”) and any other MB Member acting jointly.

2.1.1.1 COMPOSITION OF THE MANAGEMENT BOARD

As at December 31, 2023, the MB is composed of two members. The business address of the MB is the Company’s registered address, World Trade Center Schiphol, Tower F, 7th Floor, Schiphol Boulevard 315, 1118 BJ Schiphol, the Netherlands.

MB Members	Nationality	Age	Main function	Starting date	Expiry date of term of office
Mr Dominic Lowe	British	52	Chief Operating Officer US - MB Member	November 19, 2020	AGM 2025
Mr Gerard Sieben	Dutch	53	Chief Financial Officer - MB Member	March 8, 2018	AGM 2026*

*Second mandate as of 2022 AGM

MANAGEMENT BOARD MEMBER INFORMATION AND MANDATES HELD AS AT DECEMBER 31, 2023



BORN ON:
October 30, 1971

NATIONALITY:
British

NUMBER OF STAPLED SHARES HELD:
1,335

MR DOMINIC LOWE

MB MEMBER - CHIEF OPERATING OFFICER US

- Graduate of the University of West London (HND, Business and Economics)
- Dominic Lowe has also completed the Harvard Business School’s Executive Program and UCLA’s Anderson School of Management’s Strategic Leadership Program.
- Prior to joining the Company, Dominic Lowe served in numerous senior executive roles for BAA plc (a holding company for the world’s largest organisation of airports), focusing on UK and US business development as well as pioneering the commercial transformation of the company’s flagship asset, Heathrow International Airport in London. Earlier in his career, he was Operations Service Director for World Duty Free, where he became a Founding Director of the Group’s inflight business in Europe and Africa.
- Dominic Lowe joined Westfield in November 2007 and served for more than a decade as Global Group Director of Airports. Afterwards he became Executive Vice President and Director of the Division Design, Development & Construction US.
- ~~As of June 29, 2021, he is Chief Operating Officer US and MB member.~~

OTHER CURRENT FUNCTIONS AND MANDATES OUTSIDE OF THE GROUP

- N/A

OTHER CURRENT INTRA-GROUP FUNCTIONS AND MANDATES

Group Companies

- Director of Annapolis REIT 1 LLC; Annapolis TRS, Inc.; Broward Mall LLC; Fashion Square Service TRS, Inc.; GSP Service TRS, Inc.; Montgomery Service, Inc.; Roseville Shoppingtown LLC; Santa Anita Borrower LLC; Santa Anita GP LLC; URW America, Inc.; Valencia Town Center Venture GP LLC; VF/UTC Service, Inc.; Westfield America G.P. II LLC; Westfield Paramus 1, Inc.; Westland Properties LLC;
- Member of Annapolis REIT 2 LLC; Annapolis REIT 3 LLC; Culver City REIT 1 LLC; Culver City REIT 2 LLC; Culver City REIT 3 LLC; Plaza Bonita REIT 1 LLC; Plaza Bonita REIT 2 LLC; Plaza Bonita REIT 3 LLC; Southcenter REIT 1 LLC; Southcenter REIT 2 LLC; Southcenter REIT 3 LLC; Topanga

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- Executive Vice President and Director of the Division DD&C US;
- Director of WCL Holdings, Inc.; Westfield Beneficiary 1, Inc.; Westfield Beneficiary 2, Inc.; Westfield Subsidiary REIT 1, Inc.; Westfield Subsidiary REIT 2, Inc.; Westland Realty Beneficiary, Inc.;
- Member of Horton Plaza REIT 1 LLC; Horton Plaza REIT 2 LLC; Horton Plaza REIT 3 LLC; Mission Valley REIT 1 LLC; Mission Valley REIT 2 LLC; Mission Valley REIT 3 LLC; North County REIT 1 LLC; North County REIT 2 LLC; North County REIT 3 LLC; Oakridge REIT 1 LLC; Oakridge REIT 2 LLC; Oakridge REIT 3 LLC; Promenade REIT 1 LLC; Promenade REIT 2 LLC; Promenade REIT 3 LLC; Santa Anita REIT 1 LLC; Santa Anita REIT 2 LLC; Santa Anita REIT 3 LLC; West Valley REIT 1 LLC; West Valley REIT 2 LLC; West Valley REIT 3 LLC; Westfield, Inc; White City Investments (no. 1) LLC.

REIT 1 LLC; Topanga REIT 2 LLC; Topanga REIT 3 LLC; URW WEA LLC; West-OC 2 REIT 1 LLC; West-OC 2 REIT 2 LLC; West-OC 2 REIT 3 LLC; Westfield U.S. Holdings LLC.



MR GERARD SIEBEN
MB MEMBER - CHIEF FINANCIAL OFFICER

- Bachelor in economics of the HEAO. Mr. Sieben has held various interim positions within the URW Group since 2008, lastly as Finance Director Benelux.
- He started his financial career in 1999 as a financial controller and held several finance positions in different companies, including at Procter & Gamble Professional Care NL for 4 years.
- Appointed to the MB effective March 8, 2018, and as Chief Financial Officer effective June 7, 2018, following the Westfield Transaction.

BORN ON:
 May 5, 1970

NATIONALITY:
 Dutch

NUMBER OF STAPLED SHARES HELD:
 897

OTHER CURRENT FUNCTIONS AND MANDATES OUTSIDE OF THE GROUP

- Non-executive Board Member of Le Champion (Netherlands)
- Owner of Sieben Consultancy.

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

OTHER CURRENT INTRA-GROUP FUNCTIONS AND MANDATES

- Director of WFD Unibail-Rodamco Real Estate B.V.

STAPLED SHARES HELD BY THE MEMBERS OF THE MANAGEMENT BOARD

As at December 31, 2023, the members of the MB held the following number of Stapled Shares:

Name	Total numbers of Stapled Shares held
Mr Dominic Lowe Chief Operating Officer US	1,335
Mr Gerard Sieben Chief Financial Officer	897

2.1.1.2 MANAGEMENT BOARD FUNCTIONING

ROLE OF THE MANAGEMENT BOARD

The Management Board (“MB”) is responsible for the day-to-day management of the Company which includes, among other things, formulating strategies and policies, and setting and achieving the Company’s objectives. The Supervisory Board (“SB”) supervises and advises the MB. Each member of the MB and SB must act in the corporate interest of the Company and of the business with it and consider with due care the interest of all stakeholders including the Company’s shareholders, creditors, employees and customers.

The MB defends the interests of the Group and takes into account the relevant interests of all of the Company’s stakeholders. It is held to account for the manner in which it carries out its duties. It must act with independence, loyalty and professionalism. As provided for by the Dutch Corporate Governance Code, the SB assesses the functioning of the MB on an annual basis.

The Chief Operating Officer US has overall competence except for those duties expressly assigned to the Chief Financial Officer.

The Chief Financial Officer is responsible for generating profits via the optimisation of the cost of capital. He is also responsible for tax matters. As such, the Chief Financial Officer will have primary responsibility for the overall finance functions of the Company (financial control, consolidation, (re)financing, tax, the Company’s consolidated annual budget and 5-year business plan, and coordination of Company asset valuations).

Certain main statutory provisions of the Company’s articles of association (the “Articles”) and MB rules governing the organisation, decision-making and other internal matters of the MB (the “MB Rules”) are summarised in section 5.5.3 of this Annual Report.

MB ACTIVITIES

The MB met 10 times during the year ending December 31, 2023. Overall attendance by the MB Members was 100%. The MB deliberated on the following subjects:

Principal responsibilities of the MB	Key areas addressed, managed and/or implemented in 2023
Group Strategy	<ul style="list-style-type: none"> • Refurbishment, investment, divestment and operations in 2023; • Change of market of reference to Euronext Paris by delisting from Euronext Amsterdam • Monitoring of the Deleveraging plan; • Digital and Data strategy, tools and projects; • CSR Strategy “Better Places 2030” and Long-Term Energy Action Plan.

Financial Policy and Financial Performance and Reporting	<ul style="list-style-type: none"> • Review and closing of the 2022 consolidated full-year results and statutory financial statements and reporting on the half-year accounts for the 2023 financial year; • Review and assessment of statutory auditor rotation, including hand-over towards new statutory auditor; • Group 5-year business plan and budget; • Financial resources, balance sheet management and borrowing requirements (EMTN, bonds, liquidity agreements); • The Group's dividend policy (as part of the dividend policy of the URW Group) and annual allocation of results, notably regarding the COVID pandemic; • Closing of the forecast management documents and preparation of the quarterly activity reports for the SB.
Internal risk management and control systems	<ul style="list-style-type: none"> • Internal audits, internal control system and compliance matters; • Risk management and update of the risk mapping.
Governance and compliance with relevant laws and regulations	<ul style="list-style-type: none"> • Updates to the URW Group's compliance programme (including the Group's Anti-corruption Programme, Anti-Money Laundering and Sanctions Lists) and completing the Group Compliance and Group Anti-Corruption Programme trainings; • Monitoring and implementing of the proposed updates to the Dutch Corporate Governance Code • Compliance with regulatory/legal requirements and changes, including related party transactions (e.g. the Shareholder Rights Directive II, the follow up of the Dutch Diversity Act).
Human Resources	<ul style="list-style-type: none"> • Talent development and management; • Diversity and inclusion; • Mandatory employee training on sustainability, diversity and inclusion; • Recruitment and retention of key positions.
Shareholder Outreach and Engagement	<ul style="list-style-type: none"> • Investor dialogue; • AGM materials (agenda, resolutions, etc.); • General meeting; • Group communication; • Updates to the Shareholder Engagement Guidelines and review of the Stakeholder Dialogue Policy; • Annual Report 2022, and half-year accounts for the 2023 financial year.

MB EVALUATION PROCESS

An assessment of the MB is carried out annually. Over the year ending December 31, 2023, the MB conducted an annual assessment of the performance and overall functioning of the MB and its members. Following the self-assessment, the MB is generally satisfied with the overall functioning of the MB and its respective members, notably including the quality of the interaction with the SB and its committees and company officers and quality of effectiveness and governance. The MB also took note of the focus on continuous sound communication and strategic leadership meetings. Overall, over the year ending December 31, 2023, it was concluded the MB functioned well.

2.1.2 THE SUPERVISORY BOARD

The SB is in charge of the supervision of the policy of the MB and the general course of affairs of URW NV and of the business connected with it. The SB shall provide the MB with advice. In performing their duties, the members of the SB (each an "SB Member") shall be guided by the interests of URW NV and of the business connected with it. The SB report is summarised in section 2.2. of this Annual Report.

2.1.3 ADHERENCE TO THE DUTCH CORPORATE GOVERNANCE CODE

The Dutch Corporate Governance Code ("Code") contains principles and best practice provisions that regulate relations between the MB, SB and the (general meeting of) shareholders. As of the listing of the Stapled Shares on Euronext Amsterdam and Euronext Paris, the Code became applicable to URW NV. The text of the Code can be accessed at <https://www.mccg.nl>. The Code is based on a 'comply-or-explain' principle.

URW NV acknowledges the importance of good corporate governance and agrees with the general approach and with the provisions of the Code. Considering inter alia the Stapled Share structure, current practices at Unibail-Rodamco-Westfield SE (URW SE), and the interests of the URW Group and its stakeholders, URW NV deviates from the following best practice provisions of the Code:

- Best Practice Provision 1.3.2: Given the specific position of URW NV within the URW Group, its Internal Audit function is part of the URW Group Internal Audit department. URW NV will align with the URW Group which does not yet have a periodical independent external party review.
- Best Practice Provision 2.1.7: URW NV does not comply with best practice provision 2.1.7 (iii), which provides that for each shareholder holding more than 10% of the shares in URW NV, there is at most one SB Member who can be considered to be affiliated with such shareholder. URW SE holds more than 10% of the shares in URW NV. As a URW Group company, and in direct relation with the Stapled Share structure and to ensure consistency between the two companies, two SB Members are also members of the management board of URW SE and are as such affiliated with URW SE.

- Best Practice Provision 2.1.8: The Company applies this best practice provision. Accordingly, the chair of the Supervisory Board is considered non-independent pursuant to best practice provision 2.1.8.i. that provides that a supervisory board member is not independent if they have been an employee or member of the management board of the company in the five years prior to appointment.
- Best Practice Provision 2.1.9: Considering inter alia the Stapled Share structure, current practices at URW SE and URW NV, and the interest of the URW Group and its stakeholders, the chair of the Supervisory Board is considered non-independent. A supervisory board member is not independent if they have been an employee or member of the management board of the company in the five years prior to appointment.
- Best Practice Provision 2.2.6: An annual self-evaluation on the functioning of the SB and its committees takes place. Although not yet under the supervision of an external expert, the company is studying options and timing thereof and the company has no current intention to deviate from best practice provision 2.2.6.
- Best Practice Provision 2.3.2: Given the interrelatedness of nomination, assessment of MB performance and remuneration, URW NV has a (combined) governance, nomination and remuneration committee rather than a separate remuneration committee and selection and appointment committee as recommended in best practice provision 2.3.2.
- Best Practice Provision 3.1.2: URW NV supports the principle that the remuneration policy should focus on long-term value creation for URW NV and its business. Rather than setting the shareholding requirement of MB Members to five years, the terms and conditions of the long-term incentive plans in URW NV awarded to MB Members include a shareholding requirement for the duration of the MB Member's mandate because URW NV believes this better ensures continued alignment of interests throughout the mandate.
- Best Practice Provision 4.3.3: The Company's MB Members and SB Members are appointed by the General Meeting upon a binding nomination prepared in accordance with the Articles. The General Meeting may only overrule the binding nomination with a qualified majority that is higher than what is recommended in this best practice provision. Consistent with the governance practice at many other listed Dutch companies and because we believe that a decision to overrule a nomination must be widely supported by our shareholders, the Articles do not provide for a lower voting standard to overrule such nomination than the voting standard provided for in section 2:133(2) Dutch Civil Code ("DCC").

As of the financial year starting on or after January 1, 2023 the Code has been updated. It provides for updates in areas such as long-term value creation, diversity and the role of shareholders. It also contains amended provisions of the Code due to changes in Book 2 of the DCC. For the financial year 2023 URW NV reports over the Code that became effective as of financial years starting in 2023.

2.1.4 CODE OF ETHICS AND OTHER CORPORATE GOVERNANCE PRACTICES

Ethics is one of the URW Group's core values and the Group is committed to conducting business in an ethical and fair manner. The URW Group has a "zero tolerance" principle against all forms of unethical practices, such as inappropriate, disrespectful or unlawful behaviour, corruption, bribery, influence peddling and human rights violations. The URW Group's compliance procedures are based on a precise allocation of duties and responsibilities as well as promotion of compliance awareness through a "tone from the top" approach and active training programmes to ensure accountability and strict and effective compliance within the URW Group.

URW NV has adopted the Code of Ethics, which applies to the URW Group and which includes the values and principles that each employee, manager and director of the URW Group must respect and comply with, by virtue of their office, at all times and in all circumstances when acting within, or in the name of, the URW Group or any third party. These principles include: respect for human dignity and for employees' work, respect for the URW Group, respect for law and regulations, loyalty, integrity and avoiding conflicts of interests, and ethics in doing business. It is the responsibility of each employee, manager and director of the URW Group to regularly review and refresh their knowledge and understanding of the Code of Ethics of the URW Group, in addition to the required annual e-learning training for all employees. In addition, and as part of successfully shaping the evolution of the URW culture, enhancing the work environment, and ensuring that we can provide an exceptional employee experience, URW holds employee pulse surveys in the ongoing effort to understand how to enhance culture and work environment.

The text of this Code of Ethics can be accessed on the Company's website under Related Documents at the Corporate Governance section.

We actively promote and we have reasonable assurance that our Code of Ethics is effective within the Company. We have, to the best of our knowledge, no reason to believe that our Code of Ethics was not complied with during the financial year to which this report pertains, noting that anyone can declare any (potential) breach through our URW Integrity line (<https://urw.integrityline.org/>) at any time.

URW NV does not voluntarily apply other formal codes of conduct or corporate governance practices.

2.2 REPORT OF THE SUPERVISORY BOARD

The Supervisory Board ("SB") supervises and advises the Management Board ("MB") on an ongoing basis and carries its duties in accordance with the applicable law and regulations and the Articles. In performing its duties, the SB is guided by the interests of URW NV and of the business connected with it.

2.2.1 COMPOSITION OF THE SUPERVISORY BOARD, INDEPENDENCE, AND DIVERSITY

The SB consists of five members as at December 31, 2023. The SB composition reinforces the Group's strategy through the members' expertise in real estate/asset management, retail, finance, legal and other areas. The range of skills and expertise is summarised in the biographies below.

A Supervisory Board member is appointed for a period of four years and may be reappointed for another four-year period, followed by a reappointment for two years which may be extended by at most two years. If a new appointment is made after the first eight years, this will be explained in the annual report.

2.2.1.1 COMPOSITION OF THE SUPERVISORY BOARD AS DECEMBER 31, 2023

Name	Age	Gender	Nationality	Independence	Starting date	Expiry date
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	Role						of term of office	
Mr Jean-Marie Tritant	Chair	56	M	French	Non-independent	2021	AGM 2025	
Mr Fabrice Mouchel	Vice-Chair	53	M	French	Independent	2021	AGM 2025	
Mr Jean-Louis Laurens	Senior Independent Director	69	M	French	Independent	2018	AGM 2026	
Ms Aline Taireh	Member	49	F	American	Independent	2018	AGM 2026*	
Ms Catherine Pourre	Member	67	F	French	Independent	2021	AGM 2025	

*Second mandate as per AGM 2022.

SUPERVISORY BOARD MEMBER INFORMATION AND MANDATES HELD AS AT DECEMBER 31, 2023



MR JEAN-MARIE TRITANT

SB MEMBER - CHAIR

Non-independent

BORN ON:
November 10, 1967

NATIONALITY:
French

**NUMBER OF STAPLED
SHARES HELD:**
51,764³³

- Graduate of Burgundy - Business School ("BSB") (previously ESC Dijon).
- Master's Degree from Paris I-Sorbonne University in commercial real estate (a qualification recognised by the Royal Institution of Chartered Surveyors).
- Started his career at Arthur Andersen Paris.
- Joined Unibail in 1997. Appointed Managing Director of the Office Division in 2002 and Managing Director Retail France in 2007.
- Appointed to the management board of Unibail-Rodamco SE, Chief Operating Officer effective April 25, 2013, ended on June 7, 2018.
- Appointed to the MB as President US effective June 7, 2018, following the Westfield Transaction, ended on November 18, 2020.
- Appointed as Chief Executive Officer of URW SE as of January 1, 2021.

OTHER FUNCTIONS AND MANDATES OUTSIDE OF THE GROUP

- Representative of Unibail-Rodamco-Westfield SE as Member of the French Fédération des Entreprises Immobilières (FEI);
- Non-Executive Director of Pavillon de l'Arsenal
- Representative of Unibail-Rodamco-Westfield SE on the Board of Directors of Société Paris-Île-de-France Capitale Économique;
- Representative of Unibail-Rodamco-Westfield SE on the Executive Committee of the Palladio Foundation;
- Director of the European Public Real Estate Association (EPRA).

OTHER INTRA-GROUP FUNCTIONS AND MANDATES

- Chairman of the management board and Chief Executive Officer of URW SE;
- Chairman of Uni-Expos (SA);
- Director of VIPARIS Holding (S.A.).

PREVIOUS MANDATES DURING THE LAST 5 YEARS

- Member of the management board of URW NV;
- Director and President of WALP Service, Inc., Westfield America, Inc., Westfield DDC Inc., Westfield Development Inc., Westfield Eco Inc., Westfield USA Centres, Inc., WHL (USA), Inc. and WHL USA Acquisitions Inc.;
- Manager and President of URW Airports, LLC, Westfield Concession Management II LLC, Westfield Gift Card Management, LLC, Westfield Property Management LLC and WestNant Investment LLC;
- Director and Chairman of URW America Inc.;
- Director and Chairman of Annapolis TRS Inc., Fashion Square Service TRS, Inc., GSP Service TRS, Inc., Montgomery Service, Inc., VF/UTC Service, Inc., WCL Holdings, Inc., Westfield Beneficiary 1, Inc., Westfield Beneficiary 2, Inc., Westfield Subsidiary REIT 1, Inc., Westfield Subsidiary REIT 2, Inc., Westland Properties, Inc., Westland Realty Beneficiary, Inc.;
- Director of Broward Mall LLC, Roseville Shoppingtown LLC, Santa Anita Borrower LLC, Santa Anita GP LLC, Valencia Town Center Venture GP, LLC, Westfield Paramus 1 Inc.;
- Manager and Chairman of URW WEA LLC, West-OC 2 REIT 1, LLC, West-OC 2 REIT 2, LLC, West-OC 2 REIT 3, LLC, URW Airports, LLC, Westfield, LLC, Westfield Concession Management II LLC, Westfield, Gift Card Management, LLC, Westfield Property Management LLC, Westfield U.S. Holdings, LLC, and WestNant Investment LLC;

Manager of Annapolis REIT 1 LLC, Annapolis REIT 2 LLC, Annapolis REIT 3 LLC, Broward Mall LLC, Culver City REIT 1 LLC, Culver City REIT 2, LLC, Culver City REIT 3 LLC, Horton Plaza REIT, 1 LLC, Horton Plaza REIT 2 LLC, Horton Plaza REIT 3 LLC, Mission Valley REIT 1 LLC, Mission Valley REIT 2 LLC, Mission Valley REIT 3 LLC, North County REIT 1 LLC, North County REIT 2 LLC, North County REIT 3 LLC, Oakridge REIT 1, LLC, Oakridge REIT 2 LLC, Oakridge REIT 3 LLC, Plaza Bonita REIT 1 LLC, Plaza Bonita REIT 2, LLC, Plaza Bonita REIT 3 LLC, Promenade REIT, 1 LLC, Promenade REIT 2 LLC, Promenade REIT, 3 LLC, Santa Anita REIT 1 LLC, Santa Anita REIT, 2 LLC, Santa Anita REIT 3 LLC, Southcenter REIT, 1 LLC, Southcenter REIT 2 LLC, Southcenter REIT 3 LLC, Stratford City Offices (N°.1) LLC, Stratford City Offices (N°.2) LLC, Stratford City Shopping Centre (N°.1) LLC, Stratford City Shopping Centre (N°.3) LLC, Topanga REIT 1 LLC, Topanga REIT 2 LLC, Topanga REIT 3 LLC, West Valley REIT 1 LLC, West Valley REIT 2 LLC, West Valley REIT 3 LLC, White City Investments (N°. 1) LLC, and White City Investments (N°. 2) LLC;

- Director of Descon Invest PTY Limited, Fidele PTY Limited, Nauthiz PTY LTD, Westfield America

³³ Excluding 5033 Stapled Shares held via the URW SE company saving plan.

Management Limited, Westfield American Investments PTY Limited, Westfield Capital Corporation Finance PTY LTD, Westfield Queensland PTY LTD, WFA Finance (Aust) PTY Limited, and WFD Finance PTY Limited.

Attendance 2023:

- SB 100%
 - GNRC 100%
-

Mandate:

- First Mandate: June 29, 2021 (involved from January 1, 2021)
 - Expiry date of term of office: AGM 2025
-

Further experience:

- **Active executive and senior leadership experience**
Strong leadership and management skills, having served as President US at URW NV. He has extensive operational experience after numerous senior positions, including Managing Director Retail France and Chief Operating Officer at former Unibail-Rodamco SE.
 - **International experience and regional market exposure**
Extensive international experience through various roles. He has a truly international perspective and in-depth knowledge of regional real estate and retail in the US having lived and worked in the US as former President US at URW NV.
 - **Retail and consumer product experience**
Significant expertise through various senior roles in asset management, including as Head of Asset Management and later Managing Director Retail and Offices France at former Unibail-Rodamco SE.
 - **Risk oversight and corporate Governance Experience**
Experience through various senior roles in the industry and as a management board member on a France and a Dutch listed company, including experience on risk oversight and corporate governance practices.
-



MR FABRICE MOUCHEL

SB MEMBER - VICE-CHAIR
Independent

- Graduate of HEC Business School, master's degree in law and bar diploma (CAPA: certificat d'aptitude à la profession d'avocat).
- Lawyer in the Mergers & Acquisitions Department of Gide Loyrette & Nouel (1993-1996).
- Vice-President of Mergers and Acquisitions at ING-Barings (1997-2001).
- Joined Unibail in 2001 as Head of Corporate Development.
- Became Head of Financial Resources and Investor Relations Department in 2002.
- Deputy CFO from June 2007 to April 2013.
- Appointed to the Unibail-Rodamco SE MB as Deputy CFO in March 4, 2013 (effective on April 25, 2013) and as Group Finance Director on June 7, 2018.
- Appointed as Chief Financial Officer of URW SE as of January 5, 2021.

BORN ON:
April 16, 1970

NATIONALITY:
French

**NUMBER OF STAPLED
SHARES HELD:**
31,811³⁴

**OTHER FUNCTIONS AND MANDATES OUTSIDE OF
THE GROUP**

- N/A

OTHER INTRA-GROUP FUNCTIONS AND MANDATES

- Member of the management board and CFO of URW SE;
- Joint Director of Unibail-Rodamco Investments B.V., Unibail-Rodamco Investments 2 B.V., Cijferzwaan B.V., Dotterzwaan B.V., Real Estate Investments Poland Coöperatief U.A., Rodamco Project I BV, Stichting Rodamco, Traffic UK B.V., Rodamco Europe Finance B.V., Rodamco Nederland Winkels B.V., Deputy Board Member of Unibail Rodamco Poland 5 B.V., Director of U&R Management B.V;
- Member of the Board of Directors of Rodamco Sverige AB;
- Director of Cavemont Pty Limited, Descon Invest Pty Limited, Westfield Corporation Limited, Westfield American Investments Pty

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- Managing Director of SCS Liegenschaftsverwertung GmbH, SCS Motor City Errichtungsges.m.b.H.;
- SB Member of Rodamco Deutschland GmbH, Director of Rodamco Deutschland GmbH & Co Süd Liegenschafts KG;
- Director of Westfield Investments Pty Limited, Nauthiz Pty Ltd, Westfield UK Investments Pty Limited, Westfield UK 1 Pty Limited, Westfield UK 2 Pty Limited, Westfield UK 3 Pty Limited, Westfield UK 4 Pty Limited, Westfield UK 5 Pty Limited, Westfield UK 6 Pty Limited, Fidele Pty Ltd, Westfield R.S.C.F. Management Pty Ltd, Westfield Developments Pty Ltd.

³⁴ Excluding 8,885 Stapled Shares held via the URW SE company saving plan.

Limited, Westfield Capital Corporation Finance Pty Ltd, Westfield Queensland Pty. Ltd, WCL Finance Pty Limited, WCL Management Pty Limited, Westfield America Management Pty Ltd;

- Managing Director of DZ-Donauzentrum Besitz- und Vermietungs-GmbH, Shopping Center Planungs- und Entwicklungsgesellschaft m.b.H. & Co. Werbeberatung KG, Shopping Center Planungs- und Entwicklungsgesellschaft mbH, Shopping City Süd Erweiterungsbau Gesellschaft m.b.H. & Co. Anlagenvermietung KG, Unibail-Rodamco Austria Verwaltungs GmbH, URW Invest GmbH, Unibail-Rodamco Invest GmbH;
- Vice-President of the SB of Unibail-Rodamco-Westfield Germany GmbH, Managing Director of Rodamco Deutschland GmbH;
- Director of Liffey River Financing Ltd.;
- Director of Crossroads Property Investors S.A.

Attendance 2023:

- SB 100%
- AC 100%
- GNRC 100%

Mandate:

- First Mandate: June 29, 2021 (involved from February 4, 2021)
- Expiry date of term of office: AGM 2025

Further experience:

- **Relevant active executive or senior leadership experience**
Significant senior leadership experience as vice-president of mergers and acquisitions at ING-Barings and Head of Corporate Development at Unibail-Rodamco SE.
 - **Financial expertise**
High level of financial and capital markets experience gained through various positions, including as vice-president of mergers and acquisitions at ING-Barings and later as Head of Financial Resources and Investor Relations department at Unibail-Rodamco SE. In-dept knowledge of the industry having served as Deputy Chief Financial Officer and Group Finance Director at Unibail-Rodamco SE.
 - **Risk oversight/compliance expertise**
Seasoned executive with 20 years of expertise through senior roles in finance at Unibail-Rodamco SE.
 - **Real Estate Market Experience**
Extensive experience in the European market through 20-year career in the industry having served as Deputy Chief Financial Officer and Group Finance Director.
 - **Corporate Governance**
Former member of the management board of Unibail-Rodamco SE.
-



MR JEAN-LOUIS LAURENS

SENIOR INDEPENDENT DIRECTOR & AC CHAIRMAN
Independent

- Graduate of HEC Business School.
- Doctorate in Economics and a Master's in law.
- Former Executive Director of Morgan Stanley International.
- Former CEO of AXA Investment Managers France.
- Former CEO of Robeco France and former Global Head of Mainstream Investment of Robeco Group (until 2009).

BORN ON:

August 31, 1954

NATIONALITY:

French

NUMBER OF STAPLED SHARES HELD:

363

OTHER FUNCTIONS AND MANDATES

Listed Company

- None

Other Company

- Chairman of Blulog, Sp.z. (Poland)
- Chairman of A4P Technologies SA (Luxembourg)
- Member of the supervisory board Andera Partners (France)
- Member of the board of directors Crédit Mutuel Investment Management (France)
- Member of the supervisory board of Vidi Capital (France)

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- Former supervisory board vice-chairman and audit committee chairman of URW SE (until 2018)
- Non-executive chairman of the board of directors of Unigestion Asset Management (France)
- Chairman of the Supervisory Board Crover World (June - October 2022)

Attendance 2023:

- SB 100%
- AC 100%

Mandate:

- First Mandate: June 7, 2018
- Second Mandate: June 22, 2022
- Expiry date of term of office: AGM 2026

Further experience:

- **Active executive and senior leadership experience**
Extensive senior leadership experience as general partner and global head of asset management of Rothschild and Co Group, global Head of mainstream investments at Robeco Group and CEO of AXA Investment Managers.
- **Financial expertise**
Extensive financial and capital markets expertise as a former chief executive of major asset management companies and numerous senior positions in investment banks such as HSBC and Morgan Stanley.
- **Risk oversight/compliance expertise**
Extensive expertise through various senior roles in asset management and investment banking, including CEO of Banque Internationale de Placement and CEO of Banque Robeco and gained important insights into governance, risk management and regulation.
- **International Experience**
Extensive international experience through various Global Head roles and work experience in Germany, the Netherlands and the US.
- **Corporate Governance Experience**
Former member of the Ethics and Governance Committee of MEDEF, the French employers association (10-year tenure). Co-author of the AFEP-MEDEF code of governance.



MS ALINE TAIREH

SB MEMBER
Independent

- Bachelor of Arts in Criminology and Psychology from University of California Irvine.
- Juris Doctorate Degree from Brooklyn Law School, New York.
- Associate with O’Melveny & Myers LLP, Los Angeles, CA.
- Joined Westfield as Senior Corporate Counsel in January 2007 and was appointed Associate and General Counsel in January 2008.
- Appointed Senior Vice President and Deputy General Counsel of Westfield effective June 2012.
- Appointed General Counsel US on June 7, 2018.

BORN ON:
January 15, 1975

NATIONALITY:
American

NUMBER OF STAPLED SHARES HELD:
1,345 (incl. 305 stapled shares held through CDI’s)

OTHER INTRA-GROUP FUNCTIONS AND MANDATES

- Director of Broward Mall LLC, Roseville Shoppingtown LLC; Santa Anita Borrower LLC, Valencia Town Center Venture GP LLC;
- Manager of Annapolis REIT 1 LLC, Annapolis REIT 2 LLC, Annapolis REIT 3 LLC, Culver City REIT 1 LLC, Culver City REIT 2 LLC, Culver City REIT 3 LLC, North County REIT 1 LLC, North County REIT 2 LLC, North County REIT 3 LLC, Oakridge REIT 1 LLC, Oakridge REIT 2 LLC, Oakridge REIT 3 LLC, Plaza Bonita REIT 1 LLC, Plaza Bonita REIT 2 LLC, Plaza Bonita REIT 3 LLC, Promenade Service LLC, Southcenter REIT 1 LLC, Southcenter REIT 2 LLC, Southcenter REIT 3 LLC, Topanga REIT 1 LLC, Topanga REIT 2 LLC, Topanga REIT 3 LLC, URW WEA LLC, West-OC REIT 1 LLC, West-OC REIT 2 LLC, West-OC REIT 3 LLC, West Valley REIT 1 LLC, West Valley REIT 2 LLC, West Valley REIT 3 LLC; Mission Valley REIT 1 LLC, Mission Valley REIT 2 LLC, Mission Valley REIT 3 LLC;
- EVP, General Counsel and Secretary of Fashion Square Service TRS INC.; Montgomery Service Inc.; URW WEA LLC; VF/UTC Service Inc.; WCL Holdings Inc.; West-OC 2 REIT 1 LLC; West-OC 2 REIT 2 LLC; West-OC 2 REIT 3 LLC; West Valley REIT 1 LLC; West Valley REIT 2 LLC; West Valley REIT 3 LLC; Westfield America G.P. II LLC; Westfield LLC; Westfield U.S. Holdings LLC; Westfield Properties LLC; Westfield Realty Beneficiary Inc.

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- Manager of Horton Plaza REIT 1 LLC; Horton Plaza REIT 2 LLC; Horton Plaza REIT 3 LLC; Promenade REIT 1 LLC; Promenade REIT 2 LLC; Promenade REIT 3 LLC; Santa Anita REIT 1 LLC; Santa Anita REIT 2 LLC; Santa Anita REIT 3 LLC; Mission Valley REIT 1 LLC, Mission Valley REIT 2 LLC; Mission Valley REIT 3 LLC; Director of Santa Anita GP LLC;
- EVP, General Counsel and Secretary of Westfield Beneficiary 1 Inc.; Westfield Beneficiary 2 Inc.; Westfield Subsidiary REIT 1 Inc.; Westfield Subsidiary REIT 2 Inc.

Attendance 2023:

- SB 100%

Mandate:

- First Mandate: June 7, 2018
- Second Mandate: June 22, 2022
- Expiry date of term of office: AGM 2026

Further experience:

- **Relevant active executive and senior leadership experience**
Extensive operational and leadership experience as General Counsel of Westfield and various executive and director positions with all aspects of the US business including shopping centre operations, financings, joint venture relationships and development matters. Significant focus on sustainability, diversity, talent and change management, in both executive and non-executive positions.
- **International experience and regional market exposure**
Significant experience in international operations as well as local market exposure in the US since joining Westfield in 2007 with in-depth knowledge in the US real estate and retail market, which are increasingly important given the US portfolio of flagship destinations.
- **Real estate and real estate asset management experience**
Extensive strategy expertise in real estate development, investment, leasing, management, and divestment through her role as Senior Corporate Counsel, Associate General Counsel, Deputy General Counsel and General Counsel of Westfield. US market expert through 20+-year career with key leadership to drive change management to successfully adopt management practices in order to ensure organisational success.
- **Legal and Financial expertise**
In-depth knowledge of operations that are international and complex, with financing transactions, group debt and refinancing in different countries and currencies.
- **Risk oversight and compliance**
20+ years of experience in the US real estate and retail market has brought deep knowledge of the US market, including real estate property acquisitions, secured and unsecured financing transactions, joint ventures, litigation and all other legal and process matters.



MS CATHERINE POURRE

SB MEMBER & AC MEMBER & GNRC CHAIR
Independent

- Graduate of ESSEC Business School.
- Law degree from Université Catholique de Paris.
- Graduate French Expertise Comptable (French CPA).
- Former Audit & Consulting Partner at PricewaterhouseCoopers (1989 - 1999).
- Former Consulting Partner at Ernst & Young and former Executive Director and Member of the Executive Committee at Cap Gemini Ernst & Young (1999 - 2002).
- Former Deputy Managing Director and member of the Executive Committee of Unibail (2002 - 2007).
- Former Management Board member and Chief Resources Officer at Unibail-Rodamco SE (2007 - 2013).
- Designated as independent SB Member at URW N.V. in February 2021.

BORN ON:
February 2, 1957

NATIONALITY:
French

**NUMBER OF STAPLED
SHARES HELD:**
105,446

OTHER FUNCTIONS AND MANDATES

Listed Company

- Member of the supervisory board of SEB SA (France); Chair of the Audit Committee; Member of the Governance and Remuneration Committee; Member of the Strategy & Sustainability Committee;
- Member of the supervisory board of Bénéteau SA (France), Chair of the Audit Committee, Member of the Strategy Committee.

Other Company

- Member of the management board of CPO Services (Luxembourg).

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- Member of the supervisory board of Neopost SA (France) (until 2019);
- Member of the supervisory board of Crédit Agricole SA (France); Chair of the Audit Committee; Member of the Risk Committee; Member of the Strategy & Sustainability Committee (until May 2022);
- Member of the supervisory board of Crédit Agricole Corporate and Investment Bank (France); Chair of the Audit Committee; Member of the Risk Committee; Member of the Remuneration Committee; Member of the Governance and Nomination Committee (Until May 2023).

Attendance 2023:

- SB 100%
- AC 100%
- GNRC 100%

Mandate:

- First Mandate: June 29, 2021 (involved from February 4, 2021)
- Expiry date of term of office: AGM 2025

Further experience:

• Active executive and senior leadership experience

Extensive senior leadership experience as Management Board member of Unibail-Rodamco Group and global Head of Consulting for High Growth companies at Pricewaterhouse and then Cap Gemini Consulting.

• Financial expertise & real estate experience

Extensive financial expertise as a French CPA and a former Chief Financial Officer at Unibail as well as Chair or Member of numerous Audit Committees of Boards of listed companies including a systemic financial institution.

Extensive experience in real estate development, investment, leasing, management, and divestment as a former Management Board member of Unibail-Rodamco Group.

• Risk Oversight and Compliance expertise

Extensive Risk, internal Control and compliance expertise as a consulting partner at PricewaterhouseCoopers and Cap Gemini Consulting, as well as former Chief Resources Offices at Unibail-Rodamco and as a member of Audit, Risks and Compliance Committees in various Boards of listed companies including a systemic financial institution.

• International Experience

Extensive international experience through various senior roles and work experience in the US, the Netherlands, Germany, Luxembourg and France.

• Corporate Governance Experience

Extensive corporate Governance experience through various senior roles as Management Board member and Supervisory Board member in major listed companies.

DIVERSITY

URW NV has diversity policies with respect to the composition of the MB and the SB and has updated these policies in line with the Dutch Diversity Act and updated Dutch Corporate Governance Code. URW NV is committed to supporting, valuing, and leveraging the value of diversity, but also believes that there is a fine line between diversity and unintentional discrimination. For that reason, the importance of diversity, in and of itself, should not set aside the overriding principle that someone should be recommended, nominated and appointed for being “the right person for the job”. URW NV believes that it is important for the MB and the SB to represent a diverse mix of backgrounds, experiences, qualifications, knowledge, abilities and viewpoints.

URW NV seeks to combine the skills and experience of long-standing members of the MB and/or the SB with the fresh perspectives, insights, skills and experiences of new members. URW NV strives for gender diversity and a mix of ages in the composition of those bodies. In addition to age and gender, the Company recognises and welcomes the value of diversity with respect to race, ethnicity, nationality, sexual orientation and other important cultural differences. URW NV is committed to seeking broad diversity in the composition of the MB and the SB and will consider these attributes when evaluating new candidates in the best interests of the Company and its stakeholders. In terms of experience and expertise, URW NV intends for the MB and the SB to be composed of individuals who are knowledgeable in one or more specific areas of strategic importance to the Company.

New Dutch legislation is aimed at improving gender diversity in listed companies, among others by imposing a quota of at least one-third for both women and men on the SB. We recognise the importance of diversity and inclusion; a diverse and inclusive workforce provides the necessary mix of points of view required to continue to innovate and drive our Company’s business forward. URW NV believes that it is valuable that and strives to achieve a situation in which the experience and expertise as well as diversity and inclusion are embedded at all levels of the Company. URW embodies an inclusive vision for its business as well as its employee community as laid down in the URW Diversity Charter. In 2022 the Company set diversity targets for the SB, MB and senior management positions in adherence with the URW Diversity Charter and in line with Dutch law applicable as per January 1, 2022, the SB shall pursue that at least one third of the SB seats shall be held by each gender. The MB shall pursue that at least 40% of the total MB and senior management positions shall be held by women and no more than 60% by men by 2025.

The composition of the SB over the year 2023 is such, that URW NV’s diversity objectives have been achieved, including meeting the statutory target of one third of the SB comprising female SB Members. The selection of SB members is based on the required profile and their backgrounds, experiences, qualifications, knowledge, abilities, and viewpoints without positive or negative bias on gender.

The composition of the MB and senior management as a group, with a 76%/24%³⁵ male/female gender balance in 2023, diverges from the diversity target pursued by the MB. This is partly due to the limited size of the MB, with only two members, and because URW NV continues to appoint and nominate, as applicable, the best candidates for these respective positions. More than for re-appointments, whereby experience and good performance are weighing heavily on the decision, new appointments will offer opportunity to re-balance the composition in view of fair and equal gender representation in due course. Targets set for (gender) diversity will be taken into consideration when there are vacancies in the MB, and senior management positions to strive for a 60/40 gender balance by 2025 as outlined above.

Diversity and inclusion also form a key part of the URW Better Places 2030 strategy. With a representation in 2 continents, we welcome employees from different parts of the world, from diverse cultures and backgrounds to build successful and inclusive teams. URW commits to ensuring full equal opportunities (e.g. gender, nationality, sexual orientation) in HR practices and processes Group-wide. 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. The Be You at URW framework for example aims to fully embed the Group’s commitment to drive even greater diversity and inclusion across the business and focuses on four key areas: leadership & commitment, inclusion policies & performance, employee development & learning and culture & employee engagement. In 2022, webcasts for International Women’s Day, gender equality activities in all regions, and LGBTQ+ Pride activities in the US, were held. Also, the URW employee pulse Survey was rolled out to all employees in 2022, including a focus on diversity and inclusion. An employee survey is rolled out each year to check in with the global employee community and help shape effective plans to create an even more inclusive working culture.

For a more detailed understanding and explanation in respect to the diversity and inclusion policy complies with the URW Group policies and reference is made to the URW Sustainability Report.

The Supervisory Board (“SB”) annually considers its own composition considering many elements. As part of its annual assessment, the GNRC and the SB conduct a review of SB member profile to ensure that the SB is able to fulfil its responsibilities and obligations in the best possible conditions. The profile reflects the desired composition of the SB, in particular about the strategy pursued by the Group and the objectives to be achieved (including through the SB succession plan) in order to form and maintain a predominantly independent SB, distinguishing itself by the diversity of its members in terms of gender, age and nationality, as well as their skills, expertise and experience. The SB and the GNRC consider that SB members collectively have the right balance of skills, expertise, and experience to ensure effective oversight of activities and to provide relevant advice to the Management Board to fulfil their obligations in the interest of the Company.

A. SIZE OF THE SB

The SB considers that the current number of five members is relevant for the Company and allows for optimum functioning. The SB wishes to have enough members to have diverse profiles, with eclectic perspectives and horizons while preserving a real proximity between its members, allowing quality of discussions and agility essential in its proper functioning. As of December 31, 2023, the SB comprises five members.

B. AGE / SENIORITY

The SB shall monitor during discussions on (i) the SB succession plan, (ii) the typical profiles/competencies of SB members as established in its Charter and (iii) the SB evaluation, including amongst others to respect a diversity in the age.

C. DIVERSITY (GENDER, NATIONALITY AND CULTURE)

The SB composition seeks a balanced representation of women and men. In accordance with the Dutch Diversity Act, to promote diversity at the top of the business community, at least one third of the supervisory board of listed companies must consist of men and at least one third of women. At year-end 2023, the SB meets URW NV’s diversity objectives, including meeting the statutory target of one third of the SB comprising female SB Members. The selection of SB members is based on the required profile and their backgrounds, experiences, qualifications, knowledge, abilities, and viewpoints without positive or negative bias on gender.

³⁵ Composition of this group has been adjusted to the equivalent at the URW Group and is smaller than in 2022.

As at December 31, 2023

Portion of women	40%
Portion of men	60%

D. SKILLS OF THE SUPERVISORY BOARD MEMBERS

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

- Active executive and senior leadership experience
- Financial expertise & real estate experience
- Legal, Risk Oversight and Compliance expertise
- International Experience and regional market experience
- Corporate Governance Experience
- Real estate and real estate asset management experience
- Retail and consumer product experience

E. INDEPENDENCE

Considering inter alia the Stapled Share structure, current practices at URW SE and URW NV, and the interest of the URW Group and its stakeholders, the Chair of the Supervisory Board is considered non-independent. Even though the composition of the SB partly relates to the fact that URW SE and URW NV together form the URW Group, after careful review it can be confirmed that as at December 31, 2023, the majority of the SB members can be considered independent within the meaning of principle 2.1.8 of the DCGC.

As at 31/12/2023	Criteria Dutch Corporate Governance Code	Qualification
Mr. Jean-Marie Tritant		Non-independent
Mr. Fabrice Mouchel		Independent
Mr. Jean-Louis Laurens		Independent
Mrs. Catherine Pourre		Independent
Mrs. Aline Taireh		Independent

2.2.2 SB MEETINGS AND ACTIVITIES

The SB held 6 meetings in 2023 (including ad hoc meetings). Overall average member attendance at its meetings was 100%. In addition to the matters within its statutory scope, the SB discussed all major actions carried out in 2023, both internally (e.g. organisational matters, risk management, compliance and Anti-Corruption Program, 2023 half year results, internal audits) and externally (Group strategy, refurbishment projects, operations, financial position, Dutch Corporate Governance Code requirements) with specific attention to the evolution of the deleveraging strategies, including disposals and ways to ensure access to capital markets and the rotation of the statutory auditor. The Company's statutory auditor during the financial year 2023 attended 6 meetings.

SB Members were also informed of the work and recommendations of its specialised committees and that of the Company's statutory auditor. The minutes and documents of all the meetings of URW NV's Audit Committee (AC) and URW NV's Governance, Nomination and Remuneration Committee (GNRC) are systematically made available to all SB Members through a secure electronic platform.

The joint URW SB annual Strategy Retreat in 2023 was held in Hamburg, Germany. With focus on the deleveraging plan, sustainability and energy action plan and digital and data strategy. In July 2023 a joint URW Group SB training session was held, with specific focus on sustainability and regulations, compliance and governance.

Principal responsibilities of the SB	Key areas discussed, reviewed and/or approved in 2023
Group Strategy	<ul style="list-style-type: none"> • Strategic initiatives relating to the balance sheet, including deleveraging and access to capital; • Change of market of reference to Euronext Paris by delisting from Euronext Amsterdam; <ul style="list-style-type: none"> • Refurbishment, investment, divestment and operations; • Regular updates: on share price evolution and business activities, including updates on the conflict in Ukraine and related restrictions (operations, finance, human resources, legal, CSR, development, IT and data strategy, compliance and risk management, including sanctions list, etc.); • Implementation of the redesigned CSR Strategy “Better Places 2030”.
Group Financial Policy and Financial Performance and Reporting	<ul style="list-style-type: none"> • Review and discussion of the deleveraging programme; • 2023 Budget and 5-year Business Plan, financial resources and borrowing requirements; • Follow-up on NAV and EPRA performance measures; • Financial commitments and guarantees; • Provisions for risk and litigation; • The Group’s dividend policy (as part of the dividend policy of the URW Group) and annual allocation of results; • Approval of 2022 consolidated full-year results, statutory financial statements and half-year accounts for the 2023 financial year; • Relationship with URW NV’s statutory auditor including auditor’s reporting for the coming year; • Non-audit services provided by URW NV’s statutory auditor; • Refurbishment pipeline in the context of overall balance sheet planning and rating agencies; • Liquidity forecasts and Loan-to-Value (LTV) ratio; • Regular tax updates.
Internal Audit, Risk Management and Control Systems	<ul style="list-style-type: none"> • Monitoring risk management, internal audit, compliance, and insurance programmes; • 2023 internal audit plan; • Internal audits, internal control system and compliance matters; • In-depth review of the Group’s risk management and update of the risk mapping; • Focused review of selected risk management topics (2023 focus included: REIT status and Tax compliance, Access to Capital and Financing Market Disruption, and Corruption, Money Laundering and Fraud).
Governance and Compliance with Relevant Laws and Regulations	<ul style="list-style-type: none"> • Updates to the URW Group’s compliance programme (including the URW Group’s part in fighting forced labour) and completing the Group Compliance and Group Anti-Corruption Programme training; • Compliance with the updated Dutch Corporate Governance Code • Review of the independence of SB Members; • Regular updates on regulatory/legal changes, including the follow up of the Dutch Diversity Act; • Review and confirming absence of related party agreements.
Succession Planning	<ul style="list-style-type: none"> • Annual review of the SB and committee profile and composition and rotation; • Succession planning and overall composition of the SB and MB; • SB Member selection/recruitment process.
Group Remuneration Policy and Performance Assessments	<ul style="list-style-type: none"> • 2023 MB Member remuneration and update MB remuneration policy (including FI, level of attainment of annual STI and LTI targets); • Annual evaluation of the functioning of the MB; • Annual evaluation of the functioning of the SB (self-assessment process).
Human Resources	<ul style="list-style-type: none"> • Talent management, including recruitment and mobility; • Diversity and inclusion.

Shareholder Outreach and Engagement

- Shareholder and proxy advisor engagement and feedback (including 2023 AGM voting items and the proposed capital raise) and corporate governance roadshow and communications;
 - Updates on shareholder composition;
 - Updates to the Shareholder Engagement Guidelines and review of the Stakeholder Dialogue Policy;
 - AGM materials (agenda, resolutions, etc.);
 - Annual Report 2022.
-

2.2.3 SB BOARD COMMITTEES

The SB has established three committees: the AC, the GNRC and the Investment Committee (“IC”).

2.2.3.1 AUDIT COMMITTEE (AC)

The AC assists and advises the SB on its audit duties and prepares its decisions in this regard. The duties of the AC include reviewing and discussing the effectiveness of internal risk management and control systems and the financial information to be disclosed by URW NV. The AC also monitors the MB with regard to URW NV’s compliance programme with recommendations and observations of internal and external auditors, URW NV’s compliance with applicable laws and regulations, the functioning of the internal audit department (if applicable), URW NV’s tax policy, URW NV’s application of information and communication technology and URW NV’s financing. In addition, it maintains regular contact with and supervises URW NV’s statutory auditor, including her independence, and it advises the SB regarding the external auditor’s nomination for (re)appointment by the General Meeting.

