

SONAE SIERRA

2011 CORPORATE RESPONSIBILITY

Performance by Country

*Specialists in
creating...* **sustainable
shopping
centres**





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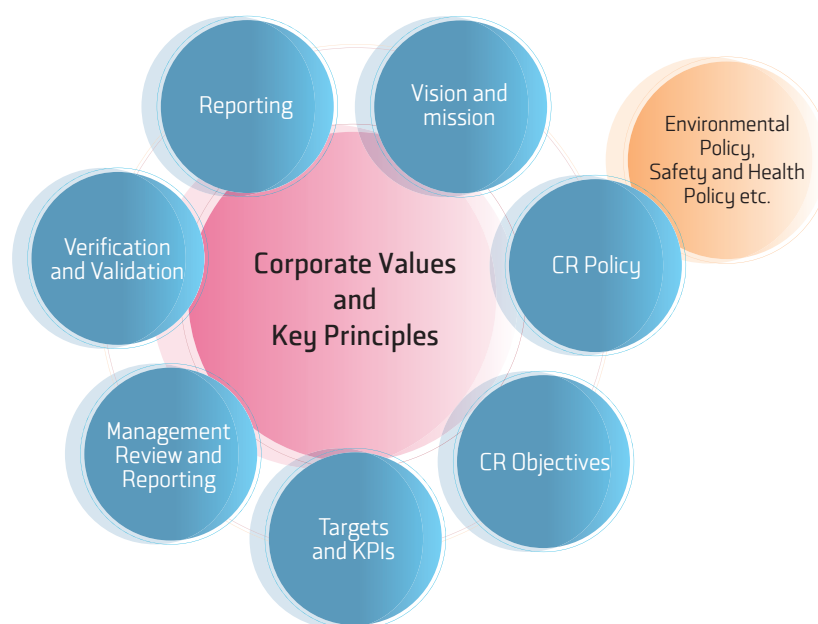
Sonae Sierra is a specialist at the cutting edge of shopping centre development, ownership, management and the delivery of services to third parties in markets as diverse as Europe, South America and North Africa.

Passionate about bringing innovation and excitement to the shopping industry since 1989, Sonae Sierra has been interpreting trends and spearheading a movement that has defined the shopping centres of the future.

The Company's mission is to offer its customers a unique shopping experience that creates superior value for its shareholders, investors, tenants, communities and employees whilst simultaneously making a positive contribution to sustainable development.

Through our integrated strategy of investment, development and property management, we have developed a unique understanding of the business and markets we operate in, and we have earned more international awards than any other company in our sector.

We have long recognised that Corporate Responsibility (CR) performance affects our financial results, and we believe that our long-term business success is dependent on outstanding economic, environmental and social performance. We have pioneered the integration of CR principles in the shopping centre business and we are already reaping the benefits of this forward-thinking approach.

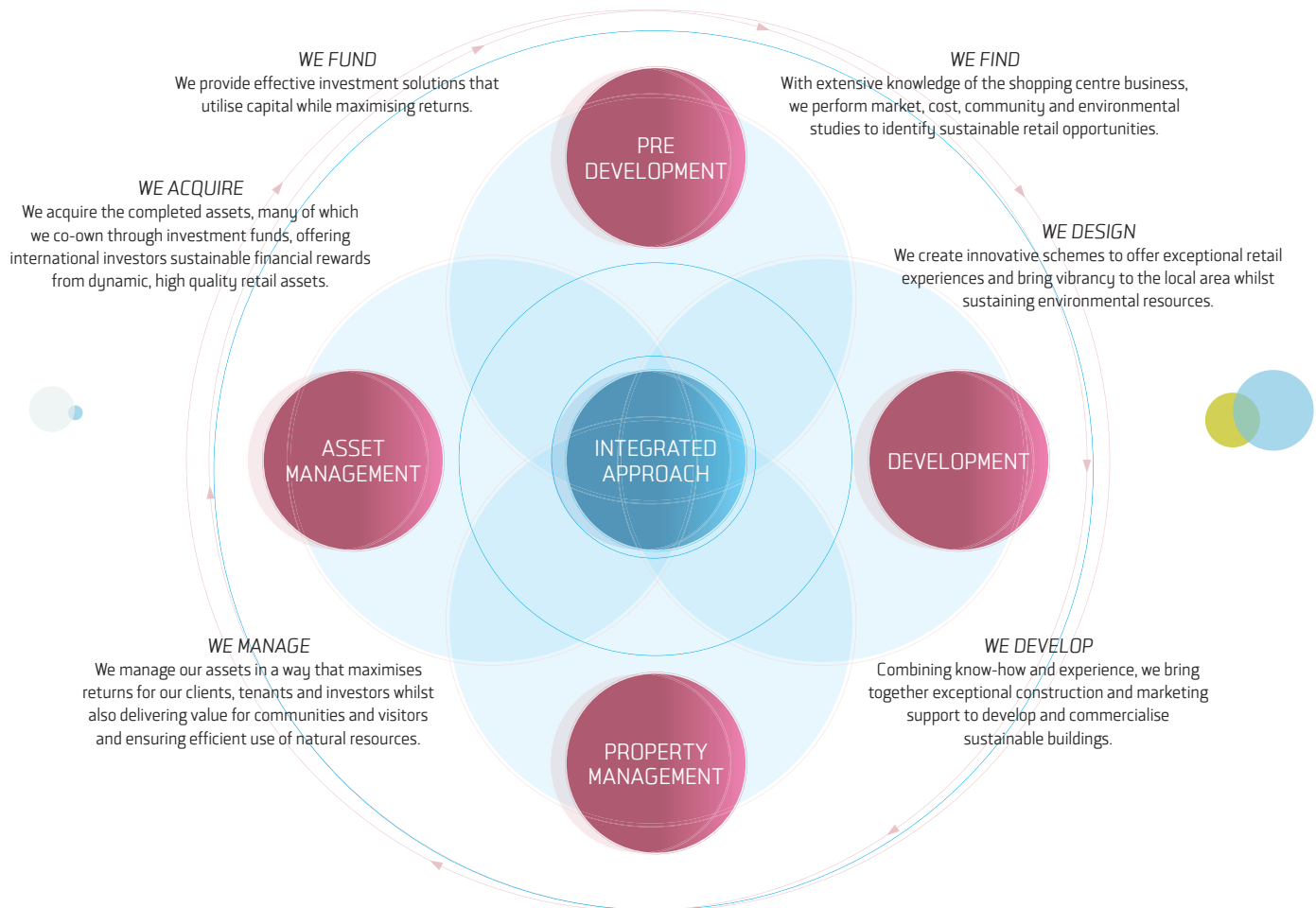


Company Profile

Sonae Sierra is the international shopping centre specialist that is passionate about bringing innovation and excitement to the shopping industry. Incorporated in Portugal in 1989, Sonae SGPS (Portugal) and Grosvenor (United Kingdom) each own 50% of the Company.

On 31 December 2011 we were operating in 11 countries¹ and we owned 49 shopping centres with a total Gross Lettable Area (GLA) of 1,924,117m². We had five projects under construction, with a combined total GLA of 237,800m², and six new projects in different phases of development. We also managed and/or leased a further 22 shopping centres and two new projects on behalf of others. In 2011 our total portfolio under management – including shopping centres owned by third parties – welcomed more than 428 million visits.

The combination of our experience, our commitment to innovation and our long-term approach to business have created an integrated strategy that today embraces shopping centre development, ownership and management, as well as knowledge provision to our clients. Through this strategy we have developed a unique understanding of the business and markets we operate in, as they apply to our own shopping centres as well as those owned by third parties.



¹ These were Portugal, Spain, Italy, Germany, Greece, Romania, Morocco, Algeria, Colombia and Brazil. Portugal, Spain, Italy, Germany, Greece, Romania and Brazil are countries where we own shopping centres, so this report focuses on our performance in those countries. Morocco, Algeria and Colombia are countries where we have an established presence in the market and/or are actively pursuing new business opportunities. We were also providing services to third parties in Croatia.

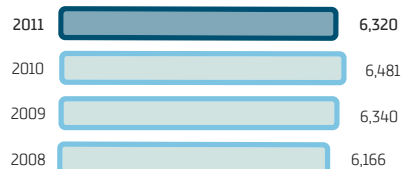
Our Performance

We are proud of the results we are able to report for 2011, in spite of the challenging market conditions.

Economic Performance Indicators

€6,320m

OMV of Assets under Management (€ million)



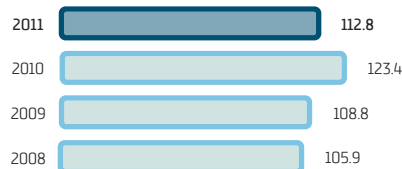
€9.7m

Consolidated Net Profit - IAS (€ million)



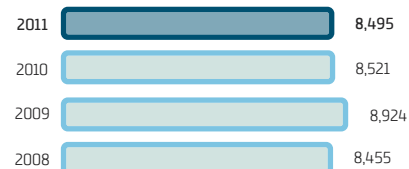
€112.8m

EBITDA - IAS (€ million)



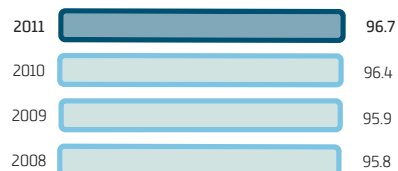
8,495

Number of tenant contracts under management



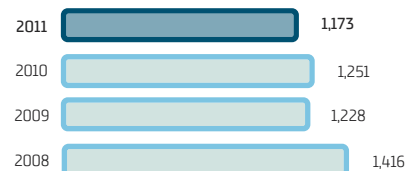
96.7%

Average Occupancy Index
(% by GLA, across our owned portfolio)



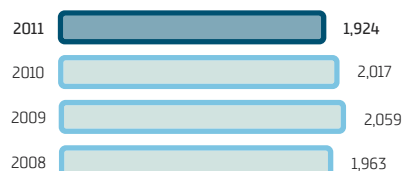
€1,173m

Real Estate NAV as of 31 Dec (€ million)



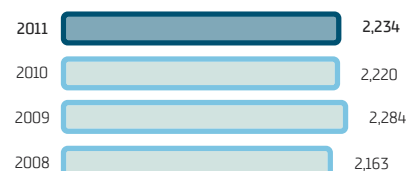
1,924

GLA owned in operating centres (000's m²)



2,234

GLA under management (000's m²)



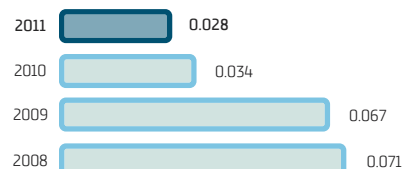


Our Performance continued

Environmental Performance Indicators

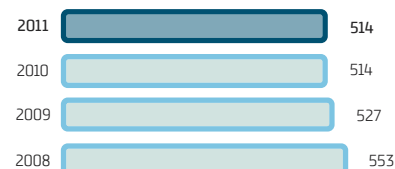
0.028

Greenhouse gas (GHG) emissions of our owned portfolio and corporate offices (tCO₂e/m² GLA)



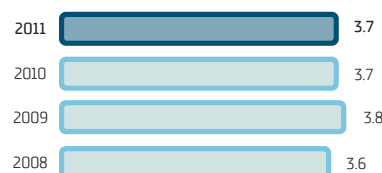
514

Electricity efficiency (excluding tenants) of our owned portfolio (kWh/m² mall and toilet area)



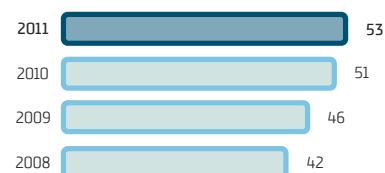
3.7

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



53%

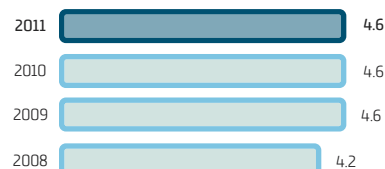
Total waste recycled as a proportion of waste produced (% by weight, across our owned portfolio)



Social Performance Indicators

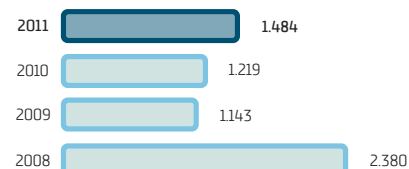
4.6

Tenant Satisfaction Index (scale of 1 ('not satisfied') to 6 ('very satisfied'))



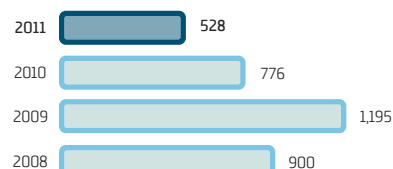
€1.484m

Marketing investments in CR and other community contributions (€ million)²



528

Investment in staff training and development (€ per capita)



7.8

Number of non-conformities per hour of reference SPO³



² In 2011, this indicator included investments in CR made through development projects' marketing budgets. This data was not included in previous years. It also includes donations collected from shopping centre visitors.

