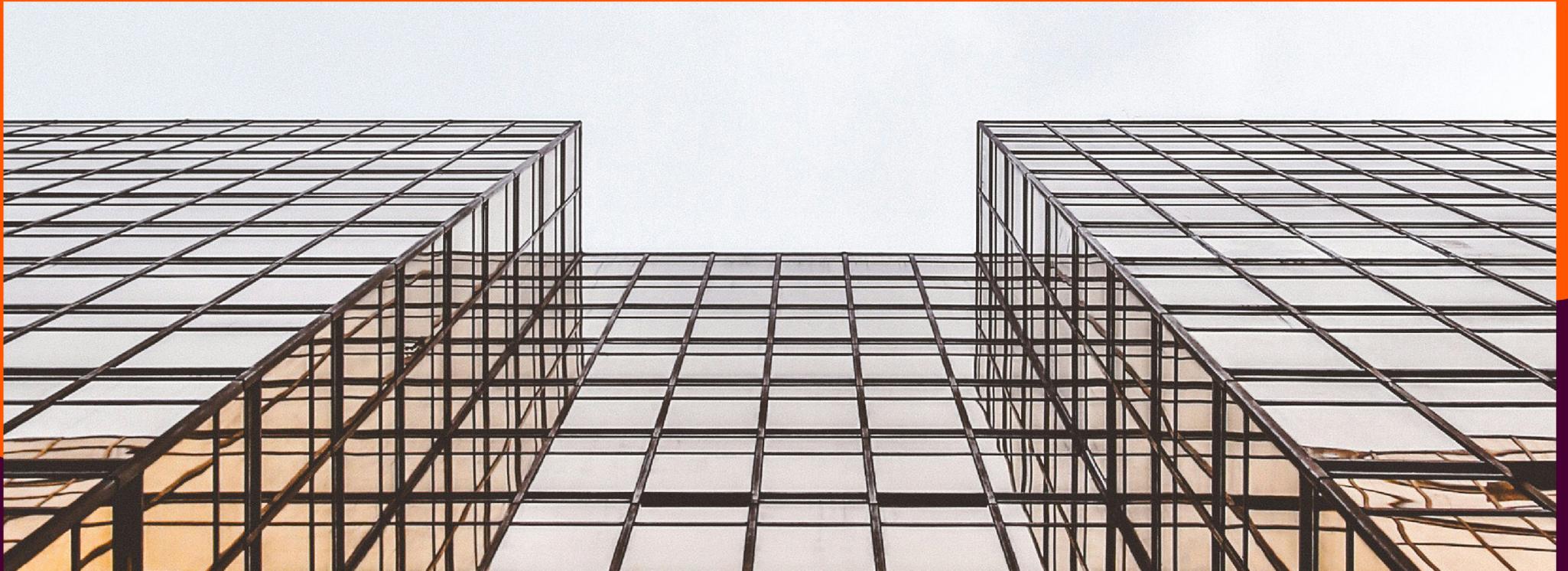


Rising Horizons

Open mind,
Greater value.



Rising Horizons



In a world of endless possibilities,
That can go as far as imagination,
We dare to dream big.

With the power to push boundaries,
the resilience to climb higher and
the ambition to redefine limits,
We amplify our collective impact.

We renew our unwavering commitment
To growth, innovation and
the relentless pursuit of greater value.

Join us in celebrating our journey
towards a future marked by
boundless opportunities and shared success,
The limitless horizons that lie ahead

Open mind,
Greater value.

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Rising
Horizons

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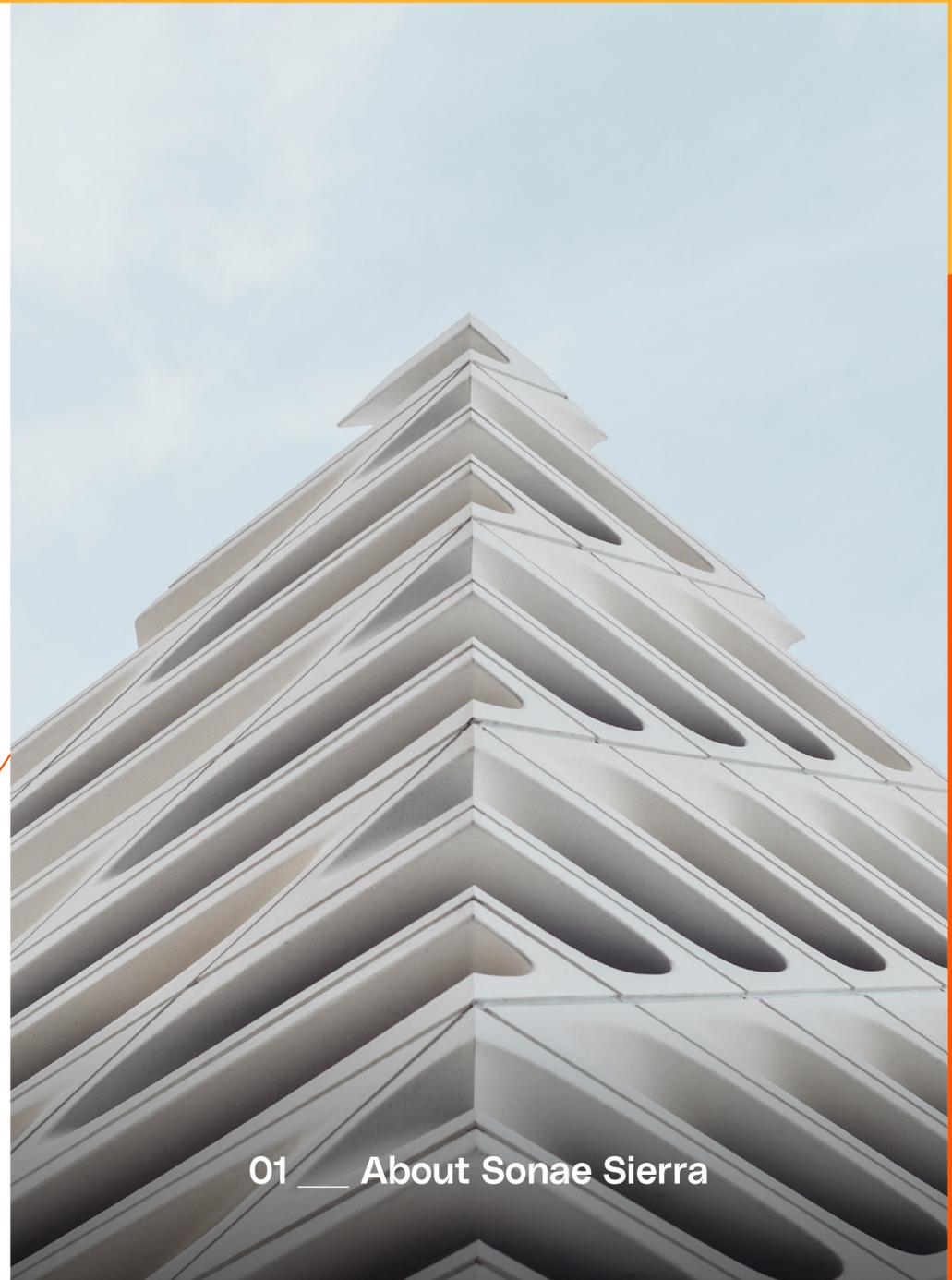
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Dream big, reach higher

The foundations
of success.



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01 — About Sonae Sierra

Sonae Sierra excelled,

turning strategy into action and
milestones into stepping stones.
Yet, we're just getting started—
there's more to come!



CEO's letter

Fernando Guedes
de Oliveira

CEO Sonae Sierra



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CEO's letter

Dear Stakeholders,

Reflecting on 2023, Sonae Sierra has not only demonstrated adaptability and sustained growth but also deepened our commitment to societal and environmental responsibilities. Amidst a landscape of political volatility and economic uncertainty, we've aligned our growth with our long-term vision, focusing on creating sustainable value for our stakeholders and the communities where we are involved. Our efforts this year have been pivotal in diversifying our business and enhancing the value of our services. Strategic investments have been made not just in line with our business goals, but also in creating a sustainable future that respects both social and environmental paradigms.

We achieved remarkable success with record tenant sales of €5.5 billion, secured 118 new contracts while maintaining a 98%

occupancy rate. The completion of the first phase of Colombo's retail expansion, scheduled for 2024 and representing a total investment of €11.1 million, underscores our dedication to enhancing consumer experiences and promoting sustainable urban development.

Regarding Developments, our progress has been substantial. Key projects like Torre Norte Colombo, República 5, Casas da Lapa, Viva Offices and Pulse Lisboa are under construction, showcasing our capacity to implement and execute our new strategy. These projects, involving an investment of €340.5 million, underscore our strategic focus.

Investment Management achieved a significant milestone in 2023, being recognised as the Best Investment Manager in Iberia at the Global Euromoney Real Estate Awards.

Our efforts this year have been pivotal

in diversifying our business and enhancing the value of our services.

Strategic investments have been made not just in line with our business goals, but also in creating a sustainable future that respects both social and environmental paradigms.

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In Services, including Property Management, Reify., and BrightCity, we have demonstrated adaptability and innovation.

We have achieved substantial growth, particularly highlighted by the completion and conversion to SIC of the CTT Real Estate Portfolio and the successful launch of ORES Germany. These initiatives, along with the acquisition of Fórum Barreiro, have contributed to increasing our assets under management from €6.2 billion to €6.6 billion.

In Services, including Property Management, Reify., and BrightCity, we have demonstrated adaptability and innovation. Our expansion into new markets like Kosovo has been coupled with significant contract renewals and successful management transitions. Reify. has secured substantial contracts and has won several prestigious awards, including the Best Renovation/Expansion for NorteShopping at the ECSP Awards and MAPIC, as well as for Plaza Mayor at the ESCP Awards. BrightCity has notably excelled in its field, successfully leading large-scale, innovative projects in renewable energy communities and smart cities.

2023 was a pivotal year in our journey towards sustainability. Sonae Sierra was the first Portuguese real estate Company to see the approval, by the Science Based Targets initiative, of its 2030 goals to reduce emissions in several business areas. Sonae Sierra committed to reducing scope 1 and 2 GHG emissions by 73% per square metre by 2030 from a 2019 base year, and to reduce scope 3 GHG emissions from purchased goods and services by 55% per square metre developed by 2030 from a 2019 base year. Additionally, Sierra Prime and Iberia Coop achieved the highest rating of 5 Stars out of five in GRESB, securing the 2nd and 3rd places (respectively) among peers, underscoring our industry leadership. We are also transitioning our Sierra Prime investment vehicle to become an Article 8 vehicle, under the Sustainable Finance Disclosure Regulation. Our inaugural participation in PRI reporting further solidifies our dedication to sustainable and responsible business practices.

Over the next 3-5 years, we aim to consolidate and expand our market presence, make significant progress towards carbon neutrality, and continue to innovate in sustainable urban development. We are prepared to navigate the challenges ahead with confidence and resilience, buoyed by the dedication of our team. Their unwavering commitment has been pivotal in our success, and they have my deepest gratitude.

Thank you for your continued trust and support as we embrace the opportunities of the coming year.

Sincerely,

Fernando Guedes de Oliveira
CEO, Sonae Sierra



€332m

Increase in assets under management

73%

Sonae Sierra committed to reducing scope 1 and 2 GHG emissions by 2030

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About this report

Our 2023 annual report is a cohesive narrative that consolidates our business strategy and operational achievements

Our conviction in sustainable business practices as the key to long-term operational excellence and in addressing global societal issues remains steadfast. This belief led us to adopt our first Environmental Policy in 1998, followed by our inaugural Economic, Environmental and Social (EES) report in 2004.

Thus, our 2023 annual report is a cohesive narrative that consolidates our business strategy and operational achievements for the year with our commitment to sustainability. This integration is guided by the principles of the **International Integrated Reporting Council's (IIRC) Framework** on Integrated Reporting, ensuring that our report reflects the interplay between our economic actions and their social and environmental consequences.

In line with our dedication to adhere to the highest standards of sustainability reporting, this document has been crafted following the **Global Reporting**

Initiative's (GRI) Reporting Standards, along with the Construction and Real Estate Sector Disclosures (CRESD). Detailed insights into our social and environmental efforts, particularly those of significant interest to our stakeholders and with substantial business impact, are elaborated in chapter 5 under the Sustainability Statements.

Additionally, this report embraces the Six Capitals reporting framework, offering a comprehensive overview of our reliance on and impact upon these capitals. These include Financial (our financial results), Manufactured (the physical infrastructure underpinning our activities), Human (the skills and expertise of our workforce), Social and Relationship (our engagement with institutions, communities, and stakeholders), Natural (the natural resources we utilise), and Intellectual (our intangible assets like intellectual property).

Furthermore, considering the urgency of environmental key challenges and following the most recent evolution of our business strategy, in 2021, we revised our material areas and updated the materiality matrix.

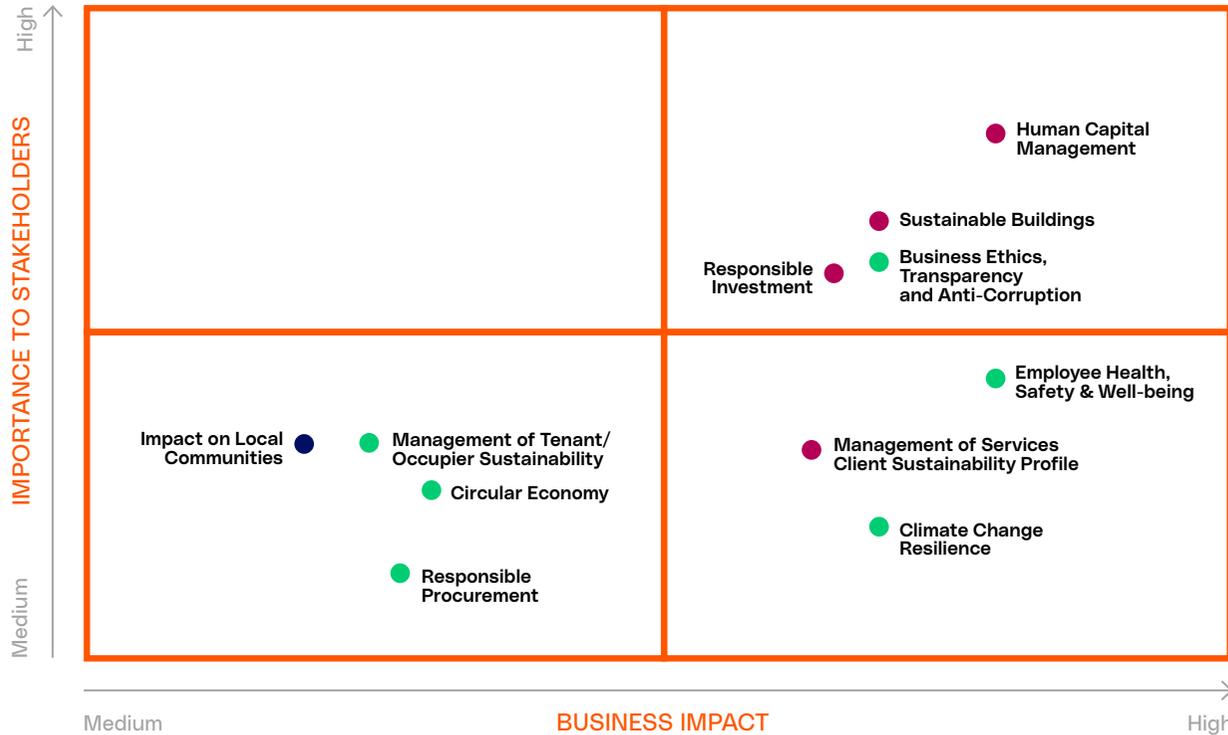
The Materiality Matrix presented in the next page is a testament to these aspects.

We are currently undertaking a comprehensive re-evaluation of our material areas considering a double materiality approach. This is a more complex and comprehensive process to ensure that the Company's sustainability report focuses on the topics that are truly relevant, guiding our efforts in the same direction.

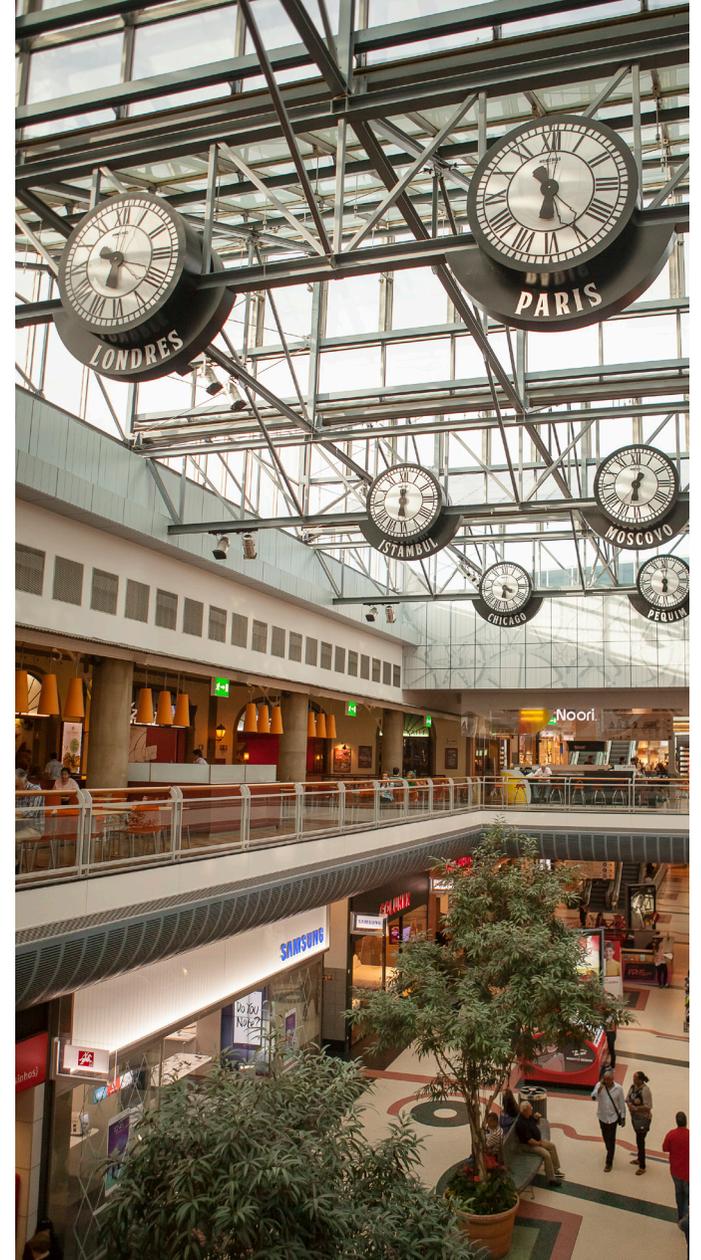
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Materiality matrix



● Core focus areas for acceleration
 ● Sustainability enablers
 ● Local management issues



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Sustainable Development Goals (SDGs)

The United Nations has outlined 17 objectives to eradicate poverty, safeguard our planet, and ensure well-being for everyone by the year 2030.

These goals encompass various critical areas, including sustainable communities, health, education, diversity, poverty alleviation, environmental conservation, and combating climate change. Whilst our direct influence in each of these areas varies due to the nature of our business model and core operations, our commitment to all these goals is unwavering. We strive to enhance our contribution significantly in areas where we can make a material difference.

In the table that follows, we present the goals that are most pertinent to our line of business. For each of these selected goals, we provide examples of how our operations positively influence these areas.

SDGs – How we contribute



Promote more sustainable lifestyles among visitors and contribute to higher levels of employee resilience and productivity through improved health and well-being.



Promote environmental and social events in local communities. Support the professional development of our employees through training programmes.



Continually aim to promote gender equality and diversity within the Company.



Increase the water efficiency of our assets, use innovation and technology to rethink how water is used and managed in our owned assets; minimise water pollution through our Safety, Health and Environmental Development Standards (SHEDS) when aimed by the asset owner; monitor wastewater discharges at our owned certified assets.



Increase the energy efficiency of our assets and implement measures to boost our energy self-sufficiency to reduce our reliance on fossil fuels.



Support local economic development through job creation and skills development opportunities. Safeguard labour standards in our supply chain. Promote innovation and productivity in our Company through improved work practices and operational efficiencies and employee engagement and training.



Use innovation to reduce water and energy use across our owned portfolio and third-party assets through our Bright and Dive® programmes. Encourage innovation across the whole supply chain to reduce the consumption of materials and improve water and energy resilience.



Design eco-efficient, attractive real estate assets that reduce resource consumption, serve the needs of the local population and enhance public spaces, local amenities and infrastructure in line with the planning requirements of local authorities and our own SHEDS framework. This is only applicable to owned Shopping Centres. Collaborate with town councils to implement systems that enable the efficient use of resources.



Improve the eco-efficiency of our assets focusing on energy, water and waste production and prohibit the use of materials that are known to have a negative impact on the environment and on the health and well-being of building occupants.



Reduce GHG emissions from our portfolio, integrate climate change risk adaptation procedures into our current risk management processes, design standards for new developments and operational procedures for existing assets.



Collaborate with industry partners, bodies and associations to promote and share best practices and innovation in tackling the sustainability challenges facing the industry.

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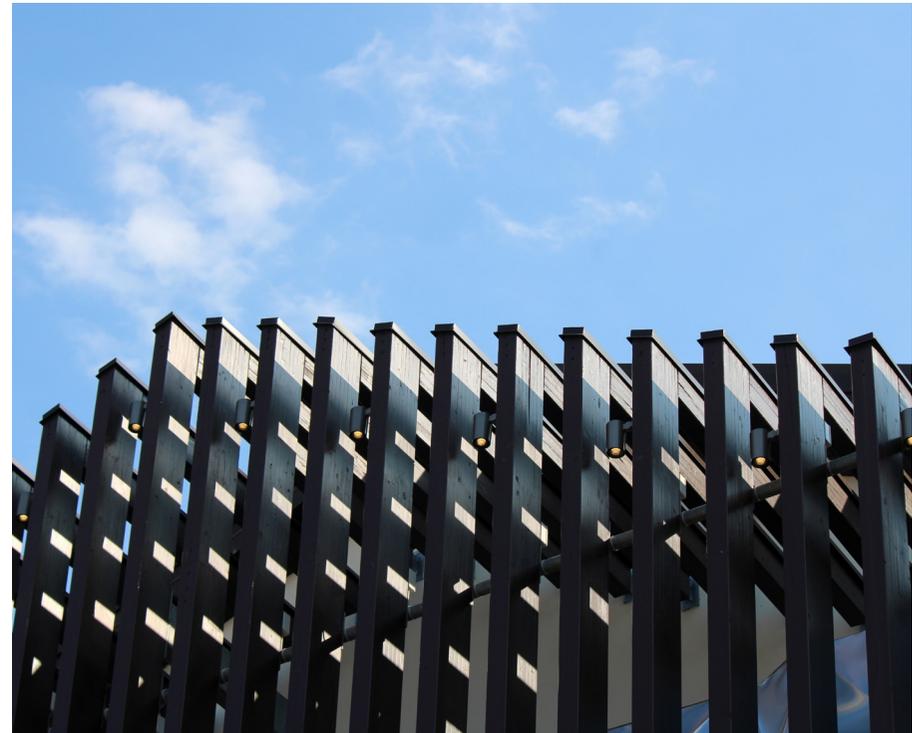


Who we are

In 2023, Sonae Sierra continued to distinguish itself as a global specialist in the real estate sector,

now fully backed by Sonae SGPS. The recent transition to 100% ownership by Sonae SGPS reflects a solid vote of confidence in our long-standing track record and achievements.

**Sonae Sierra is
100% owned by
Sonae SGPS**



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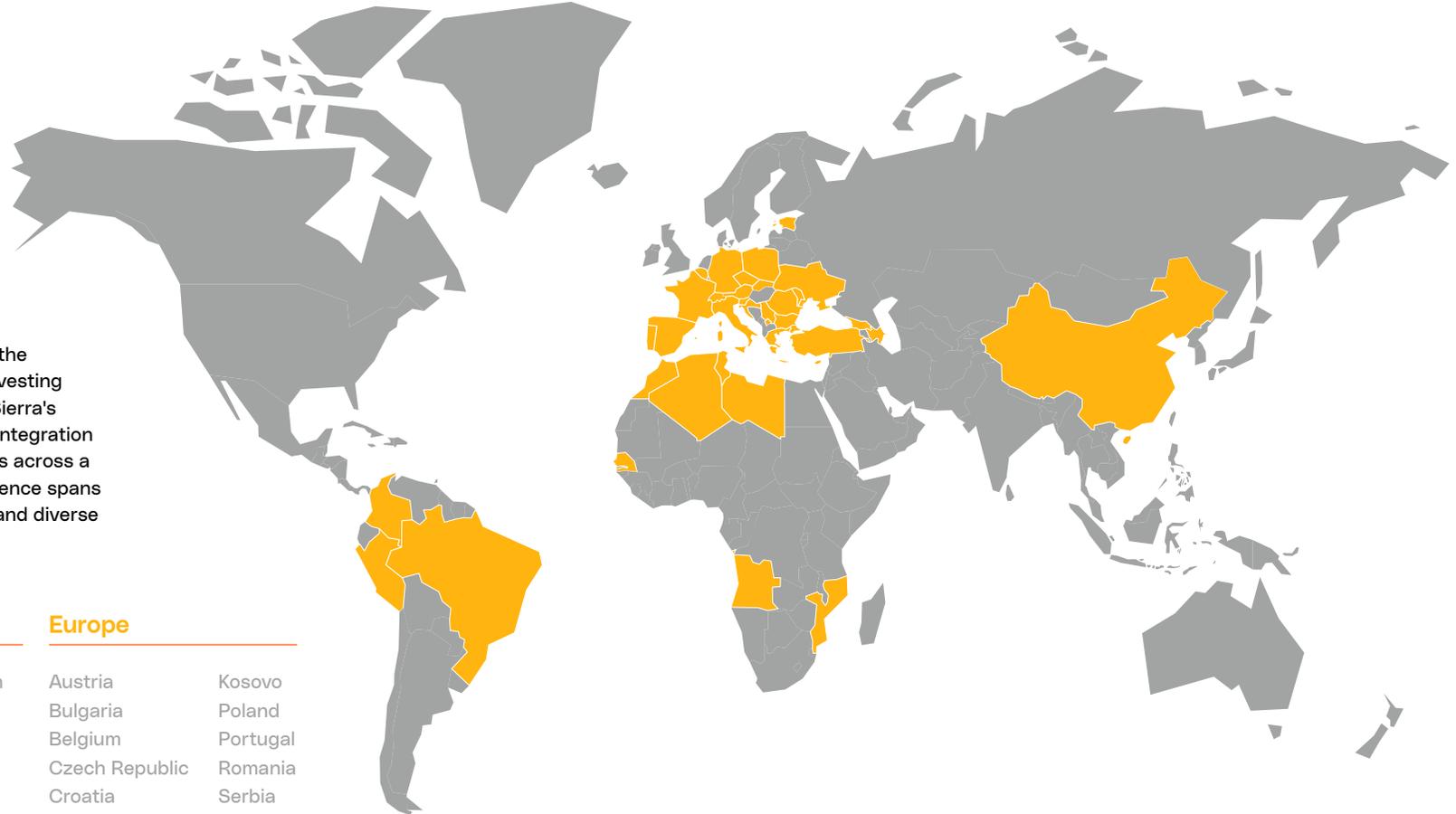


International footprint

Covers 35 countries



For over three decades, we have been at the forefront of developing, managing, and investing in sustainable real estate assets. Sonae Sierra's approach incorporates a comprehensive integration of real estate development and operations across a variety of projects. Our international presence spans 35 countries, showcasing our expansive and diverse global footprint:



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Africa	America	Asia	Europe	
Algeria	Colombia	Azerbaijan	Austria	Kosovo
Angola	Brazil	China	Bulgaria	Poland
Libya	Peru		Belgium	Portugal
Morocco			Czech Republic	Romania
Mozambique			Croatia	Serbia
Senegal			Cyprus	Slovakia
Tunisia			Estonia	Slovenia
			France	Spain
			Georgia	Switzerland
			Germany	Turkey
			Greece	Ukraine
			Italy	



Awards

In 2023, Sonae Sierra once again received multiple awards and recognitions.



The foundation of Sonae Sierra's operations lies in our adherence to core values and principles that determine our approach to business, ambition, and innovation. Our culture is shaped by a deep sense of responsibility towards our employees, the environment, local communities, and a steadfast commitment to remaining free from political influence.

Moreover, our passion and enthusiasm for real estate, coupled with a culture of innovation, have been pivotal in our success. This dynamic approach has enabled us to develop outstanding projects, earning recognition and numerous awards in the industry.

Scope	Award	Category
Investment Management	Global Euromoney Real Estate Awards 2023	Best Investment Manager in Iberian Peninsula
Plaza Mayor	AECC Awards	Best Shopping Centre Sustainability Action
Plaza Mayor	ECSP Awards	Best Renovation/Expansion for centres between 45,000 – 70,000 sq.m
NorteShopping	MAPIC Awards	Best Refurbishment & Redevelopment Project with The CookBook and Galleria
NorteShopping	RepScore	Best Reputation in industry in the category Retail Shopping Mall
NorteShopping	ECSP Awards	Best Renovation/Expansion for centres over 70,000 sq.m
NorteShopping, CoimbraShopping, Centro Colombo, Nova Arcada	Prémio Cinco Estrelas (5 Star Award)	Highest rating in the Shopping Centre category
Iberia Coop and Sierra Prime	GRESB Real Estate Assessment	5 Star rating in the GRESB Real Estate Assessment
Quarree Wandsbek	ECSP Awards	Commendation for Best Renovation/Expansion for centres between 15,000 - 45,000 sq.m
Luz Del Tajo	AECC Awards	Best Shopping Centre Renovation
CityLife Shopping District	CNCC ITALY AWARDS	Best of the Best with CityLife Shopping District
2021 Economic Environmental and Social Report	Iberian Property Awards	Best Investor Report
Sierra Balmain	CEE Retail Awards	Best Property Management Firm
Sierra Balmain	CEE Retail Awards	Best Asset Management Firm

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What we do

Sonae Sierra

as an integrated player in the real estate industry, functions as a strategic operating partner for various real estate investors.

The structure of our Company is uniquely designed to engage extensively with the entire real estate value chain, encompassing five fundamental pillars:

- Investment Management
- Developments
- Asset Management
- Property Management
- Reify.



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Investment Management

These pillars are all bound by a set of common characteristics, namely solid relationships with investors and clients, international experience and know-how, and an unwavering commitment to sustainability, innovation, quality and society. This has allowed Sonae Sierra to develop a competitive advantage and establish itself as a trusted operating partner, enabling our business to expand to different countries and be recognised by the market through a strong reputation and by multiple industry awards, solidifying our standing in the industry.

At Sierra Investment Management, we offer first-class investment management solutions, extending across the entire spectrum from establishing and managing investment vehicles and ensuring value delivery, for a diverse portfolio of real estate investment vehicles and operating assets across Europe.

Boasting over two decades of comprehensive expertise in the real estate sector, our team is able to identify and implement value-creation opportunities across the portfolio. This expertise enables us to secure high returns for the investment vehicles and individual assets under Sonae Sierra's management. Our long-standing partnerships with blue-chip investors, coupled with our market expertise and heightened awareness of risk factors, allow us to implement strategies that effectively mitigate risks and minimise the impact of potentially negative external factors.

Sonae Sierra Investment Management services – which include Investment and Portfolio Management, Sales and Acquisitions and Investment Strategy and Advisory – are tailored to the specific needs of each individual project or investor in such a way that enables us to maximise the potential benefits for our clients and optimise their returns and profitability.



Developments

The Developments division at Sonae Sierra is dedicated to sourcing and executing real estate development projects, both independently and in collaboration with co-investors and partners. Our role encompasses a comprehensive scope of responsibilities, including the assessment of market potential, the conceptualisation and structuring of projects, strategic site selection and acquisition, financing, execution, and ultimately, the sale of the projects. We collaborate closely with partners, local authorities, and suppliers to guarantee the adoption and execution of high-quality standards, all while advocating for and supporting the pillars of long-term sustainability in environmental, economic, and social domains.

Specifically, this business unit:

- i) drives economic and social progress through innovative and sustainable real estate developments in urban locations;
- ii) develops projects that lead to a positive impact on the places and communities in which they are built, in an ethically responsible way that respects the environment;

iii) contributes towards a healthy and sustainable lifestyle and improves the quality of life of the communities in which it develops its activities;

iv) creates economic and social benefits for local communities, suppliers, new businesses (including small and locally-based companies), and joint-venture partners;

v) increases awareness and adoption of eco-efficiency improvements through sustainability initiatives.

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Asset Management

With vast knowledge and experience in the asset management of diversified types of real estate assets, in different countries and under different economic circumstances, we are able to develop strategic asset business plans and unlock value either through letting, refurbishment or expansion. This business unit also creates value through initiatives that address decarbonisation and digitalisation challenges. Each service is tailor-made to the specific needs of the asset and the investors with the purpose of ensuring high levels of profitability. Our solid positioning enables us to offer our clients a strategic approach in relation to the asset, incorporating risk-control measures and offering a high return on investment while minimising costs.



Property Management

The mission of the Property Management division at Sonae Sierra is to generate value for owners, tenants, and stakeholders by delivering an all-encompassing suite of Property Management, Leasing, Consultancy & Advisory and Market Intelligence services. We focus on ensuring that asset operations are conducted seamlessly, efficiently and with a strong emphasis on customer satisfaction.

Sonae Sierra offers a range of tailored services to various asset types, including but not limited to shopping centres, retail parks, food markets, car parks, and mixed-use condominiums. With a client-centric approach, Property Management aims to align its interests to those of a diverse range

of investors and customers, optimising operating costs and proactively ensuring the revenue and the asset's long-term value are maximised.

We take pride in our ability to foster solid relationships with landlords, tenants and suppliers, complemented by our dynamic leasing efforts, supported by an extensive international network, all contributing to effective and value-added operations. Moreover, our division is known for its innovation and consumer engagement strategies, executed by a team of international experts renowned for their exceptional track record in the industry.



Reify.

At Reify. we are urban creators.

With extensive expertise in architecture, engineering, development & project management and licensing & urban planning, we are an integrated player that provides the full spectrum of real estate services necessary to create, change, or boost projects, assets, and cities.

Active in multiple sectors such as residential, offices, healthcare, retail, hospitality, logistics, data centres, student accommodation, senior housing, education and transportation, Reify. is made up of a team of circa 200 professionals that designs, manages, and delivers innovative, sustainable, and inspiring urban places where people feel welcome, happy and safe.



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Key highlights



€9.8bn
Open Market Value



€108.8m
Net Result



2.9m sq.m
Total managed GLA



98.2%
Occupancy rate for the Sonae Sierra
owned/co-owned portfolio



41%
Reduction in water
consumption since 2003



63%
Assets with BREEAM In-Use
certification



88%
Reduction in GHG emission
intensity since 2005



68%
Reduction in electricity
consumption since 2002



€1,057.3m
INREV NAV

The scope of the sustainability indicators considers Sierra's owned assets under management (property management).
The baseline is determined by the year in which we began managing the topic.

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Sustainability has always been a differentiator in the way we do business,

and we are reinforcing our focus on creating environmental and social value, alongside economic value.



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During 2023, we continued with the execution of our strategy, previously defined in 2021, across four strategic guidelines.

Strategic guidelines:

1. Expand the real estate investment management business by establishing investment vehicles designed to meet the diverse profitability and sustainability goals of different types of investors.

2. Fast-track the creation of sustainable and differentiation urban spaces for multiple purposes, including residential, office, leisure, and retail spaces.

3. Strengthen the real estate integrated service offer for third parties embracing innovative concepts for urban living.

4. Future-proof our portfolio of shopping centres under management through the creation of differentiating and multi-channel experiences.

Sustainability has always been a differentiator in the way we do business, and we are reinforcing our focus on creating environmental and social value, alongside economic value. We have committed to achieving carbon neutrality by 2040, a decade ahead of the EU's decarbonisation target. In 2023, we accelerated our progress

by continuing to implement strategic measures aimed at operationalising this goal. This included preparations for the installation of photovoltaic panels at our assets, scheduled to begin in 2024, alongside maintaining a supply of green electricity, advancing our fleet electrification programme, and conducting specialised energy audits to further reduce energy consumption.

These initiatives, among others in our decarbonisation strategy, put us on track to achieve our goal. Additionally, significant progress has been made in other areas of our sustainability strategy, which is detailed starting from chapter 5, onwards.

We have committed to achieving carbon neutrality by 2040, a decade ahead of the EU's decarbonisation target.

Solid thinking, real growth

A framework
to create value.

02 — Sonae Sierra's Performance

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Operational Performance

Sustained value growth in the Shopping Centre portfolio

In 2023, Sonae Sierra continued to strengthen its position as a market leader in shopping centres, earning widespread recognition and prestigious awards.



This year, we were proud to be the most awarded Company at the European Council of Shopping Places (ECSP) awards, including two awards and one commendation for projects such as NorteShopping's expansion (Galleria and The Cookbook), Plaza Mayor's transformation project, and the refurbishment of Quarree Wandsbek. Additionally, our projects Galleria and The Cookbook at NorteShopping were distinguished at the MAPIC Awards in the Best Renovation and Expansion Project category. These awards are a testament to our successful approach in renovating and expanding assets, transforming them into regional landmarks through design and tenant mix optimisation.

If 2022 marked a year of recovery from COVID-19, 2023 was an exceptional year for our assets, witnessing sales consistently surpassing those of 2022, with some assets experiencing double-digit growth, while maintaining our outstanding average occupancy rate of 98.2% across our owned portfolio. This success is reflected in the rental income, showing an increase of 11.6% compared to the previous year.

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98.5%

Occupancy rate for the European owned/co-owned portfolio



€322.1m

Total rents for the European owned/co-owned portfolio (an increase of 11.3% vs 2022, LfL)



€5.4bn

Total sales for the European Portfolio under management (an increase of 8.5% vs 2022, LfL)



383.9m

Total visits for the European Portfolio under management (an increase of 6.2% vs 2022, LfL)

98.2%

Occupancy rate for the Sonae Sierra owned/co-owned portfolio

€326.5m

Total rents for the Sonae Sierra owned/co-owned portfolio (an increase of 11.6% vs 2022, LfL)

€5.5bn

Total sales for the Sonae Sierra Portfolio under management (an increase of 7.7% vs 2022, LfL)

400.3m

Total visits for the Sonae Sierra Portfolio under management (an increase of 5.5% vs 2022, LfL)

A noteworthy performer was ParkLake, a material asset in our portfolio, which saw remarkable growth boosted by the previous year's opening of the first Primark store in Romania. Other prominent achievements include the opening of the certified Lego Store at NorteShopping, the revamp of Inditex in Estação Viana, the new 500 sq.m Mango store at MaiaShopping and the conclusion of the ground floor repositioning project in Luz del Tajo with the entry among others of a new Primark, Lidl and Bershka.

Our continuous efforts to enhance our shopping centres are fuelled by the confidence our tenants place in us, as evidenced by their increasing demand for

ever more space in our assets. This trust is a testament to our proven ability to create value and elevate the shopping experience. A key highlight is the refurbishment of Centro Colombo, with the 1st phase scheduled for completion in March 2024. This extensive two-and-a-half-year project includes a full overhaul of the air conditioning system, roofing renovation, and other major improvements. Furthermore, Centro Colombo underwent a considerable expansion, adding 3,500 sq.m to accommodate the Primark extension, JD, and Nike. The stores have shown remarkable performance; notably, JD's sales increased, making it the top-performing store across the Iberian Peninsula. Primark has grown to be the largest of its kind in

Portugal, and the arrival of brands like Hugo Boss and Gant has led to full occupancy in our premium area. Consistently high demand for retail space, namely at Centro Colombo, particularly for larger units, demonstrates our ongoing success in meeting the evolving needs of our retailers and customers.

Aligned with our commitment to business excellence, we continue to advance the Company's sustainability strategy, consistently achieving positive outcomes through the incorporation of the best environmental, social, and governance practices across our portfolio.

On the environmental front, Plaza Mayor introduced an initiative to showcase its sustainable gardens through an enlightening and immersive tour. This tour seamlessly integrates nature and technology, providing visitors with a holistic experience within the shopping centre. The sustainable gardens prioritise the incorporation of native plants, the enhancement of flora and fauna biodiversity, the installation of a vertical garden, the placement of shelters and drinking troughs for local species, and the implementation of innovative remote management systems to reduce water usage and minimise the need for chemical pesticides. Other local initiatives, such as

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Sonae Sierra actively engages with local communities

by supporting artists and cultural entities at both national and regional levels.

those at SerraShopping and Valle Real, focus on promoting healthy living habits. An example is the *Serra Challenge*, which encourages the community to participate in monthly walks or races along a local route. These events also aim to foster sustainable practices by offering one tree, per participant, to an association to promote the reforestation of the region.

On a social level, on the one hand, it is worth emphasising Sonae Sierra's campaigns related to cancer, food support to families or blood donations. Additionally, Sonae Sierra actively engages with local communities by supporting artists and cultural entities at both national and regional levels. Initiatives like *Arrábida Symphony* at ArrábidaShopping, *VIArtes* at ViaCatarina Shopping and *Art has arrived in Colombo* showcasing several local artists, exemplify our dedication to fostering artistic

expression and cultural contributions. Several initiatives with local musicians or artists are placed in the shopping centres, continuously democratising culture at the same time as providing local artists an opportunity to showcase their work.

From a governance standpoint, Sonae Sierra has made significant progress, namely in the updating of ESG clauses in the contracts celebrated with tenants, which creates a shared commitment to sustainability, fostering more responsible and resilient shopping centres.

Furthermore, our commitment to the Green Agenda continues to gain momentum. We have developed individual decarbonisation roadmaps for each centre, based on the SBTi (Science-Based Targets initiative), which foresees achieving carbon neutrality by



2040 (in scope 1 and scope 2 emissions) and in 2023 we implemented several initiatives to accelerate our progress. Particularly in NorteShopping, we successfully completed an energy-saving project, carried out by Tech to Zero, which involved the implementation of an intelligent lighting system that enabled more than 90% savings in lighting energy consumption. In addition, we are in the process of signing contracts for the installation of self-consumption photovoltaic systems in our centres, scheduled for 2024. These efforts further underscore our deepening commitment to sustainability.

As we look towards the future, Sonae Sierra remains dedicated to enhancing the value of its assets, contributing to environmental sustainability, and maintaining its position as a leader in the retail real estate sector.

Our commitment to the Green Agenda continues to gain momentum

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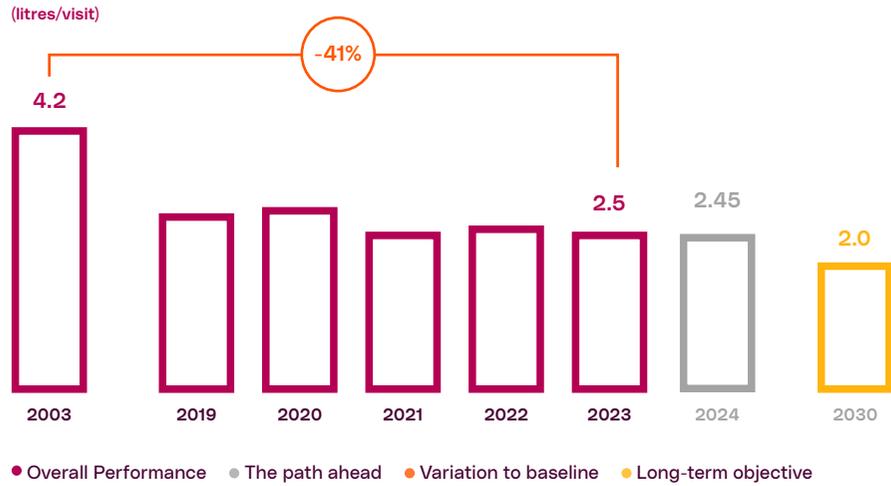
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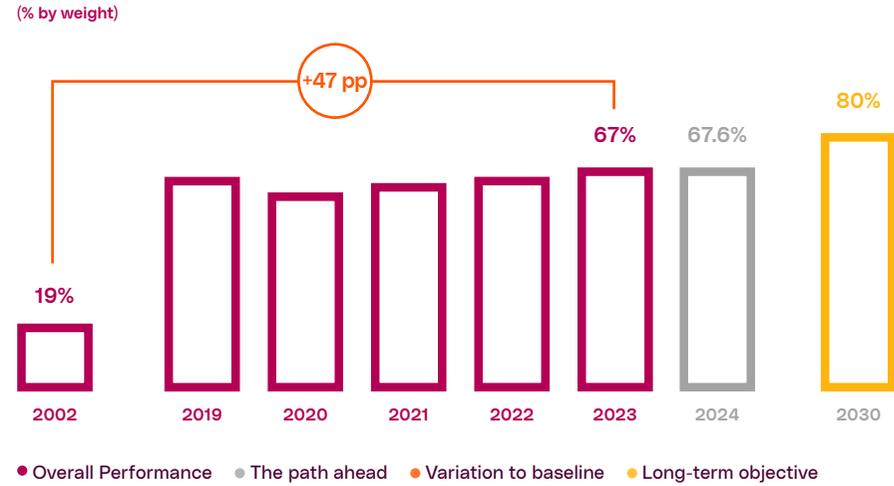


These graphs refer to the owned portfolio under management performance.