The roles and responsibilities of the AC as well as the composition and the manner in which it discharges its duties are set out in a committee charter (each a “Committee Charter”) and, in part, in the SB rules governing the organisation, decision-making and other internal matters of the SB (the “SB Rules”). Pursuant to a resolution to that effect, the SB may, with the approval of the URW SE Supervisory Directors, amend or supplement the Committee Charter and allow temporary deviations.

AUDIT COMMITTEE COMPOSITION

As at December 31, 2023, the AC consists of three members:

- Mr Jean-Louis Laurens (Chair);
- Mrs Catherine Pourre; and
- Mr Fabrice Mouchel.

The members of the AC are appointed and dismissed by the SB on the basis of a binding recommendation by the GNRC. At least one member of the AC must have competence in accounting and/or auditing. More than half of all the members of the AC, including the chair of the AC, must be independent from URW NV (including within the meaning of the Dutch Corporate Governance Code). The chair of the AC shall not be the chair of the SB or a former MB Member.

AUDIT COMMITTEE MEETINGS AND ACTIVITIES

The AC shall meet at least quarterly and otherwise as often as any of the SB Members deems necessary or appropriate. At least once a year, the AC meets with the Company’s statutory auditor without any of the MB Members being present. During the financial year 2023, the AC met 7 times in order to carry out its responsibilities. Overall attendance was 100%. The Company’s statutory auditor attended 6 meetings.

AC members receive the meeting documents which include a detailed agenda and comprehensive papers timely before each meeting. To allow for optimal preparation for the review of the accounts, the AC meets prior to the SB meeting at which the full-year and half-year financial statements are reviewed. The SB is informed of the proceedings and recommendations of the AC at its meeting directly following that of the AC.

Principal responsibilities of the AC	Key areas discussed, reviewed and/or recommended for approval to the SB in 2023
Group Financial Policy	<ul style="list-style-type: none">• Strategic initiatives to the balance sheet, including deleveraging, access to capital;• Extensive review and follow-up of financial, borrowing, accounting and tax aspects;• 2023 Group Budget;• Follow-up on NAV and EPRA performance measures;• The Group’s dividend policy (as part of the dividend policy of the URW Group) and annual allocation of results;• Relationship with the external auditor including auditor’s reporting for the coming year;• Review and assessment of external auditor;• Non-audit services provided by URW NV’s external auditor.
Financial Performance and Reporting	<ul style="list-style-type: none">• Review and discussion of the disposal programme;• 2022 consolidated full-year results and statutory financial statement and half-year accounts for the 2023 financial year;• Financial commitments and guarantees;• Provisions for risk and litigation;• Regular tax updates;• Regular updates on regulatory/legal changes including legal audit reform;• Refurbishment pipeline in the context of overall balance sheet planning and rating agencies;• Liquidity forecasts and Loan-to-Value (LTV) ratio.
Internal Audit, Risk Management and Control Systems	<ul style="list-style-type: none">• Monitoring risk management, internal audit, compliance, and insurance programmes;• Updates on digital and IT strategy, tools and projects;• 2023 internal audit plan;• Internal audits, internal control system and compliance matters;• In-depth review of risk management and update of the risk mapping;• Focused review of selected risk management topics (2023 focus included: REIT status and Tax Compliance; Access to Capital and Financial Market Disruption; Corruption, Money Laundering & Fraud).

- Annual evaluation of the functioning and efficiency of the AC (self-assessment process).

2.2.3.2 THE GOVERNANCE, NOMINATIONS AND REMUNERATION COMMITTEE (GNRC)

The GNRC assists and advises the SB on its duties regarding the nomination of MB Members and SB Members. It is charged with drawing up selection criteria and appointment procedures for the MB Members and SB Members. Furthermore, it periodically assesses the size and composition of the MB and the SB, and make proposals for the composition profile of the SB. In addition, the GNRC periodically assesses the functioning of individual MB Members and SB Members, and reports on such review to the SB. It is also charged with making proposals for (re)appointment or dismissal of MB Members and SB Members as well as for the election or dismissal of the Chair and Vice-Chair of the SB. The GNRC supervises the policy of the MB regarding the selection criteria and appointment procedures for URW NV's senior management.

The GNRC further assists and advises the SB on its duties regarding the remuneration of the MB Members and the SB Members. The duties of the GNRC include preparing proposals for the SB concerning the remuneration policy for the MB Members, the remuneration of the individual MB Members within the framework of the remuneration policy as adopted by the General Meeting, and the remuneration of individual SB Members subject to approval by the General Meeting.

In addition, the GNRC periodically reviews and assesses the adequacy of the corporate governance practices, policies and rules of URW NV and its subsidiaries and makes recommendations to the SB on all matters of corporate governance (including on any remedial actions to be taken). The roles and responsibilities of the GNRC as well as the composition and the manner in which it discharges its duties are set out in a committee charter (each a "Committee Charter") and, in part, in the SB Rules. Pursuant to a resolution to that effect, the SB may, with the approval of the URW SE Supervisory Directors, amend or supplement the Committee Charter and allow temporary deviations.

GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE COMPOSITION

As at December 31, 2023, the GNRC consists of three members, including two URW SE Supervisory Directors:

- Mrs Catherine Pourre (Chair);
- Mr Jean-Marie Tritant; and
- Mr Fabrice Mouchel.

The members of the GNRC are appointed and dismissed by the SB on the basis of a binding recommendation by the GNRC.

GOVERNANCE, NOMINATIONS AND REMUNERATION COMMITTEE MEETINGS AND ACTIVITIES

The GNRC held two meetings in 2023 (including ad hoc meetings). Overall attendance was 100%.

Principal responsibilities of the GNRC	Key areas discussed, reviewed and/or recommended for approval to the SB in 2023
Company Remuneration Policy and performance assessments	<ul style="list-style-type: none"> • 2023 MB Member remuneration (including FI, level of attainment of annual STI and LTI targets); • 2023 LTI envelope.
Shareholder outreach and engagement	<ul style="list-style-type: none"> • Shareholder engagement and feedback (including as relates to governance and remuneration); • Updates to the Shareholder Engagement Guidelines and review of the Stakeholder Dialogue Policy; • AGM materials (remuneration policy update and renewals/appointments).
GNRC Governance	<ul style="list-style-type: none"> • Evaluation of the functioning and efficiency of the MB; • Review of the SB and committee profile and composition and rotation; • Succession planning (selection and nomination process) and overall composition of the SB and MB.
Governance and compliance with relevant laws and regulations	<ul style="list-style-type: none"> • Regular updates on regulatory/legal changes, including the follow-up and implementation of the Dutch Diversity Act and the updated Dutch Corporate Governance Code.

2.2.3.3 INVESTMENT COMMITTEE (IC)

The SB Members who are members of the IC are authorised to pass resolutions on behalf of the SB to approve resolutions of the MB concerning certain transactions and actions by URW NV or its subsidiaries up to certain amounts, as listed in more detail in the SB Rules.

INVESTMENT COMMITTEE COMPOSITION

As at December 31, 2023, the IC consists of three members, including two URW SE Supervisory Directors:

- Mr Jean-Marie Tritant (Chair);
- Mr Fabrice Mouchel; and
- Ms Aline Taireh.

The members of the IC are appointed and dismissed by the SB, upon the binding recommendation of the GNRC.

INVESTMENT COMMITTEE MEETINGS AND ACTIVITIES

The IC meets as often as any of its members deems necessary or appropriate.

2.2.4 EVALUATION OF THE SUPERVISORY BOARD

SUPERVISORY BOARD EVALUATION PROCESS

An assessment of the SB is carried out annually. Over the year ending December 31, 2023 an annual assessment of the performance and overall functioning of the SB and its committees, and of the MB and its members was held. Following the assessment over the year ending December 31, 2023, the SB is generally satisfied with the overall functioning of the SB and its respective members, including the interaction with its committees and with the MB. Overall, over the year ending December 31, 2023 it was concluded the SB functioned well.

2.2.5 CONFLICTS OF INTEREST

NO CLOSE FAMILY RELATIONSHIPS

To the knowledge of the Company, there are no family ties between the SB Members or MB Members of the Company.

MANAGEMENT OF CONFLICTS OF INTEREST

To the knowledge of the Company, there are no conflicts of interest or potential conflicts of interest between the Company and the SB Members and/or MB Members with respect to their personal interests or their other obligations. During the financial year 2023, there were no transactions in respect of which there was a conflict of interests with any MB Member or SB Member that is of material significance to URW NV and/or to such MB Member or SB Member. Where applicable, best practice provision 2.7.5 of the DCGC concerning related party transactions with significant shareholders has been observed.

In order to ensure that each SB Member and MB Member acts with loyalty, independence and professionalism, each SB Member and MB Member must immediately report any actual or potential conflicts of interest with the Company in a transaction that is of material interest to URW NV and/or to such MB Member or SB Member to the Chairman of the SB and the other MB Members (in the case of an MB Member) or to the other SB Members (in the case of an SB Member), respectively, providing all relevant information relating to such transaction. An SB Member or MB Member with a conflict of interest must not participate in the deliberations and the decision-making of the SB or the MB, respectively, on a matter in relation to which he/she has a conflict of interest.

Additionally, the MB Members must seek SB approval before accepting a position as managing, executive, supervisory or non-executive director (other than at a group company of URW NV). SB Members must notify the SB in advance of any other managing, executive, supervisory or non-executive position he/she wishes to pursue, and such other positions are discussed at an SB meeting at least annually.

The SB Members and the MB Members are also subject to the rules established in the URW Group's Code of Ethics and Anti-Corruption Programme applicable to all URW Group directors, managers and employees.

In July and December 2023 URW Group SB training sessions were held in which the URW NV SB members participated, including on the URW's Code of Ethics and Anti-Corruption Programme, and the Environmental, Sustainable and Corporate Governance Strategy update.

RELATED PARTY TRANSACTIONS

Pursuant to sections 2:167 through 2:170 DCC, URW NV has adopted a related party transactions policy outlining the procedures to identify, monitor, approve and disclose material transactions with related parties. The URW NV related party transactions policy applies from January 1, 2020 and is updated regularly to take into account changes in practice and legislation.

NO CONVICTIONS OR OFFENCES

As at December 31, 2023, to the best of the Company's knowledge and based on their individual declaration, none of the SB Members or MB Members has, over the past five years:

- been convicted of fraud;
- been associated as an executive with a bankruptcy, receivership or liquidation;
- been found guilty of an offence and/or publicly and officially sanctioned by a statutory or regulatory authority.

2.3 REMUNERATION REPORT

2.3.1 INTRODUCTION

In accordance with the Articles and Dutch law, URW NV's Annual General Meeting ("AGM") determines URW NV's remuneration policies for the MB Members and the SB Members (the "MB Remuneration Policy" and the "SB Remuneration Policy", respectively). URW NV's current MB Remuneration Policy (effective since January 1, 2022) was adopted by the AGM on June 22, 2022 with 97,45% votes in favour. In 2023 there were no changes introduced to URW NV's current SB Remuneration Policy (effective as of January 1, 2021)³⁶.

The MB Remuneration Policy is designed to:

³⁶ The MB Remuneration Policy and the SB Remuneration Policy are available on our website: <https://www.urw-nv.com/en/corporate-governance/related-documents>.

- attract and retain MB Members with the leadership qualities, skills and experience needed to support and promote the growth and sustainable success of URW NV and its business as well as the URW Group as a whole;
- motivate MB Members to achieve, and reward the achievement of, short and long-term performance targets (including with respect to CSR) with the objective of increasing URW NV's equity value and contributing to URW NV's strategy for long-term value creation; and
- align the interests of the MB Members to those of URW NV and the URW Group as a whole, and their respective businesses and stakeholders.

The SB Remuneration Policy is intended to attract, motivate and retain high calibre individuals with an appropriate degree of expertise and experience, which contributes to the strategy, long-term interests, sustainability, identity, mission and values of the Company and its business, considering the interests of the URW Group.

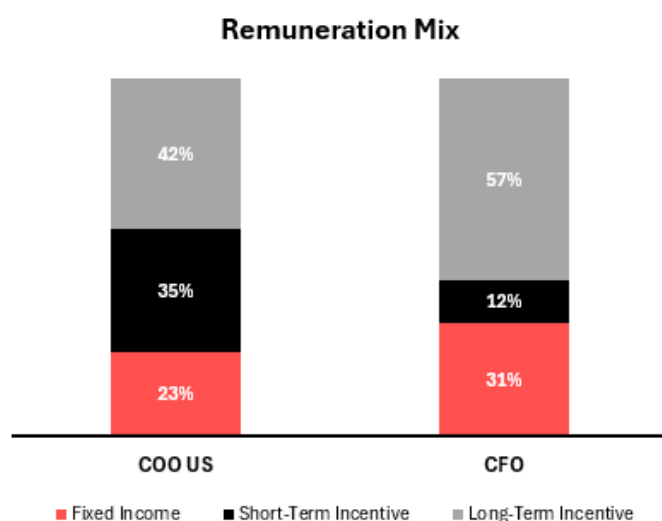
URW NV believes that this approach and this philosophy benefit the realisation of URW NV's long-term objectives while managing URW NV's risk profile.

The remuneration paid to the MB Members and SB Members in the 2023 financial year is consistent with the MB Remuneration Policy and the SB Remuneration Policy, respectively. Therefore, the remuneration paid to our MB Members and SB Members in the 2023 financial year is consistent with the intentions and design of our remuneration policy and thus contributes to the long-term performance of URW NV and the URW Group of which it forms a part. Relevant scenario analyses have been considered in advance in determining the level and structure of the remuneration of the MB Members in the 2023 financial year.

This remuneration report, which describes the remuneration of the MB Members and the SB Members for the financial year 2023, is subject to an advisory vote at URW NV's AGM in 2024. At the AGM held on June 27, 2023, 98,43% of votes were cast in favour of URW NV's remuneration report 2022. In light of this strong level of support and considering that no questions were raised at that General Meeting regarding remuneration, no specifics needed to be addressed in this remuneration report.

The remuneration of the MB Members comprises a Fixed Income ("FI"), a Short-Term Incentive ("STI") and a Long-Term Incentive ("LTI") and may furthermore include pension arrangements, severance pay and other benefits, as described below. The remuneration package of a MB Member shall not include any welcome bonus, contractual non-compete indemnity, additional defined benefits pension scheme or intra-Group board fees.

To support the Remuneration Policy's objectives, the mix of remuneration includes pay-for-performance (STI and LTI). The chart below illustrates the mix of Fixed Income vs pay-for-performance, assuming maximum STI pay-out and the theoretical maximum LTI grant size (IFRS) according to the Management Board Remuneration Policy applicable in 2023.



2.3.2 REMUNERATION RATIO AND PERFORMANCE EVOLUTION

The Dutch Corporate Governance Code ("Code") that applied during 2023 recommended the provision of a ratio comparing the remuneration of the MB Members and that of a "representative reference group" determined by URW NV. We have chosen to compare as per December 31, 2023, the full year average cash remuneration of the MB Members (i.e. excluding the value of equity incentive awards and other non-cash remuneration components) to an equivalent of an average full-time employee³⁷ of URW NV (including its subsidiaries). We have used the aggregate cash remuneration³⁸ from January 1, 2023 to December 31, 2023 as a reference amount³⁹.

In setting the executive remuneration quantum, the SB and the GNRC use internal and external remuneration benchmarks but also take into account the remuneration ratio. The remuneration ratio presented below helps ensuring that executive remuneration remains reasonable compared to the company average and varies with company performance.

³⁷ Average full-time employee includes full-time employees and full-time equivalent of part-time employees. Both fixed term and permanent employees are included. It however excludes MB Members and interns.

³⁸ The cash remuneration includes base salary and annual (cash) bonus.

³⁹ The remuneration of employees who worked at URW NV and its affiliates for less than a year as of December 31, 2023 is annualised. The exchange rate used for compensation paid in USD is the average rate over the period as published by the European Central Bank.

The table below sets out the history of this ratio since the financial year 2018, when URW NV was incorporated.

		2023	2022	2021	2020	2019
Total remuneration paid or granted (including LTI) ⁴⁰	Jean-Marie Tritant, President US	n/a	n/a ⁴¹	n/a ^{3, 4}	€2,238,368	€2,742,740
	Dominic Lowe, COO US	€2,002,814	€2,287,377	€1,696,928	€647,518	n/a
	Gerard Sieben, CFO	€375,151	€358,704	€345,783	€307,953	€292,083
Pay ratio (excluding LTI)	Average cash MB remuneration	€865,103	€839,429	€714,494	€645,310 ⁴²	€947,957
	Company average cash remuneration	€185,912	€164,387	€138,933	€135,710	€138,441
	Multiple of the company average cash remuneration	4.7	5.1	5.1	4.8	6.9
Company performance	Net Operating Result (recurring) in Mn €	€465.7	€481.2	€380.6	€310.4	€525.0

2.3.3 REMUNERATION OF THE MB MEMBERS FOR 2023 FINANCIAL YEAR

The MB Remuneration Policy that was approved by the AGM on June 27, 2023 was applied in 2023 with no deviation.

The remuneration of each MB Member as described in this section includes any such MB Member's remuneration that was charged to any subsidiary of URW NV and/or to any other company whose financial information is consolidated by URW NV.

⁴⁰ The total remuneration paid or granted includes the FI, the STI due for the year (and paid during the following year), the LTI granted during the year and any other additional benefits received during the year.

⁴¹ There is no longer any President US role since 2021.

⁴² As Mr. Lowe replaced Mr. Tritant as MB Member, they count for one unique person for the calculation of the average remuneration of the MB Members for the year 2020.

2.3.3.1 ELEMENTS OF REMUNERATION DUE OR GRANTED FOR THE 2023 FINANCIAL YEAR TO MR DOMINIC LOWE, COO US

Elements of Remuneration	Amounts	Comments																																																																																																																					
Annual Fixed Income - FI <i>(Paid in respect of the 2023 year)</i>	€693,225	Mr Lowe's FI amounts to \$750,000 (i.e. €693,225) per year.																																																																																																																					
Short-Term Incentive - STI <i>(To be paid in 2024 in respect of the 2023 year)</i>	€706,600	The target STI opportunity for 2023 was set at 100% of FI and the maximum at 150% of FI.																																																																																																																					
		<table border="1"> <thead> <tr> <th>Performance measure (scope is US unless specified)</th> <th>Weight</th> <th>Unit</th> <th>Threshold (37.5% of target)</th> <th>Target</th> <th>Stretch (125% of target)</th> <th>Achieved</th> <th>Score (% of target)</th> <th>Payout</th> </tr> </thead> <tbody> <tr> <td>Net Operating Result</td> <td>20%</td> <td>Mn €</td> <td>431.60</td> <td>493.26</td> <td>517.92</td> <td>465.70</td> <td>72.06%</td> <td>€99,917</td> </tr> <tr> <td>Investments/Disposals</td> <td>10%</td> <td></td> <td></td> <td>Undisclosed*</td> <td></td> <td></td> <td>111.89%</td> <td>€77,572</td> </tr> <tr> <td>Leasing renewals/re-lettings</td> <td>5%</td> <td>Mn €</td> <td>134.0</td> <td>162.4</td> <td>173.7</td> <td>162.8</td> <td>100.84%</td> <td>€34,956</td> </tr> <tr> <td>Rent collection</td> <td>5%</td> <td>%</td> <td>90%</td> <td>95%</td> <td>97%</td> <td>97.5%</td> <td>125%</td> <td>€43,331</td> </tr> <tr> <td>Effective rent Uplift</td> <td>5%</td> <td></td> <td></td> <td>Undisclosed*</td> <td></td> <td></td> <td>125%</td> <td>€43,331</td> </tr> <tr> <td>Spot Vacancy</td> <td>10%</td> <td>%</td> <td>13.7%</td> <td>8.7%</td> <td>6.7%</td> <td>8.5%</td> <td>102.5%</td> <td>€71,062</td> </tr> <tr> <td>Gross Admin expenses</td> <td>5%</td> <td></td> <td></td> <td>Undisclosed*</td> <td></td> <td></td> <td>125%</td> <td>€86,661</td> </tr> <tr> <td>New revenues growth</td> <td>10%</td> <td></td> <td></td> <td>Undisclosed*</td> <td></td> <td></td> <td>0%</td> <td>€0</td> </tr> <tr> <td>Female Exec. Pipeline (Group)</td> <td>5%</td> <td>%</td> <td>40.0%</td> <td>54.3%</td> <td>60.0%</td> <td>56.5%</td> <td>109.78%</td> <td>€38,055</td> </tr> <tr> <td>GHG emissions (Group)</td> <td>5%</td> <td>tCO₂eq</td> <td>46,243</td> <td>44,518</td> <td>43,828</td> <td>29,365</td> <td>125%</td> <td>€43,331</td> </tr> <tr> <td>Qualitative performance</td> <td>20%</td> <td></td> <td></td> <td>See details below</td> <td></td> <td></td> <td>105%</td> <td>€145,591</td> </tr> <tr> <td>TOTAL</td> <td>100%</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>101.9%</td> <td>€706,600</td> </tr> </tbody> </table> <p>* these objectives and actual achievements are commercially sensitive and therefore not disclosed.</p> <p>The gross STI was determined by the SB on March 19, 2024, upon the recommendation of the GNRC, and is before income tax and social security charges. The equivalent amount in USD is \$764,459.</p> <p>Among significant individual objectives achieved by Mr Lowe in 2023:</p> <ul style="list-style-type: none"> • Various process improvement and simplification projects conducted in the US, with significant cost reduction achieved; • Contributed significantly to Group deleveraging by signing 6 non-core asset disposals; • Employee engagement increased from 58% in 2022 to 72% in 2023; • Ongoing projects for developing renewable energy, EV charging, battery storage strategy and business model. <p>The STI paid in 2023 in respect of 2022 was \$785,344 (104.7% of target opportunity).</p>	Performance measure (scope is US unless specified)	Weight	Unit	Threshold (37.5% of target)	Target	Stretch (125% of target)	Achieved	Score (% of target)	Payout	Net Operating Result	20%	Mn €	431.60	493.26	517.92	465.70	72.06%	€99,917	Investments/Disposals	10%			Undisclosed*			111.89%	€77,572	Leasing renewals/re-lettings	5%	Mn €	134.0	162.4	173.7	162.8	100.84%	€34,956	Rent collection	5%	%	90%	95%	97%	97.5%	125%	€43,331	Effective rent Uplift	5%			Undisclosed*			125%	€43,331	Spot Vacancy	10%	%	13.7%	8.7%	6.7%	8.5%	102.5%	€71,062	Gross Admin expenses	5%			Undisclosed*			125%	€86,661	New revenues growth	10%			Undisclosed*			0%	€0	Female Exec. Pipeline (Group)	5%	%	40.0%	54.3%	60.0%	56.5%	109.78%	€38,055	GHG emissions (Group)	5%	tCO ₂ eq	46,243	44,518	43,828	29,365	125%	€43,331	Qualitative performance	20%			See details below			105%	€145,591	TOTAL	100%						101.9%	€706,600
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Long-Term Incentive - LTI Performance Shares (PS) and Performance Stock Options (SO) <i>(Granted during the 2023 year)</i> <i>(Economic value at the grant date according to IFRS 2 requirements, based on the evaluation conducted by Willis Towers Watson)</i>	€558,128	<p>The maximum LTI opportunity is 120% of FI (180% in exceptional circumstances).</p> <p>The SB, upon the recommendation of the GNRC, granted a combination of PS and SO to Mr Lowe, dated March 13, 2023, with the following characteristics:</p> <table border="1"> <thead> <tr> <th></th> <th>Presence condition</th> <th>Performance period</th> <th>Performance condition</th> <th>Strike price</th> <th>Number of units</th> <th>Economic value (IFRS)</th> </tr> </thead> <tbody> <tr> <td>PS</td> <td>2 years of continuous presence before the date of vesting or exercise</td> <td>3 years</td> <td>80% financial (35% Relative TSR, 10% Absolute TSR, 35% AREPS)</td> <td>n/a</td> <td>17,361</td> <td>€453,740 \$487,711*</td> </tr> <tr> <td>SO</td> <td></td> <td>3 years</td> <td>20% CSR (10% GHG emissions, 10% executive gender balance)</td> <td>€58.98 (no discount)</td> <td>26,046</td> <td>€104,388 \$111,998*</td> </tr> <tr> <td>TOTAL</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>€558,128 <i>(i.e. \$600,000 = 80% of FI*)</i></td> </tr> </tbody> </table> <p>*Based on exchange rate published by the European Central Bank at grant date</p> <p>Mr. Lowe has received SO and PS as COO US on May 21, 2021 and March 8, 2022 only. As such he has no Performance Shares vested nor Stock Options exercisable yet in this capacity.</p>		Presence condition	Performance period	Performance condition	Strike price	Number of units	Economic value (IFRS)	PS	2 years of continuous presence before the date of vesting or exercise	3 years	80% financial (35% Relative TSR, 10% Absolute TSR, 35% AREPS)	n/a	17,361	€453,740 \$487,711*	SO		3 years	20% CSR (10% GHG emissions, 10% executive gender balance)	€58.98 (no discount)	26,046	€104,388 \$111,998*	TOTAL						€558,128 <i>(i.e. \$600,000 = 80% of FI*)</i>																																																																																									
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Pension	€18,301	Mr Lowe benefits from a defined contribution pension plan (401 K type) with a company matching done under the same terms and conditions as the local employees.																																																																																																																					
Life and health insurance	€26,570	Mr Lowe benefits from benefits applicable to all employees in his work country, including life and health insurance and social security benefits.																																																																																																																					
Service agreement	Yes	The service agreement between URW NV and Mr Dominic Lowe is in force since June 29, 2021.																																																																																																																					

Elements of Remuneration Amounts Comments

TOTAL €2,002,814

As a result to the above-mentioned figures, the fixed and variable remuneration components weigh 36.8% and 63.2% of total remuneration.

2.3.3.2 ELEMENTS OF REMUNERATION DUE OR GRANTED FOR THE 2023 FINANCIAL YEAR TO MR GERARD SIEBEN, CHIEF FINANCIAL OFFICER (CFO)

Elements of Remuneration Amounts Comments

Annual Fixed Income - FI (paid in respect of the 2023 year) €185,012 The FI of the CFO may benefit from the usual annual salary indexation applicable in the Netherlands under the same terms and conditions.

Short-Term Incentive - STI (to be paid in 2024 in respect of the 2023 year) €50,341 The target STI opportunity is 25% of FI.

Performance measure (URW Group)	Weight	Unit	Threshold (37.5% of target)	Target	Stretch (125% of target)	Achieved	Score (% of target)	Payout
AREPS	35%	€	9.30	9.54	9.64	9.62	120.5%	€19,506
Net Debt	10%	Bn €	21.42	20.71	20.42	21.20	56.8%	€2,626
Liquidity	5%	×	1.0 ×	1.3 ×	1.5 ×	2.93 ×	125%	€2,891
Rent collection	5%	%	90%	95%	97%	97.4%	125%	€2,891
Gross Admin expenses	15%	Mn €	-557.4	-543.1	-537.4	-511.0	125%	€8,672
Gender parity improvement	5%	%	40.0%	54.3%	60.0%	56.5%	109.8%	€2,539
GHG emissions	5%	tCO2	46,243	44,518	43,828	29,365	125%	€2,891
Qualitative performance	20%		See details below				90%	€8,326
TOTAL	100%						108.8%	€50,341

The gross STI was determined by the SB on March 19, 2024, upon the recommendation of the GNRC, and is before income tax and social security charges.

Among significant individual objectives achieved by Mr Sieben in 2023:

- **Reporting:** improved coordination between F&A teams in the US and the Netherlands leading to improved reporting quality and timeliness;
- **Deleveraging:** successful conversion of an interest-bearing loan into a capital security safeguarding URW NV's Loan-to-Value;
- **Corporate Governance:** implemented the updated Dutch Corporate Governance Code for URW NV; supported the transfer of URW Group listing from Euronext Amsterdam to Euronext Paris;
- **ESG:** further strengthening of community-oriented projects and actions of URW NV in the Netherlands.

The total STI paid in 2023, in respect of 2022, was €47,676 (103.1% of target STI).

Long-Term Incentive - LTI €89,631 The maximum LTI opportunity is 70% of FI, 180% in exceptional circumstances.

Performance Shares (PS) and Performance Stock Options (SO) (Granted during the 2023 financial year) (Economic value at the grant date according to IFRS 2 requirements, based on the evaluation conducted by Willis Towers Watson)

The SB, upon the recommendation of the GNRC, granted a combination of PS and SO to Mr Sieben, dated March 13, 2023, with the following characteristics:

	Presence condition	Performance period	Performance condition	Strike price	Number of units	Economic value (IFRS)
PS	2 years of continuous presence before the date of vesting or exercise	3 years	80% financial (35% Relative TSR, 10% Absolute TSR, 35% AREPS)	n/a	2,788	€72,860
SO		3 years	20% CSR (10% GHG emissions, 10% executive gender balance)	€58.98 (no discount)	4,183	€16,765
TOTAL						€89,631 (50% of FI)

Mr Sieben has received SO and PS grant since 2019. As such, according to the performance of the LTI plan 2020 assessed at 40%, on March 21, 2023, he received 1,212 PS, and from that date 2,192 SO were exercisable until March 21, 2028.

The SO and PS granted to Mr Sieben on March 13, 2023 will vest on March 13, 2026.

Pension €24,552 Mr Sieben benefits from a defined contribution pension plan.

Benefits in Kind €25,615 Mr Sieben benefits from a company car.

Service agreement Yes The service agreement between URW NV and Mr Gerard Sieben is in force since June 7, 2018.

TOTAL €375,151

As a result to the above-mentioned figures, the fixed and variable remuneration components weigh 61.6% and 38.4% of total remuneration, respectively.

2.4 REMUNERATION PAID TO THE SB MEMBERS FOR 2023 FINANCIAL YEAR

The remuneration policy of the SB Members is intended to attract, motivate and retain high calibre individuals with an appropriate degree of expertise and experience, which contributes to the long-term interests, sustainability, identity, mission and value of the Company and its business, considering the interests of the URW Group of which it forms part.

The SB remuneration policy is determined by the AGM, at the proposal of the SB, upon the recommendation of the GNRC.

SB Members receive an annual fee. In an increasingly competitive international environment, all SB Members also receive an out of country indemnity for time spent on their duties as SB Members outside their country of residence.

While attendance of SB and relevant committee meetings is of course expected from all SB Members, we also award attendance fees as outlined below to compensate the SB Members adequately and proportionately for their efforts.

In order to ensure a high standard of supervision and monitoring of the Company strategy as well as to avoid any potential conflict of interest, the SB Members do not receive any remuneration related to Company performance.

The remuneration policy for the SB Members remains unchanged in 2023. The current SB remuneration policy was approved by the AGM on June 29, 2021.

2.4.1 REMUNERATION PAID TO THE SB MEMBERS

In 2023 remuneration of the SB members amounted to €266,000. Mr. Jean-Marie Tritant, Mr. Fabrice Mouchel and Ms. Aline Taireh did not receive any remuneration for their SB membership. URW NV has not awarded any options or shares to members of the SB as remuneration for their services as SB members. No loans or guarantees were granted to members of the SB.

EVOLUTION OF REMUNERATION OF THE SB MEMBERS

SB Members	2023	2022	2021	2020	2019
Mr. Jean-Marie Tritant ⁽²⁾	€0	€0	€0	NA	NA
Mr. Fabrice Mouchel	€0	€0	€0	NA	NA
Mr. Jean-Louis Laurens	€136,000	€138,000	€130,000	€135,500	€135,000
Mr. Alec Pelmore ⁽³⁾	€0	€0	€0	€122,000	€120,000
Mrs. Catherine Pourre	€130,000	€122,500	€109,417	NA	NA
Ms. Aline Taireh ⁽⁴⁾	€0	€0	€0	€0	€0
TOTAL	€266,000	€260,500	€239,417	€257,500	€255,000

(1) The 2018 remuneration was applied pro rata temporis.

(2) Mr. Jean-Marie Tritant has received in 2021 a tax equalisation payment related to his former capacity as MB member in 2020. The amount is €469,644. The Remuneration received as MB member in 2018, 2019 and 2020 is disclosed in the corresponding Annual Report.

(3) On December 17, 2020, the Supervisory Board took note of the resignation of Mr. Alec Pelmore with effect January 4, 2021.

(4) Ms. Aline Taireh did not receive any compensation for her SB membership.

2.4.2 NUMBER OF STAPLED SHARES, SO AND PS HELD BY MB MEMBERS AND SB MEMBERS AS AT DECEMBER 31, 2023

MB and SB Members	Stapled Shares Owned	Non-exercised SO	PS subject to vesting period
Mr. Dominic Lowe	1,335	88,767	60,611
Mr. Gerard Sieben	897	19,354	8,321
Mr. Jean-Marie Tritant	51,764*	258,159	109,793
Mr. Fabrice Mouchel	31,811**	188,470	82,345
Mr. Jean-Louis Laurens	363	0	0
Mrs. Catherine Pourre	105,446	0	0
Ms. Aline Taireh	1,345***	32,670	14,733

* Excluding 5,033 Stapled Shares held via the URW SE Company Saving Plan.

** Excluding 8,885 Stapled Shares held via the URW SE Company Saving Plan.

*** Including 305 Stapled Shares held through CDI's.



**FINANCIAL STATEMENTS AS
AT DECEMBER 31, 2023**

On March 19, 2024, the Supervisory Board approved the consolidated financial statements of Unibail-Rodamco-Westfield N.V. for the year ended December 31, 2023, and authorised their publication. These consolidated financial statements will be submitted to the approval of the Annual General Meeting expected to be held on June 12, 2024.

3.1 CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are presented in millions of euros, rounded to the nearest hundred thousand and, as a result, slight differences between rounded figures may exist throughout chapter 3.

3.1.1 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€Mn)	Notes	2023	2022
Gross rental income	5.3	346.5	386.8
<i>Service charge income</i>		30.5	47.4
<i>Service charge expenses</i>		(42.2)	(65.0)
<i>Property operating expenses</i>		(113.6)	(126.0)
Operating expenses and net service charges		(125.3)	(143.6)
Net rental income		221.3	243.2
Net property services and other activities income		0.2	0.5
Share of result of companies accounted for using the equity method	7.2	(275.7)	(223.5)
Corporate expenses		(12.0)	(15.8)
Depreciation of tangible assets	6.2.2	(6.5)	(4.8)
Administrative expenses		(18.5)	(20.7)
Acquisition and related costs	5.2.4	(5.1)	(5.9)
Result on disposal of investment properties and loss of control	2.1.1/2.2.1	28.1	(2.9)
Valuation gains on assets		114.0	41.8
Valuation losses on assets		(298.4)	(439.9)
Valuation movements on assets	6.4	(184.4)	(398.1)
NET OPERATING RESULT		(234.1)	(407.4)
<i>Financial income</i>		68.9	52.3
<i>Financial expenses</i>		(517.3)	(414.2)
Net financing costs	8.2.1	(448.3)	(361.9)
Fair value adjustments of derivatives, debt and currency effect	8.2.2	(45.2)	523.8
RESULT BEFORE TAX		(727.5)	(245.4)
Income tax benefit/(expenses)	9.2	35.1	11.7
NET RESULT FOR THE PERIOD		(692.4)	(233.7)
Net result for the period attributable to:			
Owners of Unibail-Rodamco-Westfield N.V. shares		(609.6)	(152.2)
Non-controlling interests		(82.8)	(81.5)
NET RESULT FOR THE PERIOD		(692.4)	(233.7)

		2023	2022
Average numbers of shares (undiluted)	14.2	232,213,679	231,965,297
Net result of the period (Owners of Unibail-Rodamco-Westfield N.V.)		(609.6)	(152.2)
Net result for the period per share (Owners of Unibail-Rodamco-Westfield N.V.) (€)		(2.63)	(0.66)
Average numbers of shares (diluted)	14.2	233,134,024	232,698,629
Net result of the period (Owners of Unibail-Rodamco-Westfield N.V.)		(609.6)	(152.2)
Diluted net result per share (Owners of Unibail-Rodamco-Westfield N.V.) (€) ⁽¹⁾		(2.63)	(0.66)

(€Mn)		2023	2022
NET RESULT FOR THE PERIOD		(692.4)	(233.7)
Foreign currency differences on translation of financial statements of subsidiaries and net investments in these subsidiaries ⁽²⁾		(35.6)	133.6
Other comprehensive income that may be subsequently recycled to profit and loss		(35.6)	133.6
OTHER COMPREHENSIVE INCOME		(35.6)	133.6
TOTAL COMPREHENSIVE INCOME		(728.0)	(100.0)
Total Comprehensive Income for the period attributable to:			
Owners of Unibail-Rodamco-Westfield N.V. shares		(655.4)	(10.0)
External non-controlling interests		(72.6)	(90.0)
TOTAL COMPREHENSIVE INCOME		(728.0)	(100.0)

(1) In case of a negative net result for the period, the diluted net result per share is equal to the net result for the period per share. For 2023 and 2022 the EPS are antidilutive.

(2) The amount is presented net of related tax effects.

3.1.2 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€Mn)	Notes	December 31, 2023	December 31, 2022
Non-current assets		8,643.8	10,290.0
Investment properties	6.1	4,219.7	4,902.5
<i>Investment properties at fair value</i>		4,217.4	4,893.5
<i>Investment properties at cost</i>		2.3	9.0
Shares and investments in companies accounted for using the equity method	7.2	4,078.3	4,901.7
Tangible assets	6.2	9.6	13.2
Intangible assets	6.3	248.4	211.2
Financial assets	8.3.1	55.0	118.2
Deferred tax assets	9.3	-	0.6
Derivatives at fair value	8.4	32.8	142.6
Current assets		1,241.0	277.2
Properties or shares held for sale ⁽¹⁾		131.5	-
Inventories		29.3	34.3
Trade receivables from activity	8.3.1	73.8	86.3
Tax receivables		5.3	3.7
Other receivables	8.3.1	963.0	76.9
Cash and cash equivalents	8.3.6	38.1	76.0
Total assets		9,884.8	10,567.2
SHAREHOLDERS' EQUITY (OWNERS OF UNIBAIL-RODAMCO-WESTFIELD N.V. SHARES)		861.3	1,017.2
Share capital	14.2	116.1	116.0
Additional paid-in capital	14.3	2,243.1	2,243.3
Consolidated reserves	3.1.4	(3,100.7)	(2,948.3)
Foreign currency translation reserves		211.3	257.0
Consolidated result	3.1.1	(609.6)	(152.2)
Capital securities	14.6	2,001.1	1,501.4
<i>Equity attributable to the owners of Unibail-Rodamco-Westfield N.V.</i>		861.3	1,017.2
Non-controlling interests	15.4	(319.8)	(250.5)
Total shareholders' equity		541.4	766.5
NON-CURRENT LIABILITIES		7,926.6	8,557.6
Long-term commitment to non-controlling interests	8.3.7	427.7	460.4
Long-term bonds and borrowings	8.3.3	7,303.5	7,773.3
Long-term lease liabilities	8.3.3	4.9	36.7
Derivatives at fair value	8.4	31.9	45.4
Deferred tax liabilities	9.3	113.1	111.5
Non-current provisions	10	11.1	35.0
Guarantee deposits		5.1	5.2
Amounts due on investments	12	2.0	6.3
Other non-current liabilities		27.3	83.8
Current liabilities		1,416.8	1,243.1
Liabilities directly associated with properties or shares classified as held for sale		-	-
Current commitment to non-controlling interests	8.3.7	111.5	91.5
Amounts due to suppliers and other creditors		136.8	154.3
<i>Amounts due to suppliers</i>		60.2	86.4
<i>Amounts due on investments</i>	12	41.3	38.0
<i>Sundry creditors</i>		35.3	29.9
Other current liabilities	11	174.7	236.7
Current borrowings and amounts due to credit institutions	8.3.3	991.3	752.3
Current lease liabilities	8.3.3	1.2	6.9
Current provisions	10	1.3	1.4
Total liabilities and equity		9,884.8	10,567.2

(1) In H2-2023, URW signed a Sale, Purchase and Escrow Agreement with a \$30 Mn non-refundable cash deposit for the disposal of Westfield Oakridge.

3.1.3 CONSOLIDATED STATEMENT OF CASH FLOWS

(€Mn)	Notes	2023	2022
OPERATING ACTIVITIES			
Net result		(692.4)	(233.7)
Depreciation & provisions ⁽¹⁾		(0.5)	(5.7)
Changes in value of property assets	6.4	184.4	398.1
Changes in fair value of derivatives, debt and currency effect	8.2.2	45.2	(523.8)
Result on disposal of investment properties and loss of control ⁽²⁾		(28.1)	2.9
Share of the result of companies accounted for using the equity method		277.0	223.5
Net financing costs	8.2.1	448.3	361.9
(Income) tax benefit/expenses	9.2	(35.1)	(11.7)
Dividend received from companies accounted for using the equity method or non-consolidated ⁽⁴⁾		269.8	554.0
Income tax (paid) received		(2.3)	(1.3)
Change in working capital requirement		(5.2)	20.0
Total cash flow from operating activities		461.1	784.2
INVESTMENT ACTIVITIES			
Property activities		106.4	(80.7)
Amounts paid for works and acquisition of property assets	6.5	(64.1)	(61.4)
Repayment of property financing		2.1	0.2
Increase of property financing ⁽³⁾		(32.8)	(60.2)
Disposal of investment properties and loss of control	2.1.1/2.2.1	201.2	40.7
Financial activities		(919.5)	(0.2)
Acquisition/issuing of financial assets		(920.4)	(0.2)
Repayment of financial assets		0.9	-
Total cash flow from investment activities		(813.1)	(80.9)
FINANCING ACTIVITIES			
Increase in capital		0.1	0.1
New borrowings and financial liabilities	8.3.3	1,617.2	327.8
Repayment of borrowings and financial liabilities	8.3.3	(1,029.7)	(684.5)
Cash flows from derivatives		68.8	55.0
Interest paid ⁽⁵⁾		(448.8)	(378.8)
Other financing activities		110.7	-
Total cash flow from financing activities		318.3	(680.4)
Change in cash and cash equivalents during the period		(33.6)	22.9
Net cash and cash equivalents at the beginning of the year		76.0	50.5
Effect of exchange rate fluctuations on cash held		(4.3)	2.6
Net Cash and cash equivalents at period-end	8.3.6	38.1	76.0

(1) Includes straight lining of key money and lease incentives.

(2) Includes capital gains/losses on property sales, disposals of held for sale investment properties and disposals of operating assets.

(3) Capital contributions from/to Joint Ventures.

(4) In 2023, includes €80.5 Mn (2022: €343.2 Mn) of distributions made by US companies accounted for using the equity method, following the disposal of their assets.

(5) This amount included an amount that relates to interest received.

3.1.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(€Mn)	Share capital	Additional paid-in capital	Consolidated reserves	Consolidated net result	Foreign currency translation reserve ⁽¹⁾	Capital securities	Equity attributable to the owners of URW NV shares	Non-controlling interests	Total Shareholders' equity
EQUITY AS AT DECEMBER 31, 2021	115.9	2,243.3	(2,159.9)	(788.2)	114.8	1,251.4	777.2	(160.5)	616.7
Net result of the period	-	-	-	(152.2)	-	-	(152.2)	(81.5)	(233.7)
Other comprehensive income	-	-	-	-	142.3	-	142.3	(8.6)	133.6
Net comprehensive income	-	-	-	(152.2)	142.3	-	(10.0)	(90.0)	(100.0)
Earnings appropriation	-	-	(788.2)	788.2	-	-	-	-	-
Increase in capital	0.1	-	-	-	-	-	0.1	-	0.1
Restatement of hybrid securities	-	-	(0.2)	-	-	-	(0.2)	-	(0.2)
Amendment related party liabilities ⁽²⁾	-	-	-	-	-	249.9	249.9	-	249.9
EQUITY AS AT DECEMBER 31, 2022	116.0	2,243.3	(2,948.3)	(152.2)	257.0	1,501.4	1,017.2	(250.5)	766.5
Net result of the period	-	-	-	(609.6)	-	-	(609.6)	(82.8)	(692.4)
Other comprehensive income	-	-	-	-	(45.8)	-	(45.8)	10.2	(35.6)
Net comprehensive income	-	-	-	(609.6)	(45.8)	-	(655.4)	(72.6)	(728.0)
Earnings appropriation	-	-	(152.2)	152.2	-	-	-	-	-
Increase in capital	0.1	(0.2)	-	-	-	-	(0.1)	-	(0.1)
Restatement of hybrid securities	-	-	(0.2)	-	-	-	(0.2)	-	(0.2)
Amendment related party liabilities ⁽²⁾	-	-	-	-	-	499.7	499.7	-	499.7
Change in scope of consolidation and other	-	-	0.1	-	-	-	0.1	3.4	3.4
EQUITY AS AT DECEMBER 31, 2023	116.1	2,243.1	(3,100.7)	(609.6)	211.3	2,001.1	861.3	(319.8)	541.4

(1) The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.
(2) Reference is made to Note 2.1.3. and 2.2.2.

3.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 • CORPORATE INFORMATION

Unibail-Rodamco-Westfield N.V. ("URW NV" or "the Company") is a public limited liability company under the laws in the Netherlands, whose class A shares are publicly traded as Stapled Shares on the Paris Stock Exchange, as well as in the form of CHESS Depository interests (CDIs) on the Australian Securities Exchange.

The Company was incorporated as Unibail-Rodamco B.V., a private company with limited liability under the laws of the Netherlands on February 14, 2018. On March 22, 2018, the Company changed its legal name to WFD Unibail-Rodamco N.V. and converted its legal form to a public limited liability company pursuant to a notarial deed of amendment and conversion in accordance with a resolution of the General Meeting adopted on March 15, 2018. In June 2020, the corporate name changed from WFD Unibail-Rodamco N.V. to Unibail-Rodamco-Westfield N.V. The Company has its corporate seat in Amsterdam and its registered office is located at Schiphol Boulevard 315, Schiphol, the Netherlands. The Chamber of Commerce number is 70898618.

These consolidated financial statements as at December 31, 2023, comprise the Company and its subsidiaries (together referred to as "the Group").

The Group's objectives are:

- to invest in assets, primarily through the direct or indirect acquisition of real estate, in such a manner that the ensuing risks are spread in order to allow shareholders to share in the proceeds;
- to enter into cash pooling arrangements with, to provide financing to and to furnish guarantees for the benefit of Unibail-Rodamco-Westfield (the "URW Group") and other affiliated bodies of the Company whose assets, on a consolidated basis, nearly exclusively consist of real estate and/or associated rights;
- to incorporate, to participate in, to hold any other interest in and to conduct the management or supervision of bodies whose objects and actual activities are to invest in assets;
- to invest in the improvement or expansion of real estate;
- to acquire, to manage, to invest, to exploit, to encumber and to dispose of other assets and liabilities and to provide any other act or service; and
- to do anything which, in the widest sense, is connected with or may be conducive to the objects described above,

in each case taking into account the restrictions applicable to the Group under the fiscal investment institution regime as laid down in section 28 of the Corporate Income Tax Act ("CITA"), or such statutory provision which replaces section 28 CITA.

As from June 7, 2018, after the completion of the Westfield acquisition by Unibail-Rodamco-Westfield SE ("URW SE", formerly Unibail-Rodamco SE), URW NV is held for 60% directly by Unibail-Rodamco-Westfield shareholders (Stapled Share principle) and 40% directly by URW SE.

Together with URW SE and its subsidiaries, the Group forms Unibail-Rodamco-Westfield ("URW Group").

NOTE 2 • SIGNIFICANT EVENTS OF THE YEAR

The activity of the Group is not significantly affected by seasonality.

2.1 SIGNIFICANT EVENTS OF 2023

2.1.1 Disposal for the year ended December 31, 2023

DISPOSALS

Disposal of Westfield North County

On February 1, 2023, the Group completed the sale of the Westfield North County ground lease located in Escondido, California, to Bridge Group Investments and Steerpoint Capital, transferring ownership and management of the asset. The sale price of \$57 Mn (at 100%, URW share 55%) for the asset, which has 30 years left on its ground lease, reflects the property's book value as at December 31, 2022.

Disposal of Westfield Brandon

On May 25, 2023, URW disposed Westfield Brandon Shopping Centre in the US. The sale price of \$220 Mn (URW share 100%) reflects a 10.0% net initial yield and a 4.4% discount to the latest unaffected appraisal.

Disposal of Westfield Mission Valley

On July 21, 2023, the Group completed the sale of Westfield Mission Valley Shopping Centres in San Diego, California, for a total amount of \$290 Mn (at 100%, URW share 42%), including the sale of Westfield Mission Valley "East" to Lowe Enterprises and Real Capital Solutions, and Westfield Mission Valley "West" to Sunbelt Investment Holdings Inc. The transaction value reflects a combined initial yield of 8.5% on the in-place net operating income ("NOI") and a 12% discount to the last unaffected appraisal.

Disposal of Westfield Valencia Town Center

On September 4, 2023, the Group completed the sale of Westfield Valencia Town Center, in Santa Clarita, California, to Centennial Real Estate at a total value of \$199 Mn (at 100%, URW share 50%), above the \$195 Mn debt amount (at 100%, URW share 50%) on the asset. The transaction value reflects less than 3% discount to its last unaffected appraisal.

Investment property classified as held for sale

In H2-2023, URW signed a Sale, Purchase and Escrow Agreement with a \$30 Mn non-refundable cash deposit for the disposal of Westfield Oakridge. The transaction is expected to be completed in Q2-2024.

The disposal results on the above-mentioned transactions are recorded in the Consolidated statement of comprehensive income:

- For the fully consolidated assets, the Result on disposal of investment properties and loss of control amounts to €28.1 Mn, including €43.5 Mn of asset deals, and -€15.4 Mn of share deals;
- For the assets accounted for using the equity method, URW's stake in the net disposal result of -€8.8 Mn is recorded within Share of the result of companies accounted for using the equity method.

2.1.2 Foreclosure of US assets

On October 26, 2023, San Francisco Centre and Emporium (offices included) was put on foreclosure. The Group lost control of the asset (asset value of \$301 Mn as at June 30, 2023) and the companies holding it were thus deconsolidated together with the debt allocated to it (\$340 Mn).

2.1.3 €500 Mn loan conversion

€500 Mn of the loan with an original nominal value of €1,250 Mn, of which already €750 Mn has been converted earlier, has been converted into a capital security with a 99-year maturity as per December 31, 2023. The remaining part of the loan is €55.4 Mn.

The converted part qualifies as equity with the exception of the amount due on this instrument, which is initially measured at fair value at balance sheet date (€0.2 Mn at December 31, 2023) and subsequently at amortised cost using the effective interest method. The amendment fee paid to URW SE of €12.5 Mn has been recorded in 2023 under financial expenses.