³ Formerly Safety Preventive Observations, Safety, Health and Environment Preventive Observations (SPOs) are a form of safe behaviour audit undertaken at our shopping centres in operation. They aim to identify and correct behaviour which could potentially lead to accidents. In 2011 the calculation method for non-conformities changed. It is now calculated as the total number of S&H and SHE non-conformities divided by 80% of SPO hours performed, multiplied by the total number of SPO hours. In previous years, 'reference SPOs', which are included in this indicator, were only SPOs performed by Country S&H Coordinators or by the Sustainability Office team on so called 'reference sites'. In 2011, 'reference SPOs' were SPOs performed by any Country SHE Coordinator or by the Sustainability Office team on any Sonae Sierra site.

Our CR Objectives

We operate a CR management system in order to monitor our performance and improve it on an on-going basis, focusing on those impact areas which are most important for our business. We have defined long-term objectives in relation to each of our CR impact areas. Unless otherwise stated, our objectives cover all Sonae Sierra owned shopping centres.

Energy and Climate

- Achieve a 70% reduction in GHG emissions per m² of GLA, by 2020, compared to the 2005 level (GHG Protocol scopes 1 and 2, plus business air travel; also includes corporate offices).
- Attain a maximum electricity consumption of 400kWh per m² of mall and toilet area per year, by 2020.
- Develop and implement a long-term Climate Change Adaptation strategy covering investment, development, management and corporate activities, by 2020.

Water

- Attain a level of water consumption at or below three litres per visit, by 2020.
- At least 10% of total water consumed to be reused greywater or harvested rainwater by 2020.
- Develop and implement a long-term strategy to ensure a secure water supply, with a particular focus on locations that are vulnerable to water shortages, by 2020.
- Ensure that all discharges to local water courses comply with Sonae Sierra's wastewater quality standards and pollutant limits, by 2020.

Waste

- Obtain a minimum recycling rate of 55%, by 2020.
- Reduce the proportion of waste sent to landfill to a maximum limit of 30%, by 2020.
- Obtain a minimum recycling rate of 80% across Sonae Sierra corporate offices, by 2020.
- Maintain a high level of performance in terms of waste recycling in construction projects and aim to increase the proportion of construction materials with recycled content.

Biodiversity and Habitats

- Promote the use of previously developed land or brownfield land for new Sonae Sierra shopping centre projects and protect and enhance biodiversity wherever possible.
- Strive to protect and enhance biodiversity on both existing Sonae Sierra sites and new projects and add value to new projects by actively integrating biodiversity whenever possible, taking into account the regional context.

Suppliers

- Engage with our development suppliers with the aim of encouraging them to adopt more responsible business practices.
- Foster loyalty amongst frequently used property management suppliers, seeking to help and encourage them to adopt more responsible business practices themselves.
- Increase the proportion of materials used in development, expansions and refurbishment projects that are sustainable materials, aiming for 100% of timber⁴ used to be certified sustainable timber and for the percentage of materials comprising recycled content to be increased, by 2020.

Tenants

- Deliver a high quality service to tenants and maintain high levels of satisfaction, striving to achieve an average tenant satisfaction level of 4⁵ or above in all shopping centres by 2015.
- Engage with our tenants with the aim of helping them to improve their safety, health and environment performance.

Communities and Visitors

- Achieve full implementation of Community Advisory Panels (CAPs) across the whole Sonae Sierra operational and development portfolio, by 2014.
- Devise and implement a strategy aimed at involving the largest number of shopping centres' local communities' members, in order to improve communities' well-being, by 2012.
- Enhance visitors' recognition of Sonae Sierra's shopping centres' sustainability performance.

Employees

- Offer our employees more flexible working arrangements with the aim of becoming a recognised leader in this area, by 2020.
- Adopt and implement a strategy, with the aim of creating the best possible working conditions for all our staff, by 2015.
- Improve workforce ergonomic conditions based on approved standards by the end of 2015.
- Encourage our employees to develop their skills and expertise and foster innovation.

Safety and Health

- Enhance the well-being of our workforce and reduce the rate and severity of workplace accidents and occupational diseases, aiming towards zero.
- Anticipate and prevent all safety risks on Sonae Sierra construction sites, minimising the number of accidents and their severity, aiming towards zero.
- Provide a safe environment for everyone who visits or works within Sonae Sierra shopping centres, aiming towards zero accidents, and promote safety and health conscious behaviour among our tenants, suppliers and visitors.

Safety, Health and Environment Management System (SHEMS)

- Obtain ISO 14001 and OHSAS 18001 certifications for the SHEMS of all our construction projects and the Sonae Sierra owned assets that we have managed for two or more years, by 2015.

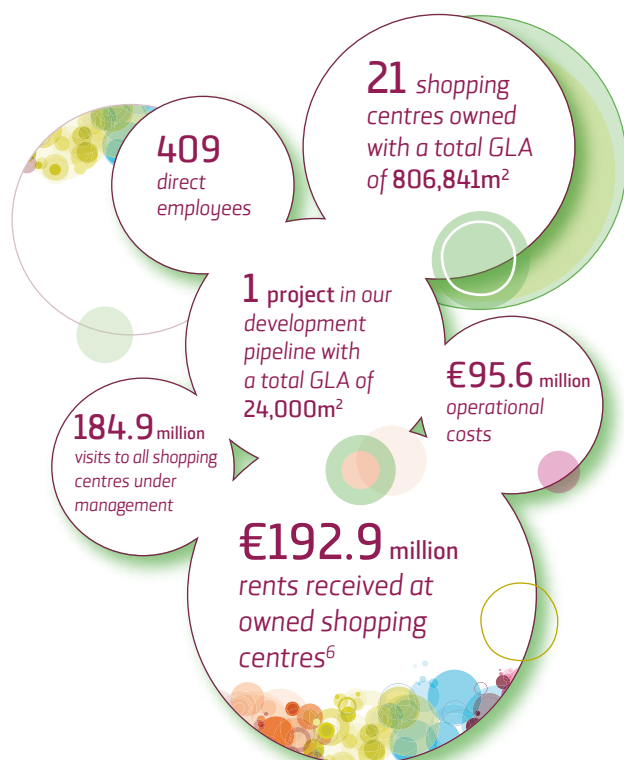
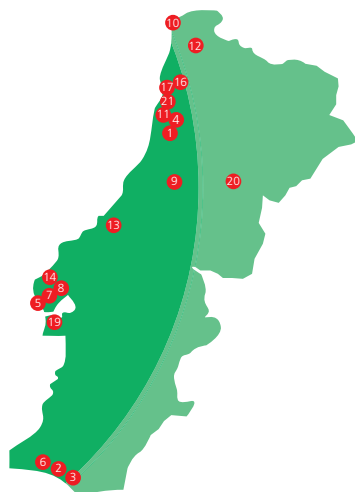
⁴ The proportion of timber products used that are from sustainable sources is calculated by value of spend.

⁵ Tenant satisfaction is rated on a scale of 1 ('not satisfied') to 6 ('very satisfied').

Sonae Sierra in Portugal

We are a market leader in Portugal, the country where we were incorporated in 1989 and where our headquarters are based. On 31 December 2011 we were the owner of 21 shopping centres in Portugal and managed a further 12 shopping centres on behalf of other owners. We had one further project in our development pipeline, Centro Bordalo in Caldas da Rainha.

- 1: 8ª Avenida
- 2: AlbufeiraShopping
- 3: AlgarveShopping
- 4: ArrábidaShopping
- 5: CascaíShopping
- 6: C.C. Continente de Portimão
- 7: Centro Colombo
- 8: Centro Vasco da Gama
- 9: CoimbraShopping
- 10: Estação Viana
- 11: GaiaShopping
- 12: GuimarãesShopping
- 13: LeiriaShopping
- 14: LoureShopping
- 15: MadeiraShopping
- 16: MaiaShopping
- 17: NorteShopping
- 18: Parque Atlântico
- 19: RioSul Shopping
- 20: Serra Shopping
- 21: ViaCatarina



⁶ This figure corresponds to the total rents invoiced (100%) to tenants of Sonae Sierra owned shopping centres in Portugal. It has been calculated based on account performance between 1 January 2011 and 31 December 2011.

⁷ This figure corresponds to the sum of charitable organisations supported in Portugal, as reported by our shopping centres. In cases where two (or more) shopping centres have supported the same charitable organisation, this has been counted twice (or more times), in order to reflect each individual shopping centre's commitment.

⁸ SPOs are behavioural audits designed to detect and correct potentially unsafe acts of behaviour.

Awards and Acknowledgements

- Distinguished as the Best Developer Overall and Best Retail Developer in the Euromoney magazine Real Estate Awards for Excellence in Portugal.
- Acknowledged as the Best Real Estate Developer for the fourth consecutive year by the Construir Awards.
- Ranked as the leader of the Corporate Climate Responsibility Index published by ACGE for the sixth time.
- Centro Colombo elected Best Shopping Centre in Portugal for the second time in a row at the Hipersuper Award and distinguished with the Revista Imobiliária "Special Magazine Award" in the National Real Estate Awards 2011 for its refurbishment project.
- LeiriaShopping honoured with the Revista Imobiliária Eurohypo "Real Estate Oscar Award" and the "Eurohypo Award" in the National Real Estate Awards 2011.
- NorteShopping won the International Council of Shopping Centres (ICSC) Jean Louis Solal Marketing Award for Cause Related Marketing for the campaign 'Cycle and switch on our Christmas tree' which was intended to increase environmental awareness among the local community.

Certifications

- ISO 14001 certification achieved for the Safety, Health and Environment Management System (SHEMS) of LeiriaShopping.
- OHSAS 18001 certifications achieved for the SHEMS of GuimarãesShopping and LoureShopping.

Key Achievements

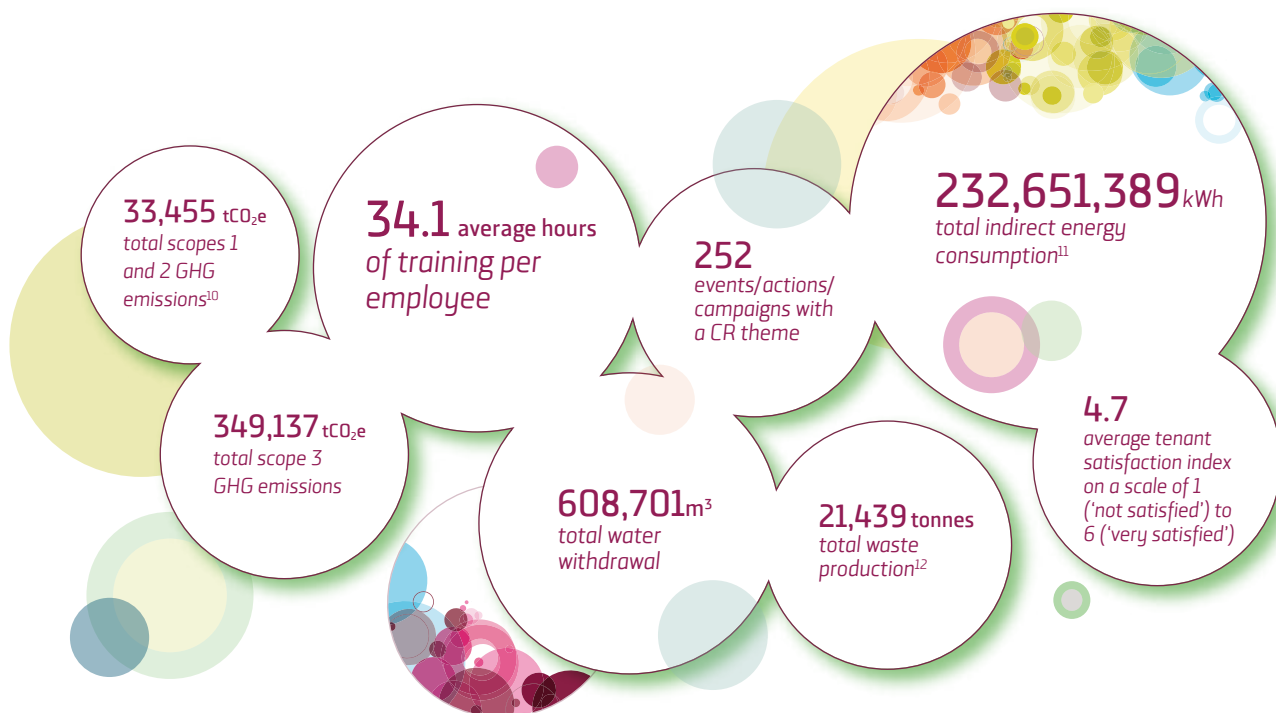
- Reduced GHG emissions per m² of GLA by 29% in comparison with 2010.
- Reduced electricity consumption per m² of mall and toilet area by 4% in comparison with 2010.
- Increased our shopping centres' waste recycling rate to 57%, a 4% improvement in comparison with 2010.
- Implemented rainwater harvesting systems at ArrábidaShopping, 8ª Avenida and Centro Vasco da Gama and set up water reuse systems in cooling towers at LoureShopping and GaiaShopping.
- Organised a reforestation day at GaiaShopping with members of the shopping centre's Community Advisory Panel, involving 53 people who restored an area previous burned down in a forest fire.
- Introduced a CR audit procedure and carried out CR audits on all our critical Property Management suppliers.
- Launched the fourth edition of the Personæ Tenant Award for Safety and Health (winners: RR Center, CascaíShopping, Elena Miró, NorteShopping and Continente, AlgarveShopping).
- Invested €457,113 in local community initiatives, a 3% increase in comparison with 2010.
- Supported 555 charitable organisations⁷ and dedicated 1,070 hours of staff time to community volunteering.
- Held "Healthy Month" for the third time with activities to promote employees' health and well-being.
- Held a "Family Day" at GaiaShopping which involved inviting employees' children to the shopping centre where, together with their parents, they made soft toys which were donated to a local children's hospital.
- Delivered an average 34.1 hours of training per employee and performed 3,032 hours of Safety, Health and Environment Preventive Observation (SPO)⁸ across our shopping centres and corporate offices.

