



Real value in a changing world

Sonae Sierra

2008 **Review** of CR Actions

Report

March 2009

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1 Introduction

In Sonae Sierra's 2007 CR Report, the company publicly disclosed 19 CR targets to achieve by the end of 2008. To support the accomplishment of the company's long-term objectives, Sonae Sierra also defined 50 additional CR actions to be achieved before the end of 2008. This report, which has been prepared by Upstream Sustainability Services¹ for Sonae Sierra, is intended to provide an independent review of the company's progress towards meeting the company's 50 CR actions. It is divided into three main sections:

- Methodology
- Summary of progress
- Comment on progress against 2008 CR actions.

The information set out in this report should enable stakeholders to gain an understanding of the actions which Sierra has taken during 2008 to make progress towards achieving the long-term objectives which the company has set with respect to each CR impact area, as well as to improve performance in terms of Environmental Management and Risk Management.

¹ Upstream Sustainability Services is an operating unit with Jones Lang LaSalle.

2 Methodology

The methodology used to evaluate each action is based on the same principles applied to the review performance against the CR targets publicly disclosed in the company's 2007 CR Report. The level of progress achieved against each action has been established by scrutinising the documented evidence of achievement provided by each of the business functions, and, where further explanations were deemed necessary, through communication with relevant persons within Sonae Sierra. The methodology used in order to determine the percentage for completion awarded for each action varies according to the type of action set.

Evaluation of 'performance' related actions

'Performance'-related actions are those concerned with achieving performance against a standard (e.g. ISO 14001, or relevant government standards) or a threshold of performance (e.g., a recycling rate).

These actions have been evaluated by awarding a percentage for completion which corresponds directly to the measurement of performance achieved, divided by the measurement of performance which was set to be achieved. Percentages have been calculated using integral numbers.

Evaluation of management actions

Management actions relate to a management process or procedure. Management actions may contain quantifiable elements, but do not measure improved performance relative to a threshold or standard.

Upon setting management actions for 2008 across all CR impact areas, Sonae Sierra anticipated in advance the steps which would constitute the necessary process to achieving those actions. Following this, in order to determine the extent to which each step contributed to the overall achievement of the action, a weighting (%) was set for each one on an "effort" basis, by applying professional judgement. Management actions have, therefore, been awarded a percentage of achievement in view of the evidence of completion received by Upstream Sustainability Services in relation to each step anticipated as necessary for the whole action to be completed, and in accordance with the weighting (%) attributed to each step.

3 Summary of progress

3.1 Summary of progress against 2008 internal CR actions

Figures 1 and 2 below summarise Sierra's progress against 50 CR actions to be achieved by the end of 2008.