2.1.4 Euronext listing

Following the request filed by Unibail-Rodamco-Westfield Group (URW Group) with Euronext as announced on February 9, 2023, the URW Group has obtained the approval of the Euronext Listing Board on February 28, 2023 to change its market of reference from Euronext Amsterdam to Euronext Paris and delist the URW Group stapled shares from Euronext Amsterdam, while maintaining their listing on Euronext Paris. Pursuant to the timing validated by Euronext:

- The change of its market of reference from Euronext Amsterdam to Euronext Paris was effective on April 14, 2023;
- The last day of trading on Euronext Amsterdam was April 27, 2023; and
- The delisting from Euronext Amsterdam was effective on April 28, 2023.

2.1.5 Exchange offer on the Perp-NC 2023 hybrid

On June 20, 2023, the URW Group launched an any-and-all par-for-par Exchange Offer on its €1.25 Bn hybrid Perp-NC23 notes ("Old Notes") into a combination of (i) new Euro denominated Perp-NC28 hybrid notes with a coupon of 7.25% ("New Notes") and (ii) a cash amount when applicable. The term and conditions of the New Notes provide the issuer with a call option in 2028.

The Exchange Offer was completed on June 26, 2023⁴³ corresponding to:

- €1.15 Bn of Old Notes validly submitted for exchange and cancelled at the Settlement Date on July 3, 2023;
- €995 Mn of New Notes issued at the Settlement Date; and
- €155 Mn of cash paid out at the Settlement Date (the Cash Amount).

⁴³ With a Settlement Date on July 3, 2023.

URW NV did act as guarantor for the €1.25 Bn hybrid Perp-NC23 notes (“Old Notes”) and will act as guarantor for these Euro denominated Perp-NC28 hybrid notes (“New Notes”).

2.1.6 Unwinding of Macro Swaps in 2023

In H1-2023 URW NV unwound the Macro Swaps in place, the net effect on the condensed consolidated interim statement of comprehensive income was €4.9 Mn. Reference to 8.4.

2.1.7 New financing for Westfield Century City

On August 18, 2023, URW Group announced that Westfield Century City in Los Angeles, California has successfully raised €837.1 Mn (\$925 Mn) of new financing as part of the URW Group’s ongoing financial planning.

2.1.8 Changes in related party transactions

Loan to URW America Inc.

All USD interest bearing loans from URW SE to URW America Inc were amended in the year ended December 31, 2023. This results in all comparable loans for the year ended December 31, 2022 to be amended with a fixed SOFR interest rate of 5.6806% and a maturity date of July 3, 2028.

Loan to and from WALP

All USD interest bearing loans from URW SE to WALP were amended in the year ended December 31, 2023. This results in all comparable loans for the year ended December 31, 2022 to be amended with a fixed SOFR interest rate of 5.6806% and a maturity date of July 3, 2028.

For the year ended December 31, 2023 URW SE entered into a new loan with WALP where URW SE is the borrower. The balance of the loan as at December 31, 2023 is \$964.0 Mn (€872.4 Mn). The interest rate is SOFR fixed at 6.8251%. The maturity date of the loan is July 30, 2024.

Loan to URW NV

During the period, URW NV has an interest-bearing loan from URW SE. The loan was amended in 2023, the new fixed interest rate is 5.1% (December 31, 2022: 1.44%) and the new maturity date is May 31, 2028 compared to the original maturity date of May 31, 2023.

During the period, URW NV had a EUR and USD current account facility with URW SE. The credit facilities were amended with effective date December 31, 2023, the amended interest rate is EURIBOR 3 Months (December 31, 2022: EURIBOR+ 0.85%) for the EUR facility and SOFR +1.4% margin before April 1, 2024 and +1.58% on or after April 1, 2024 (December 31, 2022: LIBOR + 1.4%) for the USD facility. The amended maturity date for both contracts is April 1, 2028 (December 31, 2022: April 1, 2024).

2.2 SIGNIFICANT EVENTS OF 2022

2.2.1 Disposal and acquisitions

ACQUISITIONS

The Group acquired the Seritage box at Westfield Galleria Roseville in 2022.

DISPOSALS

Sale of the site of the former Promenade Mall

On March 15, 2022, URW announced the sale of the 34-acre site of the former Promenade Mall, located in the San Fernando Valley of Los Angeles, to a group of private investors for \$150 Mn (at 100%, URW share 55%) reflecting a 60% premium to the latest appraisal.

As the company is accounted for using the equity method, the URW’s stake in the net disposal result of +€19.8 Mn is recorded within the share of the result of companies accounted for using the equity method.

Disposal of Westfield Santa Anita

On August 25, 2022, the Group completed the sale of Westfield Santa Anita in Arcadia, California, to an established commercial real estate investor who owns other retail assets in Southern California.

The sale price of \$537.5 Mn (at 100%, URW share 49%), reflects a sub-6% net initial yield and a 10.7% discount to the latest unaffected appraisal as of December 2021.

As the company is accounted for using the equity method, the URW’s stake in the net disposal result of -€32.4 Mn is recorded within the share of the result of companies accounted for using the equity method.

Disposal of The Village in San Fernando Valley

On December 27, 2022, the Group announced it had completed the sale of The Village, an outdoor lifestyle destination in the San Fernando Valley of Los Angeles, to the Kroenke Organisation. The sale price of \$325 Mn (at 100%, URW share 55%), reflects a 10.6% discount to the last unaffected appraisal. The net disposal result amounted to -€20.9 Mn and was recorded in the consolidated statement of comprehensive income.

Disposal of Westfield Trumbull and Westfield South Shore Shopping Centres

On December 30, 2022, the Group announced that it has completed the sale of Westfield Trumbull located in Trumbull, Connecticut and Westfield South Shore located in Bay Shore, New York to a commercial real estate investment firm. The combined gross sale price of these wholly owned regional assets at \$196 Mn is equal to their gross market value.

Disposal of Kerkstraat Hilversum

On December 2, 2022, the Group completed the sale of Kerkstraat in Hilversum, the Netherlands to an established real estate investor for €7.0 Mn.

2.2.2 €250 Mn loan conversion

An additional part (€250 Mn) of the loan with an original nominal value of €1,250 Mn, of which already €500 Mn has been converted earlier, has been converted into a capital security with a 99-year maturity as per December 31, 2022. The remaining part of the loan is €543.7 Mn.

The converted part qualifies as equity with the exception of the amount due on this instrument, which is initially measured at fair value at balance sheet date (€0.1 Mn at December 31, 2022) and subsequently at amortised cost using the effective interest method. The amendment fee paid to URW SE of €5.4 Mn and the remaining amortised upfront fee of €0.3 Mn are recorded in 2022 under financial expenses.

NOTE 3 • ACCOUNTING POLICIES

In accordance with the regulation of the European Community (EC) no. 1606/2002 of July 19, 2002, on the application of international accounting standards, URW NV has prepared its consolidated financial statements for the financial year ending December 31, 2023 under International Financial Reporting Standards (IFRS) as adopted in the European Union and applicable at this date and with Section 2:362(9) of the Dutch Civil Code.

The IFRS standards can be consulted on the website:
http://ec.europa.eu/finance/company-reporting/ifrs-financial-statements/index_en.htm.

The Group's financial statements have been prepared on a historical cost basis, except for investment properties, non-listed equity investment, derivative financial instruments, commitment to non-controlling interests which have been measured at fair value.

3.1 IFRS BASIS ADOPTED

The accounting principles and methods used are the same as those applied for the preparation of the annual consolidated financial statements as at December 31, 2022, except for the application of the new obligatory standards and interpretations described below.

STANDARDS, AMENDMENTS AND INTERPRETATIONS EFFECTIVE AS OF JANUARY 1, 2023

- IFRS 17 Insurance Contracts, including Amendments to IFRS 17;
- Amendments to:
 - IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies;
 - IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates;
 - IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction; and
 - IFRS 17 Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information.
 - Amendments to IAS 12 Income Taxes: International Tax Reform - Pillar 2 Model Rules.

These standards, amendments and interpretations do not have a significant impact on the Group's accounts as at December 31, 2023.

The Group applied the exemption for the Amendments to IAS 12 Income Taxes: International Tax Reform - Pillar 2 Model Rules.

Pillar 2 is a set of rules entering into force in 2024 designed to ensure large multinational enterprises pay a minimum level of tax (15%) on the income arising in each jurisdiction where they operate. The new legislation provides for a general exemption for REITs subject to certain technicalities. Whereas some legislation clarifications are still expected, the Group reasonably expects the minimum global tax not to have a significant impact on both its REIT and non-REIT activities.

STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT MANDATORILY APPLICABLE AS OF JANUARY 1, 2023

The following text has been adopted by the EU as at December 31, 2023, but not applied in advance by the Group:

- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback;
- Amendments to IAS 1 Presentation of Financial Statements:
 - Classification of Liabilities as Current or Non-current;
 - Classification of Liabilities as Current or Non-current - Deferral of Effective Date; and
 - Non-current Liabilities with Covenants.

The following texts were published by the International Accounting Standards Board ("IASB") but have not yet been adopted by the EU:

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements; and
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.

The measurement of the potential impacts of these texts on the consolidated accounts of URW is ongoing; no significant impacts are expected.

3.2 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Certain amounts recorded in the consolidated financial statements reflect estimates and assumptions made by management in the current context, including higher inflation, higher interest rates and increase of energy costs from uncertain geopolitical and economic environment and difficulties in assessing their impacts and future prospects. When making an estimate or assumption, management also uses its judgement. In addition, when the Group reviews those estimates based on regularly updated information, it uses its judgment. In this context, management has taken into account these uncertainties on the basis of reliable information available at the date of the preparation of the consolidated financial statements, particularly with regards to the following:

VALUATION OF INVESTMENT PROPERTY

The property portfolio related to the Shopping Centres and Offices segments and intangible assets are valued by independent appraisers. Appraisers make their independent assessments of current and forward-looking cash-flow profiles and usually reflect risk either in the cash-flow forecasts (e.g. future rental levels, growth, investment requirements, void periods and incentives), in the applied required returns or discount rates or in the yield applied to capitalise the exit rent to determine an exit value. Reference to note 6.1 "Investment properties".

EXPECTED CREDIT LOSSES

In preparing the financial statements, estimates are made in assessing expected credit losses in rent receivable and financial guarantee contracts. URW NV assesses the likelihood of recovery of rent receivables for possible provisions on the basis of an estimated default rate based on a forward-looking approach. Reference to 8.5.2 Credit risk.

ASSETS HELD FOR SALE

An asset is classified as held for sale if the sale of the asset is highly probable and actions required to complete the sale indicate that it is unlikely that the plan will be significantly changed or withdrawn, refer to note 7.2.

TAXATION

Management judgement is required to determine the amount of deferred taxes. For unused tax losses, a deferred tax asset is only recognised in case there's a level of certainty of taxable profit being available against which those losses can be utilised. With respect to the deferred tax liability, a tax percentage has been used that is justified by the various (indirect) stakeholders at the level of URW NV.

EQUITY VS LIABILITY INSTRUMENTS

In preparing the financial statements of URW NV, management judgements are exercised in considering if a loan is classified as a liability instrument or an equity instrument. While applying judgements, the terms set out in the contract are considered in accordance with IAS 32; based on the criteria and terms of the contract it will be decided to disclose a loan as an equity instrument or a liability instrument. The Group applied the judgement with respect to the amendments made to the loan agreements of €500 Mn, reference to 2.1.3.

OTHER SIGNIFICANT JUDGEMENTS

Due to inherent uncertainties associated with estimates, the Group reviews those estimates based on regularly updated information. Actual results might eventually differ from estimates made at the date of the preparation of the consolidated financial statements.

Other significant judgements and estimates are set out in the notes to the consolidated financial statements as at December 31, 2023: for determining if an acquisition is an asset acquisition or business combination reference to note 4.1.3 "Business combinations", for the financial assets in note 8.3.1, for intangible assets in respectively in note 6.3, for the fair value of financial instruments in note 8.6 "Fair value of financial instruments per category" and for fair value of investment properties held through equity accounted investments in note 7.2. Actual future results or outcomes may differ from these estimates.

3.3 CLIMATE CHANGE AND RISKS

Climate change mitigation and adaptation are part of the priorities of the URW Group Sustainability strategy, and form an essential component of the Sustainability risks analysis. URW Group analyses the physical and transitional risks associated with climate change. These risks are in turn integrated into the Enterprise Risk Management framework.

In October 2023, URW Group announced a comprehensive evolution of the Better Places roadmap, setting ambitious SBTi-approved (The Science Based Targets Initiative) net-zero targets in terms of carbon emissions reduction and reinforcing its environmental performance objectives, with the aim to develop and operate places that provide sustainable experiences and contribute to thriving communities.

NOTE 4 • SCOPE OF CONSOLIDATION

4.1 ACCOUNTING PRINCIPLES

4.1.1 Scope and methods of consolidation

The scope of consolidation includes all companies controlled by URW NV and all companies in which the Group exercises joint control or significant influence.

According to IFRS 10, an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group considers all facts and circumstances when assessing whether it controls an investee. The control over an investee is reassessed if facts and circumstances indicate that there are changes to one or more of the elements above mentioned.

The method of consolidation is determined by the type of control exercised:

- control: the companies are fully consolidated;
- joint control: it is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement:
 - joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Each party shall account for the assets which it has rights to, liabilities which it has obligations for, revenues and expenses relating to its interests in a joint operation,
 - A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method;

Following WAT's acquisition in 2018, the Group has significant co-ownership interest in a number of properties, mainly in the US through property partnerships or trusts. These joint ventures are accounted for using the equity method. The Group and its joint ventures use consistent accounting policies.

- significant influence: accounted for using the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but it is not control or joint control of those policies. It is presumed where an entity holds 20% or more of the voting power (directly or through subsidiaries) on an investee, unless it can be clearly demonstrated that this is not the case.

Non-controlling interests are initially measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date.

4.1.2 Foreign currency translation

GROUP COMPANIES WITH A FUNCTIONAL CURRENCY DIFFERENT FROM THE PRESENTATION CURRENCY

The Group's consolidated financial statements are presented in euros. The financial statements of each consolidated Group company are prepared in its functional currency. The functional currency is the currency of the principal economic environment in which it operates. The results and financial position of all the Group entities that have a functional currency different from the presentation currency, the euro, are translated into the presentation currency as follows:

- the assets and liabilities, including goodwill and fair value adjustments arising on consolidation, are translated into euros at the foreign exchange rates at the reporting date;
- income and expenses are translated into euros at rates approximating the foreign exchange rates at the dates of the transactions;
- all resulting exchange rate differences are recognised as a separate component of equity (foreign currency translation reserve);
- when a Group company is sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

FOREIGN CURRENCY TRANSACTIONS

The Group's entities can realise operations in a foreign currency which is not their own functional currency. WEA and URW America Inc. functional currency is in USD. The transactions in foreign currencies are translated into euro at the spot exchange rate on the date of the transaction. At the reporting date, monetary assets and liabilities denominated in foreign currency are translated into functional currency at the exchange rate on that date. Foreign exchange differences arising on translation or on settlement of these transactions are recognised in the income statement account, with the exception of:

- unrealised translation results on net investments;
- unrealised translation results on intercompany loans that, in substance, form part of the net investment.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated using the exchange rate on the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into euros at exchange rates on the dates the fair value was determined and are reported as part of the fair value gain or loss.

4.1.3 Business combinations

To identify whether a transaction is a business combination the Group notably considers whether an integrated set of activities is acquired besides the investment property. The criteria applied may include the number of property assets held by the target company and extent of the acquired processes and, particularly, the auxiliary services provided by the acquired entity. Also, the optional concentration test is considered to assess if a business combination is applicable. If the acquired assets are not a business, the transaction is recorded as an asset acquisition. In a step asset acquisition, both the assets and liabilities are remeasured to their fair values at the acquisition date.

Business combinations are accounted for using the acquisition method. The acquisition is recognised at the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are booked as expenses. For the companies accounted for using the equity method, acquisition costs are capitalised in the value of the shares.

At the date of acquisition and in accordance with IFRS 3 Revised, identifiable assets, liabilities and contingent liabilities of the acquired company are valued individually at their fair value regardless of their purpose based upon current best estimates at such date. It is possible that further adjustments to initial evaluation may be recognised within twelve months of the acquisition in accordance with IFRS rules.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through the income statement.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of any contingent consideration classified as liability will be recognised in income statement.

Under IFRS 3, the acquisition of additional shares from non-controlling shareholders is regarded as an equity transaction and therefore no additional goodwill is recognised.

Consequently, when non-controlling shareholders have an agreement to sell, non-controlling interests are reclassified as debt at the present value of the exercise price. The difference between the latest value and the net carrying value of the non-controlling interests is recognised as Equity attributable to the holders of the Stapled Shares. Any subsequent change in debt is also accounted for as Equity attributable to the holders of the Stapled Shares. Income from non-controlling interests and dividends are booked in Equity attributable to the holders of the Stapled Shares.

4.1.4 Cashflow statement

The Group uses the indirect method to prepare the consolidated statement of cash flows. Cash flow from derivatives [represent the interest on derivatives] and interest paid is presented within financing cash flows. Acquisitions or divestments of subsidiaries are disclosed as cash flows from investment activities and presented net of cash and cash equivalents acquired or disposed of, respectively. Cash includes cash on hand and demand deposits. Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of charges in value.

4.1.5 Going concern

For the year ended December 31, 2023, the company had a net current asset deficit of -€125.8 Mn (December 31, 2022: -€965.9 Mn), the decrease in the deficit compared to December 31, 2022 is mainly due to the short term borrowings from WALP to URW SE currently classified under other receivables. The deficit for the year ended December 31, 2023 is mainly due to the maturing of the bonds in September 2024 of €905.0 Mn, refer to note 8.3.3. The company's liquidity needs for the next 12 months are covered by the available undrawn credit lines cash on-hand as well as by the cross-guarantees granted within the URW group. Based on that the company believes that it will be able to meet its commitments as and when they fall due, therefore it is appropriate to prepare the financial statements on a going concern basis.

NOTE 5 • SEGMENT REPORTING AND NET RECURRING RESULT

5.1 ACCOUNTING PRINCIPLES

5.1.1 Segment reporting

Segment information is presented in respect of the Group's divisions and geographical segments, based on the Group's management operating decision making process and internal reporting structure and in accordance with IFRS 8.

Contributions of affiliates are also presented according to the Group's divisions and geographical segments.

Since the joint-controlled entities represent a significant part of the Group's operations in the US, the Group's management and internal reporting structure segment information is prepared in a proportionate format, in which the joint-controlled entities are accounted for on a proportionate basis instead of being accounted for using the equity method under IFRS. The Group and its joint ventures use consistent accounting policies.

BUSINESS SEGMENTS

The Group operates in two segments: Shopping Centres and Offices.

GEOGRAPHICAL SEGMENTS

Geographical segments are determined on the basis of the Group's definition of a home region. A home region is defined as a region with more than €1 Bn in property investment, a local organisation dedicated to all three business lines: the "owner function" (asset selection and management including pipeline), Shopping Centres management, the finance function and a regional consolidated reporting.

The Group operates in the Netherlands and the United States. Based on specific operational and strategic factors, only the region United States is considered a home region.

5.2 GROSS RENTAL INCOME

REVENUE FROM CONTRACTS WITH CUSTOMERS

ACCOUNTING TREATMENT OF INVESTMENT PROPERTY LEASES

Assets leased are recorded in the statement of financial position as investment property assets. Gross rental revenue is recorded on a straight-line basis over the firm duration of the lease.

In case of an Investment Property Under Construction ("IPUC"), revenues are recognised once spaces are delivered to tenants on a straight-line basis over the expected term of the lease.

According to IFRS 16, a rent relief which is not a lease modification will be directly charged to the income statement as a reduction of the Gross Rental Income. For rent relief which are considered as a lease modification, the accounting treatment depends on whether there's a counterpart received from the tenant or not.

Rent relief signed or expected to be signed, granted without any counterpart from the tenants are considered as a reduction of the receivables and are charged to the income statement as a reduction of the Gross Rental Income.

RENTS AND KEY MONEY

Gross rental income consists of rents and similar income (e.g. occupancy compensation, key money, parking revenues) invoiced for Shopping Centres and Offices properties over the period.

Under IFRS 16, the effects of rent-free periods, step rents, other rents incentives and key monies are spread over the expected term of the lease.

5.2.1 Operating expenses and net service charges

The operating and net service charges are composed of ground rents paid, net service charge expenses and property operating expenses.

GROUND RENTS PAID

GROUND LEASEHOLDS

Ground leaseholds are accounted for in accordance with IFRS 16 as described in note 6.1.1. Investment properties - Accounting principles.

Buildings constructed on land under a lease agreement are recognised in accordance with the accounting principles described in note 6.1.1. Investment properties - Accounting principles. As at December 31, 2023, ground rents are not material for the Group.

SERVICE CHARGE INCOME AND SERVICE CHARGE EXPENSES

In line with IFRS 15, the Group presented service charge income and service charge expenses separately. URW is acting as principal. These expenses are net of charges re-invoiced to tenants and relate mainly to vacant premises.

PROPERTY OPERATING EXPENSES

These expenses comprise service charges borne by the owner, works-related expenses, litigation expenses, charges relating to doubtful accounts and expenses relating to property management.

5.2.2 Net property services and other activities income

The net property services and other activities income consist of on-site property services and other property services income. Based on the analysis of existing contracts, the current recognition of revenues complies with IFRS 15.

C&E's contracts consist of occupancy agreements or short-term lease including provision of premises and services. Both provision of premises and services form an indivisible whole and should be combined into a single contract (and single performance obligation) for the purposes of IFRS 15 revenue recognition.

Revenues are recognised over the duration of premises lease according to the pro rata temporis method.

Other property services net income is recognised when the services are provided.

5.2.3 Administrative expenses

This item comprises personnel costs, head office and Group administrative expenses, expenses relating to development projects, not capitalised, and depreciation charges relating to equipment and software of the Group.

5.2.4 Acquisition and related costs

In 2023, acquisition and related costs amounted to €5.1 Mn (€5.9 Mn in 2022), this is a decrease from 2022 and mainly relates to general cost in the US.

5.3 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME BY SEGMENT

		2023	2022
(€Mn)		Result	Result
United States	Gross rental income ⁽¹⁾	340.8	379.3
	Operating expenses & net service charges	(122.6)	(140.4)
	Net rental income	218.2	238.9
	Share of result of companies accounted for using the equity method	(272.2)	(211.9)
	Gains/losses on sale of properties	28.0	0.1
	Valuation movements on assets	(165.5)	(395.6)
	Result Shopping Centres United States	(191.6)	(368.5)
Other	Gross rental income ⁽¹⁾	2.0	2.2
	Operating expenses & net service charges	(0.4)	(0.3)
	Net rental income	1.6	1.9
	Gains/losses on sales of properties	0.1	(3.1)
	Valuation movements on assets	0.8	(0.3)
Result Shopping Centres Other	2.6	(1.5)	
TOTAL RESULT SHOPPING CENTRES	(189.0)	(370.0)	
United States	Gross rental income ⁽¹⁾	3.7	5.3
	Operating expenses & net service charges	(2.3)	(2.9)
	Net rental income	1.4	2.4
	Share of result of companies accounted for using the equity method	(3.5)	(11.6)
	Valuation movements on assets	(19.8)	(2.2)
Result Offices United States	(21.8)	(11.3)	
TOTAL RESULT OFFICES	(21.8)	(11.3)	
Other property services net income	0.2	0.5	
Corporate expenses	(18.3)	(20.7)	
Acquisition and related costs	(5.1)	(5.9)	
NET OPERATING RESULT	(234.1)	(407.4)	
Financing result	(493.4)	162.0	
RESULT BEFORE TAX	(727.5)	(245.4)	
Tax income (expense)	35.1	11.7	
NET RESULT FOR THE PERIOD	(692.4)	(233.7)	
External non-controlling interests	(82.8)	(81.5)	
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF URW N.V. SHARES	(609.6)	(152.2)	

(1) There is no tenant which contracts for more than 10% of the Gross Rental Income and there are no material revenues from transactions with other operating segments of the same entity.

These segmentations are also applied in note 6.1.2, Investment properties at fair value.

NOTE 6 • INVESTMENT PROPERTIES, TANGIBLE ASSETS, INTANGIBLE ASSETS AND GOODWILL

6.1 INVESTMENT PROPERTIES (IAS 40 & IFRS 13)

6.1.1 Accounting principles

Under the accounting treatment by IAS 40, investment properties are shown at their fair value. According to IFRS 13, the fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). Expectations about future improvements or modifications to be made to the property interest to reflect its highest and best use have to be considered in the appraisal, such as the renovation of or an extension to the property interest.

The Group complies with the IFRS 13 fair value measurement rule and the position paper⁴⁴ on IFRS 13 established by EPRA, the representative body of the publicly listed real estate industry in Europe.

Transaction costs incurred for an asset deal are capitalised in the value of the investment property. Capitalised expenses include capital expenditures, evictions costs, capitalised financial interests, letting fees and other internal costs related to development projects.

In accordance with IFRS 16 and IAS 40, the right-of-use assets arising from leased property which meet the definition of an investment property are measured at fair value. At the moment this is not material for the Group.

Investment Properties Under Construction (IPUC) are covered by IAS 40 and are eligible to be measured at fair value. In accordance with the Group's investment properties valuation method, they are measured at fair value by an external appraiser twice a year. Projects for which the fair value is not reliably determinable are measured at cost until such time that a fair value measurement becomes reliable.

⁴⁴ EPRA position paper on IFRS 13 - Fair value measurement and illustrative disclosures, February 2013.

According to the Group, a development project fair value measurement will be able to be determined once the following criteria are fulfilled:

- all administrative authorisations needed to complete the project are obtained;
- the construction has started and costs are committed toward the contractor; and
- substantial uncertainty in future rental income has been eliminated.

For properties measured at fair value, the fair value adopted by the Group is determined on the basis of appraisals by independent external experts, who value the Group's portfolio as at June 30 and December 31 of each year. The gross value is reduced by disposal costs and transfer taxes⁴⁵, depending on the country and on the tax situation of the property, in order to arrive at a net fair value.

For the Shopping Centres portfolios, the independent appraisers determine the fair value based on the results of two methods: the discounted cash flow methodology as well as the yield methodology. Furthermore, the resulting valuations are cross-checked against the initial yield, value per sqm and the fair values established through actual market transactions.

Appraisers have been given access to all information relevant for valuations, such as the Group's confidential rent rolls, including information on vacancy, break options, expiry dates and lease incentives, performance indicators (e.g., footfall and sales where available), letting evidence and the Group's cash flow forecasts from annually updated detailed asset business plans. Appraisers make their independent assessments of current and forward-looking cash flow profiles, and usually reflect risk either in the cash flow forecasts (e.g. future rental levels, growth, investment requirements, void periods and incentives, rent relief), in the applied required returns or discount rates and in the yield applied to capitalise the exit rent to determine an exit value.

The income statement for a given year (Y) records the change in value for each property, which is determined as follows: market value Y - [market value Y-1 + amount of works and other costs capitalised in year Y].

Capital gains on disposals of investment properties are calculated by comparison with their latest fair value recorded in the closing statement of financial position for the previous financial year.

Properties under construction carried at cost are subject to impairment tests, determined on the basis of the estimated recoverable value of the project. The recoverable value of a project is assessed by the Development & Investment teams through a market exit capitalisation rate and the targeted net rents at completion. When the fair value is lower than net book value, an impairment provision is booked.

Properties held for sale are identified separately in the statement of financial position according to IFRS 5. Properties held for sale are identified separately when the asset is available for immediate sale, the sale is completed within one year from the date of classification, the sale must be highly probable, and management is committed to a plan to sell the asset.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

6.1.2 Investment properties at fair value

(€Mn)	December 31, 2023	December 31, 2022
Shopping Centres	4,185.5	4,841.1
United States	4,168.7	4,824.7
- Flagships centres	4,168.7	4,613.8
- Regionals centres	-	210.9
The Netherlands	16.8	16.4
Offices	31.9	52.3
United States	31.9	52.3
TOTAL	4,217.4	4,893.5

(€Mn)	Shopping Centres	Offices	Properties held for sale	Total investment properties
December 31, 2021	4,978.6	50.4	-	5,029.1
Acquisition	22.3	-	-	22.3
Disposals/exits from the scope of consolidation	(190.1)	-	-	(190.1)
Reclassification and transfer of category	10.8	-	-	10.8
Capitalised expenses	24.4	0.9	-	25.4
Valuation movements	(317.1)	(2.2)	-	(319.2)
Currency translation	312.1	3.1	-	315.3
December 31, 2022	4,841.1	52.3	-	4,893.5
Disposals/exits from the scope of consolidation	(347.0)	-	-	(347.0)
Reclassification and transfer of category	(5.2)	-	-	(5.2)
Capitalised expenses	65.5	0.7	-	66.1
Valuation movements	(208.8)	(19.8)	-	(228.6)
Currency translation	(160.0)	(1.4)	-	(161.4)
December 31, 2023	4,185.5	31.9	-	4,217.4

The disposals/exit from the scope of consolidation of €347.0 Mn mainly relates to Westfield Brandon and the foreclosure of San Francisco Centre, reference is made to note 2.1.2.

⁴⁵ Transfer taxes are valued on the assumption that the property is sold directly, even though the cost of these taxes can, in certain cases, be reduced by selling the property's holding company.

For the year ended December 31, 2023 lease incentives of €69.7 Mn (2022: €71.7 Mn) is included in trade receivables from activity in the consolidated statement of financial position.

In 2023, valuation of investment properties at fair value decreased by -€228.6 Mn, mainly from an increase of discount rates used by appraisers as well as an increase in the exit capitalisation rate.

VALUATION ASSUMPTIONS AND SENSITIVITY

Considering the limited public data available, the complexity of real estate asset valuations, as well as the fact that appraisers use in their valuations the non-public rent rolls of the Group's assets, the Group believes it appropriate to classify its assets under Level 3 as per IFRS 13. In addition, unobservable inputs, including appraisers' assumption on growth rates and exit yields, are used by appraisers to determine the fair values of the Group's assets.

As at December 31, 2023, 98% of URW NV's portfolio was appraised by independent appraisers. The fair value of the properties in the United States are based on the valuations performed by Cushman & Wakefield and Kroll and in the Netherlands by Jones Lang LaSalle.

The following tables provide a number of quantitative elements used by the appraisers to assess the fair valuation of the Group's assets. The Dutch assets are not significant and therefore the below table shows only the US assets.

The below overviews including most significant input and output parameters of the external valuations of the investment properties and the sensitivity overviews of the fair value of investment property are presented based on a proportional basis for the fully consolidated investment property as well as the investment property included in the joint ventures accounted using the equity method. The total value of investment property represents €9,015.6 Mn, this consist of the total €4,217.4 Mn presented investment property in the consolidated position excluding investment property under contraction carried at cost and €4,798.2 Mn of the proportioned share of the investment property presented in the joint venture and associate overview in note 7.2.

SHOPPING CENTRES

All Shopping Centres are valued using the discounted cash flow and/or yield methodologies.

Shopping Centres - December 31, 2023		Net initial yield	Rent in € per sqm ⁽¹⁾	Discount Rate ⁽²⁾	Exit yield ⁽³⁾	CAGR of NRI ⁽⁴⁾
US	Max	12.2%	1,438	14.0%	12.0%	9.5%
	Min	3.2%	345	6.8%	5.0%	1.9%
	Weighted average	4.9%	767	7.4%	5.5%	4.8%

Shopping Centres - December 31, 2022		Net initial yield	Rent in € per sqm ⁽¹⁾	Discount Rate ⁽²⁾	Exit yield ⁽³⁾	CAGR of NRI ⁽⁴⁾
US	Max	9.6%	1,438	10.3%	9.0%	11.4%
	Min	2.9%	321	6.5%	4.5%	0.6%
	Weighted average	4.6%	700	7.1%	5.2%	4.6%

Net initial yield, discount rate and exit yield weighted by Gross Market Value (GMV). Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or not controlled and the Westfield trademark are not included in this table. Assets fully consolidated and in joint-control are included.

(1) Average annual rent (minimum guaranteed rent + sales-based rent) per asset per sqm.

(2) Rate used to calculate the net present value of future cash flows.

(3) Rate used to capitalise the exit rent to determine the exit value of an asset.

(4) Compounded Annual Growth Rate of Net Rental Income determined by the appraiser (10 years).

For the US, the split between Flagship and Regional Shopping Centres is as follows:

Shopping Centres - December 31, 2023		Net initial yield	Rent in € per sqm ⁽¹⁾	Discount Rate ⁽²⁾	Exit yield ⁽³⁾	CAGR of NRI ⁽⁴⁾
US Flagships incl. CBD	Max	6.1%	1,438	7.8%	6.0%	9.5%
	Min	3.2%	476	6.8%	5.0%	2.5%
	Weighted average	4.6%	842	7.2%	5.3%	5.0%
US Regionals	Max	12.2%	593	14.0%	12.0%	4.5%
	Min	7.8%	345	10.0%	8.3%	1.9%
	Weighted average	9.4%	421	10.9%	9.2%	2.9%

Shopping Centres - December 31, 2022		Net initial yield	Rent in € per sqm ⁽¹⁾	Discount Rate ⁽²⁾	Exit yield ⁽³⁾	CAGR of NRI ⁽⁴⁾
US Flagships incl. CBD	Max	7.5%	1,438	9.0%	7.3%	11.4%
	Min	2.9%	399	6.5%	4.5%	1.8%
	Weighted average	4.2%	820	6.8%	4.9%	5.0%
US Regionals	Max	9.6%	607	10.3%	9.0%	6.3%
	Min	6.4%	321	8.5%	7.0%	0.6%
	Weighted average	8.6%	411	9.8%	8.0%	2.3%

Net initial yield, discount rate and exit yield weighted by GMV. Vacant assets, assets considered at bid value and assets under restructuring are not included in this table. Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or not controlled and the Westfield trademark are not included in this table. Assets fully consolidated and in joint-control are included.

(1) Average annual rent (minimum guaranteed rent) per asset per sqm². The computation takes into account the areas allocated to company restaurants.

(2) Rate used to calculate the net present value of future cash flows.

(3) Rate used to capitalise the exit rent to determine the exit value of an asset.

(4) Compounded Annual Growth Rate of NRI determined by the appraiser (10 years).

The sensitivity is for assets fully consolidated or under joint control, excluding assets under development and the Westfield trademark.

Based on an asset value excluding estimated transfer taxes and transaction costs, the Shopping Centre division's net initial yield is 4.9% as at December 31, 2023 (December 31, 2022: 4.6%).

A change of +25 basis points in net initial yield, the main output of the appraisal models, would result in a downward adjustment of -€450 Mn (or -4.9%) (December 31, 2022: -€545 Mn (or -5.1%)) of the Shopping Centre portfolio value, including transfer taxes.

A change of +25 bps in discount rate would have a negative impact of -€179 Mn or (-1.9%) (December 31, 2021: -€209 Mn or (-2.0%)) on the Shopping Centre portfolio value, including transfer taxes.

A change of +10 bps in exit capitalisation rate would have a negative impact of -€109 Mn (or -1.2%) (December 31, 2022: -€139 Mn (or -1.3%)) on the Shopping Centre portfolio value, including transfer taxes.

A decrease of -5% in appraisers' estimated rental value assumptions for the leases to be signed during the model period would have a negative impact of -€247 Mn (or -2.7%) (December 31, 2022: -€299 Mn (or -2.8%)) on the Shopping Centre portfolio value, including transfer taxes.

6.1.3 Investment properties under construction at cost

(€Mn)	Gross value	Impairment	Total investment properties at cost
December 31, 2021	20.2	-	20.2
Reclassification and transfer of category	(10.8)	-	(10.8)
Disposals/exits from the scope of consolidation	(1.1)	-	(1.1)
Capitalised expenses	3.8	-	3.8
Written off	(4.4)	-	(4.4)
Currency translation	1.4	-	1.4
December 31, 2022	9.0	-	9.0
Disposals/exits from the scope of consolidation	(8.1)	-	(8.1)
Capitalised expenses	1.7	-	1.7
Currency translation	(0.3)	-	(0.3)
December 31, 2023	2.3	-	2.3

6.2 TANGIBLE ASSETS

6.2.1 Accounting principles

Under the method proposed by IAS 16, operating assets are valued at their historic cost, less cumulative depreciation and any impairment. Depreciation is calculated using the "component accounting" method, where each asset is broken down into major components based on their useful life.

Items of other tangible assets are depreciated to a residual value of €0 on a straight-line basis over their respective useful economic lives according to the following table:

Item:	Depreciation period:
Office equipment	2 - 5 years
Furniture	3 - 5 years

6.2.2 Changes in tangible assets

Cost

(€Mn)	Furniture and equipment	Right of use	Total tangible assets
December 31, 2021	59.1	32.6	91.6
Acquisitions	0.3	1.3	1.6
Reclassification and other movement	(8.4)	4.5	(3.9)
Disposals/exists from the scope of consolidation	-	(23.4)	(23.4)
Currency translation	3.8	2.2	6.0
December 31, 2022	54.8	17.3	71.9
Acquisitions	0.2	0.5	0.7
Reclassification and other movement	-	(3.7)	(3.7)
Currency translation	(1.9)	(0.5)	(2.4)
December 31, 2023	53.1	13.6	66.7

Accumulated depreciation

(€Mn)	Furniture and equipment	Right of use	Total tangible assets
December 31, 2021	(54.8)	(10.5)	(65.3)
Depreciation	(1.4)	(3.5)	(4.8)
Disposals/exists from the scope of consolidation	-	9.0	9.0
Reclassification and other movement	6.5	-	6.5
Currency translation	(3.5)	(0.7)	(4.1)
December 31, 2022	(53.2)	(5.7)	(58.9)
Depreciation	(3.4)	(3.1)	(6.5)
Reclassification and other movement	2.5	3.7	6.2
Currency translation	1.9	0.2	2.1
December 31, 2023	(52.2)	(4.9)	(57.1)

Net book value

(€Mn)	Furniture and equipment	Right of use	Total tangible assets
December 31, 2022	1.6	11.6	13.2
December 31, 2023	0.9	8.7	9.6

(1) See note 3.1 IFRS basis adopted.

6.3 INTANGIBLE ASSETS

6.3.1 Accounting principles

An intangible asset is recognised when it is identifiable and separable and can be sold, transferred, licensed, rented, or exchanged, either individually or as part of a contract with an attached asset or a liability, or which arises from contractual or other legal rights regardless of whether those rights are transferable or separable. After initial recognition, intangible assets are recognised at cost less any amortisation charges and impairment losses.

Intangible assets with a finite life are amortised on a linear basis over the life of the asset. The useful life of an asset is reviewed each year, and an impairment test is carried out whenever there is an indication of impairment.

Intangible assets with an indefinite useful life are not amortised but their life span is reviewed each year. These assets are subject to impairment tests annually or whenever there is an indication of impairment, which consists of comparing the book value with the recoverable amount of the intangible assets. The recoverable amount of an asset or a cash-generating unit is the maximum between its fair value less disposal costs and its value in use. It is assessed based on the present value of expected future cash flows from the continued use of the asset and its terminal value. Impairment tests are carried out by grouping assets together into cash-generating units. In the case of reduction in value, a corresponding impairment charge is recognised in the income statement.

The intangible assets arise from:

- The Westfield trademark for Flagships in the US;
- The acquired software.

The incremental value of the Westfield trademark corresponds to the portion of the trademark value that is not captured in the Shopping Centre values.

Trademark intangible assets are valued by independent external appraisers using a 10 years Discounted Cash Flow methodology combined with the Royalty Relief method. The value relies on incremental growth attributable to the Westfield trademark multiplied by the royalty rate. The Relief from Royalty method estimates the value of the asset as the present value of future royalty payments over the life of the asset that are saved (not paid) by virtue of owning the asset.

The useful life of the Westfield trademark is considered indefinite because the generating cash inflow from the trademark is considered to be indefinitely as long as the business continue as a going concern. As a consequence, these assets are not amortised but tested for impairment. The useful life of the acquired software is 3 years, acquired software is amortised to a residual value of €0 on a straight-line basis over their respective useful economic lives.

6.3.2 Changes in intangible assets

Cost			
(€Mn)	Software	Trademark	Total intangible assets
December 31, 2021	97.0	317.4	414.4
Reclassification	14.3	-	14.3
Currency translation	5.8	19.6	25.5
December 31, 2022	117.2	337.1	454.2
Acquisitions	5.0	-	5.0
Disposal	(25.7)	-	(25.7)
Currency translation	(3.6)	(11.7)	(15.3)
December 31, 2023	92.8	325.3	418.1

Accumulated amortisation and impairment

(€Mn)	Software	Trademark	Total intangible assets
December 31, 2021	(96.6)	(54.4)	(151.0)
Amortisation	(7.5)	-	(7.5)
Impairment	-	(74.4) ⁽¹⁾	(74.4)
Reclassification	(1.8)	-	(1.8)
Currency translation	(5.9)	(2.4)	(8.3)
December 31, 2022	(111.7)	(131.3)	(243.0)
Amortisation	(5.3)	-	(5.3)
Reversal of impairment	-	44.2 ⁽¹⁾	44.2
Disposal	25.6	-	25.6
Reclassification	1.8	-	1.8
Currency translation	3.4	3.6	7.0
December 31, 2023	(86.3)	(83.4)	(169.7)

Net book value

(€Mn)	Software	Trademark	Total intangible assets
December 31, 2022	5.4	205.8	211.2
December 31, 2023	6.5	241.9	248.4

(1) The reversal of impairment of €44.2 Mn (December 31, 2022: impairment -€74.4 Mn) is recorded under valuation movement on assets in the consolidated statement of comprehensive income.

The Intangible assets as at December 31, 2023, relates primarily to the trademark acquired as at June 7, 2018, the impairment test of the trademark performed was based on an independent external appraisal and a reversal of impairment of €44.2 Mn was recognised as at December 31, 2023.

The reversal of impairment is reported in the United States segment under Valuation movements on assets, refer to note 5.3.

The Relief from Royalty method is used to value the trademark, the recoverable amount at December 31, 2023 is €241.9 Mn. The assumptions are based on macro-economic trends, industry standard ratios, historical and business plan figures.

The reversal of impairment is mainly caused by an increase of the incremental growth rate expected on the US assets estimated by the external appraisers to 2.42% (December 31, 2022: 1.8%), the increase on the incremental growth rate is due to the exit of San Francisco Centre from the scope of URW NV. The reversal of impairment is partially set off by an increase in the discount rate to 9.75% (December 31, 2022: 9.25%).

The main assumptions used to test the Trademark for impairment are the discount rate which is 9.75% (December 31, 2022: 9.25%) and long-term growth rate which is 1.8% (December 31, 2022: 1.78%) based on US parameters.

A change of +25 basis points on the discount rate of the trademark as determined at December 31, 2023, would lead to an impairment of -€16.8 Mn (-\$18.6 Mn) on the intangible assets.

A change of -10 basis points in the incremental growth rate of the trademark as determined at December 31, 2023, would lead to an impairment of -€14.1 (-\$15.6 Mn) on the intangible assets.

6.4 VALUATION MOVEMENTS ON ASSETS

(€Mn)	2023	2022
Investment properties at fair value	(228.6)	(319.2)
Investment properties at cost	-	(4.4)
Reversal/ Impairment of intangible assets	44.2	(74.4)
Net result	(184.4)	(398.1)

6.5 AMOUNTS PAID FOR WORKS AND ACQUISITION/DISPOSAL OF PROPERTY ASSETS (CONSOLIDATED STATEMENT OF CASH FLOWS)

In 2023, amounts paid for works and acquisition of property assets amount to €64.1 Mn (December 31, 2022: €61.4 Mn). They comprise acquisitions of assets, transaction capitalised costs, works and capitalised expenses and are adjusted for the changes on amounts due on investments of the period.

NOTE 7 • SHARES AND INVESTMENTS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

7.1 ACCOUNTING PRINCIPLES

The accounting principles are detailed in note 4.1.1 “Scope and methods of consolidation”. According to IFRS 11, joint ventures are those entities in which the Group has joint control established by contractual agreement and rights to the net assets of the arrangement.

7.2 SHARES AND INVESTMENTS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

The Group has jointly controlled entities and associates in the United States. These shares and investments are accounted for using the equity method. The details of the Group’s aggregated share of equity accounted entities’ assets and liabilities are set out below:

(€Mn)	December 31, 2023 JVs at 100%	December 31, 2023 URW NV’s share	December 31, 2022 JVs at 100%	December 31, 2022 URW NV’s share
Investment properties	9,331.7	4,798.2	11,381.2	5,848.3
Other non-current assets	5.5	2.8	44.5	24.2
Current assets	197.6	102.5	335.1	170.6
Cash and cash equivalents	55.9	28.4	62.4	32.4
Total assets³	9,590.8	4,931.8	11,823.2	6,075.5
Long-term External borrowings	886.4	458.0	1,693.1	883.4
Short-term External borrowings	313.8	155.4	364.8	163.0
Other non-current liabilities	20.0	10.3	33.9	18.0
Current liabilities	192.8	98.4	220.4	109.4
Total liabilities³	1,413.0	722.0	2,312.2	1,173.8
TOTAL NET ASSETS	8,177.8	4,209.8	9,511.0	4,901.7
Value of joint venture reclassified as “Assets held for sale” ⁴	-	(131.5)	-	-
NET ASSETS	8,177.8	4,078.3	9,511.0	4,901.7

(€Mn)	2023 JVs at 100%	2023 URW NV’s share	2022 JVs at 100%	2022 URW NV’s share
Net rental income	518.3	267.2	615.6	316.9
Change in fair value of investment properties ³	(883.2)	(467.4)	(811.2)	(443.0)
Financial result	(64.6)	(32.4)	(76.6)	(37.8)
Net result^{1 2 3}	(497.6)	(275.7)	(392.3)	(223.5)

1) URW NV did not receive any other comprehensive income from JVs in 2022 or 2023.

2) URW NV’s tax on JVs are insignificant and therefore not disclosed.

3) These amounts include a proportionate amount for associates of €0.0 Mn on total assets (2022: €68.5 Mn), €0.0 Mn on total liabilities (2022: €43.1 Mn); -€25.4 Mn on change in fair value of investments (2022: -€34.6) and -€25.4 on net result (2022: -€31.7 Mn).

4) In H2-2023, URW signed a Sale, Purchase and Escrow Agreement with a \$30 Mn non-refundable cash deposit for the disposal of Westfield Oakridge.

For the year ended December 31, 2023 considering the Group’s interest in the joint ventures all the joint ventures were in compliance with the debt service coverage ratio required under the loan agreement, except for San Francisco Centre who is placed under foreclosure. Therefore, no cash restricted reserves were recognised in the balance sheet for the year ended December 31, 2023 (2022: €3.1 Mn).

COMMITMENTS AND CONTINGENT LIABILITIES IN RESPECT OF ASSOCIATES AND JOINT VENTURES

The Group’s share in the capital commitments of the joint ventures themselves is set out in Note 15. Profits can be distributed without significant restrictions other than regular consent of joint venture partners.

7.3 EQUITY ACCOUNTED ENTITIES' ECONOMIC INTEREST

Set out below are the joint venture partners and associates of the Group as at December 31, 2023. All joint venture partners are incorporated in the United States. None of these are individually material for the Group. There are changes in the economic interest compared to December 31, 2022, due to the sale of joint ventures mentioned in note 2.1.1.

Name of the investments ⁽¹⁾	Type of equity	Economic interest December 31, 2023	Economic interest December 31, 2022
Annapolis ⁽²⁾	Partnership units	55.0%	55.0%
Culver City ⁽²⁾	Partnership units	55.0%	55.0%
Fashion Square	Partnership units	50.0%	50.0%
Garden State Plaza	Partnership units	50.0%	50.0%
Mission Valley ⁽³⁾	Partnership units	-	41.7%
Montgomery	Partnership units	50.0%	50.0%
MV Macy's Box/Parcel ⁽³⁾	Partnership units	-	41.7%
North County ⁽⁴⁾	Partnership units	-	55.0%
Oakridge ⁽²⁾	Partnership units	55.0%	55.0%
Plaza Bonita ⁽²⁾	Partnership units	55.0%	55.0%
San Francisco Emporium ⁽⁵⁾	Partnership units	-	50.0%
Southcenter ⁽²⁾	Partnership units	55.0%	55.0%
Topanga ⁽²⁾	Partnership units	55.0%	55.0%
UTC	Partnership units	50.0%	50.0%
Valencia Town Center ⁽⁶⁾	Partnership units	-	50.0%
Valley Fair	Partnership units	50.0%	50.0%
Wheaton ⁽²⁾	Partnership units	52.6%	52.6%
UTC/VF Services	Membership units	50.0%	50.0%
Emporium Offices ⁽⁵⁾	Partnership units	-	50.0%
Wheaton North Office ⁽²⁾	Partnership units	52.6%	52.6%
Wheaton South Office ⁽²⁾	Partnership units	52.6%	52.6%
Montgomery Condo	Partnership units	50.0%	50.0%
Blum ⁽⁷⁾	Associates	-	20.0%

(1) All equity accounted property partnerships operate solely as retail property investors in the United States.

(2) Per the Co-ownership, Limited Partnership and Property Management Agreements with our joint venture partners, the Group is restricted from exercising control over these interests even though the Group has more than 50% ownership interest and voting rights. Major decisions require the approval of both the Group and the joint venture partners and operating and capital budgets must be approved by the Management Committee (both owners have equal representation on this Committee). The Group therefore has joint control over the investments and is treating them as equity accounted interests.

(3) Westfield Mission Valley was sold on July 21, 2023, refer to 2.1.1.

(4) Westfield North Country was sold on February 1, 2023, refer to 2.1.1.

(5) Westfield San Francisco was foreclosed in Q4 2023, refer to 2.1.1.

(6) Westfield Valencia Town Center was sold on September 4, 2023, refer to 2.1.1.

(7) Blum has been removed from associates and the new investment is carried at cost.

7.4 TRANSACTIONS WITH RELATED-PARTIES

The consolidated financial statements include all companies in the Group's scope of consolidation (see note 16 "List of consolidated companies"). The Group's joint ventures are listed in note 7.3.

Together with Unibail-Rodamco-Westfield SE ("URW SE"), the Group forms Unibail-Rodamco-Westfield ("URW Group").

The main related party transactions refer to transactions with companies accounted for using the equity method, loans and foreign currency contracts with URW SE and convertible redeemable preference shares/units held by URW SE as well as derivatives.

TRANSACTIONS WITH COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

(€Mn)	December 31, 2023	December 31, 2022
Current account in debit/(credit)	(8.4)	(13.6)

The impact of transactions with companies accounting for using the equity method on comprehensive income was insignificant for the year ended December 31, 2023.

TRANSACTIONS WITH UNIBAIL-RODAMCO-WESTFIELD SE

All related party loans of the Group are from URW SE. For the interest amounts with URW SE refer to note 8.3.3.

