

Environmental
Social
Economic
Company

2013

NEINVER
Sustainability Report



NEINVER

EVALUATION SURVEY

We wish to continue improving our Corporate Sustainability Reports.
Therefore we would appreciate if you could answer the short survey at:

www.neinver.com/sustainabilitysurvey

This Sustainability Report explains the NEINVER group's corporate social responsibility commitments during financial year 2013.

The report was prepared in compliance with the principles and requirements in the Global Reporting Initiative's G3 Guidelines for Level B reporting, and the principles required by the United Nations Global Compact.



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Message from the Chairman



We became the first shopping centre management company to earn triple certification in quality management, as all The Style Outlets centres in Spain

As in years past, the NEINVER group is proud to present its fifth Corporate Sustainability Report. This document shows our commitment to the company's economic, social and environmental growth and sustainability, and reaffirms our desire to be transparent with our stakeholders. The 2013 Sustainability Report retains the goal of presenting our most important business operations, giving our employees, clients, partners and suppliers the confidence they need as we share future challenges.

In this year of 2013, NEINVER remained committed to growth, overcoming the challenges of a crisis that we are starting to leave behind and a restructuring process that has proven beneficial for the entire group. Today NEINVER has a more solid, agile, flexible place in the market and can compete internationally as one of the sector's most important players.

In 2009 we began the process of rebranding all our outlet centres as *The Style Outlets*. This year we completed that process in Spain. *The Style Outlets* meets our customers' new needs and expectations, turning their visits into a true quality shopping experience while maximising value for investors and store operators.

We successfully expanded our presence in Spain by obtaining the building permit for Viladecans The Style Outlets. This new centre located 10 minutes from the city centre of Barcelona, aims to provide an exceptional shopping experience to a new local and international public.

We became the first shopping centre management company to earn triple certification in quality management, as all *The Style Outlets* centres in Spain were certified internationally under both ISO 9001 for Quality Management Systems and ISO 14001 for Environmental Management, as well as OHSAS 18001 certification for Occupational Health and Safety.

All our outlet centres in Europe that are more than 2 years old earned BREEAM IN-USE certification, which assesses factors such as the buildings' reduced environmental impact, their use of natural light and their energy efficiency and decreased water consumption.

With thanks to the NEINVER team for their efforts in attaining these results, I invite you to read the 2013 Sustainability Report, covering the key critical aspects of our businesses, and renewing our commitment to the United Nations Global Compact and its globally recognised principles.

Madrid, December 2013
José María Losantos y del Campo
Chairman

Foreword by the Corporate Communication & CSR Director



In our ongoing commitment to corporate responsibility, NEINVER publishes a Sustainability Report each year. Its purpose is to convey a true, balanced picture of the group's sustainability performance, bearing in mind the socio-economic situation and the climate in this industry.

Since 2007, NEINVER has documented its CSR activities in a Sustainability Report. What began as a biennial project is now an annual exercise in transparent reporting.

With this 2013 Report, we wish to take a step forward in the information's materiality and clarity. This tool lets our different stakeholders access concrete, relevant data about the company's activity and its impact on society.

In the interests of transparency, we have sought to document our activities and the company's milestones in areas such as finance, operations, and social and environmental activities, in a way that allows comparisons with the data from the last three years.

Each year numerous professionals from different parts of the company work together to write and edit the Sustainability Report, coordinated by the Corporate Social Responsibility department. For the second year in a row, the company has developed it in exhaustive compliance with the Global Reporting Initiative guidelines (GRI-G3), including detailed information about the company's nature and strategy, the management team's vision, and performance indicators of various kinds: economic, social, environmental, workplace, our product and human rights.

We at NEINVER declare our commitment to reducing environmental impact and improving the socioeconomic quality of the areas where we do business. We therefore have a Corporate Social Responsibility programme, consistent with the company's strategic vision of creating a better future every day.

A stylized, handwritten signature in black ink, consisting of a large loop and a vertical stroke.

Mónica Delgado Delgado
Corporate Communication & CSR Director
sustainability@neinver.com



NEINVER Headquarters

The NEINVER group

NEINVER is now one of the leading European property groups specialised in the retail and outlet sector. With 45 years' experience in the market, it has bolstered its position in development, leasing, asset management and fund management, and is recognised in Europe thanks to its knowledge of the entire property cycle.

NEINVER manages 20 commercial properties with a total of 514,926 sq. m. of retail space, 2,000 store locations and more than 900 of the finest brands, situated in excellent locations in major cities in Spain, Italy, France, Germany, Portugal and Poland.

Its business strategy focuses on becoming the leader in the European outlet sector. In 2013, the top international brands recognised NEINVER as the second-most-trusted manager of outlet centres (Ecostra-MAGDUS 2013). Today it maintains its position as Europe's second-largest outlet operator (2012 ICSC ranking), managing 15 centres with a total of 311,000 sq. m. of GLA, under *The Style Outlets* and *FACTORY* brands.

In addition, NEINVER continues to manage the IRUS European Retail Property Fund, one of the largest private-capital pan-European retail property funds.

History and identity

The NEINVER group is a family company backed by 100% Spanish capital. Since its founding in 1969, NEINVER has contributed to the progress of the property development sector with a model based on maximum tailoring of services to the client and market. At NEINVER we are committed to flexibility, innovation and constant improvement to ensure the long-term sustainable growth of our business, as proven by our history.

2013

Entered the Dutch market and developed the **Digital Business and Strategy unit**, which aims to respond to market demands by adopting and implementing new technologies, letting us meet our business objectives in the current context.

2010

Strategic alliances with local partners to help reduce barriers to entry into new countries and strengthen and broaden our internationalisation process.

2009

Strategic commitment to a new unified brand platform, *The Style Outlets*.

2007

A distinctive business model that broadened the group's business lines, from property development to leasing to retail-asset and retail-fund management.



2000

Internationalisation and expansion of our successful model to the point where we now have operations in 7 major European markets.

1992

Diversified our ability to develop property products that go beyond industrial and office-park assets, becoming a benchmark in Europe's retail and outlet property industry.

1990

Professionalised our management with a highly dedicated, expert management team that has turned us into one of the benchmark companies in this sector.

1969

Founding of the family business and introduction of the "turnkey" concept in industrial property development.

VISION

"We want to be leaders in the european retail property industry and become a worldwide benchmark through the quality and excellence of the projects we develop and the services we offer."

MISSION

"Develop, acquire and manage retail assets that meet our stakeholders' expectations, while ensuring long-term sustainable growth that generates value for society."

VALUES

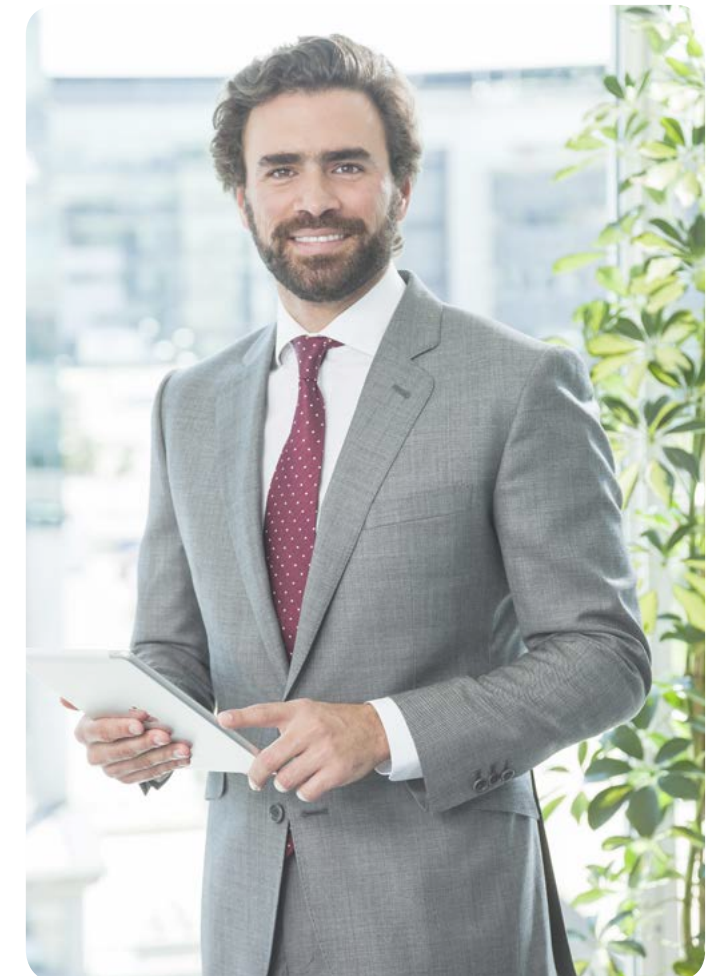
Excellence. We are dedicated to continual improvement, applying the highest quality standards as we defend our leadership position.

Flexibility. We adapt and respond nimbly and effectively to market demands.

Innovation. We constantly generate business opportunities and commit to them.

Partnership. We promote strong, long-term ties with our stakeholders.

Sustainability. We are dedicated to fostering economic and social development in the regions where we operate.



"In its strategy, NEINVER remains committed to specialising in the retail and outlet property industry. It does this through the quality of the properties it develops, the sustainability of its assets and the addition of a new digital strategy that complement and augment the product ranges in the brick-and-mortar centres."

Daniel Losantos
Managing Director

Scope of operations and business areas

NEINVER's success is based on comprehensive management of all phases of the property cycle, from design and development to managing assets and property investments. This model lets us offer the market greater capacity, flexibility and innovation to meet our clients' and investors' demands. Today the NEINVER group is committed to promoting 4 strategic business areas:

Property development

Developing assets is the NEINVER group's first main area of expertise. We create lively spaces conceived with businesses and people in mind. These are assets with functional, efficient uses, located in strategic spots. We are committed to sustainability, incorporating and respecting new standards that let us create products of greater value in the marketplace: assets internationally certified by BREEAM Europe, respectful of the environment and human beings.

Leasing

NEINVER seeks to make long-term commitments to our store operators. Our approach and our knowledge of their needs let us build efficient business relationships, long-term partnerships and joint growth strategies. An excellent mix of internationally renowned brands and occupancy rates above 90% are results that vouch for the excellence of our leasing management.

Asset management

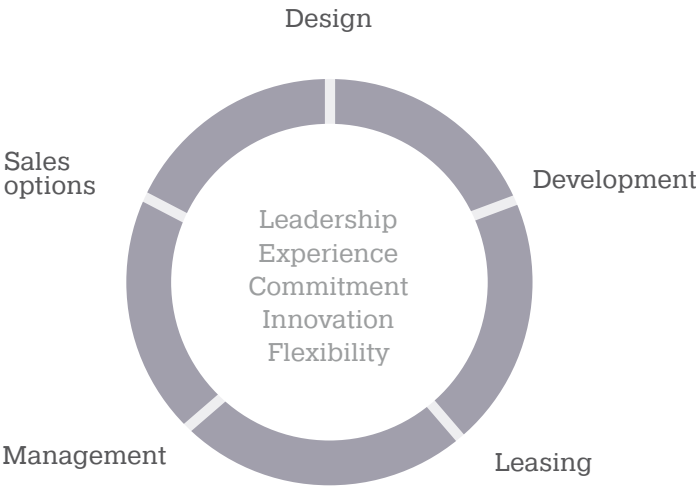
At NEINVER, management means long-term commitments to our clients and to the sustainability of their businesses. But also commitment to our investors, and to profitability and increasing the value of our assets. Currently, the NEINVER group manages 567,507 sq. m. of GLA: 514,926 sq. m. of retail space and 52,556 sq. m. of industrial space.

Fund management

NEINVER's ability to analyse projects' viability and ensure their success makes us a strategic partner for major investment funds that choose safe, long-term operations. With the launch of the IRUS European Property Fund in 2007, NEINVER solidified its position as a property fund manager. With €480 million in equity, IRUS has specialised in developing and acquiring retail centres in Europe.



Sevilla The Style Outlets



..... Specialisation in the retail and outlet sector

Today the NEINVER group is an industry leader in the European retail property sector, thanks to its strategy of diversifying into 7 countries and developing brands that are benchmarks for millions of shoppers. Over the past two decades, NEINVER has distinguished itself by effectively leasing and managing a robust portfolio of 20 commercial properties, situated in excellent locations in major European cities. NEINVER's retail centres work constantly to improve the quality of their operations and the mix of stores by adding new internationally renowned brands.

..... Outlet Centres

Outlet centres are the NEINVER group's core business, a retail concept based on selling name-brand style products at reduced prices the year round. NEINVER specialises in developing, leasing and managing outlet centres. With 15 properties open, totalling 311,000 sq. m. of GLA, we are now the second-largest operator of outlet centres in Europe under these brands:

FACTORY

A first-generation outlet concept, synonymous with smart shopping, offering name-brand products at deep discounts the year round.

The Style Outlets

The brand for our platform of best-in-class outlet centres as a next-generation concept in services for shoppers and the design world, fostering international development of the outlet sector.



FACTORY Annopol



San Sebastián de los Reyes The Style Outlets

International operations

The NEINVER group currently has active operations in 7 European countries: Spain, Italy, Poland, Portugal, Germany, France and the Netherlands. In 6 of these, it manages a total of 30 properties owned by the group or by third parties, for retail, industrial and office use, with a total area of more than 567,507 sq. m. of GLA.

NEINVER SPAIN



Company: NEINVER S.A.
Number of employees: 109
Sales volume: €24,5 million
Market value of facilities and land managed: €603.7 million

Operations:

- Total assets managed : 16
- sq. m. managed: 184,409
- Properties in portfolio : 1
- sq. m. in portfolio: 36,227

NEINVER FRANCE



Company: NEINVER France Sarl
Number of employees: 14
Sales volume: €4.9 million
Market value of facilities and land managed: €96.5 million

Operations:

- Total assets managed: 1
- sq. m. managed: 27,235
- Properties in portfolio: 0
- sq. m. in portfolio: 0
- Projects in study phase: 1

NEINVER ITALY



Company: NEINVER Italia S.P.A.
Number of employees: 22
Sales volume: €2.8 million
Market value of facilities and land managed: €287.8 million

Operations:

- Total assets managed: 2
- sq. m. managed: 57,410
- Properties in portfolio: 1
- sq. m. in portfolio: 2,900



NEINVER GERMANY



Company: NEINVER Deutschland GmbH
Number of employees: 17
Sales volume: €1.8 million
Market value of facilities and land managed: €180 million

Operations:

- Total assets managed: 1
- sq. m. managed: 28,300
- Properties in portfolio: 1
- sq. m. in portfolio: 38,100
- Projects in study phase: 1

NEINVER POLAND



Company: NEINVER Polska Sp.Zo.o
Number of employees: 87
Sales volume: €23.7 million
Market value of facilities and land managed: €750.1 million

Operations:

- Total assets managed: 9
- sq. m. managed: 226,475
- Properties in portfolio: 1
- sq. m. in portfolio: 15,690

NEINVER PORTUGAL



Company: NEINVER Lusitana PI SA
Number of employees: 11
Sales volume: €989,000
Market value of facilities and land managed: €121.4 million

Operations:

- Total assets managed: 2
- sq. m. managed: 43,678
- Properties in portfolio: 2
- sq. m. in portfolio: 6,461

NEINVER
THE NETHERLANDS



Company: Nemab Sugarcity

Operations:

- Total assets managed: 0
- sq. m. managed: 0
- Properties in portfolio: 1
- sq. m. in portfolio: 75,500

2013 figures

Main 2013 Performance Indicators
and achievements

132,371 sq. m. of GBA
DEVELOPED

177,317 sq. m. of GBA
RENOVATED

567,507 sq. m. of GLA
MANAGED

€1,834 million
VALUE OF THE MANAGED PORTFOLIO

232,000 sq. m. of GBA
IN PORTFOLIO



Zweibrücken The Style Outlets

Main 2013 Financial Performance
Indicators and achievements

€59 million
SALES VOLUME
UP 11% FROM 2012

€33.9 million
GROSS PROFIT
FROM OPERATIONS

21.4%
INCREASE
IN RENTAL INCOME

-33.6%
CHANGES IN GROSS BANK DEBT
DUE TO NEW PROPERTIES,
BRINGING THE TOTAL TO €387.1
MILLION

Main 2013 Social Performance
Indicators and achievements

94.6%
PERMANENT POSITIONS

33%
WOMEN'S PARTICIPATION
IN GOVERNING BODIES

3.83/5
STORE OPERATOR
SATISFACTION

8.3/10
VISITOR SATISFACTION



Sevilla The Style Outlets



Las Rozas The Style Outlets

Main 2013 Environmental Performance Indicators and achievements

143,791 GJ¹
ENERGY CONSUMPTION MANAGED

29.6%
PERCENTAGE OF ENERGY FROM RENEWABLE SOURCES

-22%
REDUCTION OF GREENHOUSE GAS EMISSIONS

203,699 cu. m
WATER CONSUMPTION

Highlights



GROUP

Reduction and restructuring of financial debt.