Figure 1: Pie chart

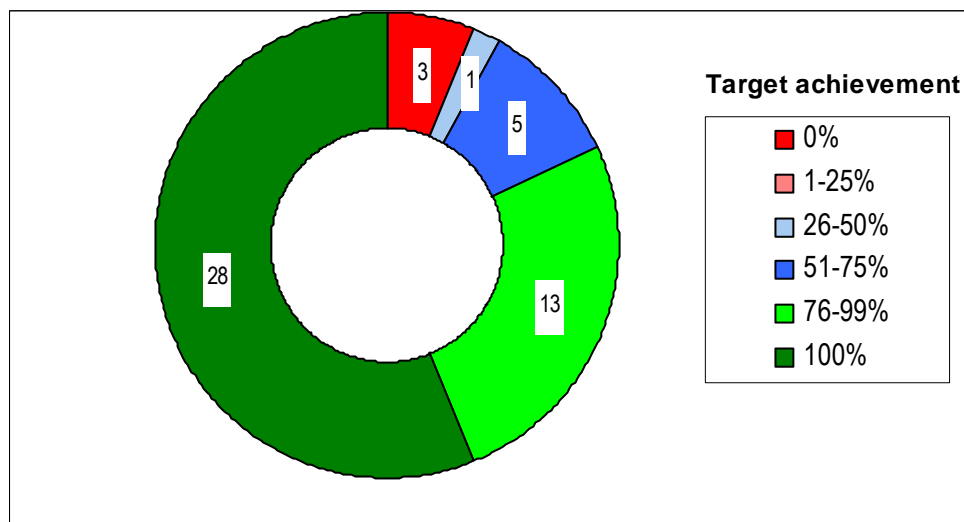


Figure 2: Summary of progress against all actions, by impact area

CR Impact Area	Number of actions	0%	1-25%	26-50%	51-75%	76-99%	100%	N/A
Environmental Management	2	-	-	-	1	-	1	-
Climate change	14	-	-	1	-	6	7	-
Water	9	-	-	-	2	4	3	-
Waste	4	-	-	-	-	1	3	-
Land use	2	-	-	-	-	1	1	-
Suppliers	4	-	-	-	-	-	4	-
Tenants	4	-	-	-	1	1	2	-
Communities and Visitors	2	-	-	-	-	-	2	-
Employees	2	-	-	-	1	-	1	-

Safety and Health	3	1	-	-	-	-	2	-
Risk Management	4	2	-	-	-	-	2	-
TOTALS	50	3	-	1	5	13	28	-

4 Detailed review of progress against 2008 CR Actions

The following table provides a comment on the extent of action achievement for each action.

2008 CR Actions	% achievement	Comments on the extent of action achievement
ENVIRONMENTAL MANAGEMENT		
Develop a medium-term strategy for waste management, energy and water saving awareness training among centre staff, service suppliers and tenants.	100%	<p>Sonae Sierra developed an awareness-raising strategy and corresponding action plan covering the environmental issues of energy, water and waste, and this was presented and approved (with one minor revision) at the CR Steering Committee meeting of 17/12/2008.</p> <p>In 2008, Sonae Sierra inaugurated 4 new projects and 3 new expansion/refurbishment projects. Of these 7 projects, the Centro Colombo refurbishment was not considered to be applicable for this action as the ESRD report had not been concluded before the end of 2008.</p> <p>Therefore, the following 6 projects and corresponding levels of ESRD compliance were considered:</p> <ul style="list-style-type: none"> • Plaza Mayor in Spain achieved 97% compliance with the applicable critical ESRD standards; • Freccia Rossa in Italy achieved 73%; • Gli Orsi in Italy achieved 90%; • Pantheon Plaza in Greece achieved 72%; • ArrábidaShopping in Portugal did not implement the ESRD (0%); • Valecenter in Italy achieved 63%.
Ensure that all projects achieve 100% of compliance with critical ESRD standards.	66%	<p>Taking account of the extent of compliance with the critical ESRD at each completed project, we have evaluated this action as having been 66% achieved.</p>
CLIMATE CHANGE		
Undertake full energy audits at shopping centres where these have not been previously carried out within the last 5 years.	81%	<p>At the beginning of 2008, 22 shopping centres had not undertaken full energy audits within the last 5 years and these centres were therefore required to complete this action by the end of 2008.</p> <p>This action was fully achieved at all applicable shopping centres in Italy, Romania and Brazil. In Portugal and Spain, steps 1, 2 and 3 of this action were completed with respect to all 12 applicable centres, however energy efficiency measures were only included in the 2009 Investment Plans for 2 shopping centres. At Mediterranean Cosmos in Greece, only steps 1 and 2, and part of step 3 were achieved before the end of 2008. It is expected that</p>