CR Performance in Portugal



Key Performance Indicators

	2009	2010	2011	Performance trend 2010-11	Best centre(s) in 2011
Energy and Climate: GHG emissions of the owned portfolio and corporate offices (tCO ₂ e/m ² GLA)	0.107	0.059	0.042	↑	AlbufeiraShopping and GaiaShopping, both 0.008 tCO ₂ e
Energy and Climate: Electricity efficiency (excluding tenants) of our owned portfolio (kWh/m ² mall and toilet area)	600	589	564	↑	C.C. Continente de Portimão, 321 kWh/m ²
Water: Water efficiency (excluding tenants) of our owned portfolio (litres/visit)	3.7	3.5	3.5	→	GuimarãesShopping, 1.2 litres per visit
Waste: Total waste recycled as a proportion of waste produced (% by weight, across our owned portfolio)	50%	55%	57%	↑	8ª Avenida, 83%
Tenants: Average occupancy index (% by GLA)	98.1%	98.2%	97.6%	↓	Centro Vasco da Gama, 100% and LeiriaShopping, 100%
Communities and Visitors: Marketing investments in CR and other community contributions (€) ⁹	241,292	443,711	457,113	↑	Centro Colombo, €45,441
Employees: Investment in staff training and development (€ per capita)	1,925	1,105	697	↓	–
Safety and Health: Number of hours of SPO performed	3,534	3,841	3,032	↓	NorteShopping, 518 hours



⁹ Includes donations collected from shopping centre visitors.

¹⁰ Please refer to our Economic, Environmental and Social Report 2011 (page 48) for a detailed breakdown of the sources of GHG emissions included in our carbon footprint (scopes 1, 2 and 3).

¹¹ Our total indirect energy consumption corresponds to our total consumption of electricity, chilled water and high temperature hot water across all our shopping centres in Portugal as well as the Lisbon office. Data from the Maia office was excluded since it is in a shared floor/building, with no individual energy meters.

¹² Includes all owned shopping centres in Portugal and the Lisbon and Maia offices.



CR Performance in Portugal continued



Case Study

SONAE SIERRA AND ACREDITAR JOIN FORCES TO BUILD A HOME FOR CHILDREN WITH CANCER

Cancer affects people of all ages, and although children are less prone to the disease, they can suffer from severe forms of cancer and need special medical care. Acreditar is an association for the parents and friends of children with cancer. Its objective is to provide the necessary means for children with cancer to have the same chances in life as healthy children, so that they can have a fulfilling life.

Sonae Sierra has a commitment to supporting local communities in the locations where the Company operates, and in September 2011 we launched a campaign with Acreditar to create awareness and raise funds for the construction of an Acreditar home in Porto to host around 220 families of children with cancer from the northern region of the country, during the periods of out-patient treatment at the Portuguese Institute of Oncology and the S. João Hospital in Porto. Called 'Música por uma Ca(u)sa' ('Music for a Cause, for a Home'), the campaign involved the use of music to collect donations from the public, including visitors to our shopping centres in the Porto region. Sonae Sierra raised a total of €40,608 for the campaign and, due to the high profile it received, was able to motivate other companies, including some of our tenants, to offer support in the form of in-kind and monetary donations and partnerships for fundraising campaigns.

"The impact these homes have had on the lives of these families that are in a very difficult situation at various levels, is extremely important. The emotional effort is quite high, not only due to the severity of the disease, but also to the time that families spend away from their regular lives. Our purpose is to ease this suffering, mobilising the required efforts to build adequate venues to give the best possible support to these families."

João Bragança, President of Acreditar



Case Study

IMPROVING EMERGENCY LIGHTING AT LOURESHOPPING

Installing emergency lighting is a compulsory Safety and Health (S&H) requirement in Europe and other parts of the world. It is used to signpost the way towards a building's exit in the case of an emergency. But because those lights have to be left on at all times, they continually use power.

At LoureShopping, emergency lights in the car park area (floors 1 and 2) were scheduled to be replaced in 2011 and the team took this opportunity to retrofit the existing lights with an energy efficient solution. A total of 600 lights were taken out and LED lighting installed, at a cost of €2,600. Each new light, provided by the company Alternative4U, has an autonomous power supply and consumes no more than 3W. The lights can stay in operation for 50,000 hours, reducing the need for maintenance.

The lights save 72kWh per day and over 26,000kWh a year. As a result, this measure allows a €2,628 annual reduction in operational costs. Thanks to these savings, the initial investment was paid back in less than a year.



Sonae Sierra in Spain

In 1999 we started the development of our first Spanish shopping centre, Plaza Mayor in Malaga. Since then we have consolidated our presence in this market and on 31 December 2011 we were the owners of nine shopping centres in Spain and managed a further four shopping centres on behalf of other owners. In 2011 we sold Plaza Éboli and El Rosal shopping centres to Doughty Hanson for €120 million, although Sonae Sierra still provides property management and leasing services for these shopping centres. We proceeded with plans for expansions at Luz del Tajo and Dos Mares and we acted on behalf of the Sierra Fund to acquire a further 25% ownership of Plaza Mayor (previously held by minority partners).



Awards and Acknowledgements

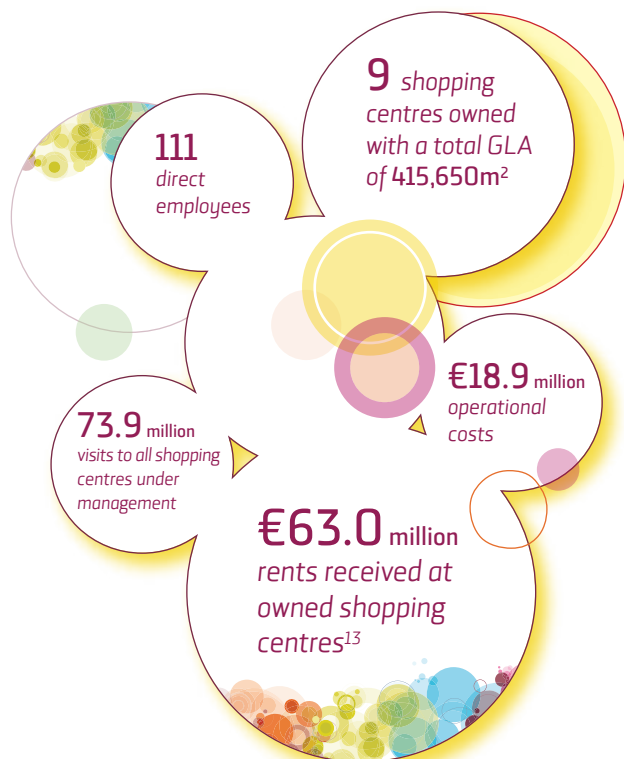
- Finalist in the Premios Corresponsables (Corresponsables Award) for the GUIO project to help blind people and those with visual impairment to use our shopping centres.
- La Farga awarded the Humana Foundation's Textile Recycling Prize in the 'Private Enterprise' category for having collected the largest amount of clothing for charitable causes.

Certifications

- OHSAS 18001 certification achieved for the Safety, Health and Environment Management System (SHEMS) of GranCasa and Parque Principado.

Key Achievements

- Reduced electricity consumption per m² of mall and toilet area by 5% in comparison with 2010.
- Participated in the development of the Programa Acción CO₂ Action Plan¹⁴ and in benchmarking activities, and worked with Programa Acción CO₂ to develop a questionnaire for suppliers.
- Reduced water consumption per visit by 8% in comparison with 2010.
- Held the third annual Environmental Photography competition for staff at Valle Real to promote team spirit and raise awareness about the importance of protecting the local environment.
- Introduced a CR audit procedure and carried out CR audits on all our critical Property Management suppliers.
- Increased our average occupancy index to 94.8%, a 2% improvement in comparison with 2010.
- Launched the fourth edition of the Personæ Tenant Award for Safety and Health (winners: Pepe Jeans, GranCasa and Joyería Montañesa, Luz del Tajo).
- Invested €258,970 in local community initiatives, supported 72 charitable organisations¹⁵ and dedicated 398 hours of staff time to community volunteering.
- Held "Healthy Month" for the third time with activities to promote employees' health and well-being.
- Delivered an average 69.8 hours of training per employee, a 37% increase in comparison with 2010.
- Performed 2,251 hours of Safety, Health and Environment Preventive Observation (SPO)¹⁶ at our shopping centres and in the Madrid office.



¹³ This figure corresponds to the total rents invoiced (100%) to tenants of Sonae Sierra owned shopping centres in Spain. It has been calculated based on account performance between 1 January 2011 and 31 December 2011.

¹⁴ The Programa Acción CO₂ (CO₂ Action Programme) was developed by Fundación Entorno, the Spanish Business Council for Sustainable Development. It aims to promote the voluntary reduction of over 8,000 tonnes of CO₂ emissions among companies from all sectors operating in Spain.

¹⁵ This figure corresponds to the sum of charitable organisations supported in Spain, as reported by our shopping centres. In cases where two (or more) shopping centres have supported the same charitable organisation, this has been counted twice (or more times), in order to reflect each individual shopping centre's commitment.

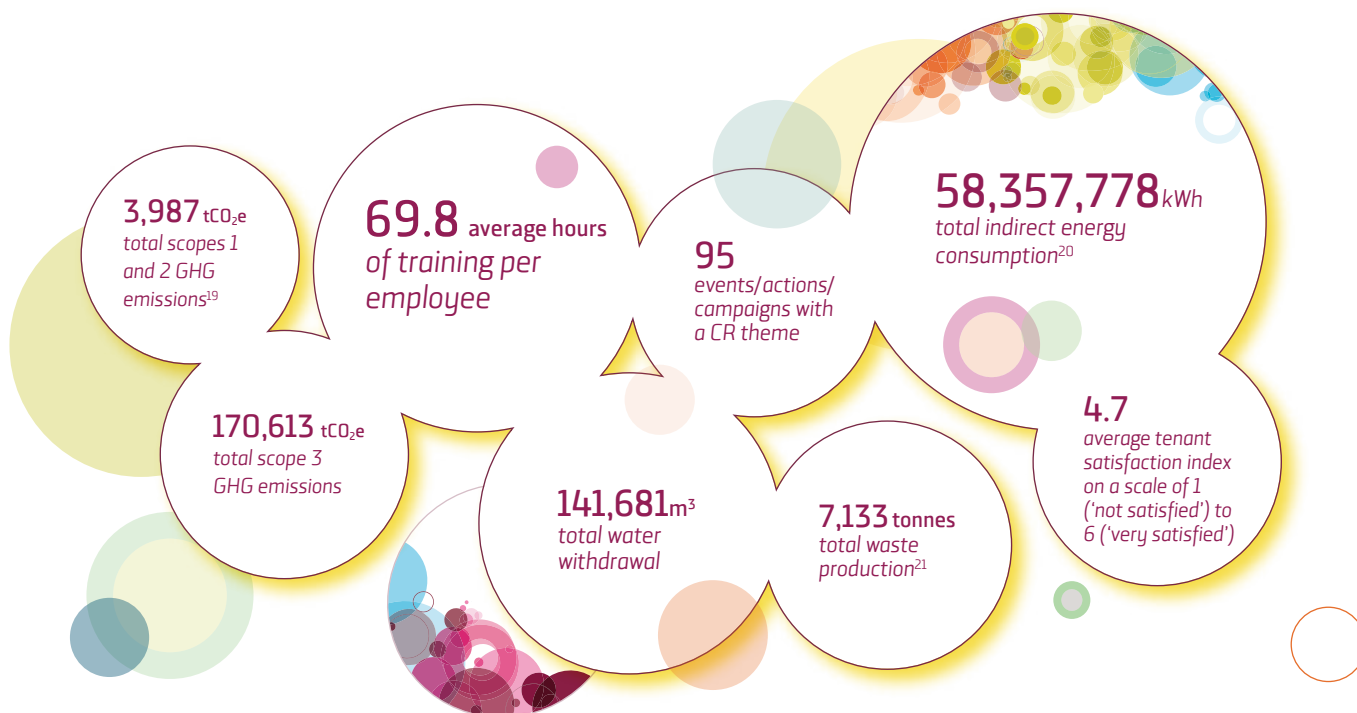
¹⁶ SPOs are behavioural audits designed to detect and correct potentially unsafe acts of behaviour.