The process, completed in December 2013, allowed the group to rationalise its financial liabilities and thus prepare for future growth and investment in new projects.



SPAIN

Rebranding all the Madrid-area outlet centres as *The Style Outlets*.

NEINVER has unified all its centres in Spain under a single brand platform, broadening its selection to include premium domestic and international brands. This rebranding involved changes to the centres, with more sustainable architecture, a better selection of brands and products, more services and ongoing support for local arts and culture.



SPAIN

The building permit is issued for Viladecans The Style Outlets.

This property, an €80 million investment, aims to become a new tourist attraction and help bolster the retail economy of the Barcelona metropolitan area, benefiting other nearby businesses as well. The future outlet centre will have 26,500 sq. m. of GLA and is scheduled to open in the first half of 2016.



THE NETHERLANDS

Acquisition of land and start of institutional activity for NEINVER's entry into the Dutch market with Amsterdam The Style Outlets.

This highly attractive project with a catchment area of 12 million people, measures 19,000 sq. m. with more than 100 name-brand outlets and 1,270 parking spaces.



ITALY

Grand opening of Phase III of Castel Guelfo The Style Outlets.

The centre's expansion by the American architect William Taylor revitalised the Centre with the addition of a new futuristic oval building measuring more than 1,200 sq. m. Thanks to a €4.5 million investment, the shopping centre is now home to 110 stores, with a total GLA of nearly 24,300 sq. m.



POLAND

Grand opening of FACTORY Warsaw Annopol.

NEINVER opens its second FACTORY centre in Warsaw. This is the first outlet centre in eastern Warsaw, in the Bialolecka district, and the largest in the region in terms of retail space. It has 120 stores devoted to domestic and international brands, at discounts of 30% to 70%, depending on the season, and a catchment area of 3 million potential customers.



POLAND

Grand opening of Galeria Katowicka.

A large, 200,000 sq. m. multi-use property with a total investment of €240 million. Besides building a 53,000 sq. m. retail complex with 250 store locations, as part of this major project NEINVER has developed strategic regional infrastructures such as the Katowice railway station and a new underground bus terminal.



PORTUGAL

Expansion of the Food Court at Vila do Conde The Style Outlets.

To celebrate the centre's 10th anniversary, NEINVER opens a new food-service area offering improved service to the more than 4 million customers who visit the centre each year, expanding the food court to include a total of 13 operators.

Prizes and Awards

GOOD AND BEST PRACTICES 2012

DESCRIPTION: NEINVER's management
ORGANIZATION: IFMA
YEAR: 2013

TOP COMMERCIAL INVESTMENT
IN URBAN SPACE

DESCRIPTION: Galeria Katowicka
ORGANIZATION: 5th European Economic Congress
in Poland
YEAR: May, 2013

ENVIRONMENTAL,
SOCIAL AND SUSTAINABILITY AWARD

DESCRIPTION: FACTORY Annopol
ORGANIZATION: CIJ Awards Poland
YEAR: October, 2013

RETAIL DEVELOPMENT OF THE YEAR

DESCRIPTION: Galeria Katowicka
ORGANIZATION: CIJ Awards Poland,
Eurobuilding Awards and regional Property Forum
YEAR: October, 2013

SHOPPING CENTRE OF THE YEAR

DESCRIPTION: Galeria Malta
ORGANIZATION: Polish Council of Shopping Centres
YEAR: October, 2013

RETAIL DEVELOPER OF THE YEAR

DESCRIPTION: NEINVER
ORGANIZATION: CIJ Awards Poland
YEAR: October, 2013

2nd PLACE, PERCEPTION
BY BRANDS

DESCRIPTION: NEINVER group
ORGANIZATION: ECostra
YEAR: November, 2013

BEST FACTORY OUTLET CENTRE

DESCRIPTION: Roppenheim The Style Outlets
ORGANIZATION: MAPIC Awards
YEAR: November, 2013



“Ecostra has been writing its ‘Factory Outlet Centre Performance in Europe’ reports since 2008. In assessing the effectiveness and performance of European outlet centre operators, the brands ranked NEINVER second. This is a remarkable achievement considering that a few years ago, NEINVER was just a new competitor with centres only in Spain and Poland. Over the years, NEINVER has made incredible progress in its internationalisation and growth and it is now reaping the fruits of that work.”

*Dr. Joachim Will ecostra GmbH
Wirtschafts, Standort und Strategieberatung
in Europe*

Castel Guelfo The Style Outlets

Roppenheim The Style Outlets



Medium- and long-term strategy

In its strategy, NEINVER remains committed to direct management of the properties it develops, demonstrating long-term dedication to the assets' sustainability and quality. In turn, it specialises in the retail and outlet property sector, a market niche with high growth potential in developed economies as well as the new emerging economies.

One of the main goals of NEINVER's **growth strategy is to respond to new organisational and market needs**, embracing, adopting and implementing **new technologies and other fields of knowledge** to help achieve its business objectives in the current context. As a result, NEINVER has decided to launch a **Digital Business and Strategy** unit in 2014 with the following aims:

- Identify **new business opportunities and potential revenue streams**.
- Support the **company's strategy of Specialisation and International Diversification** through the platforms *The Style Outlets.com* and *Factory.com*.
- **Work with in-house and external teams to develop integrated Retail and Digital projects** that contribute to at differential value to the business: **Omni-channel**.
- **Approve the new digital strategy model**, incorporating a guided-interaction relationship strategy that adds value to the business model.
- **Develop a CRM platform in 2014 to monitor** each step of the customer's visit.
- **Launch a digital strategy in 2015, 100% integrated with the current portfolio** of brick-and-mortar assets.



"In the current digital ecosystem, shoppers explore, discover and go online to access brands through countless points of contact. This new way of relating has a direct impact on how we interact with our customers, and by extension on NEINVER's management and governance model. We must therefore broaden our strategy to include digital technology, channels and intelligence needed to extract value from every step of the customer's decision-making cycle, with a corresponding positive effect on the results of our business model."

Iñigo Pastor
Digital Business and Strategy Director

Commitment to quality

This year NEINVER continued to solidify its position as a pioneer and leader in commitment to the environment, sustainable construction and quality in property asset management. Once again it has improved its compliance by implementing environmental certifications as well as quality and environmental seals from the most demanding international institutions.

2013 achievements and certifications

- **RICS regulation** of NEINVER's Facilities Management unit (May 2013)
- **ISO 9001 and 14001 certification** of all NEINVER centres in Europe, certified by the German firm TÜV Rheinland.
- **OSHAS 18001 certification** from the German firm TÜV Rheinland (October 2013) for NEINVER corporate headquarters and all *The Style Outlets* centres that the group manages in Spain.
- **BREEAM IN-USE certification** of NEINVER retail centres, to be completed in 2014 (see centre-specific details in the Environmental Performance chapter)



QUALITY COMPLIANCE



Getafe The Style Outlets

Environmental

ISO 14001

NEINVER Management Spain Head Office
NEINVER Management Poland Head Office
Castel Guelfo The Style Outlets
Coruña The Style Outlets
Getafe The Style Outlets
Las Rozas The Style Outlets
Roppenheim The Style Outlets
San Sebastián de los Reyes The Style Outlets
Sevilla The Style Outlets
Vicolungo The Style Outlets
Vila do Conde The Style Outlets
Zweibrücken The Style Outlets
FACTORY Krakow
FACTORY Poznan
FACTORY Ursus
FACTORY Wroclaw-Futura Park
Galeria Malta
Parque Alegria

BREEAM IN USE / (more than 2 years)

Castel Güelfo The Style Outlets
Coruña The Style Outlets
Getafe The Style Outlets
Las Rozas The Style Outlets
San Sebastián de los Reyes The Style Outlets
Sevilla The Style Outlets
Vicolungo The Style Outlets
Vila do Conde The Style Outlets
Zweibrücken The Style Outlets
FACTORY Krakow
FACTORY Poznan
FACTORY Warsaw Ursus
FACTORY Wroclaw
Galeria Malta

BREEAM / (New construction)

Coruña The Style Outlets
FACTORY Annapol
FACTORY Krakow

Quality

ISO 9001

NEINVER Management Spain Head Office
NEINVER Management Poland Head Office
Castel Guelfo The Style Outlets
Coruña The Style Outlets
Getafe The Style Outlets
Las Rozas The Style Outlets
Roppenheim The Style Outlets
San Sebastián de los Reyes The Style Outlets
Sevilla The Style Outlets
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Vila do Conde The Style Outlets
Zweibrücken The Style Outlets
FACTORY Krakow
FACTORY Poznan
FACTORY Ursus
FACTORY Wroclaw-Futura Park
Galeria Malta
Parque Alegria

Safety and Health

OHSAS 18001

NEINVER Management Spain Head Office
Coruña The Style Outlets
Getafe The Style Outlets
Las Rozas The Style Outlets
San Sebastián de los Reyes The Style Outlets
Sevilla The Style Outlets
Parque Alegria

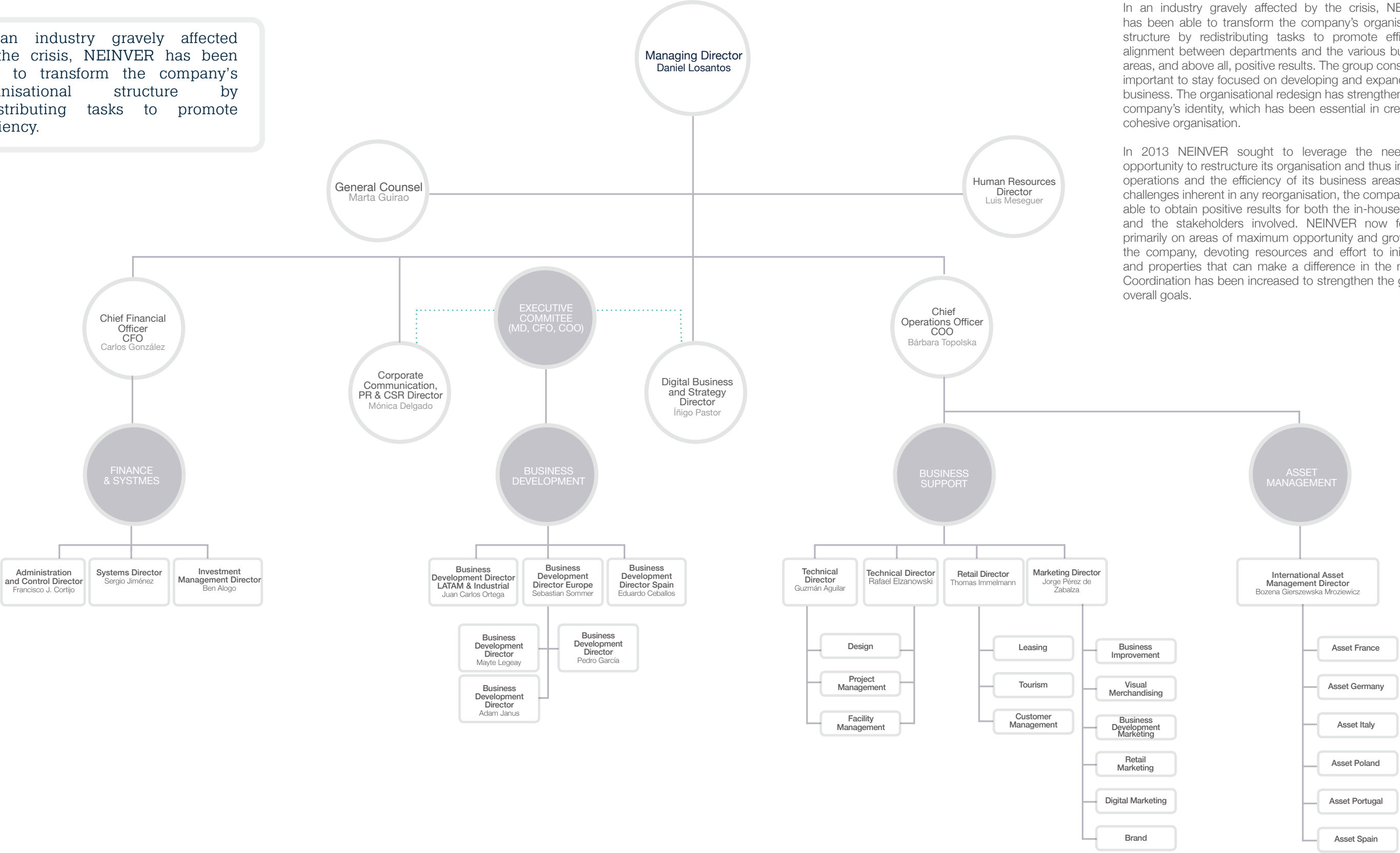
Governance model

Organisational structure

In an industry gravely affected by the crisis, NEINVER has been able to transform the company's organisational structure by redistributing tasks to promote efficiency.

In an industry gravely affected by the crisis, NEINVER has been able to transform the company's organisational structure by redistributing tasks to promote efficiency, alignment between departments and the various business areas, and above all, positive results. The group considers it important to stay focused on developing and expanding its business. The organisational redesign has strengthened the company's identity, which has been essential in creating a cohesive organisation.

In 2013 NEINVER sought to leverage the need and opportunity to restructure its organisation and thus improve operations and the efficiency of its business areas. Amid challenges inherent in any reorganisation, the company was able to obtain positive results for both the in-house teams and the stakeholders involved. NEINVER now focuses primarily on areas of maximum opportunity and growth for the company, devoting resources and effort to initiatives and properties that can make a difference in the market. Coordination has been increased to strengthen the group's overall goals.



Corporate governance

The NEINVER group's corporate governance structure is still built around the operations of 5 specialised committees that make decisions independently. They are organised to strengthen the company's various strategic priorities through the robust participation of the committees that support it and with fully transparent decision-making. The top corporate body of the NEINVER group is the General Shareholders' Meeting, represented by the Losantos family, who hold 100% of the share capital. The Board of Directors, in turn, is the group's top executive body and is responsible for the company's long-term strategy.

BOARD OF DIRECTORS

MANAGEMENT

Executive Committee

Define overall strategy and make decisions about issues with the greatest impact on the group.

33%
FEMALE
MEMBERS

Development/Operations Committee

Develop and implement long-term strategy. Analyse portfolio properties as well as investments and potential properties to be developed.

Monitor the company's operations and plan its activities at the international, local and intercompany level. Analyse and define corrective actions.

27%
FEMALE MEMBERS

Environmental Sustainability Committee

Coordinate and align the environmental strategy for each country, to strengthen commitment to the environment and improve environmental performance in the design and management of the properties it develops.