<p>Implement the recommendations made by energy audits at shopping centres where audits have been undertaken.</p>	<p>91%</p>	<p>the action will be concluded in this country in 2009. With respect to the 2 shopping centres in Germany, no evidences were received to support the verification, so it has been considered that only step 1 was achieved.</p>
<p>Continue to install the necessary infrastructure to measure and monitor individual energy uses (HVAC, car parking, lighting and vertical transport) separately in centres where this has not already been completed following the requirements established in ESRD (ESRD standard: ENE.RGW 31).</p>	<p>95%</p>	<p>We have concluded that, taking into account the level of achievement at each of the 22 applicable centres, this action was 81% accomplished overall.</p> <p>Sonae Sierra confirmed that this action was only applicable for 8 shopping centres in Portugal.</p> <p>Energy efficiency recommendations were implemented at 7 out of 8 of these centres, so we have concluded that this action was 91% achieved.</p> <p>At the beginning of 2008, 22 shopping centres had not installed the necessary infrastructure to measure and monitor individual energy uses (HVAC, car parking, lighting and vertical transport) separately. These 22 centres were therefore required to complete this action by the end of 2008 following the requirements established in ESRD standard: ENE.RGW 31. This action was fully achieved in 20 out of 22 applicable centres and partially achieved in 2 centres. Therefore, the action has been evaluated as being 95% achieved overall.</p>
<p>Replace HCFC air conditioning systems in: Portugal (GuimarãeShopping, ViaCatarina, ArrábidaShopping, CoimbraShopping and GaiaShopping) and Italy (Valecenter).</p>	<p>100%</p>	<p>This action was fully achieved in all applicable centres except for Mediterranean Cosmos in Greece and Valecenter in Italy. At Mediterranean Cosmos, the necessary equipment and anticipated costs were identified; however the equipment was not installed due to the fact that the measure was not approved by the Mediterranean Cosmos Asset Manager. At Valecenter in Italy, the equipment had not been fully installed (the connection with the BMS had not been made) before the end of 2008.</p> <p>In 2008 Sonae Sierra replaced HCFC air conditioning units in all applicable centres corresponding to this action. It has been concluded that the action was 100% achieved.</p>
<p>Perform in 20% of shopping centres under operation a cost benefit study for integrating renewable energy.</p>	<p>100%</p>	<p>In 2008 Sonae Sierra undertook cost benefit studies for the integration of on-site renewable energy generation at 11 shopping centres under operation, corresponding to over 20% of the total Sierra shopping centres that were fully operational for the whole of 2008. We have therefore considered that this action was fully achieved.</p>
<p>When purchasing new electrical appliances' (HVAC equipments) source those with high energy efficiency ratings (ESRD).</p>	<p>100%</p>	<p>Sonae Sierra sourced new equipments at 7 shopping centres in Portugal. The equipments purchased corresponded to the energy efficiency specifications of the ESRD or, in the case of CoimbraShopping where this was not possible; the most efficient available equipment was purchased. We have therefore concluded that this action was 100% achieved.</p>
<p>Review the options available for renewable energy procurement from the grid with a view</p>	<p>83%</p>	<p>This action was fully achieved in Portugal, Spain, Italy, Greece and Romania. In Portugal and Greece it was determined as not being possible for Sierra to</p>

<p>to procuring green energy to supply all the owned and co-owned shopping centres in Europe.</p>		<p>switch to a green energy tariff as there is only 1 energy supplier in these countries and this service is not offered. With respect to Spain and Italy, the findings of the investigation suggested that it would not be economically feasible at present for Sierra centres to switch to green energy tariffs. In Romania it was decided to change energy supplier, which will allow for an increase in the proportion of renewable energy procured through the grid, from around 26% to around 55%. In Germany the action was not achieved.</p> <p>We have therefore evaluated this action as being achieved in 5 out of 6 applicable countries, and therefore 83% achieved overall.</p>
<p>Implement Green Travel Plans to 1 shopping centre per country (Guidelines on how to do it will be sent to ER until the end of 2007).</p>	<p>96%</p>	<p>In 2008, Sonae Sierra developed Green Travel Plans for Vasco da Gama in Portugal, GranCasa in Spain, Valecenter in Italy, Mediterranean Cosmos in Greece and Shopping Penha in Brazil. At Alexa in Germany a Green Travel Plan has been developed, however it has not yet been formally communicated to stakeholders. We have considered that this action was fully achieved at 5 out of 6 applicable shopping centres, and that steps 1,2 and 3 were achieved at Alexa.</p>
<p>Initiate the substitution of the fuel cogeneration system at Centro Colombo (Portugal) by natural gas.</p>	<p>50%</p>	<p>In 2008 Sonae Sierra initiated the fuel substitution of the cogeneration system at Centro Colombo by obtaining the license for the new system. However, the new equipment was not commissioned, so this action was 50% achieved.</p>
<p>Do CO² audits (GHG Protocol scopes 1 and 2) in 2 countries in order to monitor the CO² action achievement and define recommendations for improvement.</p>	<p>100%</p>	<p>Sonae Sierra commissioned studies by Edifícios Saudáveis at 5 shopping centres (3 in Italy and 2 in Germany) which focused on measures to improve the energy efficiency, reduce GHG emissions and costs associated with indoor technical lighting.</p>
<p>Do a pilot study in a shopping centre where the energy meters are already installed according to the ESRD to check if at the end the output is according to what is expected.</p>	<p>100%</p>	<p>In 2008 Sonae Sierra commissioned a detailed study by Edifícios Saudáveis on the theme of developing benchmarks for energy and air quality for Sierra centres in operation. The completed study included identification of the output expected in accordance with the ESRD in relation to energy consumption and metering, and a pilot study on 8ª Avenida shopping centre in Portugal to identify if the output is according to what is expected, including recommendations for future improvements.</p>
<p>Investigate how to increase the environmental performance of the company car fleet, and also of the cars to be leased by employees in working travels.</p>	<p>100%</p>	<p>Sonae Sierra commissioned a review to establish how the company could integrate environmental concerns into the car fleet policy. A report was developed and reviewed by Sierra, and an action plan was drawn up based on the recommendations made. This action plan was presented to the CR Steering Committee on 17/12/08, and was approved with some changes.</p>
<p>Perform energy audits at offices where they were not yet performed and implement the recommendations made by energy audits at offices where they were already performed.</p>	<p>93%</p>	<p>Concerning the first part of this action, during 2008 Sonae Sierra commissioned energy audits at corporate offices in Milan, Athens and Bucharest offices where audits had not previously been undertaken. No audit was commissioned at Maia office in Oporto, due to the fact that the building and its installations are shared with another occupier. At Milan and Bucharest, recommendations were identified for implementation during 2008/2009. The three actions scheduled for 2008 were completed. However, at the Athens</p>

