

RESPONSIBLE PROCUREMENT POLICY

Sonae Sierra's mission is to create value for its shareholders, through the shopping centre business, while taking into account its social responsibilities towards other important stakeholders, as well as its environmental responsibilities. We firmly believe that this balance is crucial to achieve the sustained development of the Company. Sonae Sierra has made policy commitments to continuously improve the environmental performance of its undertakings, products, processes and activities and to conduct its activities so that risks towards people and its assets are minimized, and to achieve excellent levels of social responsibility, safety and health.

Sonae Sierra recognises suppliers as one of the company's core stakeholder groups and the supply chain as a key impact area. Sierra has made a Corporate Responsibility (CR) Commitment to foster loyalty amongst frequently used suppliers, and seek to help and encourage them to adopt more responsible business practices themselves. Encouraging our suppliers to adopt a CR approach similar to our own is important to Sierra because it enables us to:

- Mitigate the potentially harmful impacts associated with our upstream supply chain, such as damage to biodiversity and abuse of human rights in the workplace.
- Mitigate potential risks which could occur in the supply chain which might impact upon our own brand.
- Use the opportunity offered by the commitment and support of our suppliers and contractors to achieve a high level of performance across our own material CR impact areas.
- Use the opportunity offered by the commitment and support of our suppliers in order to improve our relations with this key stakeholder group.

As a retail developer, Sonae Sierra acknowledges that there are many challenges associated with the supply chain, from the environmental impacts of sourcing raw materials to the safety of our contractors on the building site and the economic impacts our business activities have on our suppliers and the local communities in which they operate.

This policy covers the procurement of both material goods and services during the development and management phases. The commitments made in this policy are inevitably subject to market availability and economic viability of the options available.

Materials (Development and Management)

We will privilege the use of materials with the following criteria as and where applicable:

- Locally-sourced materials
- Materials with a recycled content
- Materials with a low-toxic content
- Materials sourced from companies which adhere to ethical standards

- Materials sourced from companies which adhere to environmental standards
- Materials with a long-life which can be recycled and re-used.

Services (Development and Management)

We aim to:

- Integrate CR-related criteria into the Service Suppliers Management Procedures to ensure that suppliers' performance in relation to social and environmental impact areas is taken into account prior to hiring, whilst appointing the contract and during monitoring and evaluation stages.
- Engage with our suppliers and, where necessary, provide training to suppliers in order to improve performance across our CR impact areas; Climate Change, Water, Waste, Land Use, Communities, Employees and Safety and Health.

The responsibility for implementation of this policy rests with Sonae Sierra's line management, from lower ranks up to the Executive Board level.

Approved by the Board of Directors in December 2007