



Green bonds in action series: Investing in a sustainable future



Energy-efficient buildings

Green bonds are financial instruments designed to raise funds for projects that deliver positive environmental impacts.

KEY FACTS AND TRENDS IN BUILDINGS

Building Sector

37%

Global GHG emissions¹

when including operational emissions (heating, cooling, lighting) and emissions from construction materials such as cement and steel.

Emissions Trend



- Emissions have steadily increased over the past decades, largely driven by **urbanisation, population growth, and rising energy demand** for heating, cooling, and appliances.
- Without significant changes, building emissions are expected to grow further by 30-50% by 2050 due to increased floor space and electrification demands, especially in emerging economies.

THE ROAD TO NET ZERO BY 2050

To reach Net Zero by 2050, approximately US\$2.5-3 trillion is required annually globally by 2030², focusing on energy efficiency retrofits, low-carbon construction materials, electrification of heating and cooling, and integration of smart building technologies. In 2024, energy efficiency investments in the building sector were around US\$225 billion³, suggesting a shortfall of about US\$2.3 trillion a year.

REQUIRED

2030

Approx. **US\$2.5-3 trillion**



STATUS

2024



Global Investment Shortfall

Approx. **US\$225 billion**

WHERE DO GREEN BONDS FIT IN?

Green Buildings

29%



Allocation in our green bond universe

Eligible Projects Financed



- Energy Efficiency retrofits and renovations of existing buildings
- Construction of green certified new buildings
- Installation of on-site renewable energy systems
- Smart building infrastructure and energy management systems

¹Source: UN Global Status Report for Buildings and Construction ²Source: World Economic Forum – Building the Gap: How to finance the net zero transition.

³Source: BloombergNEF Report, 30 January 2025, Global Investment in the Energy Transition Exceeded US\$2 Trillion for the First time in 2024

Unibail-Rodamco-Westfield - Constructing a Sustainable Future

Unibail-Rodamco-Westfield (URW) is a leading European-listed real estate company headquartered in Paris, specialising in high-end commercial real estate. The company owns, develops, and operates major retail destinations under the Westfield brand in Europe and North America.

URW is redefining commercial spaces with sustainability at its core, with 90% of its European properties achieving top environmental ratings. In 2022, URW published its Green Financing Framework to finance or refinance green building projects through the issuance of green bonds.

Its recent green bonds financed the Lightwell project—a major office building renovation, transforming a 1980s building into a modern, low-carbon workspace. By retaining two-thirds of the original structure and integrating recycled materials, the 35,000m² building significantly reduces embodied carbon while offering high environmental performance.

Lightwell embodies URW's forward-thinking approach to sustainable office development—combining environmental rehabilitation, architectural innovation, and tenant-focused design to create a next generation workplace anchored in ESG leadership and urban renewal.

Lightwell project: Green Financing Framework 2023 by Unibail Rodamco Westfield⁴



Transforming a
1980s
building into a



Modern

Low-carbon
workspace



Retaining two-thirds of the original structure and integrating recycled materials.



35,000m²

The building significantly reduces embodied carbon while offering high environmental performance.



Expected certification refurbishment BREEAM “Excellent”



The project has been evaluated internally as compliant with the EU taxonomy substantial contribution criteria from the Green Financing Framework.

RT existant
-50%

Energy performance of refurbished building compared to regulatory standard.



Improvements of the energy intensity will avoid up to

85tCO₂e
per year

Green bonds are one of the most appropriate debt instrument to accompany issuers committed to transition to a low carbon economy. It supports the decarbonization of the building and construction sector by channeling capital towards projects that reduce GHG emissions and provide investors with a higher level of transparency and measurability.

⁴Source: Lightwell project: Green Financing Framework 2023 by Unibail Rodamco Westfield

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