<p>Develop a Green Travel Plan in one office.</p>	<p>100%</p>	<p>office, the audit had been commenced but the report and recommendations had not been completed before the end of 2008. Concerning the second part of the action, Upstream concluded that this was fully achieved for all 3 applicable offices (Lisbon, Madrid and Düsseldorf).</p> <p>Overall, we have considered that this action was fully achieved at 5 out of 6 applicable offices, and that steps 1 and 2 were completed at the Athens office. We have therefore considered that the action was 93% achieved.</p> <p>In 2008 Sonae Sierra developed and launched a Green Travel Plan project for the Lisbon offices (Quinta do Lambert).</p>
<p>WATER</p>		
<p>Continue to install the necessary infrastructure to measure and monitor individual water uses separately (according to ESRD (ESRD standard: WAT.CONTR 1)) at shopping centres where this has not already been completed.</p>	<p>89%</p>	<p>At the beginning of 2008, 14 shopping centres had not installed the necessary infrastructure to measure and monitor individual water uses separately. These 14 centres were therefore required to complete this action by the end of 2008 following the requirements established in ESRD standard: WAT.CONTR1.</p> <p>This action was achieved at all applicable centres in Portugal, Italy, Germany and Romania. In Spain, the action was fully achieved in applicable all centres except Parque Principado, due to lack of full approval of this measure. The same situation occurred at Mediterranean Cosmos in Greece, where the necessary equipment was identified, however the Asset Managers of the centre did not approve the investment needed to complete the action. Taking into account that this action was fully achieved at 12 out of 14 applicable shopping centres and partially achieved at 2 centres, we have considered 89% as the overall accomplishment.</p>
<p>Undertake water consumption full audits at shopping centres where these have not been previously carried out within the last 6 years.</p>	<p>77%</p>	<p>At the beginning of 2008, 14 shopping centres had not undertaken full water audits within the last 6 years and these centres were therefore required to complete this action by the end of 2008.</p> <p>This action was achieved at all applicable centres in Portugal and Italy and 3 centres in Spain. 6 out of 9 centres in Spain did not achieve step 4, at Parque D. Pedro in Brazil only steps 1 and 2 were implemented, and in Greece, the Asset Managers of Mediterranean Cosmos did not approve the investment needed to complete the action, so only step 1 was achieved. Taking into account that the action was fully achieved at 6 out of 14 centres and partially achieved at 8, we have considered 77% as the overall accomplishment.</p>
<p>Implement the recommendations made by water consumption audits at shopping centres where audits have been undertaken.</p>	<p>100%</p>	<p>In 2008 Sierra implemented the measures identified as a result of the water consumption audits at CascaiShopping, Estação Viana and ViaCatarina. At Vasco da Gama the substitution of taps was not carried out, however an alternative measure was implemented which was estimated to have a greater impact. We have therefore concluded that this action was 100% achieved in Portugal.</p>

Do a cost-benefit analysis to install flow-reduced taps and waterless urinals in WCs in shopping centres which are not yet updated with these kinds of equipments.