LOANS TO URW NV

During the period, URW NV has an interest-bearing loan from URW SE. An additional part (€500 Mn) of the loan with an original nominal value of €1,250 Mn has been converted into equity on December 31, 2023, reference is made to note 2.1.3. The remaining principal amount of the loan is €55.4 Mn (December 31, 2022: €543.7 Mn) as at December 31, 2023. The interest rate of the loan is based on a fixed rate from and including the issue date to, but excluding, October 25, 2023. After each 5 years the interest rate is reset at 5YR Mid-swaps plus relevant margin. The maturity date of the loan is perpetual.

During the period, URW NV has an interest-bearing loan from URW SE. The principal amount of the loan is €35.8 Mn as at December 31, 2023 (December 31, 2022: €35.8 Mn). The loan was amended in 2023, the new fixed interest rate is 5.1% (December 31, 2022: 1.44%) and the new maturity date is May 31, 2028, compared to the original maturity date of May 31, 2023.

During the period, URW NV had a EUR and USD current account facility with URW SE for €185.0 Mn and \$100.0 Mn, respectively. As at December 31, 2023, the drawn down amount are €134.2 Mn (December 31, 2022: €169.8 Mn) and \$19.6 Mn (€17.8 Mn) (December 31, 2022: €64.3 Mn) respectively. The credit facilities were amended with effective date December 31, 2023, the amended interest rate is EURIBOR 3 Months (December 31, 2022: EURIBOR+ 0.85%) for the EUR facility and SOFR +1.4% margin before April 1, 2024 and +1.58% on or after April 1, 2024 (December 31, 2022: LIBOR + 1.4%) for the USD facility. The amended maturity date for both contracts is April 1, 2028 (December 31, 2022: April 1, 2024).

During the period, URW NV has interest rate swaps and caps contracts with URW SE. The interest rate swaps contracts maturity date are in 2028, the Macro Swaps were unwound in 2023. This resulted in the amendment in the maturity date from 2048 to 2028. The non-current derivative assets and non-current derivatives liabilities related to the swaps and caps are €32.8 Mn (December 31, 2022: €142.6 Mn) and €31.9 Mn (December 31, 2022: €45.4 Mn) respectively as at December 31, 2023. Reference is made to note 8.4.

LOANS TO URW AMERICA INC.

All USD interest bearing loans from URW SE to URW America Inc were amended in the year ended December 31, 2023. This results in all comparable loans for the year ended December 31, 2022 to be amended with a fixed SOFR interest rate of 5.6806% and a maturity date of July 3, 2028. Therefore, the balance of the loan as at December 31, 2023, is \$2,031.6 Mn (€1,838.6 Mn). The interest rate is SOFR fixed at 5.6806%. The maturity date of the loan is July 7, 2028. In comparison to December 31, 2022, the loans were as follow:

The balance of the loan as at December 31, 2022, was \$52.4 Mn (€49.1 Mn). The interest rate was LIBOR + 0.600% margin. The maturity date of the loan was June 7, 2025.

The balance of the loan as at December 31, 2022, was \$1,202.9 Mn (€1,127.8 Mn). The interest rate was LIBOR + 1.225% margin. The maturity date of the loan was June 7, 2024.

The balance of the loan as at December 31, 2022, was \$776.3 Mn (€727.8 Mn). The interest rate was LIBOR + 1.120% margin. The maturity date of the loan was April 16, 2026.

LOANS TO WALP

All USD interest bearing loans from URW SE to WALP were amended in the year ended December 31, 2023. This results in all comparable loans for the year ended December 31, 2022 to be amended with a fixed SOFR interest rate of 5.6806% and a maturity date of July 3, 2028. Therefore, the balance of the loan as at December 31, 2023, is \$1,564.0 Mn (€1,415.4 Mn). The interest rate is SOFR fixed at 5.6806%. The maturity date of the loan is July 7, 2028. In comparison to December 31, 2022, the loans were as follow:

The balance of the loan as at December 31, 2022, was \$1,007.5 Mn (€944.6 Mn). The interest rate was fixed at 5.895%. The maturity date of the loan was June 30, 2024.

The balance of the loan as at December 31, 2022, was \$250 Mn (€234.4 Mn). The interest rate was fixed at 5.895%. The maturity date of the loan was June 30, 2023.

The balance of the loan as at December 31, 2022, was \$475.0 Mn (€445.3). The interest rate was fixed at 3.3500%. The maturity date of the loan was June 27, 2023.

The balance of the loan as at December 31, 2022 was \$300 Mn (€281.3 Mn). The interest rate was LIBOR + 1.3000% margin and is reset quarterly. The maturity date of the loan was September 4, 2025.

LOANS TO URW SE FROM WALP

For the year ended December 31, 2023 URW SE entered into a new credit facility with WALP where URW SE is the borrower. The balance of the credit facility as at December 31, 2023 is \$964.0 Mn (€872.4 Mn). The interest rate is SOFR fixed at 6.8251%. The maturity date of the credit facility is July 3, 2024.

LOANS CLASSIFIED AS EQUITY INSTRUMENTS TO URW NV

During the period, URW NV has an interest-bearing loan with URW SE of €750 Mn as at December 31, 2023 (€750 Mn as at December 31, 2022) which is classified as an compound financial instrument. URW NV shall only be due interest in respect of a financial year, if it has made sufficient profit and/or its shareholders have decided that they shall pay a dividend with respect of the financial year. The maturity is 99 years from December 29, 2020, and default opportunities are limited.

During the period, URW NV has an interest-bearing loan with URW SE of €500 Mn as at December 31, 2023 (€500 Mn as at December 31, 2022) which is classified as an compound financial instrument. URW NV shall only be due interest in respect of a financial year, if it has made sufficient profit and/or its shareholders have decided that they shall pay a dividend with respect of the financial year. The maturity is 99 years from June 30, 2021 and default opportunities are limited.

During the period, URW NV has an interest-bearing loan with URW SE of €250 Mn as at December 31, 2023 (€250 Mn as at December 31, 2022) which is classified as an compound financial instrument. URW NV shall only be due interest in respect of a financial year, if it has made sufficient profit and/or its shareholders have decided that they shall pay a dividend with respect of the financial year. The maturity is 99 years from December 31, 2022 and default opportunities are limited. Reference is made to 2.2.2.

During the period, URW NV has an interest-bearing loan with URW SE of €500 Mn as at December 31, 2023 which is classified as an compound financial instrument. URW NV shall only be due interest in respect of a financial year, if it has made sufficient profit and/or its shareholders have decided that they shall pay a dividend with respect of the financial year. The maturity is 99 years from December 31, 2023 and default opportunities are limited. Reference is made to 2.1.3.

REDEEMABLE PREFERENCE SHARES HELD BY URW SE

URW SE holds redeemable preference shares in WHL USA Acquisitions, Inc. with a stated redemption value of €399.6 Mn (December 31, 2022: €414.0 Mn) which are presented under the consolidated statement of the financial position under commitment to non-controlling interests. URW SE has the right to redeem the shares for cash after April 3, 2029, and is entitled to annual dividends equal to 5.9% of the stated redemption value. Any unpaid distribution on the shares is cumulative and must be paid prior to WHL USA Acquisitions, Inc. paying a common distribution. All related party transactions are based on at arm's length prices.

TRANSACTIONS WITH ASSOCIATES

Blum was fully impaired as per December 31, 2023.

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Remuneration of key management personnel is disclosed in note 13.4.2.

NOTE 8 • FINANCING AND FINANCIAL INSTRUMENTS

8.1 ACCOUNTING PRINCIPLES

8.1.1 Financial instruments (IAS 32/IFRS 7/IFRS 9/IFRS 13)

CLASSIFICATION AND MEASUREMENT OF NON-DERIVATIVE FINANCIAL ASSETS AND LIABILITIES

FINANCIAL ASSETS

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) - debt instruments; FVOCI - equity instruments; or Fair Value Through Profit and Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

The financial asset representing a debt instrument is measured at amortised cost if it meets both of the following conditions and is not designated as measured at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset representing a debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as measured at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes derivative financial assets.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets for the Group:

FINANCIAL ASSETS AT AMORTISED COST

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

FINANCIAL ASSETS AT FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

EQUITY INSTRUMENTS AT FVOCI

These assets are subsequently measured at fair value through profit or loss except in the case of an irrevocable election to classify them at fair value through other comprehensive income that cannot be reclassified.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

FINANCIAL LIABILITIES

Amounts to suppliers and interest-bearing financial liabilities are initially measured at fair value less transaction costs directly attributable to the issue and after initial booking at amortised cost using the effective interest rate. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Other non-derivatives financial liabilities are recognised at fair value through profit or loss.

FINANCIAL GUARANTEES

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under IFRS 9 Financial Instruments; and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15 Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

CLASSIFICATION AND MEASUREMENT OF FINANCIAL DERIVATIVES

The Group uses derivative financial instruments to hedge its exposure to movements in interest and currency exchange rates.

All financial derivatives are recorded as financial assets or liabilities at fair value on the statement of financial position. Fair value variations of financial derivatives are recognised in the income statement for the period.

The Group has a macro-hedging strategy for its debt. No hedge accounting is applied. All such derivatives are therefore measured at their fair value and any fair value variations are recorded in the income statement.

Changes in the fair value of forward exchange contracts that economically hedge monetary assets and liabilities in foreign currencies and for which no hedge accounting is applied are recognised in the income statement.

Both the changes in fair value of the forward contracts and the foreign exchange gains and losses relating to the monetary items are recognised as part of the "financing result" as these instruments are designated as hedging instruments.

VALUATION OF CREDIT RISK AND DERIVATIVES

The Group, which holds a group of financial assets or financial liabilities, is exposed to market risks and credit risks of every single counterparty as defined in IFRS 7. The Group applies the exception provided by IFRS 13 (§ 48) which permits to measure the fair value of a group of financial assets or a group of financial liabilities on the basis of the price that would be received to sell or transfer a net position towards a particular risk in an orderly transaction between market participants at the measurement date under current market conditions.

To determine the net position, the Group takes into account existing arrangements to mitigate the credit risk exposure in the event of default (e.g. a master netting agreement with the counterparty). The fair value measurement takes into consideration the likelihood that such an arrangement would be legally enforceable in the event of default.

Valuation of derivatives has to take into account the Credit Valuation Adjustment (CVA) and the Debit Valuation Adjustment (DVA). CVA, calculated for a given counterparty, is the product of:

- the total mark-to-market the Group has with this counterparty, in case it is positive;
- the probability of default of this counterparty over the average maturity, weighted by the nominal of the derivatives booked with them. This probability of default is taken from the Bloomberg model, based on market data and derived from the Credit Default Swaps of the banks; and
- the loss given default following market standard.

DVA based on URW NV's credit risk corresponds to the loss that the Group's counterparties may face in case of the Group's default. It is the product of:

- the total mark-to-market the Group has with a counterparty, in case it is negative;
- the probability of default of the Group over the average maturity, weighted by the nominal of the total portfolio of derivatives. The Group's probability of default is derived from the Credit Default Swaps of URW NV and taken from the Bloomberg model; and
- the loss given default following market standard.

The Group does not apply hedge accounting.

8.1.2 Discounting of deferred payments

Long-term liabilities and receivables are discounted when this has a significant impact:

- deferred payments on assets deals, share deals and acquisitions of lands have been discounted up to the payment date;
- provisions for material liabilities taken under IAS 37 are discounted over the estimated duration of the disputes they cover;
- guarantee deposits received from tenants have not been discounted given the negligible impact of discounting.

8.1.3 Borrowing costs generated by construction projects (IAS 23)

Borrowing costs directly attributable to the acquisition or construction of an asset are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The interest costs capitalised are calculated using the Group's weighted average costs of borrowing applied to the average value of the work completed during each quarter, unless specific financing exists for the project. In this case, the specific interest costs of the project are capitalised.

Capitalisation of borrowing costs starts when the asset is qualified as an Investment Property Under Construction and/or as inventory and ends when the project is transferred to standing investment property at the delivery date to the tenant earlier when the project is technically completed or when an asset is available for sale.

8.2 FINANCING RESULT

8.2.1 Net financing costs

(€Mn)	2023	2022
Other financial interest ⁽¹⁾	26.2	7.1
Amount due from derivatives	42.7	45.2
Subtotal financial income	68.9	52.3
Interest on bonds and EMTNs	(143.5)	(147.4)
Interest and expenses on borrowings	(269.6)	(152.8)
Interest expense on lease liabilities	(2.6)	(3.2)
Interest on preference shares	(37.0)	(37.1)
Other financial interest ⁽²⁾	(24.4)	(15.7)
Amount due on derivatives	(40.6)	(58.5)
Financial expenses before capitalisation of financial expenses	(517.7)	(414.7)
Capitalised financial expenses	0.4	0.5
Subtotal net financial expenses	(517.3)	(414.2)
TOTAL NET FINANCING COSTS	(448.3)	(361.9)

(1) The other financial interest income of €31.1 Mn (2022: €7.1 Mn) is calculated using the effective interest method.

(2) The other financial interest expense includes the amendment fee of €12.5 Mn (2022: €5.4 Mn) with regards to the €500 Mn loan conversion reference is made to note 2.1.3.

Cash flow from derivatives and interest paid from the consolidated statement of cash flows correspond to cash amounts of financial interest paid and received during the period. They do not include any non-cash items such as accrued interest and amortisation of issuance costs.

8.2.2 Fair value adjustments of derivatives, debt and currency effect

(€Mn)	2023	2022
Amortisation of debt	(4.7)	(9.2)
Currency result	(1.6)	(2.5)
Fair value of derivatives	14.7	465.3
Fair value preference shares	9.8	64.2
Default on interest payment	(1.7)	-
ECL on financial guarantee contracts	-	13.5
Fair value of preferred interest	(61.7) ⁽¹⁾	(7.5)
TOTAL FINANCIAL RESULT	(45.2)	523.8

(1) The fair value of preferred interest of -€61.7 Mn represents the impairment of Rouse for the year ended December 31, 2023.

8.3 FINANCIAL ASSETS AND LIABILITIES

8.3.1 Financial assets

(€Mn)	December 31, 2023	December 31, 2022
Financial assets at fair value through profit and loss	82.7	256.8
Preferred interest Starwood and Rouse	49.9	114.2
Derivatives at fair value	32.8	142.6
Financial assets at amortised cost	1,072.4	236.8
Other financial assets	5.0	3.9
Trade receivables from activity	73.8	86.3
Other receivables ⁽¹⁾	955.5	70.6
Cash and cash equivalents	38.1	76.0
FINANCIAL ASSETS	1,155.0	493.6
Total current	1,067.4	232.9
Total non-current	87.7	260.7

(1) Other receivables mainly consist of a credit facility to URW SE, refer to 2.1.8. The remainder of other receivables consist of other debtors and accrued interest on derivatives.

For the year ended December 31, 2023 lease incentives of €69.7 Mn (2022: €71.7 Mn) is included in trade receivables from activity in the consolidated statement of financial position.

8.3.2 Main financing / investing transactions

2023

BOND MARKET

There were no new issued bonds and notes in the financial year ended December 31, 2023.

TRANSACTION WITH FINANCIAL INSTITUTIONS

For the period ended December 31, 2023, URW NV borrowed €1,095.0 Mn from financial institutions, mainly consisting of Westfield Century City refinancing of €837.1 Mn, reference to 2.1.7.

TRANSACTION WITH URW SE

For the year ended December 31, 2023, the Group borrowed €518.4 Mn from URW SE and made repayments of €1,021.8 Mn to URW SE, these transactions are also considered as main financing transactions, for amendment in loans refer to 7.4.

MAIN FINANCIAL INVESTING TRANSACTION WITH URW SE

For the period ended December 31, 2023, URW SE borrowed €872.4 Mn from WALP, these transactions are considered as main financial investing transactions, reference to 2.1.8.

2022

BOND MARKET

There were no new issued bonds and notes in the financial year ended December 31, 2022.

TRANSACTION WITH URW SE

For the year ended December 31, 2022, the Group borrowed €324.8 Mn from URW SE and made repayments of €392.8 Mn to URW SE, these transactions are also considered as main financing transactions.

8.3.3 Financial debt breakdown and outstanding duration to maturity

Outstanding duration to maturity (€Mn)	Current			Non-current			Total December 31, 2023	Total December 31, 2022
	Less than 1 year	1 year to 5 years	More than 5 years	December 31, 2023	December 31, 2022	December 31, 2022		
Bonds and notes	927.2	1,131.9	1,587.4	3,646.5				3,774.2
Principal debt ⁽¹⁾	905.0	1,131.2	1,583.7	3,619.9				3,750.2
Accrued interest	37.2	-	-	37.2				38.5
Issuance costs	(14.0)	-	-	(14.0)				(16.7)
Amortisation of debt	(1.0)	0.7	3.7	3.4				2.2
Bank borrowings	(6.3)	1,086.0	-	1,079.7				105.0
Principal debt ⁽¹⁾	-	1,086.0	-	1,086.0				113.4
Accrued interest	6.4	-	-	6.4				0.3
Borrowings issue fees	(12.7)	-	-	(12.7)				(5.4)
Amortisation of debt	-	-	-	-				(3.3)
Other financial liabilities	70.4	3,441.7	56.5	3,568.6				4,646.4
Borrowing with URW SE ⁽²⁾	-	3,441.7	56.5	3,498.2				4,623.9
Accrued interests on borrowings with URW SE ⁽²⁾	70.4	-	-	70.4				23.1
Charges and premiums on issues of borrowings with URW SE ⁽²⁾	-	-	-	-				(0.6)
Lease liabilities	1.2	4.9	-	6.1				43.6
TOTAL	992.5	5,664.5	1,643.9	8,300.9				8,569.2

(1) These notes or instruments are subject to negative pledge arrangements which require the Group to comply with certain minimum financial requirements.

(2) Further information relating to loans with related parties is set out in note 7.4.

The amortisation of debt of bonds and notes refers to the fair value of the WEA debt at acquisition date, June 7, 2018.

An amount of €1,086.0 Mn of bank borrowings is secured. Secured liabilities are borrowings secured by mortgages over properties. The related properties are Westfield Roseville and Westfield Century City. The terms of the debt facilities preclude the properties from being used as security for other debt. The debt facilities also require the properties to be insured.

The 2023 variation of financial debt by flows breaks down as follows:

	December 31, 2022	Cash flows ⁽¹⁾			Variation of accrued interests ⁽³⁾	Non-cash flows				December 31, 2023
		Increase ⁽²⁾	Decrease	Scope movements		Currency translation	Amortisation impact	Others		
Bonds and notes	3,774.2	-	-	-	-	(131.3)	1.5	2.2		3,646.5
Bank borrowings	105.0	1,095.0	-	7.3	(113.0)	(27.4)	3.2	9.7		1,079.7
Other financial liabilities ⁽⁶⁾	4,646.4	518.4	(1,021.8)	48.0	-	(122.6)	-	(500.0) ⁽⁵⁾		3,568.6
Lease liabilities	43.6	0.4	(4.5)	-	(31.9)	(1.5)	-	-		6.1
TOTAL	8,569.2	1,613.8	(1,026.3)	55.3	(144.9)	(282.8)	4.7	(488.1)		8,300.9

(1) The cash flows differ from those in the Consolidated statement of cash flows mainly due to the variation of guarantee deposits received.

(2) Net of bonds and EMTNs issuance costs and bank borrowings issue fees.

(3) The variation of accrued interest is included in lines Financial income/Financial expenses of the Consolidated statement of cash flows.

(4) The variation of scope movements includes the deconsolidation of San Francisco Centre, reference is made to note 2.1.2.

(5) The variation of Others includes conversion of the €500 Mn loan with URW SE to equity, reference is made to note 2.1.3.

(6) Other financial liabilities consist of borrowings and accrued interest on borrowings with URW SE.

The 2022 variation of financial debt by flows breaks down as follows:

	December 31, 2021	Cash flows ⁽¹⁾			Non-cash flows				December 31, 2022
		Increase ⁽²⁾	Decrease	Variation of accrued interests ⁽³⁾	Scope movements	Currency translation	Amortisation impact	Others	
Bonds and notes	3,545.4	-	-	-	-	219.3	2.0	7.5	3,774.2
Bank borrowings	478.7	-	(264.8)	(1.6)	(143.4) ⁽⁴⁾	35.0	7.2	(6.1)	105.0
Other financial liabilities	4,710.7	324.8	(392.8)	17.7	-	232.7	-	(246.7) ⁽⁵⁾	4,646.4
Lease liabilities	57.1	0.8	(22.6)	-	-	3.8	-	4.5	43.6
TOTAL	8,791.9	325.6	(680.2)	16.1	(143.4)	490.8	9.2	(240.8)	8,569.2

(1) The cash flows differ from those in the Consolidated statement of cash flows mainly due to the variation of guarantee deposits received.

(2) Net of bonds and EMTNs issuance costs and bank borrowings issue fees.

(3) The variation of accrued interest is included in lines Financial income/Financial expenses of the Consolidated statement of cash flows.

(4) The variation of scope movements includes the deconsolidation of Westfield Trumbull, reference is made to note 2.1.1.

(5) The variation of Others includes conversion of the €250 Mn loan with URW SE to equity, reference is made to note 2.1.2.

(6) Other financial liabilities consist of borrowings and accrued interest on borrowings with URW SE.

MATURITY OF CURRENT PRINCIPAL DEBT

(€Mn)	Current			Total December 31, 2023
	Less than 1 month	1 month to 3 months	More than 3 months	
Bonds and notes	23.2	-	904.0	927.2
Bank borrowings	(6.3)	-	-	(6.3)
Borrowing with URW SE	70.4	-	-	70.4
Financial leases	-	-	1.2	1.2
TOTAL	87.3	-	905.2	992.5

8.3.4 Characteristics of bonds and notes

The bonds and notes are related to WEA and have the following characteristics:

Issue date	Rate	Currency	Amount as at December 31, 2023 (€Mn)	Amount as at December 31, 2022 (€Mn)	Maturity
September 2014	Fixed rate 3.75%	USD	905.0	937.6	September 2024
September 2014	Fixed rate 4.75%	USD	452.5	468.8	September 2044
September 2018	Fixed rate 4.125%	USD	452.5	468.8	September 2028
September 2018	Fixed rate 4.625%	USD	452.5	468.8	September 2048
June 2019	Fixed rate 3.50%	USD	678.7	703.2	June 2029
October 2019	Fixed rate 2.875%	USD	678.7	703.2	January 2027
TOTAL			3,619.9	3,750.2	

8.3.5 Covenants

There are no financial covenants (such as loan to value or ICR) with regard to the loans with URW SE.

The US credit facility and 144A and Regulation S bonds in the US contain financial covenants based on URW Group's financial statements. As at December 31, 2023, the URW Group's ratios show sufficient headroom vis-à-vis the following covenants:

	US Credit facility covenants level	Rule 144A and Reg S bonds covenants level
Loan to Value ⁴⁶	< 65%	< 65%
ICR	> 1.5x	> 1.5x
FFO/NFD ⁴⁷	na.	na.
Secured debt ratio ⁴⁸	< 50%	< 45%
Unencumbered leverage ratio ⁴⁹	> 1.5x	> 1.25x

These covenants are tested twice a year based on the URW Group's IFRS financial statements.

8.3.6 Net financial debt

The net financial debt of URW NV only includes debt as disclosed in the consolidated balance sheet under long-term borrowings as well as current borrowings and amounts due to credit institutions, the net financial debt do not include lease liabilities. Net financial debt is determined as below:

NET FINANCIAL DEBT

(€Mn)	December 31, 2023	December 31, 2022
Amounts accounted for in B/S		
Long-term bonds and borrowings	7,303.5	7,773.3
Current borrowings and amounts due to credit institutions	991.3	752.3
Total financial liabilities	8,294.8	8,525.6
Adjustments		
Amortisation of debt	(3.4)	1.1
Accrued interests/issuance fees	(87.3)	(39.2)
Total financial liabilities (nominal value)	8,204.1	8,487.5
Cash & cash equivalents	(38.1)	(76.0)
NET FINANCIAL DEBT	8,166.0	8,411.5

NET CASH AT PERIOD-END

(€Mn)	December 31, 2023	December 31, 2022
Cash ⁽¹⁾	38.1	76.0
Total asset	38.1	76.0
Bank overdrafts & current accounts to balance out cash flow	-	-
Total liabilities	-	-
NET CASH AT PERIOD-END	38.1	76.0

(1) There is no restriction on cash for the year ended December 31, 2023.

⁴⁶ Ratio calculated based on European bank debt covenant.

⁴⁷ Funds From Operations: on an annualised basis, the recurring EBITDA minus (i) recurring net financial expenses and (ii) tax on recurring operating result.

⁴⁸ Secured debt/Total assets.

⁴⁹ Unencumbered assets/unsecured debt.

8.3.7 Commitment to non-controlling interests

(€/Mn)	December 31, 2022	Addition	Decrease	Fair value movements in P&L	Currency translation	December 31, 2023
Financial liabilities at amortised cost	505.0	23.8	-	-	(18.5)	510.3
Commitment to non-controlling interests held by URW SE (a)	505.0	23.8	-	-	(18.5)	510.3
Financial liabilities at fair value	46.9	-	(7.2)	(9.5)	(1.6)	28.8
Commitment to non-controlling interests (b)	34.7	-	(7.2)	0.4	(1.2)	26.7
Other commitments to non-controlling interests (c)	12.2	-	-	(9.9)	(0.4)	2.0
Total commitment to non-controlling interests	551.9	23.8	(7.2)	(9.5)	(20.1)	539.1
Total non-current	460.4	-	(7.2)	(9.5)	(16.3)	427.7
Total current	91.5	23.8	-	-	(3.7)	111.5

Commitment to non-controlling interests for the amount of €28.8 Mn relates to external parties and are measured at fair value level 3. For the fair value method use, refer to note 8.6.

A) INTERESTS HELD BY URW SE

URW SE holds redeemable preference shares/units in WHL USA Acquisitions, Inc. for an amount of €399.6 Mn. The holders have the right to redemption in cash after April 3, 2029. These redeemable preference shares are measured at amortised cost using the effective interest method. The remaining amount is the interest accrued. The amount presented in the table above is the initial amount including accrued preferred dividend.

i) The holders of Series A preferred shares are entitled to receive an annual dividend equal to 5.9% of the value of the preference shares.

B) INTERESTS HELD BY EXTERNAL PARTIES

i) As at December 31, 2023, the Jacobs Group holds 1,251,241 (December 31, 2022: 1,141,553) Series G units in the operating partnership. Anthony Weigand redeemed 45,318 shares in full in October 2023. The holders have the right that requires WEA to purchase up to 10% of the shares redeemed for cash.

ii) As at December 31, 2023, the previous owners of the Sunrise Mall hold 1,401,426 (December 31, 2022: 1,401,426) Series I units. At any time, the holder (or the Holder's Estate) has the right to require the operating partnership to redeem its Series I units at the Group's discretion either for: (i) cash; (ii) shares in WEA (with the holder having the right to exchange such WEA shares for stapled securities); or (iii) a combination of both.

iii) As at December 31, 2023, 1,538,481 (December 31, 2022: 1,538,481) Series J units are outstanding. At the holder's discretion, such holder has the right to require the operating partnership to redeem its Series J units, at the Group's discretion, either for: (i) cash; (ii) shares in WEA (with the holder having the right to exchange such WEA shares for URW stapled securities); or (iii) a combination of both.

iv) The investor unit rights in the operating and property partnerships have a fixed life and are able to be redeemed either for: (i) cash, (ii) shares in WEA; or (iii) a combination of both, at the Group's discretion. At any time, after 19 May 2014, such holders have the right to require WEA to redeem their WEA common shares, at the Group's discretion, either for (i) cash; (ii) stapled securities; or (iii) a combination of both.

C) OTHER COMMITMENT TO NON-CONTROLLING INTERESTS

The other redeemable preference shares/units comprise: (i) Series H-2 Partnership Preferred Units (Series H-2 units); and (ii) Series A Partnership Preferred Units (Series A units).

i) The former partners in the San Francisco Centre hold 360,000 (Series H-2 Units in the operating partnership) as December 31, 2023 (December 31, 2022: 360,000). Each Series H-2 unit will be entitled to receive quarterly distributions equal to \$0.125 for the first four calendar quarters after the Series H-2 units are issued (the Base Year) and for each calendar quarter thereafter, \$0.125 multiplied by a growth factor. The growth factor is an amount equal to one plus or minus, 25% of the percentage increase or decrease in the distributions payable with respect to a partnership common unit of the operating partnership for such calendar quarter relative to 25% of the aggregate distributions payable with respect to a partnership common unit for the Base Year.

8.4 DERIVATIVE INSTRUMENTS

CHANGE IN DERIVATIVES 2023

€Mn	December 31, 2022	Amounts recognised in the Statement of Comprehensive Income			December 31, 2023
		Fair value adjustments of derivatives	Currency translation	Acquisitions/disposals	
Assets					
Derivatives at fair value Non-Current	142.6	6.1	(0.3)	(115.6)	32.8
• Fair value	142.6	6.1	(0.3)	(115.6)	32.8
Liabilities					
Derivatives at fair value	(45.4)	13.5	-	-	(31.9)
• Fair value	(45.4)	13.5	-	-	(31.9)
NET	97.2	19.6	(0.3)	(115.6)	0.9

The fair value of interest rate swaps (assets/liabilities) increased in value mainly due to a lower swap rate curve.

In H1-2023 URW NV unwound the Macro Swaps, this resulted in a disposal of -€115.6 Mn in derivative instruments and a net effect on the consolidated statement of comprehensive income of -€4.9 Mn

The notional amount of the IRS contract is \$2,275.0 Mn (€2,058.8 Mn).

CHANGE IN DERIVATIVES 2022

€Mn	December 31, 2021	Amounts recognised in the Statement of Comprehensive Income		December 31, 2022
		Fair value adjustments of derivatives	Currency translation	
Assets				
Derivatives at fair value Non-Current	76.8	65.2	0.6	142.6
• Fair value	76.8	65.2	0.6	142.6
Liabilities				
Derivatives at fair value	(445.5)	400.1	-	(45.4)
• Fair value	(445.5)	400.1	-	(45.4)
NET	(368.7)	465.3	0.6	97.2

The fair value of interest rate swaps (assets/liabilities) decreased in value mainly due to a higher swap rate curve. There was no settlement in 2022.

The notional amount of the IRS contract is \$3,000.0 Mn (€2,812.7 Mn).

8.5 RISK MANAGEMENT POLICY

The Group's principal financial instruments comprise cash, receivables, payable, interest-bearing liabilities, other financial liabilities, other investments and derivative financial instruments. The Group manages its exposure to key financial risks in accordance with the Group treasury risk management policies.

The Group utilises derivative financial instruments, including forward exchange contracts, currency and interest rate options, currency and interest rate swaps to manage the risks associated with foreign currency and interest rate fluctuations. Such derivative financial instruments are recognised at fair value.

The Group has set defined policies and implemented a comprehensive hedging programme to manage interest and exchange rate risks. Derivative instruments are transacted to achieve the economic outcomes in line with the Group's treasury policy and hedging programme. Derivative instruments are not transacted for speculative purposes. Accounting standards however require compliance with documentation, designation and effectiveness parameters before a derivative financial instrument is deemed to qualify for hedge accounting treatment. These documentation, designation and effectiveness requirements cannot be met in all circumstances. As a result, derivative instruments, other than cross currency swaps that hedge net investments in foreign operations, are deemed not to qualify for hedge accounting and are recorded at fair value. Gains or losses arising from the movement in fair values are recorded in the income statement.

The fair value of derivatives has been determined with reference to market observable inputs for contracts with similar maturity profiles. The valuation is a present value calculation which incorporates interest rate curves, foreign exchange spot and forward rates, option volatilities and the credit quality of all counterparties.

8.5.1 Market risk

Market risks can generate losses resulting from fluctuations in interest rates, exchange rates, raw material prices and share prices. URW NV's risk mainly relates to interest rate fluctuations on the debt it has taken out to finance its investments and maintain the cash position it requires and exchange rate fluctuations due to the Group's activities in countries outside the Eurozone, in particular in the US.

The Group, through its activities, may be exposed to market risks which can generate losses as a result of fluctuations in stock markets. The Group is either: (i) directly exposed to fluctuations in stock prices due to the ownership of shares or financial instruments, or (ii) indirectly exposed to fluctuations in stock prices, due to the ownership of funds, investment instruments or share based derivatives which are directly correlated with the price of the asset underlying such derivatives.

COUNTERPARTY RISK

Due to its use of derivatives to minimise its interest and exchange rate risk, the Group is exposed to potential counterparty defaults. The counterparty risk is the risk of replacing the derivative transactions at current market rates in the case of default. To limit counterparty risk, the Group relies on cross guarantees within the URW Group for its hedging operations.

In case of derivative termination, netting can apply as a result of existing agreements between the Group and its counterparties. The related amounts of derivative instruments, excluding accrued interest would be €32.8 Mn (December 31, 2022: €142.6 Mn) for assets and €31.9 Mn (December 31, 2022: €45.4 Mn) for liabilities as at December 31, 2023.

INTEREST RATE RISK

The Group is exposed to interest rate fluctuations on its existing or future variable rate borrowings. The Group's strategy regarding interest rate risk is to minimise the impact that changes in rates could have on earnings and cash flow and optimise the overall cost of financing in the medium-term. In order to implement this strategy, the Group uses notably derivatives (mainly caps and swaps) to hedge its interest rate exposure. The Group's market transactions are confined exclusively to those interest hedging activities.

The Group interest rate swaps and caps do not meet the accounting requirements to qualify for hedge accounting treatment. Changes in fair value have been reflected in the income statement.

MEASURING INTEREST RATE RISK

As at December 31, 2023, the measuring interest risk is as follows:

(€Mn)	Financial liabilities	
	Fixed rate	Variable rate*
Less than 1 year	905.0	-
1 year to 2 years	-	248.9
2 years to 3 years	-	-
3 years to 4 years	678.7	-
4 years to 5 years	3,742.2	989.1
More than 5 years	1,639.1	-
Total	6,965.0	1,238.0

* Including index-linked debt.

As at December 31, 2022, the measuring interest risk is as follows:

(€Mn)	Financial liabilities	
	Fixed rate	Variable rate*
Less than 1 year	715.5	-
1 year to 2 years	1,882.1	234.1
2 years to 3 years	-	1,458.2
3 years to 4 years	113.4	727.8
4 years to 5 years	703.2	-
More than 5 years	2,653.2	-
Total	6,067.5	2,420.1

* Including index-linked debt.

The Group does not have a micro-hedging strategy, except when both currency exchange risk and interest rate risk are hedged, which enables it not to correlate its liquidity risk and interest rate risk management. Consequently, the maturities of the debts and hedging instruments can be dissociated, and the outstanding derivatives instruments can hedge a part of the fixed rate debt maturing in the following years.

The interest cost of outstanding debt was hedged at 88% as at December 31, 2023 (December 31, 2022: 83%), through both:

- Debt kept at a fixed rate;
- Hedging in place as part of the Group's macro hedging policy.

The hedging balance as at December 31, 2023, and December 31, 2022 respectively breaks down as follows:

(€Mn)	Outstanding total as at December 31, 2023		Outstanding total as at December 31, 2022	
	Fixed rate	Variable rate ⁽¹⁾	Fixed rate	Variable rate ⁽¹⁾
Financial liabilities	(6,965.0)	(1,238.0)	(6,067.5)	(2,420.1)
Financial assets	38.1	-	76.0	-
Financial liabilities before hedging programme	(6,926.9)	(1,238.0)	(5,991.5)	(2,420.1)
Micro-hedging	905.0	(905.0)	937.6	(937.6)
Net financial liabilities after micro-hedging⁽²⁾	(6,022.0)	(2,142.9)	(5,053.9)	(3,357.7)
Swap rate hedging ⁽³⁾	-	1,153.8	-	1,875.1
Net debt not covered by swaps	-	(989.1)	-	(1,482.6)
Cap and floor hedging	-	-	-	-
HEDGING BALANCE	-	(989.1)	-	(1,482.6)

(1) Including index-linked debt.

(2) Partners' current accounts are not included in variable-rate debt.

(3) Forward hedging instruments are not accounted for in this table.

(4) 2021 was restated to include financial assets, URW NV considered the impact and concluded that the restatement did not have any significant impact on the year ended December 31, 2022.

Over 2023, short-term interest rates increased across currencies by: +178 bps for 3M Euribor and +74 bps for 3M SOFR, while long-term treasury rates remained flat in the US.

Based on the estimated average debt position of URW NV in 2023, if interest rates (Euribor, SOFR) were to rise by an average of +50 bps during 2023, the estimated impact on financial expenses would be -€5.0 Mn:

- Dollar financial expenses would increase by -\$4.8 Mn (-€4.4 Mn);
- Euro financial expenses would increase by -€0.7 Mn.

A +25 bps rise in interest rates would increase the financial expenses by -€2.5 Mn:

- Dollar financial expenses would increase by -\$2.4Mn (-€2.2 Mn);
- Euro financial expenses would increase by -€0.3 Mn.

A -50 bps drop in interest rates would reduce the financial expenses by +€5.0 Mn:

- Dollar financial expenses would decrease by +\$4.8 Mn (€4.4 Mn);
- Euro financial expenses would decrease by +€0.7 Mn.

A -25 bps drop in interest rates would reduce the financial expenses by +€2.5 Mn:

- Dollar financial expenses would decrease by +\$2.4 Mn (€2.2 Mn);
- Euro financial expenses would decrease by +€0.3 Mn.

FOREIGN EXCHANGE RATE RISK

Regarding exchange rate risk, the Group aims to limit its net exposure to an acceptable level by taking up debt in the same currency, by using derivatives and by buying or selling foreign currencies at spot or forward rates.

MEASURING CURRENCY EXCHANGE RATE EXPOSURE

The Group has activities and investments in US. When converted into euros, the income and value of the Group's net investment may be influenced by fluctuations in exchange rates against the euro. The Group's policy objective is to apply a broadly consistent LTV by currency allowing it to match part of the foreign currency asset value and income with debt and financial expenses in the same currency, thus reducing the exchange rate effects on net asset value and earnings. Foreign exchange risk can be hedged by either matching investments in a specific currency with debt in the same currency or using derivatives to achieve the same risk management goal.

Other monetary assets and liabilities held in currencies other than the euro are managed by ensuring that net exposure is kept to an acceptable level by buying or selling foreign currencies at spot or forward rates where necessary to address short term balances.

MEASURE OF THE EXPOSURE TO OTHER RISKS AS AT DECEMBER 31, 2023 (€Mn)

Currency	Assets	Liabilities	Net Exposure	Hedging instruments	Exposure net of hedges
USD	9,564.7	(8,969.4)	595.3	-	595.3
TOTAL	9,564.7	(8,969.4)	595.3	-	595.3

MEASURE OF THE EXPOSURE TO OTHER RISKS AS AT DECEMBER 31, 2022 (€Mn)

Currency	Assets	Liabilities	Net Exposure	Hedging instruments	Exposure net of hedges
USD	10,176	(8,856)	1,320	-	1,320
TOTAL	10,176	(8,856)	1,320	-	1,320

EXPOSURE SENSITIVITY TO CURRENCY EXCHANGE RATE

The main exposure kept is in USD (i.e. a 10% increase of EUR against the USD) would have an impact on shareholders' equity and the recurring result as follows:

(€Mn)	December 31, 2023		December 31, 2022	
	Recurring result Gain/(Loss)	Equity Gain/(Loss)	Recurring result Gain/(Loss)	Equity Gain/(Loss)
Impact of an increase of +10% in the EUR/USD exchange	(3.4)	(54.1)	(7.9)	(120.0)

MANAGEMENT OF OTHER RISKS

The Group, through its activities, may be exposed to market risks which can generate losses as a result of fluctuations in stock markets. The Group is either (i) directly exposed to fluctuations in stock prices due to the ownership of participations or financial instruments, or, (ii) indirectly exposed to fluctuations in stock prices, due to the ownership of funds, investment instruments or share based derivatives which are directly correlated with the price of the asset underlying such derivatives.

The Group may also be exposed to concentration risks on its revenues as well as liquidity. Such risks could generate losses due to bankruptcy of tenants or banks. This exposure however is limited by a diversified tenant base on the revenue side and a pool of banks utilised for its cash and cash equivalents.

8.5.2 Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures with respect to rental customers. Credit risk is managed on a group level. The Group structures the level of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparties, and to geographical and industry segments. Such risks are subject to at least an annual review, and often more frequently. The Group has policies in place to ensure that rental contracts or renewals are made with customers with sufficient creditworthiness or in case of renewal an appropriate credit history with the entity.

In the Shopping Centres segment, the risk of insolvency is spread widely across a large number of tenants.

When tenants sign their lease agreements, they are required to provide financial guarantees, such as a deposit, first-demand guarantee or a surety bond amounting to between three and six months' rent.

Late payment reminders are automatically issued in respect of late payments and penalties are applied. Such late payments are monitored by a special "default" Committee in each business segment which decides on the pre-litigation or litigation action to be taken.

The table below includes the gross carrying amounts of financial assets subject to credit risk and the maximum exposure to credit risk of financial guarantee contracts.

(€Mn)	2023		2022	
	Assets subject to 12 month ECL	Assets subject to Lifetime ECL	Assets subject to 12 month ECL	Assets subject to Lifetime ECL
Trade receivable from activity	-	49.0	-	71.7 ⁽¹⁾
Other receivables	963.0	-	76.9	-
Cash and cash equivalents	38.1	-	76.0	-
Financial guarantee contracts	309.1	-	379.1	113.1 ⁽¹⁾
Gross amount at 31 December	1,310.2	49.0	532.0	184.8

⁽¹⁾ This amount was restated from €86.3 Mn previously disclosed in 2022 to show the correct gross amount, URW NV concluded that the restatement is not significant.

⁽²⁾ The amount comprises of stage 3 assets.

For trade receivables the group applies the simplified model in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. For other financial assets subject to credit risk and financial guarantee contracts the group applies the general model in calculating ECLs, therefore calculating ECLs over 12 months unless there is a significant increase in credit risk (in which case the lifetime ECL is calculated).

URW NV ECL policy meets the simplified model of IFRS 9:

- The estimated losses are calculated on tenant's risk rating, including adjustment to increase the actual YTD bankruptcy rate of the receivables;
- The rate of estimated loss reflects the best estimation of the expected future losses, on the considered client segment: URW NV respects the notion of back testing (comparison is performed with historical rates of losses) and if needed, the rates are adjusted to take into account any new trigger event;
- Historical data are reviewed to reflect better the actual situation and integrate the best estimates for the near future.

The Group applies the following rules to calculate the provision for ECL as December 31, 2023:

- Receivables from tenants under bankruptcies proceedings were fully written-off;
- ECL provisions are defined on the basis of an estimated default rate based on a forward-looking approach. This percentage of default may be refined by the tenant segment and position of the Shopping Centre in its catchment area. Ultimately, this default is rationalised based on recent events like tenants bankruptcies in 2023 and also evolution of shop closures in the past quarters;
- This percentage was applied on the amount of receivables from which security deposit and deferred amounts not yet due were deducted.

The table below explains the movements in the loss allowance for trade receivables from activity during the period:

(€Mn)	2023	2022
TRADE RECEIVABLE		
Opening loss allowance at 1 January	57.1	75.5
(Reversal)/Addition in loan loss allowance recognised in profit or loss during the year	(4.0)	(11.5)
Receivables written off during the year as uncollectible	(2.7)	(10.7)
Changes due to FX differences	(3.3)	3.7
Closing loss allowance at 31 December⁽¹⁾	47.1	57.1

(1) The gross carrying amount of the trade receivables from activity and the related allowance are presented on a net basis in the balance sheet.

Trade receivables are provided for where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 90 days past due. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

URW NV's provision policy for the general model:

- No material expected credit losses are recognised in relation to Other receivables, Receivables from joint ventures and associates, and cash and cash equivalents, nor in relation to financial guarantee contracts for which there is no significant increase in credit risk.
- The expected credit loss for the financial guarantee contract for which there is a significant increase in credit risk, is based on the difference between the guaranteed amount and the Group's estimate of disposal proceeds for the related investment property in the event of foreclosure.

The table below explains the movements in the loss allowance for financial guarantee contracts from activity during the period:

(€Mn)	2023	2022
FINANCIAL GUARANTEE CONTRACTS		
Opening loss allowance at 1 January	53.8	111.2
Additions recognised in profit or loss during the period	-	11.7
Used ⁽²⁾	-	-
Provision released during the year	(51.7) ⁽²⁾	(75.9) ⁽¹⁾
Changes due to FX differences	(2.1)	6.7
Closing loss allowance at 31 December⁽³⁾	-	53.8

(1) This amount is included under Result on disposal of investment properties.

(2) URW NV was release of the financial guarantee contract on Westfield Palm Desert.

(3) The amount is included under other non-current liabilities.

8.5.3 Liquidity risk

The Group undertakes active liquidity and funding risk management to enable it to have sufficient funds available. To meet its financial obligations, working capital and expected committed capital expenditure requirements are periodically and carefully monitored. During the COVID-19 crisis, the URW Group took immediate steps to preserve its strong liquidity position in light of the uncertain impact of the pandemic. The Group prepares and monitors rolling forecasts of liquidity requirements on the basis of expected cash flow. URW NV has cross guarantees with URW SE and the liquidity needs are covered by the available undrawn credit lines at URW Group level. Interest bearing liabilities, and funding facilities and their maturity profiles, are set out in note 8.3.3.

The following table shows the Group's contractually agreed interest payments and repayments of the non-derivative financial liabilities, commitment to non-controlling interests held by URW SE and the derivatives with positive and negative fair values (excluding lease liabilities and certain current financial liabilities like trade creditors). The commitment to non-controlling interests at fair value of €28.8 Mn is not included in the below table as the holder has the right to exchange into cash and/or URW stapled shares at any time (see note 8.3.7). Amounts in foreign currency were translated at the closing rate at the reporting date. The payments of the floating-rate interests have been calculated on the basis of the last interest rates published on December 31, 2023. Credit lines drawn as at December 31, 2023, are considered as drawn until maturity.

(€Mn)	Carrying amount ⁽¹⁾ December 31, 2023	Less than 1 year		1 year to 5 years		More than 5 years	
		Interest	Redemption	Interest	Redemption	Interest	Redemption
BONDS, BORROWINGS AND AMOUNTS DUE TO CREDIT INSTITUTIONS							
Bonds and EMTNs	(3,619.9)	(138.3)	(905.0)	(388.2)	(1,131.2)	(774.3)	(1,583.7)
Bank borrowings and other financial liabilities ⁽²⁾	(4,584.2)	(232.6)	-	(737.5)	(4,527.7)	(256.5)	(56.5)
FINANCIAL DERIVATIVES							
Derivative financial liabilities							
Derivatives without a hedging relationship	(31.9)	(24.1)	-	(80.0)	-	-	-
Derivative financial assets							
Derivatives without a hedging relationship	32.8	35.7	-	102.6	-	-	-
COMMITMENT TO NON-CONTROLLING INTEREST							
Commitment to non-controlling interest held by URW SE	(399.6)	(23.6)	-	(94.3)	-	(6.0)	(399.6)

(1) Corresponds to the amount of principal debt (see note 8.3.3 "Financial debt breakdown and outstanding duration to maturity"). This is excluding lease liabilities for the year ended December 31, 2023.

(2) Excludes current accounts with non-controlling interests.

8.6 FAIR VALUE OF FINANCIAL INSTRUMENTS PER CATEGORY

FAAC: Financial Asset at Amortised Cost
 FAFVOCI: Financial Asset at Fair Value through Other Income
 FAFVTPL: Financial Asset at Fair Value Through Profit or Loss
 FLAC: Financial Liabilities at Amortised Cost
 FLFVTPL: Financial Liabilities at Fair Value Through Profit or Loss

December 31, 2023 (€Mn)	Categories in accordance with IFRS 9	Carrying Amount December 31, 2023	Amounts recognised in statement of financial position according to IFRS 9			
			Amortised Cost	Fair value recognised in OCI	Fair value recognised in profit or loss	Fair value
ASSETS						
Financial assets	FAAC/FAFVTPL	55.1	5.2	-	49.9	55.1
Derivatives at fair value	FAFVTPL	32.8	-	-	32.8	32.8
Trade receivables from activity	FAAC	73.8	73.8	-	-	73.8
Other receivables ⁽¹⁾	FAAC	955.2	955.2	-	-	952.8
Cash and cash equivalents	FAAC	38.1	38.1	-	-	38.1
		1,155.0	1,072.3	-	82.7	1,152.6
LIABILITIES						
Commitment to non-controlling interests	FLAC/FLFVTPL	539.2	510.5	-	28.7	568.7
Financial debts	FLAC	8,300.9	8,300.9	-	-	8,045.7
Derivatives at fair value	FLFVTPL	31.9	-	-	31.9	31.9
Non-current amounts due on investments	FLAC	2.0	2.0	-	-	2.0
Other non-current liabilities ⁽²⁾	FLAC	27.3	27.3	-	-	27.3
Amounts due to suppliers and other current debt ⁽³⁾	FLAC	139.8	139.8	-	-	139.8
		9,041.1	8,980.5	-	60.6	8,815.4

(1) Excluding prepaid expenses, service charges due and tax receivables.

(2) Expected credit loss provisions for financial guarantees are excluded.

(3) Excluding deferred income, service charges billed and tax liabilities.

December 31, 2022 (€Mn)	Categories in accordance with IFRS 9	Carrying Amount December 31, 2022	Amounts recognised in statement of financial position according to IFRS 9			
			Amortised Cost	Fair value recognised in OCI	Fair value recognised in profit or loss	Fair value
ASSETS						
Financial assets	FAAC/FAFVTPL	118.2	4.0	-	114.2	118.2
Derivatives at fair value	FAFVTPL	142.6	-	-	142.6	142.6
Trade receivables from activity	FAAC	86.3	86.3	-	-	86.3
Other receivables ⁽¹⁾	FAAC	70.6	70.6	-	-	70.6
Cash and cash equivalents	FAAC	76.0	76.0	-	-	76.0
		493.7	236.9	-	256.8	493.7
LIABILITIES						
Commitment to non-controlling interests	FLAC/FLFVTPL	551.9	505.0	-	46.9	533.5
Financial debts	FLAC	8,569.2	8,569.2	-	-	7,844.8
Derivatives at fair value	FLFVTPL	45.4	-	-	45.4	45.4
Non-current amounts due on investments	FLAC	6.3	6.3	-	-	6.3
Other non-current liabilities ⁽²⁾	FLAC	31.4	31.4	-	-	31.4
Amounts due to suppliers and other current debt ⁽³⁾	FLAC	168.5	168.5	-	-	168.5
		9,372.7	9,280.4	-	92.3	8,629.8

(1) Excluding prepaid expenses, service charges due and tax receivables.

(2) Expected credit loss provisions for financial guarantees are excluded.

(3) Excluding deferred income, service charges billed and tax liabilities.

“Trade receivables from activity”, “Other receivables”, “Cash and cash equivalents” and “Amounts due to suppliers and other current debt” mainly have short-term maturity. Consequently, their carrying amounts at the reporting date approximate the fair value. The fair value of the financial assets approximates the carrying value, because the carrying value takes into account the expected credit loss. The fair value of the non-current amounts due on investments and other non-current liabilities approximates the carrying value.

