

Sonae Sierra's Ergonomics Programme:

Engaging our staff to reduce ergonomic risks

Sonae Sierra

We are committed to the safety and health of our employees and strive to foster a culture of safe behaviour. One example of this commitment is our ergonomics programme which was launched in 2006. Between 2007 and 2011, we have reduced the number of incidents related to ergonomic non-conformities by 67%, and have increased employees' satisfaction with their workplace environment by 26%.

THE CHALLENGE

By the end of 2011, we employed more than 1,000 people whose ambition and dedication is vital to our success. As our key asset, we are committed to keeping our workforce safe and healthy and to ensuring that they are provided with the working conditions and training they need to perform their duties safely and to the best of their ability.

Tackling ergonomic injuries and accidents is a priority for us as related conditions such as musculoskeletal disorders are one of the main safety and health risks facing our staff. Improved workplace conditions also has an impact on our ability to attract and retain employees through higher levels of satisfaction and engagement with their working environment.

Achieving excellence in all areas of safety and health allows us to differentiate ourselves from our competitors and helps to ensure the long-term sustainability of our business. By improving conditions in the workplace, we can attract and retain employees through higher levels of satisfaction and engagement with their working environment.

"Zero accidents is our ultimate goal and we aim to achieve this through the creation of a safety-conscious culture across our entire organisation."

Fernando Guedes de Oliveira
Chief Executive Officer

About Musculoskeletal Disorders

Neck and shoulder strain, back pain and tendonitis are prevalent disorders among office workers. In fact, 80% of people living in western societies will suffer from one of these disorders at least once in their lifetime.

Musculoskeletal disorders have an impact on the quality of life of our staff as well as their ability to work to their utmost capacity. In the UK for instance, the National Health Service estimates that about 9.3 million working days were lost due to work-related back pain and other musculoskeletal disorders in 2008/09.

OUR OBJECTIVES

Our ultimate goal is to implement a zero accident culture across all of our business activities. We work with our staff to reduce the occupational safety and health risks that we identified as most critical for our workforce, which among other include musculoskeletal disorders.

Our ergonomics programme has two key objectives:

- To reduce non-conformities related to ergonomic requirements;
- To increase staff satisfaction with the workplace including air ventilation, temperature levels and general comfort around workstation conditions.

OUR APPROACH

Ergonomic risks are managed as part of our Safety, Health and Environment (SHE) management system. Overall responsibility for SHE lies with the SHE Steering Committee which includes our global CEO, four of our Executive Directors, the Corporate Offices Responsible and our Head of Sustainability.

The SHE Steering Committee provides the overall vision for our SHE strategy, defining SHE objectives, targets and performance indicators. It ensures that adequate resources and procedures are in place to implement the strategy, including our ergonomics procedure.

In 2006, we introduced our Standard for Ergonomics & Workplace Attributes which sets out our workplace requirements for all Sonae Sierra locations covering:

1. The workspace;
2. Wall coverings;
3. Lighting;
4. Indoor air quality;
5. Indoor noise;
6. Office furniture;
7. Computer hardware.

Based on voluntary European standards, in many instances we exceed minimum requirements set by national regulations, and their implementation is guaranteed through our ergonomics procedure (see Figure 1).

“Ergonomics makes business sense because adjusting workplaces to better fit workers helps to reduce work-related accidents and occupational diseases, to maintain employee productivity and ultimately contribute to increasing organisation-wide efficiency.”