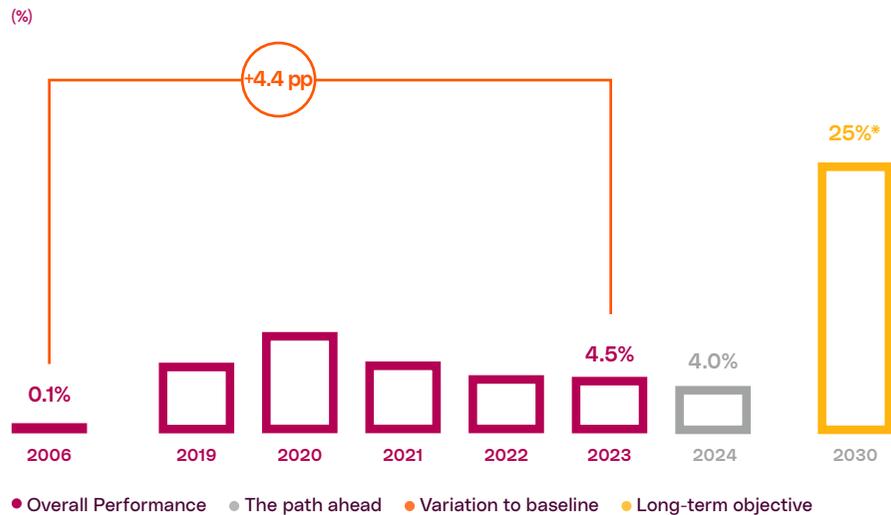
Water consumption (excluding tenants)



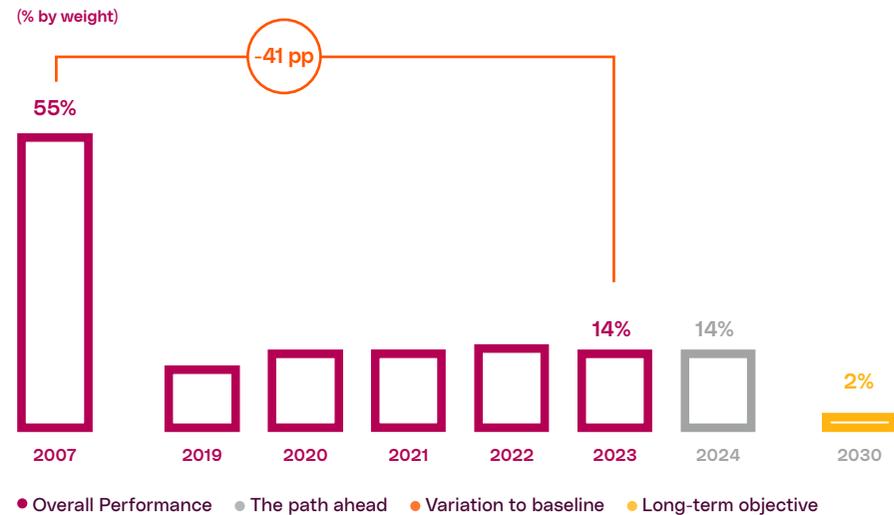
Waste recycling rate



Percentage of water recycled and reused



Waste landfill rate



*25% in assets identified as having significant climate change-related risks

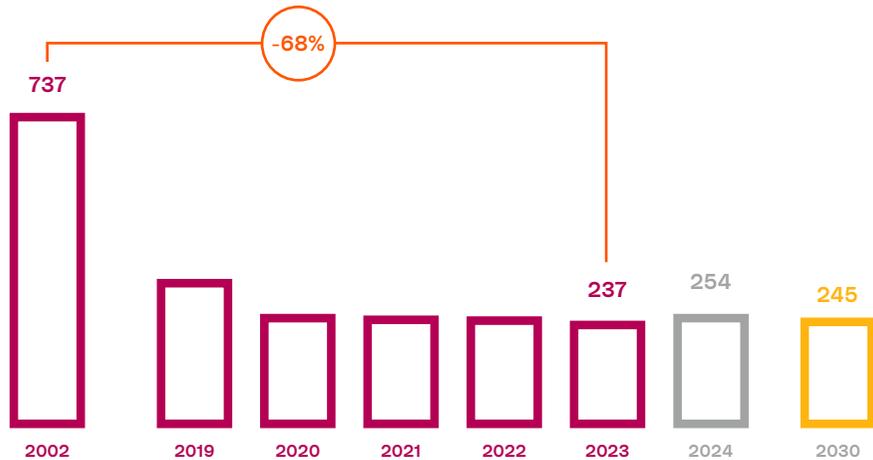
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These graphs refer to the owned portfolio under management performance.

Electricity Consumption (excluding tenants)

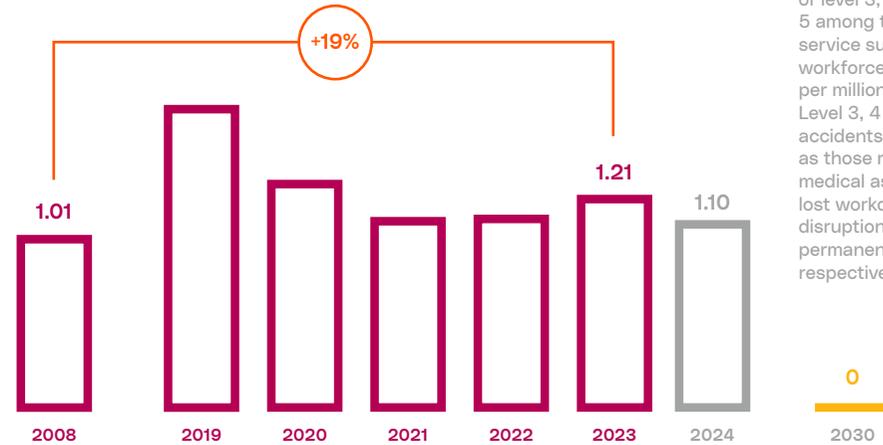
(kWh/sq.m mall and toilet area)



● Overall Performance ● The path ahead ● Variation to baseline ● Long-term objective

Levels 3, 4 and 5 accident rate*

(No. of accidents levels 3, 4, and 5 per million visits)



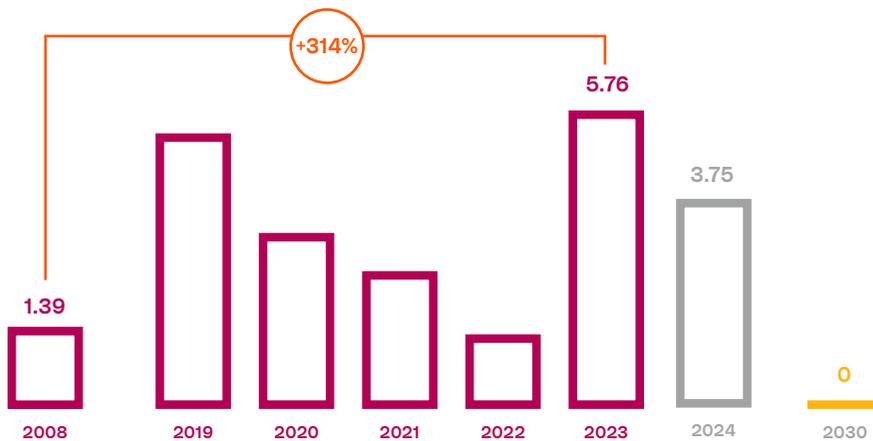
Number of accidents of level 3, 4 and 5 among tenants, service suppliers, workforce and visitors per million of visits. Level 3, 4 and 5 accidents are defined as those resulting in medical assistance, lost workdays/life disruption and fatality/permanent disability, respectively.

● Overall Performance ● The path ahead ● Variation to baseline ● Long-term objective

Starting in 2021, the scope was expanded to include properties that are managed but not owned by Sierra

Accident rate (LWCAFR) among suppliers*

(No. of accidents with lost workdays per million of worked hours)

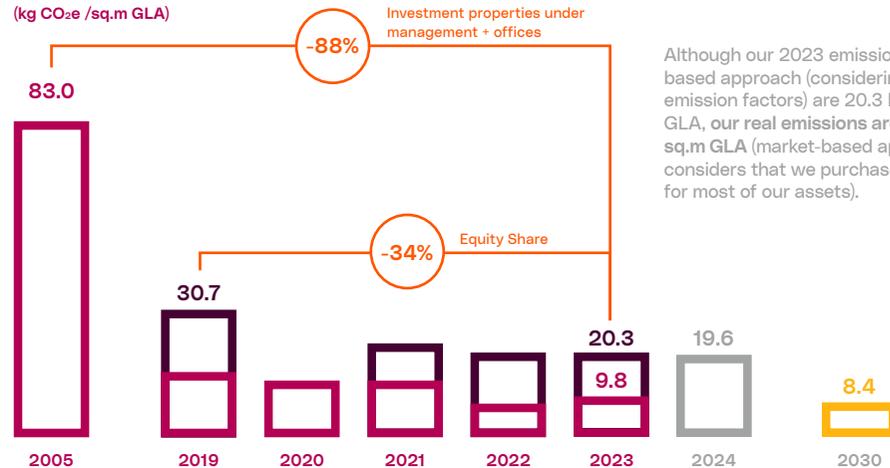


● Overall Performance ● The path ahead ● Variation to baseline ● Long-term objective

*Starting in 2021, the scope was expanded to include properties that are managed but not owned by Sierra

GHG emissions: Scope 1 and Scope 2**

(kg CO₂e /sq.m GLA)



Although our 2023 emissions on a location-based approach (considering default emission factors) are 20.3 kg CO₂e/sq.m GLA, our real emissions are 12.2 kg CO₂e/sq.m GLA (market-based approach, which considers that we purchase green energy for most of our assets).

● Overall Performance - Investment properties under management + offices | Market Based
 ● Overall Performance - SBTi Scope | Equity share | Location Based ● Variation to baseline
 ● The path ahead - SBTi Scope | Equity share ● Long-term objective - SBTi Scope | Equity share

**Please refer to the disclaimer text box on page 120 for a clearer understanding of the approaches depicted in this graph.

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New Developments: A year of progress and expansion

In 2023, Sonae Sierra pursued its ambitious agenda, successfully implementing a strategy set in motion two years ago.



This year, we embarked on the execution phase of the new development projects, translating our strategic vision into tangible progress with five projects currently under construction.

Our **offices** segment has seen considerable advancements with key projects like the new Colombo office building (Torre Norte Colombo) and Viva Offices, both exemplifying our commitment to sustainable development. These projects will meet the highest standards of sustainability, aiming for LEED Platinum certification. Torre Norte is progressing well, with the commercialisation

expected to commence in the second semester of 2024 and completion targeted by the end of 2025. The Viva Offices has entered the construction phase this year with commercialisation starting in the first quarter of 2024 and an anticipated completion by the first quarter of 2025.

In the **mixed-use** segment, the residential component of República 5 has been a commercial success, evident as 19 out of 20 apartments already have promissory purchase agreements in place or are under reservation. This development, which includes both offices and residential spaces, is on track for completion in the first half of 2024.

In our **residential** segment, we are developing two projects, also aligned with our sustainability goals. Pulse Lisboa, a rehabilitation of an old offices and shopping centre building in central Lisbon that will be converted into residential space, commenced demolition in August 2023, with commercialisation set to begin in the first quarter of 2024. Additionally, the Casas da Lapa project, acquired this year, has shown considerable progress with the first phase of construction concluded, marking another significant step in our strategy. The commercialisation of these apartments is also scheduled to begin in the first quarter of 2024.

Furthermore, three additional projects are currently in the planning and licensing phase, poised for execution in 2025.

In conclusion, 2023 has marked a significant phase of growth and development for Sonae Sierra. We have successfully transitioned from the planning to the execution stage, strengthening our commitment to sustainable, innovative, and future-ready developments, and solidifying our role in shaping the urban landscapes of tomorrow.

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Navigate Investment Management's new horizon

The Best Investment Manager in the Iberian Peninsula



In 2023, Sonae Sierra's Investment Management division achieved a notable milestone, it was recognised as the Best Investment Manager in the Iberian Peninsula at the Global Euromoney Real Estate Awards 2023. This award emphasises our tireless commitment to a client-centric approach in a dynamic global market. Our success, rooted in a two-decade track record, reflects our institutional approach and enduring partnerships with blue-chip investors.

Throughout 2023, we also successfully implemented the first phase of our strategic execution, a significant journey that began two years ago. Our focus during this phase was threefold: (i) to increase the assets under management (AuM) particularly of non-shopping centre vehicles; (ii) to expand our network of investors while fostering increased awareness of our renewed strategy; and (iii) to enhance cross-selling

opportunities, aiming to deliver greater value to our clients. In every one of these aspects, we maintained a steadfast commitment to integrating sustainable solutions, ensuring that our approach to asset management, investor relations, and value creation was always aligned with the best sustainable practices.

Over the year, our **AuM increased by €332 million**, largely due to the establishment of new non-shopping centre vehicles. Among these dynamic assets, we increased our exposure in Germany, setting up a vehicle that includes four food retail and four DIY assets. Another significant achievement was the acquisition of Fórum Barreiro, a strategic move aimed at revitalising the asset and creating additional value by integrating the know-how of Property Management with Reify's refurbishment expertise. Finally, by the start of 2024 we had successfully

completed the creation of the CTT vehicle, which encompasses nearly 400 stores and four logistics centres across Portugal.

In 2023, we also achieved notable milestones in **sustainability**. Namely, our managed asset, Sonae Tech Hub, received Platinum certification from the International WELL Building Institute and the US Green Building Council, joining an exclusive list of around 300 buildings worldwide with the highest WELL certification – a recognition that embodies our ambition and commitment to sustainable investment solutions. Furthermore, in 2023, both Sierra Prime and Iberia Coop, achieved outstanding results in the GRESB benchmark. They both performed above the GRESB average and were recognised with the Green Star and 5 Star ratings, the highest possible scores, marking them as industry leaders. Specifically, Sierra Prime ranked second and Iberia Coop third among their peers.

All these projects could only be achieved through stronger **Investor Relations** initiatives aimed at expanding our investor base, either acting as an operating partner or directly with Limited Partners (LPs) such as: pension funds, insurance companies, and family offices.

As we conclude phase I of our strategic roadmap in Investment Management, we are now poised to enter a phase of establishment and growth. With an ambitious pipeline for the creation of new investment themes over the coming years, we are well-positioned for continued success and innovation in the Investment Management arena. Sonae Sierra remains committed to advancing its market presence while reinforcing its reputation as a dynamic and trusted player in the real estate investment landscape.

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Increase the outward focus of service lines

Sonae Sierra offers an extensive portfolio of services in the real estate sector,

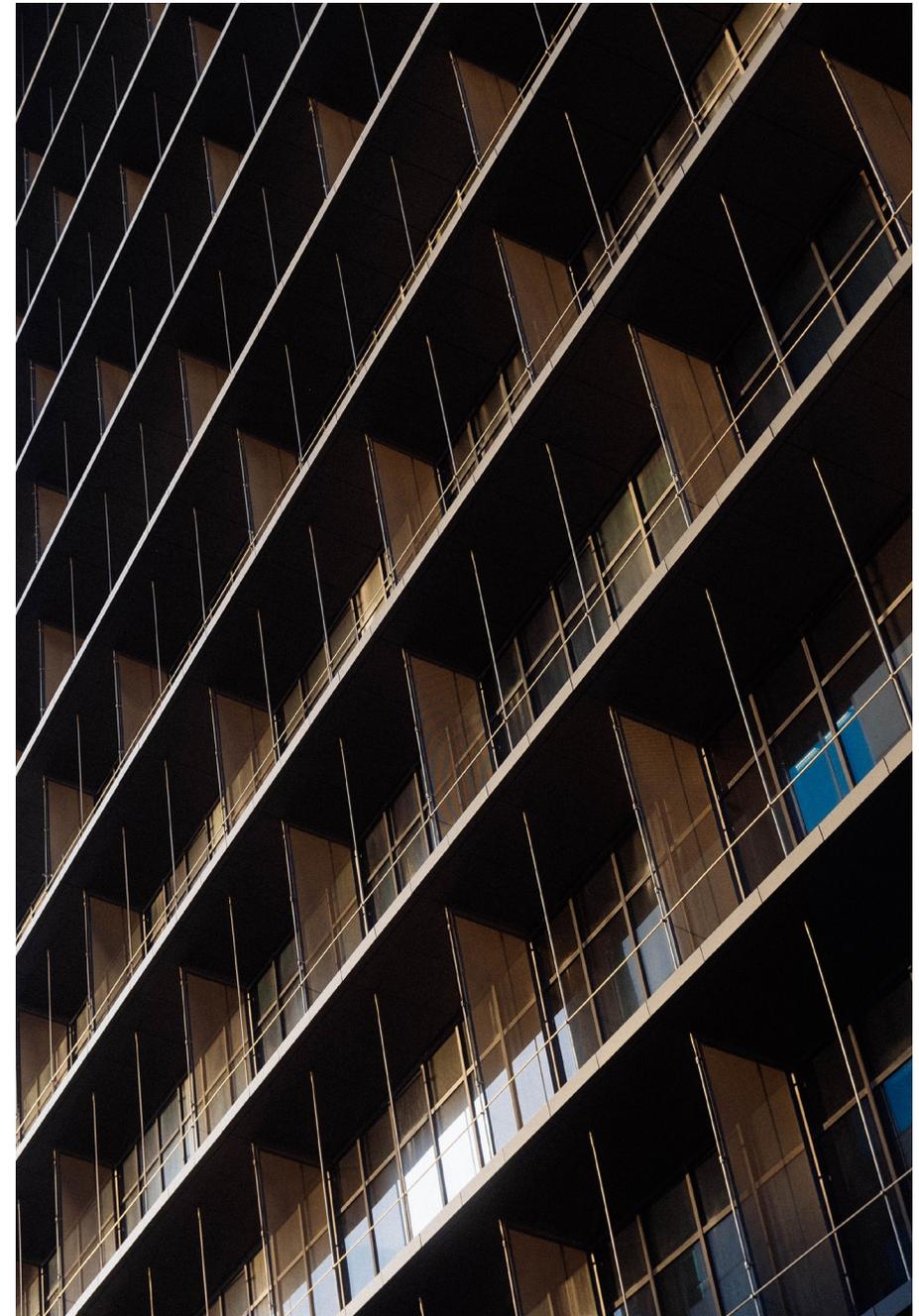
including property management, leasing, operations, marketing, market intelligence, administrative management, along with licensing, urban planning, architecture, and engineering.

Additionally, the Company provides technology-driven solutions aimed at achieving carbon neutrality in real estate assets and cities as well as a wide range of sustainability services.

In 2023, the significance of the Services Business Units at Sonae Sierra continued to grow, reflected in a substantial increase of 14.7% in total income from services. This evolution is evidence of our ongoing strategic shift towards strengthening our position as a player in the services sector.

From a Property Management perspective, 2023 has been a dynamic year with the signing of 118 new contracts across several countries.

Notable achievements include the signing of a new lease contract for the Gran Turia shopping centre in Valencia, Spain. We also extended our contract with Union Investment for Quarree Wandsbek and Karstad- Hamburg, in Germany. In Portugal, we renewed contracts with AlgarveShopping, Albufeira Retail Park, and Nova Arcada, reflecting the trust our clients place in us and their recognition of our expertise and ability to add value. Sierra's acquisition of Fórum Barreiro also presents a new opportunity in property management and leasing services. The opening of Aeria Mall in Casablanca, Morocco, in March 2023 marked another substantial milestone, and Sierra is responsible for the property management of the shopping centre, car parking and residential condominium. Finally, Sierra has expanded the scope of its contract with Prishtina Mall in Kosovo, the largest shopping centre in Southeast Europe, following its opening in March with an occupancy rate of 81%.



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These achievements mark 2023 as a year of transformation and growth

for Sonae Sierra's services business units, demonstrating our commitment to innovation and sustainable practices across various sectors.

In the Food Market business, we have achieved significant growth of 28.1% in sales compared to 2022, with Mercado Bom Sucesso standing out. In addition, at the Campo Novo mixed-use scheme our commitment has been reaffirmed through the renewal of our contract, encompassing both property management and leasing of the retail area.

These developments are part of a broader narrative in which our Property Management division continues to effectively manage a diverse and growing portfolio. Spanning over 145 assets, we maintained a strong occupancy rate of 96.7% in our assets under management during 2023, reflecting our resilience and effectiveness in a dynamic market.

Turning to Reify., 2023 was a year of consolidation. We continued to receive recognition from the market, winning several prestigious awards, including the Best Renovation/Expansion for Norteshopping at

the ECSP Awards and MAPIC, as well as for Plaza Mayor at the ESCP Awards.

We strengthened our international presence with several projects: namely the completion of the Porte di Mestre project in Italy, a shopping centre refurbishment designed by Reify.; the Wayfinding design for the United Nations headquarters in Geneva, Switzerland, showcasing our global design expertise; and the Hay Riad project in Morocco, demonstrating our versatility in handling diverse and large-scale developments. This year we also increased our activity within the Data Centre sectors, a rapidly expanding market in Portugal.

Finally, 2023 signified a transformative year for BrightCity, evolving into two distinct businesses: i) Bright, a joint venture combining the core competencies of Sonae Sierra and NOS to offer technology-driven solutions to municipalities; and ii) Tech to Zero, created

by Sierra to develop a disruptive and integrated technological asset management approach.

Bright boasted noteworthy achievements during the year, winning three projects to modernise industrial parks in Chaves, Rio Maior, and Melgaço, focusing on creating energy communities. Additionally, under the Portuguese Recovery and Resilience Plan, Bright is part of the Alliance for Energy Transition consortium, along with more than 90 entities, established to accelerate and finance R&D, with a total investment of €12.5m and with grants of €8m expected (Bright and its partners). Tech to Zero implemented its first project at NorteShopping, replacing 6,000 lights with more efficient LEDs and using a smart management system, achieving an impressive 90% reduction in lighting energy consumption and will continue implementing disruptive solutions in sustainable asset management.

These achievements mark 2023 as a year of transformation and growth for Sonae Sierra's services business units, demonstrating our commitment to innovation and sustainable practices across various sectors.

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Successful stories



Revolutionising Workspace Design – Sierra's New Maia Offices

This year, we re-opened our office in Maia, Portugal, with a landmark project designed by Reify., together with our Transformation Office, to embody Sierra's vision for the workspaces of the future.

We believe it represents the type of place that cutting-edge companies need to meet the aspirations of their people and stakeholders.

As part of Sierra's transformation journey, the office design prioritises human interaction, fostering a culture of collaboration. It also meets the current needs for flexible spaces to support the ways of working that have emerged in the last few years. Combining functional and emotional dimensions, we created a set of solutions to maximise efficiency and well-being while performing diverse types of tasks, from those that demand individual focus, to those that involve small or large groups of people interacting, in person or remotely. Additionally, we have conceived

spaces specifically designed to invoke creativity and stimulate brainstorming.

Sustainability was a driving force in the project, mirroring Sierra's commitment to environmentally responsible practices. The office features an energy-efficient LED lighting system, automatically adjusted based on occupancy and natural light levels, alongside a climate control system regulated by sensors. These solutions will reduce energy consumption by up to 70%, showcasing Sierra's dedication to sustainable operations.

Our new Maia office not only responded to new trends in workplace design, but it also actively contributed to shaping the future of how workspaces should be.

Launching new innovative vehicles

– Sonae Sierra and CTT investment vehicle

In a landmark move, CTT, the leading Iberian operator in e-commerce distribution, and Sierra formalised the structuring of an innovative, strategic, and long-term real estate investment vehicle. Set up during 2023 to be managed in 2024, this vehicle encompasses the retail assets of CTT's real estate portfolio, which consists of approximately 400 properties across Portugal. The sizeable volume of assets and their wide geographical reach represent a unique milestone in Portugal, making this partnership a pioneering achievement in this type of investment.

The transaction is valued at approximately €135 million, boasting around 240,000 sq.m of GLA with diverse uses, including retail, logistics, residential and offices. The properties are held by the investment vehicle created for this purpose, in which CTT remains the main shareholder, while Sierra plays the role of co-investor and manager, focused on value creation and active property management. Additionally, this vehicle also highlights Sierra's instrumental role in successfully conducting equity raising by attracting a diverse investor base, including institutional investors and family offices.

Our mission is to maximise the value of this portfolio by optimising the occupancy rate, attracting new tenants to available assets, exploring different types of use, as well as looking for expansion opportunities together with CTT. The partnership represents an important step in our growth strategy and is an excellent example of Sierra's adaptive and innovative approach, further establishing its reputation as a leader in real estate investment management, backed by a history of diverse and successful engagement with the market.

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Successful stories



Sierra once again leads the way – The new Colombo office building: Torre Norte Colombo

Sierra once again takes a leading role in noteworthy real estate projects, shaping the landscape with a compelling array of initiatives.

A standout project in our office sector pipeline is Torre Norte Colombo, the third addition to the well-known Centro Colombo mixed-use complex, located in Lisbon, a challenging engineering project expertly designed by Reify. This project is committed to the highest sustainability standards and occupier well-being, aiming for LEED and WELL Platinum certification, showcasing Sierra's dedication to sustainability and meeting the evolving needs of office occupants.

With more than 35,000 sq.m of construction area above ground, the project emerges as a bustling hub for over 4,000 daily occupants, enhancing the value of Centro Colombo, which

will be directly connected to the new office building. The projected increase in foot traffic serves as a catalyst for ongoing refinements at Centro Colombo shopping centre, including the upcoming expansion of its food court, already in the pipeline with construction set to commence shortly.

This complex engineering feat takes place amid Colombo's vibrant activity, with foundations set to rise above the existing building, although with a completely independent structure. It is Sierra's extensive experience in developing and managing complex projects that is making this ambitious undertaking possible, while ensuring the



seamless operation of the shopping centre continues. Our focus will now shift to the construction of the bridge-type structure above the shopping centre.

Conceived and developed by Sierra, this project not only stands out as a beacon of innovation but will also deliver significant value creation within our owned portfolio at Centro Colombo. As it is flawlessly integrated into Sierra's intricate value chain, it will contribute to the success that defines our approach to real estate.

**Financial performance**

2023 has emerged as one of the best years in Sonae Sierra's history.

After three years of steady recovery following the pandemic, 2023 has emerged as one of the best years in Sonae Sierra's history. Owing not only to the resilience and quality of our portfolio, but also to the growth of our services, the total EBIT from Europe has grown 18.7% when compared to the previous year. Regarding our business from Latin America, our performance increase is primarily the result of both the increase in our stake in ALLOS and the robustness of ALLOS's portfolio.

As a result, in 2023 Sonae Sierra reported direct results of €62.9 million from €44.6 million in 2022. Indirect results also rose significantly, increasing by €59.9 million to €45.9 million, mainly driven by the value created in our assets. This resulted in net results of €108.8 million. The enhanced financial performance has enabled Sonae Sierra to achieve an INREV NAV of €1,057.3 million (+8.8% yoy).

It is also worth mentioning that Sonae Sierra is one of the Sonae SGPS sub-holdings with eligible and aligned activities under the scope of "Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment." For further details, please refer to the [Sonae SGPS Report \(page 473\)](#)

€108.8

Net result in 2023

+ €18.2m

Direct result increase (2023 vs 2022)

Profit and loss accounts (€ million)*

	'23	'22	VAR.
Europe			
Income	182.3	160.1	13.8%
Costs	109.3	98.6	10.8%
EBIT	73.0	61.5	18.7%
Latin America			
Income	44.6	24.2	84.0%
Costs	18.8	8.5	121.7%
EBIT	25.7	15.7	63.7%
Provisions	0.4	2.2	-84.2%
Net financial costs	26.7	20.4	30.8%
Current tax	8.7	9.9	-11.5%
Direct Result	62.9	44.6	40.9%
Gains on sale of investments	4.8	17.7	-72.9%
Value created in investments	31.7	-33.3	N.A.
Deferred tax	-9.4	-1.7	N.A.
Indirect Result	45.9	-14.0	N.A.
Net Result	108.8	30.7	254.5%

Balance Sheet (€ million)**

	'23	'22	VAR.
Investment properties	1,436	1,314	9.3%
Properties under development and others	125	71	77.4%
Other assets	141	139	1.9%
Cash & Equivalents	175	222	-21.2%
Total assets	1,878	1,746	7.6%
Net worth	916	810	13.0%
Bank loans	592	590	0.3%
Deferred taxes	200	207	-3.5%
Other liabilities	170	139	23.0%
Total liabilities	962	936	2.9%
Net worth and liabilities	1,878	1,746	7.6%

* Restated P&L

** Management accounts

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Risk Management

Sonae Sierra's approach to risk management is transversal to both our business and sustainability strategy.

Sonae Sierra's approach to risk management is transversal to both our business and sustainability strategy. Recognising that value creation involves taking risks, we view effective risk management as a key competitive advantage for any organisation.

The risk management process at Sonae Sierra identifies potential events that could impact our staff, properties, environment, strategic objectives, and reputation. This approach allows us to maintain these risks at acceptable levels. To guide this process, we rely on the Enterprise Risk Management – Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). This framework serves as a valuable tool for identifying, assessing, monitoring, and managing risks, as well as implementing necessary mitigating actions.

At Sonae Sierra, our Risk Management Working Group convenes to analyse key risk topics and instil a robust culture of risk management across the Company.

Risk matrix

We define risk as the potential occurrence of an event, measured in terms of probability and impact, which could threaten our ability to create value.

Sonae Sierra conducts an annual review of the primary risks across all our business operations to update our Risk Matrix.





The tables presented below offer a concise overview of Sonae Sierra's critical and key risks with immediate likelihood, along with the measures we are implementing to manage them effectively.

Critical and key risks – definition and mitigation activities

Critical Risks

Climate change: Risk of properties becoming operationally obsolete, cost ineffective and/or non-compliant with environmental regulation, if their environmental design and performance are not improved. It also includes the impacts derived from chronic conditions (higher average temperatures, rising sea levels) and extreme weather events (floods, storms, heat waves).

Real Estate, as one of the industries that contributes the most to carbon emissions, will be subject to strict climate regulation, resulting in an increase in costs for the development, construction, and operation of assets to ensure compliance. Extreme weather-related events can result in the temporary or permanent closure of property, leading to costs due to business interruption or from repairs of the property. Insurance premiums may increase as the properties become more exposed to these events.

Cyber attacks: Permeability of information system defences to attacks that aim to hijack Company systems, steal sensitive information and perpetrate fraud, causing financial and/or reputational impacts.

Cyber attacks are becoming more sophisticated and broadening the nature of their attacks as well as their frequency. Information systems are key to the Company's daily business, so a successful cyber attack could have an impact on the continuity of the business or cause reputational harm. Additionally, the loss of personal data could lead to non-compliance with data protection regulations.

Monitoring and Mitigation Activities

Sonae Sierra maintains an Environmental Management System to continually monitor and improve the environmental performance of our assets.

Comprehensive assessments, in line with TCFD recommendations, are conducted for both physical and transitory risks on our owned assets under management, including vulnerability assessments for significant physical risks.

Measures for a phased adaptation of our properties have been identified, with evaluations and adjustments scheduled every three years.

To mitigate potential risks, we have comprehensive insurance policies covering both property damage and the interruption of business. Before acquiring any land or property, a thorough technical and environmental due diligence process is undertaken. This includes a climate risk assessment and project designs incorporate measures to achieve the minimum rating of a very good BREEAM certification or gold LEED certification.

Additionally, we have Decarbonisation roadmaps defined for our owned assets under management.

Sonae Sierra employs a Cybersecurity Governance Model. In addition, Cybersecurity awareness training is a mandatory component of onboarding. Our security measures encompass monitoring and vulnerability analysis services (SOC & CrowdStrike), continuous monitoring of external cybersecurity posture through Bitsight cybersecurity ratings, and protection technologies for on-premises and cloud infrastructure. We enhance security posture with MFA on Office 365 and VPN. Regular phishing tests and ongoing cybersecurity training contribute to our proactive security approach. An information security policy is in place, and we conduct two internal IT security audits each year.

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Continuation

Critical Risks

Developments: Inability to find profitable projects; events that can create difficulties in the licensing or the execution of the project.

Developments entail two inherent risks: i) the inability to compete with lower cost of capital developers and find profitable projects; and ii) difficulty in licensing or execution (exogenous events can create difficulties in the licensing; real estate projects, characterised by an extended completion timeframe, pose challenges for mid-development alterations; non-compliance with quality, cost, and delivery dates; and failure to achieve leasing and/or revenue targets).

Financing: Inability to obtain funding for a development project, or to refinance an asset at an adequate cost.

Both internal and external factors can present challenges in accessing credit. Restrictions on financing impact the growth initiatives within the capital-intensive businesses of Development and Investment Management, affecting the ability to refinance maturing debt. Limited availability of credit or higher costs of debt result in increased funding expenses, with a consequential adverse impact on earnings and financial position.

Monitoring and Mitigation Activities

Sonae Sierra maintains an internal database with information on land prices, project costs, and proprietary market research. The Company also fosters relationships with brokers and other industry players to ensure a constant pipeline of potential projects.

To address challenges in licensing or execution, Sonae Sierra has implemented a risk-sharing approach with partners. All developments undergo approval by the Board of Directors or Investment Committee through Investment Proposals (IP). The initiation of construction is contingent upon three conditions: i) securing financing; ii) ensuring that changes occurring from approval until the start of construction do not materially impact the IP; and iii) obtaining approval from the SPV Board. Development managers provide monthly forecasts for the completion of costs and sales/leasing, forming the basis for ongoing execution monitoring. Additionally, approval from Sierra's Board is required for cost overruns exceeding 10% of the initially approved investment.

Sonae Sierra maintains strong relationships with financing partners and banks, with open communication and follow-up of the financing evolution.

The Company aims to close financing at the maximum maturity and may negotiate the financing profiles ensuring that the "refinancing curve" is not too stressed. Sonae Sierra manages its liquidity on a regular and ongoing basis including closely monitoring the cash availability of its projects, to anticipate further cash requirements.

In addition, a risk assessment is carried out for each refinancing deal, to determine if there is the need to bring forward the start of the renegotiation process

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✓ Continuation

Key Risks

Client portfolio growth and renewal: Difficulty in creating recurring relations with clients/investors, having a solid client base and being their first choice for business; and difficulty in capturing new clients in geographic areas where Sonae Sierra is not (significantly) present.

One of Sonae Sierra's strategic pillars is growth in services, via expansion in current service lines, but also through the provision of new services in assets other than commercial retail.

This ambition can only be achieved through the growth and diversification of the client portfolio.

Cost of living crisis: Consumers are unable to maintain their current lifestyle due to the rise in the cost of essential goods and interest rates, which is not matched by the increase in real household income. This reduction in consumer spending has a direct adverse effect on the valuation of properties given the potential reduction in net rent resulting from the drop in rents and increase in discounts.

The cost-of-living crisis could result in a decrease in consumer spending, subsequently leading to tenant vacancies and financial instability.

Digital transformation: Failure in the digital transformation of the business, namely in the way the Company operates and delivers value to clients. Increasing penetration of e-commerce, leading to a decrease in appetite for retail space or a deterioration of rental levels. It also includes the inability to create and deliver an omnichannel offer that meets clients' needs and expectations.

Digitalisation, through innovative solutions and new working methods will bring with it new capabilities for growth and value creation. Companies that do not adapt their operations to digital could lose clients and employees.

The growth of e-commerce may change tenants' appetite for our physical spaces, with consequences on tenant mix, store sizes and rent levels. These combined effects will have a negative impact on the resilience of assets and consequently on valuation and the liquidity of shopping centres.

Monitoring and Mitigation Activities

Sonae Sierra has established dedicated functions for commercial, fundraising, and product-sourcing responsibilities with the aim of expanding business opportunities. Additionally, it has strengthened its position beyond shopping centres to alter market perceptions and support market contacts.

Finally, the Company has implemented Salesforce as a centralised Customer Relationship Management (CRM) solution, creating a comprehensive 360° unified client view, facilitating the sharing of leads and information related to potential or current opportunities.

Sonae Sierra has enhanced tenant support and customer retention and attraction initiatives.

Additionally, the Company engages in monthly discussions to offer attractive conditions for leasing vacant stores and increasing the availability of spaces for temporary lettings.

Sonae Sierra's Transformation Programme encompasses a broad array of internal digitalisation projects at both corporate and shopping centre levels. The programme undergoes regular reviews to reassess priorities and reallocate efforts, ensuring the most beneficial outcomes. Its status is consistently shared with top management.

The Company has developed various online promotion tools and digital projects that leverage opportunities associated with e-commerce. Data analytics is employed to monitor the changing needs of customers, resulting in several omnichannel offers and loyalty solutions. Additionally, close and regular contact is maintained with anchor tenants to understand their retail strategy and promote new retail concept opportunities.

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✓ Continuation

Key Risks

Financial covenants: Breach of financial covenants, following a deterioration in the operational performance or valuation of assets and/or an increase in interest rates.

Increases in interest rates, deterioration in the performance of assets, reduced asset valuations, lower cash flow generation may lead to problems if the financial covenants setup in financing agreements are not complied with.

Some levels of financial covenants may lead to distributions to shareholders being restricted. In other cases, breach of financial covenants may lead to early repayment of debt if no better solution is agreed.

Inflation: General increase in prices, with a direct adverse effect on the Company's financial performance and on the valuation of properties due to the increase in operating costs.

Inflation leads to changes in consumer habits, directly impacting tenant sales across shopping centres and limiting the availability of tenants to invest in innovative concepts to enhance their attractiveness. The decrease in sales, coupled with rising costs, may result in falling rents and increasing vacancies, negatively impacting the value of the properties.

Inflation results in higher capital expenditures (CAPEX), increased personnel costs, and elevated financing costs.

Interest rate fluctuation: Higher interest rates will increase the cost of debt, which will affect the Company's financial performance, tighten the interest coverage ratios of assets, and have a negative effect on real estate values and investment returns.

Increases in long-term interest rates can lead to higher property yields with the consequent reduction in asset valuations. As a result of the negative effects on valuations and interest charges, interest rates increase causing negative impacts on financial covenants. Given the typical degrees of leverage in real estate, higher interest rates have meaningful cash flow and income statement impacts, implying higher interest payments to lenders.

Monitoring and Mitigation Activities

Sonae Sierra maintains a policy for establishing acceptable Loan-to-Value (LTV) and Loan-to-Cost (LTC) levels based on the asset type when structuring financing agreements. The Company has an Interest Rate Risk Management policy and Interest Cover policy in place to mitigate the impacts of interest rate variability. Continuous monitoring is conducted for debt levels, LTV, and Minimum Net Operating Income (NOI). A Financial Report is periodically sent to Sonae Sierra's Executive Committee, which includes an analysis of the interest-rate exposure and the hedging contracts in place.

Sonae Sierra adapts leasing agreements based on the Consumer Price Index (CPI). The CAPEX plan can be modified or reduced if necessary. Facility contracts are optimised through market consultations. Energy-saving measures include optimising air conditioning and lighting, along with using photovoltaic panels for energy self-production. Short-term energy contracts are negotiated during periods of high energy price volatility. Marketing costs may be reduced to offset increases in other charges.

Sonae Sierra monitors interest rate hedging to partially or fully offset the effects of increases in interest rate variations. The Company manages interest rate risk in accordance with the interest rate risk management policy defined for each asset type.

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✓ Continuation

Key Risks

Key people: Difficulty in recruiting talent. Restrictions in giving development opportunities to young talent. Loss of key people that are crucial for the Company's current and mid to long-term performance.

Talent attraction, retention and succession are pivotal for the performance of the Company.

Insufficient and inadequate human resources or inability to attract, develop or retain talent could impact the business performance and prevent the Company from reaching its strategic objectives.

Political, legal and regulatory risks: Disruptive laws, regulations, new regulatory frameworks, changes in a country's political regime, or geopolitical tensions that can impact the way we do business during a short or long period of time.

Sonae Sierra's business is subject to numerous laws and regulations in areas such as asset, investment and property management, leasing, licensing and construction, health and safety, environment, and data privacy. Non-compliance may result in fines and/or have a negative reputational impact.

Monitoring and Mitigation Activities

The Company is committed to career development, by providing permanent learning and development opportunities tailored to each employee. It also promotes continuous leadership development focusing on leaders' core competencies, while identifying potential successors for all key positions.

Employee satisfaction surveys are conducted regularly to design and implement relevant action plans to make Sonae Sierra a great place to work, including the implementation of people-oriented policies on work-life balance, well-being, diversity & inclusion, and a sustainable work environment. Sonae Sierra implemented the Sierra Flex Work programme, which encompasses a portfolio of work flexibility measures, including different working models tailored to various segments.

Sonae Sierra's Employer Branding initiatives are strategically aimed at the young talent segment (e.g., Big > In, universities roadshow, and LinkedIn activities).

Sonae Sierra's legal team, in collaboration with external advisors, monitors emerging regulations and legislation.

The Company maintains and periodically reviews compliance and regulatory procedures.

Sonae Sierra is a member of local and international leading industry organisations that actively monitor changes in laws and regulations, contributing to public debate while representing the views of its members.

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Powerful connections, shared values

Growing and enduring relationships.



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03 — Stakeholders

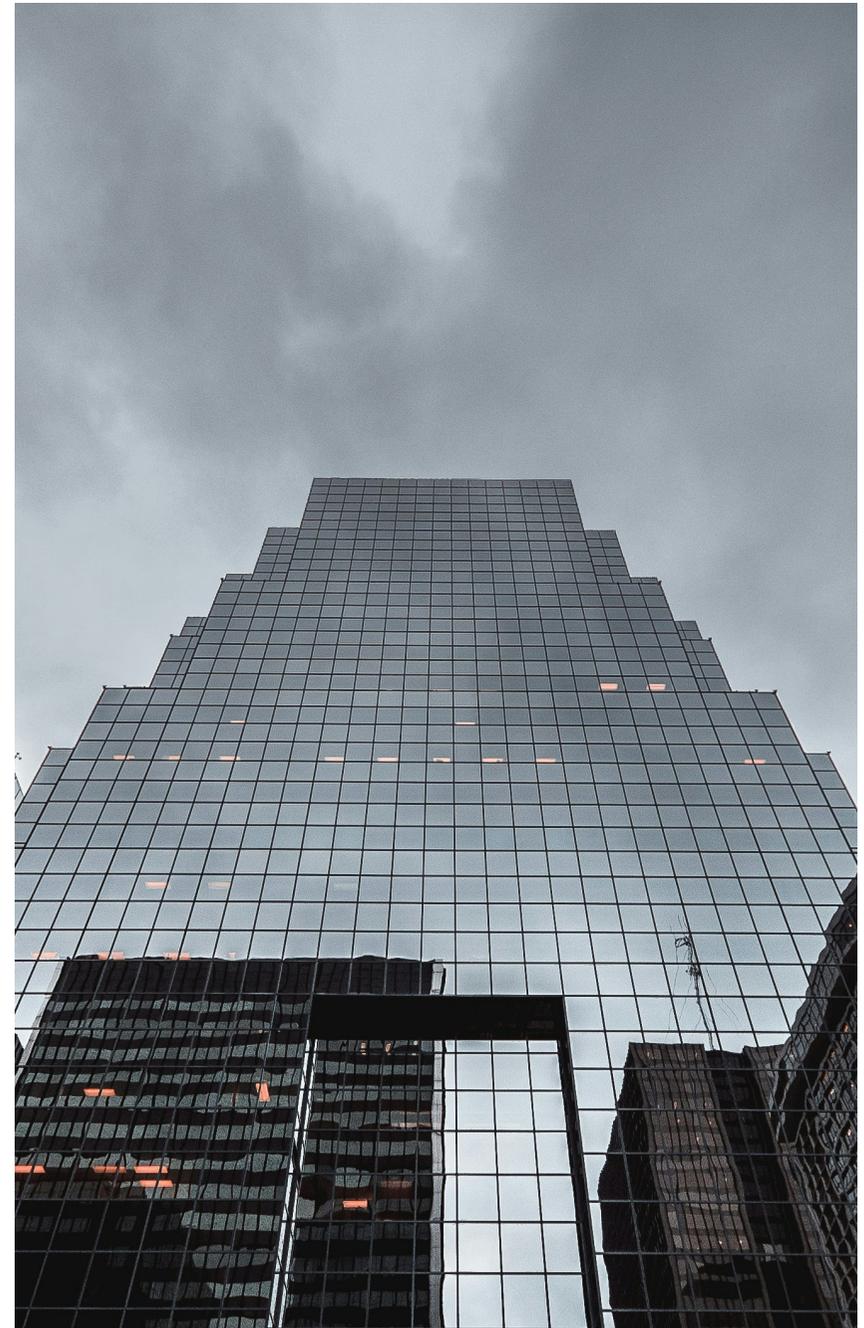


Stakeholders

Sonae Sierra has a broad range of stakeholders: shareholders, investors, services clients, tenants or shopping centre visitors, employees, local communities and suppliers.