CR Performance in Spain



Key Performance Indicators

	2009	2010	2011	Performance trend 2010-11	Best centre(s) in 2011
Energy and Climate: GHG emissions of the owned portfolio and corporate offices (tCO ₂ e/m ² GLA)	0.029	0.004	0.010	↓	Plaza Mayor ¹⁷ , 0.003 tCO ₂ e/m ² ; Valle Real and Parque Principado, both 0.005 tCO ₂ e/m ²
Energy and Climate: Electricity efficiency (excluding tenants) of our owned portfolio (kWh/m ² mall and toilet area)	324	310	293	↑	Plaza Mayor ¹⁷ , 98 kWh/m ² and Valle Real, 203 kWh/m ²
Water: Water efficiency (excluding tenants) of our owned portfolio (litres/visit)	2.8	2.5	2.3	↑	Dos Mares and GranCasa, both 0.9 litres/visit
Waste: Total waste recycled as a proportion of waste produced (% by weight, across our owned portfolio)	39%	44%	43%	↓	GranCasa, 63%
Tenants: Average occupancy index (% by GLA)	93.6%	93.1%	94.8%	↑	Valle Real, 99.9%
Communities and Visitors: Marketing investments in CR and other community contributions (€) ¹⁸	259,727	273,339	258,970	↓	GranCasa, €67,000
Employees: Investment in staff training and development (€ per capita)	994	550	623	↑	–
Safety and Health: Number of hours of SPO performed	3,108	2,963	2,251	↓	GranCasa, 416 hours



¹⁷ Whilst Plaza Mayor did achieve the best performance regarding GHG emissions and electricity efficiency across the Spanish portfolio, this shopping centre is not considered to be comparable with the others in terms of energy consumption since most of the shopping centre is open-air. For this reason, we have also highlighted the performance of Valle Real (for GHG emission and electricity efficiency) and Parque Principado (for GHG emissions only).

¹⁸ Includes donations collected from shopping centre visitors.

¹⁹ Please refer to our Economic, Environmental and Social Report 2011 (page 48) for a detailed breakdown of the sources of GHG emissions included in our carbon footprint (scopes 1, 2 and 3).
²⁰ Our total indirect energy consumption corresponds to our total consumption of electricity across all our shopping centres in Spain as well as the Madrid office (we do not consume other indirect energy sources in Spain).

²¹ Includes all owned shopping centres in Spain and the Madrid office.

CR Performance in Spain continued



Case Study

LUZ DEL TAJO SAVES 7,000KWH OF ELECTRICITY WITH A LIGHTING SOLUTION FOR LIFTS

Lighting is responsible for a significant amount of electricity consumption in our shopping centres. A report from the International Energy Agency highlights that switching to efficient lighting could cut the world's electricity bill by 10% and save 16,000 megatonnes of CO₂ in the years up to 2030.

Improving electricity efficiency is one of Sonae Sierra's public commitments, and with this in mind Luz del Tajo recently introduced an innovative measure to avoid wasteful consumption. The team identified that lighting was not needed in the shopping centre's lifts when they were not in use, and therefore decided to install presence sensors that would automatically switch the lights on and off. Fluorescent light bulbs were also substituted by more efficient LED bulbs by the maintenance contractor, Schindler.

The team calculated that the hours of operation would drop from 22 hours a day on average to eight hours, representing savings of almost 7,000kWh per year. This is equivalent to the yearly electricity consumption of a large household, and allows Luz del Tajo to save costs of €1,386 per year after a payback period of 3.2 years to cover the investment costs – a major accomplishment considering that this is achieved through changes to three lifts and four hoists! All light bulbs that need replacing at Luz del Tajo will be substituted with LED light bulbs from now on.



Case Study

EFFICIENT EQUIPMENT AND CREATIVE CAMPAIGNING SAVE WATER AT GRANCASA

Sonae Sierra's shopping centres in Spain are among the most water efficient in the portfolio – using 2.3 litres of water on average per visit in 2011. GranCasa decided to implement a programme to reduce visitors' water consumption in the shopping centre even further by acting on two different fronts: awareness raising and technical measures.

Between March and June 2011, the shopping centre organised five campaigns, at a total investment of €2,130. With the theme of saving water in everyday activities, these campaigns used different media such as awareness messages; television; leaflets with water saving tips and even a competition to incentivise shopping centre visitors to take shorter showers. Furthermore, improvement works being undertaken in the shopping centre toilets were seen as an opportunity to procure and install waterless urinals which would allow significant water savings. However, we faced some challenges: the work had to be done outside of business hours and the necessary investment had to fit within our existing budget. We were able to complete the work by spreading it between January and September 2011 and by rationalising costs, managing to fund the whole project for €7,000 in total.

Overall in 2011, GranCasa reduced its total water consumption by 0.5% in comparison with 2010. We hope that the awareness raising events have also inspired staff, tenants and visitors to use water more efficiently both inside and outside of the shopping centre.



Sonae Sierra in Italy

We currently have four shopping centres in our owned portfolio in Italy. Airone in Padova and Valecenter in Venice were acquired by us in 2005. Freccia Rossa in Brescia and Gli Orsi in Biella were developed by Sonae Sierra and inaugurated in 2008. In 2011 we entered the final stage of construction of Le Terrazze in La Spezia, which is scheduled to open in March 2012 and will add an additional 38,600m² of GLA to our portfolio. In 2011 we also won a mandate to manage Le Isole shopping centre in Gravellona Toce on behalf of its owners and a contract to lease the Bovisa Tech Shopping Park in Milan.

- 1: Airone
- 2: Freccia Rossa
- 3: Gli Orsi
- 4: Valecenter

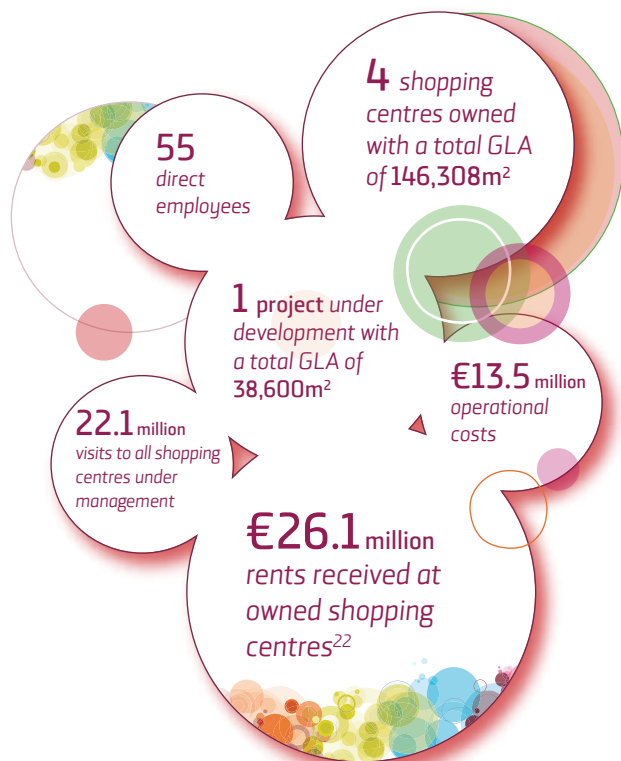


Certifications

- Le Terrazze was the first shopping centre in the world to simultaneously achieve ISO 14001 and OHSAS 18001 certifications for the Safety, Health and Environment Management System (SHEMS) of its construction works.

Key Achievements

- Reduced GHG emissions per m² of GLA by 15% in comparison with 2010.
- Reduced electricity consumption per m² of mall and toilet area by 8% in comparison with 2010.
- Reduced water consumption per visit by 5% in comparison with 2010.
- Increased our shopping centres' waste recycling rate to 60%, a 5% improvement in comparison with 2010.
- Introduced a CR audit procedure and carried out CR audits on all our critical Property Management suppliers.
- Launched the fourth edition of the Personæ Tenant Award for Safety and Health (winners: Primigi, Gli Orsi and Progetto Vista, Airone).
- Invested €113,240 in local community initiatives, supported 27 charitable organisations²³ and dedicated 236 hours of staff time to community volunteering.
- Held "Healthy Month" for the third time with activities to promote employees' health and well-being.
- Delivered an average 47.1 hours of training per employee, a 313% increase in comparison with 2010.
- Performed 316 hours of Safety, Health and Environment Preventive Observation (SPD)²⁴ across our shopping centres and in the Milan office.



²² This figure corresponds to the total rents invoiced (100%) to tenants of Sonae Sierra owned shopping centres in Italy. It has been calculated based on account performance between 1 January 2011 and 31 December 2011.

²³ This figure corresponds to the sum of charitable organisations supported in Italy, as reported by our shopping centres. In cases where two (or more) shopping centres have supported the same charitable organisation, this has been counted twice (or more times), in order to reflect each individual shopping centre's commitment.

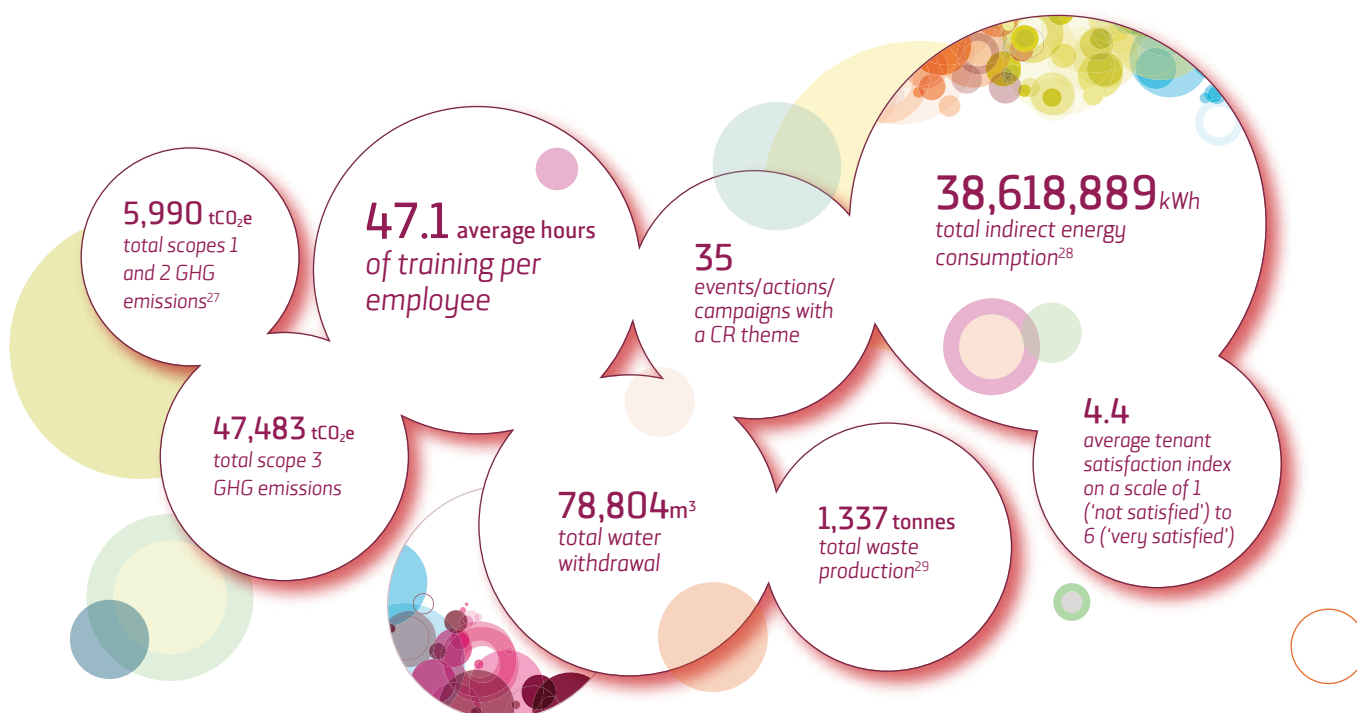
²⁴ SPDs are behavioural audits designed to detect and correct potentially unsafe acts of behaviour.