The fair value of financial assets is determined based on relevant market yields to underlying expected future cash flows. A main assumption applied is the coupon rate of 6.8% (2022: market yield 10.7%) applied for discounting expected future cash flows. A change of 50 basis points to this market yield would not result in a significant change in the fair value.

The fair value of the Company’s financial debt is determined using a discounted cash flow (DCF) method. Under the DCF method, fair value is estimated using assumptions regarding projections of cash flows and appropriate market-derived interest rate to discount future cash flows at the end of the reporting rate (categorised within level 2 of the fair value hierarchy).

The fair value of commitments to non-controlling interest is determined by applying relevant earnings yield to the underlying net income of the relevant securities (categorised within level 3 of the fair value hierarchy).

The commitment to non-controlling interests as at December 31, 2023, relate to the preference shares in USA Acquisitions Inc. which is valued at amortised cost. The fair value of these preference shares is €539.9 Mn.

A part (€500.0 Mn) of the interest-bearing loan of €555.4 Mn with URW SE previously included in financial debt was converted on December 31, 2023, into a capital security with a maturity in 99 years and limited default opportunities. After conversion, it qualifies as equity with the exception of the amount due on this instrument, which is initially measured at fair value (€0.2 Mn as at December 31, 2023), and subsequently at amortised cost using the effective interest method.

8.6.1 Fair value hierarchy of financial assets and liabilities

IFRS 13 establishes a hierarchy of valuation techniques for financial instruments. The following categories are identified:

- level 1: financial instruments quoted in an active market;
- level 2: financial instruments whose fair value is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- level 3: financial instruments whose fair value is determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable current market transactions in the same instrument (i.e. without modification or repackaging) and not based on available observable market data.

The COVID-19 pandemic has no impact on the methodology applied.

The chart below presents the fair value breakdown among the three hierarchical levels defined by IFRS 13.

Fair value measurement as at December 31, 2023				
(€Mn)	Total	Level 1	Level 2	Level 3
ASSETS				
<i>Fair value through profit or loss</i>				
Derivatives	32.8	-	32.8	-
Financial assets	49.9	-	-	49.9
TOTAL	82.7	-	32.8	49.9
LIABILITIES				
<i>Fair value through profit or loss</i>				
Commitment to non-controlling interests	28.8	-	-	28.8
Derivatives	31.9	-	31.9	-
TOTAL	60.2	-	31.9	28.8

Fair value measurement as at December 31, 2022				
(€Mn)	Total	Level 1	Level 2	Level 3
ASSETS				
<i>Fair value through profit or loss</i>				
Derivatives	142.6	-	142.6	-
Financial assets	114.2	-	-	114.2
TOTAL	256.8	-	142.6	114.2
LIABILITIES				
<i>Fair value through profit or loss</i>				
Commitment to non-controlling interests	46.9	-	-	46.9
Derivatives	45.4	-	45.4	-
TOTAL	92.4	-	45.4	46.9

The Group enters into derivative financial instruments with URW SE in 2023, with investment grade credit ratings. Interest rate swaps and foreign exchange forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at December 31, 2023, the marked-to-market value of other derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.

RECONCILIATION OF FAIR VALUE MEASUREMENT OF LEVEL 3 FINANCIAL ASSETS AND LIABILITIES

(€Mn)	Financial assets	Commitment to non-controlling interest
December 31, 2021	114.6	102.2
Fair value movements in P&L	(7.5)	(64.2)
Currency translation	7.1	8.9
December 31, 2022	114.2	46.9
Fair value movements in P&L	(61.7)	(9.5)
Other movements	-	(7.2)
Currency translation	(2.6)	(1.6)
December 31, 2023	49.9	28.8

The fair value of the commitment to non-controlling interest fair value level 3 has generally been determined through i) a market approach using quoted market prices of similar companies and adjusted by a relevant earnings multiple or ii) an adjusted net asset approach deriving the fair value of the equity instrument by reference to the gross market value of the asset less the fair value of debt. As at December 31, 2023, an increment of 1% to the respective quoted market price or the gross market value of the asset would result in an increase in fair value or additional loss by €0.3 Mn. Similarly, a decrement of 1% would result in a decrease in fair value or additional gain by €0.3 Mn.

NOTE 9 • TAXES

9.1 ACCOUNTING PRINCIPLES

9.1.1 Income tax expenses

The Group companies are taxable according to the tax rules of their country. In both countries in which the group operates, special tax regimes for (public) real estate companies exist. For many companies of the Group, eligible for such regimes, it has been opted for to use those specific regimes.

Calculation of income tax expenses is based on local rules and rates.

9.1.2 Deferred tax

Deferred taxes are recognised in respect of all temporary differences between the carrying amount and tax base of assets and liabilities at each financial year-end.

Deferred tax assets or liabilities are calculated based on total temporary differences and on tax losses carried forward, using the local tax rate that will apply on the expected reversal date of the concerned differences, if this rate has been set. Otherwise, they are calculated using the applicable tax rate in effect at the financial year-end date. Within a given fiscal entity or group and for a given tax rate, debit balances are booked to assets for the amount expected to be recoverable over a foreseeable period. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be used.

Deferred tax liabilities on properties refer to:

- for companies not using special tax regimes for real estate companies: all temporary differences between the carrying amount and tax base of assets and liabilities at each financial year-end.
- for companies using special tax regimes for real estate companies: tax amounts to be paid in case of capital gains on property sales, based on the structure of URW NV in its current form and under current legislation.

9.1.3 Tax regime US - US REIT

The Group has elected to apply the REIT regime for the main part of its US portfolio. Like in other REIT regimes, there's an asset test (75%) along with various securities ownership limits, and in addition there is a combined income test: at least 75% of the gross income must be derived from real estate property rental or from interest on mortgages on real estate property, whereas at least 95% of the gross income must come from a combination of real estate related sources and passive sources, such as dividends and interest. US law requires the REIT to annually distribute at least 90% of its ordinary taxable income.

9.2 INCOME TAX EXPENSES

(€Mn)	2023	2022
Recurring deferred and current tax on:		
• Other recurring results	(2.9)	(1.2)
Non-recurring deferred and current tax on:		
• Change in fair value of investment properties and impairment of intangible assets	(5.6)	17.7
• Other non-recurring results	43.6	(4.8)
TOTAL TAX INCOME/(EXPENSE)	35.1	11.7

As a result of a change in the percentage to be used further to the shareholders' base of the Group, as well as the impairment of the Westfield trademark, the total tax amount was positively impacted by the impairment of the Westfield trademark, partly off-set by taxes due on activities which do not qualify for the exemption from taxes based on a REIT-regime. Also refer to note 9.3.

(€Mn)	2023	2022
Current tax	41.3	(6.2)
Deferred tax	(6.1)	17.9
TOTAL TAX	35.1	11.7

In the reconciliation of the effective tax rate, starting point is the expected tax based on the weighted average in line with the composition of the total result (US and the Netherlands respectively). Due to a change in that composition, the average tax rate used will change from year to year.

(€Mn)	%	2023	%	2022
Reconciliation of effective tax rate				
Result before tax		(727.5)		(245.4)
Income tax using the average tax rate	26.0%	189.1	26.3%	64.6
Tax exempt profits (REIT- regimes)	(8.8%)	(64.2)	36.7%	90.1
Non-deductible costs	-	-	(0.0%)	(0.1)
Effect of non-recognised tax losses	-	-	(33.7%)	(82.7)
Share of result of companies accounted for using the equity method	(9.9%)	(71.7)	(23.7%)	(58.1)
Effect of tax provisions	(2.2%)	(16.1)	(0.8%)	(2.1)
Other	(0.3%)	(1.9)	-	-
TOTAL TAX	4.8%	35.1	4.8%	11.7

The Company qualifies as a FII (Fiscal Investment Institution, *in Dutch: Fiscale Beleggings Instelling*) for the corporate income tax in the Netherlands in accordance with section 28 of the Dutch 'Wet op de vennootschapsbelasting 1969'. The corporate tax rate of a FII is 0% in the Netherlands.

As per January 1, 2025, an FII can no longer directly invest in real estate located in the Netherlands. There are no other changes applicable that impact the current structure in which the Company owns US entities that, directly or indirectly, invest in US real estate. Therefore, the changes in the law that apply as per January 1, 2025, have no material impact for the Company.

9.3 DEFERRED TAXES

2023 CHANGE

(€Mn)	December 31, 2022	Decrease/Increase	Reclassification	Currency translation	December 31, 2023
Deferred tax on investment properties	(58.1)	6.0	-	1.9	(50.3)
Deferred tax on intangible assets	(53.4)	(11.5)	-	2.1	(62.8)
TOTAL DEFERRED TAX LIABILITIES	(111.5)	(5.5)	-	4.0	(113.1)
Other deferred tax assets	0.6	(0.6)	-	-	-
TOTAL DEFERRED TAX ASSETS	0.6	(0.6)	-	-	-

2022 CHANGE

(€Mn)	December 31, 2021	Decrease/Increase	Reclassification	Currency translation	December 31, 2022
Deferred tax on investment properties	(53.2)	(1.6)	-	(3.3)	(58.1)
Deferred tax on intangible assets	(68.3)	19.4	-	(4.5)	(53.4)
TOTAL DEFERRED TAX LIABILITIES	(121.5)	17.7	-	(7.7)	(111.5)
Other deferred tax assets	0.4	0.2	-	-	0.6
TOTAL DEFERRED TAX ASSETS	0.4	0.2	-	-	0.6

UNRECOGNISED DEFERRED TAX ASSETS

The table below presents the tax basis on which no deferred tax assets were recognised:

(€Mn)	December 31, 2023	December 31, 2022
Tax loss carry-forwards not recognised	1,298.2	927.5
TOTAL UNRECOGNISED TAX-BASIS	1,298.2	927.5

DETAIL OF UNRECOGNISED TAX LOSSES AT THE END OF 2023 INTO FINAL YEAR OF USE

(€Mn)	December 31, 2023	December 31, 2022
2024	8.0	8.1
2025	-	-
2026	-	-
2027	75.0	-
2028	-	-
Unlimited	1,215.2	919.5
TOTAL	1,298.2	927.5

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available to be offset against these assets.

NOTE 10 • PROVISIONS

The determination of the number of provisions for liabilities and charges requires the use of estimates, assumptions and judgment of the management based on information available or situations prevalent at the date of preparation of the accounts, information and situation which may vary from subsequent actual events, as well as on the basis of estimated conditions at a given date.

(€Mn)	December 31, 2022	Allocations	Reversals used	Reversals not used	Currency translation	December 31, 2023
Non-current provisions	35.0	-	-	(23.2)	(0.7)	11.1
Current provisions	1.4	-	-	(0.1)	-	1.3
Total	36.4	-	-	-	-	12.4

As at December 31, 2023, the non-current provisions amounted €11.1 Mn (December 31, 2022: €35.0 Mn) and mainly relate to an estimate for potential payments due to third parties in case of future sale of investment properties.

NOTE 11 • OTHER CURRENT LIABILITIES

Other current liabilities breakdown as follows:

(€Mn)	December 31, 2023	December 31, 2022
Tax and social liabilities ⁽¹⁾	152.9	196.5
Other liabilities ⁽²⁾	22.0	40.1
TOTAL OTHER CURRENT LIABILITIES	174.7	236.7

(1) Within the tax and social liabilities, an amount of €125.9 Mn (December 31, 2022: 157.8 Mn) relates to the current tax liability.

(2) Other liabilities mainly include prepaid income and other liabilities.

As at December 31, 2023, the Tax and social liabilities mainly relate to the expected value of several additional payments still to be done in relation to past activities.

NOTE 12 • AMOUNTS DUE ON INVESTMENTS

As at December 31, 2023, the non-current amounts due on investments are €2.0 Mn (December 31, 2022: €6.3 Mn) and the current amounts due on investments are €41.3 Mn (December 31, 2022: €38.0 Mn). The current amounts due on investments relates mainly to payables on projects of Westfield Century City €9.9 Mn (December 31, 2022: €12.5 Mn) and Westfield Old Orchard €19.9 Mn (December 31, 2022: €6.1 Mn). Remaining amounts relate to several projects.

NOTE 13 • EMPLOYEE REMUNERATION AND BENEFITS

13.1 ACCOUNTING PRINCIPLES

Under IAS 19, a company must recognise all commitments made to its employees (i.e. current or future, formal or informal, cash payments or payments in kind). The cost of employee benefits must be recorded during the vesting period.

POST-EMPLOYMENT BENEFITS

Pension schemes may be defined contribution or defined benefit schemes. The Group only has defined contribution plans.

Under defined contribution schemes, the employer only pays a contribution, with no commitment from the Group regarding the level of benefits to be provided. The contributions paid are booked as expenses for the year.

SHARE BASED PAYMENTS

Under IFRS 2, all transactions relating to share-based payments must be recognised in the income statement. This is the case for the Group Stock Option Plan and Performance Shares Plan.

Stock options granted to employees are stated at their fair value on the date of allocation. As the transactions are equity-settled share-based payments, this value remains unchanged, even if the options are never exercised. The value applied to the number of options finally exercised at the end of the vesting period (estimation of the turnover) is booked as an expense, with a corresponding increase in equity which is spread over the vesting period (i.e. the period during which employees must work for the Company before they can exercise the options granted to them).

The stock options and performance shares, all subject to performance condition, have been valued using a Monte Carlo model. The additional expenses incurred by the Stock Option Plans and Performance Shares Plans are classified under personnel expenses.

13.2 HEADCOUNT

The average number of employees of the Group's companies breaks down as follows:

Regions	2023	2022
United States	448	533
The Netherlands	5	5
TOTAL	453	538

13.3 PERSONNEL COSTS

(€Mn)	2023	2022
Fixed income	61.2	68.1
Short-Term Incentive	15.9	18.9
Long-Term incentive	2.9	3.2
Other benefits	7.4	8.8
TOTAL	87.3	99.0

13.4 EMPLOYEE BENEFITS

13.4.1 Share-based payments

STOCK OPTION PLANS

There is currently one plan for Stock Options ("SO") granted to corporate officers and employees of the Group. SO may be exercised at any time, in one or more instalments, as from the 3rd anniversary of the date of their allocation.

The stock option plan has an external performance condition (TSR) based on the Group's share price performance, a Corporate Social Responsibility (ESG) condition (external and internal) and an Adjusted Recurring Earnings per Share (AREPS).

The weight of the performance conditions for the SO plan granted in March 2023 is 45% for TSR (35% relative and 10% absolute), 35% for AREPS, 10% for executive gender parity and 10% for greenhouse gas reduction (20% CSR in total).

Stock options are accounted for in accordance with IFRS 2. The performance-related stock-options allocated in March 2023 were valued at €4,01. This valuation was made by WTW, an independent actuarial firm.

129,177 (2022: 173,521) SO have been allocated to employees of URW NV in March 2023. The expense recorded in the consolidated statement of comprehensive income (corporate expenses) in relation to stock options is €518k (2022: €206k).

The table below shows URW NV allocated SO which were not exercised on December 31, 2023:

Plan	Exercise period ⁽¹⁾	Adjusted subscription price (€) ⁽²⁾	Number of options granted	Adjustments in number of options ⁽²⁾	Number of options cancelled	Number of options exercised	Potential additional number of shares ⁽³⁾
2023 plan	From 13/03/2026 to 08/03/2031	58.98	129,177	-	4,222	-	124,955
2022 plan	From 10/03/2025 to 08/03/2030	66.68	195,398	-	37,581	-	157,817
2021 plan	From 18/05/2024 to 19/05/2029	69.41	187,853	-	38,398	-	149,185
2020 plan	From 22/03/2023 to 21/03/2028	92.03	182,146	-	128,484	-	53,662
2019 plan	From 20/03/2022 to 19/03/2027	144.55	145,338	-	56,798	-	88,540
TOTAL			839,642	-	265,483	-	574,159

(1) Under assumption that the performance and presence conditions are satisfied. If the first day of the exercise period is a non-business day, the retained date will be the next business day. If the end of the exercise period is a non-business day, the retained date will be the first preceding business day.

(2) Adjustments reflect distribution paid from retained earnings.

(3) All the options are subject to performance condition.

The table below shows the number and weighted average exercise prices of stock options:

	2023		2022	
	Number	Weighted average price (€)	Number	Weighted average price (€)
Outstanding at the beginning of the period	584,593	87.54	426,725	96.31
Allocated over the period	129,177	58.98	195,398	66.68
Cancelled over the period	(139,611)	91.74	(37,530)	78.68
Exercised over the period	-	n/a	-	n/a
Average share price on date of exercise	n/a	n/a	n/a	n/a
Outstanding at the end of the period	574,159	80.09	584,593	87.54
Of which exercisable at the end of the period ⁽¹⁾	142,202		107,193	-

(1) The right to exercise is subject to meeting the following performance condition: the overall market performance of URW NV must be higher in percentage terms than the performance of the EPRA reference index over the reference period.

PERFORMANCE AND RETENTION SHARES PLAN

In 2023, in addition to Performance shares (PS), Retention Shares (RS) were introduced. Both PS and RS are vesting on the 3rd anniversary of the grant. PS are subject to a performance condition, while RS are only subject to a presence condition. RS are allocated below executive level, to favour retention of high potentials.

The PS are subject to the same external and internal performance conditions as the SO. The weight of the performance conditions for the PS plan granted in March 2022 is also 45% for TSR (35% relative and 10% absolute), 35% for AREPS, 10% executive gender parity and 10% for greenhouse gas reduction (20% CSR in total).

Performance shares are accounted for in accordance with IFRS 2. The awards allocated in March 2023 were valued at €26.13 by WTW, an independent actuarial firm. Retention shares are valued at €32.79.

76,977 (2022: 128,762) PS have been allocated to employees of URW NV in March 2023. The expense recorded in the consolidated statement of comprehensive income (corporate expenses) in relation to performance shares is €2.0 Mn (2022: 3.1Mn).

Starting date of the vesting period ⁽¹⁾	Number of performance shares allocated	Number of performance shares cancelled	Number of performance shares acquired	Potential additional number of shares ⁽²⁾
March 13, 2023	76,977	2,220	-	74,757
March 8, 2022	143,298	24,969	1,684	118,329
May 18, 2021	73,393	15,021	495	58,372
March 21, 2020	100,698	80,249	20,449	-
March 19, 2019	33,422	-	-	-
TOTAL	394,366	122,459	22,628	251,458

(1) Vesting period is three years - no mandatory holding period is applied after vesting date.

(2) The acquisition of the shares is subject to performance condition.

13,679 (2022: none) RS have been allocated to employees of URW NV in March 2023. The expense recorded in the consolidated statement of comprehensive income (corporate expenses) in relation to retention shares is €0.4 Mn (2022: €0).

Starting date of the vesting period ⁽¹⁾	Number of retention shares allocated	Number of retention shares cancelled	Number of retention shares acquired	Potential additional number of shares ⁽²⁾
March 13, 2023	13,679	485	405	12,789

13.4.2 Remuneration of Key Management and the Supervisory Board

REMUNERATION OF KEY MANAGEMENT

(K€) Paid in:	2023	2022
Fixed Income	3,508	3,467
Short-Term Incentive	2,801	2,634
Pension	187	168
Other benefits ⁽¹⁾	620	602
Share-based payment	1,438	1,513
TOTAL	8,555	8,384

(1) relate to Group life and health insurance, cost of living and car allowances.

Starting 2021, key management of URW NV can be identified as the US Leadership Team ("USLT") which consists of 8 persons (including MB member Dominic Lowe) together with the Management Board.

In 2023, the Management Board members and USLT were awarded a total of 67,103 stock options, all of which were subject to performance condition, along with 44,727 Performance Shares representing €1.438 Mn.

For the remuneration of the individual members of the Management Board see section 2.3.3 of the Annual Report.

REMUNERATION OF THE SUPERVISORY BOARD

The remuneration of the Supervisory Board amounts to €266,000 (2022: €260,500) for the 2023 financial year. For the remuneration of the individual members of the Supervisory Board see section 2.4.1 of the Annual Report.

LOANS OR GUARANTEES GRANTED TO DIRECTORS

None.

TRANSACTIONS INVOLVING DIRECTORS

None.

NOTE 14 • SHARE CAPITAL AND DIVIDENDS

14.1 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Under the supervision of the CFO, the capital management goals are managed in line with the URW Group perspective to also meet all tax requirements applicable throughout the Group.

In order to maintain or adjust the capital structure, the Group may issue new debt or buy back existing outstanding debt, comply with capital requirements of relevant regulatory authorities, adjust the amount of dividends paid to shareholders (subject to FII requirements in the Netherlands), return capital to shareholders or sell assets to reduce debt.

14.2 NUMBER OF SHARES

ACCOUNTING PRINCIPLES

The Earnings Per Share indicator is calculated by dividing net result for the period attributable to the shareholders of URW NV by the weighted average number of ordinary shares in circulation over the period.

To calculate diluted Earnings per Share, the average number of shares in circulation is adjusted to take into account the conversion of all potentially dilutive ordinary shares, in particular stock options and Performance Shares during the vesting period.

The dilutive impact is determined using the treasury stock method, which assumes that proceeds from the exercise of options are used to repurchase Company shares at their market value. The market value corresponds to the average monthly share price weighted by trading volumes. The theoretical number of shares that may be purchased at the market value is deducted from the total number of shares resulting from the exercise of rights. This number is then added to the average number of shares in circulation and hence constitutes the denominator.

CHANGE IN SHARE CAPITAL

	Total number of issued and paid shares
As at December 31, 2021	231,842,731
Capital increase Class A shares	66,931
Capital increase reserved for URW Group Savings Plan	105,741
As at December 31, 2022	232,015,403
Capital increase Class A shares	145,895
Capital increase reserved for URW Group Savings Plan	128,408
As at December 31, 2023	232,289,706

The authorised share capital as at December 31, 2023, amounts to €550 Mn divided over 660 million ordinary class A shares and 440 million class B shares of €0.5 per share.

The issued and paid-up share capital amounts to €116.1 Mn, formed by 139,041,391 ordinary A shares and 93,248,315 ordinary B shares as at December 31, 2023. All class B shares are held by URW SE. Class A and B shares are shares carrying one vote per share and ordinary dividend rights.

The Class A shares are stapled with the shares in URW SE (stapled shares). As a consequence, the stock options plans and performance shares of URW SE will also have a dilutive impact on the shares of URW NV (with a share issuance at that time).

AVERAGE NUMBER OF SHARES DILUTED AND UNDILUTED

	2023	2022
Average number of shares (undiluted)	232,213,679	231,965,297
Dilutive impact		
Attributed performance shares (unvested) ⁽¹⁾	920,345	733,332
AVERAGE NUMBER OF SHARES (DILUTED)	233,134,024	232,698,629

(1) Correspond only to shares or stock options and attributed performance shares which are in the money and for which the performance conditions are fulfilled.

UNIBAIL-RODAMCO-WESTFIELD SE STOCK OPTIONS AND PERFORMANCE SHARES NOT EXERCISED AT THE PERIOD-END

The URW SE stock options and performance shares not exercised at the period-end have a dilutive impact on the Class A shares due to the stapling of the shares of URW SE and URW NV. The table below shows the URW SE allocated stock options and performance shares not exercised at the period-end:

The table below shows URW SE allocated stock options not exercised at the period-end:

Plan	Exercise period ⁽¹⁾	Adjusted subscription price (€) ⁽²⁾	Number of options granted	Adjustments in number of options ⁽²⁾	Number of options cancelled	Number of options exercised	Potential additional number of shares ⁽³⁾	
2015 plan (n°8)	2016	from 09/03/2020 to 08/03/2023	227.24	611,608	-	609,695	1,913	-
	2017	from 08/03/2021 to 07/03/2024	218.47	611,611	-	272,475	-	339,136
2018 plan (n°9)	2018	From 06/03/2022 to 05/03/2025	190.09	630,135	-	295,847	-	334,288
2019 plan (n°10)	2019	From 20/03/2022 to 19/03/2026	144.55	748,372	-	301,456	-	446,916
2020 plan (n°11)	2020	From 22/03/2023 to 21/03/2027	92.03	885,291	-	633,094	-	252,197
2021 plan (n°12)	2021	From 19/05/2024 to 18/05/2029	69.41	950,295	-	188,460	-	761,835
2022 plan (n°13)	2022	From 09/03/2025 to 08/03/2030	66.68	1,217,386	-	202,421	-	1,014,965
2023 plan (n°14)	2023	From 13/03/2026 to 13/03/2031	58.98	819,684	-	6,928	-	812,756
TOTAL				6,474,382	-	2,510,376	1,913	3,962,093

(1) Under assumption that the performance and presence conditions are satisfied. If the first day of the exercise period is a non-business day, the retained date will be the next business day. If the end of the exercise period is a non-business day, the retained date will be the first preceding business day.

(2) Adjustments reflect distribution paid from retained earnings.

(3) All the options are subject to performance condition.

The table below shows URW SE allocated performance shares not exercised at the period-end:

Starting date of the vesting period ⁽¹⁾	Number of performance shares allocated	Number of performance shares cancelled	Number of performance shares acquired	Potential additional number of shares ⁽²⁾
May 2021	371,846	73,483	495	297,868
March 2022	808,872	119,299	1,684	687,889
March 2023	459,472	2,220	-	457,252
TOTAL	1,640,190	195,002	2,179	1,443,009

(1) For French tax residents: a minimum vesting period of three years, and a minimum holding period of two years once vested; for non-French tax residents: a minimum vesting period of four years without any requirement to hold the shares. Plans granted from 2021 to 2023: a minimum vesting period of 3 years for the French and non-French tax residents without any requirement to hold the shares.

(2) The acquisition of the shares is subject to performance condition.

The table below shows URW SE allocated Retention Shares not acquired at the period-end:

Starting date of the vesting period	Number of retention shares allocated	Number of retention shares cancelled	Number of retention shares acquired	Potential additional number of shares
March 2023	130,286	3,191	405	126,690
TOTAL	130,286	3,191	405	126,690

14.3 SHARE PREMIUM

Share premium is paid up share capital in excess of nominal value. The amount of share premium is €2,243.1 Mn as at December 31, 2023 (December 31, 2022: €2,243.3 Mn).

14.4 DIVIDENDS

No dividends were declared or paid during the reporting period.

14.5 CAPITAL SECURITIES

The amount of capital securities is €2,001.1 Mn as at December 31, 2023 (December 31, 2022: €1,501.3 Mn).

NOTE 15 • OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT LIABILITIES

All significant commitments are shown below. The Group does not have any complex commitments.

15.1 COMMITMENTS GIVEN

Commitments given (€Mn)	Description	Maturities	December 31, 2023	December 31, 2022
1a) Commitments related to Group financing - Commitments given by fully consolidated entities				
Financial guarantees given	• Mortgages and first lien lenders	2025	1,283.4	428.1
Financial guarantees given	• Guarantees relating to entities under equity method or not consolidated ⁽¹⁾	2025 to 2026	1,086.0	113.4
Financial guarantees given			197.4	314.7
1b) Commitments related to Group financing - Commitments given by entity under equity method				
Non - Financial guarantees given	• Mortgages and first lien lenders ⁽²⁾	2024 to 2030	616.1	995.1
2a) Commitments related to Group operational activities - Fully consolidated				
	• Rental of premises and equipment (lease payable)	2024+	1.2	1.6
2b) Commitments related to Group operational activities - Entity under equity method				
	• Residual commitments for works contracts and forward purchase agreements	2024+	1.5	18.9
	• Rental of premises and equipment (lease payable)	2024+	0.5	17.8
			1.0	1.1
TOTAL COMMITMENTS GIVEN			1,902.3	1,443.8

(1) Corresponds to guarantees provided by the Group in the US relating to associates under equity method or entities under foreclosure.
(2) The outstanding balances at the reporting date of the debts and drawn credit lines which are secured by mortgages.

For the expected credit loss on financial guarantees recognised in 2023, reference is made to note 8.5.2.

COMMITMENTS RELATING TO GROUP FINANCING

Westfield America Limited Partnership, Urban Shopping Centres and Westfield Growth have guaranteed loans entered into by joint-ventures for a portion of the principal amount of the loans greater than their stake in the joint-ventures. The Group as one of the General Partners of Urban Shopping Centers has committed to maintain and allocate to Urban's minority limited partners a certain amount of qualified non-recourse debt.

In 2000, Westfield America Limited Partnership, Urban Shopping Centres L.P and Westfield Growth LP have guaranteed loans entered into by joint ventures for a portion of the principal amount of the loans greater than their stake in the joint ventures.

The Group as one of the General Partners of Head Acquisition, LP (the general partner of Urban Shopping Centers, L.P.) has committed to maintain and allocate to Urban's minority limited partners a certain amount of qualified non-recourse mortgage debt.

As a result of such debt maintenance obligations, which are subject to indemnification, certain subsidiaries of the Group may be required to incur non-recourse financing on some of the assets that are held by Urban Shopping Centers, L.P., irrespective of the Group's liquidity needs or alternative sources of funding.

15.2 COMMITMENTS RECEIVED

Commitments received (€Mn)	Description	Maturities	December 31, 2023	December 31, 2022
1) Commitments related to Group financing				
Financial guarantees received	• Refinancing agreements obtained but not used	2024+	1,344.1	2,988.3
2a) Commitments related to Group operational activities - Fully consolidated				
Other contractual commitments received related to operations	• Future minimal rents	2024+	919.2	1,027.9
2a) Commitments related to Group operational activities - Entity under equity method				
Other contractual commitments received related to operations	• Future minimal rents	2024+	1,009.7	1,167.9
TOTAL COMMITMENTS RECEIVED			3,273.0	5,184.2

15.3 CONTINGENT LIABILITIES

The Group's obligation with respect to performance guarantees amounted €5.6 Mn (December 31, 2022: €15.8 Mn) which include both consolidated and equity accounted contingent liabilities and may be called on at any time dependent upon the performance or non-performance of certain third parties.

Since June 28, 2018, URW SE and URW NV have implemented cross guarantees. The Company, as part of the "Unibail-Rodamco-Westfield Guarantors" has jointly and severally agreed to guarantee the payment of all sums payable from time to time under the outstanding guaranteed senior notes issued by certain subsidiaries of the former Westfield Corporation (WEA Finance LLC, Westfield UK & Europe Finance PLC and WFD Trust).

The expected credit loss on the financial guarantees is insignificant.

15.4 NON-CONTROLLING INTERESTS

The net comprehensive income for the period attributable to external non-controlling interests is -€72.6 Mn (2022: -€90.0 Mn). The non-controlling interests amounted to -€319.8 Mn as per December 31, 2023, (December 31, 2022: -€250.5 Mn) of which 9.046% is held by the related party entity URW SE and 0.2% by third parties. The 9.046% is split between common shares and redeemable preference shares/units disclosed in note 7.4.

NOTE 16 • LIST OF THE MAIN CONSOLIDATED COMPANIES

List of the main consolidated companies	Country	Method ⁽¹⁾	% interest December 31, 2023	% control December 31, 2023	% interest December 31, 2022
Unibail-Rodamco-Westfield N.V.	the Netherlands	FC	100.00	100.00	100.00
WFD Unibail-Rodamco Real Estate B.V.	the Netherlands	FC	100.00	100.00	100.00
URW America Inc.	United States	FC	100.00	100.00	100.00
WEA Holdings, LLC	United States	FC	92.40	92.40	92.40
URW WEA LLC	United States	FC	92.40	92.40	92.40
Westfield America Shopping Centers, LP	United States	FC	92.40	92.40	92.40
Westfield U.S Holdings, LLC	United States	FC	92.40	92.40	92.40
Westfield America, LP	United States	FC	90.80	90.80	90.80
Westfield, LLC	United States	FC	90.80	90.80	90.80
WHL USA Acquisitions, Inc.	United States	FC	74.80	74.80	74.80
Westland Properties, LLC	United States	FC	92.40	92.40	92.40
URW WEA LLC	United States	FC	92.40	92.40	92.40
Old Orchard Urban Limited Partnership	United States	FC	90.80	90.80	90.80
Roseville Shoppingtown, LLC	United States	FC	90.80	90.80	90.80
Century City Mall, LLC	United States	FC	90.80	90.80	90.80
New WTC Retail Owner, LLC	United States	FC	90.80	90.80	90.80

(1) FC: full consolidation method EM-JV: joint ventures under the equity method.

List of the main JV accounted on equity method ⁽²⁾	Country	Method ⁽¹⁾	% interest December 31, 2023	% control December 31, 2023	% interest December 31, 2022
Valley Fair UTC LLC	United States	EM-JV	50.00	50.00	50.00
Westland Garden State Plaza, LP	United States	EM-JV	50.00	50.00	50.00
GSP Sponsor 1 LP (Garden State Plaza)	United States	EM-JV	50.00	50.00	50.00
WEA Southcenter LLC	United States	EM-JV	55.00	55.00	55.00
Westfield Topanga Owner LLC	United States	EM-JV	55.00	55.00	55.00
Montgomery Mall of Maryland LLC	United States	EM-JV	50.00	50.00	50.00
Culver City Mall LLC	United States	EM-JV	55.00	55.00	55.00
Wheaton Plaza Regional Shopping Center LLC	United States	EM-JV	52.60	52.60	52.60
Annapolis Mall Owner LLC	United States	EM-JV	55.00	55.00	55.00
Oakridge Mall LLC	United States	EM-JV	55.00	55.00	55.00
Plaza Bonita LLC	United States	EM-JV	55.00	55.00	55.00

List of the main JV accounted on equity method ⁽²⁾	Country	Method ⁽¹⁾	% interest	% control	% interest
			December 31, 2023	December 31, 2023	December 31, 2022
Sherman Oaks Fashion Associates, LP	United States	EM-JV	50.00	50.00	50.00

(1) FC: full consolidation method EM-JV: joint ventures under the equity method.

(2) The table represent the % interest and % control on URW Group level.

NOTE 17 • SUBSEQUENT EVENTS

There have been no material subsequent events that management are aware about at March 19, 2024, that require adjustment to, or disclosure in, the financial statements.

3.3 COMPANY ONLY FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

3.3.1 COMPANY BALANCE SHEET AS AT DECEMBER 31, 2023

(before profit appropriation)

(€ thousands)	Notes	December 31, 2023	December 31, 2022
ASSETS			
Property, plant and equipment		33	27
Investments in subsidiaries	4	1,111,694	1,742,824
Derivatives	9	30,723	142,648
Total non-current assets		1,142,450	1,885,499
Receivables	5	17,170	12,122
Cash and cash equivalents	6	612	908
Total current assets		17,782	13,030
TOTAL ASSETS		1,160,232	1,898,529
LIABILITIES AND EQUITY			
Shareholders' equity	7		
Share capital		116,121	116,021
Additional paid-in capital		2,243,352	2,243,506 ⁽¹⁾
Foreign currency translation reserve		211,293	257,093
Revaluation reserve		74,963	335,690
Retained earnings		(3,175,820)	(3,284,047)
Capital securities		2,000,931	1,501,277
Result for the period		(609,565)	(152,300)
Total equity		861,275	1,017,240
Borrowings and financial liabilities	8	244,282	777,224
Derivatives	9	31,905	45,394
Total non-current liabilities		276,187	822,618
Other liabilities	10	22,770	58,671
Total current liabilities		22,770	58,671
Total liabilities		298,957	881,289
TOTAL EQUITY AND LIABILITIES		1,160,232	1,898,529

⁽¹⁾ The amount is restated with €245k for disclosure purposes in 2022, the restatement is immaterial.

3.3.2 COMPANY INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2023

(€ thousands)	Notes	2023	2022
Other income		2,193	2,272
1 - TOTAL OPERATING INCOME		2,193	2,272
Administrative expenses	11	(5,050)	(3,951)
2 - TOTAL OPERATING EXPENSES		(5,050)	(3,951)
Financial income		62,545	575,476
Financial expenses		(83,922)	(154,089)
3 - FINANCIAL RESULT	12	(21,377)	421,387
4 -RESULT BEFORE TAX		(24,234)	419,706
Income tax	13	-	-
Result from subsidiaries	14	(585,330)	(572,006)
5 - NET RESULT AFTER TAX		(609,565)	(152,300)

3.4 NOTES TO THE COMPANY ONLY FINANCIAL STATEMENTS

NOTE 1 • GENERAL

Unibail-Rodamco-Westfield N.V. (“URW NV” or the “Company”) is a public limited liability company and domiciled in the Netherlands. Its shares are publicly traded on the Euronext Paris Stock Exchange, as well as in the form of CDIs on the Australian Securities Exchange. The Company was incorporated as Unibail-Rodamco B.V., a private company with limited liability under the laws of the Netherlands on February 14, 2018. On March 22, 2018, the Company changed its legal name to WFD Unibail-Rodamco N.V. and converted its legal form to a public limited liability company pursuant to a notarial deed of amendment and conversion in accordance with a resolution of the General Meeting adopted on March 15, 2018. In June 2020, the corporate name changed from WFD Unibail-Rodamco N.V. to Unibail-Rodamco-Westfield N.V. The Company has its corporate seat in Amsterdam and its registered office is located at Schiphol Boulevard 315 Schiphol in the Netherlands. The chamber of commerce number is 70898618.

NOTE 2 • ACCOUNTING POLICIES

BASIS OF PREPARATION

The Company only financial statements are part of the 2023 consolidated financial statements of URW NV.

The Company only financial statements have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of the result for its company financial statements, the Company makes use of the option provided in section 2:362(8) of the Dutch Civil Code. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result (hereinafter referred to as principles for recognition and measurement) of the company only financial statements are the same as those applied for the consolidated EU-IFRS financial statements. Reference is made to the notes to the consolidated financial statements.

The comparatives figures are from the period January 1, 2022, to December 31, 2022.

INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries and other entities in the Company financial statements are accounted for using the equity method. Goodwill paid upon acquisition of investments in group companies or associates is included in the net equity value of the investments and is not shown separately on the face of the balance sheet.

AMOUNTS DUE FROM GROUP COMPANIES

Amounts due from group companies are stated initially at fair value and subsequently at amortised cost. Amortised cost is determined using the effective interest rate. The company recognise a credit loss for financial assets (such as a loan) based on an expected credit loss (ECL) which will occur in the coming twelve months or – after a significant decrease in credit quality or when the simplified model can be used – based on the entire remaining loan term. For intercompany receivables the ECL would be applicable as well, however this could cause differences between equity in the consolidated and separate financial statements. For this reason, the company elected to eliminate these differences through the respective receivable account in the separate financial statements.

RESULTS FROM SUBSIDIARIES

The result of subsidiaries consists of the share of the Company in the result of these subsidiaries. Results on transactions involving the transfer of assets and liabilities between the Company and its subsidiaries and mutually between subsidiaries themselves, are eliminated to the extent that they can be considered as not realised.

NOTE 3 • SIGNIFICANT EVENTS OF THE YEAR

Please refer to Note 2.1 of the consolidated financial statements.

NOTE 4 • INVESTMENTS IN SUBSIDIARIES

2023 CHANGE

(€ thousands)	December 31, 2022	Direct equity movement	Exchange difference	Dividends	Investments	Result from subsidiaries after tax	December 31, 2023
Group subsidiary investments	1,742,824	-	(45,800)	-	-	(585,330)	1,111,694
TOTAL	1,742,824	-	(45,800)	-	-	(585,330)	1,111,694

2022 CHANGE

(€ thousands)	December 31, 2021	Direct equity movement	Exchange difference	Dividends	Investments	Result from subsidiaries after tax	December 31, 2022
Group subsidiary investments	2,172,530	-	142,300	-	-	(572,006)	1,742,824
TOTAL	2,172,530	-	142,300	-	-	(572,006)	1,742,824

Investments in subsidiaries and other entities in which the Company either exercises voting control or effective management responsibility are valued at equity method.

During the period, the Company has a EUR current account facility with WFD Unibail-Rodamco Real Estate B.V. for €10.0 Mn (December 31, 2022: €10.0 Mn).

SUBSIDIARIES AND INVESTMENTS

The Company is the holding company and has the following direct and indirect significant financial interests:

Company	Country	Capital held % December 31, 2023	Capital held % December 31, 2022
WFD Unibail-Rodamco Real Estate B.V.	the Netherlands	100.00	100.00
URW America Inc.	United States	100.00	100.00
URW WEA LLC	United States	92.40	92.40

NOTE 5 • RECEIVABLES

(€ thousands)	December 31, 2023	December 31, 2022
Receivable from URW SE	14,386	9,682
Receivable from group companies	2,145	-
VAT receivables	559	222
Other receivables	80	2,217
TOTAL	17,170	12,122

The receivable from URW SE relates to the interest receivable on the swaps and there is no significant ECL allowance as at December 31, 2023 (December 31, 2022: no significant ECL allowance).

NOTE 6 • CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at hand and are held with banks. Cash and cash equivalents are freely available. The Company considers that its cash and cash equivalents have a low credit risk based on the external credit ratings of the banks.

NOTE 7 • SHAREHOLDERS' EQUITY

(€ thousands)	Share capital	Additional paid-in capital	Foreign currency translation reserves	Revaluation reserve	Retained earnings	Result for the period	Capital securities	Total Shareholders' equity
EQUITY AS AT DECEMBER 31, 2021	115,921	2,243,252	114,793	237,063	(2,397,020)	(788,200)	1,251,377	777,186
Net result	-	-	-	-	-	(152,300)	-	(152,300)
Other comprehensive income	-	-	142,300	-	-	-	-	142,300
Increase in capital	100	-	-	-	-	-	-	100
Appropriation of result	-	-	-	-	(788,200)	788,200	-	-
Restatement of hybrid securities	-	-	-	-	(200)	-	-	(200)
Amendment related party liabilities	-	-	-	-	-	-	249,900	249,900
Other movements	-	254	-	98,627	(98,627)	-	-	254
EQUITY AS AT DECEMBER 31, 2022	116,021	2,243,506	257,093	335,690	(3,284,047)	(152,300)	1,501,277	1,017,240
Net result	-	-	-	-	-	(609,565)	-	(609,565)
Other comprehensive income	-	-	(45,800)	-	-	-	-	(45,800)
Increase in capital	100	(154)	-	-	-	-	-	(54)
Appropriation of result	-	-	-	-	(152,300)	152,300	-	-
Restatement of hybrid securities	-	-	-	-	(200)	-	-	(200)
Amendment related party liabilities	-	-	-	-	-	-	499,654	499,654
Other movements	-	-	-	(260,727)	260,727	-	-	-
EQUITY AS AT DECEMBER 31, 2023	116,121	2,243,352	211,293	74,963	(3,175,820)	(609,565)	2,000,931	861,275

If URW NV revalues an asset, it recognises a revaluation reserve in equity unless this upward revaluation is a reversal of a prior downward revaluation. In that case, the upward revaluation is taken to the income statement.

Any downward revaluations, including permanent diminutions in value, are deducted from the revaluation reserve, subject to maintaining the revaluation reserve at the statutory minimum. The statutory minimum requires that the reserve is at least equal to the sum of the upward revaluations above cost (taking into account any accumulated depreciation and impairment losses), relating to the assets still held at the balance sheet date. Any downward revaluations which would take the reserve below zero must be taken to the income statement.

CHANGES IN THE NUMBER OF SHARES COMPRISING THE SHARE CAPITAL

	Number of shares
As at December 31, 2021	231,842,731
Capital increase Class A shares	66,931
Capital increase reserved for URW Company Savings Plan	105,741
As at December 31, 2022	232,015,403
Capital increase Class A shares	145,895
Capital increase reserved for URW Company Savings Plan	128,408
As at December 31, 2023	232,289,706

The authorised share capital of the Company as at December 31, 2023, amounts to €550 Mn divided over 660 million ordinary class A shares and 440 million class B shares of €0.50 per share.

The issued and paid-up share capital amounts to €116.1 Mn, formed by 139,041,391 ordinary A shares and 93,248,315 ordinary B shares as at December 31, 2023. Class B shares are shares carrying one vote per share and ordinary dividend rights. All class B shares are held by URW SE.

The Class A shares of the Company are stapled with the shares in URW SE (Stapled shares). As a consequence of the stock options plans and performance shares of URW SE will have also a dilutive impact on the shares of the Company (with a share issuance at that time).

SHARE PREMIUM

Share premium is paid up share capital in excess of nominal value. The amount of share premium is €2,243.1 Mn as at December 31, 2023 (December 31, 2022: €2,243.3 Mn).

FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

CAPITAL SECURITIES

The €2 Mn hybrid securities, as included in the capital security line is a perpetual, deeply subordinated instrument without voting rights. The capital instrument is issued for €2.0 Mn cash in 2018 and is accounted for in equity, mainly because the company has the discretion not to pay interest or the principal. The amount remains unchanged in 2023.

As per December 31, 2023, an additional part of the intra-group loan of €500 Mn with URW SE has been reclassified into equity, reference is made to note 2.1.3.

2022

On December 31, 2022, part of the intra-group loan of €250 Mn with URW SE has been reclassified into equity, reference is made to note 2.2.2.

DIVIDENDS

No dividends were declared or paid by the Company during the period of this financial year.

REVALUATION RESERVE

The revaluation reserve comprises of the reserve for the fair value gain on investment properties and derivatives. The decrease to the revaluation reserve is -€260.7 Mn (December 31, 2022 was +€98.6 Mn).

UNAPPROPRIATED RESULT

The Management Board proposes, with consent of the Supervisory Board, to the General Meeting to appropriate the result after tax for 2023 as follows: to add the remaining loss amount of -€609.6 Mn (December 2022: -€152.3 Mn) to the retained earnings.

NOTE 8 • BORROWINGS AND FINANCIAL LIABILITIES

(€ thousands)	December 31, 2022	Additional loans	Loans decrease	Reclass	Amortisation	December 31, 2023
Debt to URW SE	777,836	52,252	621,596	35,800	-	244,292
Charges and premiums on issues of borrowing with URW SE	(612)	-	602	-	-	(10)
TOTAL	777,224	52,252	622,198	35,800	-	244,282

During the period, URW NV has an interest-bearing loan from URW SE. An additional part (€500 Mn) of the loan with an original nominal value of €1,250 Mn has been converted into equity on December 31, 2023, reference is made to note 2.1.3. The remaining amount of the loan is €55.4 Mn (December 31, 2022: €543.7 Mn) as at December 31, 2023. The interest rate of the loan is based on a fixed rate from and including the issue date to, but excluding, October 25, 2023. After each 5 years the interest rate is reset at 5YR Mid-swaps plus relevant margin. The maturity date of the loan is perpetual.

During the period, URW NV has an interest-bearing loan from URW SE. The principal amount of the loan is €35.8 Mn as at December 31, 2023 (December 31, 2022: €35.8 Mn). The loan was amended in 2023, the new fixed interest rate is 5.1% (December 31, 2022: 1.44%) and the new maturity date is May 31, 2028 compared to the original maturity date of May 31, 2023.

During the period, URW NV had a EUR and USD current account facility with URW SE for €185.0 Mn and \$100.0 Mn, respectively. As at December 31, 2023, the drawn down amount are €134.2 Mn (December 31, 2022: €169.8 Mn) and \$19.6 Mn (€17.8 Mn) (December 31, 2022: €64.3 Mn) respectively. The credit facilities were amended with effective date December 31, 2023, the amended interest rate is EURIBOR 3 Months (December 31, 2022: EURIBOR+ 0.85%) for the EUR facility and SOFR +1.4% margin before April 1, 2024 and +1.58% on or after April 1, 2024 (December 31, 2022: LIBOR + 1.4%) for the USD facility. The amended maturity date for both contracts is April 1, 2028 (December 31, 2022: April 1, 2024).

Total charges and premiums on issues of borrowings with URW SE amounts €0.1 Mn as at December 31, 2023 (December 31, 2022: €1.4 Mn).

FINANCIAL INSTRUMENTS

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

In the notes 8.5 and 14.1 of the consolidated financial statements, information is included about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

These risks, objectives, policies and processes for measuring and managing risk, and the management of capital apply also to the company only financial statements of URW NV. Further quantitative disclosures are included below.

FAIR VALUE

The fair values of most of the financial instruments recognised on the statement of financial position, including cash at bank and in hand and current liabilities, is approximately equal to their carrying amounts.

The carrying amount and fair value of fixed interest rate borrowings and financial liabilities are as follows:

(€ thousands)	December 31, 2023		December 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
€543.7 Mn debt to URW SE	55,390	50,129	543,677	514,032
€750 Mn debt to URW SE ⁽¹⁾	477	477	429	429
€500 Mn debt to URW SE ⁽²⁾	298	298	276	276
€250 Mn debt to URW SE ⁽³⁾	128	128	128	128
€500 Mn debt to URW SE ⁽⁴⁾	245	245	-	-
€35.8 Mn debt to URW SE	35,800	37,316	35,800	35,406
TOTAL	92,338	88,593	580,310	550,271

(1) The interest-bearing loan of €750.0 Mn with URW SE was converted on December 29, 2020, into a capital security with a maturity in 99 years and limited default opportunities.

(2) A part (€500.0 Mn) of the loan with an original nominal value of €1,250 Mn, has been converted into a capital security with a 99-year maturity as per June 30, 2021 with limited default opportunities.

(3) An additional part (€250 Mn) of the loan with an original nominal value of €1,250 Mn, of which already €500 Mn has been converted earlier, has been converted into a capital security with a 99-year maturity as per December 31, 2022 with limited default opportunities. Reference to 2.2.2

(4) €500 Mn of the loan with an original nominal value of €1,250 Mn, of which already €750 Mn has been converted earlier, has been converted into a capital security with a 99-year maturity as per December 31, 2023 with limited default opportunities. Reference to 2.1.3.

The fair value of the Company's interest bearings loans is estimated by discounting future cash flows using rates that approximate the Company's borrowing rate at the balance sheet date, for debt with similar maturity, credit risk and terms.

NOTE 9 • DERIVATIVES

(€ thousands)	December 31, 2022	Fair value adjustments of derivatives ⁽¹⁾	Acquisitions/ Disposals	December 31, 2023
Assets				
Derivatives at fair value non-current	142,648	6,015	(117,940)	30,723
• Fair value hedge	142,648	6,015	(117,940)	30,723
Liabilities				
Derivatives at fair value non-current	(45,394)	13,489	-	(31,905)
• Fair value hedge	(45,394)	13,489	-	(31,905)
NET	97,254	19,504	-	(1,182)

(1) This amount includes the currency translation of -€300k, reference to note 8.4 Derivative instruments.

In the year ended December 31, 2023, URW NV has interest rate swaps and caps contracts with URW SE to minimise the interest risk on the Group debt. URW SE has these contracts with third parties and these contracts are mirrored to URW NV with the same nominal amount, interest rate and duration. The maturity date of the swaps is September 2028.

