

2024 Management Actions

Corporate

Internal Audit Final Report

Feb. 21, 2025

To: The Board of Directors of Sierra Portugal S.A.
Date: Feb. 21, 2025
Subject: Internal Audit Report – **2024 Management Actions**

I. Introduction

This report presents an overview of the achievement rates of the Management Actions for 2024; the report is divided in two parts:

(i) Performance overview.

Overall summary of the achievement rates for all 2024 Management Actions, including analysis by different areas.

(ii) Actions by achievement rates.

II. Performance overview

Management Actions

Table 1: Status of 2024 Management Actions (63):

Status of 2024 Management Actions (63)

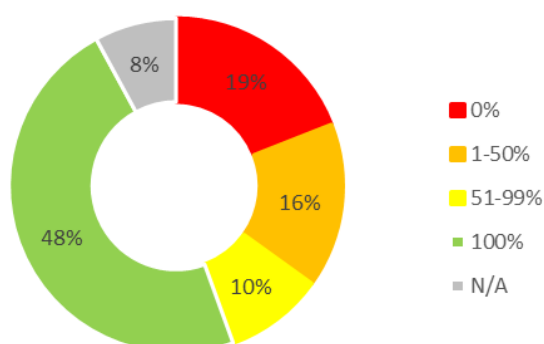


Table 2: Management Actions by area and score range:

Area	Number	Achievement Score				
		0%	1%-50%	51%-99%	100%	N/A
Sustainable Buildings	40	9	9	4	16	2
Climate Change Resilience	11	2		2	6	1
Circular Economy	4		1		3	
Impact on Local Communities	2				2	
Responsible Procurement	3				1	2
Man. of Tenant/Occupier Sustainability						
Man. of Service Client Sustain. Profile						
Human Capital Management						
Employee, Health and Safety Well-being						
Risk Management	3	1			2	
Total	63	12	10	6	30	5

II. List of Management Actions by achievement rate

#	2024 Management Action/area	%	Comments
Circular Economy			
1	F.CE.WS.1.2 - Implement waste characterization study at SC Gli Orsi.	100%	SC Gli Orsi implemented a waste characterization study.
2	F.CE.WS.1.3 - Refurbish of the ecoboxes in foodcourt (phase 2 of 2) at SC GuimarãesShopping.	100%	SC GuimarãesShopping refurbished the ecoboxes in the foodcourt.
3	F.CE.WS.1.3.1 - Requalification of waste and containers rooms at SC Centro Colombo.	100%	SC Centro Colombo requalified the waste and containers rooms.
4	Implement measures identified by the Waste Characterization Study and Organic waste valorisation study at SC Area Sur.	37%	As no details exist regarding the number of measures to be carried out during 2024, Int. Audit calculated the amount invested vs. the approved IP2024, for the corresponding item.
Climate Change Resilience			
5	F.CC.1 - Resilience and Vulnerability Risks Mitigation at SC Centro Colombo.	100%	Actions were carried out to address Resilience and Vulnerability Risks Mitigation at SC Centro Colombo.
6	F.CC.GE.2 - Maintain the zero emission electricity contracts at 21 SC.	100%	21 SC maintained the zero emission electricity contracts.
7	F.CC.GE.4.1 - Continue with the fleet electrification program.	100%	European fleet continued with the electrification program.
8	F.CC.GE.4.2 - Maintain the zero emission electricity contracts at back-offices, where existing.	100%	Back-offices located at Lisbon, Milan, Dusseldorf and Madrid maintained the zero emission electricity contracts.
9	F.CC.GE.4.4 - Compensate Sierra Carbon Footprint related with fleet emissions (Sonae Forest).	100%	Sonae Sierra compensated Sierra Carbon Footprint related with fleet emissions (through the Sonae Forest).
10	F.SB.W.1.4 - Requalification of grey waters recovery system at Centro Colombo.	100%	Grey waters recovery system was requalified.
11	F.CC.GE.8.2 - Complete installation of Photovoltaic (PV) in 14 SC (out of the 21 listed in the scope of the target).	79%	3 SC did not provide evidence of PV installation.
12	F.CC.GE.3 - Strive to negotiate zero-emissions electricity contracts.	77%	The zero-emissions electricity contract at Il Mercato was not implemented in 2024.
13	F.CC.1 - Implement Vulnerability Studies Recommendations at SC Gli Orsi.	0%	Int. Audit has no information / evidence about the recommendations foreseen at the "Vulnerability Studies", defined for 2024.
14	F.CC.W.1.2 - Ensure that all public toilet refurbishment at SC Centro Vasco da Gama complies with Sierra Sanitaryware standard updated in 2024.	0%	No evidence was made available to Int. Audit until the date of this audit report.
15	F.CC.W.2.2 - Ensure greywater and rainwater collection and reuse systems are specified and implemented, for 100% of owned development assets starting development in 2024	N/A	Based on the information made available to Int. Audit, there are no assets starting development in 2024.