It is important to increase stakeholders' awareness and engagement in our sustainability strategy, our sustainable way of carrying out business and the opportunities to create shared value.

The stakeholder groups with whom the Company engages have been identified based on their ability to influence our business model and operations, to create shared value, and the extent to which they are impacted by our activities. The sustainability stakeholder engagement team, which resides in the Sustainability Office, guides our engagement activities with key stakeholders at a corporate level. Additional stakeholder engagement activities are conducted by individual departments and at the country and shopping centre levels by our shopping centre management and local marketing teams.



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Sonae Sierra's stakeholders and ways of engagement



Employees

- Intranet, newsletters, LinkedIn and corporate website
- Training on SHE and business ethics
- Regular SHE meetings, campaigns and advice
- Employee surveys to obtain feedback on the effectiveness of training programmes
- Environmental awareness campaigns

Local communities

- School liaison and other employee volunteering initiatives
- Engagement at the shopping centre level during the planning, development and operations phases

Partners, shareholders and financiers

- General Shareholders Assembly
- Annual and quarterly earnings reports
- Regular meetings and presentations about our financial performance, risk management practices and approach to sustainability
- Annual participation in GRESB

Investors and services customers

- Investors' survey
- Regular communications on asset/ portfolio performance
- LinkedIn, Landing pages & Corporate website, and Fairs

Tenants/Occupiers

- Tenant's portal
- Operational tenant survey and one-off surveys
- Management meetings
- SHE training, SPO and emergency practice drills
- Tenant Assembly meetings
- Ongoing communications regarding promotions, sales and marketing initiatives

Shopping centre visitors

- Mall & Geo Tracking Surveys
- Customer Contact Management System and Service Level Agreements
- Mystery shopper exercises
- Email, SMS and social media updates on services and events to local visitors
- Awareness-raising events with SHE related topics

Suppliers

- Service Suppliers Evaluation procedure
- Regular SHE meetings
- SHE training, SPO and Safe Practice Index

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Clients, partners and suppliers

At Sonae Sierra, our clients and our partners are the most essential part of our business.

The relationships established with our investors and clients have enabled us to create long-term economic and social impact throughout Europe, North Africa and Latin America. We have grown with our stakeholders in the last almost 35 years and we can continue to expand together to build better communities, environments and businesses in the future.

We have been developing a successful track record with more than 400 clients and partners throughout our history. Each of them has been crucial to helping us grow our footprint in 35 countries and improve the services portfolio across the entire real estate value chain. In 2023, our Commercial and Investment Relations teams maintained an active relationship with more than 150 existing clients and added a further 40 new clients. Below is a list of some of the key partners and clients that we have worked with during our history.



>190

>150 existing clients and 40 new clients, with whom our commercial team maintained an active relationship in 2023



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Sonae Sierra's Clients and Partners

Source	Client or partner	Source	Client or partner	Source	Client or partner
C	Aachener Grundvermögen	P	CTT Correios de Portugal, S.A.	C/P	Madison International Realty
C	Actif Invest	C/P	DWS	C/P	Marjane
C	Agence MarchicaMed	C	Eastbanc	C/P	McArthurGlen
C/P	Allianz Real Estate	C/P	Elo	C	MDSR
C	Anfa Realities	C	Enotel	C	NEPI Rockcastle PLC
C	Antirion	C/P	Estevão Neves	C	Norfin
C/P	APG Investments	C	Faenza Erre	C/P	Nuveen
C/P	APSYS	C	Foncière Chellah	C/P	Ocidental Seguros
C	Arcofina	C	Frey Invest	C	ONCF
C/P	Armórica	C	Generali Real Estate	C	OVS
C/P	AXA Investment Managers	C/P	Groupe CDG	C	Revive
C/P	Bankinter Group	C/P	Grupo Ferreira	C/P	RE Capital
C/P	Basler AG	C	Habitat Invest	C	Rockspring
C/P	Bensaúde Group	C	HanseMerkur Grundvermögen AG	C	Round Hill Capital
C	BESIX RED	C	Harbert	C	Pradera Management Italy srl
C/P	Bluehouse Capital	C/P	Ilmarinen	P	Signal Capital Partners
C	BNP PARIBAS, SA	C	Inmobiliaria Gomez	C/P	Sparkasse Südpfalz
C	Breogan Park SLU	C	IntReal International Real Estate	C	SQUARE Asset Management
C	Caixa Imobiliário, S.A.	C/P	J&T Real Estate	C	Stage Capital
C/P	CBRE Investment Management	C/P	Jacobs	C	Temprano
C	Chorus Life	C/P	Keva	C	Tristan
C/P	Charagonis Group	C	Kryalos SGR	C/P	Union Investment
C	Compagnie de Phalsbourg	C	Leap Assets	C	Vic Properties

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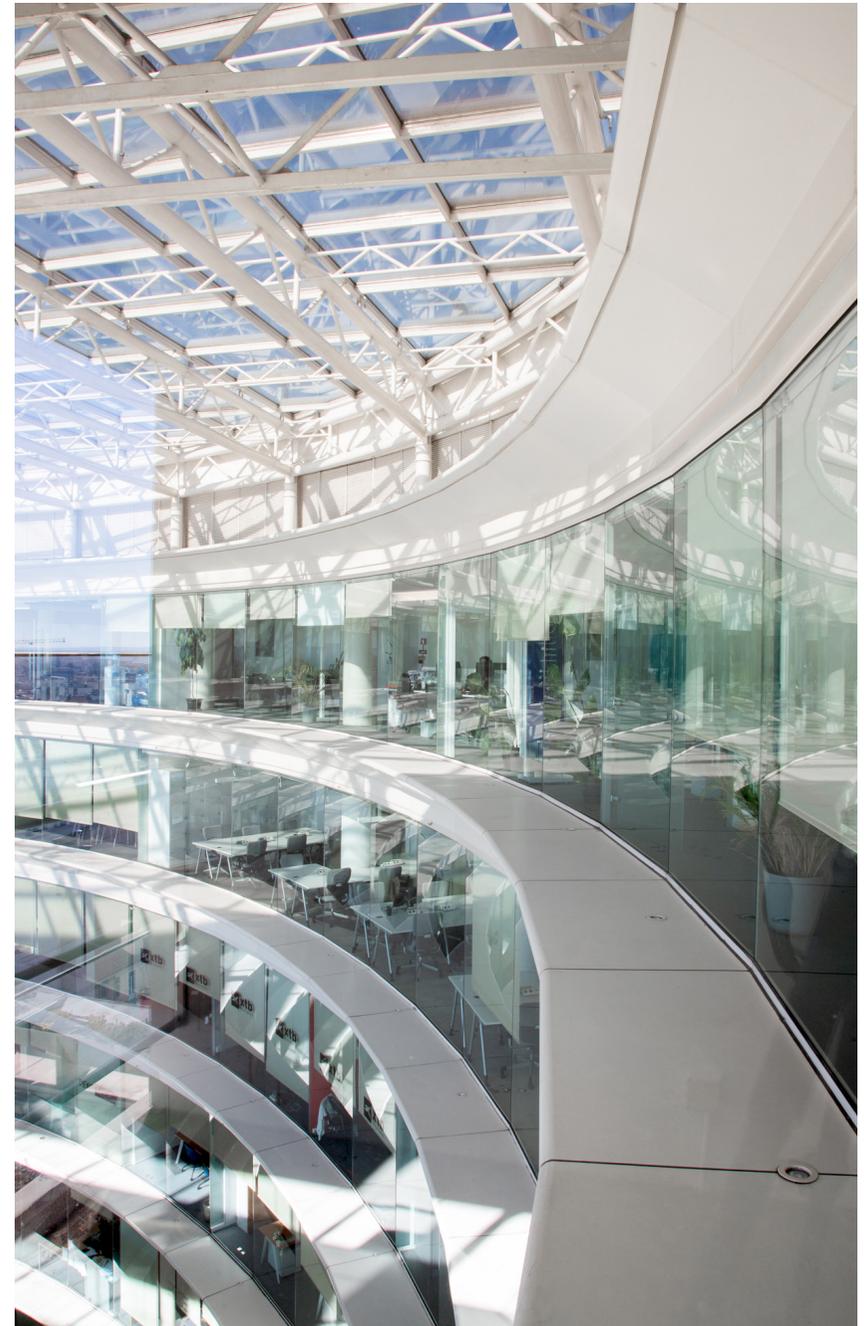
What makes Sonae Sierra unique and well-recognised internationally by our stakeholders is the combination of three characteristics:

- **A fully vertically integrated real estate player.** Our stakeholders can rely on us throughout the asset lifecycle to operate complex processes and projects with agility and simplicity. We offer access to our skills ecosystem a wide range of integrated solutions, sector expertise, a skilful team, and solid in-house management practices. We are a one-stop-shop helping our investors to create investment vehicles, and to license, design, develop and manage assets. In 2023, we were engaged in almost 200 contracts in various geographic areas and sectors, always guided by the most demanding sustainability principles. Our ability and significant experience in proactively creating value for our assets are widely recognised and reflected in more than 300 awards in the real estate industry.
- **A safe pair of hands.** We have an institutional-type shareholding structure and we created a robust governance system that complies with the strictest compliance and reporting requirements. We are guided by a prudent management style, focused on the boundaries of risk management, which enables us to build a transparent and trustworthy relationship with our investors. At the same time, we have a strong balance sheet, anchored by a solid core portfolio, which allows us to be ready to invest whenever required and assures our clients and partners that we are here for the long run. We have built a robust reputation with partners and clients

that range from global blue-chip investment institutions to insurance companies, pension funds, investment banks and family offices.

- **A global operating partner.** We are committed to creating shared value for our clients and partners by working either as a single service provider or as a full operating partner. We approach partners and clients with a single contact point while we manage the entire project across many technical areas of expertise. We have more than 30 years of experience, which enables us to understand and foresee the needs of different types of investors and clients to successfully deliver suitable strategies. Our proven track record in operating in an industry where complexity and risks are intrinsically high, allows us to unlock and develop further business opportunities effectively. We bring in-depth knowledge of real estate markets, technical skills and an internationally qualified team in addition to the network of businesses, and contacts in regulatory and financing entities that are required to implement high-value real estate projects.

Apart from clients and partners, our suppliers also play a pivotal role in our activity. For this reason, all our supplier contracts specify that they need to comply with local labour legislation and Sonae Sierra's Responsible Procurement Policy. This policy has been set to commit our suppliers to improve their performance across core environmental and social impact areas, such as human rights, safety and health, and to assess their ethical performance.



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We participate in many externally developed economic, environmental and social charters, principals, or other initiatives

to promote sustainability best practices in the real estate sector.

The size of the contracts signed with the suppliers determines the level of commitment we require in terms of our policy. All contracts over €1 million include clauses related to labour impacts. Contracts over €500,000 are also subject to additional checks as part of our Anti-Money Laundering and Terrorist Financing procedures manual.

For all major tenders for suppliers of structural goods and services, a pre-qualification questionnaire is requested to gather information on their practices, policies and performance regarding health and safety, risk management and human rights. In addition, for

critical suppliers (contracts over €2.5 million), Sonae Sierra also gathers information in relation to their equal opportunities.

In addition to the stakeholder groups identified previously, we participate in many externally developed economic, environmental and social charters, principals, or other initiatives to promote sustainability best practices in the real estate sector. These include: the Urban Land Institute (ULI) Sustainability Council, International Organisation of Employers – Global Occupational Safety & Health (GOSH) network, European Property Federation and Better Recovery statement.

Furthermore, Centro Colombo and Centro Vasco da Gama signed the Lisbon European Green Capital 2020 – Climate Action Lisbon 2030 Commitment and will implement additional measures in order to contribute to environmental sustainability, the mitigation of climate change, and energy and water efficiency.

As employees play a vital role in Sonae Sierra, more detail will be given regarding this group.

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Employees

Promoting SDG gender equality, decent work, and good health and well-being remains a priority for our Company.



738

Direct employees distributed across 11 offices

The People & Culture department at Sonae Sierra has undergone significant evolution, reinforcing its role as a strategic partner, essential to achieving the Company's goals. In 2023, this evolution was marked by an accelerated strategy to reposition the People & Culture team. Sonae Sierra's workforce is spread across 11 offices and comprises 738 direct employees. This year witnessed a series of impactful initiatives tailored for distinct groups within the organisation:

- **Young talent** – Building on the success of the *Big > In* programme in 2022, the third edition in 2023 welcomed 12 new trainees. This programme remains instrumental in cultivating a pool of young talent within the Company.
- **Team leaders** – All our leaders began the *Rise High Rise Higher* training programme to enhance their leadership skills and foster entrepreneurship in the Company.
- **All employees** – The Flex Work programme is designed to address challenges in retention and attraction. 68% of our employees are “satisfied” or “very satisfied” with this programme. The measures that are most appreciated are the Working Models, the Flexible Working Schedule and Festive Days.

In addition to these initiatives, Sierra successfully completed and opened its new offices in Maia. These offices, designed by Reify, in collaboration with the People & Culture team (part of the Transformation Office), represent an important milestone for us. They were conceived to foster connection and collaboration, essential elements for the culture that the Company aspires to cultivate more than ever.

Promoting SDG gender equality, decent work, and good health and well-being remains a priority for our Company. Although Sonae Sierra has a significant representation of women in its global workforce, women are still underrepresented in most management levels and leadership positions. To tackle this issue, Sonae Sierra has established a Key Performance Indicator (KPI) defined by the Sonae Group, showing our commitment to increase the proportion of women in leadership positions. In this context, Sonae Sierra already has one of the most gender-diverse Top Management Team of the Sonae Group, with three women out of eight. Besides this, core HR processes throughout the employee lifecycle, from recruitment to assessment, development, and career progression, are analysed and calibrated always with the gender equality perspective in mind.

Concerning matters of decent work and well-being, Sonae Sierra continues to place its employees first. In 2023, different

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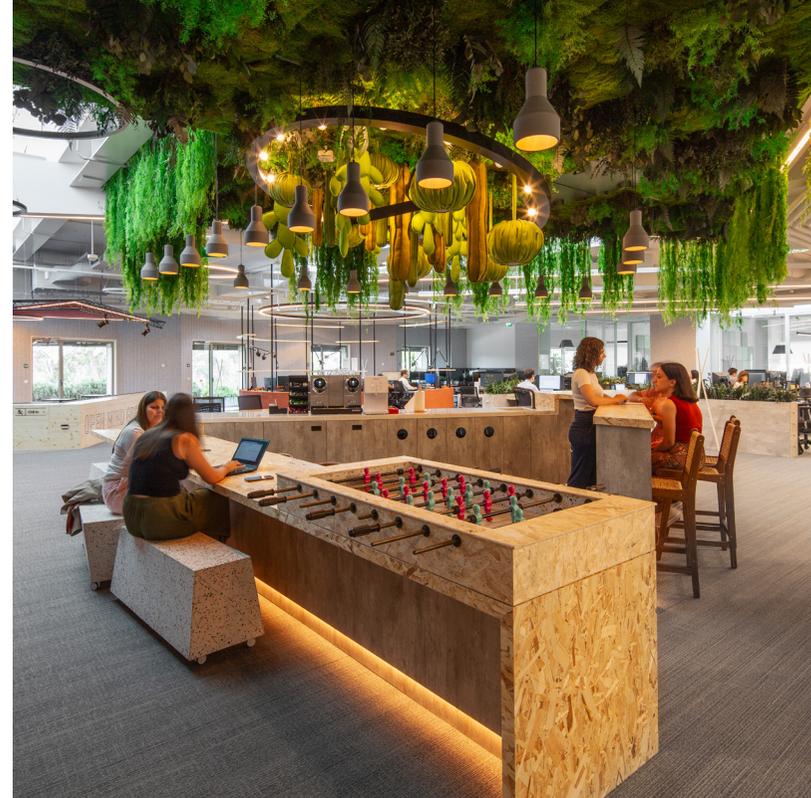
Regarding decent work and well-being, Sonae Sierra always places its employees at the centre of any decisions that are made.

working models were adapted to address employee needs and expectations that were collected during our employee listening initiatives. Sonae Sierra also grants health insurance to all employees, tracks injuries and occupational diseases to improve well-being, ensures that all travellers to risky destinations have comprehensive travel insurance and training, and prohibits the use of alcohol and drugs during work shifts and at all our construction sites.

Listening to employee feedback continues to be a cornerstone of our approach. During 2023, an Employee Net Promoter Score (eNPS) was implemented, generating valuable insights that allow us to continually adjust processes, initiatives, benefits, and working conditions to meet employee needs.

In the realm of talent development, the *Rise High Rise Higher* programme was communicated to all Sierra employees in 2023, aiming to upskill leaders and teams, and instill an entrepreneurial spirit. Beginning with training sessions for Sierra leaders, it is set to be extended to all Sonae Sierra employees during 2024, leveraging partnerships with Portugal's leading business schools. This programme is an example of the Company's commitment to continuous learning and development.

Another important training scheme is the Safety, Health, and Environment (SHE) training. Within the framework of our SHEMS (SHE Management System), we operate a Competence,



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Training, and Awareness Procedure. The Sustainability Office and People & Culture department use a competence matrix to define the skills and knowledge required for each aspect of SHEMS to be effectively implemented by Sonae Sierra's employees according to their role and function.

Each year, the Sustainability Office identifies specific SHE training and awareness needs with reference to the staff assessment process, focusing on those employees whose role impacts SHE issues or those with SHE management responsibilities. All new Sonae Sierra employees, including those with SHE responsibilities, receive SHE induction training through the Onboarding programme.

All site managers, site correspondents, and other employees with SHE responsibilities

To be aware and act on employee satisfaction and engagement, we continued developing an Employee Net Promoter Score (ENPS).



must attend training on all SHE procedures within our SHEMS that apply to their roles. We collaborate closely with our critical suppliers on specific SHE issues through our SHEMS procedures.

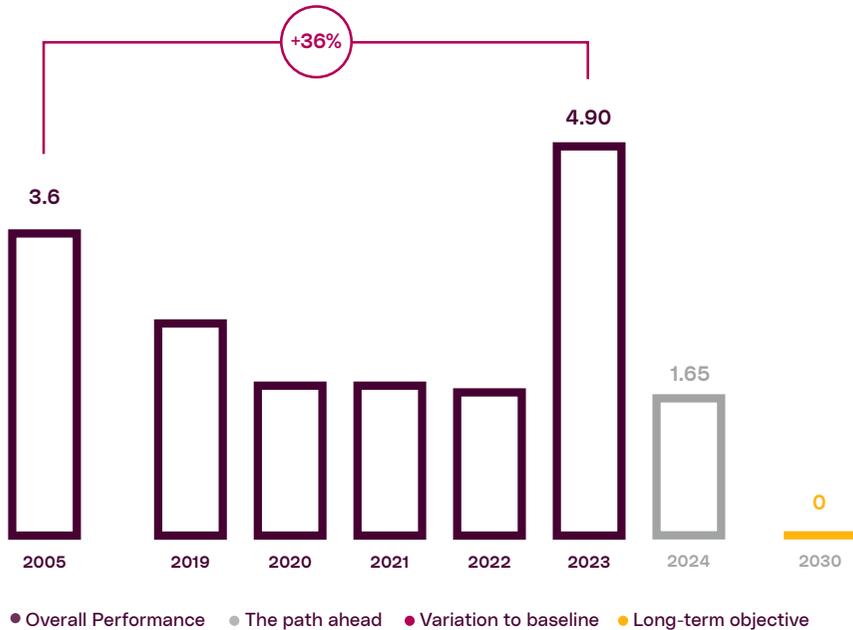
Regarding the staff of shopping centre teams, tenants and service suppliers, induction training is performed in every owned shopping centre and, when permitted, to managed

third-party shopping centres. Additional specific training is performed at shopping centres certified according to ISO 14001 and 45001. A survey is performed following each training session, allowing us to monitor the effectiveness of the training delivered.

In the [GRI Index](#), you can find more numeric information regarding employees.

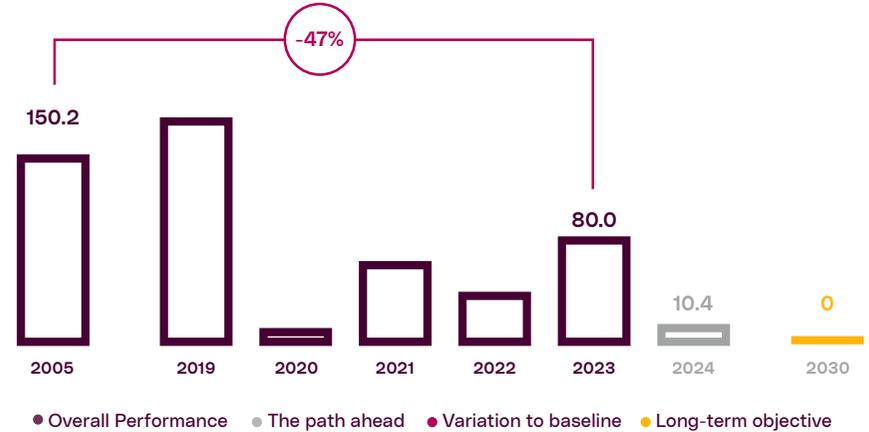
Accident Rate (LWCAFR) among the workforce

(No. accidents with lost workdays per million of hours worked)



Accident Severity Rate (ASR) among the workforce

(No. lost workdays per million of hours worked)



The accident rate among the workforce has increased by 36%, compared to our baseline year of 2005, to 4.9 accidents with lost workdays per million hours worked. Accident Severity Rate has decreased by 47%, since our baseline year of 2005, to 80 lost workdays per million hours worked.

-47%
Accident Severity Rate (among workforce), since 2005

The increase in the accident rate in 2023 is attributed to four additional accidents compared to 2022 (six in 2023 versus two in 2022), with three of them occurring during work-related travel ('in itinere').

The fluctuations in our performance emphasise the importance of continuously engaging with our workforce to promote the adoption of safer behaviour as our long-term objective is to reduce both to zero.

For more information, please see [pages 85-87, 90, and 147-148.](#)

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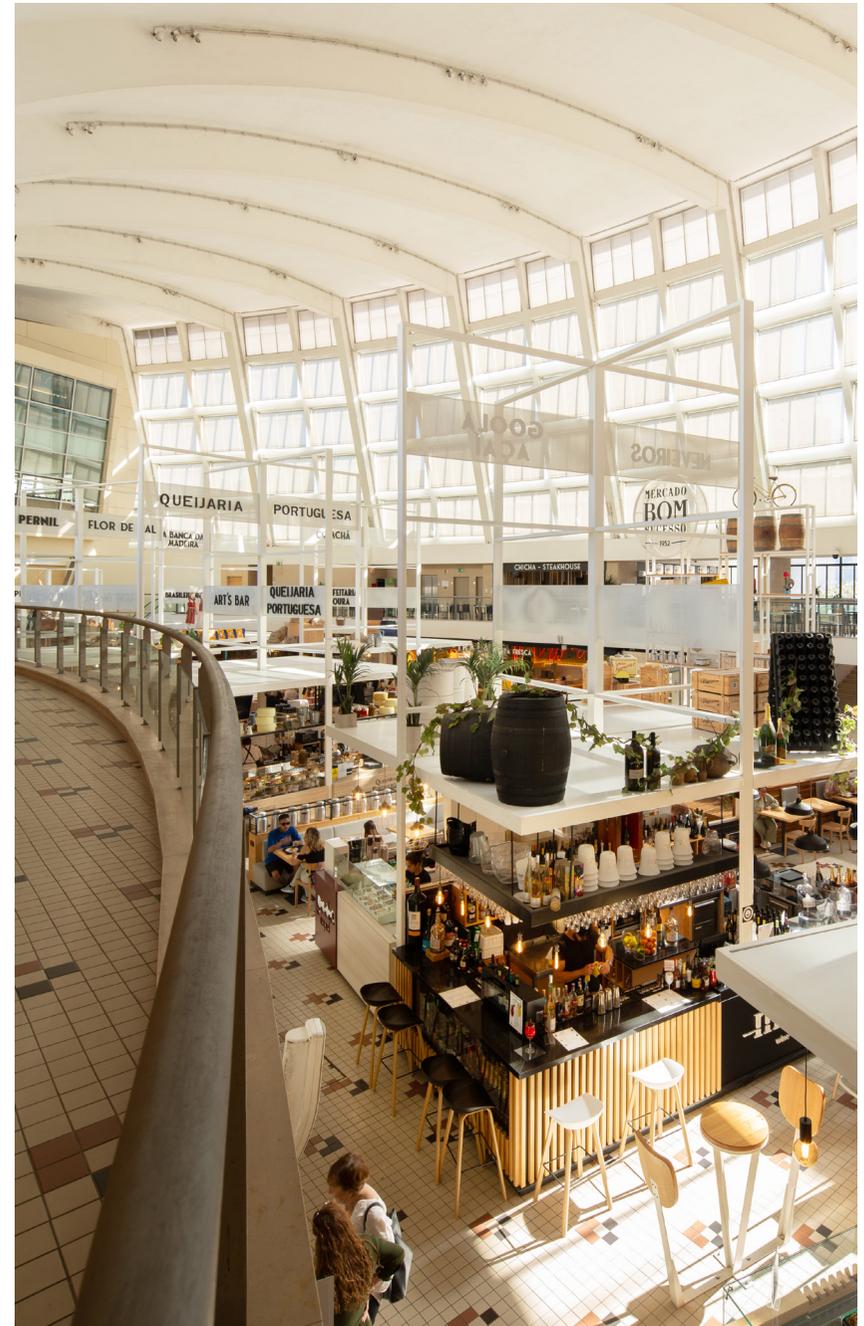
Engagement with the community

Sonae Sierra must be familiar with the needs, profiles and habits of the communities, to ensure it offers them the best experience possible.

For Sonae Sierra, it is of extreme importance to be close to the communities where our businesses are developed. Sonae Sierra must be familiar with the needs, profiles and habits of the communities to ensure it offers them the best experience possible.

Shopping centres owned and managed by Sonae Sierra in Portugal partnered with some solidarity institutions (e.g., Banco Alimentar) to collect food or school materials on behalf of disadvantaged families.

It is of extreme importance to be close to the communities where our businesses are developed.



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With sustainability at the core of Sierra's DNA,

we invited local communities to join us for an Open Day in June.

In addition, the Company maintained its concern for visitors' safety through communication campaigns to raise awareness of the safety measures taken to make people feel more comfortable and safer while visiting the shopping centres.

With sustainability at the core of Sierra's DNA, we invited local communities to join us for an *Open Day* in June, in some of our assets. During this event, we offered a transparent look behind the scenes, showcasing how our

centres handle waste by opening the doors to our waste management docks, as well as offering initiatives such as workshops or showcasing art made of recycled materials. This initiative was well-received by the local communities and several schools also participated in the event.

Additionally, at the end of 2023, Sierra launched a campaign promoting thoughtful Christmas gifting with the slogan *Unwrap Your Prejudices and Change the Gift you Give*,



with the goal of raising awareness about the true essence of a Christmas gift, emphasising that it should not be viewed solely from a consumeristic perspective. The campaign was communicated across all channels, including direct engagement with customers through vox-pop interviews in the shopping centres.

For more information on our impact on the local communities, please see [pages 83-84](#), and [153-154](#).



€728k

Donations and other community contributions in 2023

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Sharp vision, sound guidance

Ground rules for
a sustainable business.

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04 — Governance



Top Management Team



Fernando Guedes de Oliveira
(CEO)

Fernando Guedes de Oliveira joined Sonae Sierra in 1991 as Development Manager of the Company's ViaCatarina Shopping and Centro Vasco da Gama. He had previously spent seven years in other management roles within the Sonae Group. In 1999, he became responsible for all Sonae Sierra's development operations in Europe and was appointed CEO in April 2010.



Luís Mota Duarte
(CFO and Executive Director of Investment Management)

Luís Mota Duarte joined Sonae Sierra in 2018 from Sonae SGPS where he was Head of M&A since 2014. Prior to joining Sonae Group, Luís spent 14 years in London, most recently as a Director at Bridgepoint Capital, a leading European private equity firm. Previously, he worked at Salomon Smith Barney in its Investment Banking division and General Electric in its Business Development team. He was an Associate Fellow at Saïd Business School, Oxford University until October 2020 and is an Adjunct Professor at Nova School of Business & Economics in Lisbon.



Joaquim Pereira Mendes
(Chief Legal, Tax & Compliance Officer)

Joaquim Pereira Mendes is in charge of the Company's legal, tax and compliance activities. His career at Sonae Sierra began in 1989. He is also a member of the European Legal Group of the European Council of Shopping Places (ECSP) and Professor of Law at Portucalense University, Porto.



Cristina Santos
(Executive Director,
Property Management)

Cristina Santos joined Sonae Sierra in 1995 as Deputy Director of GaiaShopping. From 2012 to 2016, she was Managing Director of Property Management for Portugal and in 2016 she adopted the same role for Iberia. Since 2021, she has been the Executive Director for Property Management. Since March 2022, Cristina Santos has been the president of the Portuguese Association for Shopping Centres (APCC). Cristina Santos holds an undergraduate degree in Food Engineering and has completed several postgraduate courses from the Católica Lisbon School of Business and Economics, AMP and INSEAD.



Ana Guedes de Oliveira
(Executive Director, Asset Management)

Ana Guedes de Oliveira has been with Sonae Sierra since 1987. After managing the development of two major centres in Portugal, she moved to portfolio management in 1999. In 2008, she became responsible for all Sonae Sierra's European investment activities. In 2009, she was appointed to oversee all aspects of the Company's development programme (outside of Brazil). Since 2021, she has been the Executive Director for Asset Management.



Inês Drummond Borges
(Chief Transformation Officer)

Inês Borges joined Sonae Sierra in 2021, coming from Worten where she had held the role of Iberian Marketing Director since 2015. Before that, she worked for Vodafone as Head of Innovation and Consumer Product Management, Head of Consumer Pricing, Product Management & Youth (YORN) and Marketing Director. Her first professional experience was as a Business Analyst at McKinsey. She has an undergraduate degree in Economics from Nova School of Business and Economics.



Alexandre Fernandes
(Executive Director, Developments)

Alexandre Fernandes is the Director of all Sonae Sierra's real estate development activities. Previously, he was responsible for the Asset Management of the Company's European Shopping Centre Portfolio. Throughout his career, he has acquired extensive experience in investment, asset management, property management and development in the real estate sector, across several geographic areas. He joined Sonae Sierra in 1997 as the Development Manager of NorteShopping, after having worked in the telecommunications sector and carried out research in the field of electronics. Alexandre has an undergraduate degree in Industrial Electronic Engineering from the University of Minho, an MBA from Porto Business School and has attended other executive programmes.



Jorge Morgadinho
(Executive Director, Reify.)

Jorge Morgadinho has been with Sonae Sierra since 1994. He joined Centro Colombo as an architect. He was subsequently appointed Deputy Development Manager of the Centro Vasco da Gama. From 1999 to 2005, he was responsible for the development of three shopping centres in Spain, and in 2006 he was appointed Expansion Manager for New Markets. Since 2010, he has been responsible for Sonae Sierra's design activities as Director of Conceptual Design & Architecture.

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Governance, ethical conduct and transparency

Sonae Sierra's corporate governance policies are modelled and adopted based on those of its sole shareholder, Sonae, SGPS, S.A.

Sonae Sierra's corporate governance policies are modelled and adopted based on those of its sole shareholder, Sonae, SGPS, S.A.. These policies define strict levels of transparency, independence, remuneration compliance rules and a focus on sustainability. This framework forms the foundation of Sonae Sierra's values, management model, sustainability and business strategies and transparency in public reporting.

In terms of structure, the top governing body of the Sonae Sierra group is the Shareholders' General Meeting, responsible for appointing the Board of the Shareholders' General Meeting, the Fiscal Board and the Board of Directors.

In accordance with article 23 of Sonae Sierra's by-laws, the Shareholders' General Meeting is only comprised of the



shareholders with shares with voting rights or subscription securities that, at least eight days before the meeting, are:

- a) registered in their name in the Company's files;
- b) deposited in credit institutions;
- c) registered in a securities account.

In accordance with article 24 of Sonae Sierra's by-laws, each group of one hundred shares corresponds to one vote, and shareholders have as many votes as the whole part given by dividing the number of shares they have by one hundred, without any limit.

It is also worth noting that article 25, numbers 1 and 2, of Sonae Sierra's by-laws states that individual shareholders can represent themselves through their spouse, parents or children, business administrator or another shareholder upon a letter addressed to the Chairman including the name and the address of the representative and the date of the meeting. Corporate shareholders should be represented by the individual named for the purpose in a letter and whose authenticity shall be determined by the Chairman of the Shareholders' General Meeting.

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It is the Board of Directors, consisting of 10 members (5 executive and 5 non-executive), who take responsibility for the Company's strategy, long-term business plan, finance and reporting. The Board of Directors has a tenure of 4 years. The chair of the Board of Directors is Cláudia Azevedo, a non-executive director of Sonae Sierra.

Article 17, number 1, foresees that in case of death, resignation or impediment, temporary or definitive, of any member of the Board of Directors, the Board of Directors provides a solution for the respective replacement. Nevertheless, the replacement can also be made through the Shareholders' General Meeting.

Article 6, number 3, of Sonae Sierra's by-laws, states that after the shares of the Company are admitted to trading on a stock exchange, the Company's share capital can be increased

by up to €250 million, once or more times, following a Board of Director's decision. The Board will set the format, the subscription conditions, and the categories of shares to be issued, among the ones foreseen in these articles or others permitted by law. However, Sonae Sierra has no shares admitted to trading on a stock exchange.

The Board of Directors and the Executive Committee have the support of three committees, namely, the Investment Committee, the Finance Committee and the Audit & Compliance Committee. The Investment Committee and the Finance Committee are chaired by the CEO. The Audit & Compliance Committee is chaired by an independent, external person chosen by the Board of Directors.

The day-to-day management falls under the responsibility of the Executive Committee.

Meetings are held at least once a month. All executive members are part of the Executive Forum, which promotes knowledge sharing across the corporate and business areas.

The Risk Management Working Group ensures that the Company policies and best practices are known, and consequently adopted, throughout the Company. The working group gathers information and reports on the risks that the Company is facing or may face in the future and reports, via the Head of Risk (previously via the Finance Director), to the Sustainability Steering Committee, the CFO and the Audit & Compliance Committee.

The members of the Shareholders' General Meeting, Chairman and Secretary, are appointed at the beginning of each meeting by the shareholders.

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Board of Directors

Executive directors: Fernando Guedes de Oliveira (CEO), Luís Mota Duarte (CFO), Ana Guedes de Oliveira, Cristina Santos and Jorge Morgadinho

Non-Executives directors: Cláudia Azevedo (Chairman), Ângelo Paupério, Neil Jones, José Baeta Tomás and João Dolores

Secretary: Joaquim Pereira Mendes

Investment Committee

Fernando Guedes de Oliveira (Chairman), Luís Mota Duarte (CFO), Ana Guedes de Oliveira, Ângelo Paupério, João Dolores and Neil Jones

Secretary: Joaquim Pereira Mendes

Finance Committee

Fernando Guedes de Oliveira (Chairman), Luís Mota Duarte (CFO), Ângelo Paupério, João Dolores and Neil Jones

Secretary: Joaquim Pereira Mendes

Audit and Compliance Committee

Ângelo Paupério (Chairman) and João Dolores

Secretary: Cristina Sousa Teixeira

Fiscal Board

Chairman: Ana Isabel Príncipe S. S. Lourenço

Effective members: Carlos Manuel Pereira Silva and Sónia Bulhões Costa Matos Lourosa

Alternate: Óscar Alçada Quinta

SROC: Deloitte & Associados, SROC, S.A.

Executive Committee

Fernando Guedes de Oliveira (CEO), Luís Mota Duarte (CFO), Ana Guedes de Oliveira, Cristina Santos and Jorge Morgadinho

Sustainability Steering Committee

Fernando Guedes de Oliveira (CEO), Ana Guedes de Oliveira, Cristina Santos, Alexandre Fernandes, Inês Borges, Ana Vicente, Cristina Sousa Teixeira, Elsa Monteiro, Susana Sabino and Ana Isabel Moita

Digital Mall (Omnichannel) Steering Committee

Fernando Guedes de Oliveira (CEO), Ana Guedes de Oliveira, Cristina Santos, Inês Borges, Luís Mota Duarte and Ricardo Rosa

Risk Management Working Group

Cristina Sousa Teixeira, Andrea Ometto, Cristina Mihaila, Elsa Monteiro, Enrique Suarez, João Pedro Nunes, Júlio Gomes, Ricardo Rodrigues, Ricardo Rosa and Susana Sousa

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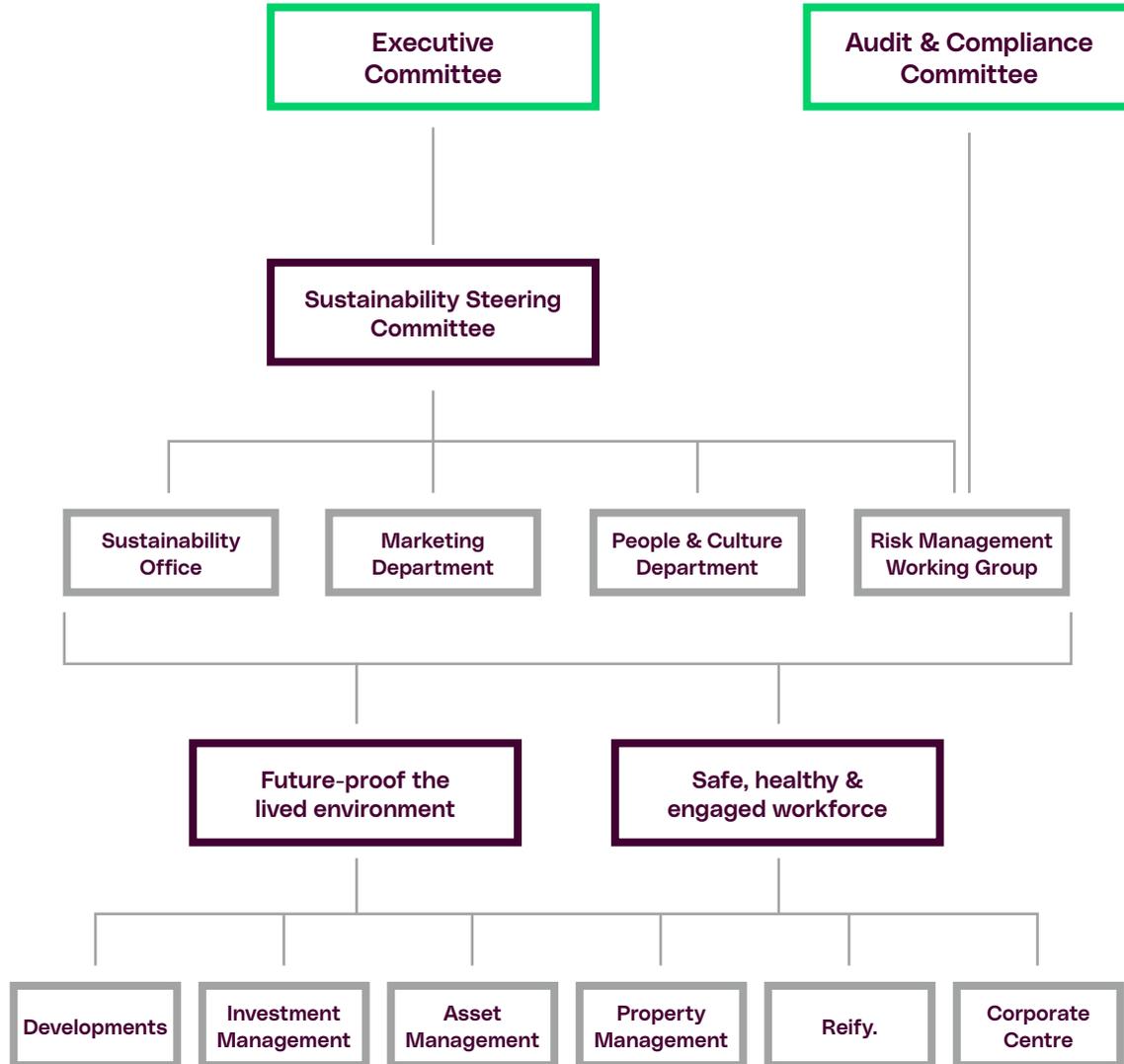


Sustainability governance

We can only achieve our sustainability ambitions and targets if sustainability is embedded in our strategy and *modus operandi*.

The Sustainability Steering Committee (SSC), whose governance structure is summarised on the right, is responsible for overseeing and validating the adoption of our long-term sustainability objectives, annual targets and KPIs. The SSC is composed of the Sustainability Office, Marketing and People and Culture departments, and the Risk Management Working Group. It is the Sustainability Office's responsibility to pursue the day-to-day SSC operations and provide support in the form of guidance and coaching to the other areas. To make sure that sustainability stays at the core of our business and strategy, the SSC is overseen by the Executive Committee, which is chaired by our CEO and includes, among its members, the Directors who are responsible for each of Sonae Sierra's business units, as well as key corporate functions.

Sonae Sierra's Sustainability Governance Model

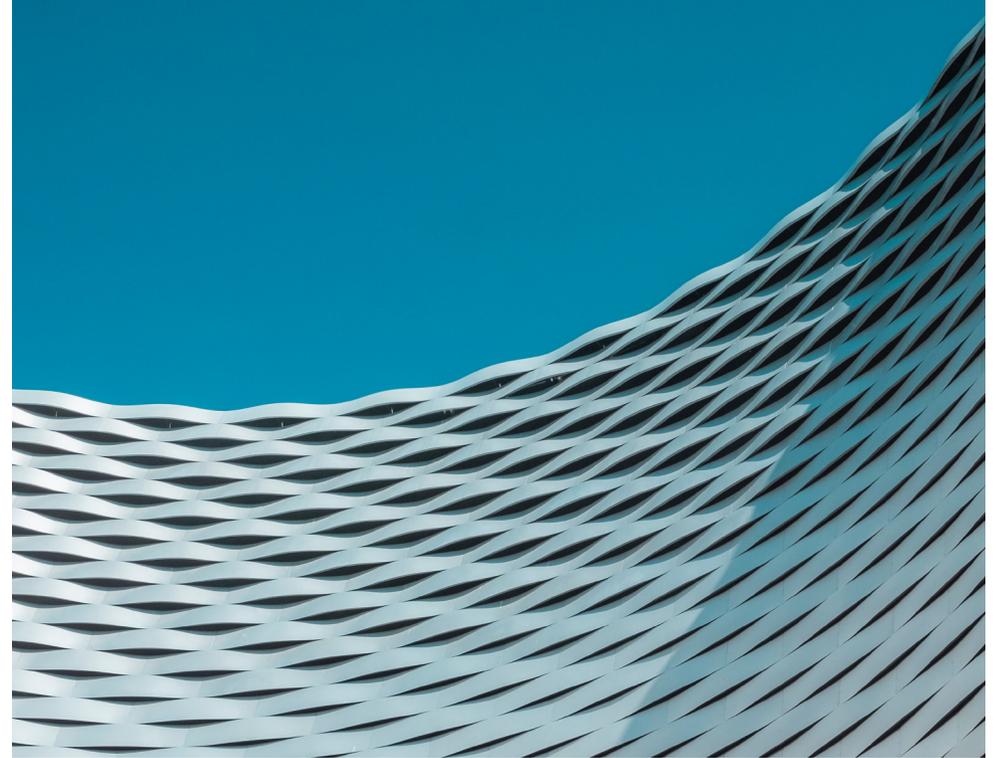


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Business Ethics, Transparency and Anti-Corruption

At Sonae Sierra, we believe in long-lasting partnerships that are built on mutual trust and share a set of corporate values.



We are committed to upholding the highest standards of governance across our wide network of stakeholders, including a strong and unwavering commitment to business ethics, transparency, and the prevention of corruption.

Sonae Sierra is a global player with a footprint that spreads over 35 countries and 4 continents. We believe that cultural diversity and the variety of backgrounds within our organisation are among our most valuable assets, but they also highlight the relevance of a common understanding of our corporate identity and values. For this purpose, Sonae Sierra has several codes, policies, guidelines and procedures in place that formalise a comprehensive system to help mitigate risks emerging from misconduct. The Executive Committee is responsible for the overall management of ethical issues within the

We believe that cultural diversity and the variety of backgrounds within our organisation are among our most valuable assets.

Company, but it is also the responsibility of every employee to adhere to the Company's ethical standards as outlined in the Code of Conduct.

Sonae Sierra's Code of Conduct and Anti-Corruption Guidelines play a pivotal role and are actively enforced across the whole organisation and all our network of stakeholders, guiding all business activities and reinforcing our identity as a market reference in business ethics and transparency. The Code of Conduct goes beyond law compliance and establishes Sonae Sierra's responsibility in promoting an ethical and transparent sphere of influence, reflects our core beliefs towards a better and more sustainable society, and promotes ethical and responsible decision-making by providing clear guidelines on issues such as bribery, corruption, legal compliance, equality, and human rights. To encourage compliance with

the Code of Conduct and the underlying ethical principles, the Company has an Ombudsman who is available to discuss concerns raised by stakeholders and handles complaints in a timely and appropriate manner. It is the responsibility of the Ombudsman to investigate and respond to all complaints related to ethical conduct within the Company.

