



SUSTAINABLE CONSUMERS: the pursuit of purpose and profit

As the premier global developer and operator of flagship destinations, and as individuals, we are leaders of change. We use our assets and collective strength to raise awareness and provide practical solutions to the ever-evolving consumer behaviors. **Our agility and capacity to innovate relies on understanding customer needs and expectations.** This is fundamental in allowing us to imagine the future of mixed-use destinations and be the preferred partner for retailers, cities and communities.

We aim at successfully designing the most appealing shopping, living and working experiences of tomorrow. We investigate major trends to build a forward-facing organization. We have decided to work with TrendWatching because we believe their expertise will provide us with comprehensive snapshots of the evolution of consumerism in the 21st century.

This year, TrendWatching will release four reports tailored specifically for the Group. They will also give live presentations in some regions.

Our first report focuses on sustainable consumption.

It is paramount to our success, as consumers are increasingly adopting sustainable behaviors. Corporate social responsibility is at the heart of the Group's strategy. It is a factor of progress and competitiveness. We continually seek new ways of improving our environmental footprint and strengthening our social impact. In 2016, we launched our Better Places 2030 strategy to proactively act on driving a positive change. In a few weeks you will discover the new version of this strategy, maintaining its original level of ambition, defining new objectives for our new group and integrating new areas of focus. Sustainable consumption is one of them.

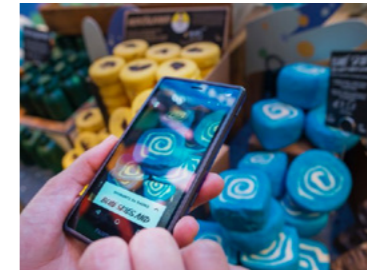
This report opens many options to be explored. We have started the journey and the next milestones are in our everyday actions. **We hope the insights will give you an opportunity to get involved and feel empowered to engage and lead the path of change.** Please do not hesitate to exchange your thoughts with us and your coworkers.



END OF EXCESS

From stats about plastic waste to headlines about the impact of fast fashion, consumers are increasingly aware that 'grab-go-throw' convenience comes with a price. One consequence? Concerned about the long-term impact, consumers are demanding brands redesign *all* single-use products.

FEATURED INNOVATIONS



LUSH

'Naked' shops offer plastic packaging-free cosmetics



THE NEW RAW & COCA-COLA

Initiative turns plastic waste into 3D-printed street furniture

IMPLICATIONS FOR URW

From banning plastic straws to reducing food waste, URW is already tackling pollution and waste. But could you take it further with eco experiences, where consumers learn about the impact of their consumption, or through incentives that contribute to positive behavior change?



OWNER-LESS

From media to fashion and more, consumers are choosing to rent rather than own. As the desire for newness collides with sustainability aspirations, consumers are embracing access-over-ownership services that combine the thrill of trying multiple products, with lower costs.

FEATURED INNOVATIONS



AMERICAN EAGLE

Brand launches a clothing rental service



BIRD

Electric scooter sharing-startup delivers transport on demand

IMPLICATIONS FOR URW

Access-over-ownership challenges what it means to be a retailer. What would it look like if URW's purpose wasn't to sell more, but ask 'is this needed?'. That's a concept that goes to the heart of what it means to be a brand, but rethinking 'retail' will appeal to consumers seeking something more.



GUILT-FREE LUXURY

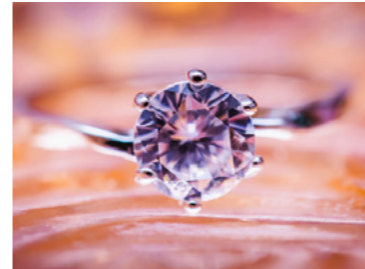
Aware of the conflicts between their impulsive consumption behaviors and their aspirations to be 'good', consumers are wracked with guilt. There is a growing hunger for a new kind of consumption: one free from worry about its negative impact, yet that allows continued indulgence.

FEATURED INNOVATIONS



MAIYET

Concept store focuses on positive social impact

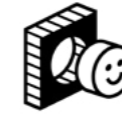


TIFFANY & CO.

Jeweler's diamond certificate to include country of origin

IMPLICATIONS FOR URW

For many consumers, the products, services and brands they choose to engage with is a chance to say something about what they care about and their values. Could URW pioneer a new kind of consumption: one that's free from worry about its negative impact yet allows continued indulgence?



SPARE CAPACITY

With their expectations primed by the sharing economy, consumers are embracing smart retailers that broaden their thinking around sustainability to unlock unused sources of value or find creative ways to reduce any wasted resource.

FEATURED INNOVATIONS



SPACIOUS

Out-of-hours restaurants used a co-working spaces



TERRA HALE

Eco-friendly gym turns exercise into energy

IMPLICATIONS FOR URW

Looking at every area of the business and ask if any of the sharing economy's business models could inspire you (or your customers!) to reduce waste. One approach that URW has already taken? The urban farm on the roof of the shopping center So Ouest, in Levallois-Perret.



INCLUSIVITY IRL

From body positive campaigns to 60-shade foundation ranges, inclusivity is everywhere. But consumers are no longer impressed by brands that hint at diversity. Instead they will demand retailers reimagine their offerings around the needs of a diverse set of customers - including marginalized groups.

FEATURED INNOVATIONS



STARBUCKS

Brand opens stores are staffed by seniors or deaf employees



ASOS

Etailer uses AR to show outfits on different body types

IMPLICATIONS FOR URW

Innovation starts by asking: how can we give people something of value? That means serving human needs. Marginalized groups have often been overlooked when it comes to those needs. How could you get to know those groups and build on the community initiatives URW has already put into practice?



OPEN SOURCE SOLUTIONS

Expectations around the limits of an organization's impact are evolving: 76% of global consumers say that CEOs should take the lead on change, not wait for governments. Inspiring organizations will disclose innovative sustainability solutions and collaborate to solve society's toughest problems.

FEATURED INNOVATIONS



OPENIDEO

Joint challenge aims to keep single-use cups out of landfill



ALLBIRDS

No patent on footwear brand's sugarcane shoe soles

IMPLICATIONS FOR URW

URW is already working with an innovation ecosystem. Can you continue collaborating with other brands to solve some of society's toughest problems? It is good for the planet and for brands seeking to prove to skeptical consumers that they're committed to meaningful change.



GLASS BOX BRANDS

Radical transparency has turned the walls of every business to glass. That transparency has turned brands' internal culture into a part - perhaps the most important part - of their customer-facing brand. What do consumers see when they look inside URW?

FEATURED INNOVATIONS



LEVI'S AND NEW AMERICA

Blockchain system ensures factory worker welfare



MICROSOFT

Suppliers required to offer employees paid parental leave

IMPLICATIONS FOR URW

Radical transparency means that a brand's internal culture is now a fundamental part of their customer-facing brand. Can that culture become a powerful marketing tool to communicate compelling stories about URW's values, sustainability commitments and more?