

2022 Management Actions

Corporate

Internal Audit Final Report

Feb. 22, 2023

To: The Board of Directors of Sierra Portugal S.A.

Date: Feb. 22, 2023

Subject: Internal Audit Report – **2022 Management Actions**

I. Introduction

This report presents an overview of the achievement rates of the Management Actions for 2022; the report is divided in two parts:

(i) Performance overview.

Overall summary of the achievement rates for all 2022 Management Actions, including analysis by different areas.

(ii) Actions by achievement rates.

II. Performance overview

Management Actions

Table 1: Status of 2022 Management Actions (27):

Status of 2022 Management Actions (27)

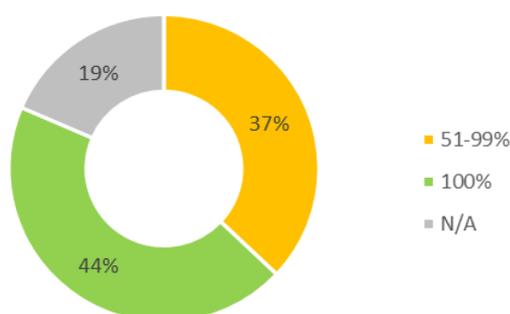


Table 2: Management Actions by area and score range:

Area	Number	Achievement Score				N/A
		0%	1%-50%	51%-99%	100%	
Circular Economy	2					2
Climate Change Resilience	7			2	5	
Human Capital Management	2			2		
Impact on Local Communities	2				2	
Risk Management	3				2	
Sustainable Buildings	11			6	3	3
Total	27	0	0	10	12	5

II. List of Management Actions by achievement rate

#	2022 Management Action/area	%	Comments
Circular Economy			
1	STF.P1.2 - For 100% of Expansion/ Refurbishment in Core Assets monitor and report in SHE Portal the plastic produced and the corresponding disposal method(s).	N/A	No Expansion / Refurbishment project occurred in 2022.
2	STF.P2.1 - Engage with the project' service suppliers to increase the percentage of plastic sent to recycling in 100% of refurbishments or Expansions from Core Assets.	N/A	No Expansion/ Refurbishment project occurred in 2022.
Climate Change Resilience			
3	E10.5 - Maintain the zero emission electricity contracts, where existing (SC's).	100%	All shopping centres presented evidence of (i) zero emission electricity contracts or (ii) certificates issued by external entity stating that the amount of energy entered into the distribution or transmission network has been produced from renewable sources (100%).
4	E10.7 - Continue with the fleet electrification program.	100%	The fleet electrification program is being continued.
5	E10.8 - Maintain the zero emission electricity contracts, where existing (Offices).	100%	All offices presented evidence of (i) zero emission electricity contracts or (ii) certificates issued by external entity stating that the amount of energy entered into the distribution or transmission network has been produced from renewable sources (100%).
6	E10.9 - Define a Decarbonization RoadMap for all owned assets.	100%	A Decarbonization RoadMap was defined for all owned assets.
7	E10.10 - Use the Sonae Forest to compensate fleet carbon emissions.	100%	Sonae Sierra Carbon Footprint is compensated through the participation in the Sonae Forest Project.
8	E10.11 - Assess the risks for each owned asset related to the Climate Change impacts.	95%	The risks for each owned asset related to the Climate Change impacts were assessed, except for one asset.
9	E10.6 - Strive to negotiate zero emissions electricity contracts.	65%	Except for one site, zero emissions electricity contracts were negotiated.
Human Capital Management			
10	SHEW 1.2 - Roll-out of an online training program on Unconscious Bias for all employees.	67%	The online training program on Unconscious Bias covered a total of 67% employees.
11	SHEW 3.1 - Increase the n. of annual editions of the eNPS from 2 to 4; deploy a climate survey.	60%	Only 2 of the 4 eNPS surveys foreseen were done.
Impact on Local Communities			
12	ILC1 - To do a partnership (Tenants, Authorities, Institutions, etc.) per shopping centre (SC)/set of SCs/country portfolio to develop a joint project with real and measurable benefits for the local community and the Shopping Centre.	100%	Partnerships were carried out, to develop a joint project with real and measurable benefits for the local community and the Shopping Centres.
13	ILC2 - Promote awareness on Climate Change and how to mitigate it implementing one campaign/event for visitors.	100%	The campaigns to raise awareness among stakeholders about Climate change, were implemented.

#	2022 Management Action/area	%	Comments
Risk Management			
14	RM 1 - Management Action not to be disclosed, for business reasons.	100%	Management Action achieved.
15	RM 2 - Management Action not to be disclosed, for business reasons.	100%	Management Action achieved.
16	RM 3 - Management Action not to be disclosed, for business reasons.	100%	Management Action achieved.
Sustainable Buildings			
17	SHE1.2 – Carry out an Environmental noise study at Valle Real.	100%	An Environmental noise study was carried out.
18	SHE2.1 - Maintain ISO 14001 & 45001 SHEMS certifications for 8 certified owned operating assets.	100%	All maintained SHEMS certifications.
19	SHE3.1 - Maintain/Achieve Green Building certifications (BREEAM In-Use Good) for 9 owned operating assets.	94%	Green Building certifications (BREEAM In-Use Good) were achieved/maintained for 9 owned operating assets, although in one asset only a part of the certification was assessed.
20	SHE4.2 - Achieve at least an average of 97% in SHE/SH Data Audits performed in owned operating assets, third party assets and offices.	93%	Some sites did not achieve at least 97% in SHE/SH Data Audits performed.
21	SHE1.1 - Ensure all owned non-certified operating assets and third-party assets have their SHE Legal Compliance assessed at least every two years.	92%	A part of owned non-certified operating assets and third-party assets had their SHE Legal Compliance assessed.
22	S3.3.1 - Implement S&H Actions in 10 operating assets (not included here due to its extension).	87%	S&H actions were partially implemented in 10 operating assets.
23	E11.2 - Implement energy Efficiency measures in 10 operating assets (not included here due to its extension).	82%	Energy efficiency measures were partially implemented at the 10 operating assets.
24	E1.2 - Implement water efficiency improvements at GranCasa, ParkLake and MaiaShopping.	67%	Water efficiency measures were implemented in two (out of 3) operating assets.
25	SHE2.2 - Achieve ISO 14001 & 45001 SHEMS certifications for major construction projects finishing in 2022.	N/A	No construction project occurred in 2022.
26	SHE3.2 - Achieve Green Building certifications (BREEAM NC Good or LEED BD+C Silver or DGNB Bronze) for major construction project, major refurbishments and major renovations.	N/A	No construction, refurbishments or renovation projects occurred in 2022.
27	SHE4.1 - For all projects completed in 2022 ensure that SHE data is correctly reported to guarantee that at least of 85% are validated in final data audit.	N/A	No construction project occurred in 2022.