



SONAE SIERRA

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SONAE SIERRA PUBLISHES FIRST CORPORATE RESPONSIBILITY REPORT CORPORATE RESPONSIBILITY 2004... IT'S ABOUT VALUE

"Good corporate responsibility is about meeting the concerns of our tenants and visitors, making long-term commitments to communities where we invest, treating our staff with respect, and maintaining excellent relations with our financiers, business partners and suppliers." Alvaro Portela, CEO Sonae Sierra

Sonae Sierra has always taken its corporate responsibilities seriously. With 410 million visitors to our shopping centres annually, and over 6100 tenant contracts worldwide, we recognise the significant impact our activities have on the environment, the economy and the communities within which we operate.

Importantly, we believe that CR is fundamentally aligned with good risk management. Our diligence and integrity in effectively managing economic, social and environmental concerns is driven by a duty of care to our investors and financiers as we recognise their potential to impact on our long-term financial performance.

With increasing expectations from our stakeholders about transparency and disclosure, we have taken the decision this year to report on our corporate responsibility approach for the first time. Our 2004 CR Report has recently been sent out to a wide range of important stakeholders, accompanying the 2004 Annual Report & Accounts. Just as the latter includes detailed financial performance indicators, our CR Report 2004 includes detailed economic, social and environmental performance indicators to track our progress over time.

Particular highlights to look out for in the CR Report 2004 include:

- **Local Economy and Job Creation**

One of our CR objectives is to improve local economic conditions by creating employment opportunities and providing high quality accommodation to local retailers. By way of example, in 2004 we created a total of 5,291 jobs as a result of our completed developments.

We also recognise the importance of offering space to local retailers in our centres, and we are particularly proud of our newest development Luz del Tajo (Toledo in Spain), where 33% of retailers within the centre were originally local retailers.

PRESS RELEASE



- **Safety and Health**

2004 was a landmark year in advancing our safety and health management system as we launched a major programme known as PERSONÆ with our partners, DuPont.

This 4 year programme aims to develop a zero accident culture, and preparations to this end have begun in earnest, with the creation of a Safety and Health Office. Our record in 2004 was an encouraging start, with zero fatalities and 4 injuries with lost staff time – although of course this is still 4 too many.

Our approach to safety and health stretches beyond our own operations, and we work closely with our tenants on issues ranging from food safety in restaurants to handling and use of chemicals and hazardous substances.

- **Climate change and Energy**

We recognise climate change as a significantly pressing challenge and we are keen to minimise our contributions to this global phenomenon. We continue to put considerable efforts into the development of accurate data gathering and monitoring systems for energy use across our operations. Energy efficiency is a key component of our strategy to reduce greenhouse gas emissions and to this end we are pleased to report on a 21% improvement in landlord's electricity efficiency (KWh/m²/yr) across our owned and managed portfolio since 2002.

- **Tenant engagement**

At Sonae Sierra, we recognise that our profile and reputation provides us with a unique opportunity to educate and encourage both tenants and visitors about environmental and social issues. Not only do we employ a range of communication methods to ensure that our tenants can grow along with us, we also produce guidance and information to help them to address their own environmental and wider corporate responsibilities. We believe our occupancy ratio of 93.3% across the managed shopping centre portfolio during 2004 is a good indicator of tenant loyalty and satisfaction, and ultimately an outcome of strong customer relations.

We are pleased with the progress that we have made in 2004 although, of course, we recognise that we have several opportunities to improve further in future. We look forward to reporting on our progress again in future years, and to continuing the trend of finding innovative solutions to improved performance.

Sonae Sierra, www.sonaesierra.com, is the international specialist in shopping centres, with a passion for introducing innovation and excitement into the shopping and leisure centre industry. The company is the owner or co-owner of 34 shopping centres and one retail park, in Portugal, Spain, Italy and Brazil, with a total gross leasable area (GLA) of more than 1.3 million square metres. Sonae Sierra is currently developing 14 more projects in Portugal, Spain, Italy, Germany and Greece, with a total GLA of over 600 thousand square metres.