CR Performance in Italy



Key Performance Indicators

	2009	2010	2011	Performance trend 2010-11	Best centre(s) in 2011
Energy and Climate: GHG emissions of the owned portfolio and corporate offices (tCO ₂ e/m ² GLA)	0.054	0.048	0.041	↑	Valecenter, 0.023 tCO ₂ e/m ²
Energy and Climate: Electricity efficiency (excluding tenants) of our owned portfolio (kWh/m ² mall and toilet area)	667	619	567	↑	Valecenter, 522 kWh/m ²
Water: Water efficiency (excluding tenants) of our owned portfolio (litres/visit)	7.6	4.4	4.2	↑	Airone, 1.3 litres/visit,
Waste: Total waste recycled as a proportion of waste produced (% by weight, across our owned portfolio)	51%	57%	60%	↑	Airone ²⁵ , 93% and Valecenter, 74%
Tenants: Average occupancy index (% by GLA)	91.0%	94.6	94.3%	↓	Freccia Rossa, 98.6%
Communities and Visitors: Marketing investments in CR and other community contributions (€) ²⁶	123,205	119,143	113,240	↓	Valecenter, €41,287
Employees: Investment in staff training and development (€ per capita)	496	469	469	→	-
Safety and Health: Number of hours of SPO performed	455	423	316	↓	Gli Orsi, 90 hours



²⁵ Whilst Airone achieved the best performance, it is not considered to be comparable with the other shopping centres since the higher waste recycling rate is due to the fact that Sonae Sierra also manages paper and cardboard waste from the anchor supermarket. For this reason, we have also highlighted the performance of Valecenter.

²⁶ Includes donations collected from shopping centre visitors. Data for 2011 also includes investments in CR made through development projects' marketing budgets.

²⁷ Please refer to our Economic, Environmental and Social Report 2011 (page 48) for a detailed breakdown of the sources of GHG emissions included in our carbon footprint (scopes 1, 2 and 3). Our total indirect energy consumption corresponds to our total consumption of electricity, chilled water and high temperature hot water across all our shopping centres in Italy as well as the Milan office.

²⁹ Includes all owned shopping centres in Italy and the Milan office.



CR Performance in Italy continued



Case Study

REDUCING COSTS FOR TENANTS WITH AN ENERGY SAVING SOLUTION AT GLI ORSI

A common challenge in the property industry is that buildings which are designed to meet high standards of eco-efficiency do not always perform well in practice, and this is often a result of the building not being used in an efficient way by its occupiers. Although Gli Orsi was developed in accordance with our environmental standards, its electricity consumption in operation has been relatively high; in 2010 Gli Orsi consumed an average 601kWh per m² of mall and toilet area compared to a portfolio average of 514kWh during the same time period.

Gli Orsi shopping centre consists of four main buildings. We identified that the high demand for electricity was specifically connected with building A, which was accounting for 67% of the shopping centre's total electricity consumption. Within this building, there was a chocolate store which required high levels of cooling. We engaged with the tenant of this store to seek a solution which would enable us to improve the shopping centre's environmental performance and at the same time allow us to reduce service charge costs. We found that the best approach was to install a small cooling system in the chocolate store itself which would avoid the need to keep the main chillers running to meet this one shop unit's cooling needs.

This initiative resulted in considerable benefits: on a like-for-like basis, we reduced the total electricity consumption of building A by 31% in comparison with 2010 during the winter months, enabling the shopping centre to save 536,000kWh of electricity and avoid costs of €64,000 on its energy bill. Moreover, Gli Orsi was able to make a saving of around €180,000 on its service charge, mainly as a result of reductions in energy consumption achieved, and this saving will be passed back to tenants through a credit note in 2012.



Case Study

OUR PROACTIVE APPROACH TO SAFETY AND HEALTH MANAGEMENT EARNS US A REDUCTION IN INSURANCE COSTS

For Sonae Sierra, people are the most important asset. This is manifested in the activities of Sonae Sierra Italy where we are fully committed to safety and health at all levels. All of our sites operate Safety, Health and Environment Management Systems (SHEMS), and Gli Orsi, Valecenter and the Le Terrazze construction works have already achieved certification in accordance with OHSAS 18001.

However, despite the evident benefits for our personnel and Company (for example in the reduction of sickness absence) we had not registered any measurable cost savings. We therefore decided to research programmes that put a value on investment in good occupational safety and health practices. In 2011 we were informed about an economic incentive promoted by the European Agency for Safety and Health at Work that rewarded the improvement of occupational safety and health conditions. We verified that this programme was being implemented in Italy and we decided to apply, completing an application checklist where we identified which measures we had implemented.

Our application was successful and, due to good safety and health practices in our Company, we were granted a reduction in the National Institute for Insurance Against Accidents at Work (INAIL)³⁰ rate for the Sierra Management Italy Srl and Sierra Corporate Services SA businesses, representing a cost saving of around €3,791 per year. We are now working to achieve this reduction for our Sierra Developments Italy business.

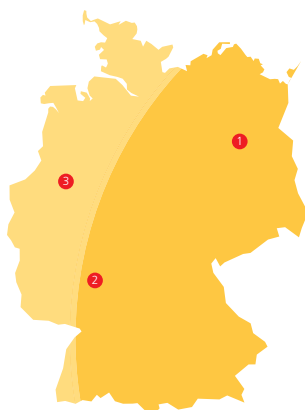
³⁰ Istituto Nazionale per L'Assicurazione contro gli Infortuni sul Lavoro.

Sonae Sierra in Germany

We first entered the German market in the year 2000, and we have since become the owners of three shopping centres in this country: Alexa in Berlin and Loop5 in Weiterstadt, both of which were developed by Sonae Sierra, and Münster Arkaden in Münster, which was acquired by us from another owner. On 31 December 2011, we had a further two projects under development in Germany: Solingen Shopping, which is under construction and scheduled to open in the fourth quarter of 2013 and Neue Mitte Garbsen, which is in preliminary phase of development. We also manage one shopping centre on behalf of other owners in Germany, and in 2011 we won a new mandate to provide property management and leasing management services for the future Bikini Berlin shopping centre.



- 1: Alexa
2: Loop5
3: Münster Arkaden



Awards and Acknowledgements

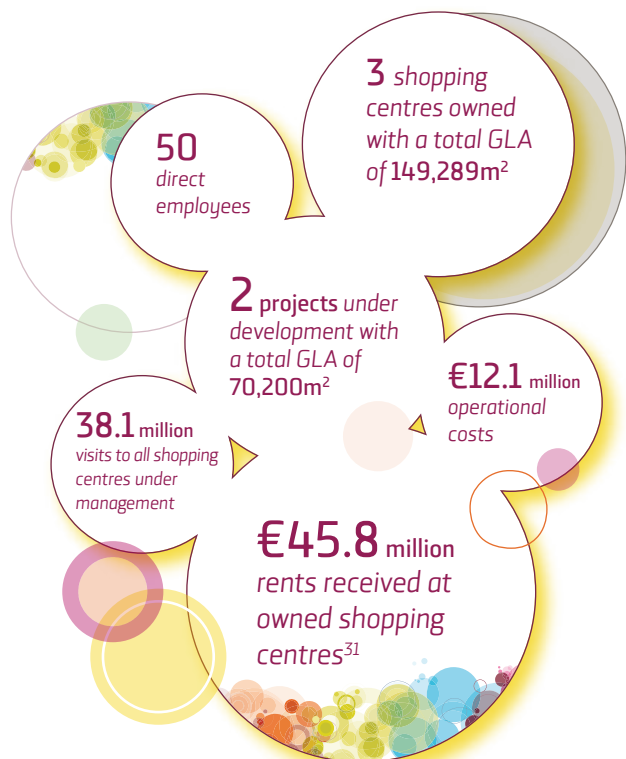
- Loop5 in Germany was commended in the 2011 ICSC European Shopping Centre Awards in the category "New Developments: Large".

Certifications

- ISO 14001 achieved for the Safety, Health and Environment Management System (SHEMS) of Loop5.
- OHSAS 18001 certification achieved for SHEMS of Münster Arkaden.

Key Achievements

- Reduced GHG emissions per m² of GLA by 33% in comparison with 2010.
- Reduced electricity consumption per m² of mall and toilet area by 8% in comparison with 2010.
- Reduced water consumption per visit by 21% in comparison with 2010.
- Increased our shopping centres' waste recycling rate to 69%, a 3% improvement in comparison with 2010.
- Introduced a CR audit procedure and carried out CR audits on all our critical Property Management suppliers.
- Increased our average occupancy index to 98.7%, a 1% improvement in comparison with 2010.
- Launched the fourth edition of the Personæ Tenant Award for Safety and Health (winners: C&A and Reformhaus Escher, both in Loop5).
- Invested €89,910 in local community initiatives, a 124% increase in comparison with 2010.
- Supported eight charitable organisations³² and dedicated 107 hours of staff time to community volunteering.
- Held "Healthy Month" for the third time with activities to promote employees' health and well-being.
- Delivered an average 28.9 hours of training per employee, a 40% increase in comparison with 2010.
- Performed 531 hours of Safety, Health and Environment Preventive Observation (SPO)³³ across our shopping centres and in the Düsseldorf office.



³¹ This figure corresponds to the total rents invoiced (100%) to tenants of Sonae Sierra owned shopping centres in Germany. It has been calculated based on account performance between 1 January 2011 and 31 December 2011.

³² This figure corresponds to the sum of charitable organisations supported in Germany, as reported by our shopping centres. In cases where two (or more) shopping centres have supported the same charitable organisation, this has been counted twice (or more times), in order to reflect each individual shopping centre's commitment.

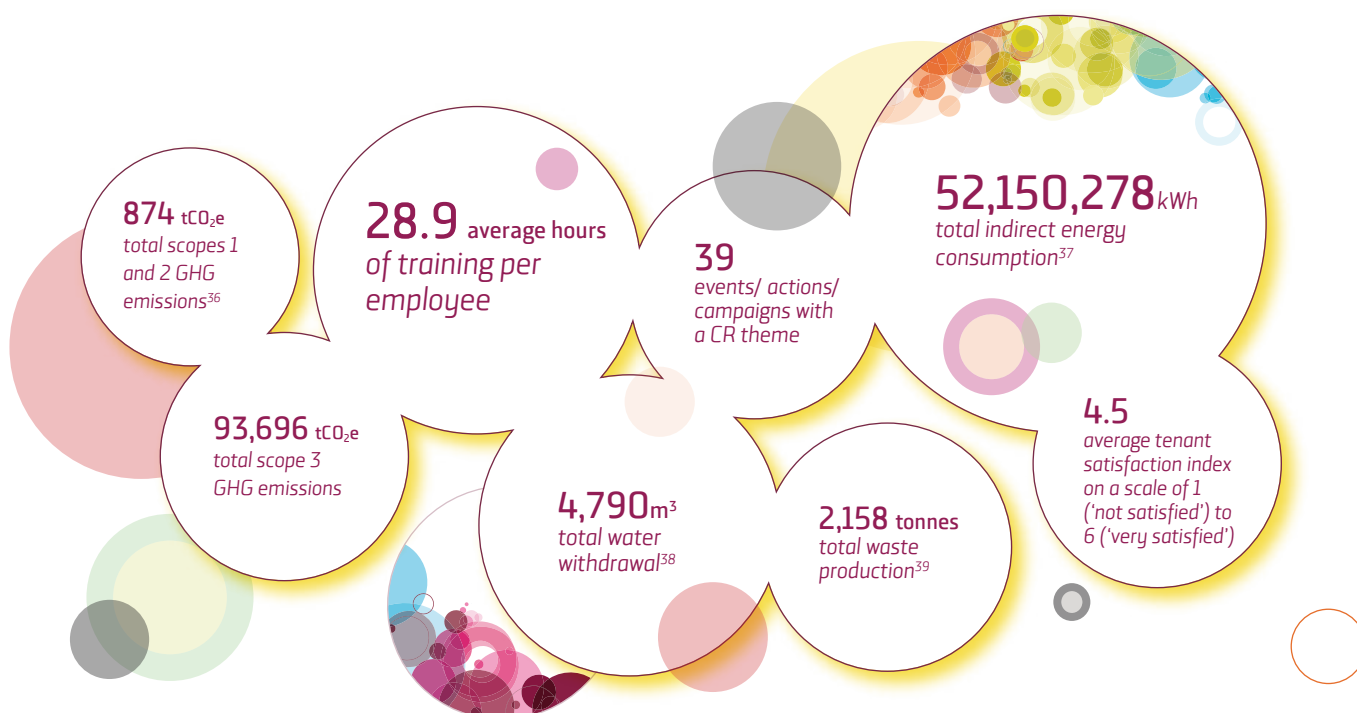
³³ SPOs are behavioural audits designed to detect and correct potentially unsafe acts of behaviour.