Sonae Sierra has a Conflict of Interest policy that is applicable to: *i*) the Company; *ii*) all its subsidiaries; *iii*) its directors; and *iv*) its employees, aiming to establish internal rules and procedures to mitigate internal and external conflicts of interest.

This policy ensures Sonae Sierra's operations remain impartial and independent. It requires everyone in our team to act in good faith and transparency, in accordance with applicable laws and the best interests of its stakeholders.

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Sonae Sierra does not tolerate any sort of discrimination

and promotes an environment of well-being and respect for each and every individual in the organisation.

Sonae Sierra also has a procedure for Dealing with Fraud that outlines the steps that every team member must take when fraudulent activities are suspected in an attempt to take control of funds owned or managed by Sonae Sierra, including communication technologies and cybersecurity breaches.

Finally, Sonae Sierra does not tolerate any sort of discrimination and promotes an environment of well-being and respect for each and every individual in the organisation. For this purpose, Sonae Sierra formalised the Non-Discrimination, Diversity and Non-Harassment Principles.

Sonae Sierra's Anti-Money Laundering, Combatting Terrorist Financing and Sanctions Procedures Manual establishes a set of procedures that combined with the above-mentioned policies aim at mitigating Sonae Sierra's exposure to risks related to fraud, anti-corruption, money laundering, terrorist financing, and non-compliance with sanctions. These procedures apply to a wide range of activities, including the provision of services, partnerships and joint ventures, and investments.



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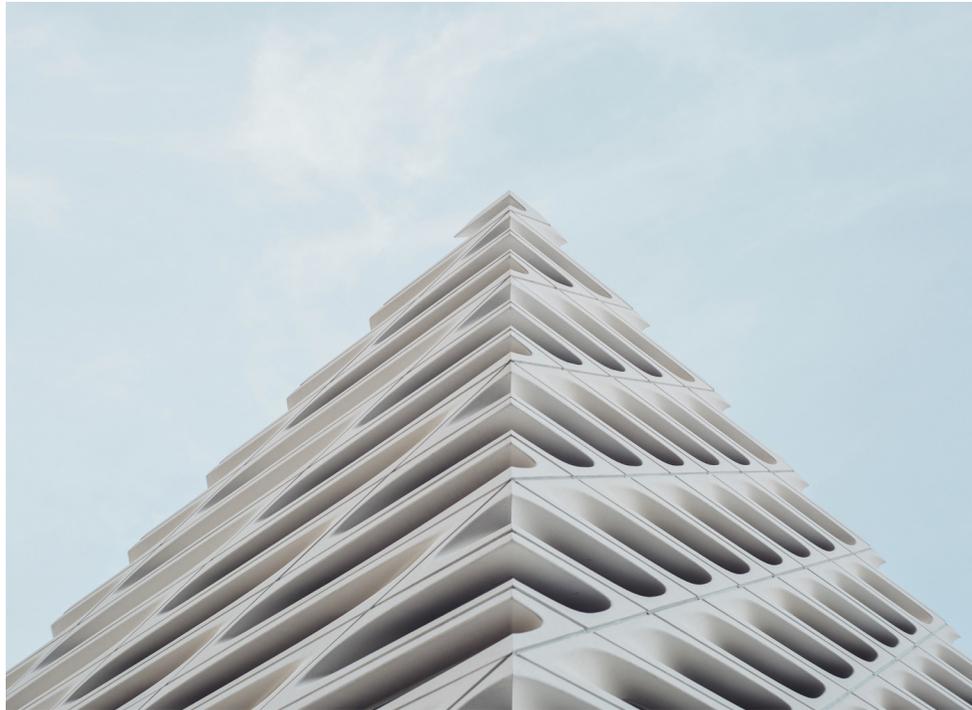
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Sonae Sierra is a team that shares a common set of values, and we welcome every colleague that joins us. We nurture a work environment of trust and transparency, and our ethical guidelines also ensure the protection of our employees' rights related to ethical conduct and that our employees' views and interests are represented in corporate decision-making. Sonae Sierra has internal communication procedures in place to welcome new colleagues that include a link to a welcome manual and the Company's book where all the above-mentioned policies can be consulted. This ensures that all new colleagues are made aware of Sonae Sierra's anti-corruption policies and procedures as soon as they join us. In addition, the welcome kit is available on Sonae Sierra's intranet at any time. This helps to ensure that all colleagues are, not only, aware of their rights, but also of the Company's commitment to ethical conduct and the steps they can take to help prevent corruption.



We nurture a work environment of trust and transparency.



By regularly reviewing and auditing our practices and processes related to corruption,

we can identify any potential issues and take corrective action as needed to ensure compliance with our Code of Conduct.

Sonae Sierra's Behaviour with Ethics Sierra Training (BEST) plays a pivotal role in raising awareness of our commitment towards ethics. The training covers the content of the Code of Conduct and Anti-Corruption Guidelines and at the end of each session, participants are required to sign and return a Code of Conduct Acknowledgement form to confirm that they have received the Code of Conduct and agree to follow its provisions.

We ensure compliance with our Code of Conduct by including a focus on corruption risk in our annual Internal Audit Plan of Activities. This plan is aligned with our Risk

Matrix to ensure that all potential risks are addressed. By regularly reviewing and auditing our practices and processes related to corruption, we can identify any potential issues and take corrective action as needed to ensure compliance with our Code of Conduct.

Following the approval of the National Anti-Corruption Strategy 2020-2024, the National Anti-Corruption Mechanism (MENAC) and the General Regime for the Prevention of Corruption (RGPC) were established through Decree-Law n.º 109-E/2021 of December 9. In compliance with this diploma, and

guided by high standards of professional responsibility and ethics, governed by the principles of integrity, transparency, honesty, loyalty, rigour and good faith, Sonae Sierra has developed a Plan for the Prevention of Risks of Corruption and Related Offences (that applies to all its subsidiaries covered by the aforementioned legislation), and is predominantly focused on : i) the identification, analysis and classification of risks and situations that may expose the Company to acts of corruption and related offenses, considering the activity sector and geographic areas in which it operates; and ii) the adoption of preventive and corrective

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We continuously and actively report our performance

cross all business dimensions, namely, financial, social and environmental

measures to reduce the probability of occurrence and the impact of identified risks and situations.

During 2023, our Internal Audit activities covered 53% of the core business processes that were identified as being at risk of corruption (GRI 205-1). It did not identify any instances of corruption, and no incidents of corruption were formally reported to us during the year.

Furthermore, we continuously and actively report our performance across all business dimensions, namely, financial, social and environmental, in a clear demonstration of our commitment to communicate with full transparency. Our integrated Economic, Environmental and Social Report is prepared under the Integrated Reporting Framework from the International Integrated Reporting Council (IIRC) and we also report under the Global Reporting Initiative (GRI), which is audited by a third party.

For more information please also refer to [page 109](#).



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88%

of our employees received training on anti-corruption policies and procedures

53%

of core business processes identified as being at risk of corruption were covered by Internal Audit Activities



United Nations Global Compact

Sonae, SGPS, S.A. is a signatory of the Global Compact, a voluntary contract between the United Nations and the worldwide business community that encourages companies to embrace, support and enact core principles in the areas of human rights, labour standards, environment, and anti-corruption.



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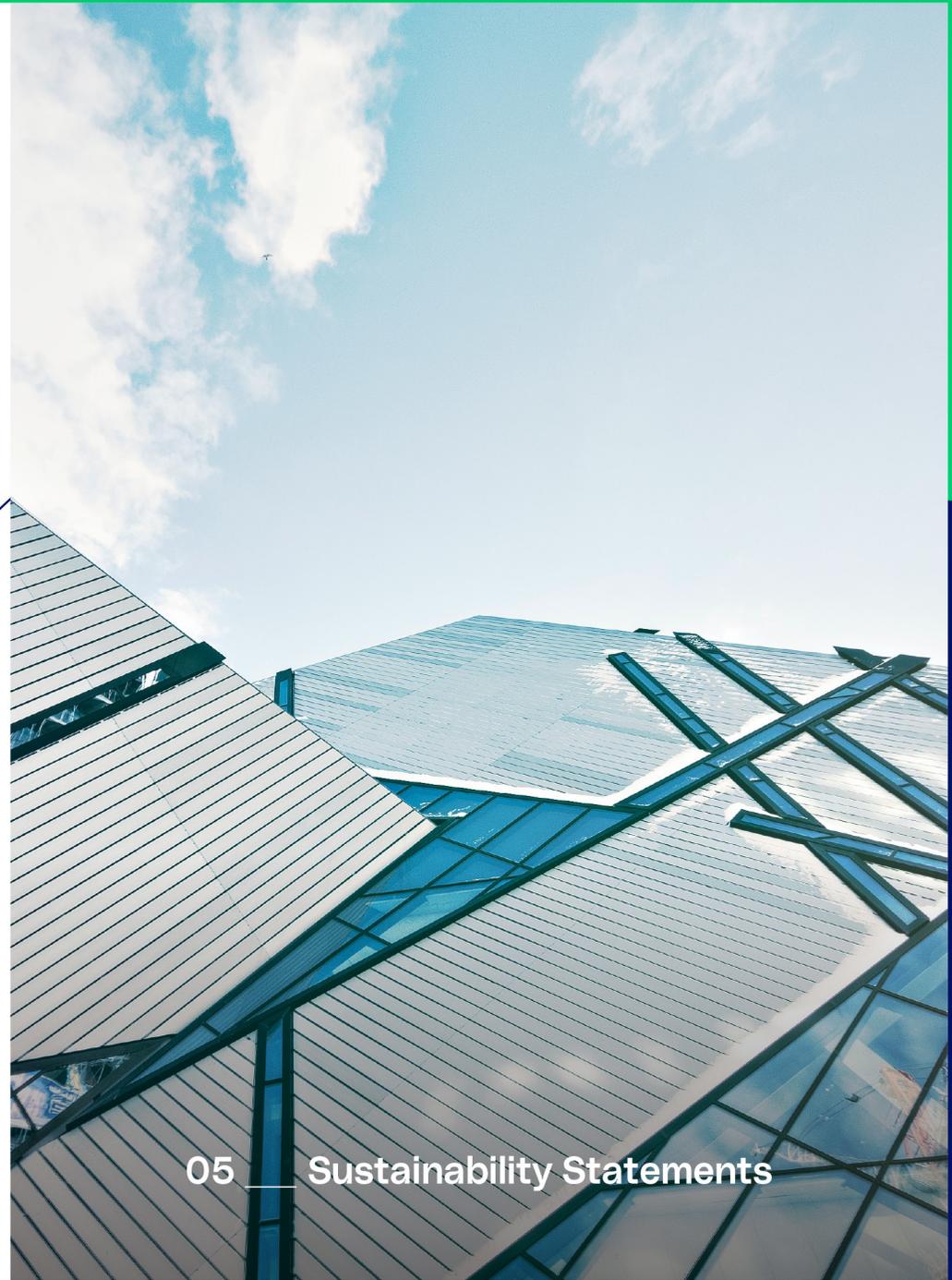
As we are wholly owned by Sonae, SGPS, S.A., Sonae Sierra must provide it with an outline of how we comply with the principles of the Global Compact, including Principle 10, which commits organisations to work against corruption in all its forms, including extortion and bribery.

Our report on progress against the Global Compact principles is publicly available [on our corporate website.](#)



Clear purpose, meaningful impact

Sustainability
is at our core.



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05 — Sustainability Statements



Sustainability Strategy

Sonae Sierra is Sustainability.



A sustainable ethos has always been intrinsic to who we are. It defines our mindset, drives the way we operate and allows us to support current and future generations. Sustainable and innovative practices have paved our way towards success, a path that others look to for inspiration and guidance as we set the highest standards.

Our history is a testament to our sustainable way of thinking. In 1998, Sonae Sierra published its first formal *Environmental policy*. A groundbreaking approach that went on to shape our future and the future of the industry. As the business landscape changed, we too have adapted our policy so that it remained at the forefront, pushing the boundaries towards a more sustainable society.

An important part of this path towards sustainability included ensuring that we were transparent and held accountable for our actions. As a result, in 2004, Sonae Sierra issued its first in-depth sustainability report disclosing its sustainable

actions, strategies and goals, while also outlining the progress and efforts implemented to achieve this. Above all, we constantly use this report as an opportunity to self-evaluate our progress, reflect on our performance, identify our strengths and address areas for improvement.

Proud of our past, we aim to set the agenda for a sustainable future. We are acutely aware of the vulnerable state of our planet and its ecosystem and the devastating effect of human activity. As we are particularly concerned with the role and impact the real estate sector can have, Sonae Sierra takes the responsibility of protecting the planet and setting benchmarks for the sector through the implementation of our *Sustainability Strategy*.

Proud of our past, we aim to set the agenda for a sustainable future.

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Sonae Sierra's Sustainability Strategy is based on two key pillars

– Future-Proof the Lived Environment and A Safe, Healthy and Engaged Workforce – areas where we can make the most significant impact.



Future-Proof the Lived Environment aims to serve the human and business needs of tomorrow's cities, by future-proofing the built environment and operations, through responsible investment criteria and sustainability solutions.

A Safe, Healthy and Inspired Workforce focuses on our team and our workplace. Sustainability starts at home. This pillar aims to ensure a diverse, inclusive and engaged workforce by developing employees' skills and productivity within a safe, healthy and empowering culture.

These two pillars are at the core of our business strategy and are broadly incorporated into our business, procedures and business model. Moreover, Sonae Sierra ensures that the principles related to these same founding pillars are disseminated across its extensive network of stakeholders.

Our approach towards sustainability brings together strategy, risk management, stakeholder engagement and performance enabling us to fully recognise the effect and magnitude of our actions towards a more sustainable society.

Our two key pillars embody a total of 11 sustainability material areas, which were identified through a thorough assessment, taking into consideration our stakeholders and the impact of our activities. This strategy includes a long-term vision that encompasses short-term annual targets in order to fuel our performance and assess the extent of our success concerning sustainable value creation and risk management, which focus concurrently on the mitigation of the negative impact and on identifying potential value-creation opportunities.

Furthermore, Sonae Sierra has several initiatives in place through which it actively fosters an increased awareness of sustainability issues. One of our key endeavours is our internal sustainability newsletter known as EVOLVE, through which we share insights and showcase our internal efforts. Furthermore, we offer a mandatory sustainability training programme developed by Sonae Group, which is integral to the professional development of all Sierra employees. It is paramount that all the team has the same focus and the same relentless commitment towards a better tomorrow. Proud of its past, Sonae Sierra will continue to be at the leading edge of a sustainable future.

Our two key pillars embody a total of 11 sustainability material areas, which were identified through a thorough assessment, taking into consideration our stakeholders and the impact of our activities.

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Sonae Sierra's Material topics per Pillars and Drivers

	Identified Drivers		
	Core Focus Areas for Acceleration	Sustainability Enablers	Local Management Issues
	The most important issues of focus, as they provide the opportunity to create a competitive advantage.	Issues we aim to master and pursue to a certain level, to perform well across our core focus areas.	Issues that will be managed on a local level, rather than a corporate level, as their impacts vary across the different geographical regions where we operate.
Future-Proof the Lived Environment	<ul style="list-style-type: none"> • Sustainable Buildings • Responsible Investment • Management of Service Client Sustainability Profile 	<ul style="list-style-type: none"> • Climate Change Resilience • Circular Economy • Responsible Procurement • Management of Tenant/ Occupier Sustainability 	<ul style="list-style-type: none"> • Impact on Local Communities
A Safe, Healthy and Engaged Workforce	<ul style="list-style-type: none"> • Human Capital Management 	<ul style="list-style-type: none"> • Employee Health, Safety & Well-being 	
		<p>Business Ethics, Transparency and Anti-Corruption is also a Material Area for Sonae Sierra.</p>	<p>Its nature and scope make it an essential enabler to the success of our strategy that spans across all our initiatives and, therefore, it's not part of any specific strategic pillar. For more information, please see pages 53 and 109.</p> <p>For more information about our Materiality Matrix, please see page 9.</p> <p>You can find out more about our yearly performance and sustainability targets in the following sections and on our corporate website.</p>

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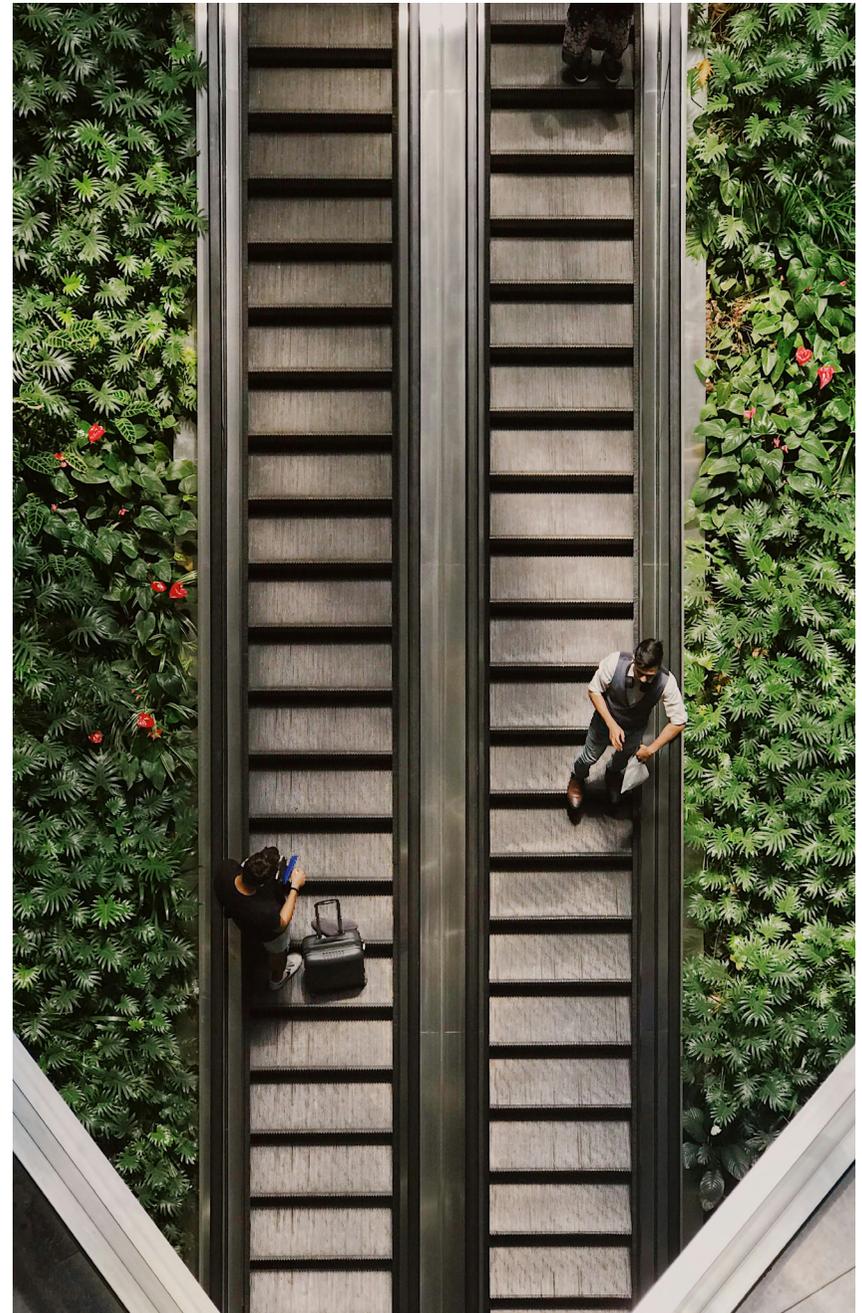
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Overview & Material Areas

Future-Proof the Lived Environment

Sonae Sierra is reshaping the built environment by promoting the transition to more sustainable business models.



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Sonae Sierra is reshaping the built environment by promoting the transition to more sustainable business models.

We aim to exceed the expectations of both the business world and the communities of tomorrow's cities as we engage in responsible investment and sustainable solutions to future-proof the built environment and our operations.

Responsible urban development means ensuring buildings are sustainable by minimising the use of natural resources, and carbon emissions in an effort to tackle climate change, resource depletion and biodiversity. As a leader in the sustainable urban solutions sector, Sonae Sierra is dedicated to proactively tackling these challenges by embracing sustainable business models aiming for lower impact. We strive to enhance our processes and policies, intensify sustainability due diligence and investment stewardship, and increase the value we generate for local communities.

Sonae Sierra carefully monitors and adjusts its progress by establishing ambitious long-term objectives supported by annual targets and extensive Key Performance Indicators (KPIs). These



indicators collectively contribute to providing a clear overview of the Company's performance, impact, and evolution. It's important to note that while each KPI is associated with a specific material area, they may also respond with the objectives of other material areas.

In the following pages, you will find a selection of crucial KPIs in our strategy and their evolution since the baseline year, when we began monitoring and managing each specific KPI. Unless otherwise stated, these KPIs refer to our owned portfolio under management (property management).

Sonae Sierra carefully monitors and adjusts its progress by establishing ambitious long-term objectives supported by annual targets and extensive Key Performance Indicators (KPIs).

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Future-Proof the Lived Environment – 2023 Performance & Evolution

✔ Achieved
 ✘ Not Achieved
 ■ Overall Performance
 ■ The path ahead

Material Area	KPI	Performance	2023 Target status	Variation since baseline & Comments
Sustainable Buildings	Electricity consumption (excluding tenants) (kWh/sq.m of mall + WC)	<p>2002 2023 2024 2030</p>	✔	<p>-68%</p> <p>Our target for 2024 surpasses the 2023 value as a result of our commitment to reducing carbon emissions, which includes the dismantling of cogeneration at NorteShopping. Consequently, there will be an increase in electricity consumption for heating and cooling, rather than the use of chilled/hot water produced by the cogeneration.</p>
	Water consumption (excluding tenants) (litres/visit)	<p>2003 2023 2024 2030</p>	✘	<p>-41%</p>
	Levels 3, 4 and 5 accident rate* (n° of accidents per million visits)	<p>2008 2023 2024 2030</p>	✘	<p>+19%</p>

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* Number of level 3, 4, and 5 accidents among tenants, service suppliers, workforce and visitors per million visits. Levels 3, 4 and 5 accidents are defined as those resulting in medical assistance, lost workdays/life disruption and fatality/permanent disability, respectively. From 2021 onwards, we have expanded the scope to include managed assets



Continuation

✔ Achieved
 ✘ Not Achieved
 ■ Overall Performance
 ■ The path ahead

Material Area	KPI	Performance	2023 Target status	Variation since baseline & Comments
Sustainable Buildings	Accident rate among suppliers* (n° of accidents per million hours worked)			+314%
Climate Change Resilience	Scope 1 and 2 GHG emissions - Market Based (kg CO ₂ e/ sq.m GLA)			-88%
Climate Change Resilience	Scope 1 and 2 GHG emissions Equity share Location Based (kg CO ₂ e/sq.m GLA)			-34% <p style="font-size: small; margin-top: 10px;"> We started reporting emissions indicators in accordance with SBTi requirements in 2023, subsequently recalculating data for preceding years. However, 2020 was exempt from recalibration due to its unusual nature stemming from the global pandemic </p>

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* From 2021 onwards, we have expanded the scope to include managed assets.



Continuation

✔ Achieved
 ✘ Not Achieved
 ■ Overall Performance
 ■ The path ahead

Material Area	KPI	Performance	2023 Target status	Variation since baseline & Comments															
Climate Change Resilience	Water recycled/ reused (%)	<table border="1"> <tr><th>Year</th><th>Performance (%)</th><th>Target (%)</th></tr> <tr><td>2006</td><td>0.1%</td><td>-</td></tr> <tr><td>2023</td><td>4.5%</td><td>-</td></tr> <tr><td>2024</td><td>-</td><td>4%</td></tr> <tr><td>2030</td><td>-</td><td>25%</td></tr> </table>	Year	Performance (%)	Target (%)	2006	0.1%	-	2023	4.5%	-	2024	-	4%	2030	-	25%	✘	<p>+4.4pp</p> <p>Due to climate change, the amount of rainfall has decreased, thus our target for the next two years remains relatively unchanged. In the meantime, we will make investments to enhance water recycling and reuse, which will result in improved performance starting from 2026 onwards</p>
	Year	Performance (%)	Target (%)																
	2006	0.1%	-																
2023	4.5%	-																	
2024	-	4%																	
2030	-	25%																	
Waste recycling rate (% by weight)	<table border="1"> <tr><th>Year</th><th>Performance (%)</th><th>Target (%)</th></tr> <tr><td>2002</td><td>19%</td><td>-</td></tr> <tr><td>2023</td><td>67%</td><td>-</td></tr> <tr><td>2024</td><td>-</td><td>67.6%</td></tr> <tr><td>2030</td><td>-</td><td>80%</td></tr> </table>	Year	Performance (%)	Target (%)	2002	19%	-	2023	67%	-	2024	-	67.6%	2030	-	80%	✘	<p>+48pp</p> <p>255%</p>	
Year	Performance (%)	Target (%)																	
2002	19%	-																	
2023	67%	-																	
2024	-	67.6%																	
2030	-	80%																	
Circular Economy	Waste landfill rate (% by weight)	<table border="1"> <tr><th>Year</th><th>Performance (%)</th><th>Target (%)</th></tr> <tr><td>2007</td><td>55%</td><td>-</td></tr> <tr><td>2023</td><td>13.9%</td><td>-</td></tr> <tr><td>2024</td><td>-</td><td>14.3%</td></tr> <tr><td>2030</td><td>-</td><td>2%</td></tr> </table>	Year	Performance (%)	Target (%)	2007	55%	-	2023	13.9%	-	2024	-	14.3%	2030	-	2%	✘	<p>-41pp</p> <p>-75%</p>
Year	Performance (%)	Target (%)																	
2007	55%	-																	
2023	13.9%	-																	
2024	-	14.3%																	
2030	-	2%																	

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Sustainable Buildings

(Core Focus Area for Acceleration)

Shared Value Created

Lower environmental impact + Improved eco-efficiency + Reduced operational and insurance costs + Operational efficiencies & risk management

GRI index references

Energy | Water | Waste | Emissions | Materials | Local Communities | Customer Health & Safety | Occupational Health and Safety

Historical Milestones

2002 Creation of the ESRD that later incorporated safety standards and evolved to Safety, Health, and Environment Development Standards (SHEDS). The SHEDS are Sonae Sierra's proprietary environmental design standards for new developments and major refurbishments, based on our experience, best available technologies and practices and international certifications systems such as LEED and BREEAM.

2003 Environmental Management System for construction works launched and implemented at all new shopping centres.

2016 BREEAM New Construction rated "Excellent" on ParkLake, our first development in Romania.

Sonae Sierra's array of services covers the entire real estate lifecycle, positioning us uniquely to advocate and establish norms for the development and operation of sustainable buildings. Our commitment involves enhancing the sustainability aspects of each project, delivering distinctive and specialized services to our real estate partners and clients, supporting their adoption of sustainable practices, and providing tailor-made solutions for each unique situation.

We are committed to the ongoing improvement and broader implementation of our Safety, Health, and Environment Management System (SHEMS) across construction and operation of buildings. The SHEMS is vital for our sustainability strategy as it facilitates the adoption of an integrated management approach across the board.

We pursue renowned certification systems such as LEED, BREEAM, WELL, ISO 14001, and 45001 to bolster the international sustainable accreditation of



our development projects and buildings in operation at Sonae Sierra. To achieve the results we desire, Sonae Sierra upholds the most stringent standards across all its business activities and is well-known in the sector for its sustainable approach to buildings.

Sonae Sierra recognizes the importance of enhancing resource efficiency, particularly in materials, energy and water usage. Utilizing state-of-the-art systems like Sonae Sierra's Bright (and Bright 2.0) and Dive® programmes, we meticulously monitor and create custom plans to maximize energy and water efficiency for each specific asset. This approach leads

to enhanced resource management and cost advantages throughout our portfolio of services.

For more information, please consult the sections on Responsible Investment, Climate Change Resilience, Circular Economy, Responsible Procurement, and Management of Tenant/Occupier Sustainability, as well as the "GRI index references" listed at the beginning of the page.

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Highlights

During 2023, we continued to strengthen our core focus on sustainable buildings.

Our strategies and outlook are centred on sustainability, reflecting our commitment to generate and share environmental, social and economic value.

We revised our Product Requirements procedure to establish more stringent guidelines, particularly for water-using equipment, aligning with either the Green Building Certification Standards or the Taxonomy, whichever imposes stricter requirements.

We implemented energy efficiency measures recommended by thorough energy specialised audits, resulting in reduced energy consumption and significant cost savings.

We have developed a comprehensive ESG strategy for the Viva Offices development project, strategically addressing the project's most substantial sustainability impacts and risks across its entire lifecycle.

Our specialised know-how has resulted in substantial savings, whilst also reducing the negative effect on the environment and strengthening our brand as a reference in the sector. Looking at 2023, we have made considerable headway in terms of performance.

Electricity consumption

237 kWh/sq.m mall + wc

-68% Variation since the baseline (2002)

Water consumption

2.5 L/visit

-41% Variation since the baseline (2003)

€22.5m in costs avoided in 2023, due to eco-efficiency measures implemented over the years

63% of portfolio with green building certification

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Other relevant achievements can be found under the material topic Climate Change Resilience, Circular Economy, Responsible Procurement and Management of Tenant/Occupier Sustainability.

Innovation is crucial to our sustained success. Throughout 2023, our emphasis centred on advancing innovation within our sustainability strategy.

This commitment has been ongoing since 2022, with a dedicated team actively fostering innovation, enhancing the value generated for our business and clients through our sustainability initiatives.

Bright 2.0

Since 2012, we have introduced an energy modelling tool called the Bright project, an energy efficiency programme aimed at reducing energy expenditure and improving the carbon footprint of real estate assets.

Bright's initial phase, spanning from 2012 to 2021, was implemented in Sonae Sierra investment properties and provided as a service to clients. The programme was deployed in 50 buildings across 9 countries, encompassing 273 initiatives. These efforts generated 703 improvement opportunities, leading to potential yearly savings of up to €7.4 million or 33,200 MWh.

Starting in 2021, an upgraded version of Bright, known as Bright 2.0, with updated technical standards based on the Best Available Technologies, was extended to a majority of our investment property portfolio. Bright 2.0 was applied to 22 buildings, incorporating energy specialised audits and metering



audits. A total of 150 improvement measures requiring an investment of €34.7 million were identified, representing a potential annual energy savings of 33%, equivalent to 44.5 GWh and €6.5 million.

By the end of 2023, 31 measures were implemented with an investment of €1.8 million, resulting in a 3% energy potential savings compared to the 2019 baseline, and €902,000 in savings.

Recognizing its potential, Bright was honoured with a Silver Stevie® Award in the "Energy Industry Innovation of the Year" category at the 15th Annual International Business Awards® in 2018.

150
improvement measures

33%
of potential annual energy savings

€6.5m
of potential annual savings



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Dive[®]

60% of the Sierra portfolio experiences high or extremely high water stress, a figure expected to rise to 70% by 2080, even under an optimistic climate change scenario.

In response to this concerning trend, we implemented an upgraded version of Dive - Dive 2.0 - a water benchmarking programme across the majority of our assets.

This programme enabled us to identify 76 actions with investments ranging from €264,000 to €597,000. These initiatives are projected to yield water savings of approximately 8%, translating to annual cost avoided of €102,000.

60% of the Sierra portfolio experiences high or extremely high water stress

76 actions with investments ranging from **€264k** to **€597k**

Annual cost avoided

€102k

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Responsible Investment

(Core Focus Area for Acceleration)

Shared Value Created

Operational efficiencies & risk management + Increased revenue + Enhanced reputation and brand value

GRI index references

Energy | Water | Waste | Emissions | Materials | Customer Health & Safety

Historical Milestones

2003 Established that all approved investments must be preceded by an Environmental Due Diligence study and an Environmental Impact Study (although such strict requirements were not in place by law at the time) to establish the extent of eventual environmental liabilities.

2011 Sonae Sierra property investment vehicles ranked as the most sustainable in Europe and third worldwide by GRESB - the leading ESG (Environmental, Social and Governance) benchmark for real estate investments around the world.

2022 Sonae Sierra approved its Responsible Investment Policy and became a signatory of PRI (Principles for Responsible Investment) a world-leading network in sustainable investments.

2023 Sierra Fund and Iberia Coop were ranked second and third among their peers respectively, in GRESB benchmark.

In today's world, it has become increasingly important for companies to take responsible investment seriously. Not only does it play a paramount role in the current business world, but it also ensures a better future. Sustainable investment is one of the main growth engines of sustainable development. Likewise, the financial relevance of *Environmental, Social and Governance (ESG)* risks and opportunities is now at the top of the agenda of governments, investors and clients, particularly considering the physical and transitional risks of climate change.

Our rigorous investment policies are designed to align the investment process with the impact of ESG risks and opportunities. As a leader in the real estate industry, Sonae Sierra embraces this responsibility. Collaborating closely with stakeholders and in agreement with each asset's partner, we ensure that our investment decisions align with our sustainable values, contributing to the creation of a better tomorrow.

These sustainability efforts have long been recognised in the market, namely by GRESB - the leading ESG benchmark for real estate investments. Since GRESB's inception in 2009, we have consistently participated in this benchmark, achieving high ratings that recognise our commitment to sustainability and responsible investment, underscoring the successful integration of sustainability principles into our business and operations.

Responsible Investment is a long-standing tradition at Sonae Sierra, demonstrated by the implementation of ESRD (that later evolved to SHEDS) in 2002. SHEDS is a comprehensive set of proprietary environmental design standards for new buildings, expansions and refurbishments, and its foundations stem from our extensive know-how, best-in-class technologies and practices, coupled with renowned international certification systems like LEED and BREEAM. Through SHEDS, Sonae Sierra set a new standard in the sector, aligning investment solutions with heightened sustainability requirements.

Our commitment was strengthened in 2003 through the incorporation of Environmental Due Diligence and Environmental Impact Studies, aiming at integrating potential environmental liabilities and costs associated with negative impacts into our budgeting processes.

In 2022, we took a significant step forward by approving our Responsible Investment Policy and formally becoming a signatory of the PRI. The PRI's mission includes ensuring long-term value creation to achieve an economically sustainable global financial system. This system is designed to support long-term, responsible investment and be beneficial for the natural world and society at large. The PRI fosters adherence to the principles and provides support concerning their implementation by promoting good governance, integrity, and accountability and addressing challenges within markets that hinder the implementation of this system. Thus, by becoming a signatory of PRI, Sonae Sierra publicly demonstrated its dedication to investing in a responsible way.

Following the approval of Sonae Sierra's Responsible Investment Policy, in 2023 we developed Due Diligence Procedures to integrate sustainability risks and identify adverse sustainability impacts on investment decisions. These procedures were developed considering the *Corporate Sustainability Directives*, namely the *Corporate Sustainability Due Diligence Directive (CSDDD)*, the *Corporate Sustainability Reporting Directive (CSRD)* in addition to the *European Sustainability Reporting Standards (ESRS)*.

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Highlights

After the approval of Sonae Sierra's Responsible Investment Policy, we developed a set of Due Diligence procedures to enhance transparency and control over investment decisions. The new procedures cover the following activities:

- Land acquisition and development of new buildings
- Acquisition of existing buildings
- Acquisition of companies
- Operation of buildings (owned assets under management)

Due to the macro level of this material topic, major achievements are reflected in other material topics, such as Sustainable Buildings, Climate Change Resilience and Circular Economy.

One of our investment vehicles (30% of our AuM) is in the process of transitioning into an Article 8 vehicle, under the Sustainable Finance Disclosure Regulation (SFDR), demonstrating its commitment to sustainability by promoting environmental characteristics.

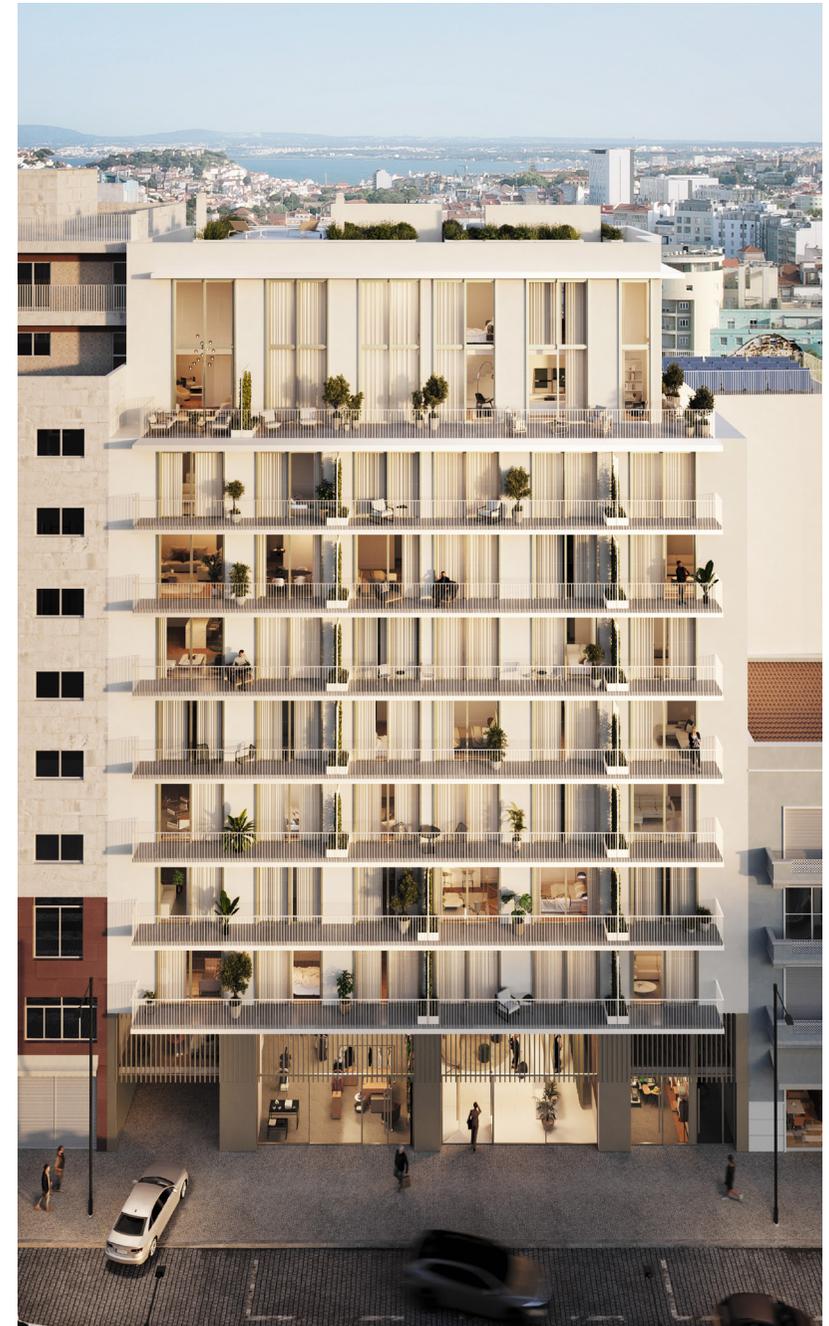
We participated in GRESB - the leading Environmental, Social and Governance (ESG) benchmark for real estate investments around the world - with two of our investment vehicles. Both participating vehicles - Sierra Prime and Iberia Coop - achieved remarkable results.

Sierra Prime

- 5-star rating (out of 5)
- Green Star
- Ranked 2nd among peers
- Outperformed the GRESB average by 20%

Iberia Coop

- 5-star rating (out of 5)
- Green Star
- Ranked 3rd among peers
- Outperformed the GRESB average by 20%



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Management of Service Client Sustainability Profile

(Core Focus Area for Acceleration)

Shared Value Created

Stakeholder engagement + Higher quality service for clients, tenants & visitors + Increased client and tenant preference

Historical Milestones

2017 Launch of sustainability services portfolio for external clients.

Sonae Sierra has a longstanding commitment to integrating sustainability into its core business operations. Drawing on its extensive tradition of crafting sustainable solutions, the Company is uniquely positioned to amplify its influence by championing sustainable practices for clients and embedding these principles throughout its diverse service portfolio.

The implementation of sustainable solutions within Sierra's own portfolio, financed with its own resources, provides our clients with the assurance that our initiatives go beyond mere concepts. They are viable undertakings with tangible and proven results. This privileged position not only underscores our commitment but also empowers Sonae Sierra to effectively expand its reach and provide sustainable solutions in the market.

In 2017, we broadened our range of sustainability services for clients to meet the growing demand for sustainable solutions, enhancing value creation through our sector-specific expertise and comprehensive knowledge. At Sonae Sierra, we value each client individually and take pride in delivering a tailored service that aligns with their specific goals and sustainability perspectives. The Sustainability Office at Sonae Sierra offers a variety of services spanning the entire real estate lifecycle—from design and investment to refurbishment and management—ensuring our clients gain a competitive edge.

Highlights

Sonae Sierra's solid performance during the year revealed the true potential of how a sustainable outlook in the real estate sector was a key driver in value creation. Over the last year, revenue from sustainability services has depicted a positive upwards trend, which is set to stay in the year ahead, as sustainability and sustainable solutions gather momentum and take priority on global political and environmental agendas and, likewise, for our partners and clients.

In 2023, our unwavering commitment to enhancing sustainability services for our clients became evident as we surpassed our growth target set for 2030. Consequently, we revised this long-term objective to ensure it remained both ambitious and challenging.

Other relevant achievements can be found under the material topic climate Change Resilience, Circular Economy, Responsible Procurement and Management of Tenant/Occupier Sustainability.

15%
increase in sustainability services overall (vs 2022)

38%
increase in commercial sustainability* services (vs 2022)

60.5%
of our sustainability services are best in class** services

*Commercial sustainability services are all those that are not provided to internal clients

** Best in class services include for example green building certifications; sustainability strategies; SFDR related services, among others

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Climate Change Resilience

(Sustainability Enabler)

Shared Value Created

Long-term asset value protected + Operational efficiencies & risk management

GRI index references

Energy | Water | Materials | Emissions

Historical Milestones

2006 Developed a long-term carbon management strategy to reduce our greenhouse gas emissions.

2015 Sonae Sierra signed the 'Paris Pledge for Action' in support of the goals established by the COP21 Paris Agreement, joining 800 other companies around the world.

2021 Sonae Sierra took the public commitment to become carbon neutral by 2040, 10 years ahead of the EU decarbonisation target.

2023 Science-based targets approved by the SBTi

Climate change is the most longstanding and threatening risk that humanity must confront. Natural resources are stretched to their limits, and the social and economic fallout is already manifest, jeopardising the delicate balance of our natural and social ecosystems. The real estate sector significantly contributes to CO₂ emissions, with buildings accounting for 40% of energy consumption and over 35% of CO₂ emissions within the EU (similar patterns are observed in other regions globally). Consequently, as the EU aims to achieve carbon neutrality by 2050, the European Green Deal and the Renovation Wave Strategy have centred their focus on the real estate industry. This emphasis has intensified due to the increased frequency and severity of climate change incidents. Real estate assets



face increased exposure to risks such as value impairment, rising insurance costs, and physical damage from extreme weather events. The sheer scale and adverse impact of climate-related risks require a radical transformation within the sector concerning sustainability, and Sonae Sierra stands at the forefront of this advancement.

Climate change and climate-related risks have always been of paramount concern to Sonae Sierra as demonstrated throughout our legacy of environment-related initiatives. In 2004,

Sonae Sierra began to monitor and disclose its carbon footprint and, since 2006, we have implemented the first measures to diminish our greenhouse gas emissions.

Since 2009 we have performed several climate change related studies (please see [page 122](#)) and more recently, in 2022 and 2023, we have been performing in-depth Climate Change Risk Assessments and also Vulnerability Assessments for the main physical risks identified. These assessments allow us to proactively develop robust strategies aimed at



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We committed to achieving carbon neutrality by 2040

a decade ahead of the EU's decarbonisation target, and we have developed strategic decarbonisation roadmaps for the assets within our portfolio to help us achieve this.

enhancing the resilience of our assets in the face of evolving climate-related challenges. We are determined to reduce potential risks, and reveal the value-creation opportunities for businesses like ours that promote climate change resilience and the advantages it brings to all the communities in which we are present.

We committed to achieving carbon neutrality by 2040, a decade ahead of the EU's decarbonisation target, and we have developed strategic decarbonisation roadmaps for the assets within our portfolio to help us achieve this. In 2023, we accelerated our progress by continuing the implementation of strategic measures to operationalise this goal. This encompassed preparing for the installation of photovoltaic panels at our assets, scheduled to commence in 2024, along with maintaining green electricity supply, advancing our fleet electrification programme, and implementing energy efficiency measures identified in the energy specialised and metering audits performed last year. These initiatives, among others under our decarbonisation roadmaps put us on track to achieve our goal.