#	2024 Management Action/area	%	Comments
Impact on Local Communities			
16	F.LC.1.2 - To do a partnership (Tenants, Authorities, Institutions, etc) per SC/set of SCs/country portfolio to develop a joint project with real and measurable benefits for the local community and the Shopping Centre.	100%	A partnership, per SC/set of SCs/country portfolio to develop a joint project with real and measurable benefits for the local community were carried out at SC in Portugal, Spain, Italy and Romania.
17	F.LC.1.3 - To develop Marketing initiatives under the specific thematic defined every year according to the company's priorities and announced by Sustainability Office.	100%	Marketing initiatives under a specific thematic were carried out at SC in Portugal, Spain, Italy and Romania.
Responsible Procurement			
18	F.RP.1.1 - In new development projects, expansions and refurbishments of assets held in more than 50% by Sierra, used only certified and/or recycled wood (and derivatives).	N/A	None of the 2 projects have used wood and derivatives until this date.
19	F.RP.1.2 - In the new development projects and expansions of assets held by Sierra in more than 50% of risk countries, there will be no conversion and/or deterioration of natural forests, following the IFC Performance Standard 6.	N/A	Currently, no new development projects and expansions of assets held by Sierra in more than 50% in risk countries.
20	F.RP.1.3 - Perform a Whole-Building Life Cycle Assessment (LCA) for all owned developments assets.	100%	Life Cycle Assessments were carried out at 3 development assets (Viva Offices, Pulse Lisboa and Torre Norte).
Risk Management			
21	RM 1 - Management Action not to be disclosed, for business reasons.	100%	Management Action achieved.
22	RM 2 - Management Action not to be disclosed, for business reasons.	100%	Management Action achieved.
23	RM 3 - Management Action not to be disclosed, for business reasons.	0%	Management Action not achieved.
Sustainable Buildings			
24	F.SB.E.1.2.9 - Improve the skylights (phase 2/2) - Skylight opening at SC ViaCatarina.	N/A	SC Owner decided to postpone this investment to 2025.
25	F.SB.SHEM.1.2 - Achieve ISO 14001 & 45001 SHEMS certifications for major construction projects starting in 2024.	N/A	No construction project was started in 2024.
26	F.SB.W.1.2 - Implement Actions according to Dive Benchmarking report 2023 at SC Luz del Tajo.	100%	Actions were implemented according to Dive Benchmarking report 2023 at SC Luz del Tajo.
27	F.SB.W.1.3 - Replacement of grass prairies, added flower beds landscaped areas to reduced water consumption and number of irrigation and Installation of drainage to prevent waterlogging, at SC Plaza Mayor.	100%	Actions were carried out to reduce water consumption and number of irrigation and Installation of drainage to prevent waterlogging, at SC Plaza Mayor.