92%

At the beginning of 2008, 31 shopping centres had not installed flow-reduced taps and/or waterless urinals. Therefore, these 31 shopping centres were required to perform a cost-benefit analysis to install this type of equipment by the end of 2008.

In 2008 Sonae Sierra undertook cost-benefit analyses for the installation of waterless urinals and/or reduced flow taps at all 14 shopping centres which were the scope of this action in Portugal, at the 9 centres in Spain, Mediterranean Cosmos in Greece, and at the 3 applicable shopping centres in Brazil. At Airone a study was carried out concerning taps only. At Max Center, Airone, River Plaza Mall and Shopping Plaza Sul it was deemed feasible to implement some of these measures, although at Max Center budget was not approved to do so. This action was not achieved at the 2 centres in Germany.

We have concluded that the action was 100% achieved at 27 out of 31 applicable centres, 50% achieved at Airone, 90% achieved at Max Center and 5% achieved at the 2 centres in Germany. This enables us to evaluate an overall accomplishment of 92%.

At the beginning of 2008, 3 shopping centres which have favourable conditions for rainwater harvesting, had not undertaken pilot studies to test the feasibility of this technology. Therefore these 3 sites (Centro Colombo and Arrábida Shopping in Portugal and Boavista Shopping in Brazil) were required to undertake pilot studies and where these demonstrated that the technology is feasible, to install the required equipment by the end of 2008.

Undertake pilot studies on rainwater harvesting feasibility at shopping centres where these have not been previously undertaken and where conditions may be favourable and if feasible, install the equipment necessary.

73%

In 2008 Sonae Sierra undertook pilot studies to identify the feasibility of implementing rainwater harvesting systems at Centro Colombo and Arrábida Shopping in Portugal. At Arrábida Shopping the system was considered unfeasible. At Centro Colombo, the implementation of the rainwater harvesting systems was proposed for 2009. A study was also developed Boavista Shopping in Brazil, based on Sierra's experience of rainwater harvesting at Shopping Penha, however, the system was not installed at Boavista during 2008.

We have concluded this action was fully achieved at Arrábida Shopping, partially achieved at Centro Colombo and at Boavista Shopping.

Undertake pilot studies to identify possibilities for grey water reuse within Sierra centres and, if feasible, install the equipment necessary for the system of grey water reuse.

52%

In 2008 Sonae Sierra undertook pilots study to identify the possibilities for grey water reuse at Valecenter in Italy, River Plaza Mall in Romania and Shopping Penha in Brazil. At Valecenter it was concluded that grey water reuse would not be feasible to implement. At River Plaza Mall in Romania, although the system was feasible and proposed for implementation, it was not approved by the shopping centre Asset Manager. At Shopping Penha in Brazil the grey water reuse system was also considered feasible but was not installed during 2008. With respect to Alexa in Germany and Mediterranean Cosmos in Greece, the action was not commenced due to budget restrictions.