We have established a science-based target to reduce our scope 1 and 2 emissions per square metre by 73% by 2030,

compared to a 2019 baseline. Additionally, we recognise that the embodied carbon in materials significantly contributes to the built environment's impact on climate change. To address this challenge, we have set a target to reduce embodied carbon* for new development projects by 55% by 2030, compared to 2019 levels (including new buildings, expansions, and refurbishments). In 2023, we conducted Whole-Building Life Cycle Assessments (LCAs) in several development projects, focusing on reducing embodied carbon and increasing the use of construction materials with recycled content.

Furthermore, we have defined an additional science-based target to reduce other scope 3 emissions** by 46%, which includes emissions from tenants' energy use, waste management, commuting, and business travel, among others.

We launched two awareness campaigns amongst our people, specifically targeting low-carbon travel practices and deforestation impacts.

The Sonae group, in which Sonae Sierra is a high-profile contributor, obtained a remarkable CDP A rating***. This accomplishment underscores the collective dedication of the entire group to combat climate change. We view this achievement as an added responsibility, further motivating us to strengthen and amplify all our efforts in this crucial endeavour.

Climate-related issues are not only limited to decarbonisation; they also go hand-in-hand with pressure on natural resources such as water. Climate change can exacerbate water shortages namely by disrupting rainfall

patterns, resulting in diminished freshwater resources. Consequently, addressing the reduction of water consumption and promoting the reuse and recycling of water is crucial. To address these interconnected issues, Sonae Sierra has committed to using recycled/reused water for up to 25% of its total water consumption by 2030 in assets with high climate-related risks. Additionally, we have pledged to limit our total water consumption to 2 litres per visit by 2030.

For more information, please consult the sections on Sustainable Buildings, Circular Economy, and Responsible Procurement, as well as the "GRI index references" mentioned at the beginning of the previous page, please also refer to [page 120](#) onwards.

*Detailed SBTi target: Reduce scope 3 GHG emissions from purchased goods and services by 55% per square meter developed by 2030 from a 2019 base year.

**Detailed SBTi target: Reduce all other absolute scope 3 GHG emissions by 46.2% by 2030 from a 2019 base year.

All our targets to reduce carbon emissions are approved by the Science Based Targets initiative (SBTi).

***Carbon Disclosure Project (CDP) is a rating that evaluates a Company's environmental performance, specifically in terms of carbon disclosure, management, and reduction strategies. The rating reflects the Company's efforts and transparency in addressing climate-related issues.

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Highlights

Ever-growing pressure on our natural ecosystems should drive us to push forward agendas and policies tackling climate-related issues, therefore strengthening our climate change resilience. To effectively assess our strengths and areas for improvement, Sonae Sierra provides information on a comprehensive set of KPIs, highlighting our dedication and headway in this area.

Since our baseline year of 2005 until 2023, we reduced our GHG emissions (Scope 1 and 2) per square meter of GLA by 88% (owned assets under management and corporate offices). With the SBTi targets approved, we extended the scope of our ambitions by including all investment properties and not only the ones we have direct property management. On the right, you can see our results considering the SBTi targets (equity share and location-based approach) and also other relevant KPIs.

We also launched an internal awareness campaign, "Let's Put Change in Motion Together," to promote sustainable and low-carbon travel habits. The initiative provided tips on eco-friendly commuting, emphasised the benefits of carsharing, advocating for public transport use, and encouraging active transportation options like biking, or walking instead of relying on cars. This campaign encouraged our people to support the environment while adopting a healthier, more fulfilled lifestyle.

Other relevant achievements can be found under the material topic climate Change Resilience, Circular Economy, Responsible Procurement and Management of Tenant/Occupier Sustainability.

GHG emissions (Scope 1 and 2) | Equity Share | Location based

20.3 kg of CO₂e/sq.m GLA

-34% Variation since the baseline (2019)

Taking a market-based approach, accounting for the actual emission factor from the energy we purchase (in most cases, green electricity), our performance stands at 12.2 kg of CO₂e/sq.m GLA (EQS)

GHG emissions (Scope 3, All other GHG emissions) | Equity Share

77,088 tCO₂e

-23% Variation since the baseline (2019)

Water recycled/reused

4.5%

+4.4 p.p. Variation since the baseline (2006)

Decarbonisation roadmaps

88% of the portfolio

Climate Change Risk Assessments

92% of the portfolio

Vulnerability Assessments were conducted on 20% of the portfolio (with additional assessments either finalized in early 2024 or presently in progress)

2030 Science-Based Targets approved by the SBTi

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Circular Economy

(Sustainability Enabler)

Shared Value Created

Lower environmental impact + Improved eco-efficiency

GRI index references

Waste | Energy | Water | Materials

Historical Milestones

2005 NorteShopping was one of the first shopping centres in Portugal to start composting organic waste, improving Sierra's waste management system.

2007 Sonae Sierra developed a Waste Management Strategy Plan applying the 3Rs principle.

2020 Circular economy principles are set as the basis for the revised Responsible Procurement Policy.

A single-handed approach to climate change is insufficient to address this challenging threat; a multi-faceted strategy must be adopted. At Sonae Sierra, the circular economy is an intrinsic part of our sustainability strategy. We harness its potential to respond to climate-related risks, combat the depletion and excessive use of natural resources, and simultaneously create value by lowering costs or increasing revenue. We view the circular economy as an opportunity to mitigate risk, secure additional investments, strengthen our path towards carbon neutrality, and address the critical resource shortages we face today. Additionally, the circular economy plays a pivotal role in helping Sonae Sierra adhere to current regulations, such as the EU's Circular Economy Plan.

The principles guiding the circular economy are based on design and include: (i) the elimination of waste and pollution; (ii) the circulation of products and materials at their highest value; and (iii) the regeneration of nature. These principles are supported by the transition to renewable energy and materials, as well as the efficient management of waste and resources.

The circular economy provides us with mechanisms to address climate change and biodiversity loss simultaneously. It ensures that the value of a resource is fully used throughout its entire lifecycle, with a focus on reducing, reusing, and recycling resources. Sonae Sierra is committed to following the underlying principles of the circular economy, enhancing the productivity and efficacy of our products and services, and reducing our dependence on natural resources and virgin materials, thereby diminishing our impact on the environment.

For more information, please consult the sections on Sustainable Buildings, Climate Change Resilience, Responsible Procurement and Management of Tenant/Occupier Sustainability, as well as the "GRI index references" listed at the beginning of the page.

Highlights

The circular economy provides Sonae Sierra with a significant opportunity to enhance its value creation while minimizing potential environmental impacts resulting from our activities. We have made considerable progress in this area as reflected in our KPIs.

Recycling rate

67% **+255% (+48 pp)**
Variation since the baseline (2002)

Landfill rate

14% **-75% (-41 pp)**
Variation since the baseline (2007)

A significant focus of Sonae Sierra's efforts lies in implementing comprehensive waste recovery efficiency measures to enhance waste recycling.

All shopping centres benefit from waste separation and recycling provisions, with long-term objectives and annual targets aimed at further improving recycling rates and reducing landfill rates. Additionally, in 2023, waste characterisation studies were conducted in a sample of assets to pinpoint opportunities for optimising performance to the highest possible level.

Other relevant achievements can be found in the material topic Climate Change Resilience, Sustainable Buildings, Management of Service Client Sustainability Profile, Responsible Procurement and Management of Tenant/Occupier Sustainability.

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Responsible Procurement

(Sustainability Enabler)

Shared Value Created

Lower environmental impact + Enhanced reputation and brand value + Long-term asset value protected

GRI index references

Materials

Historical Milestones

2007 Responsible Procurement Policy launched to address significant environmental and social risks present in our supply chain, through the procurement of goods and services.

2020 Launch of a revised Responsible Procurement Policy that replaces the former policy approved in 2007. This policy is grounded on the principles of the circular economy, which build long-term resilience and support our focus to create shared value.

The real estate sector is one of the main contributors in terms of energy consumption, raw material consumption and CO₂ emissions. Therefore, in order to take steps that mitigate this effect, Sonae Sierra has put a Responsible Procurement Policy in place.

This policy aligns with our objectives in responsible investment, the circular economy, and climate change resilience. It sets forth guiding principles for:

- **Building materials, products, and equipment:** Maximising the value derived from these elements by incorporating a circular economy approach and adhering to other sustainability-focused principles and commitments.

- **Suppliers:** Acknowledging service providers as a crucial stakeholder group and giving preference to suppliers with elevated standards in social, environmental, safety, and health performance that align with Sonae Sierra's criteria.

The implementation of Sonae Sierra's Responsible Procurement Policy magnifies the effect of our sustainability ethos across our network of stakeholders, intensifying our involvement in creating a better society and restoring the balance in our natural world.

Additionally, within our SHEMS, we have established procedures for procuring products and services that prioritise high standards of safety, health, and environmental practices. These measures are in place to ensure that the procurement process is conducted in a responsible way.

Highlights

Making our buildings greener

Sonae Sierra's commitment to carbon neutrality is ambitious, with its entire portfolio actively engaged in reducing operational carbon emissions, primarily through enhancements in energy usage and efficiency. The decarbonisation roadmap of Sonae Sierra is well on track, and its initiatives like Bright (and Bright 2.0) have identified substantial improvement measures, including electricity retrofits and optimising energy consumption profiles.

In 2023 we revised our embodied carbon reporting procedure. This procedure applicable to new developments, expansions and refurbishments aims at measure and optimise the embodied carbon of Sierra projects, focusing on the most carbon intensive construction materials.

Sonae companies have voluntarily embraced the Zero Deforestation commitment. Recognising the urgent need to address substantial deforestation rates and their wide-ranging consequences, including biodiversity loss and climate change impacts, emphasises the critical importance of a strong commitment to Zero Deforestation. In this context, Sonae Sierra has developed a set of measures to ensure that in new developments, expansions, and refurbishment projects (of assets with more than a 50% ownership stake by Sierra), only certified and/or recycled wood is used. Additionally, as part of this commitment, Sonae Sierra has launched an awareness campaign targeting all our people regarding deforestation.





Management of Tenant/Occupier Sustainability

(Sustainability Enabler)

Shared Value Created

Higher quality service for clients, tenants & visitors + Increased client and tenant preference + Protected licence to operate

Historical Milestones

2005 | Environmental Management Manual for Tenants developed for Centro Colombo, NorteShopping and ArrábidaShopping in Portugal.

2007 | Personæ Tenant Award launched (and Planet Sierra Tenant Award in 2010) to recognise Tenants' S&H and Environmental standards.

2020 | Voluntary initiative to provide rental discounts or payment moratoriums for tenants as a response to the consequences of the COVID-19 restrictions.

2023 | 100% of renewed tenant/occupier leasing contracts have the updated ESG clauses.

Sonae Sierra tackles sustainability matters jointly with its stakeholders, more specifically tenants and occupiers, providing guidance and support on their sustainability journey.

Operating large commercial areas leaves a significant environmental footprint, especially in terms of energy consumption, water usage, and waste generation. Sonae Sierra tackles these matters jointly with its stakeholders, more specifically tenants and occupiers, providing guidance and support on their sustainability journey. Stringent standards guide this journey, such as the Tenant's Fit-out Manual, which outlines environmental and safety regulations for tenants during their fit-out activities. Additionally, Safety, Health, and Environment (SHE) training sessions, along with operational tools like our SHE Preventive Observations (SPO) and emergency drills, equip tenants with the knowledge and skills to elevate their SHE performance and promote responsible behaviour. Sonae Sierra helps to raise awareness also through management meetings and a Good Practice Guide detailing SHE guidelines. These combined efforts have extended Sonae Sierra's influential sustainability mindset even further. Sonae Sierra actively seeks green building certifications to bolster the overall sustainability performance of its buildings, thereby aligning with and furthering the sustainability objectives of its occupiers. Sonae Sierra has been promoting and improving its offer of ESG Leases, allowing for a more efficient approach toward tenant engagement concerning sustainability practices. Since the revision of the ESG clauses, we have a target in place to guarantee that 100% of renewed tenant/occupier leasing contracts have the revised ESG clauses.

These combined actions and standards are aligned with Sonae Sierra's primary goal of and decreasing the impact of our assets in the environment and society.

Following our ambition, 100% of renewed tenant/occupier leasing contracts during 2023 have the updated ESG clauses

Highlights

Green leases for a greener future

Sonae Sierra has been pioneering assets with a smaller environmental footprint, anticipating both an increasing regulatory trend and increasing market demands. Sonae Sierra's ESG Leases have long incorporated clauses that enforce a more sustainable operation of the asset by both the owner and the tenant. More recently, we implemented stricter requirements for the ESG Leases to better align the contracts with tenants/occupiers with Sonae Sierra's Sustainability Strategy. For this purpose, the contracts now include more stringent clauses regarding sustainability requirements. Following our ambition, 100% of renewed tenant/occupier leasing contracts during 2023 have updated ESG clauses.

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Impact on local communities

(Local Management Issues)

Shared Value Created

Local community safety and well-being + Enhanced reputation and brand value

GRI index references

Local communities

Historical Milestones

2007 First Community Advisory Panel (CAP) launched at Dos Mares shopping centre, consisting of representatives from the local community, public and private sector organisations, and other interested parties.

2007 Our "Community Day" started more than a decade ago and throughout the years it has enabled staff to volunteer for a wide range of projects in collaboration with local NGOs.

At Sonae Sierra, we firmly believe that our success is intricately tied to the health and wellbeing of our societies. A sustainable business, in our view, is inseparable from sustainable communities. Hence, we collaborate closely with all our stakeholders to foster social equality and inclusive development within the communities we serve. Our commitment extends to ensuring that everyone has access to the same opportunities, and we stand ready to offer support when our communities need it most. The past few years have been a testament to our unwavering dedication to building more sustainable societies, as we have consistently stood by their side.

Our engagement with local communities reflects our commitment to extending the principles of sustainability beyond our organisational boundaries and throughout our network of stakeholders. By gaining a deeper understanding of our local communities, we can maximise the positive social and environmental impact, thereby giving purpose to our overarching mission. Supporting our communities is undeniably an investment in the future of Sonae Sierra.



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Highlights

Sonae Sierra believes that promoting initiatives with a positive impact on local communities is crucial. Its substantial social footprint and unique position within the communities it serves, provides Sonae Sierra with a privileged insight and understanding of each community. As a result, it can take the appropriate steps to support these communities to improve their lifestyles and guide them towards sustainability.

In 2023, Sonae Sierra met several of its strategic objectives related to the impact on local communities. More specifically:

The investment of more than 2% of the marketing budget on community-related initiatives.

Implementation of a partnerships with external entities to develop a joint project with benefits for both the local community and the asset.

Development of a waste management-themed campaign to raise awareness on this crucial topic.

Sonae Sierra has a substantial social footprint primarily demonstrated through its activities and services, including shopping centres. Recognised as top-tier assets, our shopping centres attract millions of visitors annually. This positions Sonae Sierra in the spotlight, providing us with the chance to promote awareness of the risks confronting today's communities. Sustainability-related initiatives and campaigns occur year-round across our portfolio, educating communities about the urgent necessity to adjust our behaviours and lifestyles to protect the planet.

In 2023, Sonae Sierra experienced a highly active year filled with numerous campaigns, showcasing our dedication to sustainable values. Among a wide number of initiatives, we highlight the Iberia Christmas campaign, which focused on promoting responsible consumerism.

While the festive season is synonymous with sharing and giving, it also witnesses a peak in consumerism. Often, individuals make hurried, unplanned purchases influenced by preconceived ideas. Our initiative sought to reshape this trend, encouraging a more thoughtful and intentional approach to holiday spending.

With this in mind, our Christmas campaign was designed to steer consumers towards adopting a more thoughtful approach. Our

campaign Unwrap Your Prejudices and Change the Gift urged individuals to reconsider their gift-giving habits. By encouraging a shift away from age or gender-based stereotypes, we urged shoppers to think very carefully about their recipient's preferences and aspirations, thereby reducing the purchase of items that were likely to remain unused or unappreciated.

Advocating for a more mindful gift selection, our aim was to foster connections based on understanding and appreciation rather than materialistic tendencies. Devised to create a positive impact within our local communities, it promoted a more conscientious approach to the act of giving.

For more information on our campaigns and on local communities, please see [pages 48-49, 108, 153-154](#).

€728k

Invested in local communities

164

Charitable organisations supported

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Overview & Material Areas

Safe, Healthy and Engaged Workforce

Our commitment to a Safe, Healthy, and Engaged Workforce focuses on our most valuable asset—our people.



Sonae Sierra puts its people first. We strive to promote a safe, healthy and inspiring workplace by welcoming individuals from diverse backgrounds, experiences, perspectives and problem-solving techniques and by enhancing our people’s skills and performance, crucial for the ever-changing and global world we live in today.

Our commitment to a Safe, Healthy, and Engaged Workforce focuses on our most valuable asset—our people. Sonae Sierra is driven by the unique dedication and quality of our people, with exceptional productivity levels that define the standards within the sector. In the fast-paced contemporary lifestyle, achieving a healthy work-life balance is challenging, but at Sonae Sierra, it's a priority. We cultivate an environment where our people can thrive both personally and professionally.

Sonae Sierra consistently enhances working conditions and quality of life for its colleagues by reinforcing our SHEMS across all corporate operations. We ensure our people remain inspired and motivated by providing training and growth opportunities, enriching their expertise. We welcome people from all backgrounds and experiences as it enriches the workplace at Sonae Sierra and promotes diversity and inclusiveness. This coupled with the principles of innovation and sustainability places us at the forefront of success as we aim to create and share economic and social value.

A sustainability culture is pivotal in talent retention. As awareness and concern for environmental and social issues grow,

employees seek workplaces aligned with their values. Companies with a strong commitment to sustainability demonstrate a sense of responsibility and ethical conduct, resonating positively with employees.

By cultivating a sustainability culture, organisations signal their dedication to creating a positive impact, making them more attractive to talent seeking meaningful and socially responsible work environments. At Sonae Sierra, in addition to deeply embedding sustainability in our activities, we strive to enhance sustainability awareness through our internal newsletter. This contributes to a more sustainable world by raising awareness, fostering informed decision-making, and inspiring collective action.

This alignment of values contributes to talent retention, as employees are more likely to stay committed to a Company that shares their dedication to a sustainable future.

To learn more about our approach to this theme, please see 'Employees' on [page 45](#) and [pages 135-148](#).

We have set up long-term and annual objectives, in addition to KPIs in relation to relevant material topics. We use these indicators to monitor and measure our progress as well as predict the likely evolution based on the data available, as demonstrated in the table below.

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Safe, Healthy and Engaged Workforce - Evolution & 2023 Performance

✔ Achieved
 ✘ Not Achieved
 █ Overall Performance
 █ The path ahead

Material Area	KPI	Performance	2023 Target status	Variation since baseline & Comments															
Human Capital Management	Leadership Positions occupied by women (%)	<table border="1"> <caption>Leadership Positions occupied by women (%)</caption> <thead> <tr> <th>Year</th> <th>Overall Performance (%)</th> <th>The path ahead (%)</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>38%</td> <td>-</td> </tr> <tr> <td>2023</td> <td>39.7%</td> <td>-</td> </tr> <tr> <td>2024</td> <td>-</td> <td>42%</td> </tr> <tr> <td>2030</td> <td>-</td> <td>50%</td> </tr> </tbody> </table>	Year	Overall Performance (%)	The path ahead (%)	2020	38%	-	2023	39.7%	-	2024	-	42%	2030	-	50%		<p>+4%</p>
	Year	Overall Performance (%)	The path ahead (%)																
2020	38%	-																	
2023	39.7%	-																	
2024	-	42%																	
2030	-	50%																	
Top Talent Retention Rate (%)	<table border="1"> <caption>Top Talent Retention Rate (%)</caption> <thead> <tr> <th>Year</th> <th>Overall Performance (%)</th> <th>The path ahead (%)</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>94%</td> <td>-</td> </tr> <tr> <td>2023</td> <td>93.2%</td> <td>-</td> </tr> <tr> <td>2024</td> <td>-</td> <td>94%</td> </tr> <tr> <td>2030</td> <td>-</td> <td>94%</td> </tr> </tbody> </table>	Year	Overall Performance (%)	The path ahead (%)	2020	94%	-	2023	93.2%	-	2024	-	94%	2030	-	94%		<p>-1%</p> <p>The target set for both 2024 and 2030 remains consistent at 94%, which we consider the cap value, acknowledging that maintaining a turnover of 6% is both normal and challenging to surpass.</p>	
Year	Overall Performance (%)	The path ahead (%)																	
2020	94%	-																	
2023	93.2%	-																	
2024	-	94%																	
2030	-	94%																	

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Continuation

✔ Achieved
 ✘ Not Achieved
 █ Overall Performance
 █ The path ahead

Material Area	KPI	Performance	2023 Target status	Variation since baseline & Comments										
Employee Health, Safety & Well-being	Accident Rate (LWCAFR) among the workforce* (n° of accidents per million hours worked)	<table border="1"> <caption>LWCAFR Performance Data</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>3.6</td> </tr> <tr> <td>2023</td> <td>4.90</td> </tr> <tr> <td>2024 (Target)</td> <td>1.65</td> </tr> <tr> <td>2030 (Target)</td> <td>0</td> </tr> </tbody> </table>	Year	Value	2005	3.6	2023	4.90	2024 (Target)	1.65	2030 (Target)	0	✘	+36%
	Year	Value												
2005	3.6													
2023	4.90													
2024 (Target)	1.65													
2030 (Target)	0													
Accident Severity Rate (ASR) among the workforce** (n° of lost workdays per million hours worked)	<table border="1"> <caption>ASR Performance Data</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>150.2</td> </tr> <tr> <td>2023</td> <td>80.0</td> </tr> <tr> <td>2024 (Target)</td> <td>10.4</td> </tr> <tr> <td>2030 (Target)</td> <td>0</td> </tr> </tbody> </table>	Year	Value	2005	150.2	2023	80.0	2024 (Target)	10.4	2030 (Target)	0	✘	-47%	
Year	Value													
2005	150.2													
2023	80.0													
2024 (Target)	10.4													
2030 (Target)	0													

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* The LWCAFR is the number of accidents resulting in one or more lost workdays per million hours worked by Sonae Sierra workforce (direct employees and supervised workers).
 ** The ASR is the number of lost workdays due to accidents per million hours worked by Sonae Sierra workforce (direct employees and supervised workers).



Human Capital Management

(Core Focus Area for Acceleration)

Shared Value Created

Enhanced intellectual capital + Talent attraction & retention
+ Superior client service + Higher levels of staff satisfaction, engagement & productivity

GRI index references

Training and education | Employment

Historical Milestones

2008 Introduced Non-Discrimination, Diversity and Part-Time Working policies setting out our commitment to a meritocratic culture and encouraging a positive work-life balance for our staff.

2017 Launched the Sierra Academy to train and develop the skills of existing employees and newly hired employees concerning our internal procedures and all aspects of property management.

Human Capital Management is a principal material topic and falls under the second pillar of Sonae Sierra's *Sustainability strategy*. Competition in the talent market is extremely high and, as a result, we have developed and implemented strategies specifically aimed at attracting, developing and retaining talent. We also actively promote equal opportunities across our workforce and encourage a work-life balance that allows our people to prosper.



Sonae Sierra has an array of initiatives in place to create a workplace that encourages our people to perform at their best within a competitive environment. Above all, our people are our focus. We strive to foster a healthy dynamic within our team, which is shaped by each individual's motivation and understanding of the true importance of their contribution. It is both this highly valuable individual and collective contribution that has made Sonae Sierra the success it is today and will go on to secure its future.

For this purpose, Sonae Sierra has implemented several initiatives. The 'Improving Our People' (IOP) performance management tool is designed to foster a culture of continuous improvement providing personalised development plans for each

employee and fostering meritocracy. These plans are based on individual goals, identified improvement areas, and the Company's needs. Another example, as part of the Sonae Group, can be found in the European Round Table for Industry (ERT) Women's Initiative and Voluntary Targets.

Sonae Sierra regularly assesses the satisfaction of each team member using the eNPS (employee Net Promoter Score) tool and, most importantly, takes actionable steps based on the obtained results. The eNPS provides Sonae Sierra with unique feedback that facilitates a continuous improvement process, nurturing talent within the organisation.

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Highlights

Empowering Excellence

In the domain of talent development, the Rise High, Rise Higher programme was communicated to all Sierra employees in 2023 with the goal of empowering teams and fostering an entrepreneurial spirit. Beginning with training sessions tailored for Sierra leaders, the programme is poised to extend its reach to all Sonae Sierra employees throughout 2024, leveraging strategic partnerships with some of Portugal's top-tier business schools. This initiative exemplifies the Company's steadfast commitment to fostering a culture of continuous learning and development.

Unconscious Bias

As part of our commitment to fostering an inclusive and equitable workplace, Sonae Sierra conducted specialised training on unconscious biases for all employees. This initiative aims to raise awareness and promote a more diverse and understanding work environment. By addressing unconscious biases, we empower our teams to contribute to a workplace culture that values and respects the unique perspectives and talents each individual brings. This training reflects our dedication to continuous learning and ensures that our human capital is well-equipped to thrive in an atmosphere of diversity and inclusion.

39.7%

of Women in leadership positions

93.2%

Top Talent Retention Rate

Employee-Centric Success

Sonae Sierra recognises the critical importance of maintaining a motivated team and retaining talent. Our commitment to listening to employee feedback remains fundamental to our approach, with a continuous focus on assessing the alignment between the Company's and our employees' expectations through the eNPS. Conducted regularly, these surveys provide valuable insights that are meticulously analysed, guiding the development of a targeted roadmap for improvement. By assessing employees' perceptions, Sonae Sierra can adapt processes, initiatives, benefits, and working conditions to effectively address their needs.



Embracing flexibility to empower our teams

At the heart of our dedication to employee well-being is the commitment to enhance work-life balance. The Flex Work Programme exemplifies this commitment, providing a range of initiatives such as flexible schedules, part-time options, leave of absence, the ability to purchase additional days off, extended festive season breaks, a hybrid work model, and workplace mobility for up to three months. Highly valued by our employees, we embrace flexibility to empower our team members and foster a balanced work-life environment.

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Employee Health, Safety & Well-being

(Sustainability Enabler)

Shared Value Created

Higher levels of staff satisfaction, engagement & productivity
+ Accident reduction + Improved well-being

GRI index references

Occupational health and safety

Historical Milestones

2004 The Safety & Health Office was created and “Personæ” was launched. “Personæ” was a four-year Safety & Health programme delivered jointly by Sierra and DuPont Safety Resources team. It aimed to create a safety culture and its main objectives were: to develop a zero-accident culture; to ensure responsible behaviour through commonly-adopted values; and to leverage operational discipline resulting in productivity and quality improvements.

2008 Sonae Sierra Safety & Health Management System was certified according to OHSAS 18001 (current ISO 45001). The first certification awarded to a European Company in this industry.

2014 Launched the Be Well project - an academic partnership with no associated investment cost, which enabled us to gain a comprehensive insight into workplace stress risks present within our Company and develop a detailed mitigation plan to improve employee health and well-being.

The health, safety and well-being of our people remain a continuous concern for us, firstly on an individual level and then on a collective level. It is important to meet the needs of each individual, ensuring a safe workplace, a healthy work-life balance and that each person feels inspired and stimulated. For Sonae Sierra, a happy individual contributes to a successful team and enhances our performance.

For this reason, we approach the health, safety and well-being of our people in a way that boosts our performance across all activities and services. Our efforts have not gone unnoticed, as Sonae Sierra has continuously been distinguished for its achievements vis-à-vis the health and safety of its people. Our Safety, Health, and Environment Management System (SHEMS) and an integrated outlook centred on our people have secured this recognition.

The SHEMS establishes the framework we use to manage our impacts, reduce our safety risks towards people (including employees, building users, and suppliers), and improve our performance. We have established an incident report and investigation procedure to report, investigate, communicate, and act to prevent SHE incidents across all managed shopping centres and corporate locations. Our goal is to improve the well-being of our workforce and reduce the rates and severity of workplace accidents and occupational diseases, aiming towards zero.

For more information, please see the rest of the report, namely [pages 45-47](#) and [135-148](#).

Highlights

Accident rate (among workforce)

4.9 accidents per million hours worked

+36% Variation since the baseline (2005)

Accident severity rate (among workforce)

80 lost workdays due to accidents per million hours worked

-47% Variation since the baseline (2005)

The increase in the accident rate and severity rate in 2023 is mainly attributed to four additional accidents compared to 2022 (six in 2023 versus two in 2022), with three of them occurring during work-related travel ('in itinere'). These fluctuations in our performance emphasize the critical importance of a strong commitment to safety and health culture.



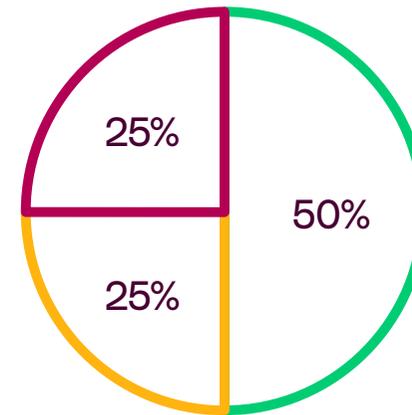


Performance against 2023 targets

We remained focused on improving our performance across all material areas aligned with our sustainability strategy. Responding positively to the ambitious and challenging nature of our objectives, we successfully achieved 75% of the sustainability targets

set—50% fully achieved and 25% partially achieved. As we embark on the new year, we've already endorsed our 2024 targets, ensuring they remain ambitious and challenging, thus pushing boundaries and catalysing meaningful change.

Performance against targets



- Totally Achieved
- Partially Achieved
- Not Achieved

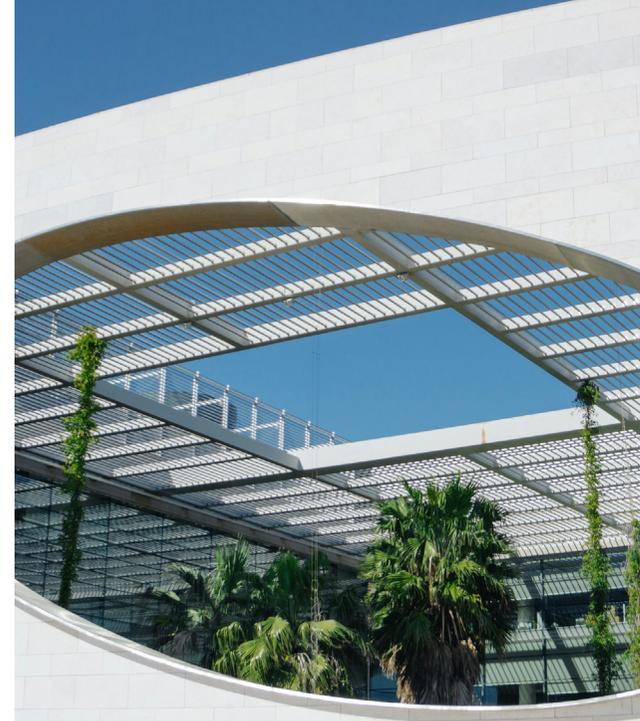
75%
of the applicable targets were either fully or partially achieved



Next Steps & Long-Term Objectives

At Sonae Sierra, we welcome the prospect of a challenge.

Over recent years, we have experienced difficulties and upheaval in the natural world, which were without a doubt, predominantly due to climate change.



This serves as a grave warning to all of us of the severity of the situation and how our global ecosystems hang in the balance. A radical transformation is required if we hope to tackle this problem effectively.

Without undermining their danger, we consider these risks we encounter as both a threat and an opportunity. The organisations that will come out on top will be those that successfully harness the true potential of the social and economic value creation of these risks by transforming them into opportunities. Although these risks are a worrying threat, nonetheless, they also offer us the chance to be bold and transform our activities and services so that they are shaped by a sustainable and nature-positive dimension. It is a unique chance to reduce the environmental harm we inflict resulting from our activities, prevent harm and replenish our natural ecosystems.

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The ambition of the Company is to extend comprehensively its Responsible Investment Policy



The ambition of the Company is to extend comprehensively its Responsible Investment Policy to all investment management and development activities, putting a heightened emphasis on assets beyond our direct property management domain. In connection therewith, for the foreseeable future, we have outlined the following objectives:

- To expand the revision of the Due Diligence procedures, and extend its application to the activities that are not yet covered.
- To broaden the scope of carbon footprint analysis, initiating the monitoring of data from all owned assets, even those not

currently under management (property management), aligning seamlessly with the requirements stipulated by the Science Based Targets initiative (SBTi).

- To continue implementing our decarbonization roadmaps, progressing towards our goal of achieving carbon neutrality by 2040.
- To undertake a comprehensive re-evaluation of our material areas considering a double materiality approach, ensuring that our responsible investment management focus on the most relevant topics.

- To further enhance our performance in pursuit of our long-term objectives across all material areas.

We continue holding our 2030 goals clearly in sight.

Sonae Sierra recognises the value and influence of its sizable social footprint and extensive stakeholder network. We intend to continue to inspire our people, our communities, our stakeholders, our partners, our investors and our clients to play an active role in diminishing the impact, boosting economic and social value as we remain at the heart of this sustainable journey.

After reviewing our long-term objectives, we hold our 2030 goals clearly in sight.

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2030 Long-term objectives - snapshot*

<p>-67%</p> <p>Reduction in electricity (since 2002)</p>	<p>-53%</p> <p>Reduction in water (since 2003)</p>	<p>-73%</p> <p>Reduction in scope 1 and 2 GHG emissions (since 2019)</p>	<p>55%</p> <p>Reduction in GHG emissions from embodied carbon (purchased goods and services)</p>	<p>46%</p> <p>Reduction in all other absolute Scope 3 GHG emissions (since 2019)</p>	<p>+61 pp</p> <p>Increase in recycling rate (since 2002)</p>
<p>-53 pp</p> <p>Decrease in landfill rate (since 2007)</p>	<p>25%</p> <p>Water consumption reused or recycled in assets with significant water-related risks</p>	<p>100%</p> <p>of development assets with greywater and rainwater reuse systems</p>	<p>0</p> <p>accidents among our workforce, in operating assets and development projects</p>	<p>95%</p> <p>Recycling rate in corporate offices</p>	<p>85%</p> <p>Recycling and reuse rate (excluding soils) in development assets</p>
<p>100%</p> <p>of our owned development assets and operating assets with a Green Building certification</p>	<p>100%</p> <p>of development projects with a primary energy demand 10% lower than nearly zero-energy buildings (NZEB)</p>	<p>100%</p> <p>of assets assessed for climate change financial risks and mitigation actions implemented for all those identified as significant risk</p>	<p>100%</p> <p>of operating and development assets with onsite photovoltaic solar electricity production</p>	<p>100%</p> <p>of tenant/occupier leasing contracts with ESG clauses</p>	<p>100%</p> <p>increase in sustainability commercial services to clients (% by income) (since 2021)</p>
<p>100%</p> <p>of development assets with a Whole Building Life Cycle Assessment (LCA). Achieve at least 20% improvement vs baseline</p>	<p>94%</p> <p>Top Talent retention rate</p>	<p>50%</p> <p>Leadership positions occupied by women</p>	<p>To be recognised for delivering the best local community initiatives related to sustainability for visitors</p>	<p>To be recommended by our employees as a good employer - with an average eNPS of 8</p>	

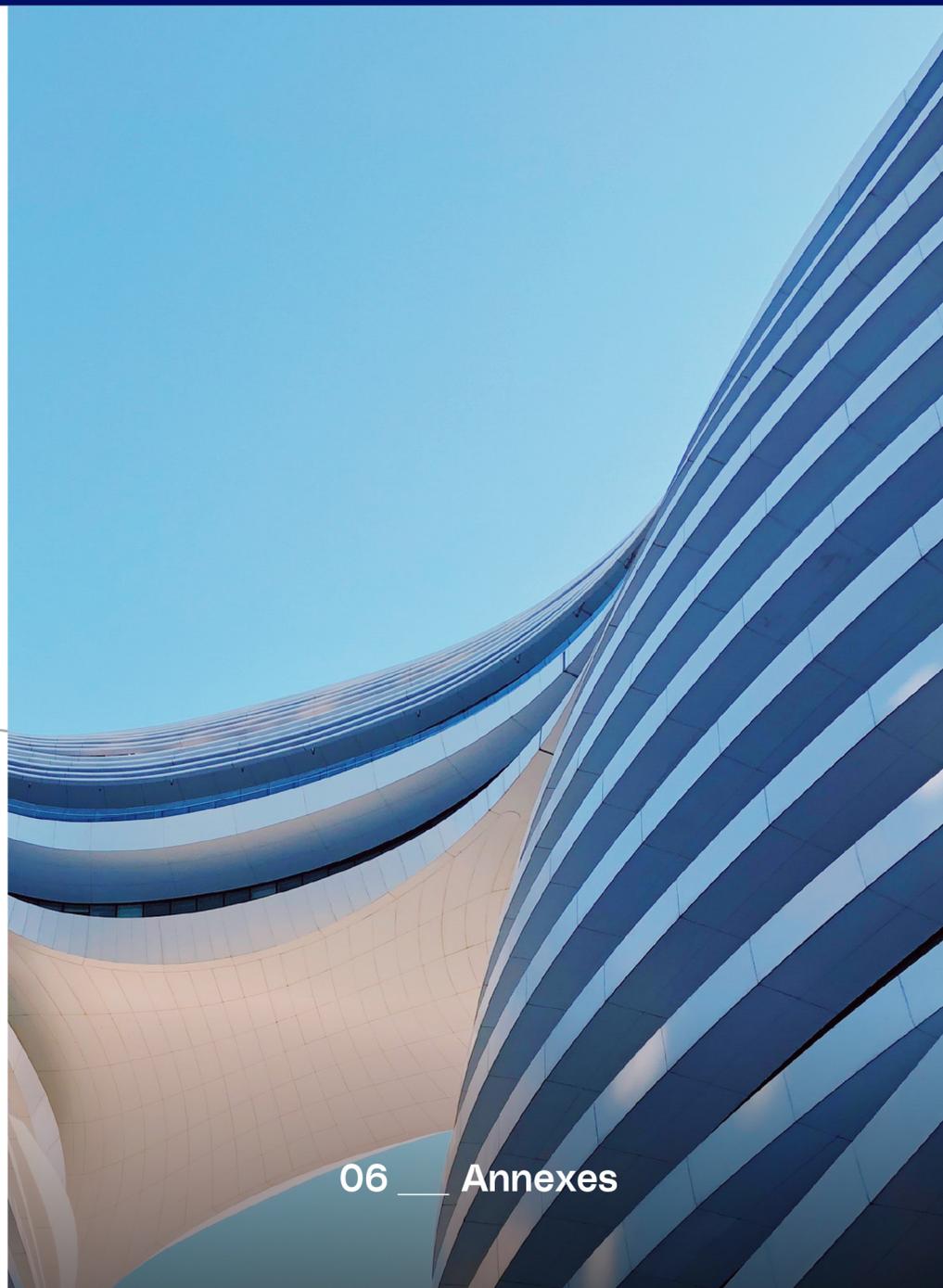
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* Owned assets under management (and their major renovations and expansions) and full development projects (owned).



Strong focus, groundbreaking results

A track record
of achievements.



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06 — Annexes



GRI Index

Under this Index and in the Sustainability Statements chapter whenever we mention ‘owned assets’ or ‘assets under management’ we refer to assets under direct management (Property Management). Therefore, the following assets are excluded:

- Assets in Brazil (managed by ALLOS, in which Sierra holds a minority stake);
- Jardín Plaza Cúcuta in Colombia (managed by a joint venture with Central Control);
- McArthurGlen Designer Outlet Málaga in Spain (managed by McArthurGlen);
- Assets in Poland (managed by a joint venture with Sierra Balmain)
- Standalone assets from ORES and SIGI investment vehicles. As standalone assets, they do not have common areas managed by Sonae Sierra, and the whole space is managed by the tenant/occupier.



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GRI 2: General Disclosures 2021

2-1: Organisational details

Legal name: Sonae Sierra SGPS, S.A..

Business name: Sonae Sierra.

Our headquarters are located in Maia, Portugal.

Location of operations can be found in 'Who we are', [page 12](#).

Ownership and legal form can be found in 'Who we are', [page 11](#).

2-2: Entities included in the organisation's sustainability reporting

The entities included are generally described on the previous page and in detail in the Data Qualifying Note of each indicator. The owned assets mentioned previously are:

Portugal: ArrábidaShopping, Atrium Saldanha, CascaiShopping, Centro Colombo, Centro Vasco da Gama, Estação Viana Shopping, GaiaShopping, GuimarãeShopping, MadeiraShopping, MaiaShopping, NorteShopping, Parque Atlântico, Portimão Retail Center, SerraShopping, and ViaCatarina Shopping | Spain: Área Sur, GranCasa, Luz del Tajo, Max Center, Plaza Mayor, and Valle Real | Romania: ParkLake | Italy: Gli Orsi and Le Terrazze | Greece: Fashion City Outlet.

Although SerraShopping in Portugal was sold in late 2023, we maintained ownership for most of the year and continued to manage the property. Therefore, we have decided to include this asset in our overall performance assessment.

2-3: Reporting period, frequency and contact point

The information in this report relates to the calendar year ending on 31 December 2023.

For questions related to the sustainability statements and GRI, please contact sustainability@sonaesierra.com. For questions related to the rest of the report, please contact strategy@sonaesierra.com.

2-4: Restatements of information

Any re-statements of previously reported values are explained using Data Qualifying Notes beside each indicator.

2-5: External assurance

The report has been externally assured by an independent auditor. The independent auditor's review can be found on [page 155 and 156](#).

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GRI 2: General Disclosures 2021

2-6: Activities, value chain and other business relationships

In 2023 we purchased goods and services with a value of approximately €488 million from our suppliers.

Our most significant suppliers can be divided into two broad groups: service suppliers who provide maintenance, security, cleaning and waste management services in our owned shopping centres; and development suppliers who provide the goods and materials (such as building materials, metals, stone and timber) that we use during the development of new Sonae Sierra real estate assets and during refurbishments and expansions of these assets in operation.

In most cases, development suppliers are contractors who in turn manage their own supply chain to source the goods and materials we use. We also procure a small number of office supplies for use in our shopping centres and corporate offices, such as paper, envelopes, pens and folders.

For more information on our supply chain, including supplier procurement and evaluation procedures with regards to environmental and social practices, see [pages 41-44](#).

There is no policy that guarantees that preference should be given to locally-based suppliers. However, in 2023, 91% of our procurement spending was with national suppliers (local suppliers). The average payment period is 50 days.

Sonae Sierra's downstream entities are the asset tenants and visitors, small businesses from the communities that can use the shopping centres in a given period of time to promote their activity. In addition, we should mention the owners of the assets that we manage, the investors, and the broad range of clients that request our services.

With the downstream entities, Sonae Sierra can have short- or long-term relations, contractual relations, project-based or event-based. These entities are located across the globe, depending on the country where we are and given the price/quality of their offer.

Sonae Sierra establishes other relevant business relationships with investors of a different nature and dimension, clients in different sectors, partners of joint ventures, charity organisations across the countries where it is present.

No changes except the change in the shareholding structure – Sonae increased its participation from 90% to 100% in 2023.

Activities, brands, products, and services can be found in 'About Sonae Sierra', [pages 4-18](#). No products or services are banned in certain markets.

Markets served can be found in 'About Sonae Sierra', [pages 4-18](#) and 'Clients, partners and suppliers', [pages 41-44](#).

Sonae Sierra operates in the real estate sector. Within this sector the Company serves retail, office, residential, logistics and data centres among other sectors. Please see 'About Sonae Sierra', [pages 5-18](#).

Scale of the organisation can be found in 'About Sonae Sierra', [pages 5-18](#); 'Financial Performance', [page 31](#); and 'Clients, partners and suppliers', [pages 41-44](#).

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GRI 2: General Disclosures 2021

2-7: Employees

Direct Employees				Supervised Workers			
Country	Female	Male	Total	Country	Female	Male	Total
Colombia	-	2	2	Greece	1	1	2
Germany	36	38	74	Italy	2	6	8
Greece	5	1	6	Portugal	5	1	6
Italy	28	14	42	Romania	3	2	5
Kosovo	-	2	2	Spain	2	1	3
Morocco	5	6	11	The Netherlands	3	-	3
Portugal	288	214	502	Total	16	11	27
Romania	12	8	20				
Spain	48	30	78				
The Netherlands	-	1	1				
Total	422	316	738				

Direct Employees				Direct Employees			
Employment type	Female	Male	Total	Employment contract	Female	Male	Total
Full Time	402	316	718	Permanent	397	306	703
Permanent Part time	18	-	18	Fixed term	21	7	28
Temporary Part time	2	-	2	Temporary	4	3	7
Total	422	316	738	Total	422	316	738

Data Qualifying Note: This indicator includes all Sonae Sierra direct employees and supervised workers at the end of the reporting period. At the end of 2023 we had more 28 employees than in 2022.

2-8: Workers who are not employees

Besides our employees reported above, we also employed 4 independent contractors during the reporting period (two women and two men)

2-9: Governance structure and composition

'Governance, ethical conduct and transparency', [pages 52-60](#), and 'Safety, Health and Environment Management', [page 139](#) onwards.