NOTE 10 • OTHER LIABILITIES

(€ thousands)	December 31, 2023	December 31, 2022
Penalty on loan conversion	12,500	5,386
Payable due to URW SE	-	50,503 ⁽¹⁾
Payable due to group companies	2,643	1,343
Tax and social security liabilities	205	164
Other liabilities	7,221	808
Accruals	201	467
TOTAL	22,770	58,671

(1) This amount includes the loan of €35.8 Mn reclassified in the year ended December 31, 2022, from long term debt from URW SE. Reference to note 8 of company only.

NOTE 11 • ADMINISTRATIVE EXPENSES

(€ thousands)	2023	2022
Wages and salaries	553	504
Social security charges	133	127
Pension charges	46	42
Audit and advisory fees	814	729
Office costs	116	109
Other general costs	694	624
Depreciation charge	11	9
Abortive purchase cost	2,683	1,807
TOTAL	5,050	3,951

During the 2023 financial year, the average number of staff employed by the Company amounted to 5 (2022: 5). None were employed outside the Netherlands.

NOTE 12 • FINANCIAL RESULT

FINANCIAL INCOME

(€ thousands)	2023	2022
Interest income on caps and swaps ⁽¹⁾	42,712	45,195
Fair value of derivatives	19,833	530,281
TOTAL	62,545	575,476

FINANCIAL EXPENSES

(€ thousands)	2023	2022
Interest expense on caps and swaps ⁽¹⁾	(40,572)	(58,432)
Interest on borrowings	(23,785)	(21,757)
Expenses on borrowings	(13,102)	(6,479) ⁽¹⁾
USD foreign exchange loss	(1,556)	(2,488)
Result on unwinding of swaps	(4,907)	-
Fair value of derivatives	-	(64,933)
TOTAL	(83,922)	(154,089)

¹⁾ Prior year figure was restated from Interest on borrowings to Expenses on borrowings for an amount of €5.4 Mn to align with the 2023 disclosure.

NOTE 13 • INCOME TAX

The Company qualifies as a FII (Fiscal Investment Institution (in Dutch: Fiscale Beleggings Instelling)) for the corporate income tax in the Netherlands in accordance with section 28 of the Dutch "Wet op de vennootschapsbelasting 1969". The corporate tax rate of an FII is 0% in the Netherlands, presuming all relevant conditions are met. Based on the FII regime, the Company is obliged to distribute dividends to its shareholders, which dividends are, broadly said, based on its Dutch fiscal income.

NOTE 14 • RESULT FROM SUBSIDIARIES

The result from subsidiaries after tax is -€585.3 Mn (December 31, 2022: -€572.0⁵⁰ Mn) which relates mainly to the result of the subsidiary URW WEA LLC (formerly WFD America Inc.)

⁵⁰ This amount was restated from what was disclosed in 2022: -€642.3, in 2022 the amount was note updated after the restatement of NCI.

NOTE 15 • AUDIT FEES

Fees charged by Deloitte (Netherlands) and its member firms to the Company as well as Ernst and Young Accountants LLP (Netherlands), its subsidiaries and other consolidated companies for the 2023 services are specified as follows:

2023

(€ thousands)	Deloitte Netherlands	Ernst & Young accountants LLP (Netherlands)	Other Deloitte Network	Other EY Network	Other PWC network	2023
Audit or limited review of the consolidated financial statements ⁽¹⁾	507	38	1,520	122	-	2,187
Other assurance services ⁽²⁾	162	27	-	-	31	221
Non- audit services ⁽³⁾	-	-	-	612	279	891
TOTAL	669	65	1,520	734	310	3,300

(1) The controlled companies correspond to the fully consolidated companies as well as the jointly controlled companies.

(2) The amounts correspond to comfort and consent letters issued in connection with bond issuances of the Group as well as the valuation report on Westfield trademark.

(3) The amounts correspond to tax related procedures in the US.

2022

(€ thousands)	Deloitte Netherlands	Ernst & Young accountants LLP (Netherlands)	Other Deloitte Network	Other EY network	2022
Audit or limited review of the consolidated financial statements ⁽¹⁾	448	191	2,061	167	2,867
Other assurance services ⁽²⁾	-	23	-	-	23
Non- audit services ⁽³⁾	-	-	-	1,151	1,151
TOTAL	448	214	2,061	1,318	4,041

(1) The controlled companies correspond to the fully consolidated companies as well as the jointly controlled companies.

(2) The amounts correspond to comfort - and consent letters issued in connection with bond issuances of the Group.

(3) The amounts correspond to tax related procedures in the US.

NOTE 16 • REMUNERATION OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

The total remuneration of the members of the Board of Management over 2023 was €2,378,948 and for more details reference is made to chapter 2.3.2 of this annual report. The Supervisory Board received a total remuneration of €266,000 (paid to 2 out of 5 members) and for more details reference is made to chapter 2.4.1 of this annual report. This remuneration as defined in Art 2:383 of the Dutch Civil Code, is paid by URW NV or one of its subsidiaries.

NOTE 17 • RELATED PARTIES

The Company is affiliated to URW SE, together they form URW. All Group entities are treated as related parties. Reference is made to note 7.4 in the consolidated financial statements.

NOTE 18 • OFF BALANCE SHEET COMMITMENTS

General guarantees as defined in Art. 403, Book 2 of the Dutch civil code have been given by the Company to the subsidiary WFD UR RE BV. For intercompany financial guarantees issued by the Company, there is no expected default and therefore the financial guarantees are not recognised.

Together with the Dutch subsidiary WFD UR RE BV, the Company forms a fiscal unity for the value-added tax.

As from June 28, 2018, URW SE and the Company have implemented cross guarantees. The Company as part of the “Unibail-Rodamco Guarantors” has jointly and severally agreed to guarantee the payment of all sums payable from time to time under the outstanding guaranteed senior notes issued by certain subsidiaries of the former Westfield Corporation (WEA Finance LLC, Westfield UK & Europe Finance PLC and WFD Trust).

The Company has no significant off balance sheet commitments as at December 31, 2023.

NOTE 19 • SUBSEQUENT EVENTS

Please refer to note 17 of the consolidated financial statements.

Schiphol, March 27, 2023

Management Board

D. Lowe

G. Sieben

Supervisory Board

J.M. Tritant

C. Pourre

A. Taireh

F. Mouchel

J.L. Laurens

3.5 OTHER INFORMATION

3.5.1 PROPOSED PROFIT APPROPRIATION

Under article 38.1 of the Company's Articles of Association, the Management Board, with the approval of the Supervisory Board, shall determine which part of the loss shall be added to the Company's reserves, taking into account the fiscal rules and regulations applicable to the Company from time to time. The remaining profits shall be at the disposal of the General Meeting.

3.5.2 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO: THE SHAREHOLDERS AND THE SUPERVISORY BOARD OF UNIBAIL-RODAMCO-WESTFIELD N.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2023 INCLUDED IN THE ANNUAL REPORT

OUR OPINION

We have audited the financial statements 2023 of Unibail-Rodamco-Westfield N.V., based in Amsterdam. The financial statements comprise the consolidated financial statements and the company financial statements.

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of Unibail-Rodamco-Westfield N.V. as at 31 December 2023, and of its result and its cash flows for 2023 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
- The accompanying company financial statements give a true and fair view of the financial position of Unibail-Rodamco-Westfield N.V. as at 31 December 2023, and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1. The consolidated statement of financial position as at 31 December 2023.
2. The following statements for 2023: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows.
3. The notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:

1. The company balance sheet as at 31 December 2023.
2. The company profit and loss account for 2023.
3. The notes comprising a summary of the accounting policies and other explanatory information.

BASIS FOR OUR OPINION

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Unibail-Rodamco-Westfield N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INFORMATION IN SUPPORT OF OUR OPINION

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

MATERIALITY

Based on our professional judgement we determined the materiality for the financial statements as a whole at € 96 million. The materiality is based on 1% of total assets. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of € 4.8 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

SCOPE OF THE GROUP AUDIT

Unibail-Rodamco-Westfield N.V. is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements of Unibail-Rodamco-Westfield N.V.

Our group audit mainly focused on the significant group entity URW America Inc. and its subsidiaries, which make up 99% of both total assets and rental income.

In establishing the overall group audit strategy and plan, we determined the type of work that needed to be performed at the components by the group engagement team and by component auditors from other Deloitte Network firms.

Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at these components so as to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the group financial statements as a whole. For each component we determined whether we required an audit of their complete financial information or whether other procedures would be sufficient.

The group engagement team directed the planning, reviewed the work performed by component auditors and assessed and discussed the results and findings with component auditors.

The group consolidation, financial statements and disclosures are audited directly by the group engagement team in addition to the other procedures where the group engagement team is responsible for.

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the consolidated financial statements.

AUDIT APPROACH FRAUD RISKS

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes. We refer to the enterprise risk framework and respective risk chapter 4 of the annual report in which the general risk framework and risk assessment of the entity is described. In respect to fraud risks to section 4.2.2.5 A of the annual report for management's corruption, money laundering & fraud risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct and whistle blower procedures. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists. We evaluated whether these factors indicate that a risk of material misstatement due fraud is present.

We did not identify fraud risk factors with respect to revenue recognition. We have assessed the accuracy of gross rental income based on a test of detail and analytical procedures on the tenancy schedule and linked the completeness to the property portfolio. Given the occupancy rate, we were able to complete an assessment of the recorded gross rental income based on the substantive procedures performed using the tenancy schedules and property portfolio.

We identified the following fraud risks and performed the following specific procedures:

Fraud risk	How the fraud risk was addressed in the audit
Management override of controls	
We presume a risk of material misstatement due to fraud related to management override of controls. Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.	<p>Our audit procedures included, among others, the following:</p> <p>We incorporated elements of unpredictability in our audit. Elements could be amongst others, additional samples on specific account balances (for example investment property). We also added specific searches on new key words in our manual journal entry testing.</p> <p>We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.</p> <p>We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.</p> <p>We considered available information and made enquiries of relevant executives, directors (including legal, compliance and regional management) and the supervisory board.</p> <p>We evaluated whether the selection and application of accounting policies by the Company, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting. For significant transactions we have evaluated whether the business rationale of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets. As part of our audit procedures, we verified whether the significant transactions should be considered related-party-transactions.</p> <p>We evaluated whether the judgement and decisions made by management in making the accounting estimates included in the financial statements indicate a possible bias that may represent a risk of material misstatement due to fraud. Management insights, estimates and assumptions that might have a major impact on the financial statements are disclosed in note 3.2 of the financial statements. We performed a retrospective review of management judgements and assumptions related to significant accounting estimates reflected in prior year financial statements. Valuation of</p>

Fraud risk	How the fraud risk was addressed in the audit
	<p>investment property (including investment property as included in the investments in companies accounted for using the equity method) is a significant area to our audit as the valuation is inherently judgemental in nature, due to the use of assumptions that are highly sensitive, any change in assumptions may have a significant effect on the outcome given the relative size of the investment property balance. Reference is made tot the section 'Our key audit matters'.</p> <p>We audited all the top-side journal entries through inspection of supporting documentation.</p> <p>We determined the completeness of the top-side journal entries by comparing these to the entries recorded in the previous year and considered if other information gathered during the audit indicated incompleteness of topside entries.</p>
Valuation of investment property	
<p>Valuation of investment property (including investment property as included in the investments in companies accounted for using the equity method) is a significant area to our audit as the valuation is inherently judgemental in nature, due to the use of assumptions that are highly sensitive, any change in assumptions may have a significant effect on the outcome given the relative size of the investment property balance. There is a possible fraud risk that judgement and decisions made by management in making the accounting estimates are possibly biased.</p>	<p>Reference is made to the section 'Our key audit matters' for our performed audit procedures.</p>
Risk of incorrect recognition of disposals of investment properties	
<p>In 2023 the Company sold multiple investment properties. Accurate and complete recognition of these transactions is an important area of emphasis in our audit. We pay specific attention to fraud risks in selling properties, such as ABC transactions and kickback fees.</p>	<p>Our audit procedures included, among others, the following:</p> <p>We have gained understanding of the disposal process and tested design and implementation of Unibail-Rodamco-Westfield N.V.'s relevant controls relating to disposals.</p> <p>We performed procedures on the sales transactions. We have reconciled the recognized transactions to relevant supporting documentation and determined accurate and complete recognition of transaction results in the fiscal year.</p> <p>We verified that the investment properties sold aren't sold immediately to a third party with a significant higher transaction value.</p> <p>In addition, we have analyzed the sales price of investment property transactions in relation to the most recent valuation value as determined by the external appraiser. If applicable we have assessed reasonableness of considerations paid to intermediaries.</p> <p>We evaluated whether the disclosures are in accordance with the requirements of IFRS-EU relevant to the recognition of the sales of investment properties.</p>

This did not lead to indications for fraud potentially resulting in material misstatements.

AUDIT APPROACH COMPLIANCE WITH LAWS AND REGULATIONS

We assessed the laws and regulations relevant to the entity through discussion with the management board, reading minutes and reports of internal audit.

We involved our forensic specialists in this evaluation.

As a result of our risk assessment procedures, and while realizing that the effects from non-compliance could considerably vary, we considered the following laws and regulations: (corporate) tax law, the requirements under the International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and Part 9 of Book 2 of the Dutch Civil Code with a direct effect on the financial statements as an integrated part of our audit procedures, to the extent material for the financial statements.

We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognized to have a direct effect on the financial statements.

Apart from these, the entity is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance, through imposing fines or litigation.

Given the nature of the entity's business and the complexity of these other laws and regulations, there is a risk of non-compliance with the requirements of such laws and regulations. In addition, we considered major laws and regulations applicable to listed companies.

Our procedures are more limited with respect to these laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements. Compliance with these laws and regulations may be fundamental to the operating aspects of the business, to the entity's ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of operating licenses and permits or compliance with environmental regulations) and therefore non-compliance with such laws and regulations may have a material effect on the financial statements. Our responsibility is limited to undertaking specified audit procedures to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements. Our procedures are limited to (i) inquiry of management, the Supervisory Board, the Executive Board and others within the entity as to whether the entity is in compliance with such laws and regulations and (ii) inspecting correspondence, if any, with the relevant licensing or regulatory authorities to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements.

Naturally, we remained alert to indications of (suspected) non-compliance throughout the audit.

Finally, we obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.

AUDIT APPROACH GOING CONCERN

The financial statements of Unibail-Rodamco-Westfield N.V. have been prepared on the basis of the going concern assumption. As indicated in the responsibilities of management below, management is responsible for assessing the entity's ability to continue as a going concern. We refer to the section 'Going concern' in Note 4.1.5 to the consolidated financial statements, which discloses that the entity's liquidity needs for the next 12 months are covered by the available undrawn credit lines and cash on-hand as well as by the cross-guarantees granted within the URW Group.

Our evaluation of management's assessment of the entity's ability to continue as a going concern for the next 12 months included the following procedures:

- We inquired the management regarding any knowledge of events or conditions beyond the period of the management's assessment.
- Sensitivity analyses of the client indicate that material breaches of covenants are unlikely to result in an early repayment obligation based on current market circumstances and head room in the respective covenants. We evaluated the sensitivity analyses and the impact on the going concern assumption. We did not indicate any hard material breaches.
- We have evaluated whether cash positions, undrawn credit lines and cash flows are expected to be sufficient to meet future obligations.
- We have evaluated whether the tenant mix leads to concerns over dependency on a single tenant or limited group of tenants in respect to the rental income and respective cash flows.
- In our evaluation of management's assessment, we have considered all relevant information of which we are aware as a result of the audit.

Our audit work did not result in contradictory information about management's assessment of the entity's ability to continue as a going concern.

OUR KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

Key audit matter	How the key audit matter was addressed in the audit
<p>Valuation of investment property (under construction), including investment property (under construction) as included in the investments in the companies accounted for using the equity method.</p>	
<p>Refer to note 6.1.2 and note 7.2 to the consolidated financial statements.</p> <p>As at 31 December 2023, Unibail-Rodamco-Westfield N.V. held a direct portfolio of investment property with a fair value of EUR 4,217.4 million (31 December 2022 EUR 4,893.5 million) and an indirect real estate portfolio with a fair value of EUR 4,798.2 million (31 December 2022 EUR 5,848.3 million) based on Unibail-Rodamco-Westfield N.V.'s share as included in the investments in the companies accounted for using the equity method.</p> <p>The portfolio mainly consists of Shopping Centres.</p> <p>At the end of each reporting period, Management determines the fair value of its investment property portfolio in accordance with the requirements of IAS 40 and IFRS 13.</p> <p>Unibail-Rodamco-Westfield N.V. uses external valuation reports issued by external independent professionally qualified valuers to determine the fair value of the investment property.</p> <p>As the valuation of investment property is inherently judgemental in nature, due to the use of assumptions that are highly sensitive, any change in assumptions may have a significant effect on the outcome given the relative size of the investment property balances.</p> <p>The most significant assumptions and parameters involved, given the sensitivity and impact on the outcome, are the capitalization rate, market rental income and market-derived discount rate.</p> <p>IFRS 13 seeks to increase consistency and comparability in fair value measurements and related disclosures through a 'fair value hierarchy'. The hierarchy categorizes the inputs used in valuation techniques into three levels. The hierarchy gives the highest priority to (unadjusted) quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. (Unobservable) inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date. Fair value measurements categorized within Level 3 have the lowest priority as the valuation is predominantly based on unobservable inputs and those measurements have a greater degree of uncertainty and subjectivity. This means that a valuation at Level 3 has a fairly large measure of estimation uncertainty and as a result a fairly large bandwidth of valuation uncertainty in which a valuation can be seen reasonable in the light of IFRS 13.</p>	<p>Our audit procedures included, among others, the following:</p> <p>We have gained understanding of the valuation process and tested design and implementation of Unibail-Rodamco-Westfield N.V.'s relevant controls with respect to the data used in the valuation of the property portfolio.</p> <p>We noted that management involved established international parties to assist with the valuation of the investment properties.</p> <p>We evaluated the competence of Unibail-Rodamco-Westfield N.V.'s external appraiser, which included consideration of their qualification and expertise.</p> <p>In relation to the significant assumptions in the valuation of investment property (under construction), we have:</p> <ul style="list-style-type: none"> • Determined that the valuation methods as applied by Management, as included in the valuation reports, are appropriate and consistent. • We have challenged the significant assumptions used (such as capitalization rate, market rental income, market-derived discount rate) against relevant market data. We have involved our internal real estate valuation experts in these assessments. • We assessed the sensitivity analysis on the key input data and assumptions to understand the impact of reasonable changes in assumptions on the valuation and other key performance indicators. • We have assessed the appropriateness of the disclosures relating to the assumptions used in the valuations and sensitivity analysis in the notes to the consolidated Financial Statements. <p>Observation We found that, with the (significant) assumptions used in the valuation reports, the valuation of the investment property is valued within a reasonable range in the light of the valuation uncertainty for level 3 valuations.</p>
<p>Valuation (including impairment testing) of acquired intangible assets</p>	
<p>Refer to note 6.3 to the consolidated financial statements.</p> <p>As at 31 December 2023, Unibail-Rodamco-Westfield N.V. held a total of EUR 248,4 million intangible assets (31 December 2022 EUR 211,2 million) of which EUR 241,9 million relates to the Westfield Trademark for flagship center's (31 December 2022 EUR 205,8 million).</p> <p>The subsequent measurement of acquired intangible assets with an indefinite useful life requires annual impairment testing which is complex and subject to estimation uncertainty. During 2023, an impairment of EUR 44,2 million have been reversed.</p> <p>Trademark intangible assets are valued by independent external appraisers using a 10 years Discounted Cash Flow methodology combined with the Royalty Relief method. The value relies on incremental growth attributable to the Westfield Trademark multiplied by the royalty rate. The Relief from Royalty method estimates the value of the asset as the present value of future royalty</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> • We obtained an understanding of an evaluated the design of controls over the Company's impairment testing process with regard to intangible assets with an indefinite useful life, including controls over management's review of the significant assumptions. • We noted that management involved established international parties to assist with the valuation of the trademark • We evaluated the competence of Unibail-Rodamco-Westfield N.V.'s external appraiser which included consideration of their qualification and expertise. • We inspected the documentation regarding the impairment analysis that the Company prepared with the assistance of an external appraiser. • With the assistance of our valuation specialists, we assessed the valuation of the intangible assets. We reviewed management's key assumptions used in the

Key audit matter	How the key audit matter was addressed in the audit
<p>payments over the life of the asset that are saved (not paid) by virtue of owning the asset.</p> <p>Under IAS 36 an asset is impaired when its carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. For the assessment of both recoverable amount and fair value a large level of valuation uncertainty is included. Beside uncertainty inherent in the assets both assessments include uncertainty on timing of cashflows, the height of the cashflows, discount rates, etc. Furthermore, it is uncertain whether the assumptions of the market or the enterprise are more likely to be true. As perfect markets do not exist for many of the assets within the scope of IAS 36 and it is unlikely that predictions of the future will be entirely accurate, regardless of who makes them. This means that the outcome of the assessment has a fairly large measure of estimation uncertainty and as a result a fairly large bandwidth of valuation uncertainty in which a valuation can be seen reasonable in the light of IAS 36 and IFRS13 (Level 3).</p> <p>Therefore, combined with the significance of the balances to the financial statements as a whole, the valuation (including impairment testing) of acquired intangible assets is a key audit matter.</p>	<p>valuation such as long-term growth rate, incremental growth rate, discount rate, as well as the sensitivity analysis resulting from variations of these assumptions.</p> <ul style="list-style-type: none"> • We assessed the used business assumptions with historical data. • We have assessed the appropriateness of the disclosures relating to the assumptions used in the notes to the consolidated financial statements. <p>Observation We found that, with the (significant) assumptions used in the valuation, the valuation of the intangible assets is valued within a reasonable range in the light of the valuation uncertainty under IAS 36 and IFRS 13.</p>
Accounting for financial liabilities including derivatives	
<p>As at December 31, 2023, Unibail-Rodamco-Westfield N.V. had total liabilities of EUR 9.343,4 million, including bonds and notes, bank borrowings, other financial liabilities and financial leases and commitments to non-controlling interests.</p> <p>The preference shares held by URW SE amount to EUR 510,3 million and are valued at amortized costs. Other commitments to non-controlling interests are valued at fair value. Financial covenants are applicable to issued bonds (EUR 3.646,5 million).</p> <p>The company uses interest rate swaps to hedge its exposure to interest rate risk. These derivatives, for which no hedge accounting is applied, are carried at fair value through profit or loss and have a carrying amount at the balance sheet of respectively EUR 32,8 million (asset) and EUR 31,9 million (liability).</p> <p>The fair value adjustments of derivatives amount to EUR 19,6 million positives.</p> <p>The valuation of these financial instruments is dependent on estimates and assumptions and requires judgement by management. Furthermore, the Company amended an additional part (EUR 500 million) of the loan with an original nominal value of EUR 1,250 million with Unibail-Rodamco-Westfield SE, which triggered an assessment of the classification of the modified loans as either equity or long-term borrowings.</p> <p>Besides, the company amended the loans which are classified as long-term borrowings with Unibail-Rodamco-Westfield SE on interest rate and extended the maturity date.</p> <p>Considering the estimation uncertainty regarding the valuation of financial instruments at fair value, the importance and relative size of external financing, compliance with covenant, and the complex accounting related to the additional amended part (EUR 500 million) of the EUR 1,250 million intragroup loan, the accounting for financial liabilities including derivatives is an important area of emphasis in our audit.</p> <p>Please refer to note 2.1.3 and note 8 of the consolidated financial statements.</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> • We obtained and analyzed loan contracts and loan amendments including the amended EUR 500 million intragroup loan, on a sample basis to understand the terms and conditions and verified that those characteristics were correctly reflected in the financial statements in accordance with the accounting policies applied by the Company based on IAS 32 Financial Instruments presentation and IFRS 9 Financial Instruments. • We performed analytical procedures on the financial expenses. • We confirmed the amount of the principal debt with third parties on a sample basis. • We confirmed a selection of derivatives directly with counterparties and performed procedures to ensure completeness of them. • For a sample of financial instruments, we reviewed the valuation of derivatives (including the DVA/CVA calculation) and we involved our internal specialists who performed independent valuations. • Where debt covenants were identified, we assessed management's calculations to verify compliance with these covenants. • Additionally, we considered the appropriateness of the IFRS7 disclosures in the financial statements in respect of financial liabilities including derivatives. <p>Observation Applying the materiality, we have audited the accounting for financial liabilities including derivatives as well as the related disclosures in notes 8.3.3., 8.3.7 and 8.4 and have no reportable findings.</p>

REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

The other information consists of:

- Management Board's Report.
- Other Information as required by Part 9 of Book 2 of the Dutch Civil Code.
- Corporate governance and remuneration report.
- Risk factors.
- Information on the Company, shareholding and the share capital.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the Management Board's Report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS AND ESEF

Engagement

We were engaged by the supervisory board as auditor of Unibail-Rodamco-Westfield N.V. on June 22, 2022, as of the audit for the year 2022 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities

European Single Electronic Format (ESEF)

Unibail-Rodamco-Westfield N.V. has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report, prepared in XHTML format, including the (partly) marked-up consolidated financial statements, as included in the reporting package by Unibail-Rodamco-Westfield N.V. complies in all material respects with the RTS on ESEF.

Management is responsible for preparing the annual report including the financial statements in accordance with the RTS on ESEF, whereby management combines the various components into one single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- Obtaining an understanding of the company's financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
 - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance and the XBRL extension taxonomy files has been prepared in accordance with the technical specifications as included in the RTS on ESEF;
 - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, March 19, 2024

Deloitte Accountants B.V.

Signed by J. Holland



RISK FACTORS

4.1 ENTERPRISE RISK MANAGEMENT (“ERM”) FRAMEWORK

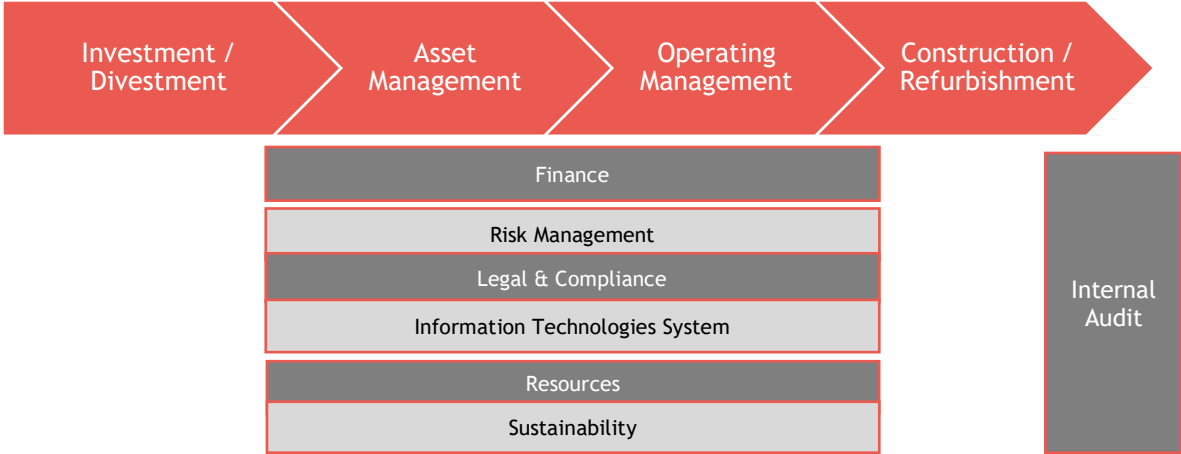
4.1.1 POLICY & ORGANISATION

Unibail-Rodamco-Westfield N.V. (“URW NV”) and its subsidiaries are together referred to as “the Group”. URW NV and its controlled subsidiaries are affiliated to Unibail-Rodamco-Westfield SE (“URW SE”). Together they form the URW Group. Unless stated otherwise, the ERM framework of URW NV is aligned with that of the URW Group.

URW NV’s Risk Management Policy is designed to:

- Identify and analyse the main potential threats in order to anticipate risks proactively;
- Set up and implement appropriate mitigating measures in order to monitor and/or reduce the identified risks;
- Secure decision-making and Group processes to achieve business objectives;
- Create and preserve the Group’s value, assets, brand and reputation;
- Ensure consistency of decisions with the Group’s values and strategy; and
- Bring the Group’s staff together behind a shared vision of risk management.

The organisation of the Group can be defined as a matrix organisation within the Netherlands and the United States and a Corporate Centre organised around four main functions i.e. Owner, Operator, Resourcer, and Financer. The decision-making process is accomplished through committees and collegial decision-making. The segregation of duties within the Group is based on the separation between execution and control. The Group does not outsource core activities, except for some parts of its IT system and facility management. The Group’s main activities are Investment and divestment, Asset management, Operating management (including leasing and property management) and Refurbishments, which are briefly described below. The organisational structure is also based on a set of delegations that define the responsibilities and level of authority of managers. Moreover, the Group utilises internal committees, where decisions are based on a risk analysis approach.



INVESTMENT/DIVESTMENT

Investment is one of the major processes at URW NV as it is one of the first steps in the value creation process. It starts with deal sourcing (the search for market opportunities), which is based on brokers, off-market relationships, and connections with local communities. Once an investment opportunity is identified it undergoes a strict review and approval procedure with multiple steps through compliance and demanding internal decision-making processes, in alignment with URW NV’s investment strategy.

Under the supervision of the Chief Operating Officer US (“COO US”), the Investment/Divestment (“I/D”) Department is responsible for the value creation process and is in charge of evaluating and advising periodically on the basis of the aforementioned information whether the property needs to be disposed of or not.

For divestments, a highly structured process is in place to provide the most complete and accurate information (data room) to maximise the selling price and minimise the guarantees and representations, as well as the potential liabilities.

ASSET MANAGEMENT

Under the responsibility of the COO, this activity focuses on value creation in URW NV’s asset portfolio and consists of defining the strategy for each asset (5-year business plan). In line with the contract terms and conditions, the Accounting department invoices and collects the rents and pays expenses related to the management of the building.

OPERATING MANAGEMENT

Under the responsibility of the COO, this activity focuses on value creation in URW NV’s asset portfolio and consists of defining the strategy for each asset (5-year business plan). In line with the contract terms and conditions, the Accounting department invoices and collects the rents and pays expenses related to the management of the building.

CONSTRUCTION/REFURBISHMENT

Construction and refurbishment consist of the following activities:

- Control of construction costs and management of construction contracts;
- Definition of the URW Group sustainability policy for development;
- Selection and monitoring construction and refurbishment companies; and
- Supervision of construction until grand opening.

4.1.2 OVERVIEW OF URW NV RISK COMMITTEE’S RESPONSIBILITIES

Since the completion of the Westfield transaction in June 2018, the Enterprise Risk Management (“ERM”) framework has continued to evolve. All key risks have been reviewed and assessed internally, and action plans for improvement have been established. Fifteen identified key risks were presented to and reviewed by the Audit Committee and Supervisory Board (“SB”) in 2023 through a bi-annual (half-year and full-year) assessment.

Our ERM framework focuses on:

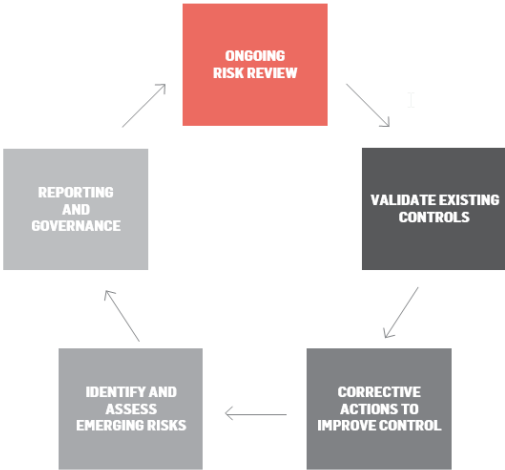
- Risks inventory;
- Risk control methodology; (including monitoring of appropriate mitigating measures and action plans);
- Risk mapping;
- Governance; and
- Functional organisation.

URW NV has a robust Risk Management programme, providing reasonable assurance on levels of control. It remains oriented towards ongoing and continuous risk assessment and improvement in controls.

Management of risk measures and follow-up of effective implementation of yearly action plans are core to the Group’s business resilience, and are reviewed and challenged on a recurring basis.

Below is an illustration of key ERM responsibilities.

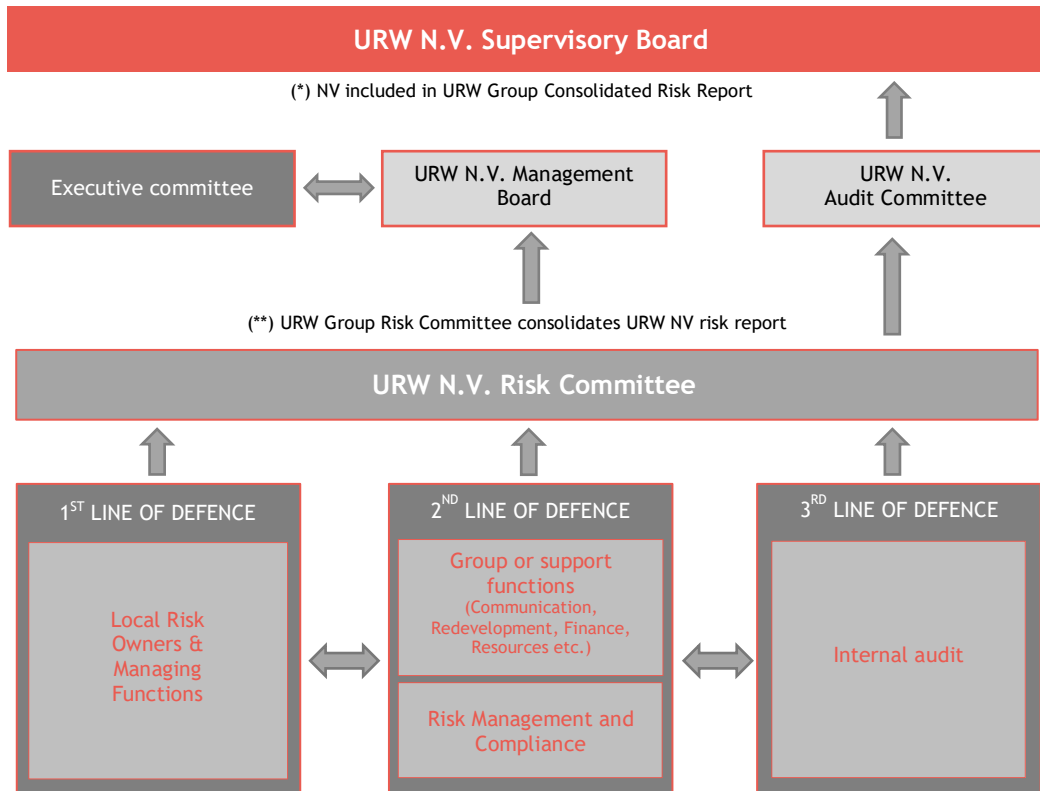
OVERVIEW OF ERM KEY RESPONSIBILITIES



Governance continues to enhance and support the importance of ERM by establishing oversight responsibilities. URW has worked on the alignment and coherence of the Risk Management governance bodies, considering market best practices, regional and sector benchmarks and market investors’ expectations.

On December 6, 2018, upon the recommendation of the Audit Committee (“AC”), the SB approved the current Risk Management framework.

The URW NV ERM framework has three lines of defence as follows⁵¹:



Central to the URW NV ERM Framework is the URW NV Risk Management Committee (“RMC”). Composed primarily of senior executives from the Netherlands and the US, it oversees management of fifteen key risks across the portfolio (“Risk Inventory”).

The Risk Inventory is organised into the following five categories:

- (1) Business Sector and Operational Risks,
- (2) Financial and Tax Risks,
- (3) Environmental and Social Responsibility Risks (CSR) -emphasis on Sustainability,
- (4) Security and Health & Safety, and
- (5) Legal and Regulatory.

The responsibilities of the RMC include:

- Supporting the development of a risk culture within the region, promoting open discussion regarding risk and integrating Risk management into the organisation and among employees;
- Monitoring effective implementation of identified mitigating measures and action plans;
- Providing input to management regarding the URW NV platforms’ risk appetite and tolerance;
- Embedding ERM in all activities within the business;
- Discussing the identification and evaluation of risks with local risk owners;
- Supporting improvement in risk control, management measures and monitor action plans;
- Reviewing risk initiatives against the URW Group’s Compliance Book to align assessment and establish training priorities;
- Remaining aware of any material evolution of an existing risk or any new or emerging risk; and
- Providing validation in preparation for review by the URW Group Risk Committee (“URW GRC”).

The current members of the RMC are:

- Chief Operating Officer US (“COO US”) as the Chair;
- Chief Financial Officer URW NV (“CFO URW NV”);
- Chief Financial Officer US (“CFO US”);
- General Counsel US;
- VP of Organisational and Business Transformation and Internal Audit US;
- EVP Center Operations & Construction Management US;
- URW Group Director of Security, Risk & Crisis Management;
- Senior Litigation and Compliance Counsel US (as moderator);
- Head of Risk Management Europe (as a guest if requested); and
- Others Local Risk Owners if requested.

⁵¹ Overview of the lines of defence comports with COSO (Committee of Sponsoring Organisations) ERM standards.

The RMC liaises with the Local Risk Owners to accomplish the ERM goals. The Local Risk Owners are department heads assigned to manage and monitor one or more risks from the Risk Inventory. They rate the risks in terms of **Impact**, **Likelihood**, and **Level of Control** pursuant to a Risk Assessment Criteria biannually.

The primary responsibility of the URW NV Risk Management Committee is to oversee and approve the Group-wide risk mapping and key management measures and to assist the Management Board (“MB”) in:

- Establishing that all executive teams have identified and assessed the risks that the Group faces and established a risk management system to address those risks;
- Validating the level of control over a given risk and, in conjunction with the MB and/or other internal committees, validating that such risks are in line with the Group’s Risk strategy;
- Ensuring that the division of risk-related responsibilities for each risk owner is clearly defined, and that risk owners are routinely performing risk assessments and gap analysis to maintain awareness of all risks; and
- Elevating to the MB and SB any emerging and developing risks.

To fulfil its responsibilities and duties, the RMC:

- Supports the development of a risk culture within the Group, promotes open discussion regarding key risks, integrates risk management into the organisation’s objectives and compensation structure, and creates a corporate culture such that people at all levels manage risks rather than ignoring them or accepting them without proper risk analysis;
- Provides input to management and the Executive Committee regarding the Group risk appetite and tolerance;
- Monitors the organisation’s risk profile (risk mapping); and
- Approves the Risk Management Policy and plan, which includes:
 - The Company’s risk management structure;
 - Standards and methodology applied to assess risks;
 - Risk management measures (risk management guidelines); and
 - Training and awareness programmes or information.
- Feedback analysis on crises/incidents

The Risk Management Organisation reviewed the Group’s key risks and associated action plans in collaboration with risk owners.

A description of the key risks monitored by this internal control system is outlined below.

The RMC met twice in 2023. Its main achievements are:

- The review of URW NV’s risk mapping;
- Periodic “deep dive” risk reviews agreed with the AC chairperson and presented at the AC/SB meetings;
- The review and follow-up of action plans;
- The approval of business decisions with risk exposures; and
- Presentation of the key risk inventory and risk rating grid for AC/SB approval.

4.1.3 URW NV RISK APPETITE

URW NV’s risk appetite is embedded within its overall strategy and risk management framework. In general, URW NV has a conservative approach to managing risk. For each risk category - (i) Business Sector & Operational, (ii) Financial & Tax, (iii) Environmental and Social Responsibility, (iv) Security, Health & Safety, and (v) Legal & Regulatory - we continuously assess the adequacy of and seek to improve mitigating measures. We also monitor and identify new, emerging, evolving risks. In turn, we implement additional measures to control those risks as appropriate.

BUSINESS SECTOR AND OPERATIONAL RISKS

The ongoing retail market evolution is a significant challenge to URW NV. To become an industry leader in such a disruptive environment, URW NV has devised a strategy that focuses on the concept of creating landmark destinations. Leasing and operations are partnering with the most sought-after brands and operators to offer experiences that transcend traditional retail shopping malls. Because significant risks are inherent in taking steps toward adaptation and innovation, URW NV has put special emphasis on due diligence and risk analysis in its decision-making process.

Other key components of the strategy are divestment of underperforming assets and leveraging data analytics. With respect to the divestment activity, URW NV’s approach is disciplined and designed to maximise the value of the transactions to URW NV. Regarding data analytics and related information technology services, URW NV’s approach is proactive and robust to comply with the regulations and limit the threat of data breaches and other cyber-related incidents.

FINANCIAL AND TAX RISKS

As a REIT (real estate investment trust), URW NV is subject to a complex regime of prescriptive and challenging tax rules. To maximise compliance and minimise adverse financial and tax results, URW NV has a very conservative fiscal policy. This is also consistent with the capital-intensive nature of the business and the importance of maintaining a good financial credit rating for access to funds at competitive interest rates.

SUSTAINABILITY RISKS⁵²

Considering the size of its tangible assets portfolio, the URW Group places sustainability risks at the heart of its strategy with an integrated commitment to make sustainability a core part of the URW Group business. The URW Group has developed a global sustainability strategy based on environmental best practices, social fairness and transparent governance. The “Better Places” roadmap aims to address the main challenges faced by the URW Group with its operational activities in all geographies. The environmental transition presents a significant opportunity for the URW Group to create financial and social value.

Please note: As sustainability is embedded in the URW Group’s core business, other sustainability risks cut through the majority of the URW Group risks and are mentioned throughout this chapter.

For information on the related sustainability policies, please refer to section 3.2 Sustainability Statement in the URW Group 2023 Sustainability Report.

⁵² Previous terminology was Climate Change & Societal, now both covered under “Sustainability”.

SECURITY AND HEALTH & SAFETY

With hundreds of millions of customers visiting URW NV's centres annually, URW NV is keenly aware of the importance in providing a safe and healthy shopping environment. URW NV is also keenly aware of the threat of terrorist events. URW NV dedicates significant resources to both health & safety and security. However, even with the most strenuous loss prevention and crisis management programmes, the risk of loss from these exposures will always be present. To protect URW NV from the potential negative financial impact associated with a significant terrorism or life safety event a public liability insurance programme has been taken out in amounts sufficient to cover its exposure to this risk.

LEGAL AND REGULATORY

URW NV has a "zero tolerance" policy towards any bribery or corruption and requires full compliance with all applicable regulations and laws in the jurisdictions in which it operates. Significant efforts are devoted to develop procedures for reporting, ongoing training, and compliance programs to minimise any exposure associated with this risk.

4.1.4 INTERNAL CONTROL SYSTEM

The Group's internal control system covers all of the Group's activities and geographies. It is based on a set of principles that aims to provide reasonable assurance that the following internal control objectives are met:

- Transactions are executed effectively and optimised;
- Protection of the Group's assets;
- Financial information is reliable; and
- All operations comply with prevailing legislation, external regulations and URW NV's internal rules.

The Group's internal control system is in line with the general principles of the Internal Control System reference framework by the AMF (Autorité des Marchés Financiers: the French financial market authority)⁵³ and is based on:

- A set of standardised procedures;
- Accountability of managers in charge of the business, finance and control;
- A committee-based, decision-making process for acquisitions, disposals, refurbishment/construction projects, and leasing; and
- Segregation of duties between execution and control.

The URW Group's control environment detailed in the URW Compliance Book for Governance, Organisation & Corporate Rules describes:

- The URW Group organisation structure: a matrix organisation with a double reporting line at corporate and regional levels;
- Governance for URW NV and its subsidiaries;
- A framework of core processes and internal rules covering investment and divestment, leasing activities and support functions, notably finance and human resources;
- A Code of Ethics, covering the URW Group's core values and rules of conduct, with particular emphasis on ethical behaviour, prohibition of corruption, conflicts of interests, confidentiality and transactions involving on URW Group Stapled Shares; and
- An Anti-Corruption Programme that includes, among other things, risk mapping, which has been fully reviewed in 2022 and a due diligence process of business partners before entering into business relationships.

In addition to the URW Group Compliance Book, the Group's control environment comprises:

- Job descriptions and an appraisal assessment system based on performance targets;
- A set delegation of authority, responsibility and limits that span all the Group's activities;
- General and specific procedures applicable at corporate level and in the different regions where the Group is present; and
- Less formal instructions and recommendations that nevertheless form an integral part of the internal control system.

The URW Group Internal Audit Department, composed of 6 (2021:8) full-time employees in France and in the United States, assesses the internal control system by conducting regular audits of all of the business units in line with the annual audit plan approved by the MB and the SB. In addition, the URW Group CEO or the Chair of the AC can also ask the URW Group Internal Audit Department to carry out "flash" assignments in order to provide a rapid response to urgent issues and/or the treatment of new risks or problems. Final audit reports are addressed to the MB and to each department that has been involved in the audit. A summary of audit findings is provided to the AC on a quarterly basis.

The Group's Internal Audit Charter sets out the different missions of the audit function. To ensure it remains genuinely independent, the URW Group Internal Audit Department reports to the URW Group CEO and to the Chair of the AC.

A description of the main risks monitored by this internal control system are set out hereafter.

4.2 MAIN RISK FACTORS

In accordance with European Regulation No. 2017/1129 of June 14, 2017, on the prospectus to be published in the event of a public offering of securities or with a view to the admission of securities to trading on a regulated market, risk factors presented, hereafter, are limited to specific risks of the Group and remaining significant after application of the risk management measures.

Nevertheless, the risk factors discussed in this section are not exhaustive and there may be other risks, either potential unidentified or emerging/developing identified risks, or risks not specific enough to the Group and/or of which the occurrence is not considered likely to have a material adverse effect on URW, its operations, financial position and/or results, share price or guidance/outlook as at the date of filing of the Universal Registration Document. In addition, given the geographical scope of URW activities, the potential impact of a same type of risk may differ from one country to another.

The URW NV risk mapping is reviewed and updated, if necessary, on a recurring basis under the supervision of the URW GRC. The URW NV risk mapping is discussed by the AC and the SB.

⁵³ The AMF is also a reference for URW Group.

Given the ongoing geopolitical and macro-economic conditions adding to the impactful post-pandemic legacy, and the threat of recession looming, URW NV continues to monitor and anticipate the evolving impacts to the business, particularly concerning interest rates, inflation, supply chain issues and its effects on consumption and financing and high volatility of financial markets.

The Group's risk mapping and assessment process continually factors in potential changes linked to geopolitical and macro-economic conditions which could have a significant effect on the Group's business operations, its budgetary and earnings forecasts, as well as on its stated strategy.

4.2.1 RATINGS OF THE MAIN SPECIFIC RISK FACTORS

The risk inventory for URW NV is composed of 12 risks, which are organised into 5 general categories. They are presented below on a descending order of materiality, first ones being the most material (impact and likelihood).

This rating is based on:

- (i) The potential net impact corresponding to the potential (financial/legal/reputational) impact after risk management measures have been put in place (net impact); and
- (ii) The potential net likelihood of the risk event, after risk management measures have been put in place (net likelihood).

This rating, and specifically the likelihood, is the result of URW NV's management assessment performed through the ERM framework described in section 4.1.2 Overview of URW NV Risk Committee's responsibilities and depends on the subjective assessments of management.

The risk rating criteria for net impact and net likelihood is regularly reviewed by the RMC and presented to the AC and SB in line with the Group's evolving risk appetite.

Rating

Net impact	○○○ High net impact	○○ Medium net impact	○ Low net impact
Net likelihood	■■■ Likely	■■ Possible	■ Unlikely

Risk Factors categories	Risk Factors	Rating after risk management measures		Section
		Net impact	Net Likelihood	
Category #1: Business Sector and Operational risks	Retail Market Evolution/Disruption	○○○	■■	4.2.2.1.A
	Investment and Divestment	○○○	■	4.2.2.1.B
	Refurbishment/Construction	○○	■■	4.2.2.1.C
	Leasing & Commercial Partnerships	○○	■■	4.2.2.1.D
	IT System & Data: Continuity and integrity	○○	■■	4.2.2.1.E
Category #2: Financial and Tax risks	Access to Capital & Financial Market disruption	○○○	■■	4.2.2.2.A
	REIT Status & Regime (Tax)	○○○	■	4.2.2.2.B
Category #3: Environmental and Social Responsibility risks	Recruitment, Retention, and Succession	○○	■■	4.2.2.3.A
	Sustainability risks	○○○	■■	4.2.2.3.B
Category #4: Security, Health and Safety risks	Terrorism & Major Security	○○○	■■■	4.2.2.4.A
	Health and Safety (Including pandemic and natural disasters)	○○○	■	4.2.2.4.B
Category #5: Legal, Regulatory risks	Legal, Regulatory & Fraud	○○○	■■	4.2.2.5.A

4.2.2 DETAILED MAIN RISK FACTORS

4.2.2.1 CATEGORY #1: BUSINESS SECTOR AND OPERATIONAL RISKS

A. Retail Market Evolution/Disruption

As an operator of commercial assets, any mid- to long-term deterioration in economic conditions with implications for the leasing market and/or investments may have a significant impact on the level of the Group's activities, the value of its assets, its results and its investment and development strategy.

As of December 31, 2023, URW NV's portfolio of 18 Shopping Centres in the US, including 11 Flagships, was valued at €9,015.6 Mn (2022: €10,947 Mn)⁵⁴. Considering its real estate profile and exposure, the Group's results of operations and/or its core business strategy could be adversely

⁵⁴ valuation incl. transfer taxes and the Westfield Trademark.

affected by its inability to continue to lease space in its assets on economically favourable terms, to adapt its offer and customer experience to new trends and expectations, or to develop and implement new business models, or by tenant default.

The pandemic effect has accelerated many retail sector evolutionary trends over the last 2-3 years. Some trends are likely to result in a permanent shift in shopper buying habits and expectations. Changes in consumer trends and practices combined with a slowdown in the economy, political instability, doubts on final resolution of the health crisis, reduction in available savings and stricter regulations have, or may have, significant impact on the Group’s core business activities.

The evolving consumer habits and impacts of the current economic situation (potential drop in consumer confidence) require shopping centres to increasingly adapt their offers and showcase their local and global footprint (both Westfield and URW brands).

Worldwide, the e-commerce business continues to grow. In 2023, retail e-commerce sales were estimated to exceed \$5.7 trillion worldwide. This figure is expected to reach new heights in the coming years⁵⁵.

Despite this growth, e-commerce has not translated into the demise of brick-and-mortar retail. Rather, the emerging retail trend is an omnichannel shopping experience that allows consumers to shop seamlessly from all points of contact, i.e., the channels web, mobile app, social media, and brick and mortar. Retailers, including digital native brands, are opening physical stores to offer their customers an omnichannel experience, which, according to an ICSC (International Council of Shopping Centres) study, can increase the retailer’s web traffic by as much as 45%.

The acceleration of sustainable consumption and energy sobriety are key drivers of global consumption and has led to increased consumer expectations. This presents both challenges and opportunities for the Group’s operations and offerings. Sustainability is now a strong component of the URW Group’s core business.