Considering that the action was fully achieved at Valecenter and River Plaza

<p>Identify a benchmark indicator for Portugal.</p> <p>Undertake a study to compare 2 ways of Cooling: - using cooling Towers or without cooling Towers, using air cooled-chillers.</p> <p>Develop the terms and references for full water consumption audits at Sierra shopping centres.</p>	<p>85%</p> <p>100%</p> <p>100%</p>	<p>Mall and that steps 1 and 2 were achieved at Shopping Penha, we have evaluated this action as being 52% accomplished overall.</p> <p>In 2008, Sonae Sierra participated in the Upstream Benchmarking for Properties, and, using the results from this survey, carried out a study to see whether it was possible to define a benchmark indicator for water consumption in Portuguese centres. However, due to the nature of the data (significant differences between shopping centres, changing trends over time and the fact that factors beyond Sierra's control seem to have a strong influence, such as weather, location and structural factors), it was concluded that the identification of a benchmark for Portugal was immature. For the time being, then, main indicator will remain as litres per visit.</p> <p>Upstream concluded that steps 1 - 3 of this action were achieved through participation in the Upstream Benchmarking for Properties survey, which enables Sierra to benchmark performance against peer companies, and that step 4 was partially achieved, due to the fact that the best benchmark indicator was recognised as 'litres per visit', but no value was identified.</p> <p>Sierra commissioned the study 'Análise de Ciclo de Vida: "Chillers" água-água versus "chillers" ar-água' undertaken by Edifícios Saudáveis, including recommendations to Sierra about which type of chiller is preferable. On the basis of the findings of this study, a revision to the ESRD standard concerning chillers has been proposed.</p> <p>In 2008 Sonae Sierra developed terms of reference for full water consumption audits at shopping centres, and these were discussed by Environment Responsibilities at the Environment Working Group meeting of September 2008.</p>
<p>WASTE</p>		
<p>Review the options available for the composting of organic waste (either through the purchase of an on-site composting facility or through partnerships with local organisations) at centres where this is not currently being undertaken and if feasible implement the system.</p> <p>Review the options available to send non-recyclable waste to a waste energy facility (waste facilities where waste is incinerated</p>	<p>94%</p> <p>100%</p>	<p>In 2008, Sonae Sierra reviewed options for waste composting at RioSul and ViaCatarina in Portugal, Airone in Italy, Mediterranean Cosmos in Greece, River Plaza Mall in Romania and all centres in Brazil. In Portugal and Italy, options for waste composting were identified and organic waste from the centres mentioned is now being sent to these facilities. In Greece, Romania and Brazil, it was concluded that there were not any options available.</p> <p>With respect to Münster Arkaden in Germany, no evidences could be provided for the purpose of verification. It was therefore concluded that only step 1 was achieved.</p> <p>Given that this action was 100% achieved with respect to 14 out of 15 applicable centres and 10% achieved at Münster Arkaden, we have considered that the action was 97% accomplished overall.</p> <p>In 2008, Sonae Sierra reviewed options for sending non-recyclable waste to an energy recovery facility at 3 centres in Portugal, 3 centres in Spain, 2 centres in Italy, 2 centres in Germany, Mediterranean Cosmos in Greece,</p>

<p>and the combustion heat is used to produce electricity) in regions where Sierra operates, so as to reduce the rate of waste sent to landfill, and implement it when feasible.</p> <p>Perform waste characterization studies and identify possible options to reduce waste production and increase the rate of waste recycled, recovered and reused in at least 1 shopping centre in Germany, Greece, Romania and Brazil.</p> <p>Undertake a waste audit in at least 1 shopping centre in Portugal, Spain and Italy in order to identify possible options to reduce waste production and increase the rate of waste recycled, recovered and reused.</p>	<p>100%</p> <p>100%</p>	<p>River Plaza Mall in Romania and all centres in Brazil. NorteShopping in Portugal and Zubiarte in Spain are now sending waste to an energy recovery plant and Avenida M40, also in Spain, made arrangements to begin to send waste to an energy recovery facility at the start of 2009. At Freccia Rossa in Italy, Sierra received confirmation that undifferentiated waste is actually sent to a thermo plant. However, at other centres it was identified that this option was not possible or feasible.</p> <p>In 2008 Sonae Sierra commissioned and undertook waste characterisations studies at Mediterranean Cosmos in Greece, Münster Arkaden in Germany, River Plaza Mall in Romania and Shopping Campo Limpo in Brazil. We have concluded that this action was fully achieved.</p> <p>In 2008 Sonae Sierra commissioned and undertook waste audits at CoimbraShopping in Portugal, Dos Mares in Spain and Freccia Rossa in Italy.</p>
<p>LAND USE</p>		
<p>Biodiversity for shopping under operations - Organise a biodiversity-related competition for visitors/employees in each Sierra country of operation.</p> <p>Develop a database of native trees associated with developed "greenfield" projects.</p>	<p>98%</p> <p>100%</p>	<p>Sonae Sierra organised a biodiversity-related event or competition at 98% of the operational shopping centres under management for the whole of 2008. In 2008 NorteShopping did not achieve this target.</p> <p>In 2008 Sonae Sierra developed a form of database to identify native trees associated with developments on greenfield sites.</p>
<p>SUPPLIERS</p>		
<p>To send the recently approved Sierra Responsible Procurement Policy statement to 100% of Sierra's Development suppliers.</p> <p>Encourage all high risk, repeat Property Development suppliers to complete the CR questionnaire, with the aim of achieving a base-line CR rating for each of these suppliers.</p> <p>To send the recently approved Sierra Responsible Procurement Policy statement to 100% of Sierra's property management suppliers.</p>	<p>100%</p> <p>100%</p> <p>100%</p>	<p>In 2008, Sonae Sierra sent the approved Responsible Procurement Policy to all development suppliers.</p> <p>Sonae Sierra identified "high risk" and "repeat" suppliers for development, and issued the Suppliers CR Questionnaires to these suppliers in 2008.</p> <p>In 2008 Sonae Sierra sent the approved Responsible Procurement Policy to all Property Management suppliers.</p>

