



## **Understanding our dependence on ecosystems services**

The Millennium ecosystem assessment – the first global audit of the world’s forests, wetlands and other ecosystems – found that ecosystems have declined more rapidly and extensively over the past 50 years than at any other comparable time in human history. If nothing is done to halt this trend, there will be serious consequences not only for biodiversity but also human activities, including business. This is because companies depend on the services that healthy ecosystems provide, like freshwater, genetic resources, pollination, climate regulation and natural hazard protection. Nonetheless, companies are often not fully aware of the extent of their dependence on ecosystems and the possible ramifications.

The Corporate ecosystem services review, which was developed by the World resources institute, the Meridian institute and the World business Council for sustainable Development, sets out a methodology to help businesses investigate the risks and opportunities arising from their dependence and impact on ecosystems, and identify strategies to manage these.

In 2010, we commissioned the Centre for Molecular biology and environment of the university of Minho to apply the Corporate ecosystem services review methodology to two of our shopping centres in Portugal, AlgarveShopping and NorteShopping. Their study found that the most important ecosystems services on which these centres are dependent are energy (derived from fossil fuels), freshwater and cultural services that bring recreation and tourism to the Algarve region in particular. the impacts of climate change could exacerbate risks associated with utilities consumption (such as rising prices, resource scarcity and, in the case of fossil-fuel derived energy, the possible introduction of a carbon emissions tax) and create a greater need for natural hazard regulation, such as ensuring permeability of ground surfaces in preparation for the possibility of flooding due to extreme weather events.



It was recommended that Sonae Sierra continues to exploit available options to reduce dependency on fossil fuels and increase energy efficiency through the use of efficient equipment such as LED lighting. It was also suggested that Sonae Sierra invests in water recycling and rainwater harvesting where possible, use species that are more drought-resistant in shopping centre gardens and improve drainage on sites.

All of these practices are ones which Sonae Sierra is already implementing through our SHEDS, and Climate Change and Water strategies.