Global inflation is expected to fall from 8.8% in 2022 to 6.6% in 2023 and 4.3% in 2024, still above pre-pandemic (2017-2019) levels of about 3.5%⁵⁶. Continued high inflation increases the likelihood of tenant failures and ‘doubtful debtors’, and may adversely affect the consumption power and, consequently, the global turnover of retailers. That could negatively impact the retailer’s capabilities to continue to invest into their new concepts and in digital innovation and, as a consequence, negatively impact the attractiveness of their commercial offer. High inflation rates in the countries where the Group operates may trigger some social tensions as well as retail market disruptions.

The value of the Group’s real estate assets (calculated using the fair value method) is sensitive to variations in the appraisers’ principal assumptions (yield, rental value, occupancy rates) and is, therefore, subject to material variations that may impact the Group. The rental income of some Group assets may depend on flagship stores/department stores and could suffer a material adverse impact if 1 or more of these tenants were to terminate their leases, fall into bankruptcy or equivalent scheme, triggering financial impacts or fail to renew their leases, and/or their location were considered to lack attractiveness, and/or in the event of consolidation between these retail sector companies.

The economic situation has evolved rapidly with the war in Ukraine and destabilisation in the Middle East, leading to continued uncertainty on energy costs, inflation and interest rates. Nevertheless, despite all these challenges, the year 2023 showed a good resumption of activity in URW NV’s assets.

In the US, 2023 footfall^{57 58} increased compared to 2022, up +3.1%, exceeding 2019 levels.

Main Risk Factors	Main Risk Management Measures
<ul style="list-style-type: none"> Continued evolution of the retail sector due to competition from online retail as well as demographic and cultural changes. Anchor department stores and many fashion retailers may change their brick-and-mortar strategies, including store closures; Inability to adapt to quickly changing shopper and retailer preferences, office and convention exhibition patterns and preferences, could negatively impact achieving leasing and revenue targets which could have an adverse impact on overall Group financial results; URW’s current strategy may fail to meet changing retail and real estate market conditions; Competition with other participants in the real estate industry could have an adverse impact on Group income and its ability to acquire dedicated redevelopment plans, including development of event spaces, digital infrastructure properties, develop land and secure tenants effectively; and modular tenant spaces (white boxes for pop-ups); Failure to deliver on sustainability expectations of both consumers and key stakeholders (B2B and B2C). 	<p>The Group has put in place numerous measures to adapt to new consumer trends and attract them:</p> <ul style="list-style-type: none"> Annual research performed in each geography (Europe and the US) to understand and anticipate shifts in retail, demographic and cultural changes; Appointment of a URW Group Chief Customer Officer as part of a customer-centric approach, including enhanced digital strategy, resizing of outstanding assets to adapt retail surfaces and implementation of mixed-use and densification; Merchandising and positioning assessments for each flagship asset to future proof the strategy of the asset and adapt the retail mix to new needs; Expansion of leasing into new types of tenants, including more Food & Beverage, Entertainment, Health & Wellness and Luxury, as well as Digital native vertical brands; Continued development of shopper services to adapt to new customer expectations and shopper preferences; Loyalty programmes and events in malls to enhance the customer shopping experience, secure URW’s share of wallet and improve customer profiles and journeys in the mall; Disposal of non-core or non-competitive assets in accordance with the divestment programme; Brand platform leading to clear branding guidelines: brand book including the brand personality + advertising book; Globalisation of the marketing strategy to optimise and leverage the Westfield brand with marketing management at shopping centre level to facilitate the adaptation; Focused brand tracking studies on a regional basis to account for geographical and cultural differences and shopper preferences; and Integrate sustainability as a strong component of the Group’s core business to support retailer initiatives and be part of the solution.

⁵⁵ Statista, Retail e-commerce sales worldwide, September 2023.

⁵⁶ IMF, World Economic Outlook Update, January 2023.

⁵⁷ In the US excluding the centres for which no comparable data of the previous year is available. In addition, footfall has been restated from the disposals which occurred during the semester.

⁵⁸ US Flagships only. US Regionals at -0.9%.

B. Investment And Divestment

Part of URW NV's core business model is value creation through investment and divestment of assets. The profitability of these transactions depends on the accuracy of initial financial assumptions, market conditions (including available financing and investors' appetite), tax environment, quality and attractiveness of assets, and legal and regulatory considerations.

The Group may face a risk of illiquidity of the market, which may imply inability to achieve the targeted timing for disposal and/or to obtain satisfactory pricing terms and/or not achieve the full execution of its disposal programme. The execution of the disposal programme may be subject to the satisfaction or waiver of JV partners approval and obtaining merger control approval. There is no certainty that these conditions will be satisfied or waived in the necessary timeframe and therefore disposal may be delayed or not complete.

In addition, a continued slowdown of the investment market and degraded market conditions (increase in financing cost, intervention of central banks etc.), as well as the potential for a prolonged global recession and general uncertainty on economic evolution, could negatively impact the availability of capital and may further challenge URW's ability to implement its disposal programme and/or to develop joint venture partnerships.

Market uncertainty and high interest rates create challenges with settling at a reasonable transaction price, however the Group sees more encouraging signs with the recent decrease in long term rates and the expected end of the rates hike cycle.

Non-completion or delay of this strategy could impact deleveraging targets and the rating of the Group as well as access to financing at less favourable conditions.

Main Risk Factors	Main Risk Management Measures
<ul style="list-style-type: none"> • Misalignment with URW Group strategy and incorrect underwriting (asset valuation and forecast); • Information leakage and market rumours; and • Failure to execute the announced disposal plan and the US strategic portfolio reduction programme. 	<ul style="list-style-type: none"> • Group decision-making process closely involves the MB and SB for major projects based on internal rules and corporate charters; • Project teams closely involved in the transactions in order to determine whether the transaction is worth investigating and pursuing. Legal, financial, technical and commercial reviews of these transactions are always presented to an Investment Committee for approval before any binding commitment; • Due diligence carried out with the assistance of external advisors; • Financing strategy in place to mitigate the level of pressure on deleveraging and preserve access to refinancing market; and • Recurring strategic review between MB and SB to ensure full alignment on Group strategy.

C. Refurbishment

As owner and operator of shopping centre and other real estate assets, with a focus on continued differentiation and innovation, URW NV has a pipeline of expansion, improvement, and refurbishment projects, focusing on mixed-use and densification. While it represents a huge opportunity to capture or protect market share in the industry, it also implies significant cost and potential risk of failing to deliver in accordance with the business plan with resulting adverse impact on the business.

There are risks inherent in obtaining timely external authorisations (such as building permits and inspections), securing adequate funding (through joint venture partners or other), managing the budget, and navigating through potential shortage of labour and materials. Such risks may result in delay, postponement, cancellation of projects, or exceeding their accounted budgets, which could lead to subsequent loss of rental income.

In addition, with the URW Group's sustainability ambitions core to the business, there is heavy focus on regeneration of centres, refitting, recycling, biodiversity etc. and delivering the targets set in the 'Better Places' Sustainability Roadmap announced by the URW Group in October 2023. The project teams are well-positioned to anticipate and manage the evolving sustainability risks relating to new building regulations, environmental regulations, investor/occupier expectations, and green financing.

URW NV continues to manage these risks with major potential impacts on project delivery.

Main Risk Factors	Main Risk Management Measures
<ul style="list-style-type: none"> • Ineffective refurbishment strategy, investment decision and approval process; • Failure to obtain required external authorisations; • Not reaching post-refurbishment leasing and revenue targets; • Failure to comply with the construction quality, costs and delivery date; • Inability to secure adequate funding for a project (through joint-venture partner or other); and • Refurbishment and Construction sustainability targets not set or achieved. 	<ul style="list-style-type: none"> • Group's decision-making process for any investment decision for a project; • The status of the project, its budget and returns are reviewed on a regular basis; • Accelerate plans to move towards more mixed-use projects; • Third-party specialist advisors and consultants are employed throughout the pre-development phase to assist in identifying potential hurdles with external stakeholders and developing action plans to successfully navigate the issue; • Employment of construction experts within its own organisation who ensure design specifications, control of construction and renovation costs comply with the URW Group's Environmental Quality Charter and any regulations applicable to owners; • Strong third parties claim management process. In addition, insurance policies cover the Group's responsibilities; • For projects developed with a JV partner, pre-development design and construction plans, pro-forma leasing estimates and returns, and construction time schedules are developed and shared with JV partners to increase the quality of the relationships, mitigate misalignment with JV partners and ensure successful funding of the project; • Strategy to partner with third-party investors to reduce the Group's risk exposure, capitalise on additional know-how and capture part of the development margin; • Establishment of contractual agreements to pre-order in anticipation of critical materials shortages, minimising the risk of delivery constraints of the supply chain; • Improved procurement process to reinforce a Group-wide supply chain; • Standardisation and industrialisation of construction methods to better control the cost and schedule of the projects; • Establishment of an internal team of experts to conduct project reviews in the design stage to identify improvements and efficiencies to ensure a cost and schedule-effective project; • Sustainability built into refurbishment, design and construction processes and mapping; and • 'Better Places Sustainability Roadmap targets set.

D. Leasing & Commercial Partnerships

URW NV as part of a real estate holding company with one of the largest asset portfolios in the world, letting and rent collection is the core business of the Group. In an ever more complex economic environment, the Group's ability to achieve leasing targets at the expected level of rent, and then collect rents depends on the solvency of its tenants (retailers).

Rising inflation, particularly energy prices, creates pressures on increased tenant occupancy and service charge costs, and may also have a negative impact on leasing activity. The current inflation levels in general over a prolonged period have the potential to impact consumer spending and increase the likelihood of tenant failures and related requests for rent relief, or public authority interventions/temporary negative regulations.

Given the current economic environment and the increased risk of tenant failures/bankruptcies, the close management of 'tenants at risk' and rent/debt collection is crucial. Bankruptcies have increased in 2023 (72 stores affected) after a low in 2022 (37).

Rent collection rates continue to improve with 98% of the Group's invoiced 2023 rents and service charges collected as at February 16, 2024. Furthermore, during 2023, the Group continued collecting rents related to 2022, increasing the collection rate to 98% (from 97% reported for the full year 2022 results).

Main Risk Factors	Main Risk Management Measures
<ul style="list-style-type: none"> • Improper management of rent relief, store closings, and tenant allowances; • Tenant financial insolvency/default and store closings; and • Failure to achieve synergies in terms of leasing and commercial partnerships targets; • Failure to deliver sustainability targets and meet tenant/customer expectations. 	<ul style="list-style-type: none"> • Leasing targets (e.g. prices, deadlines and prospective tenants) are defined within each region of the URW Group and approved by the URW Group Executive Committee. Major leases in terms of value and/or special terms and conditions must be internally approved in advance by Leasing Directors and the COO US; • Regular meeting with leasing team and finance team members to review deals to ensure efficiency and strong internal control processes to approve allowances for tenants as well as levels of rent; • Local frameworks to monitor solvency of new tenants and regular checks of existing tenant solvency; • Financial guarantees as a prerequisite to the standard lease agreements (deposit, guarantee, letters of credit); • Third-party debt collection agency to reduce cost of litigation; • Constant review of the tenancy report (vacancies, tenants in distress, new deals, and lease expiration schedule over next 3 years); • Monthly meetings with directors of construction, leasing and operating management to monitor the progress of project completion and to adjust tenant space delivery schedules accordingly; • Global Leasing platform to develop the trans-continental sourcing/ roadmap between Europe and US platforms; • URW Group brand partnership strategy in place with new dedicated business unit and new organisation/approach; • The commercial partnerships team are involved in all negotiations with brands to ensure deal opportunities are maximised; • Implementation of the sustainability programme with a key workstream on sustainable consumption; and • Sustainable Retail Index scheme in place as part of the Better Places Sustainability Roadmap, with strategy to expand to all eligible revenues by 2027.

E. Information Technology Systems & Data - Continuity and Integrity

To support its business & digital objectives, URW NV's IT Department partners with all business units to provide and maintain the technology to suit business needs. There are over 400 users (including contractors) between two platforms in the Netherlands and in the US, and over 100 applications.

As all business units strongly rely on IT, the latter is required to be continuously available and data must be protected at all times, from internal and external threats as well as accidental events.

In the event of such risk occurring within the URW Group, these would lead to a partial or complete unavailability leading to process and activities disorganisation, and/or regulatory impacts (market regulation, personal data protection).

Main Risk Factors	Main Risk Management Measures
<ul style="list-style-type: none"> • Cyber risk; • Unavailability of critical IT systems; and • Incapacity to guarantee the integrity of data and reports generated by IT systems. 	<ul style="list-style-type: none"> • Strong governance involving IT, risk management, legal, internal audit, business stakeholders and management to review IT activities and investment, including a dedicated committee to also monitor cyber risks on daily operations; • Cybersecurity strategy and technology designed and rolled out to prevent cyber-risks, detect security incidents, and respond quickly to remediate cybersecurity incidents; • Integration of cybersecurity aspects in all IT projects and contractual commitments with IT vendors; • Regular IT audits to test our protective and detective measures; • A URW Group Cyber Crisis framework is in place, with specific response procedures in case of a major IT security event/crisis, which are tested on a regular basis, and are linked to the GDPR/CCPA Data Breach notification process; • A business impact assessment is in place to assess URW Group processes criticality in the event of a major cyber-attack, as well as the alternative operating plans if IT systems are not available; and • Implementation of an IT Disaster Recovery Plan, and a specific cyber resilience plan for managing a major cyber crisis, both in terms of IT investigations and IT recovery.

4.2.2.2 CATEGORY #2: FINANCIAL AND TAX RISKS

A. Access To Capital & Financial Market Disruption

URW NV is part of the URW Group and as such covered by Group cross-guarantees. As a REIT with significant financial indebtedness associated with the 2018 Westfield Transaction (as of December 31 2023, €25,469 Mn at URW Group level)⁵⁹ URW faces recurring needs for (re)financing for its corporate purpose, including funding for the refurbishment pipeline and construction activities, large-scale capital improvement and maintenance projects for standing assets, and other potential operational financing needs. Therefore, URW is exposed to the risks associated

⁵⁹ On an IFRS basis.

with volatility in credit markets, fluctuations in interest rates and foreign exchange (FX), and other market conditions that could limit access to necessary funding, which could negatively impact operations and financial results of the Group.

The current macro-economic climate, together with hawkish monetary policies from central banks, have led to higher volatility and execution risk in the debt and investment markets, more cautious investor sentiment and higher cost of funding with higher margins and base rates, putting pressure on the Group's current rating. The impact on URW's credit rating of disposal achievements and valuation evolution is monitored closely, as rating downgrade could have negative implications on the access to funding.

The URW Group has taken precautionary measures to ensure its access to liquidity. As at December 31, 2023, the Group had €5,502 Mn in cash on hand and €8,060 Mn of undrawn credit lines⁶⁰.

Financial markets are now increasingly focused on green and sustainability-linked financing. The URW Group must ensure evolving taxonomy requirements and ESG rating criteria are monitored and anticipated as an emerging risk. On November 16, 2022, the Group updated its Green Financing Framework ("Framework") to support the URW Group's ambitions to finance its standing assets and development projects with high sustainability standards.

Main Risk Factors	Main Risk Management Measures
<p>• Rising cost of access to funds due to increase in spreads, change of rating, appeal of the company/its sector for investors (debt and equity) or banks, dramatic increase in interest rates, adverse currency exchange rate movements, or disruption and volatility of capital markets.</p> <p>Notably, the Group is exposed to:</p> <ul style="list-style-type: none"> • Interest rate risks: <ul style="list-style-type: none"> ○ May have a significant impact on financial expenses; and ○ Although the Group's exposure to variable rates is hedged through derivatives, these hedges could be insufficient or affect the valuation of derivative instruments. • The foreign exchange rate between the Euro and other currencies impact: <ul style="list-style-type: none"> ○ The value of operational and financial expenses, and thus overall asset value, when translated into euros; ○ The results and/or the statement of financial position of the Group; and ○ The Group's ability to meet its commitments in respect of those securities and, more generally, its commitments with respect to debt. <p>To hedge part of this risk, the Group uses derivatives and debt in foreign currency. Such instruments may not hedge the underlying assets or activities perfectly, and as a result changes in the currency exchange and/or interest rates may have an impact on the cash flows, the results and/or the financial position.</p> <ul style="list-style-type: none"> • Market risks, which can generate losses as a result of fluctuations in stock markets. The Group is either: <ul style="list-style-type: none"> ○ Directly exposed to fluctuations in stock prices due to the ownership of shares or financial instruments; or ○ Indirectly exposed to fluctuations in stock prices, due to the ownership of funds, investment instruments or share-based derivatives that are directly correlated with the price of the asset underlying such derivatives. • The use of financing instruments on international markets exposes the Group to extraterritorial regulations which may have a significant adverse effect on the Group's overall financial results. 	<ul style="list-style-type: none"> • The URW Group Asset & Liability Management ("ALM") Committee discuss regularly on an ad-hoc basis. It receives regular information on significant changes in the financial environment; • The ALM Committee defines the URW Group Treasury Policy implemented by the URW Group's Treasury Department. The ALM Committee manages and monitors interest rate risk and foreign exchange risk, making proposals to the Management Boards for execution; • Internal policies and procedures maintain a conservative approach to investments and mitigates the risk by not allowing for speculative positions to be put in place; • The URW Group Treasury department regularly provides a comprehensive report on the Group's interest rates, position, exposure to foreign currency, liquidity projections, compliance with bank loans and facilities covenants, availability under the URW Group's committed credit lines. It also proposes (re)financing or hedging operations (if applicable), and details of any (re)financing operations or transactions (hedging operations, share buy-backs, etc.); • The Group has an interest rate macro-hedging policy (through the use of derivatives) aiming to limit the impact of interest rate fluctuations on the cost of debt over the next years, in view of its current disposal and investment plans, its existing hedging programme and debt as well as the debt the Group expects to raise in the coming years; • The Group exposure to FX rate fluctuation is partly hedged by either matching investments in a specific currency with debt in the same currency or using derivatives to achieve the same risk management goal; and • Robust internal procedure ensuring the segregation of duties between execution of market trading and control functions of such transactions.
<ul style="list-style-type: none"> • Limited access to funds, in case of unfavourable capital markets or URW credit deterioration <p>The Group's strategy depends on its ability to raise financial resources, either the form of debt (mainly bank loans, bonds, credit lines and commercial paper) or equity capital, so that it can finance its general operating requirements and its investments.</p> <p>Certain events such as: disruption in the debt or equity capital markets; a reduction in the lending capacities of banks; changes affecting the real estate property market or investor appetite for property companies; a downgrade in URW's credit rating; deterioration of URW's financial result; a decrease in EBITDA and operating cash flows; a decline of URW's assets valuation or a change in URW's ownership structure could affect/limit the ability of the Group to raise required funding, could increase the cost of such funding and lead to an increase in the Group's financial expenses.</p>	<ul style="list-style-type: none"> • Sensitivity to liquidity risk is monitored in line with the Group Treasury policy, defined by the ALM Committee; • The Group Treasury department regularly provides a comprehensive report on the Group's liquidity projections, key financial indicators and availability under the Group's committed credit lines; • Undrawn back up facilities⁶¹ at URW Group level of €8,060 Mn as at December 2023;] • Regular monitoring of covenants; • Regular dialogue with rating agencies with a proactive monitoring of credit metrics; • Strong and disciplined control of Capex spending in line with the line with the Group's deleveraging plan announced in 2021; • Active reduction of non-staff expense and deferring of non-essential capital expenditure; and • Diversification of sources/counterparties.

⁶⁰ Subject to covenants.

⁶¹ Subject to covenants.

<p>In addition, some financing contracts are subject to financial covenants that require the Group to respect certain financial ratios levels (including Loan to Value ("LTV"), Interest Coverage Ratio ("ICR"), Fund From Operations ("FFO")/net debt and /debt yield ratios among others) which may be affected by the occurrence of Group's performance deterioration, adverse market movements, or other material adverse changes. Failure to comply with any of Group financial covenants could result in an event of default, which, if not cured or waived, could accelerate related debt and in some cases trigger a cross default, which could have a material adverse effect on the Group's debt, including potential default on URW's debt.</p> <p>URW has a solicited rating from both Standard & Poor's ("S&P") and Moody's.</p> <p>In the context of the reinstatement of the URW Group distribution, both rating agencies confirmed in January 2024 that this distribution would have no impact on the URW Group's rating.</p>	
<p>• Reliability of counterparties or failure to monitor and manage counterparty risk</p> <p>Many major international financial institutions are counterparties to the interest rate and/or foreign exchange rate and deposits contracted by the Group.</p> <p>In case of the default by a counterparty, the Group could:</p> <ul style="list-style-type: none"> • Lose all or part of its deposits; and • Lose the benefit from hedges signed with such counterparties. <p>This could then:</p> <ul style="list-style-type: none"> • Result in an increase in interest rate and/or currency exposures; and • Have a significant adverse effect on the Group, its results and its financial position. 	<ul style="list-style-type: none"> • Credit monitoring of counterparty and minimum financial ratings thresholds as condition of continued transactions.
<p>• Risks related to liquidity crisis, euro break-up, country default, or political instability</p> <p>Considering its level of debt and of need for (re)financing, the following risks and their potential impacts could be detrimental to the Group and could negatively affect the markets and businesses in which the Group operates:</p> <ul style="list-style-type: none"> • Credit liquidity crisis; • A sovereign debt crisis; and • The exit of the Eurozone or the European Union ("EU") by a country where the Group operates (e.g. UK/Brexit). <p>Those risks could also negatively affect:</p> <ul style="list-style-type: none"> • The Group's operations and profitability; • The solvency of the Group and of its counterparties; • The value and liquidity of the securities issued by URW; and • The Group's ability to meet its commitments in respect of those securities and, more generally, its commitments with respect to debt. 	<ul style="list-style-type: none"> • Regular market monitoring and sensitivity analysis to assess liquidity, rates and FX risks; • Undrawn back up facilities⁶² of €8,060 Mn as at December 31, 2023; and • Diversification of sources of funding/counterparties.
<p>• Non-compliance of sustainability finance disclosure and taxonomy requirements, and low ESG rating</p>	<ul style="list-style-type: none"> • Green Financing Framework updated in November 2022 in line with market standards as confirmed by a Second Party Opinion from ISS ESG; • Establishment of a dedicated Green Financing Committee to ensure framework alignment with the market; • Answering to the most recognised non-financial rating agencies, monitoring questionnaire evolutions and benchmarking of scores; • Organisation of ESG roadshows and meetings with investors, and direct dialogue on sustainability issues with investors; • Dedicated resource monitoring the evolving regulations and ESG ratings; • Dedicated working group on Taxonomy regulation, comprising people from the Sustainability, Consolidation and Corporate Technical teams; • Formalised Use of Proceeds for Green Bond allocation, and formalised procedure for analysing, selecting and monitoring assets under the Green Financing Framework; • Regular back-testing of asset eligibility to Green Bond criteria; and • Regular monitoring of green and sustainability-linked loans and credit lines and Key Performance Indicators ("KPIs") performance levels.

B. REIT Status & Regime (Tax)

As a REIT, URW NV enjoys the benefits of a lower tax burden. To retain its REIT status, URW NV must comply with the respective local requirements of the tax regime, which differ per country. Due to the expanded tax structuring complexity, combined with the stapling principle in place between URW SE and URW NV, the potential risk of noncompliance with the tax requirements is ever present. Disagreements with or challenges

⁶² Subject to covenants.

or investigations from the governmental agencies or authorities in the applicable jurisdiction related to tax law interpretation could result in severe consequences, ranging from additional tax penalties and fines to loss of a REIT status.

Unlike some European countries, in which the repeal of a REIT regime is a potential risk, the US views REITs favourably, and the focus is more on whether the REIT is properly classifying its income. With URW NV's increased exploration of revenue sources, there could be a heightened risk of improper classification of income and invite challenges.

More generally, the high levels of debt that governments have incurred as a result of various public subsidy programmes in dealing with the COVID-19 crisis has resulted in significant budgetary deficits. As governments look to recover from these fiscal challenges there is a risk of an increase in taxes generally, thus also affecting URW NV.

Although REITs are generally required to distribute most of its income to shareholders, the absence of dividends this year would be in compliance with the REIT rules based on the financial impact of the pandemic, from which most industries are still recovering, and URW Group's commitment to deleverage.

Main Risk Factors	Main Risk Management Measures
<ul style="list-style-type: none"> Loss of REIT status or other tax benefits due to external factors; Improper interpretation and/or application of tax law and REIT requirements; breakdown of URW processes to follow tax law and REIT requirements; Improper classification of income; Exceeding allowable non-qualifying income; Failure on tax determination, reporting, tax remittance other than theoretical disagreement. 	<ul style="list-style-type: none"> Tax employees are experienced and in a process of continuous training in order to increase awareness of potential errors; Risk assessment of the potential loss caused by changes in tax regulation; The Group is a member of European Public Real Estate Association ("EPRA") (in the EU) and National Association of Real Estate Investment Trusts ("NAREIT") (in the US) industry groups, which promote modern and predicable REIT regimes; Active legal teams (both internally and through external counsel review) to monitor and anticipate potential changes in REIT regimes and/or regulations as well as any changes to tax laws generally; Reviews of tax calculation accuracy through consistency tests and checks both internally at the Group level and through external advisory firms; Reviews of tax prerequisites/risks for deals to go to the Investment/Divestment Committee with a formal sign-off process detailed in the Compliance Book; and Tax employees are in continuous dialogue with, and provide training to, local colleagues to monitor and review the characteristics of ongoing operations and transactions to ensure that the REIT income thresholds are adhered to.

4.2.2.3 CATEGORY #3: SUSTAINABILITY RISKS

A. Recruitment, Retention & Succession

Considering the very competitive talent market (including the very low unemployment rates in some local markets) as well as the need to retain talent and knowledge, URW may face important risks related to recruitment, retention and succession of talents. Aligned to the global "Great Resignation" across all geographies, industries, and market segments, URW's employee turnover and resignations reached a peak level during the post-COVID-19 period.

Despite the competitive market conditions, there is a strong level of control on resignations and retentions of key talent. The Group continues to actively listen to employees, reinforce the strong cultural elements, focus heavily on employee engagement, and position URW to attract and retain the talent needed to succeed. The Group is adapting the level of resources to the reprioritisation of projects and processes simplification whilst leveraging as much as possible the natural turnover and restructuring opportunities.

Main Risk Factors	Main Risk Management Measures
<ul style="list-style-type: none"> Failure to recruit appropriate talent to maintain strategic capabilities; Failure to retain key employees; and Failure to set up and secure a formal succession plan. 	<ul style="list-style-type: none"> Develop and support URW's "employer brand" with an increased presence on social media; Implement 'Levelling' system to better support career evolution and ensure fair compensation for every role; Enhanced long-term incentive programme to increase retention and attractiveness; Maintaining its highly successful graduate programme; Monitoring continued attractiveness of compensation and benefits packages; Partnering with the best head-hunting firms to regularly map the best external talent; Developing a strong co-optation programme; Annual engagement surveys to design and implement relevant action plans to make URW a great place to work; Designing and implementing ambitious people-oriented policies on flexible working, wellbeing, diversity and inclusion, and a sustainable work environment; Providing permanent learning and development opportunities (e.g. international mobility, cross-functional mobility); URW Group Global talent review process in place including systematic 360° feedback for all employees, using the same framework and same tools across the URW Group; and URW Group Global Succession Planning to identify potential successors for all positions reporting to a MB member, all positions reporting to the COO, all heads of key functions, and other selected key positions.

B. Sustainability Risks

As a developer and operator of retail assets, the URW Group has identified a broad range of sustainability risks and opportunities which are related to many departments and activities within the business such as energy efficiency/transition, asset resilience to climate change, evolving taxonomy and environmental regulations, supply chain due diligence, green financing and societal risks - all of which are integrated into URW NV’s ERM framework.

In accordance with CSRD requirements, the URW Group has completed its double materiality assessment to ensure external as well as internal impacts (from URW Group activities) are assessed. This exercise was conducted in parallel with the URW Group sustainability risk assessment update which aims to align with the CSRD.

Sustainability risks are long-term risks, leading to direct or indirect impacts on the URW Group:

- Direct impacts: change in weather patterns impacting our assets, energy efficiency regulations being implemented in our countries of operations, etc.; and
- Indirect impacts: cities requiring high level of environmental performance in our development projects, regulations impacting our upstream supply chain and the cost of raw materials and energy (e.g. increased price of carbon emissions for energy producers and large emitters such as cement manufacturers and steel manufacturers), financial institutions integrating ESG risks in their portfolio management strategies, etc.

Managing these risks allows the URW Group to:

- Maintain its license to operate and comply with applicable regulations;
- Support its talent attraction and retention strategy;
- Support its financing policy (e.g. through sustainability-related financing instruments);
- Manage costs, and specifically utilities costs recharged to tenants; and
- Build its leadership and differentiation for visitors and tenants.

The nature of the risks (systemic, long-term risks) and the external environment emphasises the need for periodic reassessment. The sub-risks covered are highly political topics, with a high-level agenda at the United Nations (United Nations Sustainable Development Goals, United Nations Framework Convention on Climate Change, etc.), regional (European/US levels), state/national and city levels. Specifically on climate change topics, scientific consensus has been built at international level on causes and consequences (notably via the Intergovernmental Panel on Climate Change) but scientific research is constantly evolving on the physical consequences of observed climate change and their rhythm. In parallel, these risks are progressively integrated by other market players (and specifically financial institutions and their integration in their risk frameworks impacting asset allocation) and regulators (EU Taxonomy, EU Corporate Sustainability Reporting Directive (“CSRD”), local energy efficiency and carbon regulations, etc.) constantly and progressively raising the expectation level on the URW Group.

In accordance with CSRD requirements, the URW Group has completed its double materiality assessment to ensure external as well as internal impacts (from URW Group activities) are assessed. This exercise was conducted in parallel with the URW Group sustainability risk assessment update which aims to align with the CSRD.

For more details on natural disasters, please refer to Section 4.2.2.4, Subsection B and Section 4.3, Transferring Risk to Insurers. For the full overview on risks and action plans please refer to the URW Group Sustainability report on <https://www.urw-nv.com/en/investors/financial-information>.

4.2.2.4 CATEGORY #4: SECURITY, HEALTH AND SAFETY RISKS

A. Terrorism & Major Security Incidents

The core business of URW NV is based on assets open to the public with a significant footfall. As such, it is important that we maintain an appropriate safety and security programme to welcome customers. Since rolling out the “Westfield” brand in Europe for global recognition and the iconic status of some assets, there may be increased levels of threats to those assets.

While the threats of a terrorist attack are highest in Continental Europe, the risk of an active shooter incident is most likely in the US. In addition, the current economic climate and cost of living crisis could give rise to local societal risks such as increased violence, protests, riots or industrial action at URW NV’s assets, causing a potential reduction in footfall and impacts on operations. Despite crisis management programmes and training in place and close cooperation with local law enforcement agencies, the potential threats of terrorism and active shooter situations can never be eliminated. Should a serious security, safety, or terrorism event occur that results in casualties or even property damage, URW NV could experience a negative impact on its operations, its financial results, and its brand and reputation.

Main Risk Factors	Main Risk Management Measures
<ul style="list-style-type: none"> • Failure to develop and implement a security programme that: (i) Remains aware of terrorist threats or other major security concerns – including active shooter; and (ii) Mitigates the impact of a major security incident including terrorist attack/active shooter event; and • Failure to develop and implement an effective crisis management framework. 	<ul style="list-style-type: none"> • Dedicated organisation for security and crisis management; • Security governance and guidelines (including refurbishment projects), security policies and procedures implemented at all locations with appropriate physical security measures and access control; • Annual security action plan programme to identify action plans and include OPEX and CAPEX requirements in the 5-year business plan; • External and internal audits of centre security measures; • Routine interaction with counterterrorism, national intelligence services, and local law enforcement to remain aware of emerging terrorist threats or other security concerns; • Shopping centres conduct terrorist attack/active shooter crisis response exercises with external experts; • Global incident notification/escalation process; and • Crisis management policy and framework including annual crisis training and exercise campaigns.

B. Health And Safety (Including pandemic and natural disasters)

As real estate owners, we have responsibility towards ensuring the safety and wellbeing of shoppers, retailers, vendors, and employees alike. The Group has a significant footfall. This also includes maintaining proper building and equipment maintenance protocols to minimise the risk of injury or illness, protect the environment, and mitigate the impact of unexpected events on the building and on business continuity.

Each country where URW NV operates has a specific set of health and safety laws, and regulations. Developing and implementing an effective compliance framework, monitoring and complying with new or evolving Health, Safety and Environment (“HSE”) laws and regulations, and ensuring compliance with the URW Group’s internal HSE policies is of critical importance in managing this risk. This is primarily accomplished with internal teams with expertise in health and safety in the US.

Certain regions in which URW NV operates have significant exposure to natural disasters - e.g. earthquakes and wildfires in California, hurricanes in Florida and flooding in the Netherlands, and climate change related natural events exposure. For assets potentially exposed to natural disasters, emergency response plans are defined by the local management team with support by regional and corporate teams.

As the URW NV’s operational assets are places open to the public in significant numbers, there is significant risk of exposure to operational disruption in the event of a pandemic outbreak. As seen with COVID-19 in 2020 and 2021, this can result in government-imposed closure of our centres. During periods of trading throughout pandemics (and emerging variants), the URW Group implemented appropriate sanitary and management measures for the safety of employees, retailers and guests in our operational assets and corporate offices. Non-compliance with the applicable health and safety regulations could lead to claims, reputational damage, regulatory fines and imposed lockdowns of the shopping centres, which could result in severe negative financial consequences for URW NV.

For more details on natural disasters, please refer to Section 4.3, Transferring Risk to Insurers.

Main Risk Factors	Main Risk Management Measures
<ul style="list-style-type: none"> • Failure to implement effective strategies that seek to minimise, prevent, and mitigate life safety incidents; • Failure to implement processes that may mitigate and manage the impact of any natural disaster (earthquake, flooding, climate change related significant natural events, and uninsured risk); • Injury or loss of life due to failure to comply with sanitary, health and safety regulations; and • Insufficient response to pandemic outbreak. 	<p>For US portfolio</p> <ul style="list-style-type: none"> • Verification that contractors’ health and safety procedures are appropriate and that their staff have the proper licenses, equipment and training; • External Audit by Bureau Veritas (third-party vendor) with the assistance of epidemiologists based on latest recommendations of health authorities; • Centre management conducts routine property tours and identifies hazardous conditions and implements corrective actions; • Maintenance and inspection conducted by third-party contractors of all relevant equipment subject to regulation; • Internal documentation processes to justify the compliance with sanitary protocols; • Fire safety systems are routinely inspected as required by local fire regulations; Corporate and Construction Health and Safety policies incorporate regulations and are based on industry-accepted best practices in the absence of a specific governing regulation; and • Global Pandemic response plan. <p>Natural disaster⁶³</p> <ul style="list-style-type: none"> • Periodic assessment of European and US assets most exposed to natural disasters (coastal flooding, flash floods, heatwaves, storms and earthquakes) to validate response plans; • US assets are covered against: <ul style="list-style-type: none"> ○ Earthquake with a limit of \$400 Mn for California and \$250 Mn for Pacific Northwest in the annual aggregate (due to insurance market limitations); ○ Storm/hurricane with a limit of \$1 Bn in the annual aggregate; and ○ Flood with a limit of \$500 Mn in the aggregate, sub-limited to \$100 Mn in the aggregate for high-risk flood zones. • Periodic review on prevention/protection plans and risk mitigations for the most exposed assets; and • Each centre in a natural catastrophe zone conducts emergency preparedness drills each year.

4.2.2.5 CATEGORY #5: LEGAL AND REGULATORY RISKS

A. Legal, Regulatory & Fraud

URW NV URW operates in highly regulated countries. Moreover, operations also require to comply with a myriad of laws and regulations related to the URW Group activities in areas such as leasing, asset and property management, various licensing and permits, construction and maintenance, health and safety, personal data privacy, financial and securities markets, and anti-trust regulations, as well as with some extraterritorial regulations. As such, the risk of failing to detect, anticipate, implement and comply with applicable laws and regulation may result in legal/regulatory breach, regulatory investigation, negative reputational impact and/or liabilities resulting in fines and penalties, damages, the loss of licences, and/or any potential legal action. URW NV also operates in highly litigious countries, where the Group is potentially exposed to the risk of major litigations, including class actions.

The increasing judicialisation and evolution of the legislative and regulatory production creates a legal instability and makes it difficult to detect and anticipate the direct or indirect impacts on the Group’s activity, especially in terms of sustainability (e.g. taxonomy, emissions trading scheme, extra-financial communication).

⁶³ For more information, please see Section 4.3 Transferring Risk to Insurers.

The challenge for the Group is to be able to actively participate in the elaboration of these regulations, in order to put into perspective the specificity of the real estate sector and the potential impacts, as well as to allow the emergence of new business opportunities, and, in Europe, to face any new requirements in terms of controlling its legal and regulatory risks. Protecting assets and preserving their values are real issues in the difficult economic climate and exacerbated by the ongoing potential sanitary situation as well as economic and geopolitical environment. Governments may take measures to mitigate the impact on business and consumers - such measures have an impact on indexation and rent collection. In addition, sustainability-related regulations and disclosure obligations are increasingly stringent and diverse.

In the course of its activities, the Group collects and processes diverse personal data from customers, employees, business partners and service providers. The Group is subject to data protection regulation such as the GDPR (in Europe) whose provisions have been interpreted by each member state by the enactment of national standards and by jurisprudence developed by their national authorities. At the same time, some states in the US such as California, Washington and Illinois have implemented their own regulation regarding data protection. Failure to protect this personal data could result in regulatory investigation, legal (class) actions, fines and penalties as well as negatively impacting the Group's reputation.

Another increasing risk in this category exists mainly from an IT and crime perspective due to increased email exchanges and other attempts at social engineering crime. While we have seen an increase in phishing schemes and other attempts, none have been successful in defrauding URW NV of any monies, data or any personally identifiable information.

URW conducts its core business in 2 countries and drives its real estate activity with a wide variety of stakeholders, business partners and other intermediaries. Due to the nature of URW's business activities and relationship with business partners, as well as its wide geographical scope of operations, URW faces numerous stringent international and national anti-bribery, corruption, money laundering and fraud laws and regulations.

Main Risk Factors	Main Risk Management Measures
<ul style="list-style-type: none"> • Non-compliance with laws and regulations at governmental, federal, state, province, local country or sector level; • Failure to prevent and detect fraud against URW NV: the Group could be exposed to attempted fraud (identity theft for example); and • Embezzlement. 	<ul style="list-style-type: none"> • Deployment of the URW Group's legal policy, a set of internal procedures and standard forms to state, province, local country or sector level, secure contractual frame, reduce litigation exposure to protect Group interests and ensure compliance with applicable regulations; • Legal department organisation around (i) 2 geographical platforms (Continental Europe and US), and (ii) a URW Group Legal Support (corporate and security law, data and brand protection); • Comprehensive legal training on complex or new regulations to raise awareness and develop learning curve from pending litigation; • External advisors and law firms provide constant updates on both emerging legislation and recent case law on specific matters; • Group in-house lawyers are specialists in jurisdictions in which the Group operates and set the network of external counsel and experts as required; and • Through its action within the various national professional organisations, the Group endeavours to anticipate any legislative initiatives likely to have an impact on its business.
<ul style="list-style-type: none"> • Inability to detect and anticipate new regulations (including changes or evolutions) with (potential) impact on retail sector and/or the Group. 	<ul style="list-style-type: none"> • Legal watch and client alerts from law firms; • Group workshops on URW Group/local mapping lead by legal and Public Affairs departments; • Definition of URW Group/local priorities, timelines and institutional calendars to develop and coordinate strategy; • Interaction with other stakeholders, public authorities and professional organisations; and • Coordinated internal organisation to detect and address new regulations.
<ul style="list-style-type: none"> • Failure to prevent or mitigate material negative impact of any regulatory investigations and/or litigation: in the normal course of URW NV's business activities, the Group could be subject to legal, administrative, arbitral and/or regulatory proceedings. 	<ul style="list-style-type: none"> • Set out an escalation process; • Internal alert process to inform the URW Group General Counsel, recurring reporting on (potential) material litigations and escalation process for litigation strategy; • Claim management process for development projects; • Set of preventive internal programmes to comply with the main applicable regulations and effectiveness review on a recurring basis; and • "Dawn raid" policy for any unexpected on-site investigation.
<ul style="list-style-type: none"> • As a publicly traded global company, URW NV is required to comply with various stock market/exchange regulations and requirements with respect to full and proper disclosure and transparency to provide clear, real and objective information. 	<ul style="list-style-type: none"> • The Market Abuse Regulation related to insider trading is detailed in the URW Insider Trading Rules procedure, setting out common principles applying to the qualification of inside information, the disclosure of such information, trading bans during pre-defined periods of time and disclosure requirements for designated persons; and • A Group Disclosure Committee is responsible for qualifying inside information, if any.
<ul style="list-style-type: none"> • In the course of its activities, URW NV collects and processes diverse personal data from customers, employees, business partners and service providers. Failure to protect this personal data could result in fines and penalties, as well as negatively impacting URW NV's reputation. 	<ul style="list-style-type: none"> • The Group has developed and updated a robust and effective Data Privacy Protection programme to comply with GDPR (EU) and regulations that are enacted in countries where the Group operates, in particular in the US; • Appointment of a URW Group Data Protection Officer and a network of local Data Privacy Officers in some major countries or Local Data Protection Correspondents where the URW Group is present who meet every two months in a dedicated committee to share best market practices and monitor group initiatives and projects; • Organisational and technical processes: retention period policy, data breach notification process, update of the employee privacy policy. IT Security department included in the framework;

	<ul style="list-style-type: none"> • URW Group-wide e-learning training on GDPR and CCPA for each employee and specific trainings for business population (marketing, IT, HR); • Signature of data processing agreement with major IT contracts service providers; and • Processes and registers were implemented.
<ul style="list-style-type: none"> • Non-compliance with international/national anti-corruption and influence peddling regulations: <ul style="list-style-type: none"> ○ As a global company, URW NV must comply with the highest standards and anti-corruption regulations, such as the French Sapin II Law, the Foreign Corrupt Practices Act (“FCPA”) (US) or the UK Bribery Act (“UKBA”) (UK); ○ Non-compliance with international/national anti-money laundering laws; and ○ Failure to comply with anti-corruption, influence peddling, anti-money laundering risk may lead to: material reputational damages; financial, administrative or disciplinary sanctions; and may have a negative impact on investors’ trust. 	<ul style="list-style-type: none"> • A rigorous “zero tolerance” principle based on an effective Anti-Corruption Programme (“ACP”) applicable in all entities controlled by the Group(1) (based on the 8 pillars of the French Sapin II Law. In addition, the ACP incorporates provisions of international conventions and national laws and regulations applicable to the Group’s business activities; • An alert system (whistleblowing) supported by an external anonymous and confidential reporting channel is in place and available for employees and contractors; • Interactions with business partners are subject to pre-approval of the URW Group “Know Your Partner” procedure to evaluate third parties’ exposure to the corruption, sanctions and influence peddling risks; • Local Compliance Correspondents support the coordination of the ACP and manage processes and procedures in each region; • Dedicated classroom training for most exposed departments and an e-learning module mandatory for all URW NV staff describing the general principles related to business ethics and the prevention of corruption, bribery and influence peddling; • The Group has implemented a secure payments procedure and has formalised the rules for opening, changing and closing bank accounts; • Awareness of fraud scenarios is raised in departments throughout the year and illustrated by real cases; and • In the case of attempted fraud, the Group Compliance Officer systematically shares the information via email with all concerned employees, including a reminder of preventive procedures.

4.3 TRANSFERRING RISK TO INSURERS

The Group is covered by insurance programmes, which are underwritten by leading insurance companies located in various markets (in Europe and the US notably).

These programmes are actively monitored by the URW Group Insurance department in liaison with local teams and insurance brokers.

Under the property damage and terrorism programmes, the Group’s property assets are for most of them insured, for their reconstruction value as well as for business interruptions and loss of rent subject to limitations of coverage with respect to natural catastrophe risks due to limited insurance market capacities (for more details, refer to the table below). All assets are regularly assessed by internal or external property insurance valuers.

In accordance with insurance market practices, property damage insurance programme requires material damages to trigger a coverage of financial loss or business interruption. For pandemics, in the current legal and contractual, such cover is not granted and not available on the insurance market.

Assets located in the US and The Netherlands are insured against terrorism under a dedicated programme that includes a limit per claim based on the asset that has the highest insured value with respect to rebuilding cost and loss of rent.

The Group has also taken out general liability insurance policies that cover financial damages resulting from third-party claims.

Type of insurance	Coverage and main limits based on 2023 insurance programme
Property damage, loss of rent/business interruption	<p>Coverage: “all risks” basis (subject to named exclusions) and terrorism.</p> <p>Basis of compensation:</p> <ul style="list-style-type: none"> • Reconstruction costs for building, replacement cost for equipment; • Loss of rent or business interruption with a compensation period of between 12 and 60 months depending on the asset. <p>Limits of compensation:</p> <ul style="list-style-type: none"> • The Netherlands: <ul style="list-style-type: none"> ○ Earthquake: limit of €100 Mn per country in the annual aggregate; ○ Flood: limit of €25 Mn (dike failure is excluded, which is market practice); and ○ Terrorism: limit of €900 Mn per occurrence covering material damages and loss of rent/business interruption following a terrorist attack. • United States: limit of \$1.35 Bn per occurrence covering all material damages and loss of rent/business interruption including terrorism events. The programme includes sub-limits notably for natural catastrophe risks: <ul style="list-style-type: none"> ○ Earthquake: the overall programme sub-limit for earthquakes is \$500 Mn per occurrence and annual aggregate subject to additional inner sub-limits of: <ul style="list-style-type: none"> ▪ Sub-limit of \$400 Mn for California earthquakes: this limit applies to all locations in California. A retention per location of 5% of total insured values would be applicable; ▪ Sub-limit of \$250 Mn for Pacific Northwest earthquakes: this limit applies to SouthCenter in Tukwila, Washington. A retention per location of 3% of total insured values would be applicable; ○ Windstorm/hurricane: limit of \$1 Bn in the annual aggregate. A deductible of \$50,000 per occurrence would be applicable; ○ Wildfire: limit of \$1 Bn in the annual aggregate. A deductible of \$50,000 per occurrence would be applicable; and ○ Flood: sub-limit of \$500 Mn in the aggregate sub-limited to \$100 Mn in the aggregate for high-hazard flood zone. A \$500,000 deductible per occurrence for properties in designated flood zones would be applicable. <p>In the US in particular, the combination of the concentration of many assets in the same area with a high exposure to natural catastrophe risks and the limited capacity available from insurers to cover these risks exposes URW SE and its controlled subsidiaries to retain a significant share of these risks as uninsured.</p>
General civil liability	<p>Coverage: “all risks” basis (subject to named exclusions) for damage caused to third parties. The programme includes sub-limits, for example, to cover liability claims following a terrorist attack.</p>
General environmental liability	<p>Coverage for damage caused to third parties by accidental pollution and for gradual pollution.</p>

Main construction projects and renovation works on properties are covered by contractors’ All Risks policies for their total construction cost. Defects affecting the works are covered by contractors’ warranties.

The 2023 premium for URW NV amounted to €29.7 Mn (\$32.3 Mn⁶⁴). Most of these premiums were invoiced to third parties (e.g., co-owners, tenants).

URW NV did not incur any major uninsured losses in 2023.

At the end of 2023, the Group’s insurance programme was successfully renegotiated covering the Group portfolio with placement in the European, UK and US insurance markets mainly with effect from January 1, 2024.

⁶⁴ Only for Insurances directly managed by URW NV, excluding premiums re-invoiced from third parties.

5.

INFORMATION ON THE COMPANY, SHAREHOLDING AND THE SHARE CAPITAL

5.1 INFORMATION ON THE COMPANY

5.1.1 GENERAL INFORMATION

Unibail-Rodamco-Westfield N.V. (“URW NV” or the “Company”) has its corporate seat (*statutaire zetel*) in Amsterdam, the Netherlands and its registered address at Schiphol Boulevard 315, World Trade Center Schiphol - Tower F, 1118 BJ Schiphol (Haarlemmermeer), the Netherlands. URW NV is registered with the Commercial Register of the Dutch Chamber of Commerce (*handelsregister van de Kamer van Koophandel*) under number 70898618. The LEI code of the Company is 7245002R31EKBDW59H93 and its telephone number: (+31) 020-6582533.

Its financial year runs from January 1 to December 31.

Information about the Company is available on its website: www.urw-nv.com.

5.1.2 LEGAL FORM AND APPLICABLE LAW

On February 14, 2018, URW NV was incorporated as Unibail-Rodamco B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands. On March 22, 2018, Unibail-Rodamco B.V. changed its legal name to WFD Unibail-Rodamco N.V. and converted its legal form to a public limited liability company (*naamloze vennootschap*) pursuant to a notarial deed of amendment and conversion in accordance with a resolution of its general meeting adopted on March 15, 2018. On June 9, 2020, WFD Unibail-Rodamco N.V. changed its name to Unibail-Rodamco-Westfield N.V. pursuant to a notarial deed of amendment in accordance with a resolution of the General Meeting. The current laws and regulations of the Netherlands are applicable to the Company.

5.2 SHARE CAPITAL AND OTHER SECURITIES GRANTING ACCESS TO THE SHARE CAPITAL

5.2.1 AUTHORISED SHARE CAPITAL - FORM OF SHARES

The authorised share capital of the Company amounts to €550 million and is divided into 660 million class A shares and 440 million class B shares, with a nominal value of €0.50 each.

As at December 31, 2023, the Company’s share capital is €116,144,853 and divided into 139,041,391 class A shares and 93,248,315 class B shares with a nominal value of €0.50 each, representing 59.86% and 40.14%, respectively, of the Company’s issued share capital.

In June 2018, the class A shares of the Company were individually stapled with the ordinary shares of URW SE, a public limited liability company under the laws of France, with its registered office located in Paris and Companies Register under number 682 024 096, to form Stapled Shares.

The “URW Group” is composed of the Company, URW SE and all the controlled entities whose financial information is included in the consolidated accounts of the Company and/or of URW SE.

Following the request filed by URW Group with Euronext as announced on February 9, 2023, the URW Group has obtained the approval of the Euronext Listing Board on February 28, 2023 to change its market of reference from Euronext Amsterdam to Euronext Paris and delist the URW stapled shares from Euronext Amsterdam, while maintaining their listing on Euronext Paris. The delisting from Euronext Amsterdam is effective on April 28, 2023. As part of these changes, URW will no longer be represented in the Dutch AEX25 index as from March 9, 2023. These changes will not impact URW’s inclusion in the CAC40 index.