<p>Encourage all high risk, repeat Property Management suppliers to complete the CR questionnaire, with the aim of achieving a base-line CR rating for each of these suppliers.</p>	<p>100%</p>	<p>CR questionnaires were completed by property management service suppliers for cleaning, waste removal and maintenance in all Sierra's countries of operation. The results of the questionnaire were analysed and follow-up actions were proposed to some suppliers which received a poor rating.</p>
<p>TENANTS</p>		
<p>Launch a targeted tenant survey among senior management representatives of key tenant companies in our principal countries of operation (i.e. Portugal, Spain and Brazil). Through this survey we aim to gain comprehensive feedback on Sierra's management services and CR practices, including suggestions for further improvements and opportunities for collaboration.</p>	<p>100%</p>	<p>In 2008 Sonae Sierra commissioned a top-management level survey among key tenants in Portugal, Spain and Brazil. The findings were analysed and reviewed by Sierra, with priority actions for improvement being drawn up and approved for future implementation.</p>
<p>To achieve an average occupancy level of at least 95% (measured in number of units) in each country where Sierra operates.</p>	<p>57%</p>	<p>It was agreed that this action should be measured with respect to occupied GLA, in accordance with Sierra's key performance indicator for Occupancy. This action was fully achieved in 4 out of 7 countries where Sierra operates; Spain, Italy and Romania did not meet the action. On 31/12/08, occupancy levels for each country stood at 95.4% in Portugal; 92.1% in Spain; 86.1% in Italy; 99.1% in Germany; 97.5% in Greece; 84.1% in Romania; 96.8% in Brazil.</p> <p>We have therefore concluded that this action was 57% achieved ($=4 \text{ (countries where the action was achieved)} / 7 \text{ (total Sierra countries of operation)} * 100$)</p>
<p>To organize at least 6 meetings per year with tenants on Corporate Responsibility issues, in every Sierra owned or co-owned shopping centre.</p>	<p>98%</p>	<p>In 2008 Sonae Sierra organised at least 6 meetings with tenants in relation to CR issues in all owned shopping centres in operation for the whole year with the exception of Centro Comercial Modelo de Albufeira in Portugal, where there were not full evidences to support the achievement of this action.</p> <p>We have therefore concluded that the action was achieved at 46 out of 47 applicable centres, which equals 98%.</p>
<p>To ensure that minimum social and environmental compliance standards are indeed included in the Regulations of all Sierra owned or co-owned shopping centres.</p>	<p>100%</p>	<p>In 2008 Sonae Sierra directly ensured that minimum social and environmental compliance standards were introduced into the Regulations of shopping centres fully owned by Sierra or Sonae Sierra Brasil. For co-owned shopping centres, the new shopping centre regulations were developed and presented to the consortium of co-owners for their approval. Finally, for the 2 shopping centres in Germany, the new shopping centre regulations were sent to all tenants for their approval, in accordance with the norms in this country. Considering that Sierra developed the new regulations for every applicable shopping centre, implemented them directly where possible and sought to implement them where agreements had to be reached with other parties, we</p>