14%
FEMALE MEMBERS

CSR Committee

Define the group's economic, social and environmental sustainability strategy and policies. Follow up on initiatives and projects, and on compliance with the goals that have been set.

Body consisting of the corporate CSR, Finance, Technical, HR, Marketing, Communication and Legal departments.

43%
FEMALE MEMBERS

Responsible Management Model

NEINVER continues to build its business activities on a responsible management model that comprises three key areas of sustainability, through which it seeks to construct a sustainable property business model, increase involvement by its various stakeholders and respond to their social and environmental needs.

Economic sustainability

NEINVER's economic and property business activity rests on 3 basic principles that ensure the increased value of its assets and the viability of its business:

- Operational efficiency
- Financial effectiveness
- Economic soundness

Social Sustainability

The NEINVER group encourages its stakeholders to participate in implementing its business objectives and strategy to achieve the following:

- Improve transparency to employees, partners, investors and other stakeholders.
- Implement quality standards for products, occupational safety and efficient management.
- Promote projects that respond to the demands of clients and shoppers.

Environmental sustainability

We want to be a benchmark in designing and developing sustainable property assets. One sign of this firm commitment is BREEAM certification of all our retail centres. This environmental quality certification provides greater long-term value for assets and investors.



FACTORY Annopol

COMMITMENT TO TRANSPARENCY

Given the current socio-economic climate, NEINVER is reaffirming its commitment to transparency and is expanding its management model to include best practices that improve reporting to the company's main stakeholders. To that end, NEINVER is again explicitly presenting its policies on internal and external conduct, corruption and competition.

1. Code of Conduct.

The Corporate Code signed by the entire company in 2013 guides the company under strict principles of business ethics and defines the organisation's conduct within its operations and activities. Through this Code, NEINVER adheres to values and **principles of integrity, commitment, transparency, excellence and innovation.**

2. External codes of ethical conduct.

Every year, NEINVER makes a point to raise the awareness and sensitivity of its employees, partners and suppliers regarding the highest standards of social responsibility, strengthening their connection to the most exacting codes of conduct:



United Nations
Global Compact

Signed: May 2012



RICS- Royal Institution of
Chartered Surveyors

Signed:2011

3. Anti-corruption policy.

NEINVER ensures the legality of its activities through internal and external monitoring. All employees are familiar with the code of ethics and corporate policies that require them to comply with procedures and parameters of transparency and legality. Additionally, in its dealings with third parties, the Company is strengthening its strict external policy in order to protect its stakeholders and the company's well-being and reputation.

Thanks to such measures, in 2013 there were no corruption-related cases or incidents in the group, involving employees or outside parties with which NEINVER has dealings.

NEINVER'S INTERNAL POLICY

Voluntary audit of companies not legally obliged to have them.

A ban on payment or acceptance of cash.

A well-defined public policy on obligational and signatory authority at banks.

An open bidding process for construction and services.

Service contracts of limited duration, with a bidding process for their renewal.

An in-house authorisation procedure before signing contracts.

Identifying signatories and the entities they represent before signing any document.

Insisting on more extensive data than is required by Spain's Money Laundering and Terrorist Financing Prevention Act. Also, in all investments and disinvestments, NEINVER transparently declares all its KYC (Know Your Customer) identifying data and requires the same from the other party.

EXTERNAL POLICY IN THE 7 COUNTRIES WHERE THE GROUP HAS OPERATIONS

Analysis of all business units.

Information from 100% of the entities with which leases or service contracts have been signed.

Information obtained from 100% of the banking institutions during the project funding processes.

Proof of identity required from 100% of the companies acquiring assets developed by NEINVER.

Identity data from both companies involved in selling 100% of one affiliated business and a significant interest in another.

In Spain, compliance with the Money Laundering Prevention Act by confirming the identity of anyone holding more than 25% of the signatory company.

4. Policy on Unfair Competition.

As part of its internationalisation strategy, NEINVER protects itself by complying with the rules overseen by the competition regulators in each country where it does business. NEINVER considers it important to promote free competition as it manages and leases outlet centres, and its leases therefore do not include exclusivity clauses that would limit the options of clients and store operators. Moreover, the leases do not impose a radius of exclusivity.

The NEINVER group has never been fined or sanctioned for violating anti-trust laws or regulations.

5. Internal audits.

Through interviews, inspections, and surveys of its department heads, NEINVER periodically reviews the processes for approving contracts with clients and suppliers, and for debt collection, budget-tracking reports and procedures for the acquisition and sale of assets. Internal audits are performed because NEINVER needs to closely monitor all established procedures in order to:

- Eradicate corruption.
- Increase transparency in the company's own business activities.
- Improve its employees' relationship with the various stakeholders.



"Risk management is one of the group's priorities. In fact, NEINVER's ties to other organisations through joint ventures make such management even more necessary and important. For 2014, we are working on a protocol (Compliance Programme) to prevent criminal prosecution risk given the reform of the Penal Code. Under the revised Code, individuals are not the only ones that can be held criminally liable for crimes committed to benefit a corporation (fraudulent disposal, concealment of assets, money laundering, etc.): the corporations themselves can now be held liable as well."

Silvia Cuesta
Risk and Insurance Manager

Corporate Social Responsibility management

Systematised management model

The group continues to build its Sustainability strategy by implementing a systematised management model that aims to reinforce the company's image, summarise its key business activities and highlight the social, economic and environmental successes achieved in the last year. The model therefore includes **three key activities for proper CSR communication**:

1. Materiality survey

Once again this year NEINVER is conducting the Materiality Survey, indicating the main internal and external demands and expectations. The goal is to tailor the 2013 Sustainability Report to key stakeholders' needs and explore the topics most significant to the company.

2. Preparation of the 2013 Sustainability Report

NEINVER is committed to preparing the 2013 Sustainability Report in accordance with the standards and parameters of the GRI (Global Reporting Initiative). It therefore incorporates mechanisms and resources to ensure that the Report honours the principles for the content of reports (materiality, completeness, context and stakeholder inclusiveness), as well as the principles for quality of information (balance, comparability, accuracy, timeliness, clarity and reliability).

3. Communication with our stakeholders

In 2013, NEINVER has responded to stakeholders' needs by projecting a clear image of the company's future. Once again it mounted a successful, efficient communication campaign, strengthening ties with the various stakeholders, reinforcing its identity and reminding people of the principles and values of long-term cooperation that sustain the group's key activities.

IDENTIFYING STAKEHOLDERS

INVESTORS

Accountability through reports on financial performance, the company's risk management and the risks it might face. Quarterly and annual reports to the IRUS Fund and preparation of the NEINVER and IRUS Corporate Annual Report.

EMPLOYEES

Managing internal communications, launching the new corporate intranet and strengthening periodic internal communications about topics of interest to employees: strategy, structural changes, training programmes, etc. Meetings between senior management and the teams, where management presented the new corporate strategy and structure.

STORE

Issuing periodic reports on the store operators' progress and NEINVER's strategy. Periodic meetings between management and each centre's store operators, and with the brands behind the stores. Operator satisfaction survey and participation in the Green Leasing Programme.

SHOPPERS AND COMMUNITY

Management and evaluation of satisfaction surveys. Customer service system in the centres, to collect complaints and suggestions. Ongoing publications and e-mailed information about new services and events in the centres, to raise awareness about social and environmental issues at the centre level and in cooperation with organisations.

INSTITUTIONS

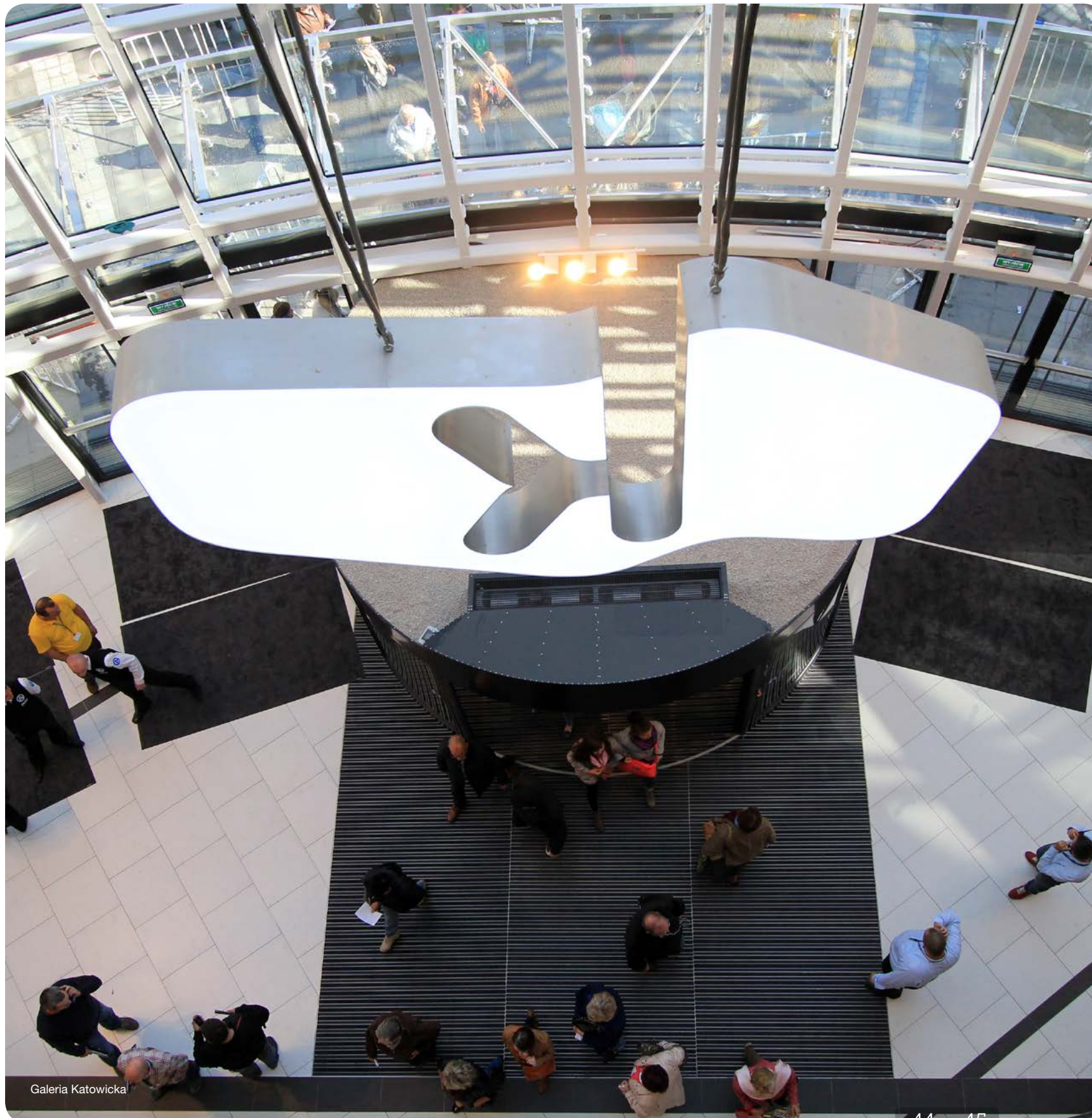
Constant ties to local and regional institutions during the property's design, development and management phases. Planning and holding periodic follow-up and analysis meetings about the properties' impact on the local economy: job creation, training for the unemployed, coexistence with other retail businesses, etc.

MEDIA

Ongoing contact through interviews, press conferences, presentations and publication of articles in the press covering economic, social and environmental aspects of interest to the company and the public.

COMMUNICATION STRATEGY

02 / FINANCIAL PERFORMANCE



Galeria Katowicka

The NEINVER group's EBITDA rose from €10.2 million in 2011 to €18.9 million in 2013, reflecting the strength of the business as well as NEINVER's ability to manage it. This provides a solid foundation to ensure future investment in new properties.

Management model

After several years in which Spain's property sector was hard hit by the crisis, the main business indicators seem to show that the situation is changing and we are on the road to economic recovery.

Like many of its competitors, from 2011-2013 NEINVER had to perform adjustments to record unrealised losses of more than €250 million from assets and land. Fortunately, its previous financial situation was solid enough to absorb those losses.

That process also brought an increase in the group's recurring income, reducing its exposure and dependence on property transactions. It can therefore reaffirm its commitment to the outlet sector, which has proven totally resistant to economic cycles (and whose main operating indicators have occasionally topped 10%). The group is also committed to seeking operational efficiency to help generate in-house savings. The process also brought support from financial institutions in adapting the group's bank debts to the new economic situation.



"In this period, the support NEINVER received from its stakeholders has been very important. This includes support from shareholders and workers as well as creditors, who have shared the roadmap proposed by NEINVER as the only way to ensure the company's survival in times of crisis and prepare it for future growth."

Carlos González
Chief Financial Officer

As the economic recovery gathers strength, a new opportunity is opening up for NEINVER, which is setting important objectives for its Finance Department:

1. Increase operating income from the group's ordinary business

- **Diversify operations** through income from different business activities (mainly asset management and the leasing of group-owned assets).
- **Diversify geographically**, reducing dependence on the economic conditions in any one country.

62,5% 37,5%

PROPERTY BUSINESS MANAGEMENT BUSINESS.

2. Rationalise and optimise the group's structural costs

In 2013, the group's structural costs declined by 22.2% compared to FY 2012, and by 30.4% compared to FY 2011. For FY 2014 we expect a further 15.9% reduction of these costs, having achieved a cumulative reduction for 2011-2014 of 41.5%.

4. Rationalise the group's financial structure

In late 2011 the NEINVER group began a process of rationalising and structuring its financial debt. This was financial debt from land acquired in the years before the crisis (2006-2007), with a high volume of short-term debt.

The first milestone was reached in November 2012, when the group restructured €420 million in debt mainly from land. This operation made it possible to adjust debt maturities to the group's needs, with a substantial reduction of financial costs.

A second milestone came in December 2013 with a series of disinvestment transactions that made it possible to reduce the group's land-related bank debt by more than €202 million, thus reducing gross bank debt by 34% compared to the previous 12 months.

59% 41%

ASSET-RELATED AND PROPERTY-RELATED DEBT LAND-RELATED DEBT

€34 million → €15 million

REDUCING FINANCIAL EXPENSE FROM 2011 TO 2014

3. Increase the group's EBITDA/OIBDA

As a basic consequence of the previous two points, the NEINVER group's EBITDA rose to €18.9 million, in other words 42.5% higher than the FY 2012 EBITDA (€13.3 million) and 85.2% above the FY 2011 EBITDA (€10.2 million).

OIBDA (excluding earnings from the sale of assets) was €15.5 million, up from €7.9 million in 2012 and €6.7 million in 2011. In other words, the OIBDA for 2013 is 2.3 times that recorded by the group in 2011.

5. Increase resources budgeted for investment

The group's objective is to establish joint-investment agreements with new investment partners. This should help to accelerate NEINVER's growth in the outlet sector by investing in new development projects and currently operating assets, as well as growth in other sectors such as leasing and management of industrial assets. Industrial property is a sector in which NEINVER was historically a benchmark company in Spain, and which will leverage our knowledge of this highly specialised area.

In addition, the group's normal business lets it generate surplus funds that could be invested in new properties, and which in any case would allow investment in new projects focused on the outlet sector in Continental Europe.

Financial results

For FY 2013, the NEINVER group recorded losses of €47.1 million, down from €154.6 million the previous year. These mainly represent repricing entries for its assets within the writedown process begun in FY 2011²: a process intended to reflect the decreased value of its property assets and of the land portfolio, which occurred in Spain and other European countries due to an economic crisis with a significant effect on the property industry.

Thus in 2013 the group recorded €17.2 million in impairment for its investment properties (the figure was €26.2 million the previous year), as well as €29.6 million in impairment of its financial assets. On the other hand, it recorded a gain of €2.6 million in the line for impairment of goods (land recorded as stock) compared to losses of €114.3 million the prior year.