CR Performance in Germany



Key Performance Indicators

	2009	2010	2011	Performance trend 2010-11	Best centre(s) in 2011
Energy and Climate: GHG emissions of the owned portfolio and corporate offices (tCO ₂ e/m ² GLA)	0.087	0.009	0.006	⬆️	Münster Arkaden, 0.001 tCO ₂ e/m ²
Energy and Climate: Electricity efficiency (excluding tenants) of our owned portfolio (kWh/m ² mall and toilet area)	674	631	582	⬆️	Münster Arkaden, 511 kWh/m ²
Water: Water efficiency (excluding tenants) of our owned portfolio (litres/visit) ³⁴	2.0	2.4	1.9	⬆️	Münster Arkaden, 0.4 litres/visit
Waste: Total waste recycled as a proportion of waste produced (% by weight, across our owned portfolio)	66%	67%	69%	⬆️	Münster Arkaden, 78%
Tenants: Average occupancy index (% by GLA)	94.1%	97.7%	98.7%	⬆️	Münster Arkaden, 100%
Communities and Visitors: Marketing investments in CR and other community contributions (€) ³⁵	88,083	40,184	89,910	⬆️	Loop5, €39,375
Employees: Investment in staff training and development (€ per capita)	569	349	779	⬆️	-
Safety and Health: Number of hours of SPO performed	374	635	531	⬇️	Münster Arkaden, 341 hours



³⁴ Loop5 was excluded from this indicator due to problems with water meters and because the Building Management System (BMS) at this shopping centre was not fully operational in 2011.

³⁵ Data for 2011 also includes investments in CR made through development projects' marketing budgets.

³⁶ Please refer to our Economic, Environmental and Social Report 2011 (page 48) for a detailed breakdown of the sources of GHG emissions included in our carbon footprint (scopes 1, 2 and 3).

³⁷ Our total indirect energy consumption corresponds to our total consumption of electricity, chilled water and high temperature hot water across all our shopping centres in Germany as well as the Düsseldorf office.

³⁸ Loop5 was excluded from this indicator for the reasons stated above. Alexa was also excluded as it was not possible to determine rainwater consumptions for this shopping centre.

³⁹ Includes all owned shopping centres in Germany and the Düsseldorf office.



CR Performance in Germany continued



Case Study

LOOP5 REDUCES ITS ELECTRICITY CONSUMPTION AND PROMOTES THE USE OF RENEWABLE-BASED ENERGY SUPPLIES

Buildings consume around 40% of the world's energy and are responsible for nearly the same amount of carbon emissions. Shifting buildings' energy consumption towards low carbon electricity and renewable energy contributes to mitigating global climate change. In keeping with Sonae Sierra's commitment to operate its shopping centres in an environmentally responsible way, Loop5 has taken action to reduce its electricity consumption and promote the use of renewable-based energy supplies.

In 2011, Loop5 achieved a 12% reduction in its electricity consumption (kWh per m²) in comparison with 2010 by following a comprehensive plan which involved optimising the mall lighting. Since 2009, the shopping centre has also been supplied by a certified renewable energy-based electricity contract. In 2011, Loop5 also agreed a new contract for its supply of natural gas which will enable the CO₂ emissions generated by the shopping centre's gas consumption to be offset through a reforestation project verified by independent third parties.

Furthermore, in 2010, Loop5 investigated the possibility of installing an on-site renewable energy system. The shopping centre team found that the optimum way to do this would be to rent out the shopping centre's roof space to a third party who could install and own a photovoltaic (PV) system. In November 2010, a contract was signed with Walter Konzept offering a 20 year lease term for Loop5's roof top space and in 2011, a PV array was installed consisting of 2,838 panels. The system is expected to produce 600,000kWh of electricity annually which will be fed into the energy grid, thereby adding renewable energy to the energy mix. Besides enabling 300 tonnes of CO₂ to be averted each year, this arrangement benefits Loop5 financially as an annual rental income will be received from Walter Konzept.



Case Study

FAIR TRADE WEEK AT MÜNSTER ARKADEN

Fair trade is about allowing better prices, decent working conditions, local sustainability, and fair terms of trade for farmers and workers in the developing world. In 2008, German consumers spent just €2.58 per head for fair trade goods. By contrast, British consumers spent €14.61. Although German consumers can buy foods with the Fair Trade label nationwide in over 30,000 shops, a lot of people are still unaware of the range of fair trade products offered. Identifying that many fair trade products are already offered at Münster Arkaden, we worked together with our Community Advisory Panel members; the local retail association; the German Council for Fairtrade products and other local associations on a project to promote sales of fair trade products.

First of all we performed a 'mystery shopper' exercise to assess shop staff knowledge about fair trade products and work with them to improve their ability to promote fair trade. Then in May 2011, we held a Fair Trade Week for visitors to promote fair trade in the shopping centre and support the City of Münster as a candidate for Fair Trade City. We organised a varied programme of activities, including: an oriental dance and story-telling for children to promote fair trade carpets sold by our tenant Nyhues; an open lecture about the impact of fair trade in Africa; fair trade chocolate tasting and promotion of other fair trade goods courtesy of our supermarket tenant BioMarkt; fair trade wine tasting at the Restaurant Pablo; a fair trade cocktail party at the Restaurant Holstein; promotion of fair trade books by tenant Thalia and stands in the mall area to inform visitors about fair trade.

Fair Trade Week received very positive feedback from tenants and visitors. Several people commented that they had not been aware about fair trade products or did not know that they were available in the shopping centre, so that event achieved the goal of raising awareness about the offer of products available.



Sonae Sierra in Greece



In 1999, Sonae Sierra entered the Greek market to seek new opportunities for developing shopping centres. In 2005, we inaugurated our first Greek shopping centre, Mediterranean Cosmos, located in Thessaloniki. In 2008 we completed our second shopping centre, Pantheon Plaza in Larissa, adding a further 21,058m² of GLA to our Greek portfolio. In 2010, we sold our interest in Mediterranean Cosmos as part of our capital recycling strategy, meaning that Pantheon Plaza is now the only shopping centre which we own in Greece. On 31 December 2011, we also had two new projects in the pipeline, one located in the city of Ioannina and another, Star Dome, in Athens.

1: Pantheon Plaza



Key Achievements

- Reduced water consumption per visit by 3% in comparison with 2010.
- Commenced the implementation of an energy saving plan at the Athens office, through the replacement of electrical ballasts.
- Increased Pantheon Plaza's waste recycling rate to 50%, a 9% improvement in comparison with 2010, having made efforts to raise awareness among tenants about good waste recycling practices.
- Introduced a CR audit procedure and carried out CR audits on all our critical Property Management suppliers.
- Launched the fourth edition of the Personæ Tenant Award for Safety and Health (winners: Media Markt and EXE).
- Invested €77,621 in local community initiatives, a 62% increase in comparison with 2010.
- Supported five charitable organisations and dedicated 141 hours of staff time to community volunteering.
- Held "Healthy Month" for the third time with activities to promote employees' health and well-being.
- Delivered an average 48.6 hours of training per employee, a 9% increase in comparison with 2010.
- Performed 84 hours of Safety, Health and Environment Preventive Observation (SPD)⁴² at Pantheon Plaza and in the Athens office.



⁴⁰ The Star Dome project is expected to have a GLA of 38,500m². However, data is not yet available for our project in Ioannina.

⁴¹ This figure corresponds to the total rents invoiced (100%) to tenants of the Sonae Sierra owned shopping centre in Greece. It has been calculated based on account performance between 1 January 2011 and 31 December 2011.

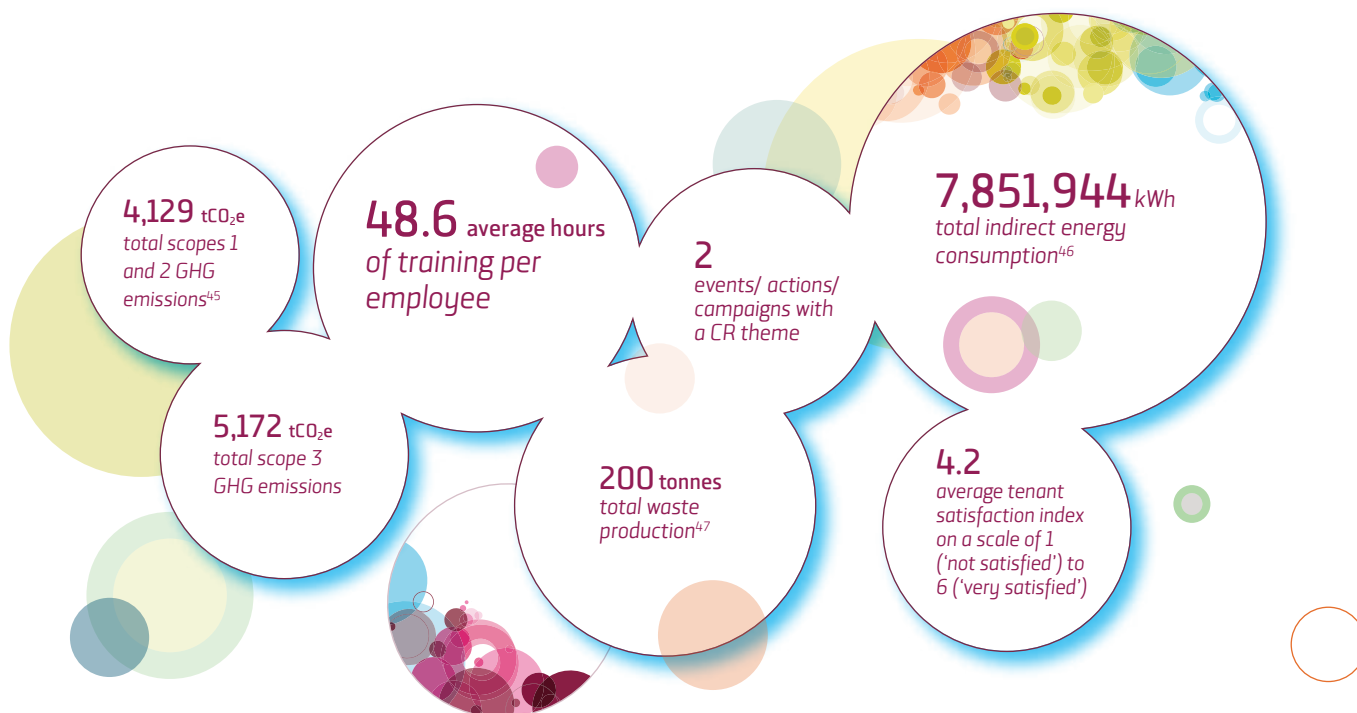
⁴² SPDs are behavioural audits designed to detect and correct potentially unsafe acts of behaviour.

CR Performance in Greece



Key Performance Indicators⁴³

	2009	2010	2011	Performance trend 2010-11
Energy and Climate: GHG emissions of the owned portfolio and corporate offices (tCO ₂ e/m ² GLA)	0.237	0.192	0.199	
Energy and Climate: Electricity efficiency (excluding tenants) of our owned portfolio (kWh/m ² mall and toilet area)	725	318	350	
Water: Water efficiency (excluding tenants) of our owned portfolio (litres/visit)	n.d. ⁴⁴	3.5	3.4	
Waste: Total waste recycled as a proportion of waste produced (% by weight, across our owned portfolio)	25%	46%	50%	
Tenants: Average occupancy index (% by GLA)	99.0%	93.3%	73.0%	
Communities and Visitors: Marketing investments in CR and other community contributions (€)	58,389	48,015	77,621	
Employees: Investment in staff training and development (€ per capita)	988	1,071	748	
Safety and Health: Number of hours of SPD performed	418	160	84	



⁴³ It should be noted that data from 2009 includes Mediterranean Cosmos as well as Pantheon Plaza, except in the cases of the Energy and Climate indicators (which only included Mediterranean Cosmos in 2009 due to faults with the energy meters at Pantheon Plaza), and the Water indicator (which was not possible to measure at either shopping centre in 2009). Data from 2010 and 2011 includes Pantheon Plaza only, due to the sale of Mediterranean Cosmos in 2010.

⁴⁴ 'n.d.' stands for 'no data', meaning that no data is available for this indicator/ time period.

⁴⁵ Please refer to our Economic, Environmental and Social Report 2011 (page 48) for a detailed breakdown of the sources of GHG emissions included in our carbon footprint (scopes 1, 2 and 3).

⁴⁶ Our total indirect energy consumption corresponds to our total consumption of electricity at Pantheon Plaza and in the Athens office (we do not consume other indirect energy sources in Greece). We have not reported 'total water withdrawal' for Greece because it was not possible to distinguish rainwater withdrawal and water withdrawn from mixed sources at Pantheon Plaza in 2011.

⁴⁷ Includes Pantheon Plaza and the Athens office.

CR Performance in Greece continued



Case Study

PREVENTING OCCUPATIONAL DISORDERS AT THE ATHENS OFFICE

As it is widely known, neck and shoulder strain, back pain and tendonitis are prevalent disorders among office workers. Whilst the Athens office has taken the positive step of providing its employees with ergonomic equipment (for example, an ergonomic chair, keyboard and mouse), the risk entailed by the above mentioned complaints, caused by bad posture while working, remained a cause for concern.