Pedro Jose Caupers,

Director, Investment and Asset Management

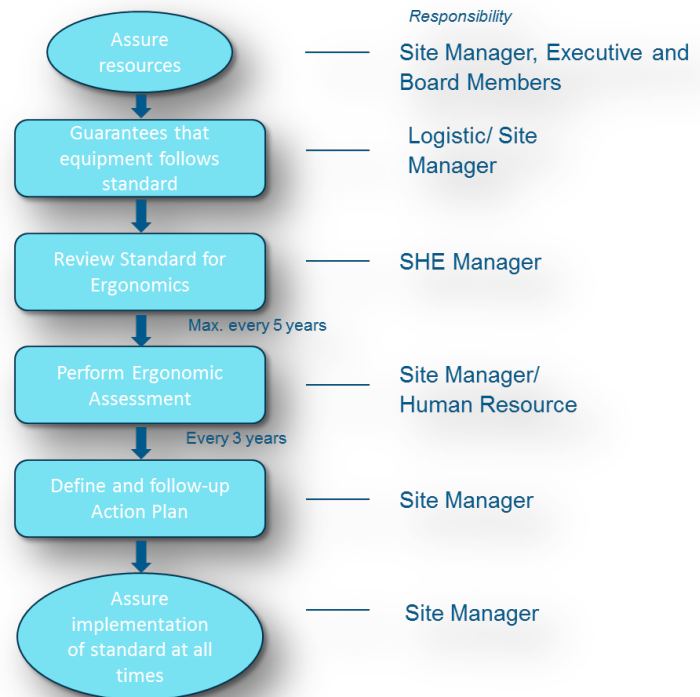


Figure 1: Our Ergonomics Procedure

For existing workplaces, we require that:

- Open space should allow 5.12 m² per workstation;
- The computer screen must have an adjustable luminance, glare and contrast and an adjustable height;
- Internal air temperature should be 22°C (± 2°C) in winter and 24.5°C (± 1.5°C) in summer;
- Workstations must be 1.5 m to 6 metres away from natural lighting and artificial lighting must always be used simultaneously;
- Chairs must be stable, have adjustable height, tilt and depth and provide back support.

Our ergonomic requirements are also incorporated into new projects and developments. Our Safety, Health and Environment Development Standards (SHEDS) for new projects consist of around 179 design standards and include strict ergonomic requirements for shopping centre offices. The SHEDS are aligned with certification schemes such as LEED® and BREEAM as well as international safety standards. All developments, refurbishments, expansion projects and minor works must attain a minimum set score under the SHEDS.

An ergonomic assessment performed at Le Terrazze in June 2012, two months after its opening, registered zero ergonomic non-conformities, meaning that the office was already designed to meet our requirements and required no additional investment.

Example requirements for new build workplaces

Furniture and hardware specifications for new builds follow our ergonomic standards for existing workplaces, but also include additional requirements, such as:

- *Implementing a daylight strategy to ensure a minimum daylight luminance of 200 lux for 2,650 hours per year, in at least 80% of floor plan area;*
- *Performing thermal modelling and zoning to optimise thermal comfort.*

Risk assessments and follow-up

We aim to continually improve our employees' working conditions by commissioning ergonomic assessments for all workstations in Sonae Sierra offices and implementing follow-up actions where required.

Whenever a new office opens, an ergonomic assessment must be performed within six months of its opening. For all offices, this assessment must be carried out every three years and an action plan must be defined to correct non-conformities.

We set annual targets to ensure that follow-up actions are effectively implemented and that the completion of these targets is verified by a third party. Employees in our shopping centres are actively involved in defining and implementing our action plans and improvements are communicated to them.

Following an ergonomic assessment at the Porto and Lisbon offices in 2007, we invested a total of €79,490 in our ergonomics programme, benefitting all employees. Between 2007 and 2009, 94% of ergonomic non-conformities detected at the Porto office and 27% of ergonomic non-conformities detected at the Lisbon office were corrected accordingly.

Employee engagement

A key aspect of ergonomics, beyond the office layout, is staff behaviour. Even though we can install equipment specifically designed to improve ergonomics, it can be misused due of a lack of awareness.

Regular engagement with employees through S&H meetings, workshops, training sessions, emails, leaflets and posters displayed in our offices are all part of our ergonomics programme.

92% of our workforce is represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety issues. Regular safety meetings for staff, suppliers and (in shopping centres) tenants, are held at all our sites and provide an opportunity for workers to make suggestions to managers to reduce safety and ergonomic risks.

Employees are also consulted through surveys, and they can raise any issues during medical appointments. All of our sites have a Safety and Health representative to whom employees can address any complaints or suggestions for improvements including those related to our ergonomic programme. We also organise Safety, Health and Environment Preventive Observations (SPOs) which are a type of safe behaviour auditing that takes place at our offices and which allows us to identify and correct behaviour which could potentially lead to an incident.



Figure 2: Our safety bulletin provides advice on correct ergonomic procedures

We make sure that all our new employees are aware of best practice in terms of adjusting their workstation. We have an induction film, which features our staff and shows new employees how to set their workstations to the best ergonomic standards.