In this regard, it should be noted that if we had excluded the repricing entries from the profit or loss for the financial year, the group's consolidated earnings would have shown losses of €3.0 million, compared to losses of €18.1 million in FY 2012, reflecting a clear improvement in the group's operating results compared to the previous year.

Net sales, in turn, rose in 2013 to €59.0 million, up from €53.148 million the previous year, an 11% increase attributable to rental income from an outlet centre that opened in Poland in March 2013, as well as rent collected that year by an outlet centre that opened in France in May 2012 (and which generated rent for only 7 months that year) and the overall improvement in all its assets owing to improved business and increased occupancy rates.

It is important to highlight progress in the NEINVER group's net sales. In just 2 years, net sales rose by €12.1 million, a 25.9% improvement, which is impressive given the property sector in which the group operates, deeply affected by the economic crisis in that period.

As for its two main sources of revenue, €22.1 million came from its asset management and investments business (down 2.8% from 2012) and €36.9 million from its property business, through rental of investment properties (up 21.4% from 2012).

Personnel expenses³ were comparable to the year before (up 1.3%), while operating expenses (including losses and impairment associated with continuing operations, and excluding maintenance charges for the properties that are already open) saw a 22% reduction. As with revenue, if we consider the 2013-2011 period, operating expenses experienced a cumulative decline of 30.4%, representing a €5.1 million decrease.

During this financial year, the group sold three assets in Spain (2 industrial facilities, in Barcelona and Getafe, and one commercial property in Madrid) as well as a plot of land in Poland and one in Palma, Majorca. These transactions produced income of €3.4 million, most of which is slated for reducing the group's financial debt.

Therefore the group's EBITDA rose to €18.9 million compared to €13.3 million the previous year, a 42.5% increase. As previously mentioned, this is attributable to the group's increased income, reduction of overheads and keeping personnel expenses flat. Additionally, EBITDA on 31 December 2011 totalled €10.2 million, meaning that the group's EBITDA nearly doubled over the past 3 years.

For 2014, we expect the group's income to keep growing and expect overheads to be reduced further, allowing additional growth in EBITDA.

The group's balance sheet as of 31 December 2013 showed total assets of €619.7 million (€873.0 million in 2012). The decrease reflects the sale of assets in 2013, mainly land.

Regarding the group's debt situation: Gross bank debt on 31 December totalled €387.1 million, down from €583.6

million at the end of the previous year, a 33.6% decrease. The reduction occurred primarily in land-related bank debt, in other words debt from non-income-generating assets that were draining funds from the other assets and activities to pay the interest on those debts.

The debt-reduction and debt-restructuring processes were completed in November 2012, letting the group rationalise its financial liabilities while adjusting maturity dates to suit the group's expected business activities.

For example, €53.6 million (13.7%) of total bank debt comes due in the short term. €14.8 million of that has been repaid or renewed for the long term, and €32.2 million are

tied to an asset due for refinancing, for which an agreement should be signed before summer.

Income Statement (in thousands of euros)	2013	2012
Revenue from the group's properties	28,362	24,750
Income from invoicing of property-related expenses	8,548	5,651
Income from the Management business	22,108	22,747
Net Sales	59,018	53,148
Expenses from real property under lease	-9,038	-7,091
Other expenses from the management business	-4,224	-4,704
Overhead	-11,846	-15,235
Other operating expenses	-25,108	-27,029
Gross margin	33,910	26,119
Personnel expenses	-18,383	-18,155
EBITDA for the property business and management business	15,526	7,963
Gain on disposition of assets	5,323	12,465
Losses on assets	-1,882	-7,121
EBITDA	18,968	13,308
Own work capitalised	19,524	35,018
Work performed by other companies	-9,690	-25,783
Amortisations and provisions	-26,962	-147,892
Operating income - EBIT	1,839	-125,349
Financial results	-24,148	-25,628
Impairment of investments	-29,652	-
Share in profits or losses from companies consolidated by the equity method	6,534	5,039
Results before taxes	-45,427	-145,937
Corporation tax	-1,732	-8,729
Profit or loss for the financial year	-47,159	-154,666
Profit or loss attributable to the Controlling Company	-47,148	-103,196
Profit or loss attributable to External Partners	-11	-51,470

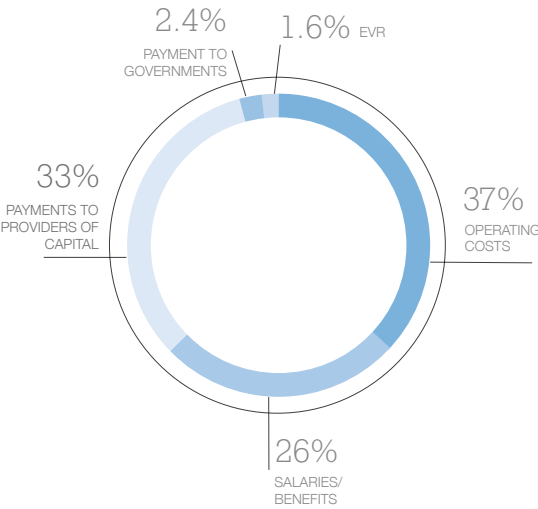
Economic value created

In 2013 NEINVER generated direct economic value (EVC) of €64,321 through revenue, dividends and the sale of assets. Of this amount, 98.4% was distributed over the company as a whole through payment of operating costs, employee compensation, donations and other investment

in the community, undistributed profits, and payments to providers of capital and to governments. Conversely, the NEINVER group has not received significant funding from governments in the areas where it operates.

	2013		2012	
From net receipts	59,018	91.7%	53,622	76.3%
From dividends	0	0.0%	5,300	7.5%
From sale of assets	5,323	8.3%	11,323	16.1%
EVC	64,341	100.0%	70,245	100.0%
Operating costs	-20,884	34.6%	-26,142	37.8%
Salaries/Benefits	-18,383	30.4%	-18,178	26.3%
Payments to providers of capital	-19,431	32.2%	-23,142	33.5%
Payment to governments	-1,732	2.9%	-1,644	2.4%
Investment in the community	0	0.0%	0	0.0%
EVD	-60,430	100.0%	-69,107	100.0%
EVR	3,911		1,138	

Percentage of EVC



Las Rozas The Style Outlets



Property development

In 2013, despite the scarcity of project financing in its markets, the NEINVER group's Technical department maintained the pace of its property development activity in Europe, developing about 310,000 sq. m.

Country	Property	Description	GBA in sq. m.	Store locations
Italy	Castel Guelfo Phase III	Outlet Centre	1,336	8
Germany	Zweibrücken La Place Food Lounge	Outlet Centre	775	1
Portugal	Vila do Conde new food court access area	Upgrade	425	-
Portugal	Vila do Conde - improvements to municipal road	Upgrade	10,000	-
Spain	Image change - Las Rozas The Style Outlets	Image change	11,179	38
Spain	Image change - Getafe the Style Outlets	Image change	39,531	68
Spain	Image change - San Sebastián de los Reyes The Style Outlets	Image change	126,607	99
Poland	Katowice Shopping Centre	Retail	83,720	208
Poland	Katowice Bus Station	Infrastructure	6,450	-
Poland	Katowice Tunnel	Infrastructure	3,234	-
Poland	FACTORY Annapol	Outlet Centre	26,431	117
TOTAL OPEN IN 2013			309,688	539

PROPERTIES UP AND RUNNING

Highlights include the opening of FACTORY Annapol and the Katowice complex with 119,831 sq. m. of GBA and the expansions in Italy and Germany with 2,111 sq. m. of GBA and 9 store locations. Additionally, 10,425 sq. m. of GBA were remodelled at the centre in Portugal, and the three centres in Greater Madrid underwent an image change with a total of 177,317 sq. m. of GBA and 205 store locations.

Country	Property	Description	GBA in sq. m.	Store locations
Poland	FACTORY Ursus remodeling and phase III	Outlet Centre	15,690	27
Portugal	Vila do Conde - El Corte Inglés Department Store	Retail	4,985	1
Portugal	Vila do Conde Petrol Station	Petrol Station	1,476	1
TOTAL CONSTRUCTION			22,151	29

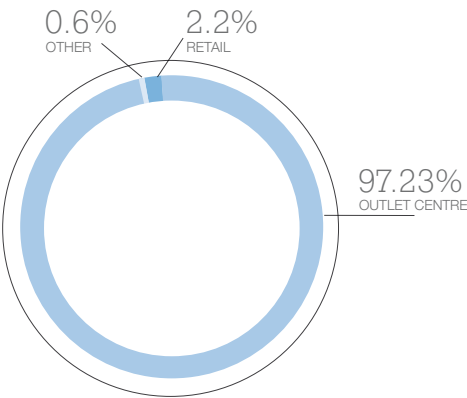
PORTFOLIO PROPERTIES

Besides those recently opened properties, the NEINVER group's portfolio includes 9 that will open in the next few years with a total GBA of more than 232,000 sq. m. Of these, more than 12% are already under construction, 25% are in the study phase and 65% in the permit applications phase.

Country	Property	Description	GBA in sq. m.	Store locations
Netherlands	Amsterdam The Style Outlets	Outlet Centre	75,500	170
Spain	Viladecans The Style Outlets	Outlet Centre	36,227	165
Italy	Vicolungo Phase IV	Outlet Centre	2,900	12
Germany	Werl The Style Outlets	Outlet Centre	38,100	224
TOTAL IN THE PERMIT APPLICATIONS PHASE			152,727	571

Country	Property	Description	GBA in sq. m.	Store locations
France	Cubzac The Style Outlets	Outlet Centre	26,000	120
Germany	Arthal The Style Outlets	Outlet Centre	32,000	176
TOTAL IN STUDY PHASE			58,000	296

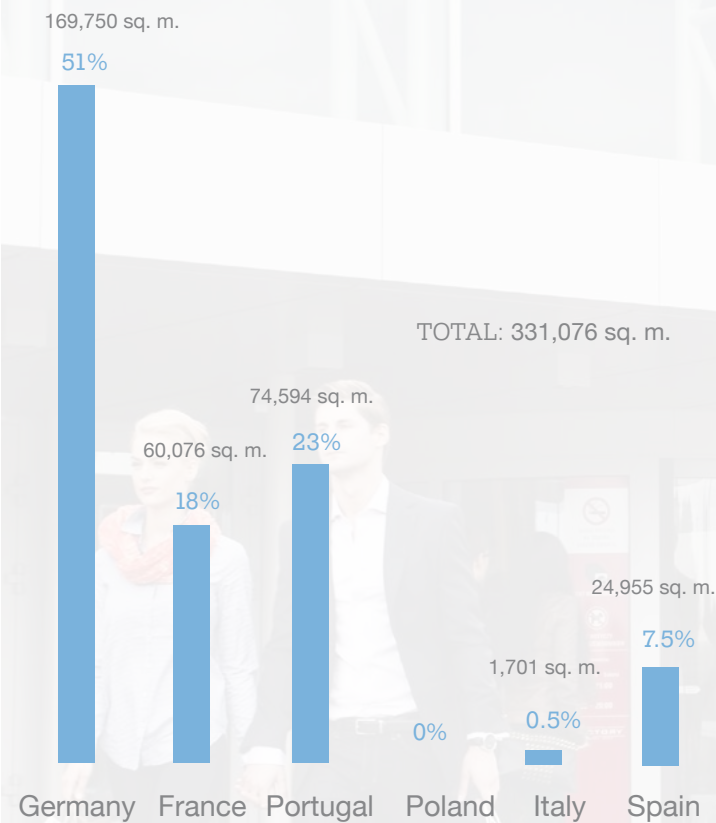
Breakdown by type



Identification and analysis of new properties

To complement the properties already in its portfolio, NEINVER continues to assess new opportunities to develop assets. In 2013, it analysed 19 potential projects in 6 European countries, generating 80 reports, for a total GBA of 331,076 sq. m. Of the projects considered, 100% were outlet centres in keeping with NEINVER's strategy of specialising in that sector.

Sq. m. of GBA considered in each country



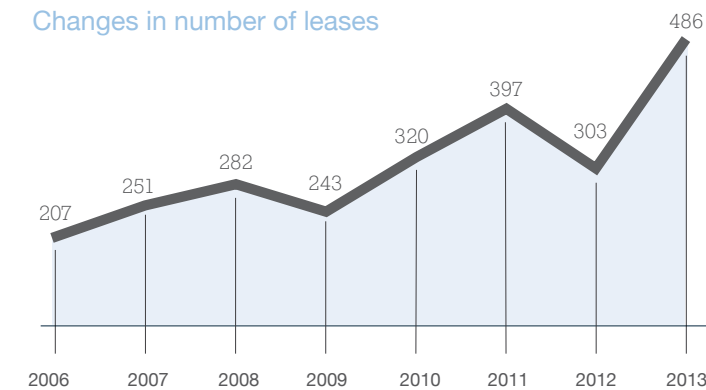
FATORY Krakow

Leasing

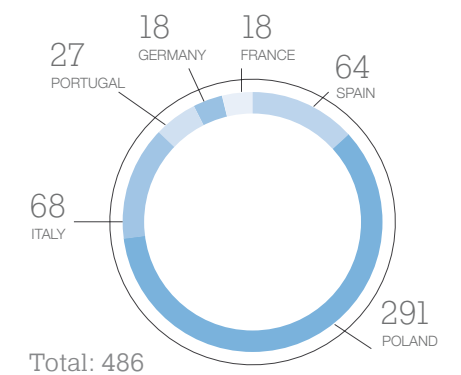
NEINVER currently manages the leasing and re-leasing of more than 1,500 store locations in six European countries, with a portfolio of more than 900 store operators. In 2013, NEINVER's leasing team signed 486 leases for a total of 99,525 sq. m., giving the retail and outlet centres a 94% average occupancy rate, up from 93% in 2012.

Notable results in specific countries include strong leasing in Poland, Italy and Spain, where new centres and expansions opened, accounting for 86% of those leases.

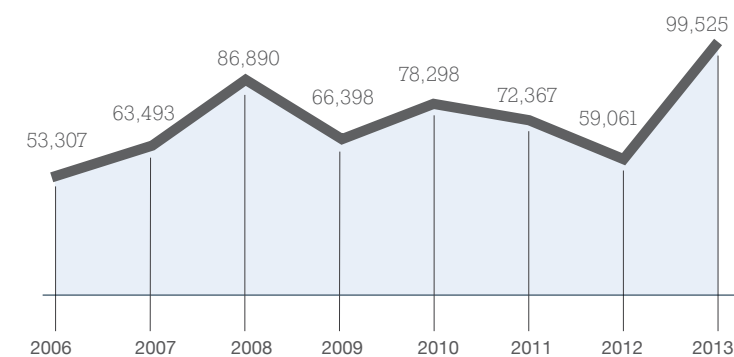
Changes in number of leases



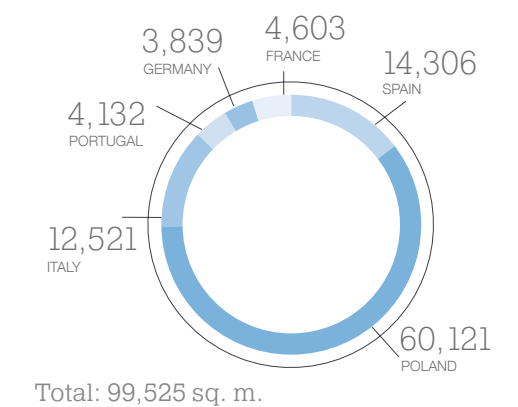
Leases signed in 2013, by country



Changes in sq. m. leased



Sq. m. leased in 2013, by country



In its leasing activity, the group remains committed to a policy of leasing to top international brands for a higher-quality mix of stores in its retail centres, offering an ever more appealing range of products and services.

Reflecting this process, the main store operators in NEINVER's property portfolio, in terms of units and sq. m leased, include quality brands such as Nike, Adidas, Desigual, Tommy Hilfiger and Polo Ralph Lauren.