2-10: Nomination and selection of the highest governance body

'Governance, ethical conduct and transparency', [pages 52-60](#).

2-11: Chair of the highest governance body

Cláudia Azevedo (a non-executive director) is the chair of the highest governance body.

'Governance, ethical conduct and transparency', [pages 52-60](#).

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GRI 2: General Disclosures 2021

2-12: Role of the highest governance body in overseeing the management of impacts

See [pages 52-55](#).

2-13: Delegation of responsibility for managing impacts

The Sustainability Steering Committee, chaired by our CEO, is responsible for overseeing the strategic direction and the delivery of the work from the Sustainability Strategic Priorities and Risk Management and is accountable to the Sonae Sierra Executive Committee.

The Sustainability Steering Committee is also the responsible of the Sonae Sierra Safety Health and Environment Management System (SHEMS) although the Head of Sustainability is mandating to approve all relevant information/documents of the SHEMS, in alignment with each board member, prior to their formalization at the SSC.

The Sustainability Steering Committee oversees and validates the adoption of lines of actions, long-term objectives, annual targets and KPI for each specific Strategic Priority of our Sustainability Strategy and Risk Management. The Responsible for each specific Strategic Priority and Risk Management will be in charge of identifying, implementing and reporting lines of actions, long-term objectives, annual targets and KPI that evidence the shared value created.

2-14: Role of the highest governance body in sustainability reporting

The Sustainability Steering Committee is responsible for reviewing and approving the materiality matrix and the Company material topics, however it is not responsible for reviewing the final report.

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GRI 2: General Disclosures 2021

2-15: Conflicts of interest

Mechanisms established to resolve any possible internal conflict of interest

1. Employees shall inform their line manager of any situation that could constitute or could give rise to a personal conflict of interest, in the terms described above.

The line manager shall report immediately to the Compliance Committee (through the email: conflict_interest@sonaesierra.com) and should inform about the result of his evaluation on the steps that should be taken to mitigate any actual or potential conflict of interest, if necessary, such as:

- the line manager may conclude that the nature and extent of the conflict of interest in relation to a specific decision does not disqualify the Employee from participating in the respective decision-making process;
- if an Employee is unable or unwilling to remove such conflict, the Employee will not participate in the related decision-making process (including meetings and discussions) and should not receive/access information on matters relating to that conflict.

2. Employees shall inform the Compliance Committee of any situation that could constitute or could give rise to a conflict of interest, in the terms described above, that it's not directly related to them. The Compliance Committee should inform the respective line manager, being item 1 above applicable accordingly.

3. If the conflict of interest concerns the Compliance Committee, the situation should be reported to the CEO.

4. Directors shall immediately make full disclosure of any conflict of interest to the CEO, who will: i) if material, present the situation to the Sierra's Executive Committee, in the conditions described below; or ii) if not material decide, always in the Company's best interest, if the relevant Director should be excluded or not from the respective decision process. The CEO shall inform the Compliance Committee when relevant.

The Director involved in the situation that may create the potential conflict of interest, shall be absent from the decision-making meeting, while discussions and approval on that matter take place and should not receive/access information on matters relating to that conflict.

This applies to conflicts of interest already existing when the Director/Employee joined the Company and to those arising afterwards.

Directors shall immediately make full disclosure of any conflict of interest in the outcome of a service provided by a Subsidiary to another Subsidiary or of a transaction carried out on behalf of a Subsidiary which is different from another Subsidiary's interest in that outcome to the CEO, who will decide in the same terms defined in item 4 above.

In the event of conflicts of interest between several of its Subsidiaries, the Company shall respect the principles of fairness and transparency.

If the interests of the Subsidiaries are similar or of the same kind, these interests should be duly considered, so that they can be dealt with fairly, without further detriment to either party.

Mechanisms established to resolve any possible external conflict of interest

1. Employees shall inform their line manager of any situation that could constitute or could give rise to an external conflict of interest, and the line manager should inform the respective Director.

2. The Director involved (directly or through the information received from the line manager or from the Employee), shall inform the CEO and the Compliance Committee, who will decide how to proceed.

> continues on the next page

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GRI 2: General Disclosures 2021

2-15: Conflicts of interest (continuation)

Criteria for resolution of conflicts of interest situations

In a situation of conflict of interest, priority should be given to the interests of the Clients, both in relation to the interests of the Company and in relation to the interests of Directors, Employees or Related Persons, except in cases where there are legal or contractual reasons that foresee different procedures.

In the event of conflicts of interest between several of its Clients, the Company shall respect the principles of fairness and transparency.

If the interests of the Clients are similar or of the same kind, these interests should be duly considered, so that they can be dealt fairly, without further detriment to either party.

Record retention and reporting

The Compliance Committee shall keep a register of all conflict of interests reported for a period of at least five years, in accordance with the applicable relevant data protection rules, and shall report them to the Audit & Compliance Committee at least annually.

'Governance, ethical conduct and transparency' [pages 52-60](#).

In Sonae Sierra's reality there are not cross-board membership and cross-shareholding with suppliers and other stakeholders. Sonae is the sole shareholder (100%).

2-16: Communication of critical concerns

Sierra created the position of the Sierra Ombudsman, that represents Sierra's commitment to provide all stakeholders with an independent last resort facilitator to whom they can present their complaints and be certain that they are processed, investigated, and responded.

The Sierra Ombudsman has direct access to the CEO and can resort to all of Sierra's sectors, which will enable him to receive the required support, in every case, to make a complete and adequate analysis of the situations presented to him.

Sierra's Ombudsman delivers an annual report to the Audit and Compliance Committee, with the relevant information in this respect (whenever applicable).

Nothing to report in respect of critical concerns.

2-17: Collective knowledge of the highest governance body

See [2-13 above](#). In addition to what is stated in the above-mentioned disclosure, the Sustainability Steering Committee meets regularly for an update on Sustainability matters. Every quarter a Safety, Health and Environment report is issued and includes a detailed analysis of several issues, namely: performance, serious incidents, Safety, Health and Environment Legal compliance, objectives and targets and risk assessment, among others. Discussion of this report is included on the list of topics to be discussed during the Executive Committee meeting, which includes the most senior management representatives for all the countries in which we operate. This report is verified by Lloyds (external auditor) during the audit process, namely to check if it contains the most relevant issues pertaining to the Company's progress around Safety, Health and Environmental performance.

Five times a year the Sustainability Office prepares a report with a follow-up on the progress made vis-à-vis sustainability matters to the members of the Board.

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GRI 2: General Disclosures 2021

2-18: Evaluation of the performance of the highest governance body

Every year the performance of Sierra's highest governance body is assessed against a set of pre-defined Key Performance Indicators and targets shared in the previous year, with material impacts on their variable remuneration components, more specifically in their short-term variable bonus, granted annually, and mid- long term variable bonus, deferred for three years after its attribution. The aforementioned Key Performance Indicators cover two dimensions: a collective dimension, focused on encouraging the commitment and alignment of the highest governance body to driving the Company's annual strategy, results and sustainability, not only economic-wise, but also in terms of environment and people, as well as an individual dimension, focused on assessing and recognizing the individual contribution of each Director to the business.

The evaluation of Sierra's highest governance body is performed on an annual basis, according to the model described above of Key Performance Indicators and with the Remuneration Policy, regularly revised and approved by the General Shareholders' Meeting.

There is no relevant procedure in place to address this specific issue; Notwithstanding, the highest governance body is evaluated in accordance with the above-mentioned structure of Key Performance Indicators.

2-19: Remuneration Policies and 2-20: Process to determine remuneration

Our Remuneration Policy is approved by the General Shareholders' Meeting. The General Shareholders' Meeting is responsible for approving the individual remuneration of the members of the Board of Directors and other corporate bodies, in accordance with the Remuneration Policy. For more information on our Remuneration Policy and its determination go to [our corporate website](#).

2-21: Annual total compensation ratio

Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual): 14.79.

Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual): 0.67.

This analysis presents the ratio of the annual total cash target compensation for Sonae Sierra's highest-paid individual (the CEO) to the median total cash target compensation for all other employees, for the year 2023.

Additionally, it also includes a comparison of the percentage increase in annual total cash target compensation between the highest-paid individual and the median increase for all other employees in 2023.

The concept of annual total cash compensation includes the Fixed Remuneration (Base salary, Lunch Allowance, Schedule and Function-dependent compensation) and the Short Term Variable Pay (Target).

The analysis covers all active employees at the moment of the disclosure, in all countries where Sonae Sierra manages human resources (join-ventures are excluded), converted to €, at the average exchange rate. To ensure an accurate comparison, the analysis includes part-time employees adjusted to a full-time equivalent pay rate.

2-22: Statement on sustainable development strategy

'CEO's Letter', [pages 5-7](#).

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GRI 2: General Disclosures 2021

2-23 Policy commitments and 2-24 Embedding policy commitments

Sierra is dedicated to conducting business responsibly and ensuring that human rights are upheld in all of our operations. For more information on our commitment to ethical business practices, please refer to [pages 52-60](#), where you can find details on 'Business Ethics, Transparency and Anti-Corruption' and our participation in the 'United Nations Global Compact'.

Furthermore, we have implemented a Responsible Procurement policy as well as a Responsible Investments policy, which are available on our corporate website.

Following the approval of Sonae Sierra Responsible Investment Policy, Due Diligence procedures were developed to integrate sustainability risks and identify adverse sustainability impacts on investment decisions. These were developed considering the Corporate Sustainability Directives aiming for more transparency and control over businesses sustainability impacts and risks, namely the Corporate Sustainability Due Diligence Directive (CSDDD), the Corporate Sustainability Reporting Directive (CSRD) as well as the European Sustainability Reporting Standards (ESRS).

To this end, in 2023 we developed and approved Due Diligence procedures for the following activities:

- Land acquisition and development of new buildings
- Acquisition of existing buildings
- Companies acquisition
- Buildings' operation of owned and managed assets

2-25: Processes to remediate negative impacts

Please see this information under each of the material GRI topics on this index. Also refer to [GRI 2-29](#).

2-26: Mechanisms for seeking advice and raising concerns

Sierra implemented all relevant procedures to comply with the new Whistleblowing and Anti-Corruption's Portuguese legislation.

Sierra has in Portugal, two companies that need to comply with such legislation and four other companies that need to comply (only) with the Whistleblowing legislation – 'obliged entities'.

Therefore, Sierra has created a whistleblowing and an anti-corruption channel for receiving complaints, that guarantees independence, impartiality, data protection, secrecy, and absence of conflicts of interest.

The recipient of these channels is the Sierra's Ombudsman, who will ensure an independent and impartial treatment for all 'Obliged Entities' (and will liaise directly with the Board of Directors of the respective 'Obliged Entities').

2-27: Compliance with laws and regulations

Not applicable in 2023, there were no significant instances of non-compliance with laws and regulations during the reporting period.

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GRI 2: General Disclosures 2021

2-28: Membership associations

- AREI – Association of Real Estate Investors (Romanian Institute of Real Estate Investors)
- Asociación Española de Centros Comerciales – AECC (Spanish Council of Shopping Centres)
- Associação Portuguesa de Centros Comerciais – APCC (Portuguese Council of Shopping Centres)
- Associação Portuguesa de Promotores e Investidores Imobiliários – APPII (Portuguese Property Investor and Developer Council)
- Assoimmobiliare (Italian Real Estate Industry Association)
- CCILC – Câmara de Comércio e Indústria Luso-Colombiana (Luso-Colombian Chamber of Commerce and Industry)
- Cámara de comercio de España en Colombia (Spanish Chamber of Commerce in Colombia)
- Consiglio Nazionale dei Centri Commerciali Italia – CNCC (Italian Council of Shopping Centres)
- European Association for Investors in Non-Listed Estate Vehicles – INREV
- European Property Federation – EPF
- German Council of Shopping Places
- International Organisation of Employees
- European Council of Shopping Places (ECSP)
- Urban Land Institute – ULI

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2-29: Approach to stakeholder engagement

Sonae Sierra engages with stakeholders to identify potential impacts, determine prevention and mitigation responses to potential negative impacts and to contribute positively to the environment. Sonae Sierra actively engages with stakeholders to identify potential impacts, establish preventive and mitigative measures for potential negative impacts, and contribute positively to the environment and society.

In 2023, we thoroughly revisited our stakeholder engagement strategy for the period 2023-2030, aiming to create shared value and foster active, enduring engagement and interaction with diverse stakeholder groups. This revision was carried out in three phases:

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Phase 1: Analysis & Assessment



> continues on the next page



GRI 2: General Disclosures 2021

(continuation)

We started the process by conducting an in-depth assessment of the key components of the Stakeholder Engagement Strategy. This involved analysing relevant studies related to stakeholders. We then enriched these findings by conducting interviews with key internal stakeholders at Sierra. These interviews spanned diverse business areas and involved key functions that involved interaction with the stakeholders under assessment. The insights gathered from these interviews provided crucial inputs concerning organisational and management enablers for stakeholder engagement. This phase resulted in specific findings and recommendations to enhance engagement with various stakeholder groups.

Additionally, we conducted an extensive benchmark analysis, comparing our approach with that of peer organisations. Finally, we assessed the existing Stakeholder Engagement initiatives developed by Sierra to ensure alignment and effectiveness.

Phase 2: Stakeholder Engagement Strategic Definition

In this phase we followed three key steps. Initially, we clarified the ground rules for engagement, identifying stakeholders, emphasizing SE's importance, determining appropriate engagement times, and outlining best practices. Building upon this foundation, we then established guiding principles and core objectives. This involved focusing on a SMART-focused engagement policy, promoting proactive multilateral engagement, ensuring strategic consistency, and maintaining high-quality processes. Finally, we delved deeper into the strategy by identifying key value creation drivers. These considerations encompassed strategic areas and specific stakeholder groups such as investors, employees, tenants, visitors, communities, and suppliers.

Building on these foundations, we developed a list of initiatives aimed at strengthening stakeholder engagement as a core business driver. These initiatives concentrate on energizing and nurturing the real estate ecosystem by harnessing the collective knowledge and synergies among various stakeholder groups. Our aim is to amplify business development prospects, drawing from insights collected in earlier phases. Although currently this roadmap is under evaluation within the European Sustainability Reporting Standards, several of these initiatives have already been set in motion since 2023.

For additional information on our approach to Stakeholder Engagement, please see [pages 38-49](#).

In addition to the stakeholders indicated in the above-mentioned chapter, we also engage with tenants and visitors.

Visitor feedback that has been gathered helps us to understand our visitors' profiles, their behaviour, and requirements. These surveys monitor visitor trends in terms of their satisfaction, expectations, loyalty, and behaviour. Shopping centres develop action plans based on the survey results, paying particular attention to critical success factors affecting visitor numbers and short-term actions necessary to correct any negative results.

Annually, we undertake community engagement initiatives, and in 2023, we strategically established targets to ensure their optimal execution. One key objective was to allocate a minimum of 2% from each shopping centre's marketing budget to community-related initiatives. Furthermore, our shopping centres were tasked with creating a Waste Management-themed campaign to raise awareness on this crucial topic. Additionally, we fostered partnerships to implement joint projects that would yield tangible benefits for both the local community and the shopping centre. All these targets were either fully or almost entirely (99%) accomplished.

In 2023, we recorded an average visitor satisfaction index of 4 out of 5 (from a sample of 15 assets). For more information on these surveys, please see [GRI 413-1](#).

We also have a customer feedback system in place called Customer Contact Management, which provides us with a unique source of learning about our shopping centres. We encourage visitors to submit their suggestions and complaints either verbally or in writing.

We ensure that we respond to all the suggestions and complaints received. When visitors offer their time to provide written feedback it is essential to show that we take their views seriously.

We also engage with visitors around sustainability topics with several initiatives organised at country or asset level. Examples of these campaigns can be seen on [pages 48-49](#).

We undertake annual operational tenant surveys in owned assets that allow us to gain general feedback on operational aspects, marketing events, communications, our sustainability activities and satisfaction with our shopping centre management teams. Survey results are used to develop action plans to address aspects that receive low scores and ultimately drive continuous improvement in tenant satisfaction levels. In 2023, we recorded an average satisfaction rate of 5 out of 6. Responses are shared with internal teams who develop follow-up plans.

All of our stakeholders can present complaints to the Sonae Sierra Ombudsman.

The list of stakeholder groups can be found in 'Stakeholders', [page 40](#).

Identifying and selecting stakeholders can be found in 'Stakeholders', [pages 39-40](#).

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GRI 2: General Disclosures 2021

2-30: Collective bargaining agreements

Sonae Sierra does not have any collective bargaining agreements, so 0% of employees are covered.

GRI 3: Material Topics 2021

3-1: Process to determine material topics

The materiality matrix is the bedrock of our Sustainability Strategy. In 2020, we conducted a strategic review of our matrix (effective from 2021 onwards) to be better aligned with our evolving business strategy and guarantee we continue channelling our commitment in the right direction. Our materiality matrix maps each topic in terms of Sierra's significant impacts and its influence on the assessments and decisions of our stakeholders. This mapping was developed in accordance with the guidelines set out under the Global Reporting Initiative (GRI).

We are currently re-assessing our materiality matrix considering the double materiality approach, in line with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

The double materiality approach integrates a more comprehensive methodology, encompassing both impact materiality – the organisation's impact on the environment and society (inside-out) – and financial materiality – the financial impact of a specific topic on the business (outside-in). This integrated approach enhances the robustness of our materiality process. We will conclude this process in 2024 and provide a thorough account of detailed information and results in next year's report.

3-2: List of material topics

[Page 9.](#)

Material topics

GRI 203: Indirect Economic Impacts 2016

3-3: Management of material topics

Every new retail centred development we make is expected to have a significant positive social and economic impact on the city and neighbouring region with direct jobs created during the centre's construction, and additional direct and indirect jobs created when the assets open to the public.

More information detailed below in 203-2.

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GRI Disclosure

GRI 203: Indirect Economic Impacts 2016

203-2: Significant indirect economic impacts

We generate economic benefits for local communities by creating local employment, inviting local businesses to rent space in our shopping centres and investing in initiatives that improve the wellbeing of local people. As well as benefiting the community, this strategy can also help us enhance our reputation and increase visitor numbers. The following diagram illustrates the most significant indirect economic impacts we have identified as being generated through each core business activity (both positive and negative).



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While we have not undertaken specific studies which enable us to evaluate the significance of these impacts in the context of external benchmarks and stakeholder priorities, we are able to quantify some of the indirect economic impacts generated by our Company in 2023, namely:

- €5.5 billion tenant sales at our assets under management.
- 31% of shop units in our European shopping centres under management are occupied by local businesses (average of the assets).
- €488 million spent on suppliers, of which 91% are national businesses.



GRI Disclosure

GRI 205: Anti-corruption 2016

3-3: Management of material topics

'Business Ethics, Transparency and Anti-Corruption', and 'United Nations Global Compact', [pages 56-60](#).

205-1: Operations assessed for risks related to anti-corruption & 205-3: Confirmed incidents of corruption and actions taken

Our Code of Conduct states that it is forbidden to give or accept any reward (or "benefit") with the purpose of influencing someone's behaviour to obtain a commercial advantage. We ensure compliance with this obligation by incorporating corruption risk into the annual Internal Audit Plan of activities. During 2023, the Internal Audit Activities covered 53% of the core business processes identified to have risk of corruption.

No instances were identified that could constitute a situation of corruption and no incidents of corruption were formally reported.

Business processes that include corruption risks	17
Total number of business process that were covered by audits in 2023	9 (53%)

The Anti-Corruption Guidelines have enabled the development of anti-corruption awareness through the provision of staff training, carried out under a program named BEST (Behaviour with Ethics Sierra Training).

205-2: Communication and training about anti-corruption policies and procedures

Country	Percentage of employees that received anti-corruption training
Germany	78%
Greece	100%
Italy	90%
Morocco	64%
Portugal	88%
Romania	90%
Spain	90%
The Netherlands	100%
Total	88%

Data Qualifying Note: This indicator includes all Sonae Sierra direct employees at the end of the reporting period. Sonae Sierra does not have a systematic procedure to communicate, measure and report the number of business partners with whom the organisation's anti-corruption policies and procedures have been communicated.

For more information, please see 'Business Ethics, Transparency and Anti-Corruption', on [pages 56-60](#).

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GRI Disclosure

GRI 301: Materials 2016

3-3: Management of material topics

Although the sourcing of materials used in development projects (including expansion and refurbishment projects) is controlled by our contractors, we are aware that our business activity entails a significant impact in terms of the extraction of raw materials (including timber, stone and metals), mainly through the use of semi-manufactured goods and parts that are derived from raw materials.

Whilst the extraction of raw materials adversely impacts the natural environment, the reuse of existing materials (for example from demolition waste) and the use of manufactured goods fabricated from recycled materials can help to promote a more sustainable, closed-loop approach to waste management and the use of materials.

As it is difficult to control the selection of raw materials used in development projects this compromises our ability to gauge a clear understanding of the scale of our impact in terms of raw material consumption, and as a result, we have not set specific objectives to reduce or optimise raw materials extracted for this use.

Our Responsible Procurement Policy commits us to, among other measures, give priority to the use of materials, which are locally sourced, have recycled content, low-toxic content, a long life, can be recycled or reused, and/or are sourced from companies that adhere to ethical and/or environmental standards.

Our Safety, Health and Environment Development Standards (SHEDS), implemented when approved by the development project/ asset owner, prohibit the use of materials that are known to have negative impacts on the environment and the health and well-being of building occupants, as well as timber products derived from non-sustainable forestry. During construction and when agreed with the owners, our Safety, Health and Environment Management System (SHEMS) ensures that efforts to reduce material use and waste are considered, and whenever possible we reuse materials on-site reducing the need for raw materials.

We have developed a methodology to quantify the recycled content of the most significant materials consumed during the construction of new projects including concrete, brickwork, steel, glass and insulation. The aim is to help identify which materials we can prioritise when looking for more sustainable alternatives.

For more information, please see 'Safety, Health and Environment Management', [page 139 onwards](#), Climate Change Resilience, [page 77-79](#), and Responsible Procurement, [page 81](#).

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GRI Disclosure

301-1: Materials used by weight or volume

	Volume		Weight		Renewable material	Renewable material
	m ³	%	tonne	%	tonne	% weight
Brickwork	7	0.1%	14	0.04%	-	-
Concrete	12,734	93%	30,539	95%	-	-
Glass	-	-	-	-	-	-
Insulation	78	1%	2	0.01%	-	-
Metals	126	1%	990	3%	-	-
Plastics	31	0.2%	6	0.02%	-	-
Wood/Timber	707	5%	493	2%	493	100%
Total	13,684	100%	32,045	100%	493	1.5%

Data Qualifying note: This indicator covers all major development projects, refurbishments and expansions in the reporting period. In 2023 the scope encompasses Torre Norte Colombo, Gli Orsi food court refurbishment, Pulse and República 5. Only demolition works occurred in Pulse in 2023, resulting in no materials to report. Additionally, there is no available information for República 5. The reported materials are considered the most important ones in terms of weight and volume.

301-2: Recycled input materials used

	Recycled Input Material
	% by weight
Brickwork	26%
Concrete	-
Glass	-
Insulation	-
Metals	80%
Plastics	-
Wood/Timber	80%
Total	4%

Data Qualifying Note: This indicator covers all major development projects, refurbishments and expansions in the reporting period. In 2023 the scope encompasses Torre Norte Colombo, Gli Orsi food court refurbishment, Pulse and República 5. Only demolition works occurred in Pulse in 2023, resulting in no materials to report. Additionally, there is no available information for República 5.

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GRI Disclosure

GRI 302: Energy 2016

3-3: Management of material topics

According to the International Energy Agency (IEA), the built environment (buildings and construction industry) is accountable for over 35% of global operational energy and process-related CO₂ emissions. Despite efforts to decarbonise the sector, progress made so far has been insufficient in achieving the desired level of carbon emission reduction, which highlights the need for more effective and sustainable solutions.

Regulations on energy consumption and (greenhouse gas) GHG emissions of buildings are becoming more stringent. Consequently, high energy consuming, and carbon-emitting buildings are becoming less attractive to investors and occupiers. On the contrary, more eco-efficient, low-carbon assets that generate their own energy on-site from renewable sources are likely to sustain their value in the long term.

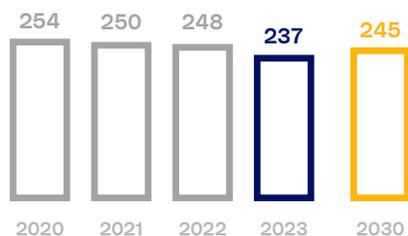
Within the scope of our SHEMS, we monitor and manage the energy performance of our owned shopping centres under management.

We are committed to improving the energy efficiency of our activities and implementing measures to increase our energy self-sufficiency as part of a dual strategy to reduce our reliance on volatile fossil-fuel derived energy markets. In 2022, we started rolling out decarbonisation roadmaps for our assets. These decarbonisation roadmaps address energy reduction as a crucial component of decarbonisation and encompass, among other measures, the installation of photovoltaic panels. We have prepared our assets for this project, which is scheduled to start in 2024.

In 2023, the electricity consumption of our owned portfolio (excluding tenants) was 237 kWh/sq.m mall and toilet area, meaning we achieved our annual target of 264 kWh/sq.m (10% below the target). Since our baseline year of 2002, we have reduced the electricity consumption by 68%.

In 2022, we redefined our long-term objectives to 2030, guaranteeing they remain ambitious and challenging. Our long-term objective is to achieve an energy efficiency performance of 245 kWh/sq.m by 2030.

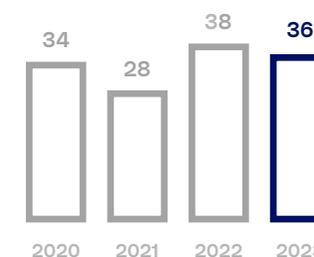
Electricity consumption (excluding tenants) of our owned portfolio (kWh/sq.m mall and toilet area)



	Performance by country		
	2022 kWh/sq.m	2023 kWh/sq.m	Variation %
Global Performance	248	237	-4% ●
Greece	130	111	-15% ●
Italy	249	247	-1% ●
Portugal	282	267	-5% ●
Romania	265	249	-6% ●
Spain	180	176	-2% ●

● Improvement ● Worsening

Electricity consumption in our corporate offices (kWh/sq.m)



Data Qualifying Note: These indicators include all shopping centres owned and in operation during the full reporting year; and all corporate offices that monitor electricity consumption (respectively). In shopping centres, there is a slight mismatch between the numerator and the denominator as energy consumption in technical areas and cold and hot water that is supplied to some tenants are considered, but those tenant-controlled areas are not. In 2023 there were five offices reporting electricity (also five in 2022).

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GRI Disclosure

Energy management through all relevant stages of the asset life cycle

Energy-efficient designs, including energy performance targets and innovative engineering solutions, are pursued in every new project, whether integrated into green building certification or following our SHEDS. Within SHEDS, we specify the use of energy-efficient equipment and the assessment of possible renewable and low-carbon technologies.

During the operations phase, we ensure shopping centres are run as efficiently as possible. Since 2012, we have rolled out - Bright® - an energy efficiency programme designed to reduce energy expenditure and improve the carbon footprint of real estate assets. Recognising its potential, Bright was awarded a Silver Stevie® Award in the Energy Industry Innovation of the Year in the 15th Annual International Business Awards®, in 2018. For more information, see [page 72](#).

We also procure green electricity whenever feasible, and in 2023 around 92% of the electricity consumption in our operating assets (excluding tenants) and corporate offices was procured from green sources.

We are subject to regional and national regulations and policies concerning energy and emissions.

At an industry level, we subscribe to several voluntary commitments to reduce energy consumption and GHG emissions associated with our activities, namely the Science Based Targets initiative (SBTi) and the Paris Pledge for Action.

Energy reduction achievements

In addition to monitoring the electricity consumption (excluding tenants), we also monitor the direct energy consumption and building energy intensity of our shopping centres and corporate offices. For additional information on energy, please also see our Sustainability Statements starting on [page 61](#) 'Safety, Health and Environment Management' starting on [page 139](#); and the indicators below.

302-1: Energy consumption inside the organisation

Shopping Centres		Corporate Offices	
	GJ		GJ
Total electricity consumption	305,230	Total electricity consumption (including electricity consumption from plug-in hybrid electric vehicle or electric vehicle fleet)	982
Total fuel consumption from non-renewable sources (Natural gas and LPG)	94,611	Total fuel consumption from non-renewable sources (petrol and diesel for fleet vehicles)	11,134
Total cooling consumption	96,515	Total	12,116
Total electricity sold	19,317	Total (shopping centres and corporate offices)	489,155
Total	477,039		

Data Qualifying note: This indicator includes all owned shopping centres that are managed by Sonae Sierra and in operation during the full reporting year and corporate offices where electricity is measured. Fuel consumption includes all corporate main offices (Athens, Lisbon, Maia, Milan, Madrid, Düsseldorf, Bucharest and Casablanca). The conversion factor used to convert kWh to GJ is 0.0036, as defined by the International Energy Agency (IEA). The conversion factors used to convert fuel to GJ are from DEFRA 2023.

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GRI Disclosure

302-3: Energy intensity (including tenants)

Shopping Centres	kWh/sq.m of mall and toilet area
Global Performance	459
Greece	615
Italy	353
Portugal	494
Romania	1,143
Spain	205

Data Qualifying note: This indicator includes all shopping centres owned that are managed by Sonae Sierra and in operation during the full reporting year. It is calculated as the ratio between energy consumption (considers natural gas, liquefied petroleum gas (LPG), electricity, chilled and hot water consumption) divided by the mall and toilet area. Energy consumed outside shopping centres is not considered and therefore, for NorteShopping in Portugal, natural gas consumption for the cogeneration system is not included (as most of the energy produced is electricity sold to the grid) but chilled and hot water produced by cogeneration and consumed in the shopping centre is included. For this indicator there is a mismatch between the numerator and the denominator since energy purchased on behalf of tenants is considered, however tenants' areas are not.

302-4: Reduction of energy consumption

See 'Environmental Accounting', [pages 142 and 143](#).

CRE1: Building energy intensity (excluding tenants)

Shopping Centres	kWh/sq.m of mall and toilet area	Corporate Offices	kWh/sq.m of mall and toilet area
Global Performance	346	Global Performance	36
Greece	258	Germany	25
Italy	353	Greece	111
Portugal	410	Italy	41
Romania	359	Morocco	35
Spain	203	Portugal	35

Data Qualifying note: This indicator includes all owned shopping centres under management and in operation during the full reporting year and all corporate offices that monitor energy consumption. This indicator excludes energy purchased on behalf of tenants. Energy consumed outside shopping centres is not considered and therefore, for NorteShopping in Portugal, natural gas consumption for the cogeneration system is not included (as most of the energy produced is electricity sold to the grid), but chilled and hot water produced by cogeneration and consumed in the shopping centre is included. For this indicator, there is a slight mismatch between the numerator and the denominator as energy consumption in technical areas and chilled and hot water that is supplied to some tenants is considered, but those tenant-controlled areas are not.

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GRI Disclosure

GRI 303: Water and Effluents 2018

3-3: Management of material topics

Water scarcity already affects every continent. Water use has been growing globally at more than twice the rate of population increase in the last century, and an increasing number of regions are reaching the limit at which water services can be sustainably delivered. In 2023, we re-assessed the water stress risk in the areas where our assets are located. We used the latest (4.0) version of the Aqeduct tool from WRI (World Resources Institute), an online platform that offers water risk mapping and assessment.

Our assets in water stressed areas

Location	Asset	Water stress level
OPERATIONS		
Greece	Fashion City Outlet	Extremely High (>80%)
	Atrium Saldanha	Extremely High (>80%)
	CascaíShopping	Extremely High (>80%)
	Centro Colombo	Extremely High (>80%)
	Centro Vasco da Gama	Extremely High (>80%)
Portugal	Estação Viana Shopping	High (40-80%)
	GuimarãesShopping	High (40-80%)
	MaiaShopping	High (40-80%)
	NorteShopping	High (40-80%)
	Portimão Retail Center	Extremely High (>80%)
Romania	ParkLake	High (40-80%)
	Área Sur	Extremely High (>80%)
Spain	Luz del Tajo	High (40-80%)
	Plaza Mayor	Extremely High (>80%)
DEVELOPMENT PROJECTS		
Portugal	Casas da Lapa	Extremely High (>80%)
	Pulse Lisboa	Extremely High (>80%)
	República 5	Extremely High (>80%)
	Torre Norte Colombo	Extremely High (>80%)
	Viva Offices	High (40-80%)
CORPORATE OFFICES		
Greece	Athens Offices	Extremely High (>80%)
Romania	Bucharest Offices	High (40-80%)
Morocco	Casablanca Offices	Extremely High (>80%)
	Lisbon Offices	Extremely High (>80%)
Portugal	Maia Offices	High (40-80%)
Spain	Madrid Offices	Extremely High (>80%)

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GRI Disclosure

At Sonae Sierra, we monitor and manage the water consumption of our owned assets under management. We are committed to reducing water consumption by increasing the efficiency of our activities and using innovation and technology to rethink how water is used and managed.

By improving the water efficiency of our portfolio and integrating systems for rainwater harvesting and water reuse on our sites, we can reduce our exposure to water scarcity risks and minimise our water footprint, which prepares us for potential future legislation and avoids costs. In 2023, water consumption (excluding tenants) was 2.50 litres/visit, meaning we did not achieved our annual target of 2.49 litres/ visit (0.1% above). Despite falling short of our target, our consumption decreased by 2% compared to 2022. Since our baseline year of 2003, we have reduced water consumption by 41%. Our long-term target is to achieve a water consumption performance of 2.0 litres/visit by 2030.

Water consumption (excluding tenants) of our owned portfolio (litres/visit)



	Performance by country		
	2022 Litres/visit	2023 Litres/visit	Variation %
Global Performance	2.6	2.5	-2% ●
Greece	3.8	2.9	-23% ●
Italy	5.1	3.4	-33% ●
Portugal	2.4	2.5	6% ●
Romania	4.5	4.3	-5% ●
Spain	1.9	1.8	-6% ●

● Improvement ● Worsening

Data Qualifying note: This indicator includes all Shopping Centres owned and in operation during the full reporting year except for Portimão Retail Center (in Portugal) where the number of visits is not recorded. This indicator is calculated as the total water consumption (excluding tenants), divided by the number of visits in the reporting year. Water efficiency at ParkLake in Romania is calculated based on the consumption from municipal supplies as rainwater consumption is not measured.

Water consumption (excluding tenants) of our owned portfolio (m³/sq.m)

	m³/sq.m
Global Performance	1.9
Greece	0.5
Italy	2.1
Portugal	2.1
Romania	2.9
Spain	1.3

Data Qualifying note: This indicator includes all shopping centres owned and in operation during the full reporting year except for Atrium Saldanha due to data unavailability. This indicator is calculated as the total water consumption (excluding tenants), divided by the floor area of the mall and public toilets. Water efficiency at ParkLake in Romania is calculated based on the consumption from municipal supplies as rainwater consumption is not measured.

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GRI Disclosure

Percentage of water recycled and reused (%)

(Excluding water purchased on behalf of tenants)		(Including water purchased on behalf of tenants)	
	Percentage		Percentage
Recycled or reused	4.5%	Recycled or reused	2.5%
Not recycled nor reused	95.5%	Not recycled nor reused	97.5%

Data Qualifying note: This indicator includes all shopping centres owned and in operation during the full reporting year, except for Atrium Saldanha due to data unavailability. The amount of water recycled/reused is underestimated because some assets are unable to measure part of the water recycled/ reused and others are unable to monitor this consumption separately. Percentage and total volume of water recycled and reused (including water reallocated to tenants) is determined by the following formula: $\text{Water reused/ recycled (m}^3\text{) / Total water withdrawal (m}^3\text{) * 100}$. Percentage and total volume of water recycled and reused (excluding water reallocated to tenants) is determined by the following formula: $\text{Water reused/ recycled (m}^3\text{) / Total water withdrawal (excluding tenants) (m}^3\text{) * 100}$.

Sonae Sierra's assets rely on some 522,000 m³ of water per year (excluding tenant activities). The main uses for the water consumed are: irrigation, toilets, fountains, HVAC systems and cooling towers.

The majority of the water supply (66%) is drawn from municipal supplies, and in a water-constrained world, as demand for fresh water becomes ever greater due to population growth, urbanisation, increased economic activity and climate change, we need to ensure a sustainable operation and guarantee an adequate supply for all our assets, particularly those in areas that are vulnerable to shortages. Currently, 4.5% of the water consumption (excluding tenants) is reused/recycled water.

Water use management through all relevant stages of the lifecycle

We aim to ensure a secure water supply at our owned shopping centres, with a focus on locations that are vulnerable to shortages. We use the Aqueduct Country Rankings tool to identify the water-stressed zones and consequently the weighted impacts of water consumption. Identification of the water-related impacts is carried out on a short-term basis.

In our projects (when approved by the owners), our SHEDS define that specific equipment (like water chillers) must be avoided to minimise our vulnerability to water shortages in areas with water scarcity.

We also ensure that water-efficient design, including equipment specifications and recycling engineering solutions, is maximised. Where feasible, we integrate rainwater harvesting and grey water recycling systems into new projects and refurbishment works. In 2022, we defined a long-term target to recycle/reuse at least 25% of our water consumption in 2030 in operating assets with significant water stress risks.

Since 2013, we have also developed Dive®, which allows the enhanced management of this resource by identifying the least efficient systems and operational routines for individual assets. It allows us to set consumption targets for the main water systems (e.g., toilets, irrigation, etc) which, together with real-time monitoring, enables us to identify unusually high usage patterns and put in place tighter control mechanisms. It also estimates the expected environmental and financial benefits of changing systems and operational routines to be more efficient and identifies quick wins, medium and longer-term investments to improve water management further.

New data from WRI's Aqueduct Water Risk Atlas show that 25 countries face extremely high water stress each year, regularly using up almost their entire available water supply.

Currently, 60% of Sierra's portfolio faces high or extremely high water stress and this is expected to increase to 70% by 2080, even in an optimistic climate change scenario.

In 2023, we updated the sanitaryware 'standard' with stricter water consumption requirements based on the BREEAM certification scheme, best practices and taxonomy regulation (we used whichever is more stringent). We also re-ran Dive water benchmarking in most of our assets. This benchmark allowed us to identify 76 actions with investments between €264,000 and €597,000 that are expected to allow water savings of around 8%, corresponding to €102,000 of costs avoided annually.

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GRI Disclosure

Policy and practices on drainage and discharge of water

We incorporate solutions that reduce pollution of local water sources. Our owned assets may have up to five different wastewater collection systems, which enable the resources to be reused and/or treated according to their characteristics.

Although we comply with the legislation on all sites, in the assets where the Sonae Sierra Multisite *SHEMS* is being implemented we have tighter procedures and wastewater discharges are analysed regularly by externally certified laboratories to control the contamination levels of our water discharge to municipal sewers, streams, etc.

If there is no applicable legislation or the site permit does not require compliance with any threshold values, the site complies with the conditions defined within our Technical Procedure that establishes the rules for managing and monitoring wastewater that is drained to the wastewater network or directly to a body of water.

Water reduction achievements

In addition to monitoring the water efficiency (excluding tenants) of our owned portfolio, and the percentage of water reused or recycled, we also monitor total withdrawal and the building water intensity. These analyses are carried out on a short-term basis.

Goals related to water usage are defined on a yearly basis and determined by the SHE objectives which include, among others, legal requirements. After that, performance indicators and an action plan are defined to meet those goals.

For additional information on water, please also see our Sustainability Statements, 'Safety, Health and Environment Management' on [page 139](#) onwards, and the indicators below.

303-3: Water withdrawal

Total Water Withdrawal

Water source	Water withdrawal excluding tenants (Megalitre)	Water withdrawal on behalf of tenants (Megalitre)	Total water withdrawal (Megalitre)
Greywater	15	-	15
Rainwater	9	-	9
Ground water	146	-	146
Municipal water supplies	344	386	730
Mixture of water sources	9	0.6	9
Total	522	386	908
Other water	15	-	15
Freshwater	507	386	894
Total	522	386	908

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Water Withdrawal in areas with water stress

Water source	Water withdrawal excluding tenants (Megalitre)	Water withdrawal on behalf of tenants (Megalitre)	Total water withdrawal (Megalitre)
Greywater	15	-	15
Rainwater	1.6	-	1.6
Ground water	125	-	125
Municipal water supplies	205	299	503
Mixture of water sources	-	0.6	0.6
Total	346	299	645

Data Qualifying note: This indicator includes all shopping centres owned and in operation during the full reporting year, except for Atrium Saldanha due to data unavailability. Greywater is wastewater from hand basins, showers and other water-using devices and equipment (e.g. cooling towers);

All the groundwater is controlled (holes are licensed) so we consider that no salty intrusion problems exist on those sites.

CRE 2: Building water intensity

	Litres/visit	m ³ /sq.m of mall and toilet area
Global Performance	4.4	3.3
Greece	5.4	0.9
Italy	5.9	3.6
Portugal	4.1	3.5
Romania	7.7	5.2
Spain	3.8	2.8

Data Qualifying note: This indicator includes all shopping centres owned and in operation during the full reporting year, except for Atrium Saldanha due to data unavailability. Portimão Retail Center in Portugal is only excluded from the indicator in litres/visit since there is no footfall system in place. The formula used to calculate the indicator for litres/visit is: Building Water Intensity = (Total water consumption (excluding tenants) (m³) + Total water purchased on behalf of tenants (m³)*1000/ Number of visits. The formula used to calculate the indicator for m³/sq.m mall and toilet area is: Building Water Intensity = (Total water consumption (excluding tenants) (m³) + Total water purchased on behalf of tenants (m³)/ Floor area of the mall and public toilets (sq.m).

The details of the assets located in water-stressed areas can be seen on [page 115](#).

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GRI 305: Emissions 2016

3-3: Management of material topics

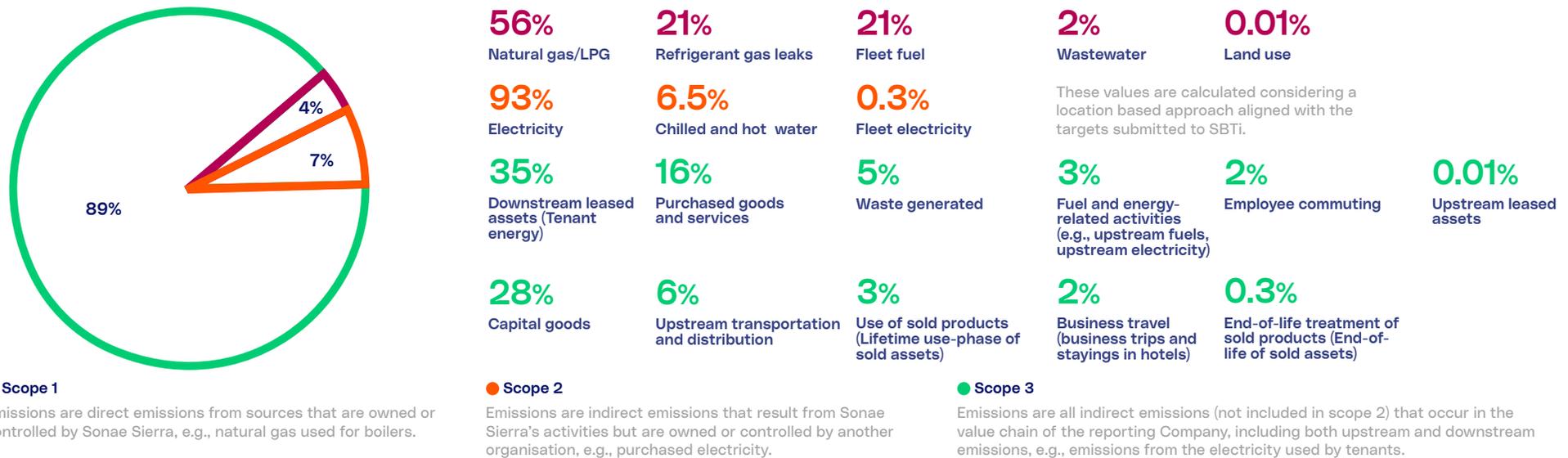
Throughout the report, we present carbon emissions figures considering both: equity share; and investment properties under management and corporate offices.

The equity share approach allocates emissions based on the organization's proportionate ownership or financial stake in joint ventures or subsidiaries, ensuring alignment with SBTi requirements. This approach encompasses any asset where we hold a financial stake, even if not managed by Sierra.

When considering our investment properties under management and corporate offices, we assess the emissions of the entire building regardless of Sierra's ownership stake. This approach maintains consistency with other sustainability indicators and aligns with the KPIs defined in our sustainability-linked bond.

In the Emissions chapter, all indicators follow an equity share (EQS) approach unless otherwise specified.

The most significant contribution to our carbon footprint comes from the emissions associated with the activities of our tenants, purchased goods and services and capital goods.