The delisting from Euronext Amsterdam would not affect the liquidity of the stapled shares nor have any impact on trading, URW’s structure (including the stapled share principle) or the ISIN code (FR0013326246) of the URW Group. All transactions currently carried out at Euronext are and will remain processed through the Euronext single order book.

As at December 31, 2023 the Stapled Shares are admitted to trading on Euronext Paris, under ISIN code FR0013326246 and trading symbol EPA: URW (Euronext Paris). Any holder of Stapled Shares will have all the rights and be under all the obligations of both a shareholder of URW SE (with respect to the URW SE shares that are part of his Stapled Shares) and a shareholder of URW NV (with respect to the class A shares that are part of his Stapled Shares). Reference to 5.2.2.1 for CDI’s.

5.2.2 SECURITIES GRANTING ACCESS TO THE SHARE CAPITAL

Securities granting access to the capital of URW NV are described below.

5.2.2.1 CDIS (CHESS DEPOSITARY INTERESTS)

The term “CDI” designates Australian CHESS (clearing house electronic subregister system) depositary interests that represent beneficial ownership in Stapled Shares registered in the name of or on behalf of CDN (CHESS Depositary Nominees Pty Limited, a subsidiary of the Australian Securities Exchange). CDIs are admitted for trading on the Australian regulated market (“ASX”).

Twenty CDIs collectively represent a beneficial interest in one Stapled Share. CDN enables holders of CDIs to exercise⁶⁵ the voting rights attached to the Stapled Shares. The CDI can be converted into Stapled Share at any time, and inversely.

As at December 31, 2023, 135,577,220 CDIs (corresponding to 6,778,861 Stapled Shares) were outstanding, representing 2.92% of share capital.

⁶⁵ Holders of CDIs can either (i) ask CDN to vote in a given way, or (ii) request that CDN grant the holder with the power to vote at the General Meeting.

5.2.2.2 PERFORMANCE SHARES AND PERFORMANCE STOCK OPTIONS

The long-term remuneration plan of the Group combines two remuneration elements in Stapled Shares: the majority are granted as Performance Shares (PS), while a small portion are Performance Stock Options (SO). This is intended to strengthen the engagement of beneficiaries in their contribution to the Group's performance.

As at December 31, 2023, the number of potential Stapled Shares to be theoretically issued after taking into account cancellation (assuming the required performance and presence conditions are attained and excluding any cancellations that may occur during the course of the plan) represents 1.00% of URW NV's fully-diluted share capital with regard to the outstanding PS, 0.01% of URW NV's fully-diluted share capital with regard to the Retention Shares and 0.42% of the fully diluted share capital with regard to the Performance Stock Options.

5.2.3 OTHER SECURITIES GRANTING ACCESS TO THE SHARE CAPITAL

None.

5.2.4 CHANGES IN URW NV'S SHARE CAPITAL AS OF ITS INCORPORATION

Since the incorporation of URW NV, URW NV's share capital has changed as follows:

	Date	Movements in the share capital	Number of shares issued	Number of shares	Total share capital	Premium resulting from transaction
	31/03/2020	Creation of PS (2015 tranche)	8,340	231,545,256	€115,772,628	€0
	31/03/2019	Exercise of SO (2012 tranche)	8,713	231,553,969	€115,776,985	€72,549
	30/04/2019	Creation of PS (2016 tranche)	18,432	231,572,401	€115,786,201	€0
2019	30/04/2019	Increased of share capital reserved for URW SE employees	47,337	231,616,738	€115,809,869	€312,309
	08/07/2019	Reimbursement of ORA	131	231,616,869	€115,809,935	€1,181
	08/07/2019	Reimbursement of ORA	7,051	231,626,920	€115,813,460	€63,485
	31/03/2020	Creation of PS (2017 tranche)	14,235	231,641,155	€115,820,578	€0
2020	04/06/2020	Creation of PS (2016 tranche)	10,395	231,651,550	€115,825,775	€0
	04/06/2020	Increased of share capital reserved for URW SE employees	69,150	231,720,700	€115,860,350	€154,690
2021	31/03/2021	Creation of PS (2017-2018 tranches)	23,990	231,746,876	€115,873,438	€0
	24/06/2021	Creation of PS (LTI SI* tranche)	23,986	231,768,676	€115,884,338	€0
	24/06/2021	Increased of share capital reserved for URW SE employees	74,055	231,842,731	€115,921,366	€0
2022	29/04/2022	Creation of PS (LTI Plan 2018)	9,410	231,852,141	€115,926,071	€0
	29/04/2022	Creation of PS (LTI Plan 2019)	50,092	231,902,233	€115,951,117	€0
	29/04/2022	Increase of share capital reserved for employees	105,741	232,007,974	€116,003,987	€0
	25/05/2022	Creation of PS (LTI SI* Plan 2018)	7,429	232,015,403	€116,007,702	€0
2023	22/03/2023	Creation of PS (LTI Plan 2020)	143,311	232,158,714	€116,079,357	€0
	22/03/2023	Creation of PS (LTI Plan 2021)	1,698	232,160,412	€116,080,206	€0
	04/05/2023	Increase of share capital reserved for employees	128,408	232,288,820	€116,144,410	€0
	13/09/2023	Creation of PS (LTI SI* Plan 2022-2023)	886	232,289,706	€116,144,853	€0

Note: increases in the share capital associated with the exercise of Performance Stock Options (SO), creation of Performance Shares (PS), cancellation of shares and reimbursements of bonds redeemable in shares (Obligations Remboursables en Actions, "ORA") are stated by a statement of the URW SE Management Board.

* LTI SI: Additional Performance Shares granted in 2018 related to the successful integration of Westfield.

5.3 SHARE BUY-BACK PROGRAMME AND SHARE ISSUANCES

5.3.1 AUTHORISATION TO BUY BACK SHARES

At the General Meeting held June 27, 2023, the Management Board ("MB") has been authorised (for 18 months following the General Meeting) to resolve for the Company to purchase and acquire, with the approval of the Supervisory Board ("SB"), on a stock exchange or otherwise, up to 10% of the class A shares in the Company's capital in issue from time to time (separate or as part of Stapled Shares) and up to 100% of the class B shares in the Company's capital in issue from time to time, in each case at a price per share between the nominal value of the share concerned and 110% of the average market price of the Stapled Shares on Euronext Amsterdam (such average being calculated by reference to the closing prices on each of the five consecutive trading days preceding the date the purchase or acquisition is agreed upon by the Company). Any shares in the Company's capital held by the Company on the date of the General Meeting or that may be purchased and acquired by the Company during the period of 18 months following the General Meeting shall be cancelled in one or more tranches, provided that the implementation of any such cancellation (whether or not in a tranche) shall be subject to the determination by the Management Board of the exact number of shares to be cancelled (in the relevant tranche, as relevant) and the exact timing thereof.

The MB is authorised to i) acquire one or more class A shares in the Company's capital (separate or as part of Stapled Shares) from Unibail-Rodamco-Westfield SE ("URW SE"), ii) acquire one or more class A shares in the Company's capital from anyone other than URW SE (including by means of a share buy-back programme), provided that such acquisition is made (a) pursuant to and in accordance with a joint share buy-back programme approved by or on behalf of (the relevant corporate bodies of) the Company and URW SE or (b) jointly and in connection with (but not necessarily concurrently with) an acquisition of ordinary shares in the capital of URW SE by URW SE; and/or iii) acquire one or more class B shares in the Company's capital from URW SE, in each case (x) subject to the MB being authorised by the General Meeting to acquire such shares in the capital of the Company and (y) with due observance of Dutch law, the Articles and the relevant limitations set out in the shareholders' authorisation as applicable from time to time.

5.3.2 REVIEW OF THE USE OF THE AUTHORISATION TO ACQUIRE SHARES AND INFORMATION ON THE TRANSACTIONS CARRIED OUT DURING THE FINANCIAL YEAR ENDING DECEMBER 31, 2023

During the 2023 financial year, the Company did not acquire any shares in its capital.

The Company has not used any derivative products in respect of shares in its capital and has currently not entered into any market-making and/or liquidity agreement in respect of shares in its capital.

5.3.3 AUTHORISATION TO ISSUE SHARES

Due to the Stapled Share Principle, any issuance of the stapled shares induces an issuance of Unibail-Rodamco-Westfield SE shares and Unibail-Rodamco-Westfield N.V. Class A shares. In order to be able to issue or to subscribe shares validly, the general meetings resolutions of Unibail-Rodamco-Westfield SE and Unibail-Rodamco-Westfield N.V. should be aligned.

With effect from the General Meeting held on June 27, 2023, the MB is authorised, for a period of 18 months following the General Meeting, to resolve, subject to SB approval and the Stapled Share Principle, to issue, or to grant rights to subscribe for, Class A Shares representing up to 10% of the Company's issued share capital as at the date of the General Meeting.

In addition, the General Meeting on June 27, 2023, authorised the MB, under the approval of the SB, for a period of 18 months following the General Meeting, to resolve, subject to SB approval and the Stapled Share Principle (as defined by the Company's articles of association), to issue, or to grant rights to subscribe for, Class A Shares representing up to 3% of the Company's issued share capital as at the date of the General Meeting. [This in order to be aligned with the resolutions approved by the Unibail-Rodamco-Westfield SE 2024 general meeting]. This additional authorisation is being proposed in order to ensure that the MB, under the SB's supervision, has sufficient powers to match share issuances proposed to be authorised by the general meeting of Unibail-Rodamco-Westfield SE which, in turn, secures the continued operation of the Stapled Share Principle.

5.3.4 AUTHORISATION FOR THE MANAGEMENT BOARD TO LIMIT OR EXCLUDE PRE-EMPTION RIGHTS

At the General Meeting held June 27, 2023 the MB is authorised, for a period of 18 months following the General Meeting, to resolve, subject to SB approval and the Stapled Share Principle, to limit or exclude pre-emption rights in relation to any issuance of shares or, or a grant of rights to subscribe for shares, under the authorisation granted to issue, or to grant rights to subscribe for, Class A Shares representing up to 10% of the Company's issued share capital and under the authorisation granted to issue, or to grant rights to subscribe for, Class A Shares representing up to 3% of the Company's issued share capital. Refer to 5.3.3.

5.3.5 SITUATION AS AT DECEMBER 31, 2023

As at December 31, 2023, the URW NV shares held or cancelled by the Company is as follows:

% of URW NV shares held directly or indirectly by URW NV ("treasury shares") as at December 31, 2023	0%
Number of cancelled URW NV shares during the last 24 months	0
Number of treasury shares as at the December 31, 2023	0

5.4 INFORMATION ON THE SHAREHOLDING

5.4.1 OWNERSHIP OF CAPITAL AND VOTING RIGHTS

The Company's share capital as at December 31, 2023, comprises 139,041,391 class A shares and 93,248,315 class B shares with a nominal value of €0.50 each and is fully paid-up. The class A shares form part of Stapled Shares together with ordinary URW SE shares. All class B shares are owned by URW SE; pursuant to the Articles, class B shares can only be held by (i) any entity of the URW Group or (ii) any other party, with the approval of the MB and the SB.

One single voting right is attached to each URW NV share in accordance with the "one share, one vote" principle.

As at December 31, 2023, 59.86% of the Company's share capital was held by others than URW SE and MB Members.

The Company's shareholding structure was as follows during the last three financial years:

Shareholder	Year-end 2021			Year-end 2022			Year-end 2023		
	Total number of shares	% of share capital	% of voting rights	Total number of shares	% of share capital	% of voting rights	Total number of shares	% of share capital	% of voting rights
Free float (class A)	118,299,741	51.03	51.03	118,479,905	51.07	51.07	118,752,737	51.12	5.07
URW SE (class B)	93,248,315	40.22	40.22	93,248,315	40.19	40.19	93,248,315	40.14	40.19
Companies controlled by Mr. Xavier Niel (Rock Investment and NJJ Holdings) ⁽¹⁾	20,294,670	8.75	8.75	20,286,422	8.74	8.74	20,286,422	8.73	8.74
Executive officers ⁽²⁾	5	0	0	761	0	0	2,232	0	0
Total	231,842,731			232,015,403			232,289,706		

Figures may not add up due to rounding.

(1) Based on Mr. Niel's statement.

(2) Executive officers comprise the MB Members. The numbers do not take into account any units in the URW SE Company Savings Plan held by the executive officers. As at December 31, 2023 the MB consist of two members.

5.4.2 INFORMATION REGARDING OWNERSHIP THRESHOLD DISCLOSURES

Substantial holding notifications made to the AFM can, once published, be viewed on the website of the Dutch Authority for the Financial Markets ("AFM") and threshold disclosures notified to URW SE as required under the Articles of Association are available at the registered office of URW SE.

To the best of the Company's knowledge and based on the substantial holding notifications published on the website of the AFM and the threshold crossings notified to URW SE, the following persons (other than URW SE) have, as at the filing date of this Annual Report, a notifiable interest in URW NV's share capital.

The AFM register shows the following notifications of substantial share capital and/or voting rights above the 3% threshold: X. Niel: substantial share capital of 16.20% and 16.20% of the voting rights (May 20, 2022), BlackRock, Inc.: substantial share capital of 4.04% and 4.68% of the voting rights (March 7, 2024).

5.4.3 SHAREHOLDERS' AGREEMENT

To the best of the Company's knowledge there is no shareholders' agreement.

5.4.4 URW SE'S SHAREHOLDING IN URW NV

URW SE holds approximately 40% of URW NV's issued and outstanding share capital.

PARTICIPATION MAINTENANCE SUBSCRIPTION RIGHT

URW SE wishes to maintain its capital interest and voting rights in URW NV at or slightly above 40%. In connection therewith URW NV granted URW SE the "Participation Maintenance Subscription Right".

The Participation Maintenance Subscription Right allows URW SE to subscribe, in one or more tranches, on a continuous and revolving basis for new URW NV class B shares, each time up to the lesser of (i) such maximum number of URW NV class B shares that, as the result of a subscription to such number of URW NV class B shares by URW SE pursuant to an exercise of the Participation Maintenance Subscription Right, the aggregate nominal amount of URW NV shares held by URW SE and its subsidiaries is equal to 40.22% of URW NV's issued and outstanding share capital, and (ii) the maximum number of URW NV's class B shares that may be issued under the authorised share capital of URW NV under its Articles at that time.

Certain terms and conditions of the Participation Maintenance Subscription Right are set out in a Participation Maintenance Subscription Right Agreement entered into between URW SE and URW NV on June 4, 2018.

The subscription price for any URW NV class B shares subscribed for by URW SE pursuant to the exercise of the Participation Maintenance Subscription Right is equal to the par value of such shares or such other price as may be agreed between URW SE and URW NV from time to time. At least one-fourth of the par value is to be paid up upon subscription and the remaining three-fourths will be payable by URW SE upon URW NV calling for it, subject to applicable law. Solely at URW NV's option and subject to the Articles and applicable law, all or part of such payment obligation for the subscribed-for URW NV class B shares may be charged against URW NV's profits and/or reserves.

At the request of the holder, any URW NV class B shares held by URW SE or any of its subsidiaries shall be converted into URW NV class A shares of equal nominal value in accordance with the Articles and subject to the nominal value of the to-be converted URW NV class B shares having been fully paid up.

URW SE may assign the Participation Maintenance Subscription Right Agreement, with simultaneous assignment of the Participation Maintenance Subscription Right, to any wholly-owned URW SE subsidiary.

The Participation Maintenance Subscription Right Agreement is entered into and the Participation Maintenance Subscription Right is granted for an indefinite period of time, but may be terminated at any time by URW SE.

EQUITY PLAN SATISFACTION SUBSCRIPTION RIGHT

Pursuant to any equity incentive plan, stock option plan, equity saving plan, performance share plan or other plan, as applicable from time to time, URW SE or any of its subsidiary may award Stapled Shares, or rights to acquire Stapled Shares (including rights to concurrently acquire URW NV class A shares and URW SE ordinary shares thereby forming Stapled Shares), to (current or former) employees, officers and/or directors of the URW Group. URW SE or the relevant URW SE subsidiary would need to be able to deliver, transfer or otherwise provide URW NV class A shares

(for as long as the Stapled Share Principle applies, as part of Stapled Shares) pursuant to awards made under such equity plans. In connection therewith URW NV granted URW SE the "Equity Plan Satisfaction Subscription Right".

The Equity Plan Satisfaction Subscription Right allows URW SE to subscribe, in one or more tranches, on a continuous and revolving basis for new URW NV class A shares, each time up to the lesser of (i) the number of URW NV class A shares that are required or reserved to satisfy any obligations to issue, transfer, deliver or otherwise provide URW NV class A shares pursuant to awards made under any relevant equity plan, and (ii) the maximum number of URW NV class A shares that may be issued under the authorised share capital of URW NV under its Articles at that time.

Certain terms and conditions of the Equity Plan Satisfaction Subscription Right are set out in an Equity Plan Satisfaction Subscription Right Agreement entered into between URW SE and URW NV on June 4, 2018.

The subscription price for any URW NV class A shares subscribed for by URW SE pursuant to the exercise of the Equity Plan Satisfaction Subscription Right is equal to the par value of such shares or such higher price as provided for in the relevant equity plan (if any). At subscription, URW SE shall pay the aggregate nominal value in full. At the request of URW SE, URW NV shall - subject to the approval of the SB and to the extent permitted under applicable law - charge all or part of such payment obligation against URW NV's profits and/or reserves, in particular in respect of those equity plans in which shares are provided to the participants without payment of any consideration.

URW SE may assign part of the Equity Plan Satisfaction Subscription Right to any URW SE subsidiary, provided that such URW SE subsidiary has committed itself towards URW NV to be bound by the Equity Plan Satisfaction Subscription Right Agreement in respect of such assigned part. Furthermore, URW SE may assign the Equity Plan Satisfaction Subscription Right in respect of such number of URW NV class A shares that are the subject of an award under an equity plan to the relevant participant to whom such award is or has been made, under the conditions that an exercise of such assigned Equity Plan Satisfaction Subscription Right by such participant may only be made in compliance with all terms and conditions (including vesting conditions) of the relevant equity plan and award, and that an issue of URW NV class A shares to such participant can only be made simultaneously with an issue or transfer of an equal number of URW SE ordinary shares to such participant and URW SE having confirmed to URW NV that such simultaneous issue or transfer will occur.

The Equity Plan Satisfaction Subscription Right Agreement further provides that in situations in which URW SE or a URW SE subsidiary is making an award to any employee, officer or director of the URW Group with respect to a number of URW SE ordinary shares under an equity plan of URW SE or any URW SE subsidiary, URW SE may request that URW NV simultaneously grant a right to such employee, officer or director with respect to an equal number of URW NV class A shares. URW NV shall in such cases - to the extent legally permissible - make such a grant, under the condition that an issue of URW NV class A shares to such employee, officer or director can only be made simultaneously with an issue or transfer of an equal number of URW SE ordinary shares to such employee, officer or director and URW SE having confirmed to URW NV that such simultaneous issue or transfer will occur.

The Equity Plan Satisfaction Subscription Right Agreement is entered into and the Equity Plan Satisfaction Subscription Right is granted for an indefinite period of time, but may be terminated at any time by URW SE and will terminate upon the Articles being amended such that there are no longer Stapled Shares. Upon termination, the agreement and subscription right will survive to the extent necessary to settle existing outstanding awards under any relevant equity plans.

5.5 ARTICLES OF ASSOCIATION OF THE COMPANY AND CHARTERS OF THE CORPORATE BODIES

The main statutory provisions are given hereafter. Furthermore, the Management Board (the "MB"), Supervisory Board (the "SB"), Audit Committee (the "AC"), the Investment Committee (the "IC") and the Governance, Nomination and Remuneration Committee (the "GNRC") each have their own internal charters. The Articles of Association (the "Articles") and internal charters of these committees are available on the Company's website or at its registered office.

The Articles were last updated on June 30, 2021.

5.5.1 CORPORATE PURPOSE

(ARTICLE 3 OF THE ARTICLES OF ASSOCIATION)

The corporate purpose of the Company is in the Netherlands and abroad:

- to invest in assets, primarily through the direct or indirect acquisition of real estate, in such a manner that the ensuing risks are spread in order to allow shareholders to share in the proceeds;
- to enter into cash pooling arrangements with, to provide financing to and to furnish guarantees for the benefit of URW SE and other affiliated bodies of the Company whose assets, on a consolidated basis, generally at least nearly exclusively consist of real estate and/or associated rights;
- to incorporate, to participate in, to hold any other interest in and to conduct the management or supervision of bodies whose objects and actual activities are to invest in assets;
- to incorporate, to participate in and to conduct management of bodies whose objects and actual activities, besides possibly investing assets, are to develop real estate for the benefit of itself or certain bodies;
- to invest in the improvement or expansion of real estate;
- to acquire, to manage, to invest, to exploit, to encumber and to dispose of other assets and liabilities and to provide any other act or service; and
- to do anything which, in the widest sense, is connected with or may be conducive to the objects described above,

in each case taking into account the restrictions applicable to the Group under the fiscal investment institution regime as laid down in section 28 of the Corporate Income Tax Act (CITA), or such statutory provision which replaces section 28 CITA.

5.5.2 STAPLED SHARE PRINCIPLE

(ARTICLE 6 OF THE ARTICLES OF ASSOCIATION)

The shares in URW NV are in registered form. The shares have been, or will be, created under Dutch law and must be paid up in full upon issuance (without prejudice to section 2:80(2) Dutch Civil Code (the “DCC”). However, it may be stipulated that up to 75% of the nominal value of a class B share need not be paid up until URW NV has called for payment.

The class A shares may be included in a giro deposit (“*girodepot*”) or a collective deposit (“*verzameldepot*”) in accordance with the provisions of the Dutch Giro Securities Act or any other collection of securities which are transferable by means of book-entry, in each case with due observance of the Stapled Share principle set out in the Articles.

Each class B share can be converted into one class A share. By means of a written request addressed to the MB, the holder of one or more class B shares may request the conversion of all or part of his class B shares into an equal number of class A shares. Such request must indicate the number of class B shares to be converted. Upon receipt of such request, the MB, with the approval of the SB, shall resolve to convert the number of class B shares specified in the request into an equal number of class A shares. Neither the MB nor URW NV are required to effect a conversion of class B shares if the request does not include the number of class B shares to be converted or if the MB reasonably believes that the information included in such request is untrue or incorrect or that the holder concerned is not a party meeting the quality requirement described below.

Under the Articles, in order to achieve a situation where holders of class A shares, other than any entity of the URW Group, hold an interest in both URW NV and URW SE, as if they held an interest in a single (combined) company:

- no class A share can be (i) issued to, or subscribed for by, others than any entity of the URW Group, (ii) transferred to or, subject to applicable law, pledged or otherwise encumbered by others than any entity of the URW Group, or (iii) released from any encumbrance by others than any entity of the URW Group, in each case except together with a UR Share in the form of a Stapled Share;
- no right to subscribe for one or more class A shares can be (i) granted to or exercised by others than any entity of the URW Group, (ii) terminated by others than any entity of the URW Group, (iii) transferred to or, subject to applicable law, pledged or otherwise encumbered by others than any entity of the URW Group, or (iv) released from any encumbrance by others than any entity of the URW Group, in each case except together with a corresponding right to subscribe for an equal number of URW SE Shares in the form of an equal number of Stapled Shares;
- all shareholders, other than any entity of the Stapled Group, must refrain from (i) acquiring any class A share, (ii) acquiring, exercising or terminating any right to subscribe for one or more class A shares, or (iii) creating or acquiring a usufruct, pledge or other encumbrance over any class A share or any right to subscribe for one or more class A shares, in each case except (if it concerns a class A share) together with a URW SE share in the form of a Stapled Share or (if it concerns a right to subscribe for one or more class A shares) together with a corresponding right to subscribe for an equal number of URW SE shares in the form of an equal number of Stapled Shares; and
- subject to applicable law, the MB and the SB shall take all necessary actions to ensure that, at all times, the number of class A shares issued and held by others than any entity of the URW Group is equal to the number of URW SE shares issued and held by others than any entity of the URW Group.

The Stapled Share principle can only be terminated by virtue of a resolution passed by the General Meeting to amend the Articles. A resolution by the General Meeting to effect such an amendment shall only become effective after the MB, with the approval of the SB, has confirmed that the General Meeting or shareholders or URW SE has passed a resolution to terminate the Stapled Share principle as included in the Articles of URW SE.

In addition, under the Articles, class B shares can only be held by any entity of the URW Group or any other party, with the prior approval of the MB and the SB. If one or more class B shares are not, or no longer, held by a party which meets the quality requirements described in the previous sentence:

- the holder of such class B shares must immediately notify the MB thereof, consistent with the arrangements described in the Articles;
- such Shareholder’s voting rights, meeting rights and rights to receive distributions attached to its class B shares shall be suspended; and
- such Shareholder must immediately offer and transfer its class B shares to URW NV (or to a party designated in writing by URW NV) in accordance with the provisions in the Articles.
- the MB, with the approval of the SB, may grant dispensation from the quality requirement described above.

Except as set forth above or as described elsewhere in this report, as at December 31, 2023, URW NV imposed no limitation, under its Articles or by contract, on the transfer of shares (or depository receipts for shares issued with URW NV’s cooperation), the exercise of voting rights on shares, periods for exercising such voting rights or the issuance of depository receipts for Shares with URW NV’s cooperation.

All shareholders of the Company must comply with the Stapled Share principle described above. If a shareholder, other than any entity of the URW Group, would hold one or more “Unstapled Shares” (i.e., class A shares held by a shareholder, other than any entity of the URW Group, if such shareholder does not also hold the corresponding ordinary shares in UR in the form of Stapled Shares) for whatever reason:

- such shareholder must immediately notify the MB of such breach, consistent with the arrangements described in the Articles;
- such shareholder must immediately offer and transfer its Unstapled Shares to URW SE (or any other entity of the URW Group designated in writing by URW SE);
- if such shareholder has not, within a reasonable period of no more than fourteen (14) days after having become obliged to offer and transfer its Unstapled Shares, complied with such obligation, URW NV shall be irrevocably authorised to offer and transfer the Unstapled Shares concerned to URW SE (or any other entity of the URW Group designated in writing by URW SE) on behalf of such shareholder in accordance with the provisions in the Articles; and
- such shareholder’s voting rights, meeting rights and rights to receive distributions attached to its Unstapled Shares shall be suspended for as long as such shareholder (or URW NV on such shareholder’s behalf) has not complied with the obligation of such Shareholder to offer and transfer such Unstapled Shares as described above.

If the holder of a Stapled Share must notify URW SE in respect of its shares in the capital of URW SE pursuant to the articles of association of URW SE and/or applicable French law, such shareholder must also immediately notify URW SE in accordance with the arrangements described in the Articles. If the MB becomes aware that a shareholder has failed to comply with that obligation, the MB, with the approval of the SB, may demand that such shareholder comply with such obligation within a reasonable period of no more than 14 days, as stipulated in such notice. For

as long as the shareholder concerned has not complied with such obligation after the expiration of the period stipulated in said notice, such Shareholder's voting rights, meeting rights and rights to receive distributions attached to its class A shares shall be suspended.

Furthermore, under Dutch law, various protective measures are possible and permissible within the boundaries set by Dutch law, including Dutch case law. In this respect, certain provisions of the Articles may make it more difficult for a third party to acquire control of the Company or effect a change in the MB and/or SB. These include:

- the Stapled Share principle described in paragraph 5.5.2;
- a provision that the General Meeting can only appoint MB Members and SB Members on the basis of a nomination by (i) the SB pursuant to
- and in accordance with a binding recommendation by the GNRC, (ii) the Chairman, (iii) a Controlling Shareholder or (iv) the Class B Meeting, in each case provided that the names of those candidates are stated for that purpose in the agenda of that General Meeting or the explanatory notes thereto; and
- a requirement that certain matters, including an amendment of the Articles, may only be brought to the General Meeting for a vote upon a proposal by the MB, with the approval of the SB.

5.5.3 CORPORATE GOVERNANCE STRUCTURE

(ARTICLES 16 TO 26 OF THE ARTICLES OF ASSOCIATION)

The Company is managed by a Management Board ("MB") and a Supervisory Board ("SB"). Details of the composition and the functioning of the MB and the SB are set out in Section 2.1 of this Annual Report.

5.5.3.1 THE MANAGEMENT BOARD

(ARTICLES 16 TO 21 OF THE ARTICLES OF ASSOCIATION AND MANAGEMENT BOARD RULES)

The MB is the collegial decision-making body of URW NV. Pursuant to the Articles, the MB shall be composed of individuals or entities and the SB shall determine the number of MB Members. The SB Chair shall, with due observance of the MB Rules, designate one MB Member as Chief Operating Officer US ("COO US"), and may revoke such designation from time to time. The MB consisted of two members as at December 31, 2023.

The MB is charged with management of the Company, subject to the restrictions contained in the Articles. The MB is required to provide the SB with the information necessary for the performance of its tasks in a timely fashion. At least once a year, the MB shall inform the SB in writing of the main features of the strategic policy, the general and financial risks and the administration and control system of URW NV. The MB's mission consists in developing and executing the Company's strategy, effectively structuring and staffing the Company to ensure its efficient functioning, achieving the projected financial results and communicating these results in the best manner. In performing their duties, MB members shall be guided by interests of the Company and of the business connected with it.

The MB is responsible for the day-to-day management of the Company which includes, among other things, formulating strategies and policies, and setting and achieving the Company's objectives. The SB supervises and advises the MB. In performing their duties, MB and SB members shall be guided by the interests of the Company and of the business connected with it.

The General Meeting shall appoint the MB Members and can only appoint a MB Member upon a nomination by (i) the SB pursuant to and in accordance with a binding recommendation by the GNRC, (ii) the Chair, (iii) a Controlling Shareholder or (iv) the class B Meeting, in each case provided that the names of those candidates are stated for that purpose in the agenda of that General Meeting or the explanatory notes thereto. A MB Member is appointed or reappointed for a term which shall expire immediately following the end of the annual General Meeting held in any of the first four years following his appointment or reappointment (as relevant).

The General Meeting may at any time suspend or dismiss any MB Member. In addition, the SB may at any time suspend a MB Member. The SB shall not make any proposal, or approve any proposal made by the MB, for the suspension or dismissal of a MB Member and shall not resolve upon the suspension of a MB Member, other than pursuant to and in accordance with a binding recommendation either by the SB Chair or by the GNRC. A suspension by the SB can at any time be lifted by the General Meeting. If a MB Member is suspended and the General Meeting does not resolve to dismiss him within three months from the date of such suspension, the suspension shall lapse.

5.5.3.2 THE SUPERVISORY BOARD

(ARTICLES 22 TO 26 OF THE ARTICLES OF ASSOCIATION AND THE SUPERVISORY BOARD RULES)

The SB exercises permanent oversight and control over the MB and the general affairs of the Company as provided by law, the Articles and its SB Rules. The SB has 5 members appointed for a term of four years. The SB must comprise of two URW SE Supervisory Directors. "URW SE Supervisory Directors" refers to an SB member who is also a member of the management board, a member of the supervisory board or an employee of (x) URW SE (or any of the legal successors) or (y) any controlled undertaking whose financial information is included in the consolidated financial reporting of URW SE (excluding the Company and its subsidiaries within the meaning of section 2:24a of the Dutch Civil Code).

The SB is charged with the supervision of the policy of the MB and the general course of affairs of URW NV and of the business connected with it. The SB shall provide the MB with advice. In performing their duties, SB Members shall be guided by the interests of URW NV and of the business connected with it.

The SB consists of at least two, but no more than seven, SB Members. The SB shall be composed of individuals. The SB shall determine the number of SB Members. The SB must comprise such number of URW SE Supervisory Directors as equals the highest integer that is less than 50% of all SB Members in office. This requirement can be set aside by the General Meeting with a majority of at least two-thirds (2/3) of the votes cast representing more than half of URW NV's issued share capital.

The SB shall elect an URW SE Supervisory Director to be the Chair and another URW SE Supervisory Director to be the vice-Chair, in each case pursuant to and in accordance with a recommendation by the GNRC. The SB may dismiss the SB Chair or the vice-Chair pursuant to and in accordance with a recommendation by the GNRC, provided that the URW SE Supervisory Director so dismissed shall subsequently continue his term of office as a URW SE Supervisory Director without having the title of Chair or vice-Chair, as the case may be.

The General Meeting can only appoint a SB Member upon a nomination by (i) the SB pursuant to and in accordance with a binding recommendation by the GNRC, (ii) the Chair, (iii) a Controlling Shareholder or (iv) the class B Meeting, in each case provided that the names of those candidates are stated for that purpose in the agenda of that General Meeting or the explanatory notes thereto and taking into account the requirement with respect to the requisite number of URW SE Supervisory Directors. A SB Member may be appointed or reappointed for a term which shall expire

immediately following the end of the annual General Meeting held in any of the first four years following his appointment or reappointment (as relevant). The General Meeting may at any time suspend or dismiss any SB Member. The SB shall not make any proposal, or approve any proposal made by the MB, for the suspension or dismissal of a SB Member, other than pursuant to and in accordance with a binding recommendation either by the SB Chair or by the GNRC. If a SB Member is suspended and the General Meeting does not resolve to dismiss him within three months from the date of such suspension, the suspension shall lapse.

The SB has three committees: the AC, the GNRC and IC.

THE SPECIALISED COMMITTEES OF THE SUPERVISORY BOARD

Three specialised committees are responsible for assisting the Board to carry out its duties: the Audit Committee, the Governance, Nomination and Remuneration Committee and Investment Committee. All SB Members participate in one of these committees. The committees function under separate internal charters.

Details of the composition, missions and diligences of the committees are set out in Section 2.2.3 of this Annual Report.

5.5.4 GENERAL MEETINGS

(ARTICLES 28 TO 32 OF THE ARTICLES OF ASSOCIATION)

General meetings must be held in Amsterdam, The Hague, Rotterdam or Schiphol (Haarlemmermeer). Certain resolutions can only be passed by the General Meeting at the proposal of the MB, with the approval of the SB.

5.5.4.1 FUNCTIONING OF THE GENERAL MEETING

General meetings must be held in Amsterdam, The Hague, Rotterdam or Schiphol (Haarlemmermeer). The annual General Meeting must be held at least once a year, no later than in June. Within three months after the MB has considered it to be likely that URW NV's equity has decreased to an amount equal to or lower than half of its paid up and called up capital, a General Meeting will be held in order to discuss the measures to be taken if so required. Extraordinary General Meetings shall further be held whenever the MB, the SB or the Chairman so decides, provided in each case that any item proposed by the Chairman for discussion or voting at any General Meeting shall be included as such on the agenda for such General Meeting.

In addition, one or more Shareholders and other Persons with Meeting Rights, who solely or jointly represent at least ten percent (10%) of URW NV's issued capital, may request the MB and the SB that a General Meeting be convened. The request must set out in detail the matters to be discussed. If neither the MB nor the SB has taken the steps necessary to hold a General Meeting within 8 weeks after such request, the requesting person(s) may be authorised by the court in preliminary relief proceedings to convene a General Meeting. If the requesting person(s) include(s) at least one holder of one or more class B shares, he/they may convene a General Meeting after such 8 weeks period without such prior authorisation by the court.

Notice of a General Meeting must be given by at least such number of days prior to the day of the meeting as required by Dutch law, which is currently 42 days. The convocation of the General Meeting must be published through an announcement by electronic means. The notice must include the items for discussion and voting, the time and place of the meeting, the record date, the manner in which Persons with Meeting Rights may register and exercise their rights, the cut-off time for registration for the meeting, and such other matters as required by applicable law (also depending on the nature of the agenda items for the meeting concerned). In addition, Shareholders may be convened for the General Meeting by means of letters sent to their addresses as set out in URW NV's shareholders register (if and to the extent they are registered directly in such register).

The convening notice shall also include such items as one or more Shareholders and other Persons with Meeting Rights, representing - individually or collectively - at least such part of URW NV's issued share capital as prescribed by Dutch law (currently 3%), have requested URW NV by a motivated request (or, if it concerns a matter which falls within the powers of the General Meeting, a proposal for a resolution) to include in the agenda, at least 60 days before the day of the General Meeting. No resolutions may be adopted on items other than those which have been included in the agenda.

The General Meeting shall be chaired by one of the following individuals, taking into account the following order of priority (i) by the Chair, if there is a Chair and he is present at the General Meeting, (ii) by another SB Member who is chosen by the SB Members present at the General Meeting from their midst, (iii) by an MB Member who is chosen by the MB Members present at the General Meeting from their midst, or (iv) by another person appointed by the General Meeting. The person who should chair the General Meeting set out in the preceding sentence may appoint another person to chair the General Meeting.

Each Shareholder and other Person with Meeting Rights may attend the General Meeting, address the General Meeting and exercise voting rights pro rata to his shareholding, either in person or by proxy, provided that his meeting, and - if relevant - voting, rights have not been suspended. Shareholders and other Person with Meeting Rights may exercise these rights, if they are the holder of such right on the record date as required by Dutch law, which is currently the 28th day prior to the day of the General Meeting, and they or their proxy have notified URW NV of their identity and their intention to attend the General Meeting in writing at the address and by the seventh day prior to the General Meeting or such other date specified in the notice of the General Meeting.

MB Members and SB Members may attend a General Meeting. In these General Meetings, they have an advisory vote. The chairman of the General Meeting may decide at his discretion to admit other persons to the General Meeting.

5.5.4.2 POWERS OF THE GENERAL MEETING

All powers that do not vest in the MB or the SB pursuant to applicable law, the Articles or otherwise, vest in the General Meeting. The main powers of the General Meeting include, subject in each case to the applicable provisions in the Articles:

- the appointment, suspension and dismissal of Managing Directors and Supervisory Directors;
- the approval of certain resolutions of the MB concerning a material change to the identity or the character of URW NV or its business;
- the reduction of URW NV's issued share capital through a decrease of the nominal value, or cancellation, of shares;
- the adoption of URW NV's statutory annual accounts;
- the appointment of the Dutch independent auditor to examine URW NV's statutory annual accounts;
- amendments to the Articles;
- approving a merger or demerger by URW NV, without prejudice to the authority of the MB to resolve on certain types of mergers and demergers if certain requirements are met; and

- the dissolution of URW NV.

In addition, the General Meeting has the right, and the MB and the SB must provide, any information reasonably requested by the General Meeting, unless this would be contrary to an overriding interest of URW NV.

5.5.4.3 SHAREHOLDER RIGHTS

Each share confers the right to cast one vote in the General Meeting. Pursuant to Dutch law, no votes may be cast at a General Meeting, *inter alia*, in respect of shares that are held by URW NV or a subsidiary of URW NV.

Resolutions of the General Meeting are passed by simple majority of the votes cast, except where Dutch law or the Articles provide for a larger majority. Resolutions of the General Meeting can only be adopted if at least 20% of URW NV's issued share capital is represented at the General Meeting, except where Dutch law provides for a higher quorum. A second meeting as referred to in section 2:120(3) DCC cannot be convened. Shareholders, irrespective of whether or not they have voting rights, have meeting rights under Dutch law (including the right to attend and address the General Meeting, subject to the concept of a record date and the requirement to register for General Meeting as described in chapter 5.4.4.1).

Furthermore, each share carries an entitlement to dividends and other distributions as set forth in the Articles. Pursuant to the Articles, any such dividend or other distribution shall be payable on such date and, if it concerns a distribution in cash, such currency or currencies as determined by the MB with the approval of the SB. Any dividends that are paid to Shareholders through Euroclear France will be automatically credited to the relevant Shareholders' accounts without the need for such Shareholders to present documentation proving their ownership of the shares. Payment of dividends on the shares in registered form (not held through Euroclear France, but directly) will be made directly to the relevant Shareholder using the information contained in URW NV's Shareholders' register and records. At the proposal of the MB with the approval of the SB, the General Meeting may resolve that a distribution, instead of being made in cash, shall be made in the form of Shares or in the form of URW NV's assets.

5.5.4.4 CLASS MEETINGS

A Class Meeting shall be held whenever a resolution of that Class Meeting is required by Dutch law or under the Articles and otherwise whenever the MB, the SB or the Chair so decides. With respect to Class A Meetings, the above descriptions in respect of convening of, drawing up of the agenda for, holding of and decision-making by the General Meeting apply equally.

5.5.5 REQUIREMENTS PERTAINING TO THE DISTRIBUTION OF PROFITS

(ARTICLE 38 OF THE ARTICLES OF ASSOCIATION)

Pursuant to the Articles, the profits shown in URW NV's annual accounts in respect of a financial year shall be appropriated as follows, and in the following order of priority:

- the MB, with the approval of the SB, shall determine which part of the profits shall be added to URW NV's reserves, taking into account the fiscal rules and regulations applicable to URW NV from time to time; and
- the remaining profits shall be at the disposal of the General Meeting.

A distribution of profits shall be made by URW NV after the adoption of the annual accounts that show that such distribution is allowed. The MB, with the approval of the SB, may resolve to make interim distributions, provided and to the extent that it appears from interim accounts to be prepared in accordance with section 2:105(4) DCC that URW NV's equity exceeds the amount of the paid up and called up part of its capital plus the reserves which must be maintained by law.

At the proposal of the MB, with the approval of the SB, the General Meeting is authorised to resolve to make a distribution from URW NV's reserves.

5.5.6 SHARES CARRYING LIMITED ECONOMIC ENTITLEMENT

(ARTICLE 36 OF THE ARTICLES OF ASSOCIATION)

Under the Articles, distributions shall be made in proportion to the aggregate number of shares held. There are no shares which, pursuant to the Articles, carry a limited entitlement to the profits or reserves in URW NV.

5.5.7 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

At the proposal of the MB with the approval of the SB, the General Meeting may resolve to amend the Articles. A proposal to amend the Articles must be included in the agenda of the General Meeting. A copy of the proposal, containing the verbatim text of the proposed amendment, must be deposited with URW NV for the inspection (free of charge) by any shareholder from the date on which notice of the meeting is given until the end of the General Meeting. Furthermore, a copy of the proposal will be made available free of charge to shareholders and other Persons with Meeting Rights from the day it was deposited until the day of the meeting.

A resolution of the General Meeting to amend the Articles requires a majority of at least two-thirds (2/3rd) of the votes cast (subject to the 20% quorum requirement described in section 5.5.4.3). In addition, amendments to provisions in the Articles referencing the Stapled Share principle, require the prior approval of the class meeting formed by holders, and others with meeting rights with respect to, class B shares. A resolution to amend the Articles to effect the termination of such Stapled Share principle shall only become effective after the MB, with the approval of the SB, has confirmed that the General Meeting of shareholders of URW SE has passed a resolution to terminate such Stapled Share principle as included in the articles of association of URW SE.

5.6 BRANCHES

URW NV has no branch offices.

5.7 INVESTMENT BY THE COMPANY OUTSIDE THE GROUP

The Company has not made any significant investment outside the Group during the financial year ending December 31, 2023.



ADDITIONAL INFORMATION

6.1 STATEMENT OF THE PERSONS RESPONSIBLE FOR THE ANNUAL REPORT

In accordance with Article 5.25c(2)(c) of the Dutch financial markets supervision act (*Wet op het Financieel Toezicht*) and the Dutch Corporate Governance Code section 1.4.3 the members of the Management Board of URW NV confirm that to the best of their knowledge that:

- The 2023 financial statements included in this Annual Report are prepared in accordance with IFRS as adopted for use in the European Union and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and its consolidated subsidiaries taken as a whole;
- The management report included in this Annual Report gives a fair view of the development and performance of the business, the results and of the financial situation of the Company and its consolidated subsidiaries taken as a whole and describes the main risks and uncertainties to which they are exposed;
- This report provides sufficient insight into any failings in the effectiveness of the risk management and control systems;
- The management and control systems provide reasonable assurance that the financial reporting does not contain material inaccuracies;
- Based on current state of affairs as at the date of this report, it is justified that the financial reporting is prepared on a going concern basis;
- This report states those material risks and uncertainties that are relevant to the expectation of the Company's continuity for a period of twelve months after the date of this report.

Schiphol, March 19, 2024
On behalf of the Management Board

Dominic Lowe
Chief Operating Officer US

Gerard Sieben
Chief Financial Officer

6.2 AUDITORS

The Statutory Auditor of the Company is:

Deloitte Accountants B.V.
Gustav Mahlerlaan 29700
1081 LA Amsterdam, the Netherlands
Mr Jef Holland

Commencement date of the first term: June 22, 2022
Commencement date of the second term: June 27, 2023

Previous Statutory Auditor of the Company:

Ernst & Young Accountants LLP (Netherlands)
Euclideslaan 1
3584 BL Utrecht, the Netherlands
Mr Wim Kerst

Commencement date of the first term: June 1, 2018.
Commencement date of the second term: June 11, 2020.
Commencement date of the third term: June 9, 2020.
Commencement date of the fourth term: June 29, 2021.

6.3 INDEPENDENT APPRAISERS

URW NV's portfolio was valued by the below-mentioned independent appraisers.

Jones Lang LaSalle B.V.
Valuation Advisory
P.O. Box 75208
1070 AE Amsterdam
The Netherlands

Cushman & Wakefield, Inc.
1290 Avenue of the Americas
New York, NY 10104
United States

Kroll, LLC
311 South Wacker Drive, Suite 4200
Chicago IL 60045
USA

6.4 DOCUMENTS AVAILABLE TO THE PUBLIC

This Annual Report may be obtained, free of charge, at URW NV at Schiphol Boulevard 315 Tower F, 1118 BJ Schiphol (Haarlemmermeer), the Netherlands, and, where appropriate, on the website of URW NV (<https://www.urw-nv.com/en/investors>).

6.5 GLOSSARY

Articles: refer to the articles of association of URW NV.

Average cost of debt: recurring financial expenses (excluding the ones on financial leases and the ones related to partners' current accounts) + capitalised financial expenses (excluding non-recurring financial expenses such as mark-to-market and termination costs of financial instruments including bonds repurchased, currency impact) / average net debt over the period.

CAM: Common Area Maintenance.

Committed projects: projects for which the Group owns the land or building rights and has obtained all necessary administrative authorisations and permits, approvals of joint venture partners (if applicable), approvals of the Group's internal governing bodies to start superstructure construction works and on which such works have started.

Debt Yield: Ratio of the net operating income to the outstanding loan amount, net of certain cash as defined in the relevant mortgage loan documentation.

Discount Rate (DR): the rate used in a Discounted Cash Flow model to calculate the present value of future cash flows (positive or negative) that is to say converting such future cash-flows in today's monetary value.

EBITDA: Recurring Net Operating result before depreciation and impairment of assets.

Exit Cap Rate (ECR): the rate used to estimate the resale value of a property at the end of the holding period. The expected Net Rental Income (NRI) per year is divided by the ECR (expressed as a percentage) to get the terminal value.

Financial statements under IFRS: the Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as applicable in the European Union as at closing date.

Financial statements on a proportionate basis: they are prepared based on the financial statements under IFRS, except for the joint-controlled entities, which are consolidated on a proportionate basis, instead of being accounted for using the equity method (as applicable under IFRS). Unibail-Rodamco-Westfield believes that these financial statements on a proportionate basis give to stakeholders a better understanding of the underlying operations of URW and the joint-controlled entities, as they represent a significant part of the Group's operations in the US.

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

Foreclosure: the action of a lender seeking to take the collateral on a loan when loan payments are not made, leading to a transfer of the asset and the extinction of the corresponding mortgage debt.

Funds From Operations (FFO): on an annualised basis, the recurring EBITDA minus (i) recurring net financial expenses and (ii) tax on recurring operating result.

Group Share: the part that is attributable to the Group after deduction of the parts attributable to the minority interests.

Interest Cover Ratio (ICR): Recurring EBITDA/Recurring Net Financial Expenses (including capitalised interest); Recurring EBITDA is calculated as total recurring operating results and other income less general expenses, excluding depreciation and amortisation.

Like-for-like Net Rental Income (Lfl NRI): Net Rental Income excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields or redevelopment of an asset when operations are stopped to enable works), all other changes resulting in any change to the square meters and currency exchange rate differences in the periods analysed.

Loan-to-Value (LTV): net financial debt, excluding current accounts with non-controlling interests/total assets (whether under IFRS or on a proportionate basis), including or excluding transfer taxes and excluding goodwill not justified by fee business.

Minimum Guaranteed Rent uplift (MGR uplift): difference between new MGR and indexed old MGR. Indicator calculated on renewals and relettings only.

Net Disposal Price (NDP): Total Acquisition Cost incurred by the acquirer minus all transfer taxes and transaction costs.

Net Initial Yield (NIY): annualised contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under refurbishment or not controlled by the Group and the Westfield trademark are not included in the calculation of NIY.

Net Initial Yield on occupied space: annualised contracted rent (including latest indexation) and other incomes for the next 12 months, net of operating expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. Assets under development are not included in this calculation.

Non-recurring activities: non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, impairment of goodwill or recognition of negative goodwill, amortisation of fair value of assets and liabilities recorded for the purpose of purchase price allocation, as well as costs directly incurred during a business combination and other non-recurring items.

Occupancy Cost Ratio (OCR): (rental charges + service charges including marketing costs for tenants, all including VAT)/(tenants' sales, including VAT). As tenant turnover is not known for all tenants for the Netherlands, no reliable OCR can be calculated for this country. Primark sales are estimates.

Potential Yield: annualised contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses + the ERV of vacant space, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping centres under refurbishment or not controlled by the Group and the Westfield trademark are not included in the calculation of NIY.

SBR: Sales Based Rent.

Secured debt ratio: Secured debt/Total assets.

Tenant sales: performance in the Group's shopping centres (excluding the Netherlands) in operation, including extensions of existing assets, and excluding deliveries of new brownfield projects, acquisition of new assets and assets under heavy refurbishment.

Total Acquisition Cost (TAC): the total amount a buyer shall pay to acquire an asset or a company. TAC equals the price agreed between the seller and the buyer plus all transfer taxes and transaction costs.

Total Investment Cost (TIC): Total Investment Cost equals the sum of: (i) all capital expenditures from the start of the project to the completion date and includes: land costs, construction costs, study costs, design costs, technical fees, tenant fitting-out costs paid for by the Group, letting fees and related costs, eviction costs and vacancy costs for renovations or redevelopments of standing assets; and (ii) opening marketing expenses. It excludes: (i) step rents and rent-free periods; (ii) capitalised financial interests; (iii) overhead costs; (iv) early or lost Net Rental Income; and (v) IFRS adjustments.

Unencumbered leverage ratio: unencumbered assets/unsecured debt.

Valuation of occupied office space: valuation based on the appraiser's allocation of value between occupied and vacant spaces.

Yield impact: the change in potential yields (to neutralise changes in vacancy rates and taking into account key money).

Yield on cost: URW share of the expected stabilised Net Rental Income divided by the URW Total Investment Cost increased by rent incentives (step rents and rent-free periods), and for redevelopment project only, the Gross Market Value of the standing asset at the launch of the project.