To address this issue, a training session on musculoskeletal disorders and best practices was implemented during a regular Safety, Health and Environment Meeting. An experienced physiotherapist led the session, presenting and describing in detail the symptoms, causes and results of each disorder. In addition, he showed a video which demonstrated correct seating and positioning of the body while working as well as good practices to fit around daily lifestyles. Finally, he demonstrated some easy and short exercises that employees can perform even in the workplace during work hours.

Employees came away from the training session with a much greater awareness of the negative and serious effects that bad posture and wrong handling of their working equipment can have, and fully informed about proper ways to work without damaging their health.



Case Study

SUPPORTING THE LOCAL COMMUNITY THROUGH A DIFFICULT TIME IN GREECE

With the effects of the economic crisis being felt throughout Europe and especially Greece, donating time and resources to local communities is all the more important.

Many municipal offices and organisations in Greece cannot afford to purchase new equipment, furniture or even stationery, while often their existing ones are too old and unfit for use. In October 2011, workers at the Athens office collectively took the decision to contribute to the relief effort for one municipality that had suffered the most from the economic crisis by donating excess furniture and stationery. Through this action the Athens office was able to improve the working conditions of a number of employees based in the municipality of Agioi Anargiroi. We were delighted to receive a complimentary letter from the Mayor of the Municipality of Agioi Anargiroi expressing his gratitude on their behalf.

Separately, as part of the Sonae Sierra Community Day, employees from the Athens office gathered on one of the most popular and crowded municipal beaches in Athens in order to carry out a clean-up operation. By dedicating their time to this cause, the Athens office aimed to contribute to enabling the beach to safely host swimmers during the upcoming summer season; an issue that is increasingly neglected by municipalities owing to financial limitations. Participants gathered more than 50 bags of waste, which were then collected by specifically allocated municipal vehicles for safe disposal. Altogether, Sonae Sierra staff in Greece donated 141 hours of their time to community volunteering activities in 2011, meaning that our employees in this country dedicated the highest proportion of their time to volunteering, using over 100% of their volunteering day entitlements.

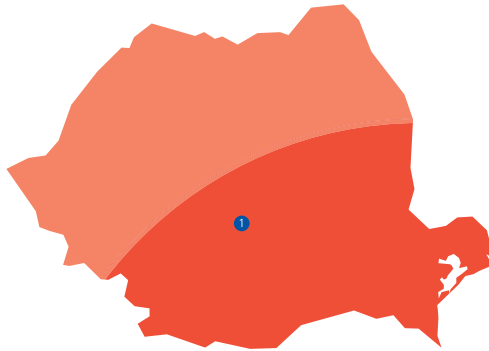


Sonae Sierra in Romania

In 2007 we entered the Romanian market with the acquisition of River Plaza Mall, located in the city of Ramnicu Valcea. Since then we have been working on the development of two further projects; Adora Mall in Craiova, with a GLA of around 59,000m², and Ploiesti Shopping in Ploiesti, which is expected to add around 64,000m² of GLA to our Romanian portfolio. In 2011, we continued to manage the Militari Commercial Gallery shopping centre on behalf of its owner and we won new mandates to provide leasing services for a further three shopping centres which are owned by other parties. All together, these activities are enabling us to strengthen our presence in the Romanian market.



1: River Plaza Mall



Certifications

- ISO 14001 achieved for the Safety, Health and Environment Management System (SHEMS) of River Plaza Mall.

Key Achievements

- Reduced GHG emissions per m² of GLA by 14% in comparison with 2010.
- Reduced electricity consumption per m² of mall and toilet area by 5% in comparison with 2010.
- Reduced water consumption per visit by 21% in comparison with 2010.
- Increased River Plaza Mall's waste recycling rate to 41%, a 17% improvement in comparison with 2010.
- Introduced a CR audit procedure and carried out CR audits on all our critical Property Management suppliers.
- Launched the fourth edition of the Personæ Tenant Award for Safety and Health (winners: McDonald's and Pizza Star).
- Invested €4,809 in local community initiatives, a 37% increase in comparison with 2010.
- Supported eight charitable organisations and dedicated 95 hours of staff time to community volunteering.
- Held "Healthy Month" for the third time with activities to promote employees' health and well-being.
- Performed 208 hours of Safety, Health and Environment Preventive Observation (SPO)⁴⁹ across our shopping centres and in the Bucharest office.



⁴⁸ This figure corresponds to the total rents invoiced (100%) to tenants of the Sonae Sierra owned shopping centre in Romania. It has been calculated based on account performance between 1 January 2011 and 31 December 2011. The conversion rate used to convert the Romanian value in Lei to Euro (€) was 0.23618. The same exchange rate applies for other financial data for Romania.

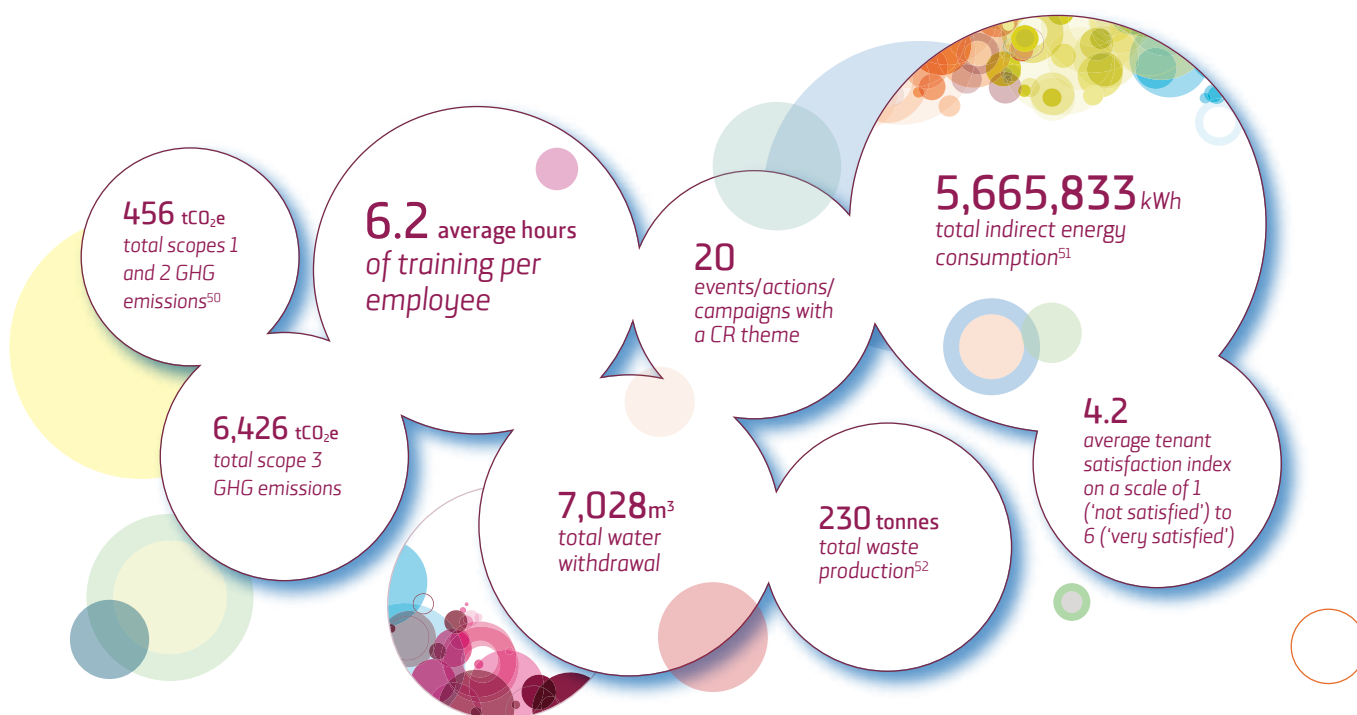
⁴⁹ SPOs are behavioural audits designed to detect and correct potentially unsafe acts of behaviour.

CR Performance in Romania



Key Performance Indicators

	2009	2010	2011	Performance trend 2010-11
Energy and Climate: GHG emissions of the owned portfolio and corporate offices (tCO ₂ e/m ² GLA)	0.066	0.051	0.044	↑
Energy and Climate: Electricity efficiency (excluding tenants) of our owned portfolio (kWh/m ² mall and toilet area)	424	397	378	↑
Water: Water efficiency (excluding tenants) of our owned portfolio (litres/visit)	3.3	2.8	2.2	↑
Waste: Total waste recycled as a proportion of waste produced (% by weight, across our owned portfolio)	n.d.	35%	41%	↑
Tenants: Average occupancy index (% by GLA)	84.8%	82.2%	81.4%	↓
Communities and Visitors: Marketing investments in CR and other community contributions (€)	7,279	3,521	4,809	↑
Employees: Investment in staff training and development (€ per capita)	1,644	81	83	↑
Safety and Health: Number of hours of SPQ performed	313	275	208	↓



⁵⁰ Please refer to our Economic, Environmental and Social Report 2011 (page 48) for a detailed breakdown of the sources of GHG emissions included in our carbon footprint (scopes 1, 2 and 3).

⁵¹ Our total indirect energy consumption corresponds to our total consumption of electricity at River Plaza Mall and in the Bucharest office. High temperature hot water consumption at River Plaza Mall was excluded because we do not have meters in place to separate tenant and landlord-controlled area consumptions.

⁵² Includes River Plaza Mall and the Bucharest office.



CR Performance in Romania continued



Case Study

PROMOTING SAFETY AND HEALTH AWARENESS IN THE LOCAL COMMUNITY AT RIVER PLAZA MALL

In 2011 River Plaza Mall decided to take a positive step forward towards meeting its commitments for improving awareness of safety and health issues among citizens of Ramnicu Valcea and maintaining strong links with the local community.

To commemorate the Global Day of Safety and Health at Work (28 April), a full day of activities was offered to more than 150 children, with the aim of teaching them about safety and health issues. Pupils received instruction on a series of preventive actions, covering the risks associated with escalators, lifts, slippery floors and fire. A booklet featuring games and important information was distributed both as a guide to accompany the activities, and as a follow up material to help maintain awareness after the session. To keep the children entertained and motivated, they were invited to take part in a series of activities, for example, using the escalators and lifts safely, interacting with an educational theatrical performance, singing themed songs, drawing safety signs and participating in a road safety driving school. At the end of the session they were presented with a magic show, and took home balloons, t-shirts and their own safety manual promoted by WIKI, Sonae Sierra's child safety mascot.

On the occasion of the "International Youth Day", celebrated on 12 August, River Plaza Mall hosted educational activities on the subject of road safety in collaboration with the police. Leaflets providing information and questionnaires about road safety were distributed to both pedestrian visitors and drivers. The car park was used to host racing car models together with local children.



Case Study

ENVIRONMENTAL LEADERSHIP AT RIVER PLAZA MALL

In 2011 River Plaza Mall became the first shopping centre in Romania to achieve ISO 14001 certification for its Safety, Health and Environmental Management System (SHEMS), granted by LLOYD's Register Quality Assurance. The achievement of this internationally established standard demonstrates that the SHEMS plays a prominent role in the daily operation of River Plaza Mall.

River Plaza Mall continues to promote good environmental practices. In 2011, for example, we identified a series of actions with our largest energy-consuming tenants to save energy and costs, some of which were commenced in 2011 and others which will be put in place in 2012. These included:

- Installation of movement sensors for lighting control in tenant unit areas that are used only by personnel.
- Optimisation of the HVAC equipment controlled by tenant units.
- Replacement of incandescent lamps with fluorescent ones that consume less power.
- Improving the preventive maintenance plan for electrical equipment in tenant units.

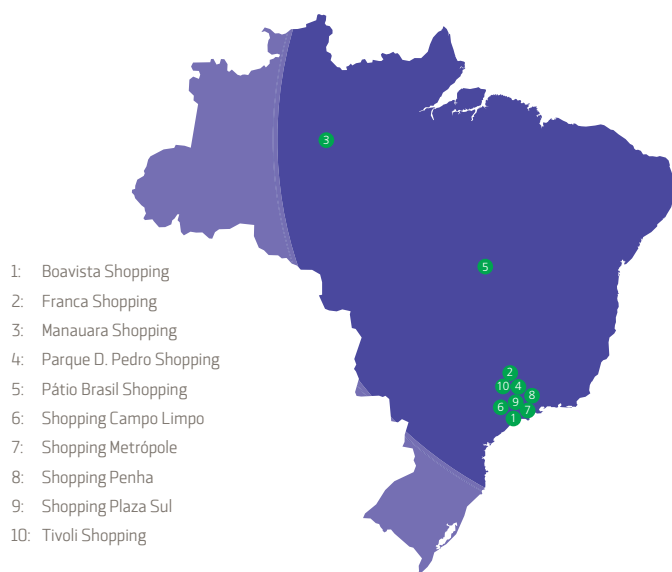


Sonae Sierra in Brazil



Sonae Sierra Brasil is a 50/50 partnership between Sonae Sierra and Developers Diversified Realty (DDR), one of the USA's largest real estate investment trusts (REIT) focused on the shopping centre sector. Sonae Sierra Brasil's business operates autonomously and is focused on investing in, developing and managing shopping centres in Brazil. The division aims to become one of Brazil's leading companies in the shopping centre sector. 2011 marked a historic milestone for Sonae Sierra Brasil as we became a publicly listed company following an Initial Public Offering in February.