#	2024 Management Action/area	%	Comments
28	F.SB.E.1.2.5 - Indoor Lighting (SC Max Center): Transition to Led technology - Remaining spaces. Measure included in the specialized energy audit.	100%	Transition to indoor Led technology was carried out at Max Center.
29	F.SB.E.1.2.6 - Indoor Lighting (SC Max Ocio): Transition to Led technology - Remaining spaces. Measure included in the specialized audit.	100%	Transition to indoor Led technology was carried out at Max Ocio.
30	F.SB.E.1.2.12 - Implement Energy Efficiency measures at SC Le Terrazze: BMS replacement - continuation 2023 project.	100%	Energy Efficiency measures were implemented at SC Le Terrazze regarding the BMS replacement.
31	F.SB.E.1.2.14 - HVAC water-side: installation of a state of the art water-cooled chiller (specification form and project) at SC ArrábidaShopping.	100%	Water-cooled chiller was installed at SC ArrábidaShopping.
32	F.SB.E.1.2.17 - Substitute one of the chillers at SC MaiaShopping.	100%	One of the chillers was replaced at SC MaiaShopping.
33	F.SB.E.1.2.18 - HVAC air-side: install new AHUs (mall & food court) control fine-tuning at SC Centro Colombo.	100%	New AHUs (mall & food court) control fine-tuning were installed at SC Centro Colombo.
34	F.SB.E.1.2.19 - HVAC air-side: install DOAs (shops) control fine-tuning at SC Centro Colombo.	100%	DOAs (shops) control fine-tuning were installed at SC Centro Colombo.
35	F.SB.E.1.2.29 - Upgrade of Wise metering system at SC GuimarãesShopping.	100%	Wise metering system was upgraded at SC GuimarãesShopping.
36	F.SB.E.1.2.33 - BMS Update at SC GaiaShopping.	100%	BMS was updated at SC GaiaShopping.
37	F.SB.E.1.2.34 - Replace of Totem lighting by LED at SC Portimão Retail Center.	100%	Totem lighting was replaced by LED at SC Portimão Retail Center.
38	F.SB.E.1.2.40 - Lighting retrofit for LED technology in technical corridors and service stairs at SC Area Sur.	100%	The retrofit for LED technology in technical corridors and service stairs took place at SC Area Sur.
39	F.SB.SHEM.1.1 - Maintain ISO 14001 & 45001 SHEMS certifications for 10 certified owned operating assets.	100%	All maintained ISO 14001 & 45001 SHEMS certifications.
40	F.SB.SHEM.2.1 - Maintain/Achieve Green Building certifications (BREEAM In-Use Good) for 3 owned operating assets.	100%	All maintained Green Building certifications (BREEAM In-Use Good).
41	F.SB.SHEM.3 - Sustainable Gardens at SC Plaza Mayor-DOC: Certification Study Sustainable Garden and Green Flag awards.	100%	SC Plaza Mayor obtained Certification Study Sustainable Garden and Green Flag awards.
42	F.SB.SHEM.1.3 - Ensure all owned non-certified operating assets and third-party assets have their SHE Legal Compliance assessed at least every two years.	93%	2 (out of 30) locations did not ensure their SHE Legal Compliance assessment.
43	F.SB.SHEM.2.2 - Achieve Green Building certifications (at least BREEAM NC Good or LEED BD+C Silver or DGNB Bronze) for major construction project, major refurbishments and major renovations.	86%	4 (out of 7) projects did not achieve Green Building certifications during 2024.