Key Outlet Tenants: GLA and number of units

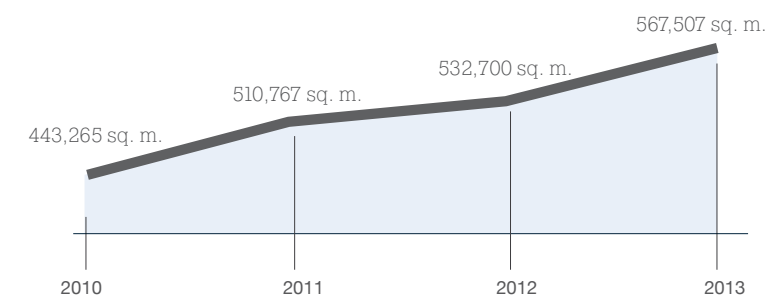


Asset management

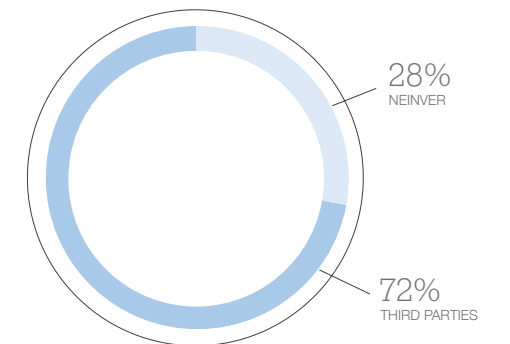
Asset management remains a key activity in the NEINVER group's business strategy. As of 31 December 2013, the NEINVER group manages 30 properties owned by the group or by third parties, for industrial, office and retail use, spread over 6 European countries, with a total area of more

than 567,500 sq. m.: 6.5% higher than the area managed in 2012. This reflects the group's internationalisation and expansion strategy, which is improving the quality of the portfolio of assets it manages.

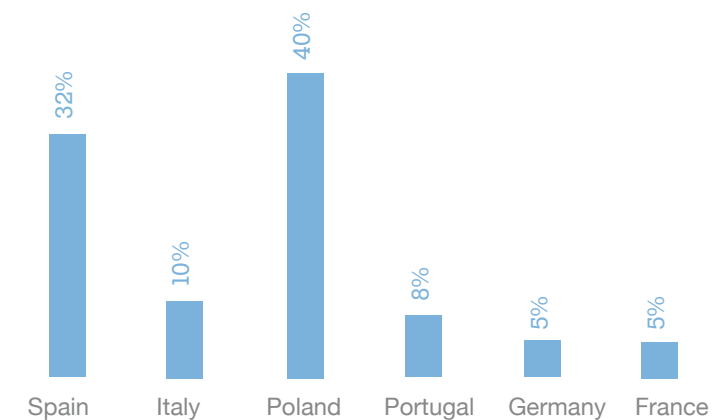
Changes in the sq. m of GLA managed by NEINVER



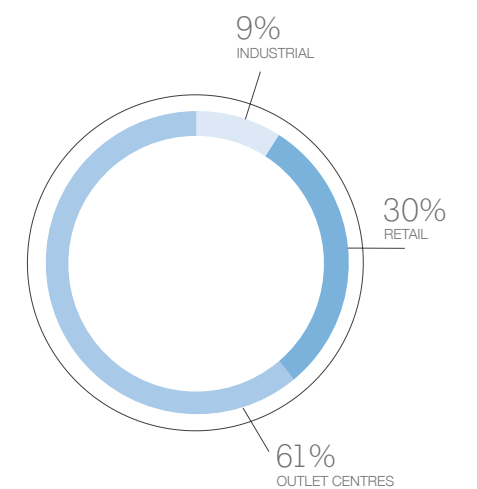
Changes in sq. m. of GLA managed, by ownership



Geographical breakdown by GLA of managed assets



Breakdown of business use of managed assets, by GLA



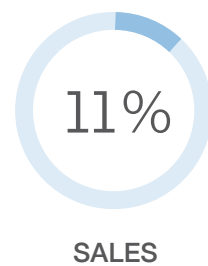
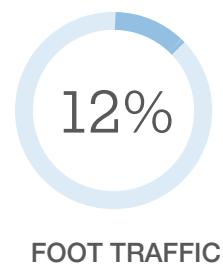
Improving the value of assets through management

NEINVER continues to be a benchmark company for asset management in the retail property sector. NEINVER is known for the quality of its management,

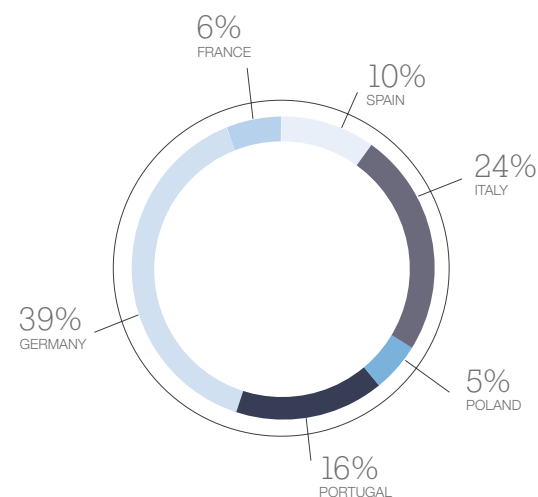
reflected year after year in increased foot traffic and sales in the assets it manages.

The NEINVER group continues to specialise in managing retail property assets. In 2013, the group managed nearly 515,000 sq. m. of GLA in retail and outlet centres, accounting for 91% of the total sq. m. it managed.

Changes in the NEINVER portfolio's KPIs, 2012 vs 2013



Geographical breakdown of managed assets, by market value



These key indicators reflect the company's ability to increase its sales volume and its profitability for store operators and investors. This translates into a market value totalling €1,834 million as of 31 December 2013. Some

€362 million of this represents NEINVER's portfolio and €1,472 million is the market value of assets managed for third parties.



"In 2013 our priority has been to maximise value for investors, store operators and shoppers. Upgrading our centres for a higher-quality shopping experience – improving their design, architecture, and the mix of brands and products, as well as their communications and services – has been a success. It has translated into a significant boost in sales and foot traffic, which rose 11% and 12% respectively."

Barbara Topolska
Chief Operations Officer



Fund management

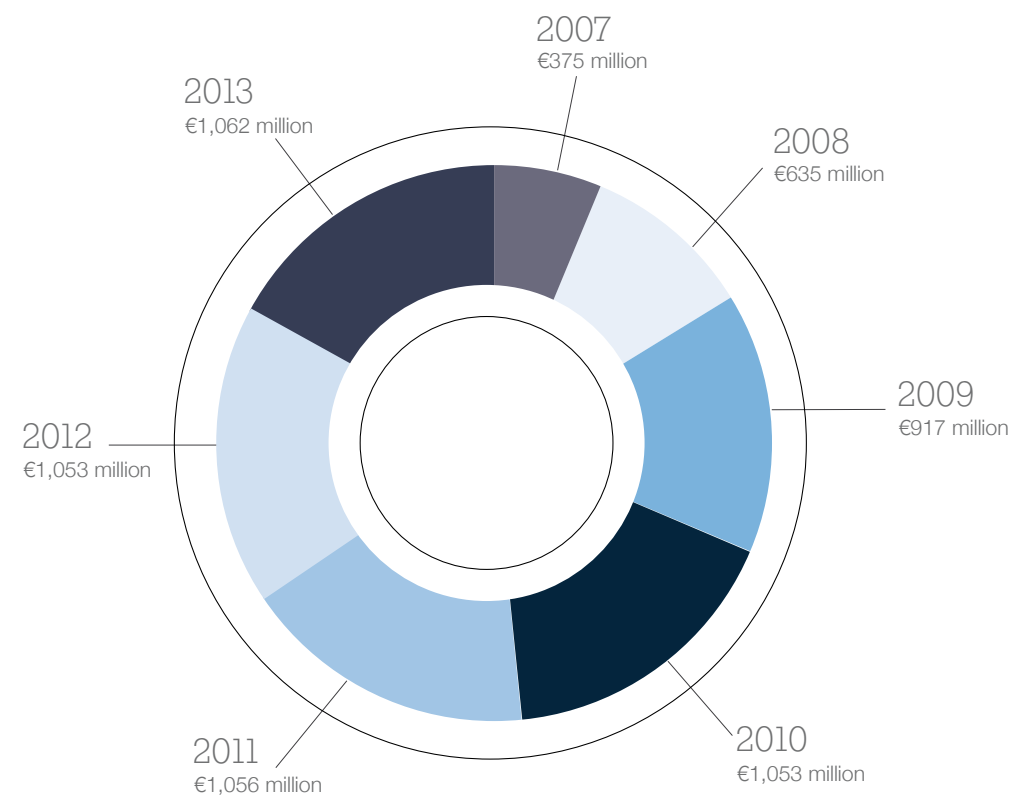
IRUS Fund

The IRUS Fund now manages 13 assets in five countries, with a total of 280,136 sq. m. of GLA and a combined value of more than €1,062 million, 0.9% higher than in December 2012 for the same asset portfolio.

Since its establishment in 2007, the Fund has distributed a total of €87 million in dividends, equal to 18% of the

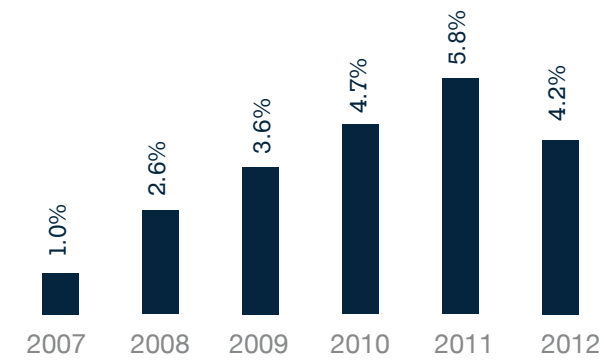
capital committed by the investors, a very clear indication of the fund's successful management. Year after year it has bolstered the value of its asset portfolio, despite the property crisis in Europe and high depreciation in the value of many assets.

Increase in the value of portfolio assets 2007-2013



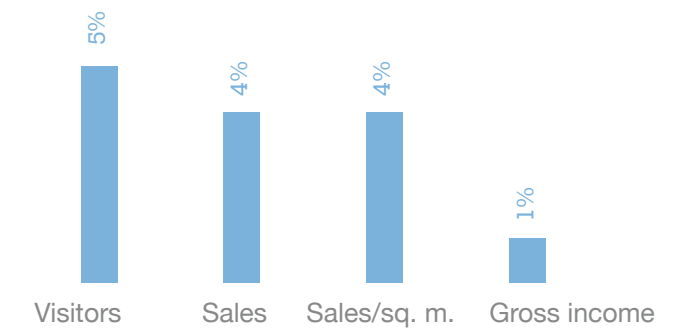
The portfolio GAV stands at €1,062 million at year-end 2013.

Changes in % dividend distribution



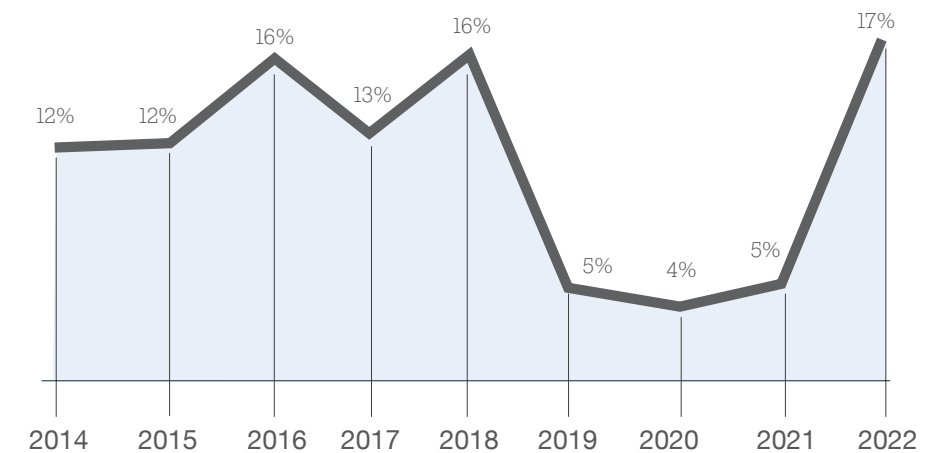
At the same time, IRUS Fund assets ended the year with steady growth in their performance data. Improvement was

Changes in the IRUS portfolio's KPIs, 2013 vs 2012



seen in the number of visitors, sales figures and sales/sq. m., as the occupancy rate has stayed at 98% of capacity.

Lease Expire Profile (GLA)



The re-leasing schedule also provides great solvency and stability. The diversity of brands, with more than 700 store operators managed; the centres' high occupancy rates; the diversification of assets, in terms of both their age and

location and the fact that the duration of the leases ranges from 5 to 10 years, depending on the country, means that the schedule of lease expiry within the portfolio ensures stability in the process, year after year.

..... Sale of assets

In 2013, the NEINVER group maintained its strategy of disinvestment and reduction of bank debt. This occurred primarily in land-related bank debt, in other words debt from non-income-generating assets that were draining funds from the other assets and activities.

In its ongoing policy of selling properties deemed non-strategic to the group because they are not associated with the outlet sector, the group sold the following:

- 2 industrial facilities in Barcelona and Getafe with an area of around 14,000 sq. m. and a sale price of €4 million.
- 1 retail asset in Madrid with a surface of more than 1,100 sq. m. and a sale price of €30 million.
- 2 plots of land: one in Poland and one in Palma, Majorca, with a total of 286,495 sq. m. and a sale price of €170 million.

These transactions produced a profit of €3.4 million, mostly slated for reducing the group's financial debt, and partly to finance and launch new properties.



FACTORY Poznan



Employees

Management model

In 2013 the NEINVER group focused on strengthening its teams' performance and its work environment while implementing a new organisational structure, ensuring better redistribution of job duties and coordination among departments with a clear business focus.

The group therefore worked to launch initiatives ultimately designed to use 5 basic priorities for ongoing improvement of the management model:

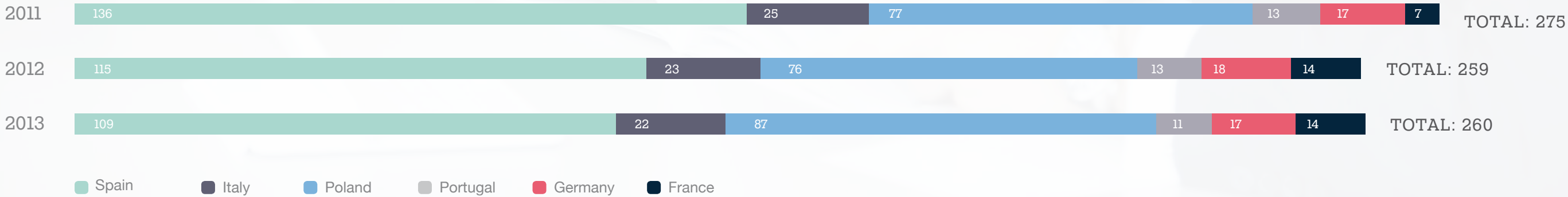
1. **High-quality employment**, promoting respect, equal opportunities and our teams' personal and professional growth in their work environment.
2. **Fair compensation**, implementing policies and measures needed to remunerate employees and promote their internal and external equity.
3. **Investment in employee training.**
4. **Health and safety in the workplace.**
5. **Better internal communications** to promote a sense of belonging.

For next year, NEINVER is challenging itself to further explore the potential of internal communications, through comprehensive employee satisfaction research and a communication plan about the new structure, bolstering establishment of a corporate culture.