Aside from this, we have set long-term commitments that are aligned with the Science Based Targets initiative to reduce scope 1, 2 and 3 emissions from our owned portfolio (SBTi scope) and corporate offices. In 2023, our GHG emissions intensity (scope 1 + scope 2) was 20.3 kgCO₂e/sq.m GLA (location-based – considering default emission factors), indicating that we achieved our annual target of 21.6 kgCO₂e/sq.m GLA (6% below the target). However, our actual emissions, reflecting the real emission factors from the energy we consume (market-based approach), were 12.2 kgCO₂e/sq.m GLA, representing a 44% reduction compared to the location-based value.

Since our baseline year of 2005, we have made substantial progress in reducing our greenhouse gas (GHG) emissions intensity, encompassing both Scope 1 and Scope 2 emissions. By 2023, taking into account our investment properties under management and corporate offices, we have achieved an 88% reduction in GHG emissions intensity compared to 2005 (with an 82% reduction achieved until 2019). Considering SBTi requirements (equity share), since our baseline year of 2019, we have reduced our GHG emissions intensity by 34%.

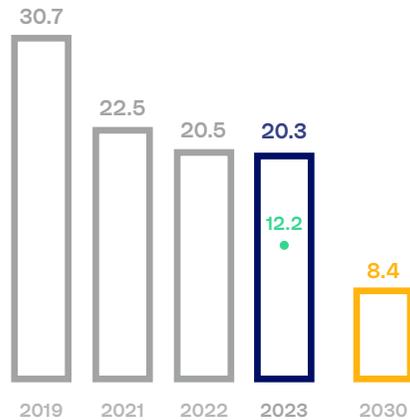
In 2021, we committed to becoming carbon neutral by 2040, ten years sooner than the European Union target. In 2022, we also created a roadmap for zero-carbon, using the above-mentioned science-based targets aligned with the 1.5°C scenario. These roadmaps are already in the process of implementation.

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305-4: GHG emissions – GHG Protocol scopes 1 and 2 (kg CO₂e/sq.m GLA) (Location based | EQS)

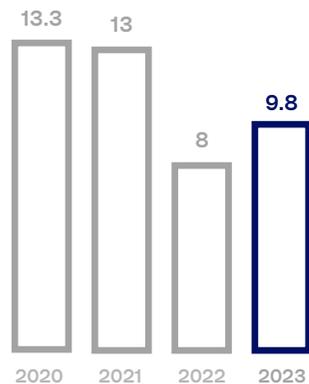


● Marked Based emissions

● Improvement ● Worsening

We started reporting emissions indicators in accordance with SBTi requirements in 2023, subsequently recalculating data for preceding years. However, 2020 was exempt from recalibration due to its unusual nature stemming from the global pandemic.

GHG emissions intensity – Scope 1 + Scope 2 (kg CO₂e/sq.m GLA) (Market based) Owned assets under management and offices (100% building)



Data Qualifying note: This indicator considers 100% of emissions regardless of Sierra ownership stake in each asset. The numerator used to calculate this indicator includes Scope 1 and 2 emissions according to the GHG protocol. The denominator includes the GLA of shopping centres and the area of the corporate offices. The emissions associated with energy purchased on behalf of tenants are not included as they are considered Scope 3 emissions.

	Performance by country		
	2022 (kgCO ₂ e/sq.m GLA)	2023 (kgCO ₂ e/sq.m GLA)	Variation %
Global Performance	20.5	20.3	-1% ●
Brazil	9.4	16.0	70% ●
Colombia	2.1	2.2	9% ●
Germany	81.7	70.8	-13% ●
Greece	43.2	29.4	-32% ●
Italy	21.9	25.8	18% ●
Morocco	6.8	6.0	-11% ●
Poland	40.0	32.3	-19% ●
Portugal	26.0	27.5	6% ●
Romania	30.1	22.4	-26% ●
Spain	9.7	8.6	-11% ●

Data Qualifying note: This indicator employs an equity share approach; therefore emissions are assessed based on proportional ownership from Sierra and calculated in accordance with SBTi requirements. The numerator used to calculate this indicator includes Scope 1 and 2 emissions according to the GHG protocol. The denominator includes the GLA of buildings (commercial real estate) and the area of the corporate offices. The emissions associated with energy purchased on behalf of tenants are not included as they are considered Scope 3 emissions.

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In 2023, our GHG emissions from embodied carbon (GHG Protocol scope 3) amounted to 25 tCO₂e (EQS), specifically associated with the Gli Orsi food court refurbishment in Italy. Additionally, all other scope 3 emissions amounted to 77,088 tCO₂e (EQS). We successfully met our 2023 target in both cases.

A graph illustrating the embodied carbon emissions is not included, as our target focuses on absolute emissions that are not normalized by area. This makes them non-comparable between projects. Additionally, there were no development projects in the last few years.

Policy on carbon management, including policy position on carbon offsetting

We first developed a Climate Change Strategy in 2006 to reduce our direct and indirect GHG emissions. This covered scopes 1, 2 and business air travel (part of scope 3) according to the guidelines of the GHG protocol developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). We later started focusing our efforts on the most relevant areas and where we can have a more direct impact. Therefore, our target focused on reducing scope 1 and scope 2 emissions.

Our primary strategy to achieve this is through energy-efficiency initiatives and by purchasing green electricity. By choosing energy suppliers with lower or zero emission factors, in 2023, we avoided 13,350 tonnes of CO₂ (GRI 305-5). In addition, we continued with the implementation of the initiative Sonae Forest with the objective of creating and planting a forest to offset carbon emissions from the Sonae Group's fleet. Each Sonae sub-holding, including Sonae Sierra, contributes to this initiative in proportion to its fleet's emissions. We have not established a policy with regards to carbon offsetting.

We recently redefined our long-term objectives to 2030, guaranteeing they remain ambitious and challenging, aligned and approved them with the SBTi. Therefore in 2023, after the SBTi's approval, we officialised new additional targets, with a more broadened scope including scope 1, scope 2 and also scope 3 emissions.

Climate change risks and exposure

The impacts of climate change in the form of extreme weather events – flooding, heat waves, weathering, subsidence, etc – could cause physical and local depreciation to assets, and those with unreliable energy supplies could also depreciate faster than others. On the other hand, adapting existing buildings and developing and acquiring new buildings that perform better in predicted climate change scenarios could help to maintain and enhance asset and portfolio value in the long term.

We review the relative materiality of climate change and other environmental impact areas in terms of the risk and opportunity that they might present to the business as part of our Risk Management Working Group which reports, via the Head of Risk, to the Sustainability Steering Committee, the CFO and the Audit & Compliance Committee. We use a standard risk management framework to evaluate environmental issues according to the likelihood/frequency of occurrence and the scale of impact should they arise.

We first commissioned a study to investigate the financial risks associated with climate change on a sample of our Portuguese assets in 2009, focusing on three components: energy (mainly electricity), water and insurance costs. Later, in 2013, we commissioned a high-level review based on the previous study to explore the business case for climate change adaptation.

In the context of this study, Sonae Sierra pursued several soft adaptation measures that do not require large levels of capital investment.

We have set a long-term target to ensure climate change financial risk assessment is executed and all identified significant risk mitigation actions are implemented by 2030.

More recently, in 2020, considering the need to take actions to combat climate change we developed a comprehensive study aiming to assess the impact of climate change, its effect on energy costs, how we are tackling climate change and the results achieved. One of the conclusions of the study is that climate change can increase energy costs by up to 26%.

Since 2021, we have carried out studies on all our owned assets (except for the more recently acquired Atrium Saldanha) to determine the physical and transition risks of climate change and their financial impact. These studies helped us to define a challenging and impactful roadmap towards the decarbonisation of the portfolio. Following these studies, in 2023, we conducted comprehensive Climate Change Resilience and Vulnerability Assessments for the main risks identified in the Climate Change Risk Assessments at most of our assets. These assessments already have measures identified to enhance the resilience of our assets in the face of evolving climate-related challenges.

In addition to monitoring the GHG emissions intensity described above, we also monitor our absolute scope 1, 2 and 3 emissions and other indicators detailed below.

For additional information on emissions, please also see our Sustainability Statements, 'Safety, Health and Environment Management' on [page 139](#) onwards, and the indicators below.

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GRI Disclosure

305-1: Direct greenhouse gas (GHG) emissions (Scope 1) (EQS)

	t CO ₂ e
Natural gas and LPG	2,147
Fleet fuels	790
Fugitive emissions	824
Land Use	0.2
Wastewater	83
Total	3,843

Data Qualifying note: This indicator employs an equity share approach; therefore emissions are assessed based on proportional ownership from Sierra and calculated in accordance with SBTi requirements. Scope 1 direct emissions are from sources that are owned or controlled by Sonae Sierra, e.g., the Company's vehicle fleet, air-conditioning equipment, boilers and cogeneration plants. The emissions in tonnes of CO₂ equivalent (tCO₂e) have been calculated in accordance with the GHG protocol methodology and relate to the emissions from energy sources over which Sonae Sierra has financial control.

305-2: Indirect greenhouse gas (GHG) emissions (Scope 2) (EQS)

	Market based	Location based
	t CO ₂ e	
Electricity	1,684	5,585
Fleet electricity	18	18
Chilled water	333	371
Hot water	12	12
Total	2,047	5,986

Data Qualifying note: This indicator employs an equity share approach; therefore emissions are assessed based on proportional ownership from Sierra and calculated in accordance with SBTi requirements. Scope 2 indirect emissions result from Sonae Sierra's activities, but are owned or controlled by another organisation, e.g. purchased electricity, heating and cooling. The emissions in tonnes of CO₂ equivalent (tCO₂e) have been calculated in accordance with the GHG protocol methodology, for the location-based approach and also market-based approach, as in several locations, Sonae Sierra chooses its electricity suppliers and the supply of electricity with zero emissions. The greenhouse gas emissions that have been avoided by Sonae Sierra as a result of purchasing green electricity and choosing energy suppliers with lower emission factors, are disclosed in [page 143](#) under significant actions, under the domain 'Air'.

Direct greenhouse gas (GHG) emissions (Scope 1) Owned assets under management and offices (100% building)

	t CO ₂ e
Natural gas and LPG	4,780
Fleet fuels	718
Fugitive emissions	436
Land Use	-
Wastewater	-
Total	5,934

Data Qualifying Note: The same Data Qualification Note as the indicator on the left applies, with the exception of scope, as this indicator solely encompasses owned assets under management and corporate offices.

Indirect greenhouse gas (GHG) emissions (Scope 2) Owned assets under management and offices (100% building)

	Market based	Location based
	t CO ₂ e	
Electricity	2,562	14,144
Fleet electricity	18	18
Chilled water	2,608	2,909
Hot water	-	-
Total	5,188	17,071

Data Qualifying Note: The same Data Qualification Note as the indicator on the left applies, with the exception of scope, as this indicator solely encompasses owned assets under management and corporate offices.

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305-3: Other indirect greenhouse gas (GHG) emissions (Scope 3) (EQS)

Category	Emissions source	t CO ₂ e Equity share
Category 1 – Purchased goods and services	Materials	25
	Fuels-Dev	-
	Purchased goods and services	12,235
Category 2 – Capital goods	Capital goods	21,823
	Purchase-Sale-Electricity	-
Category 3 – Fuel and energy-related activities	Upstream fuels	496
	Upstream electricity	1,058
	Transmission & Distribution Losses	400
Category 4 – Upstream transportation and distribution	Upstream transportation & distribution	4,802
Category 5 – Waste generated	Waste	3,820
Category 6 – Business travel	Business travel (air, rail and land travel; and staying in hotels)	1,208
Category 7 – Employee commuting	Commuting	1,331
Category 8 – Upstream leased assets	Upstream leased assets	11
Category 11 – Use of sold products	Lifetime Use-Phase of Sold Assets	2,606
Category 12 – End-of-life treatment of sold products	End-of-life of Sold Assets	211
Category 13 – Downstream leased assets	Tenants' Energy	27,087
Total		77,112

Data Qualifying note: : This indicator includes indirect emissions from considering the scope defined for SBTi (EQS), for the above mentioned categories. When data was not available, estimations were made.

In 2023, total recorded Scope 3 emissions were 77,112 tCO₂e, a 14% decrease comparing with 2022. Considering the investment properties under management and offices (on a 100% basis, irrespective of ownership stake), the total scope 3 emissions amount to 238,100 tCO₂e.

Although according to the SBTi requirements for the targets approved, the emissions from visitor trips to and from the shopping centres are not accounted for, we still calculate them. In 2023, these accounted for around 376,444 tCO₂e, a 23% decrease compared to 2022 (investment properties under management). Most visits to our shopping centres are made by private car (71%), which has a greater impact in terms of emissions than public transport.

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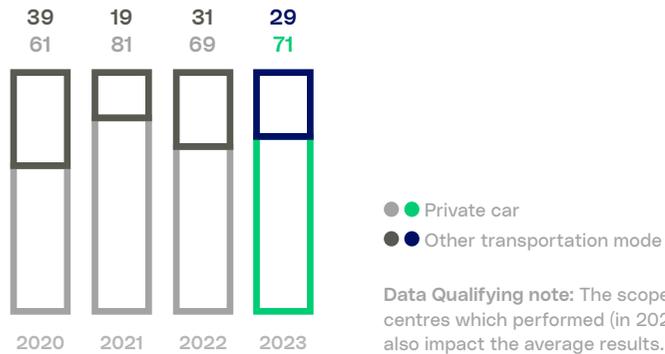
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Data Qualifying note: The scope of this indicator includes all shopping centres owned and in operation during the reporting period. Values reported consider only the shopping centres which performed (in 2023) the studies that allow us to identify the number of visits made by private car. The sample of shopping centres is different every year, which could also impact the average results.

305-5: Reduction of GHG emissions

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201-2: Financial implications and other risks and opportunities due to climate change

An overwhelming majority of climate scientists (97%) are certain that climate change is due to anthropogenic factors (activities originated by human intervention) and that it will result in increasing adverse consequences for the natural world and the global economy. Phenomena such as the rise of global average temperature, natural disasters becoming more frequent or the disruption of ecosystems, together with the impact on human health brought by the pandemics, pose increasing risks for businesses. All of these have negative impacts in most sectors, but the real estate sector will be one of the most. Policy towards managing these impacts is increasingly targeted by the governments and regulators, particularly to financial institutions.

Following the studies performed in 2009 and 2013 to investigate the financial risks associated with climate change, in 2021 Sonae Sierra undertook a climate change risk assessment following the requirements of the Taskforce on Climate Financial Disclosures (TCFD) (1), regarding Risk Management, Metrics and Targets aspects. It also abides with the EU Regulation 2020/852 Taxonomy and can be used to assess part of the 'sustainability risks' under Sustainable Finance Disclosure Regulation (SFDR) definition. The climate change risk assessment performed covers 6 operating shopping centres (4 in Portugal, 1 in Italy and 1 in Romania). In 2022 the assessment covered more 16 shopping centres, and in 2023 we covered the 1 additional shopping centre, covering 92% of our owned/co-owned shopping centres under management.

The concept of risk within the study done is a combination of a hazard's exposure and its impact of disruption, resulting in a climate change impact assessment. Note that the exposure measure does not consider the resilience or sensitivity of an asset to withstand impacts of a hazard (so called vulnerability). That analysis is included in the proposed risk management strategy for the main physical risks (see below). For the assessment of climate change related risks, the physical and transition risks are evaluated. Physical hazards' exposure is gathered from a multitude of available information sources, including the MunichRE database and local databases, together with climate change scenarios (RCP 2.6, 4.5, 8.5) and timeframes (present, long-term (2050), among others). The timeframe of 2050 (long-term) is chosen to be the main timeline for this risk assessment made. Generically, climate change future scenarios are related to the global warming in 2100 in terms of °C, RCP (Representative Concentration Pathways) and SSP (Shared Socioeconomic Pathways) as follows:

Scenario	RCP	SSP Eq.	Degrees °C in 2100	Voluntary Agreements
Optimistic	RCP2.6	SSP1	1.5 °C	Paris Agreement
Business As Usual 1	RCP4.5	SSP2	2.5 °C	-
Business As Usual 2	RCP6	SSP4	2.8 °C	-
Pessimistic	RCP8.5	SSP5	4 °C	-

The list of hazards is mostly aligned with the Appendix A of the Taxonomy regulation: some hazards are not relevant (Permafrost thawing for e.g.) and others don't have available information sources at the moment. Transition hazards are calculated such as the Carbon Pricing (from the CRREM Risk Assessment tool), the Energy Performance Certificates as a gap to future regulation on energy performance building, and the electrical mobility adaptation market risk.

All available information is remodelled into 5 classes of seriousness to be fit for presentation and impact assessment. The impact assessment is made for each hazard on 3 financial impact indicators (rent impact, investment impact and insurance premium impact), based on a generic matrix generated from various internal discussions. Some hazards have specific impacts calculated into them (for e.g. the 2019 climate change impacts on energy use study, the above mentioned transition risks impacts). The overall risk assessment is performed by a normalized multiplication between hazards and impacts, rendering results in a scale of 0 to 5 and minimum/maximum financial impact values, with a blank meaning no data is available. Significant risks are those which have an exposure and impact of more or equal than 3.0 at present or future scenarios. Risk management strategies are then presented for each kind of significant risk, along with estimation of costs.

The opportunities identified are related to the reduction in the energy consumption and consequently the reduction on energy costs. The potential for energy consumption reduction is calculated from our Bright energy modelling tool, which compares the current consumption of the building with a model building with best-available-technologies (BAT).

The financial risks and the cost of the methods to manage the risks, and the opportunities are calculated considering the total Asset. For Sonae Sierra, the financial impact related to climate change risks is proportional to the share it owns in each asset. A specific report is produced for each asset including an action plan to be agree with the respective partners.

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For the portfolio analysed, the significant risks, as per methodology (timeline = 2050), are the following:

Hazard	Exposure				Impact	Total Risk				
	Timeframe	Timeframe				Timeframe	Timeframe			
		Present	Long-term				Present	Long-term		
		Scenario: RCP2.6	Scenario: RCP4.5	Scenario: RCP8.5	Totals	Present	Scenario: RCP2.6	Scenario: RCP4.5	Scenario: RCP8.5	
Physical	Heavy precipitation (rain, hail, snow/ice)	2.4	3.4	3.4	3.3	3.0	1.5	2.0	2.0	2.0
Physical	Heat stress	2.7	3.0	3.0	3.1	3.0	1.6	1.8	1.8	1.9
Physical	Water stress	3.8		4.1	4.2	3.0	2.3	2.4	2.5	
Transition	Political/Legal - Renovation	4.7				3.7	3.5			
Transition	Political/Legal - Carbon Pricing (no green electricity)	1.0	2.0	4.0	4.0	3.5	0.7	1.4	2.8	2.8
Transition	Market - Electrical mobility adaptation	1.0	5.0	5.0	5.0	5.0	1.0	5.0	5.0	5.0

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The main significant Physical risks are Heavy Precipitation, Water Stress and Heat Stress.

Due to the update of the portfolio in 2023, there is no change in the significant risks list, a slight upward trend in Heat stress, Water stress and decrease in Heavy Precipitation.

For Heavy Precipitation, the associated financial risks vary between around €1.5 million and €21 million due to the capital expenditure needed to repair buildings or infrastructures, the impact on insurance costs, and the reduction on tenants' sales due to the reduced traffic, or to eventual need to temporarily stop the operation.

For Water Stress, the financial risks vary around €3 million and €15 million for the Water Stress, due to the impact related to the potential investments required to mitigate future occurrences, for e.g., ensuring alternative water withdrawals and reuse for non-potable needs.

For Heat Stress, a new significant risk that appears in this update due to the whole portfolio inclusion, the financial risks vary between €1.3 million and €6 million, due to the higher common charges, reduction of rents to keep the tenant's effort rates, capital expenditure to improve the HVAC system for higher cooling capacity.

In terms of Transition risks, the Political/Legal risk related to Building Renovation due to its EPC obsolescence (grade >=C) is considerable, when comparing the present risks of other risk factors. The associated financial risks vary between around €8 million and €43 million, for the Building Renovation, due to the potential investments to improve energy efficiency of the portfolio.

Other Transition risks that are expected to increase in future are the Political/Legal: Carbon Pricing and Market: Electrical mobility adaptation. The Carbon Pricing is an output of the CRREM tool for a baseline scenario where cost of carbon is likely to increase, and the associated financial risks vary between around €400 thousand and €1.7 million. The financial risks associated with the mobility adaptation vary between around €1.8 million and €16 million between present day and 2050 for scenario RCP4.5, due to the need to increase energy power capacity of the buildings to allow the installation of charging points for electrical vehicles.

Considering the equity share of Sonae Sierra in each property, the financial risk associated with the significant risks are reduced to 28%.

Risk Management

For the identified significant risks, the following measures are recommended to manage those risks:

Risk factor	Type of Action	Action Title	Action Details	Timeline	Estimated Cost k€ (total portfolio)
Political/Legal - Renovation	Reduce	Energy Audit	Specialized energy audit to detail the potential of energy efficiency, to ensure better EPC ratings, including potential to improve energy sourcing carbon emissions	2022-2023	525 k€
	Reduce	Energy Efficiency Measures	Depending on energy audit results, they can be: Retrofit HVAC Retrofit BMS Retrofit Lighting	2023-2025	10,920 k€
Market - Electrical mobility adaptation	Reduce	Electrical mobility adaptation	Develop Electrical mobility adaptation studies	2023-2024	100 k€
	Reduce	Electrical mobility adaptation	Implement expansion of the EV parking infrastructure, based on the Electrical mobility adaptation studies in 4 assets	2025-2030	13,567 k€
Political/Legal - Carbon Pricing (no green electricity)	Reduce	Reduce fossil fuel consumption	In 3 assets, evaluate the feasibility of implementing an alternative source of chilled water based on renewable energy sources, considering current use may be subject to a carbon tax	2030	NAV
	Reduce	PV installation	Renewables PV feasibility study and installation in all assets	2023	16,150 k€

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Risk factor	Type of Action	Action Title	Action Details	Timeline	Estimated Cost k€ (total portfolio)
Political/Legal - Carbon Pricing (no green electricity)	Avoid	Renewable electricity procurement	Ensure that electricity contracts are sourced from renewable energy sources	2021-2026	450 k€
Heavy precipitation (rain, hail, snow/ice), Water stress, Heat stress, Cold wave/frost; Cyclone, hurricane, typhoon	Reduce	Resilience & Vulnerability assessment	<p>For each relevant significant physical risk listed below, undertake a technical resilience assessment to evaluate scenarios at the site, and include possible adaptation measures, namely:</p> <ul style="list-style-type: none"> - to minimize the heavy precipitation impacts. - Assessment to evaluate during future water stress chronic situations, the availability of potable water supply for human purposes, ensuring alternative water withdrawal and reuse exists for non-potable needs. - Assessment to include heat stress and cold wave events: for e.g. evaluation whether HVAC is capable to respond to the events and, if not, replacing equipment, when end of life is reached, with increased specifications. 	2024-2025	272 k€
Water stress	Reduce	Water stress mitigation measures	Based on resilience study, ensure measures for availability of potable water supply for human purposes, and ensuring alternative water withdrawal and reuse exists for non-potable needs (excludes changing water cooled chillers)	2025-2027	2,100 k€
Heavy precipitation (rain, hail, snow/ice)	Reduce	Heavy precipitation mitigation measures	Based on resilience study, incorporating mitigating measures such structure reinforcements or increase rainwater capture or removal capabilities	2030	NAV
Heavy precipitation (rain, hail, snow/ice)	Reduce	Emergency response / Business continuity	Emergency response (including training, drills...): incorporating mitigating measures, including early warning systems, for heavy precipitation in business continuity and emergency preparedness plans.	2023-2025	100 k€
Heat stress	Reduce	Heat stress mitigation measures	Based on resilience study, ensure measures for adapt the HVAC systems and equipment to the new temperature pattern	2030	2,000 k€

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Risk factor	Type of Action	Action Title	Action Details	Timeline	Estimated Cost k€ (total portfolio)
Political/Legal - Carbon Pricing (no green electricity)	Reduce	Reduce fossil fuel consumption	Evaluate the future of the co-generation plant considering it may be subject to a carbon tax	2030	NAV
	Share	ETS monitoring and influencing	Monitor the EU Emission Trading System policy evolution, influencing the stakeholders to ensure carbon pricing risks are shared with all building occupants	2023-2025	NAV
	Share	Tenant carbon pricing	Transfer risk of carbon pricing to the tenants, if the owner will have to pay for the emissions of the whole building.	2025-2027	NAV
	Reduce	Reduce fossil fuel consumption	Evaluate the feasibility of implementing an alternative source of chilled water based on renewable energy sources, considering current use may be subject to a carbon tax	2030	NAV
	Reduce	Reduce fossil fuel consumption	Evaluate the future of the co-generation plant considering it may be subject to a carbon tax	2025-2027	NAV

Opportunities

The potential impact from the energy consumption reduction estimated for the whole owned/co-owned portfolio is around €5 million, with the potential for the Photovoltaic installations generating €4.5 million.

	Total Energy Use (MWh), 2019	Total Reduction Potential (MWh)	%	k€	k€ (at Sierra equity share)
Electricity	86,906	12,577	14%	2,012	541
Chilled Water	19,712	1,834	9%	128	16
Natural Gas	26,987	25,748	95%	3,012	387
Total	133,605	40,159	30%		
PV (Photovoltaic)		17,935	24%	4,484	1,235

These opportunities will materialize with the implementation of the measures to address the transition risk Renovation.

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GRI Disclosure

GRI 306: Waste 2020

3-3: Management of material topics

Efforts to promote effective waste prevention, management and disposal have taken on increased significance in recent years given the growing social awareness and legislative agenda to tackle waste at both a regional and national level.

The construction and management of shopping centres can generate large volumes of waste that, if not managed properly, ends up in a landfill. Landfilled waste is not only an inefficient use of resources (the waste and the land): it can generate damaging greenhouse gas emissions such as methane and carbon dioxide, as well as pollutants that can leach into the soil and groundwater. Consequently, disposal of waste in landfills is becoming more tightly regulated and costlier in most locations where we operate.

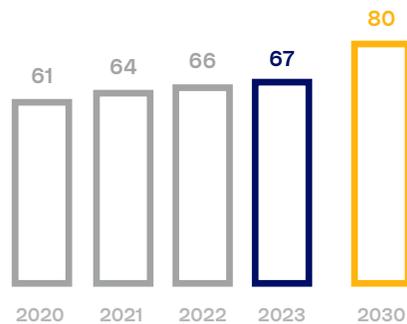
On the other hand, good waste management can reduce environmental impacts and be more cost-effective for businesses as it avoids landfill tax and waste disposal costs. A closed-loop approach to waste management can also cut costs and environmental impacts associated with the consumption of raw materials.

Within the scope of our SHEMS (see [page 139](#) onwards), we monitor and manage the waste production of our owned shopping centres and some corporate offices (in corporate offices where waste is managed by the municipality and disposed of in public containers, monitoring of this waste is not carried out, however waste separation occurs and waste is sent for recycling when possible).

We are committed to achieving high levels of waste recycling. In 2023, we conducted waste characterization studies in a sample of assets to identify opportunities for optimizing performance.

In 2023, the waste recycling rate across our owned portfolio was 67.4%, meaning we did not achieve our annual target of 69% (2% below the target). Since our baseline year of 2002, we have improved the recycling rate by 48 percent points (from 19% to 67%). Our long-term target is to achieve a recycling rate of 80% by 2030. Regarding our landfill rate, we also did not meet our target of achieving a value below 10%. In 2023, our landfill rate was 14% (39% above the target).

Recycling rate, across our owned portfolio (% by weight)



	Performance by country		
	2022 %	2023 %	Variation %
Global Performance	66%	67%	1% ●
Greece	26%	32%	25% ●
Italy	77%	64%	-17% ●
Portugal	66%	68%	2% ●
Romania	49%	51%	6% ●
Spain	70%	72%	4% ●

● Improvement ● Worsening

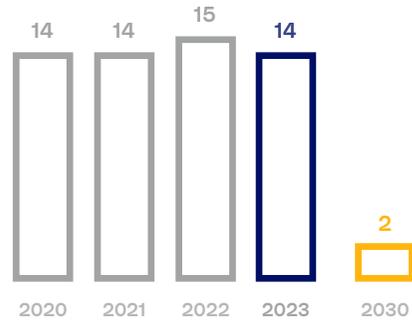
Data Qualifying note: This indicator includes all shopping centres owned and in operation during the full reporting year, except for Atrium Saldanha due to data unavailability. Waste recycled includes waste sent for recycling, anaerobic digestion and composting.

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GRI Disclosure

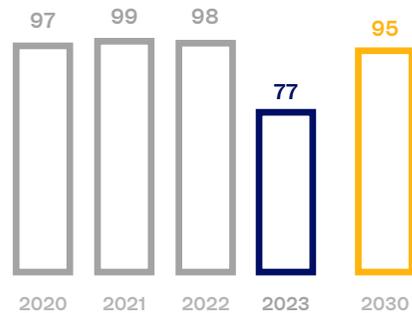
Landfill rate, across our owned portfolio (% by weight)



Data Qualifying note: This indicator includes all shopping centres owned and in operation during the full reporting year, except for Atrium Saldanha due to data unavailability.

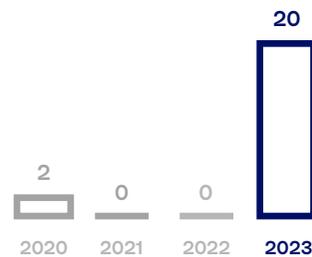
As well as our owned portfolio, we monitor the proportion of total waste recycled and sent to landfill at our corporate offices which represents around 0.1% of our total waste footprint.

Recycling rate in our corporate offices (% by weight)



Data Qualifying note: This indicator includes all corporate offices where waste is monitored except for Maia and Dusseldorf Offices due to data unavailability. In some offices waste is not collected by a waste operator and is disposed of in the municipality waste bins, therefore there are no records of the amounts sent to each disposal method. These offices are out of scope. Waste recycled includes waste sent for recycling, anaerobic digestion and composting.

Landfill rate in our corporate offices (% by weight)



Data Qualifying note: This indicator includes all corporate offices where waste is monitored except for Maia and Dusseldorf Offices due to data unavailability. In some offices waste is not collected by a waste operator and is disposed of in the municipality waste bins, therefore there are no records of the amounts sent to each disposal method. These offices are out of scope.

In 2023, there was a significant decrease in the recycling rate and an increase in the landfill rate due to two factors:

- Firstly, data for the Dusseldorf Office in 2023 was estimated until July, and as a result, was excluded from this year's report. In 2022, this office reported a recycling rate of 100%, which had a positive influence on the indicator in last year performance;
- Secondly, at the Lisbon Office, during an audit we identified that although waste was segregated, the waste operator was disposing of recyclable waste together with undifferentiated waste. Upon identifying this issue, we corrected the values, resulting in a lower recycling rate until November

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GRI Disclosure

Although we implement measures to address all types of waste, given the role that plastic plays in today's society - and understanding the enormous environmental challenge it represents - we have been setting specific actions to tackle this problem. We collaborated with different Sonae companies to define a roadmap to address plastic waste, with several targets that we have been pursuing. With the implementation of the actions defined, we will strive, among other things, to reduce the amount of plastic produced and improve its segregation, decreasing the amount sent to landfill or incineration. In 2023, around 6% (1,420 tonnes) of the waste produced was plastic waste (mainly plastic packaging). However, there is also an amount of plastic that is sent to the waste operator as mixed packaging, but it is not accounted for as in some cases it is mixed with other waste types.

In 2021, we used Circulytics - an assessment tool from the Ellen MacArthur Foundation - to measure our business circularity and, in 2022, based on the results, we defined an action plan to improve the circularity of our business. In 2023, we conducted Waste Characterisation studies across a set of assets with the goal of identifying valuable materials within undifferentiated waste streams. This initiative aims to optimise processes for resource recovery and increase the recycling rate. Based on the results of these studies, we already have several measures planned to be implemented in 2024 to enhance our performance.

Policy and practices that promote waste avoidance as the first step in the waste hierarchy ranking system

We have procedures to manage waste properly and have established the principles of waste avoidance, management and prevention throughout the asset lifecycle.

Our SHEDS include a series of design requirements to maximise the waste separation potential of every asset we develop, so that once it is in operation, and if it is approved by the owner, waste can be effectively sorted and sent for recycling and recovery.

A site-specific waste strategy study is undertaken during construction to establish adequate provision of space for waste segregation bins and compactors, temporary storage and internal preferential routes for disposal.

During construction, if approved by the partners, our SHEMS ensures that the reduction of materials and waste are prioritised. Where possible, we specify end-of-life recycling for building components. In addition, construction companies are required to report the results of their waste management to us. During the operations phase, we aim to progressively improve each shopping centre's waste recycling rate and decrease landfill disposal. Most waste handled by Sonae Sierra is largely generated by tenant activities.

Our site managers are responsible for ensuring that waste is managed efficiently. This includes providing appropriate storage areas and equipment that is well maintained, preventing spillage and scattering during transportation, and producing monthly waste volume reports.

306-3: Waste generated

Disposal method	Hazardous (tonne)	Non-Hazardous (tonne)	Total (tonne)	Total (%)
Anaerobic Digestion	-	1,481	1,481	6%
Composting	-	2,466	2,466	11%
Energetic valorisation	-	2,798	2,798	12%
Incineration with energy recovery	-	1,488	1,488	6%
Incineration without energy recovery	-	-	-	0%
Landfill	0.1	3,255	3,255	14%
Recycling	10	11,814	11,824	51%
Treatment/Elimination	32	22	54	0.2%
Wastewater Treatment Plant	-	15	15	0.1%
Total	42	23,338	23,381	100%

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GRI Disclosure

Waste type	Site Type	Type of Management Method		Total
		Disposal	Recovery	
Hazardous	Operations	32	10	42
	Offices	-	-	-
Non-Hazardous	Operations	7,575	15,752	23,327
	Offices	3	9	12
Total		7,610	15,771	23,381

306-4: Waste diverted from disposal

Waste type	Disposal Method	Boundary		Total
		Offsite	Onsite	
Hazardous	Recycling		10	10
	Recycling	424	11,390	11,814
Non-Hazardous	Other recovery operations	211	3,736	3,947
Total		635	15,136	15,771

306-5: Waste directed to disposal

Waste type	Disposal Method	Boundary		Total
		Offsite	Onsite	
Hazardous	Other disposal operations	-	32	32
	Landfilling	-	0.14	0.14
	Incineration (with energy recovery)	-	1,488	1,488
Non-Hazardous	Incineration (without energy recovery)	-	-	-
	Other disposal operations	-	2,835	2,835
	Landfilling	-	3,255	3,255
Total		-	7,610	7,610

Data Qualifying Note: (306-3; 306-4; 306-5) (306-3; 306-4; 306-5) These indicators include all shopping centres owned and in operation during the full reporting year and all corporate offices where waste is monitored (in some offices waste is not collected by a waste operator and is disposed of in the municipality waste bins, therefore there are no records of the amounts sent to each disposal method). The following assets are not included due to data unavailability: Atrium Saldanha, Maia and Dusseldorf offices. Recovery includes waste sent to recycling, composting and anaerobic digestion. Disposal includes waste sent to: landfill, incineration (with and without energy recovery), energetic valorisation and elimination/treatment.

For more information on waste please see Circular Economy on [page 80](#).

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GRI Disclosure

GRI 401: Employment 2016

3-3: Management of material topics

We consider our workforce to be the 738 employees that we directly employ (more 28 than in 2022), and the 27 people who are employed by other companies but are supervised by Sonae Sierra. We also employed 4 independent contractors.

97% of our direct employees are employed on a full-time basis, 2% on a permanent part-time basis, and 0.3% on a temporary part-time basis. They are distributed across 10 countries, with 89% located in Portugal, Spain, and Germany (comprising 68%, 11%, and 10%, respectively).

Ultimate responsibility for employment aspects, including training and education, lies with Sonae Sierra's CEO and the Executive Committee. Operational responsibility is divided among line managers within each of our business divisions, from senior management downwards. The People & Culture Department lends a supporting role by proactively intervening in the development and execution of the People & Culture strategy and policies and providing quality advice to business leaders.

In terms of resources, we have a team covering different areas and specific activities such as compensation and benefits; learning and employee experience; talent management; employee wellness and workplace; and People business partners.

We use a range of IT tools based on SAP, including our 'Improving Our People' (IOP) performance management tool, which can be accessed by all employees through our internal portal. An online e-Learning platform enables us to reach employees regardless of location. All employees receive annual performance and career development reviews, and tools such as IOP allow us to identify learning priorities for individual employees which can be discussed with business unit managers, so their objectives are aligned.

For more information, please consult the indicators below, GRI 2-7, GRI 2-8, GRI 2-30 and [pages 45-47](#).

401-1: New employee hires and employee turnover

During 2023, 103 employees left the Company (a male/female turnover rate of 6.9% and 7.0% respectively), and we hired 131 new employees (a male/female new hire ratio of 7.3% and 10.4% respectively).

Turnover by age group

	Number	Ratio (%)
Less than 35 years	39	5.3%
35-44 years	24	3.3%
45-54 years	28	3.8%
55-64 years	10	1.4%
More than 64 years	2	0.3%
Total	103	

New Employees Hires by age group

	Number	Ratio (%)
Less than 35 years	74	10.0%
35-44 years	33	4.5%
45-54 years	22	3.0%
55-64 years	2	0.3%
More than 64 years	-	-
Total	131	

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GRI Disclosure

Turnover by gender

	Number	Ratio (%)
Female	52	7.0%
Male	51	6.9%
Total	103	

New Employees Hires by gender

	Number	Ratio (%)
Female	77	10.4%
Male	54	7.3%
Total	131	

Turnover by region

	Number	Ratio (%)
Germany	9	1.2%
Greece	1	0.1%
Italy	8	1.1%
Morocco	12	1.6%
Portugal	62	8.4%
Romania	2	0.3%
Spain	9	1.2%
The Netherlands	-	-
TOTAL	103	

New Employees Hires by region

	Number	Ratio (%)
Germany	18	2.4%
Greece	-	-
Italy	12	1.6%
Morocco	6	0.8%
Portugal	86	11.7%
Romania	2	0.3%
Spain	7	0.9%
The Netherlands	-	-
TOTAL	131	

Data Qualifying Note: This includes all Sonae Sierra direct employees at the end of the reporting period. The formulas used are:

- The rate (%) of employee turnover has been calculated using the following formula: Number of employees leaving employment divided by the total number of employees at the end of the reporting period.
- The rate (%) of new employee hires was calculated using the following formula: Number of new employee hires divided by the total number of employees at the end of the reporting period.

GRI 405: Diversity and Equal Opportunity

3-3: Management of material topics

The value of having a diverse workforce is widely recognised and promoting gender diversity remains a priority for our Company and the industry as a whole.

We have a non-discrimination and diversity policy that states our commitment to a meritocratic culture. This is reinforced by our Code of Conduct, which outlines our commitment to creating a workplace where individuals are treated fairly, and where we recruit, select, train and remunerate based on merit, experience and other professional criteria. It is in our interest to ensure that the human resources, talents and skills available throughout the community are considered when employment opportunities arise, thereby selecting the most suitable person for the job, based on their qualifications and experience.

More recently, under the latest revision of our sustainability strategy – more specifically under the pillar Safe, healthy & engaged workforce – this topic gained a renewed importance as ensuring a diverse and inclusive workforce is on the top of our priorities.

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GRI Disclosure

In Sonae Sierra, while the ratio of male to female employees is roughly equal on a global level, women hold a minority of leadership positions. We are committed to a meritocratic culture, and although this commitment has been a priority for many years, we continue to set specific quantitative objectives and targets annually. This includes defining minimum thresholds for the percentage of women in leadership positions and for the top talent retention rate (refer to [pages 85-89](#)).

We have several policies in place which, among other objectives, can support diversity by promoting a more flexible workplace. In 2022 we have revamped our flexible working solutions to prioritize providing greater flexibility in working arrangements, enabling a healthier work-life balance. Additionally, we are developing a series of initiatives to promote professional growth and development

The policies in place include:

- Hybrid work arrangement
- Flexible working schedule
- Part-Time Working arrangement
- Leave of absence
- Purchase of exceptional days off
- Additional festive days
- Workplace mobility

In 2023, no grievances were filed, addressed, or resolved through formal mechanisms regarding human rights impacts, labour practices, or impacts on society.

For more information, please see [pages 45-47](#) and 'Safe, Healthy and Engaged Workforce' on [pages 85-90](#).

405-1: Diversity information on employees and other workers

Number and percentage of employees by gender, per employee category

	Female	Male	Total
Global Senior Executive	-	1	1
Senior Executive	3	4	7
Executive	4	11	15
Senior Manager	14	41	55
Manager	33	53	86
Team Leader	50	52	102
Project Team Specialist	85	74	159
Team Member	233	80	313
Total	422	316	738
Female & Male Ratio (%)	57%	43%	100%
Female & Male Ratio (%) in governance bodies	30%	70%	100%

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GRI Disclosure

Number of employees with disabilities, per employee category

	Female	Male	Total
Global Senior Executive	-	-	-
Senior Executive	-	-	-
Executive	1	-	1
Senior Manager	1	3	4
Manager	1	-	1
Team Leader	3	1	4
Project Team Specialist	3	1	4
Team Member	3	-	3
Total	12	5	17

Number and percentage of employees by age group, per employee category

	<35		35-44		45-54		55-64		>64		
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	
Global Senior Executive	-	-	-	-	-	-	-	1	-	-	
Senior Executive	-	-	-	-	1	2	1	1	1	1	
Executive	-	-	-	2	2	6	2	3	-	-	
Senior Manager	-	1	4	4	7	22	3	14	-	-	
Manager	-	1	10	11	18	25	5	16	-	-	
Team Leader	3	8	19	15	24	19	4	9	-	1	
Project Team Specialist	23	18	29	21	26	27	7	7	-	1	
Team Member	73	36	59	18	72	17	28	8	1	1	
Total	99	64	121	71	150	118	50	59	2	4	738
Percentage (%)	13%	9%	16%	10%	20%	16%	7%	8%	0.3%	1%	100%

Data Qualifying Note: This indicator includes all Sonae Sierra direct employees at the end of the reporting period.

406-1: Incidents of discrimination and corrective actions taken

In 2023 there were no incidents of discrimination.

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GRI Disclosure

GRI 403: Occupational Health and Safety 2016

3-3: Management of material topics

Safety, Health and Environment Management

Our Safety, Health and Environment (SHE) policy determines our responsibility to conduct our activities so that risks towards people, assets and ecosystems are minimised, and benefits are enhanced. The policy is reviewed on a regular basis to ensure it continues to support our strategic objectives with respect to sustainability. The most recent review was conducted in 2020.

The policy is supported by our certified SHEMS, which establishes the framework we use to manage our impacts, reduce our safety risks towards people (including employees, building users and suppliers) and improve our performance. Our SHEMS is based on a cyclical approach that involves planning, implementing, monitoring and reviewing to ensure continuous improvement. It is based on the international standards ISO 14001 and ISO 45001 and has been recertified by Lloyds Quality Register Assurance according to both standards.

CRE 6: Percentage of the organisation operating in verified compliance with an internationally recognised health and safety management system

We operate an annual audit programme to systematically audit our SHEMS at corporate and site levels. In 2023, the percentage of the organisation (direct employees) operating in compliance with an internationally recognised health and safety management system was 99.5%.

	Direct Employees	Supervised Workers	Independent Contractors
Total number of workers	738	27	4
Externally verified to be operating in compliance with ISO 45001	734	27	4
%	99.5%	100%	100%
Internally verified to be operating in compliance with the S&HMS	734	27	4
%	99.5%	100%	100%

Data Qualifying Note: This indicator includes all of Sonae Sierra's direct employees, supervised workers and independent contractors at the end of the reporting period.

Safety, health and environment management across all stages of the asset lifecycle

Pre-development

Environmental Due Diligence processes are carried out so that we can understand the potential liabilities sites may contain, and any potential negative environmental impacts associated with the project. Sonae Sierra has to take into consideration the investment required to eliminate or mitigate any identified issues. Wherever we provide development services, Environmental Due Diligence processes are conducted with the client's agreement.

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GRI Disclosure

Development, Expansion and Refurbishment Works

Projects under development are required to ensure that SHE risks and characteristics unique to each site are managed adequately. *SHEDS* are applied in agreement with partners to guarantee effective risk management from the outset of each development and into the operations phase. *SHEDS* have been developed by drawing upon our own experience; best available techniques; international certification schemes such as LEED® and BREEAM and internationally recognised safety standards such as the US National Fire Protection Association (NFPA) and European safety standards. The implementation of the standards is checked through a final audit carried out by a third party. With the agreement of our partners, when applicable, we also pursue sustainable building certifications such as BREEAM, LEED or WELL. Compliance with local SHE regulations is also verified by competent authorities prior to opening as part of the licensing procedure for new shopping centres. During the construction phase, with our partners' agreement, we require all new development projects, expansion and refurbishment works to implement either a site-specific SHEMS and achieve certification in accordance with the ISO 14001 and 45001 standards for the entire construction phase, or implement a simplified Safety, Health and Environment Management Plan (SHEMP) that does not require external certification according to those standards. If our partner does not wish for us to implement our fully certified SHEMS, we make sure that we comply with the applicable legislation.