#	2024 Management Action/area	%	Comments
44	F.SB.SHEM.2.1.1 - Implement improvement measures related to BREEAM In-Use certification at 5 SC.	84%	2 SC have not fully implemented the improvement measures related to BREEAM In-Use certification.
45	F.SB.E.1.2.32 - Improve HVAC Systems at SC MadeiraShopping: AHUs Replacement (project + specification form and 2 AHU replacement).	65%	The two AHU's replacement has not been completed.
46	F.SB.SHEM.1.5 - Achieve at least an average of 97% in SHE/SH Data Audits performed in owned operating assets, third party assets and offices.	38%	23 sites (out of 37) did not achieve an average of 97% on SHE/SH Data audits.
47	F.SB.E.1.2.10 - Implement Energy Efficiency measures defined in the Energy Audits for SC Gli Orsi: OM6 Cooling tower, ventilators with speed variation; OM5 Pumping System: New Pumps with VEV - Building A and B.	30%	No evidence was made available to Int. Audit that the awarded services were completed.
48	F.SB.E.1.2.11 - Replace BMS system - building A and B at SC Gli Orsi.	30%	No evidence was made available to Int. Audit that the awarded services were completed.
49	F.SB.E.1.2.16 - Install variable speed drivers in escalators at SC Centro Vasco da Gama.	30%	No evidence was made available to Int. Audit that the awarded services were completed.
50	F.SB.E.1.2.23 - HVAC airside: Install AHUs control retrofit at SC Estação Viana.	30%	No evidence was made available to Int. Audit that the awarded services were completed.
51	F.SB.E.1.2.26 - Install HVAC variable speed capacity in condensation pumps at SC CascaiShopping.	30%	No evidence was made available to Int. Audit that the awarded services were completed.
52	F.SB.E.1.2.27 - Remove heat recovery modules and cooling coils in the Mall and Shop ventilation at SC CascaiShopping.	30%	No evidence was made available to Int. Audit that the awarded services were completed.
53	F.SB.E.1.2.28 - Refurbish the Thermal plant at SC CascaiShopping.	30%	No evidence was made available to Int. Audit that the awarded services were completed.
54	F.SB.E.1.2.13 - Implement Energy Efficiency measures a Le Terrazze: Replacement and new control of the cooling pumps, just as with the heating pumps / main distributor; Shading glass at food court entrance; Replacement of Rooftop-AHU's for common areas after EoL.	10%	No evidence was made available to Int. Audit that one awarded service was completed, and no evidence exists regarding the implementation of 2 other measures.
55	F.SB.E.1.1.1 - Implement Green Agenda Actions at SC Area Sur, related to 2 IP2024 items.	0%	No evidence was made available to Int. Audit that the actions have been implemented during 2024.
56	F.SB.E.1.2.15 - Implement Tenant Electricity Monitoring System at SC Vasco da Gama.	0%	Based on the information made available to Int. Audit, the action was cancelled.
57	F.SB.E.1.2.20 - Implement HVAC Tariff-responsive controls at SC Centro Colombo.	0%	Based on the information made available to Int. Audit, the action was postponed to 2025.
58	F.SB.E.1.2.21 - HVAC WaterSide: Implement control finetuning of secondary chilled water pumps at SC Estação Viana.	0%	Based on the information made available to Int. Audit, the action was not carried out.
59	F.SB.E.1.2.22 - Install daylight lighting automatic control at SC Estação Viana.	0%	Based on the information made available to Int. Audit, the action was not carried out.
60	F.SB.E.1.2.24 - Replace lighting (in the Mall, food court and car parks) by LED at SC Estação Viana.	0%	Based on the information made available to Int. Audit, the action was not carried out.

#	2024 Management Action/area	%	Comments
61	F.SB.E.1.2.25 - Replacement of fluorescent luminaires in technical corridors by LED luminaires equipped with emergency kits at SC Estação Viana.	0%	Based on the information made available to Int. Audit, the action was not carried out.
62	F.SB.E.1.2.36 - Retrofit Indoor Lighting at SC Portimão Retail Center.	0%	Based on the information made available to Int. Audit, the action was not carried out.
63	F.SB.SHEM.1.4 - For all projects completed in 2024 ensure that SHE data is correctly reported to guarantee that at least of 85% are validated in final data audit.	0%	Based on the information made available to Int. Audit, the completed project at Centro Vasco da Gama (Beer Deck) did not carry out a SHE data audit.