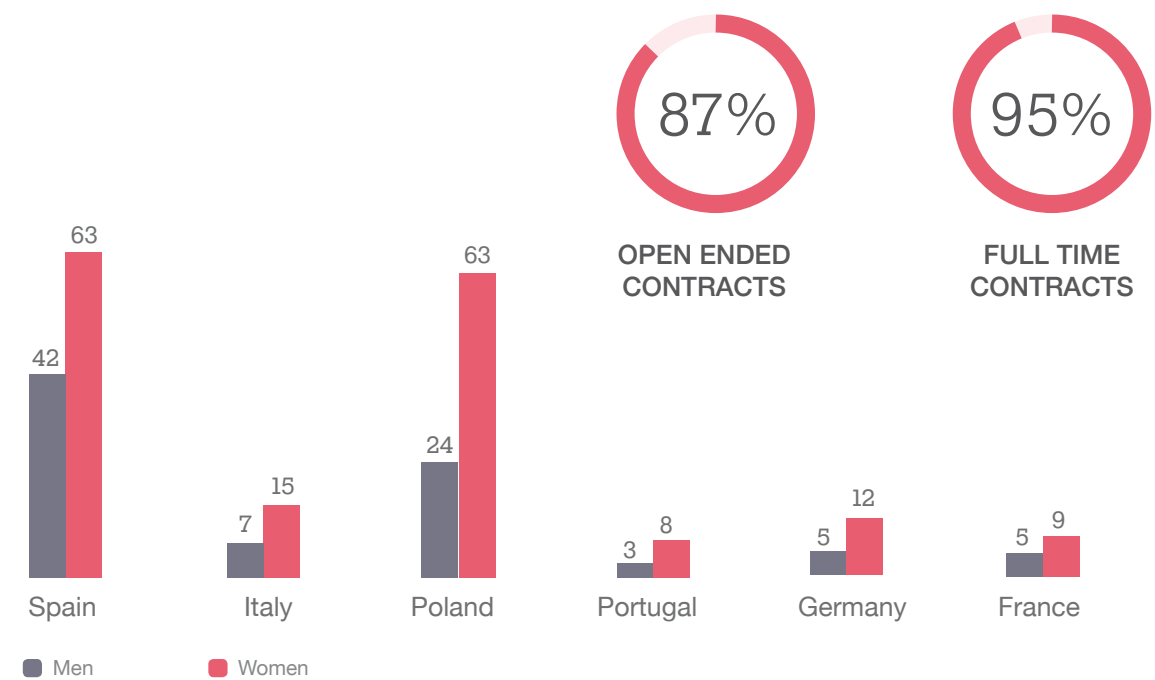


Commitment to high-quality employment

Under its new structure, NEINVER has 260 professionals spread over 6 European countries, again reaffirming its commitment to domestic and international job creation and doing its part to promote economic development in the areas where NEINVER does business.

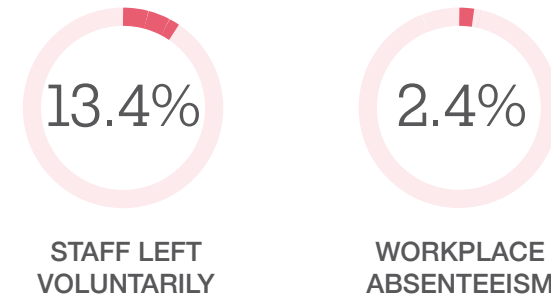


Breakdown by gender in each country



Rate of new hires and average staff turnover

Age	Males			Females		
	Hires	Departures	Rate	Hires	Departures	Rate
<30	5	4	1.73	22	9	5.95
30-50	9	15	4.61	20	24	8.46
>50	-	-	-	-	3	0.57
TOTAL	14	19	6.34	42	36	14.98

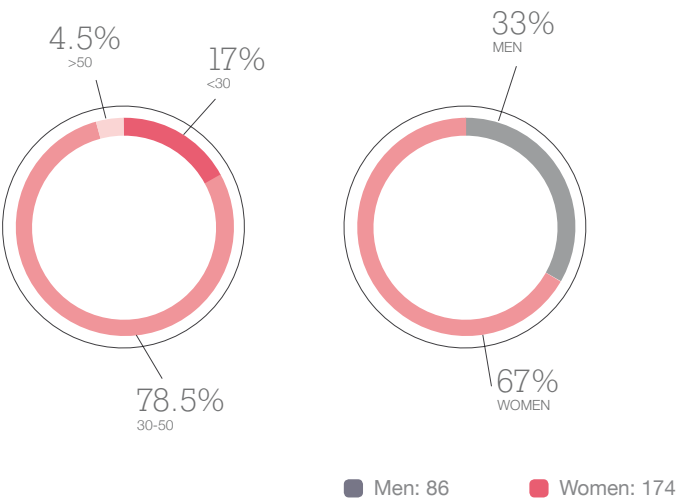


Commitment to diversity and equal opportunities

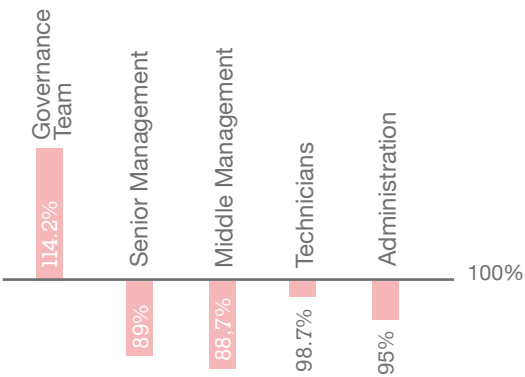
NEINVER is proud to be a company that promotes gender equality in all countries, sections and levels of the organisation. Based on its ethical principles and the tenets of its corporate culture, NEINVER considers female

representation one of its hallmarks. The group always works towards internal equity not only in remuneration but at the social level, offering equal opportunities to all employees and promoting a diverse organisation.

Breakdown of employees by age ⁴ and gender



Women's salaries by category, compared to the average



Breakdown of the management team by age and gender

Employee Category	Age	Men	Women	Total	%
Management team	<30	0	0	0	0%
	30-50	2	1	3	100%
	>50	0	0	0	0%
TOTAL	%	66%	33%	100%	100%

Likewise, NEINVER is committed to a zero-tolerance policy towards all types of threats, coercion, abuse, violence and intimidation in the workplace. Through its corporate Code of Conduct, it promotes workplace

equity and fair treatment of people without prejudices based on race, nationality, religion, gender, sexual orientation, marital status, age or disability.



San Sebastián de los Reyes The Style Outlets

..... Compensation policy for fair remuneration

Flexible compensation plan

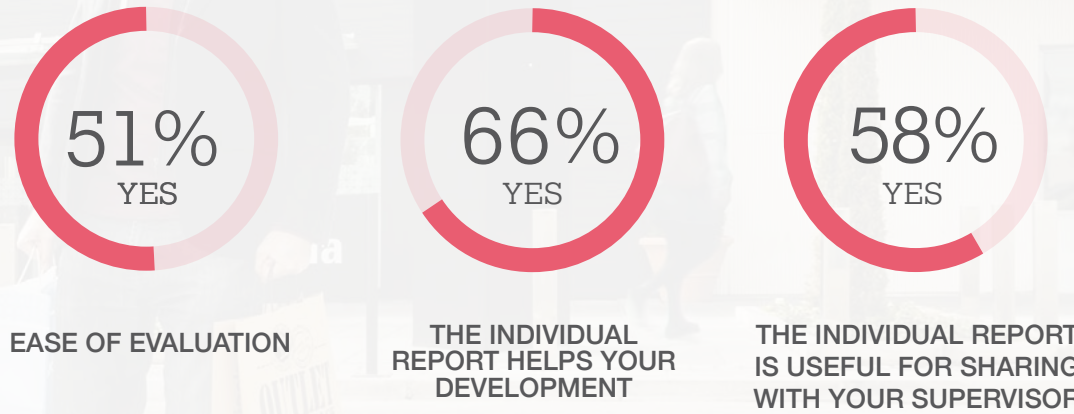
NEINVER wishes to comply with international standards on employee compensation and remuneration, seeking equity for its workers relative to the other competitors in the industry. In 2013, 30% of employees signed up for the new flexible compensation plan, a successful internal launch that has directly benefited people in the organisation. Under this plan, employees can customise their pay package, with the chance to increase benefits to meet their individual needs.

360° evaluation

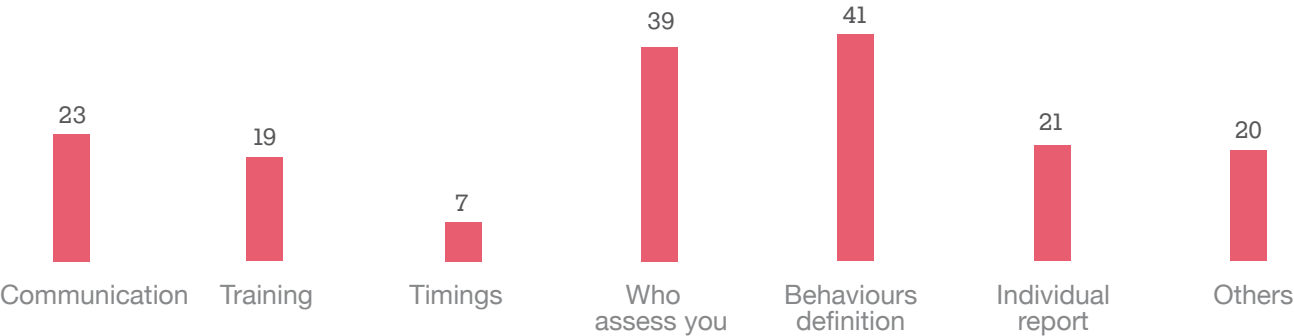
In FY 2013, NEINVER finished implementing **360° evaluation for all company employees**. This method aims to assess the employee's performance as a group member, by evaluating teamwork and cooperation.

Through this initiative NEINVER not only successfully evaluates employees from a broader perspective, but also now compensates them in a fairer way, assessing their performance as professionals and as individuals in their interactions with the people around them and their co-workers.

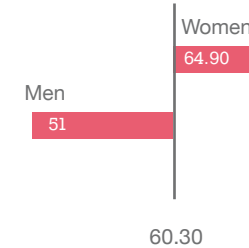
After the 2013 launch, the company sees the project as an overall success, even if some areas for improvement have been identified for next year. Fifty-nine employees (23% of the company total) participated in an evaluation and satisfaction survey about the project. It found the following notable results and areas for improvement:



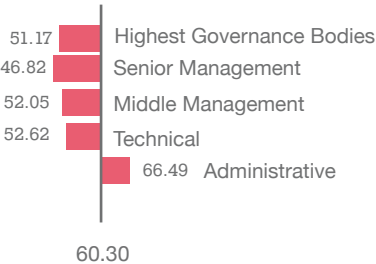
Areas of improvement for 2014. Proposals from 59 employees.



Total hours of training by gender, compared to the average



Total hours of training by employee category, compared to the average



The HR unit has turned the results into an action plan for 2014, to address the following:

- Greater information and communication on the assessment process and method, especially when describing behaviours and skills to evaluate: Leadership and management of Teams, Cooperation and Teamwork.

- More training to conduct evaluation properly, leveraging constructive comments in all the skills assessed.
- Reduce the assessment to no more than 10 people.
- Individual review with supervisor to define areas needing improvement.
- Reduce the role of 360° evaluation in determining objectives and the 2014 bonus.

Commitment to safety and health in the workplace

NEINVER stands out once again for its commitment to employees' safety and health. In 2013, NEINVER had 0.00% workplace accidents and 0.00% occupational diseases in the work environment. In each country

where it does business, NEINVER complies with national regulations and requires a training programme at each property on risk control and preventive management.

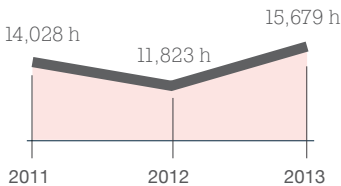
Investment in training and development

In 2013 NEINVER remains committed to developing its professionals through a training plan with 32% more teaching hours, though the total investment is down 25%. More in-house training and less use of

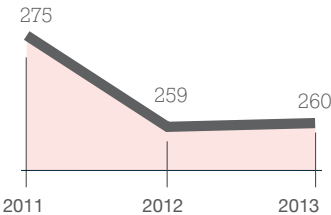
higher-education and Master's programmes are some priorities of this investment rationalisation in favour of a greater scope within the organisation.



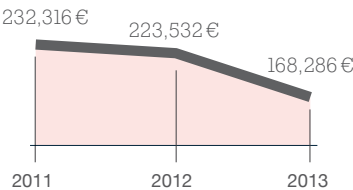
Total training hours



Total NEINVER team



Total investment



..... Improving internal communications

Lunch & Talk gatherings

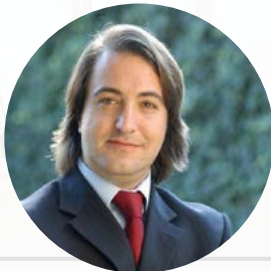
In recent years, internal communications has been one of the most important, critical points to improve within the group, since all its activities and projects depend on it. Therefore, the group's new senior management launched the "Lunch & Talk" project in 2013, with these goals:

- Open up communication between General Management and the management team and between General Management and the teams working in the countries.
- Give a first-hand explanation of the company's plan for the coming years: share the group's changes, status and strategy.
- Create a space for open dialogue where people can contribute, learn and better understand one another.

18
GATHERINGS

6
COUNTRIES

260
EMPLOYEES



"Getting together and talking face to face with the group's Managing Director in the Lunch & Talk gathering was a unique opportunity for NEINVER Portugal. Finding out the company's strategy first hand was very useful in our work. Clearly it lets you better focus your objectives and align yourself with the company."

Gilberto Aguiar
Design Director



Galeria Katowicka

Intranet launch

Development of a new corporate intranet has been another great milestone that NEINVER Communications and HR carried out in 2013. The goal was to create an intuitive tool that, besides centralising communication flows within the company, gives employees a single place to find all corporate information and documents regardless of their country, location or department.

The new intranet's more corporate side is supplemented by a significant social component through sections aimed at the PEOPLE who make up the NEINVER team. New sections include forums for sharing items of interest, the ability to sign up for sports events, birthday alerts, and interviews that are more personal to help colleagues get to know one another. These allow greater interaction and make it possible not only to get information from the company but to create and share information.

- New image in keeping with group strategy.
- Global architecture for all countries.
- New value-added content for employees.
- Participation and collaboration through interactive sections.



"This intranet has met the goal of becoming the new channel for corporate communication, a reference point for consultations and a way for employees to share information among themselves. We will keep working to develop this tool to meet the needs and suggestions of everyone at NEINVER."