Property and Asset Management

We apply our certified SHEMS to manage the main environmental impacts, and safety and health risks during the operational phase of a building. We make sure that we monitor and comply with applicable legislation and monitor and manage the performance of owned operational assets with respect to energy; water; waste and safety and health, and identify further improvements that need to be made to optimise the building's environmental performance and reduce safety and health risks. We monitor and evaluate SHE performance on a regular basis using tools such as emergency drills and SHE inspections and follow-up on any non-conformities detected.

In some shopping centres, we additionally use SHE Preventive Observations (SPO), which are a form of process review carried out mainly in our certified shopping centres to observe workers, detect any instances of behaviour that present safety and health risks or environmental impacts, and engage with the person(s) involved to ensure they are more aware of the SHE risks. As SPOs allow us to identify and correct behaviour, which could potentially lead to incidents, they are an important part of our incident prevention strategy. In 2023, we performed 1,406 hours of SPOs across our managed shopping centres and corporate offices. The number of SPOs has been decreasing considerably due to a change in the Company strategy: offices no longer have to perform SPOs, as well as non-certified shopping centres.

With our extensive experience in managing safety, health and environmental impacts, we are in an excellent position to provide additional services, such as alignment with ISO 14001 and 45001, and green building certifications such as BREEAM In-Use when these services are agreed to by our clients.

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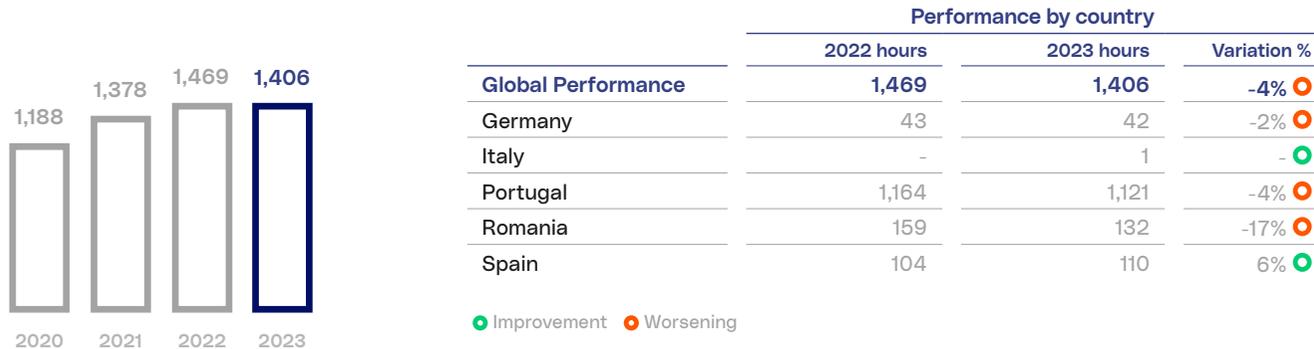
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GRI Disclosure

Number of SPO hours performed in shopping centres and corporate offices



Data Qualifying note: This indicator includes all SPO hours performed in shopping centres owned and in operation during the full reporting period, shopping centres managed but not owned by Sonae Sierra where an SPO target was identified, and corporate offices.

Regarding drills, in 2023, we conducted on average 1.73 drills across our managed shopping centres and corporate offices (52) covering a range of safety, security and environment scenarios such as earthquake, fire, floods, explosions, Automatic External Defibrillator and spills.

Investment Management

Environmental and Safety & Health Due Diligence processes are implemented upon the acquisition of existing shopping centres with the agreement of our investment partners. Furthermore, in agreement with our partners, we integrate specific investment initiatives into existing shopping centre investment plans to ensure that we improve their safety, health and environmental performance. These include environmental protection measures; in particular efforts to reduce energy and water use and improve waste recycling and landfill diversion, as well as efforts to address potential safety and health liabilities.

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GRI Disclosure

Monitoring our performance

Our SHEMS includes a report, performance measurement and monitoring procedure to track our SHE performance on a regular basis. A series of tools and applications exist to assist the monitoring and reporting tasks. Our online management system, called the SHE Portal, provides a streamlined SHE management process and helps to ensure data accuracy by placing all data in one central platform that is accessible to all our staff.

Data collection, target tracking and monitoring for energy, water, waste and safety and health are managed through this database, which allows management teams to input SHE performance data and generate reports that can be used to compare performance across Sonae Sierra's portfolio and to set annual targets to improve performance.

Performance results are reported on a timely basis to the Sustainability Steering Committee, Executive Forum and the Board of Directors. SHEMS implementation results are evaluated annually as part of our management review process to ensure continuous improvement.

We have established an incident report and investigation procedure to report, investigate, communicate and act to prevent SHE incidents across all managed shopping centres and corporate locations.

Its main purpose is to implement corrective and preventive measures that are effective in avoiding similar situations that can lead to further accidents. Follow-up actions depend on the severity of the incident, but include communicating the incident; investigating it; determining its root cause; defining proper corrective and preventive measures, and communicating the lessons learnt throughout the organisation.

Most incidents recorded under this procedure cover safety and health incidents. Please see 'Workforce Health & Safety' ([page 147](#)) 'Supplier Health & Safety' ([page 146](#)) and 'Customer Health & Safety' ([page 149-150](#)) for more information on our performance in these areas.

We also have a non-conformity, preventive and corrective actions procedure in place to:

- Identify and record actual and potential non-conformity incidents.
- Implement correction measures to minimise their consequences.
- Analyse the causes of non-conformity.
- Define corrective or preventive actions and review their effectiveness.

In 2023, there were no significant complaints regarding Safety, Health and Environment.

Environmental Accounting

GRI 302-4: Reduction of energy consumption & GRI 305-5: Reductions of GHG emissions

Sonae Sierra's Environmental Accounting (EA) model details the economic and environmental benefits resulting from the implementation of our SHEMS across eight environmental domains. The model allows Sonae Sierra to estimate the economic effort and resulting benefits from more than just complying with legal requirements.

Significant actions are defined as actions that bring environmental and economic benefits to the organisation, producing relevant effects throughout the asset and/or equipment operating period. Actions are classified as intangible (where we know the amount invested, but it is not possible to calculate the benefits associated) and tangible (where we present both the investment eligible for Environmental Accounting and the associated environmental and economic benefits).

In 2023, Sonae Sierra was able to avoid around 13,350 tCO₂e and 27,108 GJ of energy because of significant actions implemented in 2023 and 48,377 GJ of energy because of significant actions implemented in previous years.

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	Intangible Significant Actions		Tangible Significant Actions					
	Number of Significant Actions	Expenditure (eligible for Environmental Accounting) (€)	Number of Significant Actions	Expenditure (eligible for Environmental Accounting) (€)	Economic Benefit	Environmental Benefit		
					Potential Yearly Savings (€)	Reduction of water consumption (m ³)	Reduction of electricity consumption (kWh)	Reduction of CO ₂ emissions (tonnes CO ₂ e)
Air	4	€ 12,000	1	-	-	-	-	13,280
Health and well being	39	€ 153,000	-	-	-	-	-	-
Energy	61	€ 2,386,000	45	€ 4,886,000	€ 1,422,000	-	7,530,000	70
Water	7	€ 62,000	-	-	-	-	-	-
Ecosystem	5	€ 45,000	-	-	-	-	-	-
Emergencies	3	€ 1,000	-	-	-	-	-	-
Noise	1	€ 2,000	-	-	-	-	-	-
Wastewater	9	€ 2,000	-	-	-	-	-	-
Waste	27	€ 285,000	-	-	-	-	-	-
Environmental management activities	94	€ 607,000	-	-	-	-	-	-
Total	250	€ 3,555,000	46	€ 4,886,000	€ 1,422,000	-	7,530,000	13,350

Green Building Standards and Ratings

Please see 'Safety, health and environment management across all stages of the asset lifecycle' on [page 139](#).

To date, we have achieved ISO 14001 certifications for the site-level SHEMS of 28 completed construction projects and 52 assets in operation. We have also obtained OHSAS 18001/ISO 45001 certifications for 12 completed construction projects and 48 assets in operation, and green building certificates for 17 developments and assets currently under operation.

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GRI Disclosure

Certifications achieved to date

Certification	Number of assets (operations)	Number of assets (development projects)
BREEAM/ BREEAM In-Use	15	1
ISO 14001	52	28
ISO 45001/ OHSAS 18001	48	12
DGNB	-	1
Accessibility certification (e.g., UNE 170001)	15	-

CRE 8: Type and number of sustainability certifications, rating and labelling schemes for new construction, management, occupation and redevelopment

At the end of 2023, 63% of our assets were BREEAM In-Use certified and 42% were certified according to ISO 14001 and ISO 45001. The number of certified development projects are detailed above.

Certification	Number of assets	Percentage of the portfolio
ISO 14001	10	42%
ISO 45001	10	42%
BREEAM In-Use	15	63%
Accessibility certification (e.g. UNE 170001)	6	25%

Data Qualifying Note: This indicator includes all owned shopping centres under management and in operation at the end of the reporting period and all development projects to date (in 'certifications achieved to date'). In 2022, there were no new certifications in development projects.

GRI 417-1: Requirements for product and service information and labelling & GRI 417-2: Incidents of non-compliance concerning product and service information and labelling

Under the European Union's Energy Performance of Buildings Directive, we are required to ensure that all our assets undergoing major renovations meet minimum energy performance requirements; and that Energy Performance Certificates (EPCs) are shared with prospective buyers and tenants of a building. We meet these requirements in each EU member state that we operate in, and by the end of 2023, EPCs were in place across 100% of our portfolio.

During 2023, there were no incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labelling.

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GRI Disclosure

Building Health, Wellbeing and Productivity

We have a set of policies and procedures to mitigate environmental and end-user human health and well-being impacts during all stages of the property lifecycle, including the design of new assets and the redevelopment of existing assets.

Our SHEMS includes a procedure to guarantee that indoor air quality is maintained across our certified shopping centres covering a range of different parameters, and a similar procedure exists for our corporate offices. We also have an ergonomic procedure in place in Sonae Sierra's offices and we implement ergonomic assessments. In addition, our SHEMS and SHEDS prohibit the use of materials that are known to have negative impacts on the environment and the health and well-being of building occupants, and our SHEMS has a procedure with the main safety recommendations for handling hazardous products, including the hazard characteristics of products, the labelling rules, storage incompatibilities and recommended protective measures.

Additional procedures for Legionella control apply to all shopping centres where our partners agree to its implementation, and in our corporate offices. They guarantee the use of the best equipment for Legionella control and the ongoing monitoring of indoor air quality parameters.

Process to identify and evaluate occupational safety and health risks to our workforce and building users

Our SHEMS includes a transversal procedure to identify and assess safety and health (S&H) hazards and risks to Sonae Sierra's stakeholders. The assessment is carried out in relation to Sonae Sierra's offices (workers, service suppliers, visitors and others), Sonae Sierra's staff travelling or working at clients' facilities or at a location not under Sonae Sierra's direct control; and, the vicinity, that could be affected by the Sonae Sierra's activities. Through this procedure we identify the potential consequences to people and the control measures and shortcomings.

As we evaluate a hazard, we consider existing control measures and deficiencies, the periodicity/probability of the hazard's occurrence and its potential severity. Any non-acceptable risks that are identified must result in the implementation of additional risk control measures until the risk is classified as acceptable.

S&H hazards and risk matrices are validated by qualified technicians (or S&H coordinators in development sites) and then approved by the respective site manager. Additionally, in all countries where this is demanded by law, an occupational doctor also provides follow-up and feedback to Sonae Sierra's employees in regular consultations. Each employee's workstation is also assessed to avoid any future occupational disease.

During construction works under our control, the use and disposal of hazardous materials are controlled by the implementation of our SHE procedures for development; namely SHEMS if partners agree to achieve certification in accordance with the ISO 14001 and ISO 45001 certifications for construction works, or SHEMP when certification is not required. The on-site S&H coordinators and development teams maintain a record of hazardous materials that come onto the site and are disposed of from the site.

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GRI Disclosure

Supplier Health & Safety

The management procedures for our service suppliers ensure that the performance of our main suppliers meets Sonae Sierra's SHE requirements.

In agreement with our partners, all new development projects must implement a site-specific SHEMS and achieve certification in accordance with the ISO 45001 standard or implement a simplified SHEMP if they decide not to pursue certification.

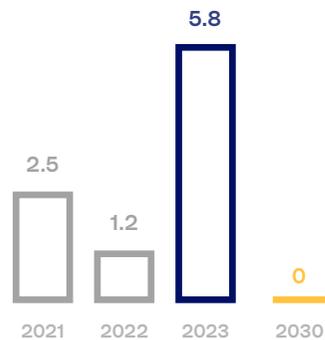
Regular meetings and annual training sessions with our security, maintenance, cleaning and waste suppliers are performed to discuss common issues and highlight basic housekeeping procedures that help reduce safety risks.

We monitor our performance by tracking the Accident Rate (LWCAFR) among suppliers in all managed assets and construction sites, when agreed by our partners. In 2023, we achieved an accident rate of 5.8 accidents per million hours worked across our managed portfolio (a 380% increase compared to 2022).

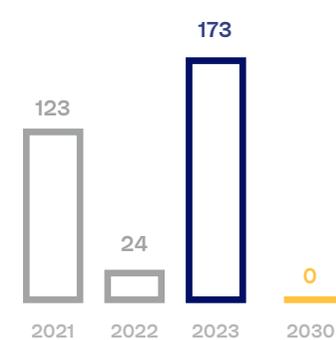
We investigate the cause of all level 4 and 5 incidents, near misses and any level 2 and 3 incidents that are considered important (for example if several incidents of a similar nature have occurred) and communicate these across the Company so that lessons can be learned to avoid repeat occurrences.

We monitor our performance by tracking the Accident Rate (LWCAFR) and the Accident Severity Rate (ASR) among suppliers in all our managed assets.

Accident rate (LWCAFR) among suppliers, of our managed portfolio



Accident Severity Rate (ASR) among suppliers, of our managed portfolio



The LWCAFR is the number of accidents resulting in one or more lost workdays per million hours worked by our service suppliers.

The ASR is the number of lost workdays of accidents per million hours worked by our service suppliers.

Data Qualifying Note: These indicators include all shopping centres managed by Sonae Sierra and in operation during the full reporting period, except for Atrium Saldanha and Carré Eden.

The historical values in the graphs above differ from those presented last year. This is because in 2021, we expanded the scope to include managed assets. Consequently, until 2023, we lacked sufficient data to compare with the current scope. Within our owned portfolio under management, the accident rate among suppliers is 6.5 accidents per million hours worked, with an accident severity rate of 201 lost workdays per million hours worked.

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GRI Disclosure

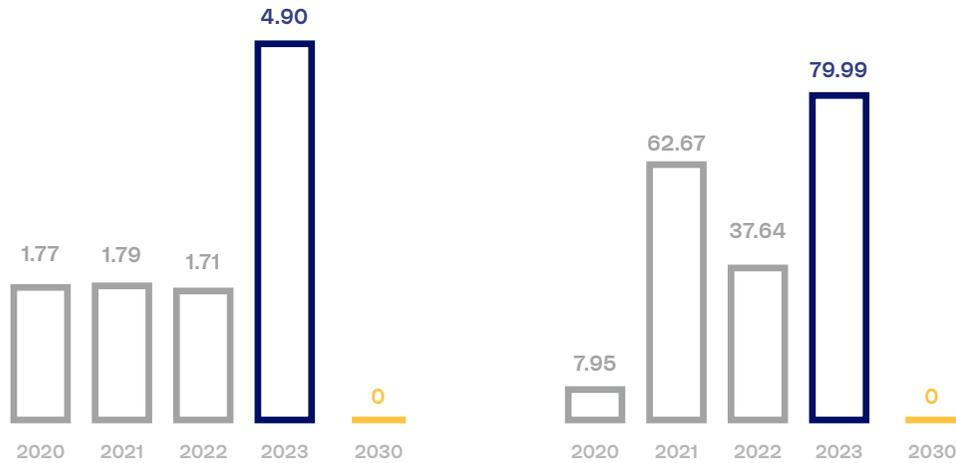
Workforce Health & Safety

S&H incidents occurring in the workplace can cause harm to workers and expose companies to risks such as reputational damage, fines and, in the case of construction and building works, delays on projects. On the other hand, a progressive approach to S&H can help to protect people, reduce insurance costs, reduce staff absence and enhance the Company's reputation.

Our goal is to improve the well-being of our workforce and reduce the rates and severity of workplace accidents and occupational diseases, aiming towards zero. We monitor our progress by tracking injuries, occupational diseases, lost days and absenteeism among our employees, and the total number of work-related fatalities.

Accident rate (LWCAFR) among workforce

Accident Severity Rate (ASR) among workforce



The LWCAFR is the number of accidents resulting in one or more lost workdays per million worked hours by our workforce.

The ASR is the number of lost workdays of accidents per million worked hours by our workforce.

Data Qualifying Note: These indicators include all Sonae Sierra's direct employees (i.e., employees on Sonae Sierra's payroll); all Sonae Sierra's supervised workers; and all independent contractors working on-site during the reporting period.

For more information, please see [pages 85-90](#) and GRI 403-2 below.

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GRI Disclosure

Employee Health & Wellbeing

For information concerning Employee Health & Well-being, see [pages 45-47](#); and [85 to 90](#).

In addition to the above-mentioned initiatives, we have implemented various tools and programmes to support the health and well-being of our employees. These include regular SHE meetings, training events, campaigns, and internal publications. One of these tools is Evolve, an online employee newsletter that covers sustainability topics and includes safety and health content such as SHE tips and case studies. By providing these resources, we aim to create a positive and safe working environment for all our employees.

403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities

	Injury Rate (LWCAFR)	Occupational disease rate	Lost day rate (ASR)	Absentee rate	Fatalities
Sonae Sierra workforce (direct employees and supervised workers)	4.90	0	79.99	0.019	-

Data Qualifying note: This indicator includes all Sonae Sierra's direct employees (i.e., employees on Sonae Sierra's payroll); all Sonae Sierra's supervised workers; and all independent contractors working on-site during the reporting period. The formulas used are:

- Injury rate (LWCAFR) = (number of injuries x 1,000,000)/Total time worked
- Occupational disease rate = (number of occupational diseases x 1,000,000)/Total time worked
- Lost day rate (ASR) = (number of lost days x 1,000,000)/Total time worked
- Absentee rate = Absentee in the period (hours)/Total time worked

The total time worked equals the total number of workable days (excluding vacation and holidays) multiplied by the average total workforce and multiplied by eight hours (units in hours). The average total workforce equals the sum of the total number of employees (direct employees and supervised workers) at the end of each month divided by 12 months. Injuries reported do not include minor injuries (first-aid level). For Sonae Sierra, 'days' means 'scheduled workdays' and the 'lost days' count begins at the immediate working shift (or day) after the accident/occupational disease manifestation occurred.

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GRI Disclosure

GRI 416: Customer Health and Safety 2016

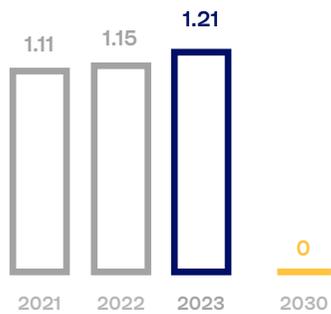
3-3: Management of material topics

Customer Health & Safety

We work to provide a safe environment for everyone who visits or works within a Sonae Sierra shopping centre, aiming towards zero accidents, and promoting safety and health-conscious behaviour among our tenants and visitors (for information regarding suppliers and employees, please see [pages 146 and 147](#) respectively). We monitor progress towards this goal, namely by tracking levels 3, 4 and 5 accident rate in our managed portfolio.

Levels 3, 4 and 5 accident rate of our managed portfolio

(no. of accidents per million of visits)



Data Qualifying Note: This indicator includes all shopping centres managed by Sonae Sierra and in operation during the full reporting period (except for Portimão Retail Center in Portugal, since this asset does not have a footfall system and the number of visits is unknown; Atrium Saldanha and Carré Eden due to data unavailability).

Within our owned portfolio under management, the level 3, 4 and 5 accident rate is 1.4 accidents per million visits. In addition to the policies and practices outlined under Safety, Health and Environment Management ([page 139 onwards](#)), we regularly monitor visitor safety risks and organise initiatives to promote safe behaviour in our shopping centres. If necessary, we also work with our suppliers to put in place preventive measures.

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GRI Disclosure

GRI 416-1: Percentage of significant product and service categories for which health and safety impacts are assessed for improvement

Life cycle stages	Percentage of service categories covered	Comments on assessment procedures
New construction	100%	Our Safety, Health, and Environment Development Standards (SHEDS) are considered by design teams during the concept and architectural development phase of our new shopping centres, when agreed with the Joint Venture partner. For further information, see page 139 onwards . During the construction phase, we aim to achieve excellent safety standards by defining strict procedures that exceed those which are required by law. New shopping centre development projects must implement a site-specific Safety, Health, and Environment Management System (SHEMS) and achieve certification in accordance with the ISO 45001 standard for the entire construction phase, if agreed with the Joint Venture partner, or a simplified Safety, Health, and Environment Management Plan (SHEMP) when certification is not aimed for. For further information, see page 139 onwards .
Management	100%	During the operations phase, all shopping centres managed by Sonae Sierra (both owned/co-owned and managed for third parties) implement the procedures defined by our corporate SHEMS with the aim of guaranteeing the safety of all building users. We use some specific tools to assess the safety of our shopping centres for building users, which are described on page 140 . Audits are performed to assess compliance with Sonae Sierra's SHEMS at corporate and site levels on an annual basis.
Development/ redevelopment	100%	This covers expansion and refurbishment activities if agreed with the Joint Venture partner(s). Expansion and refurbishment works must apply the same procedures as those described in relation to "New Construction" above. Expansion and refurbishment works must apply a simplified Safety, Health, and Environment Management Plan (SHEMP) or a Safety, Health and Environment Management System (SHEMS) when the aim is also to achieve certification in accordance with the ISO 45001 standard for the entire construction phase, and when agreed with the Joint Venture. If the Joint Venture does not agree to the implementation of a full SHE Plan or Management system, our corporate SHEMS defines, nevertheless, some minimum rules that are always complied during construction works.

Data Qualifying note: This indicator includes all shopping centres owned by Sonae Sierra and in operation during the reporting period, and all projects under development during the reporting period.

GRI 416-2: Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their lifecycle, by type of outcomes

	Incidents of non-compliance with regulations resulting in a fine or penalty	Incidents of non-compliance with regulations resulting in a warning	Incidents of non-compliance with voluntary Codes
All countries	0	0	0
	Number of dangerous occurrences, reportable injuries and fatalities to non-workers on or off a site or assets as a result of non-compliance with regulation and voluntary codes (number of accidents)		
All countries			359

Data Qualifying note: This indicator includes all shopping centres managed by Sonae Sierra and in operation during the reporting period, except for Atrium Saldanha and Carré Eden, due to data unavailability.

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GRI Disclosure

GRI 404: Training and Education 2016

Developing and retaining talent can increase a Company’s competitiveness: talent developed and retained enhances knowhow, increases the potential for innovation and supports a strong reputation. We aim to continuously build the skills and knowledge of our people to maximise their potential.

Each employee has defined an individual development plan which is settled according to the identified development needs in the Improving Our People process (Sonae Sierra’s performance assessment process). These needs may be covered by Internal or External training actions such as: Courses, Workshops, Seminars, Conferences and Coaching; Readings; On-the-job training (direct training and shadowing) or Mentoring.

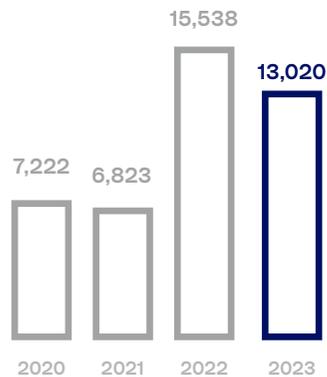
The individual training plan is agreed with each leader and is approved according to the budget of the department and the priorities established by top management. Apart from this individual development plans, all employees have access to learning tools for proactive self-development: free webinars delivered by Sonae, LearningHubz subscription (platform with curated short videos), Sonae Shots and internal We Share events.

The Learning function is part of the People & Culture department and is under the responsibility of the Talent Management & Development team.

Ultimate responsibility for employment aspects, including training and education, lies with the CEO and the Executive Board. Operational responsibility is divided among line managers and the People & Culture Department plays a supporting role by proactively intervening in the development and execution of the strategy and policies and providing quality advice to business leaders. Learning and education is applicable to all Sonae Sierra employees and transversal to all our countries in operation with exception to the joint ventures where there is an independence in terms of people management, such as Luís Malheiro, Sierra Balmain and Allos. In 2023, we invested an average of €918 per employee in training and development, and employees received an average of 14 hours of training covering behavioural, language and technical skills. Learning is delivered through a variety of programmes including structured learning and short courses aimed at developing our employees’ core skills and the needs of our business units.

We also provide Safety, Health and Environment (SHE) training. In 2023, we delivered a total of 13,020 man-hours of SHE training (including meetings) to staff, suppliers and tenants in our shopping centres and our corporate offices.

Total number of man-hours (staff, suppliers and tenants) of safety, health and environmental training and awareness sessions provided



Data Qualifying note: This indicator includes all shopping centres managed and in operation during the reporting period; and all corporate offices. While Sonae Sierra’s projects that are under development are also part of the scope, it should be noted that the number of man-hours from these projects is relatively small. The only project where training was given was the Torre Norte Colombo development project.

For more information, please see [pages 45-47](#) and [GRI 404-1](#) below.





GRI Disclosure

404-1 Average hours of training per year per employee

Training hours per employee category

Employee Category	Number of employees	Number of hours	Average number of hours of training
Global Senior Executive, Senior Executive, Executive	23	416	18
Senior Manager	55	1,263	23
Manager	86	1,758	20
Team Leader	102	2,015	20
Project Team Specialist	159	2,178	14
Team Member	313	2,777	9
Total	738	10,407	14

Training hours by gender

Gender	Number of employees	Number of hours	Average number of hours of training
Female	422	5,701	14
Male	316	4,707	15
Total	738	10,407	14

Training hours per type of training

Type of training	Number of hours	Percentage
Behavioural	2,792	27%
Technical	391	4%
Languages	7,224	69%
Total	10,407	100%

Data Qualifying Note: This indicator includes all Sonae Sierra direct employees at the end of the reporting period.

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GRI Disclosure

GRI 413: Local Communities 2016

3-3: Management of material topics

For real estate developers and operators, ensuring they are familiar with the needs, profile and habits of the communities where they develop and operate is of extreme importance to build strong relationships. We identify community needs both in the development phase and during operations.

Our policy towards the community is based on values and principles such as environmental awareness; community involvement; openness to society, confidence and ethics. We are committed to playing an active role in promoting positive societal change through education and awareness-raising campaigns, and by capitalising on our ability to communicate with the public who visit our shopping centres.

In any new development, expansion or refurbishment we perform Community Advisory Panels (CAPs). Participants typically include a range of stakeholders drawn from across the local community, ensuring that local communities are involved in the development and operation of our shopping centres in a way that creates long term relationships. We also engage with visitors and communities through regular stakeholder engagement activities to gain insights on the profile of visitors and their habits in order to suit our offer to the best possible experience. Finally, we conduct Environmental Impact Studies or Preliminary Environmental Evaluations on all new development projects and on major expansions where our partners agree.

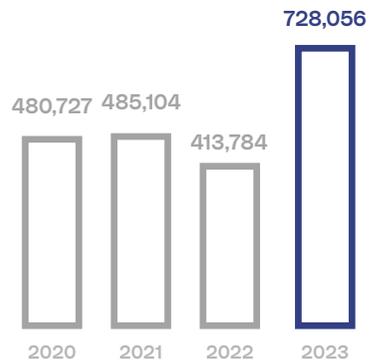
We have an annual target to dedicate at least two percent of each of our shopping centres' marketing budget to local community investment and in 2023 we surpassed that target.

For more information, please see [pages 83-84](#) and [45-47](#).

Employee volunteering & charitable contributions

Our corporate offices and shopping centres supported 164 charitable organisations in 2023, and the total global donations and other community contributions equalled €728,056 of which €6,006 were contributions from shopping centres' visitors.

Donations and other community contributions (€)



Data Qualifying Note: This indicator includes all Sonae Sierra activities.

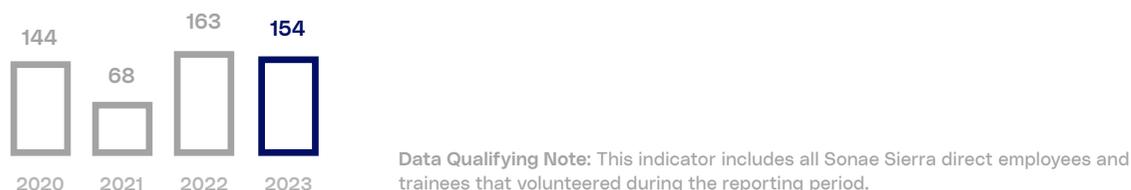


GRI Disclosure

This included:

- €22,290 in corporate donations to charitable causes.
- €6,900 in shopping centre-level community investment in cash.
- €40,352 in shopping centre-level sponsorships.
- €658,514 in investments to charitable causes and specific activities, events and campaigns with sustainability themes made through our shopping centres' marketing budgets.

Number of hours spent by employees in charity organisations



In 2023, 33 employees volunteered 154 hours to support charitable organizations. The value of the time donated is equivalent to €8,076

For more information, please consult [GRI 203-2](#) and GRI 413-1 below.

413-1: Operations with local community engagement, impact assessments, and development programmes

In newly opened shopping centres and those that are undergoing significant expansion and refurbishment works, we operate CAPs. These ensure that local communities are consulted on, and involved in, the development and operation of our shopping centres in a way that creates long-term relationships and is sensitive to local cultural considerations. To select CAP members, we identify local stakeholder groups and invite them to participate based on the issues that are relevant to them. Our local shopping centre teams are empowered to develop actions in response to issues raised through the CAPs, using part of the marketing budget of the development or the shopping centre that is available for community projects.

We also engage with visitors and communities through regular stakeholder engagement activities, including our Mall and Geo Tracking surveys.

Mall Tracking surveys collect information on the profile of shopping centre visitors and allow us to understand visitor trends and expectations; Geo Tracking surveys evaluate the impact of our shopping centres on local consumer habits and provide wider intelligence on the social and economic profile of our catchment areas and the competitive landscape. Both are supplemented with additional research in relation to specific projects along with our standard procedures for collecting customer feedback and satisfaction levels.

Finally, we conduct Environmental Impact Studies or Preliminary Environmental Evaluations on our new development projects and on major expansions where our partners are in agreement.

CRE7: Number of persons voluntarily and involuntarily displaced and/or resettled by development, broken down by project

This was not applicable in 2023 since there were no completed projects. However, apart from the first phase of GaiaShopping in Portugal, completed in 1989, none of our projects have ever involved the displacement of local community members. In the case of GaiaShopping, we constructed new houses to resettle the people who used to live in the area.

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Indicators included in the audit scope

Information on employees and other workers	Proportion of spending on local suppliers and payment period
Electricity consumption ^{c)}	Number of drills performed divided by total number of sites ^{a) c)}
Electricity consumption (excluding tenants) ^{a)}	403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities
Water consumption (excluding tenants) ^{a)}	Number of hours spent by employees in charity organisations
Waste recycling rate ^{a) c)}	Number of employees involved in volunteering activities
Occupancy index of the owned portfolio (% by GLA)	Total number of charitable organizations supported
Waste landfill rate ^{a) c)}	Contributions for charitable organizations collected from visitors
Environmental Accounting (EA) model ^{a)}	Donations and other community contributions
302-1: Energy consumption inside the organisation ^{a) c)}	Total tenant sales ^{b)}
302-3: Energy intensity ^{a)}	Total number man hours of safety, health and environmental training and awareness provided ^{b) e)}
302-4: Reduction of energy consumption ^{a)}	Number of hours of SHE Preventive Observations performed ^{b) c)}
CRE1: Building energy intensity ^{a) c)}	Tenants satisfaction index ^{a)}
303-3: Water withdrawal ^{a)}	Visitor satisfaction index ^{a)}
Percentage of water recycled and reused ^{a)}	Total number of visits ^{b)}
CRE2: Building water intensity ^{a)}	205-1: Operations assessed for risks related to anti-corruption
305-1: Direct greenhouse gas (GHG) emissions (Scope 1) ^{d)}	205-2: Communication and training about anti-corruption policies and procedures
305-2: Indirect greenhouse gas (GHG) emissions (Scope 2) ^{d)}	205-3: Confirmed incidents of corruption and actions taken
305-3: Other indirect greenhouse gas (GHG) emissions (Scope 3) ^{d)}	401-1: New employee hires and employee turnover
305-4: GHG emissions intensity ^{d)}	CRE6: Percentage of the organisation operating in verified compliance with an internationally recognised health and safety management system
305-5: Reduction of GHG emissions ^{a)}	404-1: Average hours of training per year per employee
306-3: Waste generated ^{a) c)}	405-1: Diversity of governance bodies and employees
306-4: Waste diverted from disposal ^{a) c)}	416-1: Percentage of significant product and service categories for which health and safety impacts are assessed for improvement
306-5: Waste directed to disposal ^{a) c)}	CRE8: Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment ^{a) e)}
201-2: Financial implications and other risks and opportunities due to climate change	GLA ^{b)}
Percentage of visits made by private car and other modes of transport, to and from our shopping centres ^{a)}	Number of jobs created
Levels 3, 4 and 5 accident rate ^{b)}	Significant complaints
Accident rate (lwcafr) among suppliers ^{b)}	Incidents of discrimination and corrective actions taken
Accident severity rate (asr) among suppliers ^{b)}	No. of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms
Accident rate (lwcafr) among workforce	No. of grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms
Accident severity rate (asr) among workforce	No. of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms
301-1: Materials used by weight or volume ^{e)}	301-2: Recycled input materials used ^{e)}
GHG emissions from visitor trips to and from the shopping centres ^{a)}	

a) Owned portfolio under management

b) Portfolio under management

c) Corporate offices

d) In the several formats: equity share; investment properties under management; market based; location based

e) Development projects

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Auditor's review



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INDEPENDENT LIMITED ASSURANCE REPORT

To the Board of Directors of
 Sonae Sierra, SGPS, S.A.

Introduction

We have been engaged by the Board of Directors of Sonae Sierra, SGPS, S.A. ("Sonae Sierra") to perform a limited assurance engagement on its Economic, Environmental and Social Report 2023 (hereinafter referred to as "Report").

Responsibilities

The Board of Directors of Sonae Sierra is responsible for preparing sustainability information in accordance with the requirements of the Global Reporting Initiative ("GRI Standards"), defining suitable criteria for this purpose, as well as for implementing and maintaining an internal control system and processes suitable for capturing and processing information, to ensure adequate preparation of sustainability information. Our responsibility is to issue a professional and independent limited assurance report based on the procedures performed and specified in the "Scope" section.

Scope

Our work was performed in accordance with International Assurance Engagements Standard (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board and other technical and ethical guidelines as issued by Ordem dos Revisores Oficiais de Contas (the Portuguese Institute of Statutory Auditors). That standard requires that our work be planned and executed in such a way as to obtain a limited degree of assurance about whether the Report was prepared, in all material aspects, in accordance with the GRI Standards.

The procedures performed are dependent on our professional judgement, considering our understanding of Sonae Sierra and other circumstances relevant to our work, and consisted of:

- Interview of Sonae Sierra's employees responsible for the preparation of the information included in the Report, so as to know and understand the principles, systems and procedures for management, collection and consolidation of the information included in the Report, as well as the associated control mechanisms;



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- Review of the Report's content compliance with the GRI Standards of the general and specific disclosures, that includes the specific indicators listed on page 155 of the Report;
- Review of the procedures and criteria in place to monitor and measure progress against the 2023 sustainability targets and management actions, as identified in the chapter "Sustainability Strategy" of the Report;
- Analysis of the consistency of the methodology used to collect and consolidate the information included in the Report;
- Execution of substantive detail tests, on a sampling basis, to verify the arithmetic accuracy and other associated evidence, of the qualitative and quantitative indicators in the Report, as well as verification of their proper compliance from the data made available by Sonae Sierra's information source; and
- Execution of substantive analytical procedures, on a sampling basis, of the indicators included in the Report, in addition to inquiries carried out with Sonae Sierra's employees involved in their preparation.

The procedures performed in a limited assurance engagement vary in nature and are substantially less in scope than those performed in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially less than what would be obtained if we had performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion.

We consider that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence and quality control

We comply with the independence and ethics requirements of the International Ethics Standards Board for Accountants (IESBA) code of ethics and the Code of Ethics of Ordem dos Revisores Oficiais de Contas (OROC, the Portuguese Institute of Statutory Auditors).

We apply the International Quality Management Standard 1 (ISQM 1), which requires that a comprehensive quality management system be designed, implemented and maintained that includes policies and procedures on compliance with ethical requirements, professional standards and legal and regulatory requirements as applicable.

Conclusion

Based on the work carried out, and described in the "Scope" section, nothing has come to our attention that causes us to believe that the Economic, Environmental and Social Report 2023 of Sonae Sierra, SGPS, S.A., has not been prepared, in all material aspects, in accordance with the requirements established in the GRI Standards.

Lisbon, April 12, 2024

Deloitte & Associados, SROC S.A.
 Represented by João Carlos Reis Belo Frade, ROC
 Registration in OROC no. 1216
 Registration in CMVM no. 20160827

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Glossary

ASR	Accident Severity Rate	IIRC	IIRC- International Integrated Reporting Council
BEST	Behaviour with Ethics Sierra Training	IOP	Improving Our People
BREEAM	Building Research Establishment Environmental Assessment Method	IOW	Improving Our Work
COSO	Committee of Sponsoring Organisations of the Treadway Commission	LTV	Loan-to-Value
CRE	Construction and Real Estate (specific GRI)	LWCAFR	Lost Workday Case Accident Frequency Rate
CRESD	Construction and Real Estate Sector Disclosure	NAV	Net Asset Value
EBIT	Earnings Before Interests and Taxes	ORES	Olimpo Real Estate
EBITDA	Earnings Before Interests, Taxes, Depreciations and Amortisations	OMV	Open Market Value
EES	Economic, Environmental and Social	REIT	Real Estate Investment Trust
EDD	Environmental Due Diligence	SDG	Sustainable Development Goals
ENPS	Employee Net Promoter Score	S&H	Safety and Health
EPC	Energy Performance Certificates	SHE	Safety, Health and Environment
EQS	Equity share	SHEDS	Safety, Health and Environment Development Standards
ESG	Environmental, Social, and Governance	SHEMP	Safety, Health and Environment Management Plan
GCA	Gross Construction Area	SHEMS	Safety, Health and Environment Management System
GLA	Gross Leasable Area	SPO	SHE (Safety, Health, and Environment) Preventive Observation
GOSH	Global Occupational Safety & Health	SSC	Sustainable Steering Committee
GRI	Global Reporting Initiative	WRI	World Resource Institute
HR	Human Resources		

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Description of our material areas

Material areas	Definition	GRI topics
Responsible Investment	Integrate Environmental, Social and Governance (ESG) factors into the analyses performed by investors and in the decision-making.	<ul style="list-style-type: none"> • Water and Effluents • Emissions • Energy • Waste • Customer Health & Safety
Sustainable Buildings	Integrate sustainability into design, construction and building operations processes and apply green building certification schemes, in order to reduce the environmental impact of assets covering site contamination, energy use, GHG emissions, noise pollution, water use and waste and ensure indoor environmental quality.	<ul style="list-style-type: none"> • Materials • Water and Effluents • Emissions • Energy • Waste • Customer Health & Safety
Climate Change Resilience	Incorporate ongoing assessment of climate change related risks and the adaptation to those risks by ensuring the design, construction and operation of buildings and equipment are resilient against consequences of climate change such as water shortage, storms and floods and intense heat events.	<ul style="list-style-type: none"> • Emissions • Energy • Water and Effluents
Management of Service Client Sustainability Profile	Foster and improve the sustainability impact of clients in the services sector (such as investors and developers) and ultimately, the impact of their assets, including environmental footprint, social impact and safety enhancement.	<ul style="list-style-type: none"> • Materials • Water and Effluents • Emissions • Energy • Waste • Customer Health & Safety
Circular Economy	Integrate principles of the circular economy (removing/reducing waste and pollution at the design stage, keeping products and materials in use, and regenerating natural systems) in business processes by prioritising regenerative resources, preserving and extending resources already in use, using waste as a resource and designing for the appropriate lifetime and extended future use.	<ul style="list-style-type: none"> • Materials • Water and Effluents • Energy • Emissions • Waste
Management of Tenant/ Occupier Sustainability	Measure, foster and improve the sustainability impact of tenants (occupiers) and ultimately, the impact of their assets, including consumption—namely energy and water—waste generation and safety enhancement.	<ul style="list-style-type: none"> • Materials • Water and Effluents • Emissions • Energy • Waste • Customer Health & Safety

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Description of our material areas

Material areas	Definition	GRI topics
Impact on Local Communities	The ability to reduce the negative impact and increase the positive impact of asset management and development activities on the livelihood and well-being of local communities. This includes the way Sonae Sierra starts a dialogue with local stakeholders, to become aware of the relevant issues and opportunities that arise from business operations.	<ul style="list-style-type: none"> • Indirect economic impacts • Local communities
Responsible Procurement	Ensure procurement processes consider sustainability aspects in order to minimise the environmental footprint through the entire value chain.	<ul style="list-style-type: none"> • Materials • Emissions • Energy
Human Capital Management	Ensure a diverse, inclusive and empowered workforce by developing employees' skills through training and development programmes and by ensuring equal opportunities in the workforce. Strong Human Capital management will result in higher employee engagement, talent attraction and retention.	<ul style="list-style-type: none"> • Training and education • Employment • Diversity and equal opportunity
Employee Health, Safety & Well-being	The ability to create and maintain a safe and healthy workplace environment, resulting in enhanced health, productivity and well-being of employees and reduction of rates of injury, occupational diseases, lost days and absenteeism and work-related fatalities.	<ul style="list-style-type: none"> • Occupational health and safety
Business Ethics, Transparency and Anti-Corruption	Processes to manage risks of bribery, corruption, anti-competitive behaviour, compliance and fiscal management, including the willingness of Sonae Sierra to disclose performances with shareholders and other stakeholders.	<ul style="list-style-type: none"> • Anti-corruption

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Sonae Sierra Economic, Environmental and Social Report 2023, Form

At Sonae Sierra we aim to conduct our business in a way that is sensitive and responsive to our stakeholder's needs and concerns. We hope that you found our Economic, Environmental and Social Report interesting, and would be grateful if you could take a few minutes to provide us with some feedback on this report.

Please answer to the questionnaire following the [link](#).

1. About you

1.1 Which stakeholder group do you belong to?*

- Investor/financier
- Local community member
- Tenant
- NGO/charitable organisation
- Media
- Shopping centre visitor/customer
- Sonae Sierra employee
- Government/local authority
- Supplier
- Student
- Other option

1.2 In which country do you reside? *

2. About the report

2.1 Please rate the extent to which you agree with the following statements (1 = Strongly disagree; 6 = Strongly agree)*

1 2 3 4 5 6 This report included information that is of interest to me.

1 2 3 4 5 6 I liked the style and layout of this report.

1 2 3 4 5 6 I was able to find the information I was looking for.

1 2 3 4 5 6 The report integrated information on Sonae Sierra's financial, economic, environmental and social performance well.

1 2 3 4 5 6 The report presented an honest and accurate account of Sonae Sierra's performance.

2.2 Is there any information on Sonae Sierra's economic, environmental and social performance which you felt was missing from this report?

2.3 Why did you consult this report? Please use the space below to provide your own comments on this report or any other aspect of Sonae Sierra's economic, environmental and social performance.

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(*) mandatory answer



3. About us

3.1 Using a scale of 1 to 6, how do you rate (1 = Very Poor; 6 = Excellent)*

- 1 2 3 4 5 6 Information about Sonae Sierra's strategic direction and business model?
- 1 2 3 4 5 6 Information on how Sonae Sierra creates value?
- 1 2 3 4 5 6 Information about risks and opportunities faced by Sonae Sierra?
- 1 2 3 4 5 6 Information about the future outlook for Sonae Sierra?
- 1 2 3 4 5 6 Information about the governance within Sonae Sierra?
- 1 2 3 4 5 6 The integration of financial, economic, environmental and social information?
- 1 2 3 4 5 6 The extent to which information was provided on relevant ('material') topics?

3.2 Do you have any additional suggestions on how Sonae Sierra can continue to create shared value (for its business and society)?

(*) mandatory answer

4. About challenges

4.1 What do you see as being the main social, economic and/or environmental challenges for Sonae Sierra in the next five to ten years?

4.2 Are there any particular aspects of economic, environmental and social performance which you feel that Sonae Sierra needs to improve on?

4.3. Do you give us permission to publish your comments in our future sustainability communications?*

Yes

No

4.4. If you answered "Yes" to the previous question. We can publish your comments under the name of...

Thank you.

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