In 2011, Sonae Sierra Brasil owned ten shopping centres; eight located in the São Paulo state, one located in Brasília and one in Manaus. We entered the final stage of construction of Uberlândia Shopping, in the Minas Gerais state, which is scheduled to open in March 2012. We proceeded with the development of Boulevard Londrina Shopping in the state of Paraná. Furthermore, we commenced the construction of Passeio das Águas Shopping in Goiânia, Goiás, which is scheduled to be inaugurated in 2013 and will offer 282 stores within 78,100m² of GLA. We also completed expansion projects on two of our existing centres; Shopping Metrôpole and Shopping Campo Limpo.



Awards and Acknowledgements

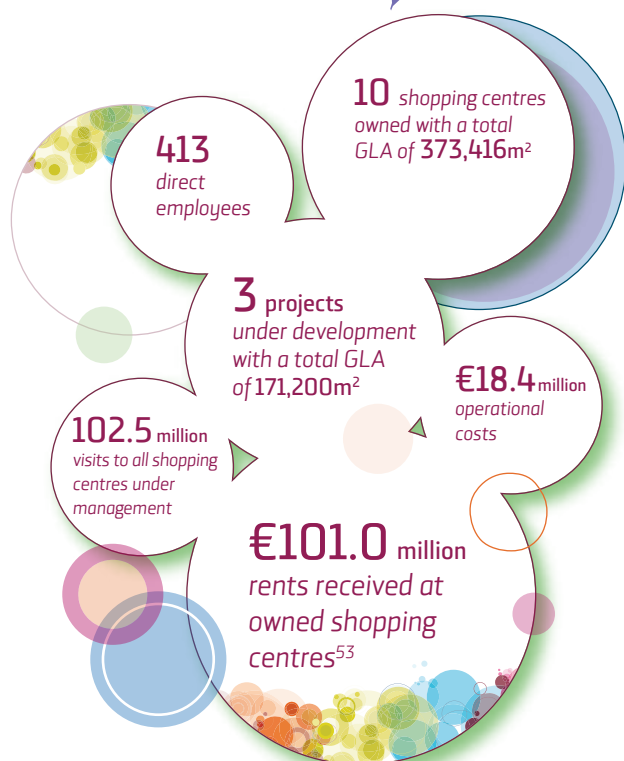
- Distinguished as the Best Retail Developer in Brazil and the Best Retail Developer in Latin America in the Euromoney magazine Real Estate Awards for Excellence.

Certifications

- ISO 14001 and OHSAS 18001 certifications achieved for the Safety, Health and Environment Management System (SHEMS) of the Uberlândia Shopping construction works.

Key Achievements

- Reduced GHG emissions per m² of GLA by 18% in comparison with 2010.
- Increased our shopping centres' waste recycling rate to 51%, a 9% improvement in comparison with 2010.
- Held several events to raise visitors' awareness of biodiversity issues, including the fourth edition of the Pátio Brasil Shopping international eco-cartoon competition and exhibition on the theme of biodiversity.
- Introduced a CR audit procedure and carried out CR audits on all our critical Property Management suppliers.
- Increased our average occupancy index to 98.7%, a 1% improvement in comparison with 2010.
- Launched the fourth edition of the Personæ Tenant Award for Safety and Health (winners: Magazine Luiza and Roasted Potato, both in Shopping Penha).
- Invested €481,975 in local community initiatives, a 66% increase in comparison with 2010.
- Supported 91 charitable organisations⁵⁴ and dedicated 1,012 hours of staff time to community volunteering.
- Implemented measures to increase visitor satisfaction across all shopping centres in Brazil and held two sales campaigns with a focus on environmental responsibility.
- Delivered an average 64.5 hours of training per employee, an 86% increase in comparison with 2010.
- Performed 4,373 hours of Safety, Health and Environment Preventive Observation (SPO)⁵⁵ across our shopping centres and in the São Paulo office.



⁵³ This figure corresponds to the total rents invoiced (100%) to tenants of Sonae Sierra owned shopping centres in Brazil. It has been calculated based on account performance between 1 January 2011 and 31 December 2011. The conversion rate used to convert the Brazilian value in Reais to Euro (€) was 0.43061. The same exchange rate applies for other financial data for Brazil.

⁵⁴ This figure corresponds to the sum of charitable organisations supported in Brazil, as reported by our shopping centres. In cases where two (or more) shopping centres have supported the same charitable organisation, this has been counted twice (or more times), in order to reflect each individual shopping centre's commitment.

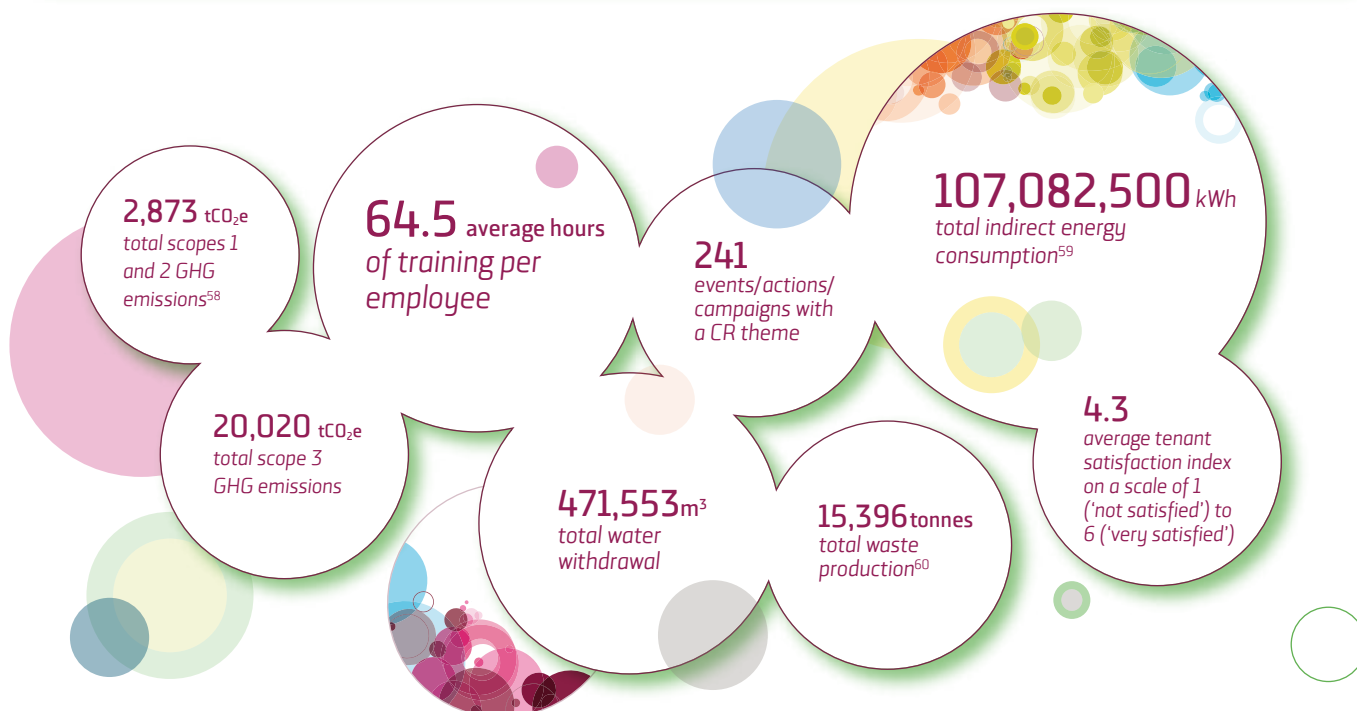
⁵⁵ SPOs are behavioural audits designed to detect and correct potentially unsafe acts of behaviour.

CR Performance in Brazil



Key Performance Indicators

	2009	2010	2011	Performance trend 2010-11	Best centre(s) in 2011
Energy and Climate: GHG emissions of the owned portfolio and corporate offices (tCO ₂ e/m ² GLA)	0.007	0.011	0.009	↑	Franca Shopping ⁵⁶ , 0.001 tCO ₂ e/m ² and Tivoli Shopping, 0.003 tCO ₂ e/m ²
Energy and Climate: Electricity efficiency (excluding tenants) of our owned portfolio (kWh/m ² mall and toilet area)	568	552	582	↓	Franca Shopping ⁵⁶ , 87 kWh/m ² and Tivoli Shopping, 336 kWh/m ²
Water: Water efficiency (excluding tenants) of our owned portfolio (litres/visit)	4.9	5.2	5.3	↓	Shopping Campo Limpo, 2.1 litres/visit
Waste: Total waste recycled as a proportion of waste produced (% by weight, across our owned portfolio)	46%	47%	51%	↑	Manauara Shopping, 73%
Tenants: Average occupancy index (% by GLA)	96.9%	97.6%	98.7%	↑	Franca Shopping and Shopping Campo Limpo, 99.5%
Communities and Visitors: Marketing investments in CR and other community contributions (€) ⁵⁷	259,038	290,894	481,975	↑	Pátio Brasil, €161,899
Employees: Investment in staff training and development (€ per capita)	599	638	342	↓	-
Safety and Health: Number of hours of SPO performed	4,242	4,583	4,373	↓	Manauara Shopping, 881 hours



⁵⁶ Whilst Franca Shopping achieved the best performance with respect to GHG emissions and electricity efficiency, it is not considered to be comparable with other shopping centres since it is partly open-air. For this reason, we have also highlighted the performance of Tivoli Shopping.

⁵⁷ Data for 2011 also includes investments in CR made through development projects' marketing budgets.

⁵⁸ Please refer to our Economic, Environmental and Social Report 2011 (page 48) for a detailed breakdown of the sources of GHG emissions included in our carbon footprint (scopes 1, 2 and 3).
⁵⁹ Our total indirect energy consumption corresponds to our total consumption of electricity across all our shopping centres in Brazil as well as the São Paulo office (we do not consume other indirect energy sources in Brazil).

⁶⁰ Includes all owned shopping centres in Brazil and the São Paulo office.

CR Performance in Brazil continued



Case Study

PROMOTING HEALTHIER LIFESTYLES AT SHOPPING CENTRES IN BRAZIL

The World Health Organisation advocates the significant health benefits of regular moderate physical activity such as walking, cycling, or participating in sports, which studies have shown to reduce the risks of cardiovascular diseases, diabetes and certain types of cancer. Recognising the importance of physical activity, Sonae Sierra Brasil has launched a series of initiatives carried out across its shopping centres designed to promote health and well-being while strengthening social relations with the community and reinforcing its social outreach dimension.

Shopping Penha first started a sports project in 2005, offering local people over the age of 50 the opportunity to sign up for hiking, stretching, exercise classes and ballroom dancing. In partnership with CLUBE A (Unibanco), Sonda Supermarket and EKO Academy, this project aims to boost the quality of life of its target group. Provided free of charge, all activities are accompanied by qualified physical trainers. The initiative has seen high turnout figures: around 150 students are currently enrolled in the hiking project and around 80 students are signed up for the dance classes.

Also targeted at senior members of the public, Shopping Plaza Sul commenced its Back in Bloom initiative in 2008, designed to establish closer relations with the community as well as to improve health and quality of life by promoting physical exercise for people over the age of 60 in a social and entertaining atmosphere. In partnership with the 'Monday Academy', the project offers walking and physical exercise activities twice a week under the expert guidance of teachers. Currently there are 34 students enrolled.

Boavista Shopping has also launched a sports group, aiming to unite local residents and to stimulate interest in physical exercise; an initiative that demonstrates commitment to the health and well-being of the community as well as encouraging more consumers to visit the centre. The activities on offer every fortnight at Boavista Shopping are a warm up class involving stretching and posturing and a 5km walk around the shopping centre, under the guidance of qualified professionals. Boavista Shopping's sport group has proved very popular, attracting new participants from the surrounding area. Next year, the shopping centre will reinforce the programme by seeking sponsors, more qualified health professionals and stronger promotion in the local community.

"I like participating in this walking exercise, because I try to keep myself fit and I received an invitation to join in through a friend."

Cinara Mendes dos Santos, Boavista Shopping Sports Group

"I want to congratulate you on providing such a simple but brilliant idea for our community."

Ivan, Boavista Shopping Sports Group

"I would like to thank the Plaza Sul Shopping for this initiative providing free physical activities, because we all need exercises for a better life."

Pedro Luiz Pereira Campos, Shopping Plaza Sul 'Back in Bloom'



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We want to hear your views

We welcome your feedback on our approach to CR. An electronic feedback form is available on our website:

<http://www.sonaesierra.com/en-gb/corporateresponsibility/reportsandfeedback/feedback.aspx>