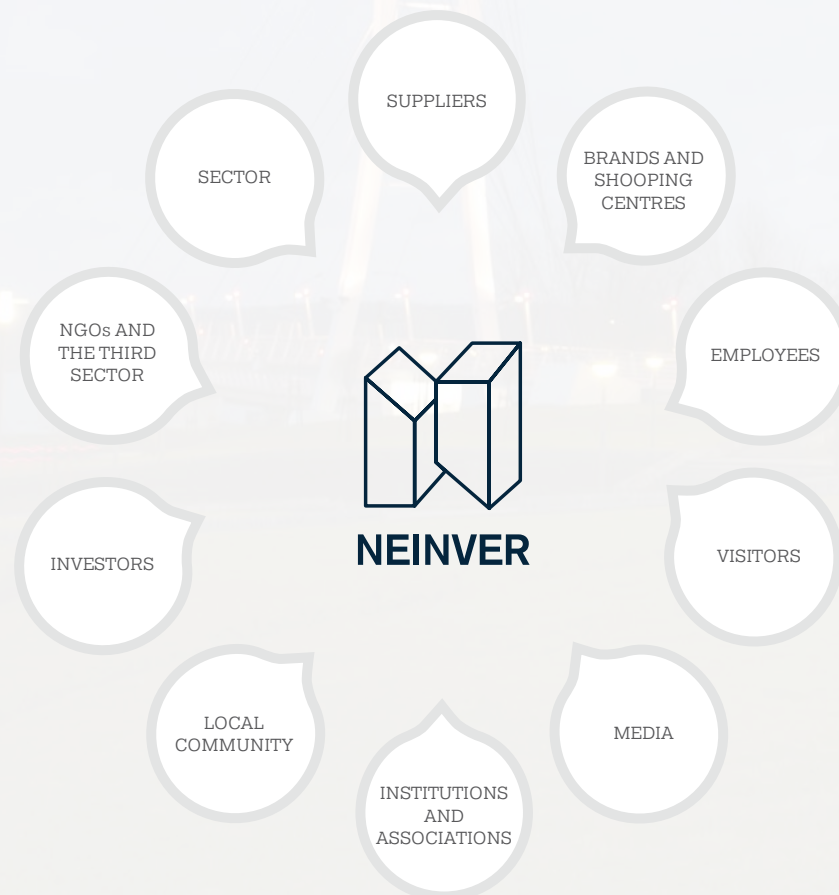
Bárbara Tagarro
Communication Manager

Other stakeholders

In 2013, aware of the importance of all its stakeholders, NEINVER decided to begin a large Corporate Reputation study among those groups most affected on a daily basis by the company's operations: store operators, investors, suppliers, institutions, associations and media.

Through this Research Project, the company intends to

- Learn about the competitive environment in the industry within each country and among different stakeholders.
- Discover NEINVER's current Corporate Reputation: attributes and elements assessed by the various groups.
- Assess the international perception and opinion of its new positioning.
- Assess how the 2012 corporate restructuring affected the company's image.
- Analyse stakeholders' interests and needs in their relationship with NEINVER.
- Discover keys to success, information, insights and other deciding factors for improving the group's social responsibility strategy and its image as an industry leader.



Galeria Malta

Suppliers

The NEINVER group is firmly committed to ensuring that its code of ethics is shared throughout its supplier network, as proof of adherence to the company's corporate principles and values. As standard practice, all of the company's supplier contracts include best-practices clauses on labour standards, occupational safety and health, and the environment.

Respect for human rights throughout the value chain

The available data confirms that the group and its suppliers honour these practices, especially those regarding freedom of association as well as child labour and other types of forced labour:



Green procurement policies

To decrease the total impact of its environmental footprint, the NEINVER group aims to sign contracts with suppliers that help implement sustainable processes and systems for all phases of the value chain. NEINVER worked in 2013 to implement green policies in different priority action areas, including:

- Implementing a procurement policy requiring that all office supplies bear the EU Ecolabel or equivalent.
- Implementing "green clauses" in the cleaning contracts for the offices in Alcobendas.
- Implementing a procurement policy requiring paper and wood-derived products to be certified with the Forest Stewardship Council (FSC) seal or equivalent.

Store operators

The NEINVER team is firmly committed to the store operators as they carry out their business and management activities. Year after year, NEINVER implements new initiatives and projects to improve service and achieve higher customer satisfaction ratings. Notable examples in 2013 included the rebranding of the Madrid-area outlet centres as *The Style Outlets*, and the visual merchandising initiatives with mechanisms to maximise store operators' earnings.

Rollout of *The Style Outlets* brand in Spain

The transformation of NEINVER's three outlet centres in Greater Madrid and their incorporation into the international platform *The Style Outlets* – which now operates in France, Germany, Italy, Portugal and Spain – was one of the company's big achievements in 2013. It has a strong impact on operators' satisfaction level.

This project, which involved an investment of €5.5 million, culminates the establishment of *The Style Outlets* brand in Spain. This is part of the group's business strategy in Europe, to adapt continually to current needs in the sector by providing a top-quality shopping experience.

The Style Outlets brand rollout was meant to respond to new demands and trends in the market, with a concept defined by its sustainable architecture, improved range of brands and products, more services, and ongoing support for local arts and culture. This transformation included rethinking the aesthetics, functionality and efficiency of the centres' architectural spaces, better interior and exterior materials, and upgrading the furnishings in the common areas and the children's zones.

These improvements are greatly benefiting store operators, in terms of sales and management costs. For example, the new lighting system will bring energy savings of 70%.

Figures for the centres remodelled in Spain in 2013.

367	54,800	1,300	0
UNITS	sq. m. GLA	m	DAYS CLOSED
	REMODELLED	OF FACADE	

Customers also have access to new services that help improve their shopping experience: Wi-Fi zones to keep visitors connected; constant availability of a style consultant

through a smartphone app; and online platforms that let users search for and share fashion trends any time and anywhere.

"Rebranding the FACTORY centres as The Style Outlets involved more than just changing the signs and branding: it marked a move away from the idea of outlets as a manufacturer's store and adapting to their current reality as an up-to-date distribution channel aimed at a public for whom "smart shopping" is a regular consumer habit. The updated facilities and the warm, welcoming decor make customers rate their shopping experience as satisfying."

Kike Quesada Sánchez
Outlet Retail Manager, Pepe Jeans



Vila do Conde The Style Outlets

Visual Merchandising training

In 2013, NEINVER's Visual Merchandising team launched a free training programme for store operators in all its centres: 2 sessions per year aimed at maximising the stores' sales through an unbeatable shopping experience, using current tools for introducing and presenting products. Some operators have their own visual merchandising professional who visits the shop regularly, but most stores lack the knowledge to develop and maintain an ongoing, suitable strategy.

The first session of this training programme was held in the first half of the year and its focus has been adapted to the needs and requests of stores in each centre. The second session was a custom, on-site consultation at each participating shop, to answer questions individually.

The 2013 trainings dealt with: Style Consulting (the "Dress Your Style" personal shopper service) at nearly all the centres, Graphic Communications at Roppenheim, and Personal Consulting Days in late December at all centres in the portfolio.

Participation in these trainings has been highly satisfactory, and all the courses received very positive feedback, averaging 4 out of 4 in satisfaction surveys. The optimal outcome of implementing these techniques has translated into greater foot traffic/capture/conversion rates, as well as better brand visibility and customer loyalty.

Visual Merchandising Manual

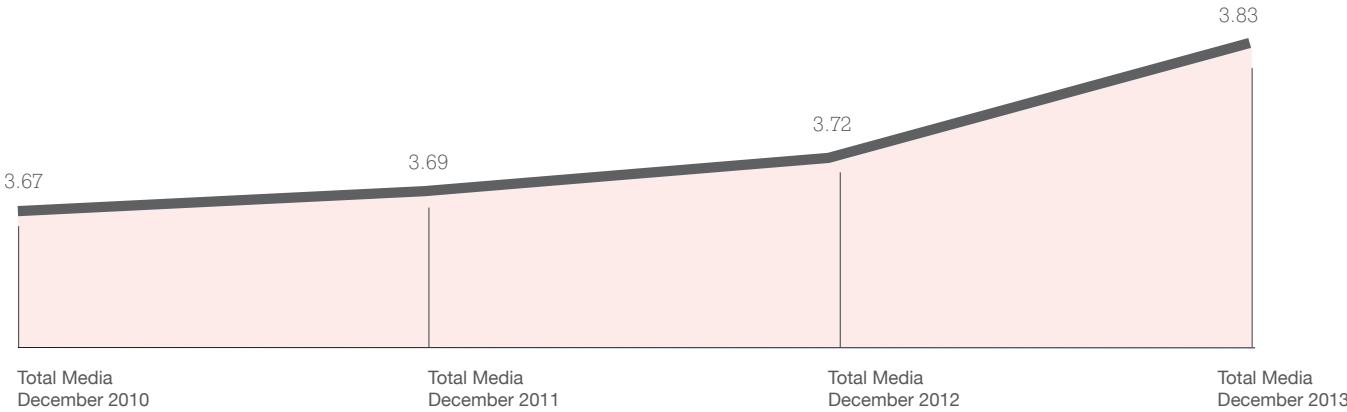
NEINVER developed this free tool for the store operators. The manual brings together the most important VM concepts as they apply to an outlet environment. It is meant as a daily reference guide for the stores: how to run a promotion, new ideas for planning window displays, tips for announcing a new collection, etc. The booklet is available in electronic form in all the local languages and includes a theoretical explanation supported by numerous visual and graphic examples to aid comprehension.

The tool has been very well received by the stores, and a printed version will be published in all the company's languages in 2014.

Dialogue and satisfaction assessment

NEINVER conducts half-yearly operator-satisfaction research throughout Europe to determine the level of quality offered in its shopping and outlet centres. Since 2010, when the project was launched, the goal has been to systematically analyse and track the store operators' satisfaction with the quality of service provided.

Changes in operators' overall satisfaction: comparison 2013-2010, rate out of 5.



The 2013 results show that store operators are clearly satisfied with the service received, which they rated 3.83 out of 5. Even with this positive indicator, **NEINVER is still working to achieve high satisfaction scores (above 4) among 90% of occupants.**

A more detailed analysis shows that the centres' management and marketing were the highest-rated features, with scores above 4, while facilities management and the mix of stores got the lowest scores.

Breakdown of operators' satisfaction rates for 2013, by service.

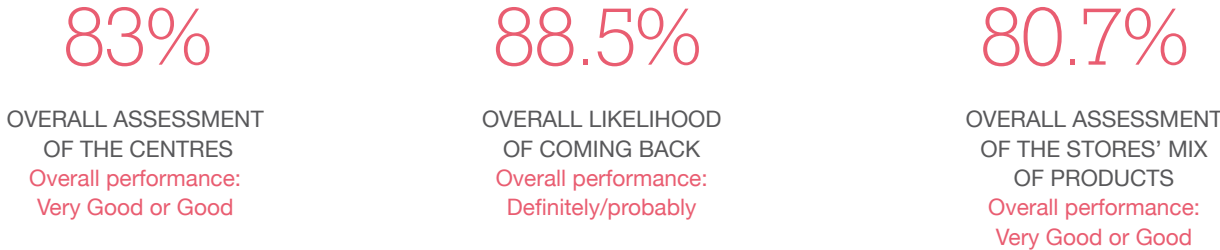


Visitors

Measuring visitor satisfaction

Once again this year, NEINVER specifically assessed the satisfaction of people visiting its outlet centres. This is plainly a stakeholder group that NEINVER wants to pay more and more attention to. The study, based on personal interviews with a sample of 700 shoppers per centre, assesses each centre and the main aspects of its products and services.

Changes in visitors' overall satisfaction: comparison 2013-2010



As a point of comparison, visitor satisfaction has improved over time in most centres, except Getafe, Vicolungo and Zweibrücken, which shoppers gave slightly lower scores than before.

In any case, one pending goal is to expand the research to look at visitors' attitudes and needs regarding the centres' environmental sustainability and what NEINVER can do to satisfy them, in keeping with its environmental policy.

Industry and institutional participation

Membership in associations

	YEAR JOINED
RETAIL AND OUTLET	
AECC - Spanish Association of Shopping Centres Juror at 2010 Conference	1996
MAGDUS – European Factory Outlet Centres Observatory	2006
ICSC - International Council of Shopping Centers Member of the ICSC European Committee	2006
SIEC- French National Association of Shopping Centres	2010
GCSC - German Council of Shopping Centers	2010
Polish Chamber of Shopping Centres	2008
Associação Portuguesa dos Centros Comerciais (Portuguese Association of Shopping Centres)	2005
Consiglio Nazionale dei Centri commerciali (Italian National Council of Shopping Centres)	2008
Conseil national des Centres Commerciaux (French National Council of Shopping Centres)	2010
INVESTMENT	
INREV - European Association for Investors in Non-listed Real Estate Vehicles	2010
PERE – Private Equity Real Estate	2010
FACILITY MANAGEMENT	
IFMA - International Facility Management Association	2008
SEFM - Sociedad Española de Facility Management (Spanish Facilities Management Society)	2008
EUROFM - European Facility Management Network	2008
GET19 - Comité Técnico Español para la Normalización del Facility Management en la UE (Spanish Technical Committee for the Standardisation of Facilities Management in the EU)	2008
AEM - Asociación Española de Mantenimiento (Spanish Maintenance Association)	2008
OTHER	
BREEAM España - BRE Environmental Assessment Method	2010
Instituto de Consejeros-Administradores (Institute of Directors and Managers)	2011
RICS – Royal Institution of Chartered Surveyors	2009
ISACA - Information Systems Audit and Control Association	2008
AUSAPE – Asociación de Usuarios de SAP de España (Spanish Association of SAP Users)	2009

Participation in Trade Shows and Conferences

- In Retail, (Portugal)
- RICS, Facility Management (Spain)
- RICS, Sustainability (Spain)
- Barcelona Meeting Point, Facility Management (Spain)
- British Embassy, Sustainability (Spain)
- Colegio de Arquitectos (Board of Architects), Sustainability (Spain)
- Outlet Conference, (Germany)
- ICSC European Outlet Conference (Germany)
- MAPIC (France)



“MAPIC is where NEINVER annually meets with potential store operators and clients. Therefore, all our teams put a great deal of effort into it. For the 2013 edition we did a major redesign of our stand, to make it more functional and more suitable for business meetings. The new design also increased its visual link to style and the digital world. These changes – consistent with The Style Outlets brand – were received warmly by our target audience, who appreciate NEINVER’s efforts to bolster our positioning in the market.”

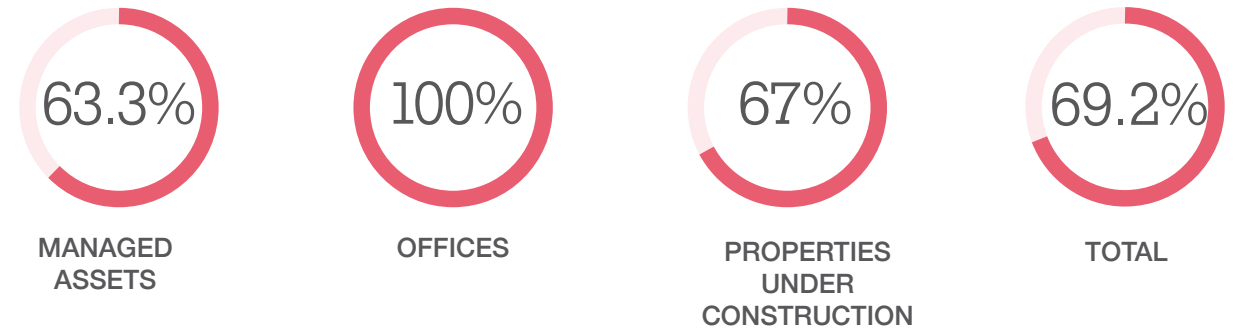
Lurdes Martins
International Leasing Director

Local community

NEINVER is aware of the impact its business can have on the communities where it operates. Therefore every area of the organisation takes steps to reduce the negative effects of each of its operations. Potential impacts include environmental issues, such as pollution, overloading public infrastructures and increased traffic.

Managing such impacts is extremely important. The group therefore acts to prevent and mitigate this kind of risk to improve living conditions in the communities where it does business.

Percentage of operations that have implemented development, impact assessment and local community involvement programmes.