		have considered that this action was fully achieved.
COMMUNITIES AND VISITORS		
Roll out the community panel to one shopping centre per country.	100%	In 2008 Sonae Sierra launched 6 new Community Panels; Estação Viana in Portugal, River Plaza Mall in Romania, Münster Arkaden in Germany, Valecenter in Italy, Mediterranean Cosmos in Greece and Manauara Shopping development project in Brazil. The Community Panel at Dos Mares in Spain, already established during 2007, continued to function with further meetings and actions taking place in 2008. Therefore by the end of 2008 there was 1 Community Panel in operation at 1 shopping centre or development project in each country where Sierra operates.
Organise an annual "Sierra Community Day"	100%	On 13th and 14th November 2008 Sonae Sierra launched a corporate Community Volunteering programme with the theme "make a difference to someone's life". Sierra collaborated with NGOs to undertake a wide range of initiatives across all countries where Sierra operates.
EMPLOYEES		
Introduce a formal policy on equal opportunities and diversity and implement it.	100%	Sonae Sierra developed and formally approved a Non-Discrimination and Diversity Policy in 2008. This policy was introduced to all staff on 29/12/2008.
Undertake ergonomic and workforce conditions assessments for Romania, Greece and Brazil and define an action plan to implement the recommendations.	70%	In 2008 Sonae Sierra commissioned and undertook ergonomic assessments for staff in Greece (workstations at the Athens offices and Mediterranean Cosmos shopping centre); Romania (Bucharest offices, River Plaza Mall and Arena Mall shopping centres) and Brazil (São Paulo offices only). Assessments were not undertaken at the 9 other sites in Brazil (shopping centres) as there was a mis-understanding regarding the scope of the action. The assessments which were undertaken covered all workstations at the sites specified, including those occupied by outsourcing, service suppliers and consultants. Follow-up action plans were developed for each site and for each workstation, and the summary of these action plans (a global action plan) was developed.
SAFETY AND HEALTH		
To achieve accreditation of Sierra's corporate Safety and Health Management System in accordance with the OHSAS 18001.	100%	Sonae Sierra's corporate S&H Management System for development, investment and property management of shopping and leisure centres was certified in accordance with OHSAS 18001: 2007 standard by TUV Rheinland in October 2008.
To achieve accreditation of the Safety and Health Management System of two shopping centres in operation in accordance with the OHSAS 18001.	100%	In 2008 Sonae Sierra in fact exceeded this action by achieving accreditation of the site Safety and Health Management System of 3 shopping centres in operation in accordance with the OHSAS 18001 standard. Centro Colombo in Portugal, Parque D. Pedro and Shopping Penha in Brazil were all certified by TUV Rheinland during Q4 2008.

<p>To achieve accreditation of the Safety and Health Management System of one shopping centre construction works in accordance with the OHSAS 18001.</p>	<p>0%</p>	<p>This action was not achieved, as the project selected for certification scope did not start construction in 2008.</p>
<p>RISK MANAGEMENT</p>		
<p>To roll-out the APSIS cost control program to all committed projects in Portugal, Spain and Italy.</p>	<p>100%</p>	<p>During 2008, APSIS was rolled-out to Portugal (LeiriaShopping development project), Spain (Pulianas), Germany (Alexa and Loop5), Romania (Craiova) and Italy (Le Terrazze and Freccia Rossa). Meanwhile, Sierra decided to replace Apsis by a new software toll that is currently under implementation and that better suits company's needs as far as project control is concerned. Sierra aims to have this software fully implemented across the company by the end of 2009.</p>
<p>To produce, on a quarterly basis, two development reports for Board analysis (Funds at Risk, Development Risk).</p>	<p>100%</p>	<p>Sonae Sierra developed 2 development reports for each quarter. These reports were reviewed at the Sierra Executive Committee Meetings.</p>
<p>To prepare a proposal, for Finance Committee approval, to develop quantitative interest-rate hedging actions for the Company.</p>	<p>0%</p>	<p>This action was not implemented during 2008. Sierra is still at the stage of defining this proposal. We have therefore concluded that this action was not achieved.</p>
<p>To produce, on a quarterly basis, an interest rate risk report for Finance Committee analysis.</p>	<p>0%</p>	<p>A template for the interest rate risk reports was developed in 2007, however quarterly reports were not produced and distributed in accordance with the action. Considering that the first step was achieved in 2007 rather than in 2008, and that quarterly reports were not produced, we have concluded that this action was not achieved.</p>



Real value in a changing world

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