Figure 3: Training on correct ergonomic procedures is part of the induction process for new employees

RESULTS

Since 2006 we have invested an average of €465 per employee by replacing office equipment with more ergonomic alternatives. We have seen real and demonstrable improvements in our performance with the number of accidents related to ergonomic non-conformities dropping by 67% between 2007 and 2011.

In 2011 we invited employees to rate the ergonomic conditions of their workplaces as part of our second company-wide ergonomics survey. The percentage of staff who agree or strongly agreed that their workstation is comfortable increased by 26% since the first survey in 2007 (up from 54% in 2007 to 68% in 2011).

Satisfaction levels around ventilation and air renewal also improved. In 2011, 77% of our employees were happy with ventilation and air renewal conditions, up from 46% in 2007

These improvements have coincided with an increase in employee satisfaction levels over the same time period. Between 2007 and 2011, the proportion of staff who agree or strongly agree that Sonae Sierra is a good company to work for rose from 79.6% to 83.3%.

In 2011, 78% of our employees rated indoor temperature levels as medium/good compared to 65% in 2007.

Training is a key part of our approach. Since 2007 we have delivered over 310,000 hours of Safety & Health training and awareness to our workforce. In 2011, we carried out training sessions and ergonomic assessments in all corporate and shopping centre offices that had not been included in 2010.

At offices where an assessment was carried out, we implemented, on average, 69% of corrective actions required compared to 34% in 2010¹.

¹ Note: the remaining non-conformities are related to our physical office infrastructure which cannot be corrected unless we change our office location.

Examples of % non-conformities corrected in 2011

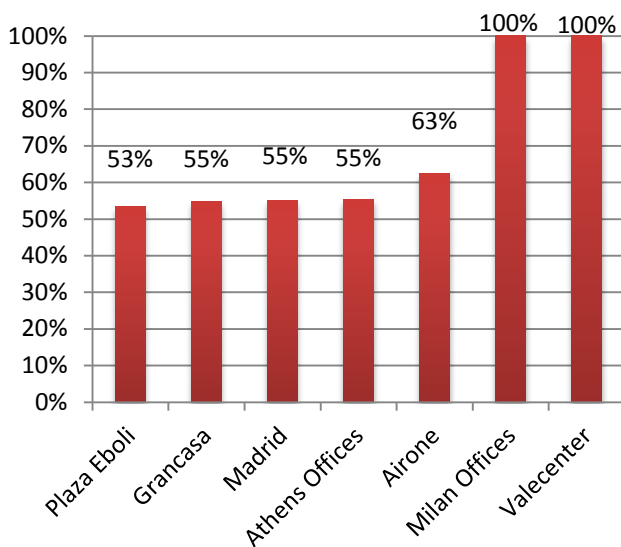


Figure 4: Percentage of non-conformities corrected on 2011

We address every opportunity to correct non-conformities related to ergonomic requirements and the number of non-conformities per worker (as detected by ergonomic assessments) has decreased by 39% since 2007.

Year	N/C Per Worker
2007	11.4
2009	15.1
2010	8.1
2011	6.9

Figure 5: Number of Non-Conformities (N/C) per worker (2007-2011)

In 2011, we provided training at our Athens office on the symptoms, causes and results of various musculoskeletal disorders and best practices, led by an experienced physiotherapist. Employees came away with a much greater awareness of the negative and serious effects that bad posture and wrong handling of their working equipment can have.

CONCLUSION

We are proud of our achievements and have been working hard to meet our stringent criteria with regards to ergonomic risks. We now have a procedural system in place that guarantees the effective implementation of all of our ergonomic standards. Our efforts mean that we now review our ergonomic standards every five years and assess workstations at all of our offices every three years.

Through close engagement with our staff, we have now implemented these standards across not only our existing buildings but also our new developments. We have also seen how a reduction in workplace related accidents directly correlates to the satisfaction levels of our employees. Our success speaks for itself. As our staff tell us, they are now happier with their workplace, particularly with regards to air ventilation, temperature levels and general comfort around workstation conditions.

“Our business is about property – and about people. Three quarters of our staff have higher-education degrees and they hold the know-how that the Company has built over time. We need to give them the right working conditions so that they perform to high standards. That is why we have adopted internal ergonomic guidelines for our work spaces – to make sure that the health, safety, productivity and comfort of our staff are guaranteed at all times, at all locations”

Joaquim Ribeiro,

Director, Finance, Planning and Control