Roppenheim The Style Outlets

1. **Infrastructure development.** NEINVER's centres, normally located on the outskirts of cities, are an opportunity for urban transformation and the revitalisation of industrial districts, attracting large numbers of visitors, developing new roads and modernising infrastructure. NEINVER supports the local community by constructing or widening roads, roundabouts and approach ramps to reduce the impact of traffic generated by the centre.
 - **Opening of the train and bus station in Katowice,** a key project in the area, serving 100,000 trains a year, and used by millions of travellers and customers. A 200,000 sq. m, €200 million project that has improved infrastructures to help reorganise traffic patterns not only in the immediate area but throughout the city centre.
 - **A roundabout** providing access to Coruña The Style Outlets.
 - **Electrical and lighting installations,** paving and landscaping of the public car park adjacent to the centre in Seville.
 - **Upgrades to the dune** area and the network of access roads at Vila do Conde The Style Outlets in Portugal, with a total investment of €3.2 million.
2. **Support to the local economy and job creation.** NEINVER contributes directly or indirectly to job creation and development of the local economy by encouraging local hiring for jobs that its business creates. At the same time, NEINVER still has a policy of signing contracts with local suppliers in the countries where it does business. This makes for more efficient properties, which benefit from local teams' knowledge of applicable laws, customs and ways of working.
 - In 2013, NEINVER directly or indirectly created more than 7,000 new jobs in Europe by opening FACTORY Annopol and Galeria Katowicka (Poland), expanding Castel Guelfo The Style Outlets (Italy) and transforming the 3 outlet centres in the Greater Madrid area (Spain).
 - It signed preliminary agreements to develop several new outlet centres in the next few years: a centre in Barcelona, Spain with an estimated investment of €80 million, creating 1,000 jobs, and 2 other centres in Germany and the Netherlands.
 - It worked with the local government of Las Rozas to organise the 7th Job Fair.
 - It signed an agreement with Pole Emploi in the Alsace region to teach German, English and business tools to more than 150 people.
3. **Promoting tourism.** NEINVER cooperates actively with local and regional institutions to promote tourism in the areas where it operates its centres. NEINVER has participated in round-table discussions and has ongoing collaborations with tourist information centres and regional airports. It also has ongoing contact with local associations and groups that hold social and cultural events such as summer festivals, which draw tourists to the area.
 - Collaborative agreement with the airport in Zweibrücken, Germany to attract visitors to the region.
 - Agreement with the region of Alsace and opening of a regional information centre in the outlet centre.

Cooperation with NGOs

Through its European network of centres, the NEINVER group cooperates with social and cultural organisations and NGOs to promote their charitable activities by donating space, fundraising, or through public awareness and information.

Main results of the UNICEF project

€2,503
PRODUCT
SALES

48
PARTNER
PARTICIPATION

660
TEXT MESSAGE
PARTICIPATION

Main results of the project "Walking for the Red Cross"

3.3
TONNES OF
CLOTHING
COLLECTED

848
GIFT CARDS
DISTRIBUTED TO
DONORS

"In 2013 NEINVER supported UNICEF while conducting a reputation study in which the participating companies donated their participation incentive to UNICEF. It was a different kind of initiative, which raised €4,200. The funds will go to UNICEF programmes, especially infant mortality projects."

Amaia Elizalde Belascoain
Madrid coordinator
UNICEF's Spanish National Committee





Coruña The Style Outlets

The strategic goals of NEINVER's environmental management model include monitoring and effectively responding to the ways our business activities affect and impact the environment, and protecting and safeguarding the planet for future generations.

Management model

The strategic goals of NEINVER's environmental management model include monitoring and effectively responding to the ways our business activities affect and impact the environment, and protecting and safeguarding the planet for future generations.

Its top priority is to foster a Corporate Strategy affecting each of the company's stakeholders and to promote a sustainable culture throughout the value chain of the business. One example is independent certification of the design, development and sustainable management of its assets:

- **Renewal of ISO certifications**, and in particular ISO 14001 (Environmental Management Systems).
- **BREEAM IN-USE certification** at 14 retail and outlet centres in Europe (11 in 2013 and 3 in January 2014).
- **Certification of the design and construction of FACTORY Annopol**, with a score of 60.44%, the highest score to date among the company's centres certified in this category.
- **Energy certification of the Spanish centres in June 2013**, at levels ranging from B to E depending on the centre's age.

BREEAM IN-USE certification

This is a sustainability assessment and certification programme for existing, in-use, non-residential buildings that are at least two years old. It evaluates the property's actual behaviour through information on environmental performance, bills and other records of the building's resource consumption. For NEINVER, this certification constitutes a clear, rational roadmap to improve sustainability and optimise its centres' operating costs by making it possible to set targets and to develop, implement and periodically review an action plan.

NEINVER has certified two parts:

- PART 1 - The Building, based on its construction and outfitting.
- PART 2 - Building Management, based on information about management policies and procedures.


Centres	Pt. 1	Pt. 2
Las Rozas The Style Outlets	Good	Very Good
Getafe The Style Outlets	Good	Very Good
Sevilla The Style Outlets	Good	Very Good
San Sebastián de los Reyes The Style Outlets	Good	Excellent
Coruña The Style Outlets	Very Good	Excellent
FACTORY Ursus	Very Good	Good
FACTORY Wrocław	Very Good	Good
FACTORY Poznań	Good	Very Good
Galería Malta	Very Good	Very Good
FACTORY Annapol	Very Good	Very Good
FACTORY Krakow	Very Good	Good
Vila do Conde The Style Outlets	Very Good	Good
Vicolungo The Style Outlets	Good	Good
Castel Guelfo The Style Outlets	Good	Very Good
Zweibrücken The Style Outlets	Very Good	Good

“NEINVER’s commitment to sustainable construction makes it a benchmark in the industry. In 2013, it obtained 11 BREEAM certificates in 5 European countries, ensuring buildings that are healthy for users, energy-efficient and respectful of the environment.”

*Oscar Martínez Lamigueiro
Director, BREEAM Spain*

Performance and meeting 2013 targets

NEINVER’s achievement of objectives for 2013 reveals the group’s strong commitment to meeting its targets. NEINVER successfully improved the overall performance of its operations in all environmental sustainability categories.

	ENVIRONMENTAL SUSTAINABILITY. 2013 goals	Level of compliance
	Energy. Achieve a base target of 100 kWh per year per sq. m. Reduce the energy consumption of our shopping centres and corporate offices by 5%.	In progress
	Water. Reduce water use throughout our portfolio of assets by 2% and achieve a target limit of 4.43 cu. m per year of drinking water consumption per person in new-construction commercial buildings.	Achieved
	Materials. Improve the thermal insulation of new-construction buildings to 10% above the target given in national standards. Reduce consumption of office supplies in our centres by 10%.	In progress
	Transport. Promote green transport among employees and stakeholders. Install electric car charging points at the shopping centres.	Ongoing
	Waste. Establish a comprehensive waste management policy throughout the company’s value chain, to include tracking and assessing each type of waste generated.	In progress
	Pollution. Use green contracts when outsourcing services or establishing relationships with suppliers, to avoid the risk of emissions or spills of toxic substances into the environment.	In progress
	Health and well-being. Increase the comfort and well-being of our clients, employees and stakeholders. Learn the results of this through satisfaction research that includes environmental elements.	Ongoing
	Management. Get BREEAM In-Use certification for the shopping centres the company manages in Europe.	Achieved
	Land use and ecology. Assess the proposed measures intended to improve the biodiversity of the places where the company operates, in all phases of the development process, using the relevant indicators. Plantings to compensate for the carbon footprint.	Ongoing
	Innovation. Consider constructing buildings using prefabricated, industrialised, modular construction systems to help reduce emissions during the materials’ life cycle.	Ongoing

Future targets

Given the success in meeting its 2013 environmental targets, NEINVER is setting itself new challenges for a new period, letting it envisage the company's growth not only as a leader in the property sector but as a leader in implementing best practices for environmental sustainability. Besides the actions marked as "ongoing" in the categories above (Transport and Health and Well-Being), there is:



ENERGY :

- Buy **green energy** in those centres where that is viable.



WATER

- Reduce the centres' water consumption by 2%.



MANAGEMENT:

- Earn BREEAM IN-USE certification for Roppenheim The Style Outlets.
- Register Viladecans The Style Outlets, currently in the pipeline, for BREEAM Spain certification.
- Earn ISO 50001 certification.
- Renew ISO 9001 and 14001 certificates in all centres that the group manages.



Noteworthy initiatives to minimise footprint

Waste-management initiative in Oporto

Since December 2012, Vila do Conde The Style Outlets and an outside supplier, RENASCIMENTO, have been implementing a waste-management project for separation and separate collection of waste as well as processing of all waste from the centre, from common areas and from tenants.

To implement this project an awareness and training campaign was held for store operators, and the centre's waste-collection area was revamped in preparation for a proper, successful implementation. In 2013, the project managed more than 504 tonnes of waste.

The 20 kinds of waste managed include:



Buy green energy

NEINVER's environmental policy has a special focus on reducing its carbon footprint. When sourcing power for its retail and outlet centres, the company therefore has a policy of buying renewable energy. In 2013, NEINVER purchased

- 100% renewable energy from different sources (wind, solar and hydroelectric) for its Spanish centres in Getafe, Las Rozas, San Sebastian de los Reyes and Seville.

- 100% hydroelectric renewable energy for Wrocław and Zweibrücken.

Buying such energy significantly reduced the volume of CO₂ emissions released into the atmosphere, thus minimising NEINVER's footprint on the planet. It is also worth mentioning that Coruña The Style Outlets produces and sells energy to the grid through its solar panels.



"Within our Environmental Management Policy, minimising energy consumption and preventing pollution are key priorities. To reduce CO₂ emissions, NEINVER is making great efforts not only to be more energy efficient but to introduce policies of buying renewable energy. In 2013, NEINVER bought clean energy in Germany, Poland and Spain, allowing a 22% drop in its CO₂ emissions from electrical consumption compared to the previous year. In the coming years we wish to repeat and extend this initiative, avoiding greenhouse gas emissions and supporting energy production from renewable sources."

Eduardo Arranz Martínez
Business Improvement Manager

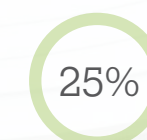


Papercut

Optimising the group's printing systems has been one of NEINVER's most important sustainability projects in the past two years, greatly reducing paper consumption and associated waste. The project launched on 1 October 2012 at NEINVER's central offices in Spain and expanded in 2013 as part of the plans for all the company's work locations in Europe. It reduced printing by more than 40% in some locales.

In 2013 the project was monitored in the Alcobendas offices, showing it has surpassed the 25% savings targets for paper use and emissions.

OBJECTIVES



Savings on
printing.

RESULTS FOR 4Q 2012



Decrease in copies
since 2011.



Decrease in
photocopies and print
jobs since 2012.

Results from the new videoconference system

In keeping with the environmental sustainability strategy, in December 2012 NEINVER implemented a videoconferencing system to replace business travel, with the double goal of saving energy and costs while improving employees' productivity and quality of life. The project aimed to reduce CO₂ emissions and promote work-life balance among employees, optimising their daily activity.

After 1 year in operation, the results have been very positive:



Evaluating environmental performance

NEINVER conducts annual evaluations of its initiatives. At the close of each financial year, using Global Reporting Initiative guidelines, NEINVER reports all available

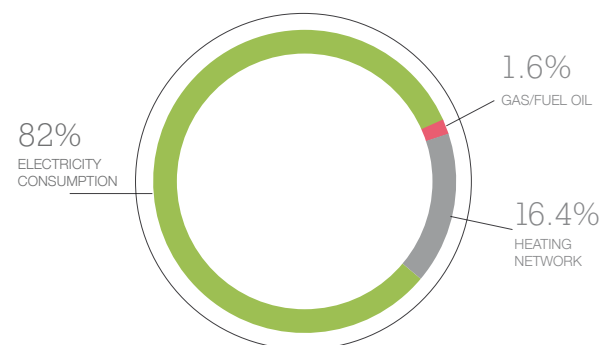
environmental indicators for energy, emissions, transport, water and waste.

ENERGY

Direct energy consumption managed by the NEINVER group in 2013 totalled 143,791 GJ. This figure includes consumption of electricity, gas/fuel oil and thermal energy managed in retail and outlet centres and the central offices in Alcobendas. This reflects a 3% increase over 2012 in absolute terms. This total increase in energy consumption

is largely due to the 2013 opening of a new centre in Poland, FACTORY Annapol, with 19,765 sq. m. of GLA, as well as the third expansion of Vicolungo The Style Outlets in Italy and the upgrades to the 3 outlet centres in Greater Madrid. The increase also reflects the opening of Roppenheim The Style Outlets in April 2012.

Direct energy consumption broken down by source, % in 2013



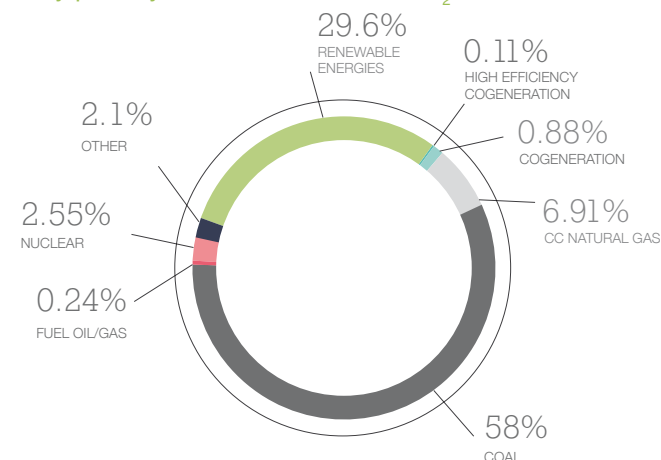
Like-for-like analysis, 2013 vs 2012

A detailed analysis of direct energy consumption in the centres requires calculating consumption based on the same number of assets. Thus if we subtract the 2013 energy use by FACTORY Annapol, the January to March numbers for Roppenheim The Style Outlets and the construction-related consumption, we find that like-for-like energy consumption in 2013 was 133,364 GJ, down 3.3% from 2012.



Although the distribution of direct energy consumption remained flat compared to 2012, the distribution of the group's indirect energy consumption has evolved towards a concentration. In this section, coal is the most heavily used source, at 57.5%, mainly due to the concentration of the portfolio in Poland, followed by renewable energies at nearly 30%, twice the figure for 2012.

Indirect energy consumption in 2012 broken down by primary source, in tonnes of CO₂

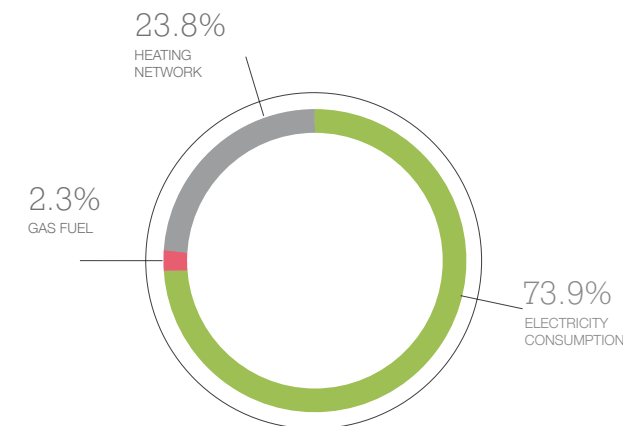


EMISSIONS

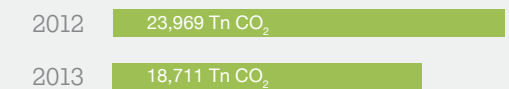
Despite increased total energy consumption, the group's direct and indirect greenhouse gas emissions decreased by 12.2% in absolute terms compared to 2012, reaching

21,059.44 tonnes of CO₂. This major reduction primarily reflects the increased proportion of renewable energies, which doubled from 15% to 30% in the last year.

Gas emissions broken down by source, % in 2013



In a like-for-like analysis, subtracting the effect of the construction work and the opening of new centres, this reduction increases considerably, to 22%.



WATER CONSUMPTION

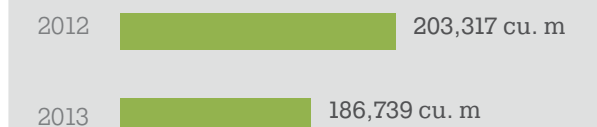
As for water consumption, the NEINVER group outlet and retail centres in Europe (except Vicolungo The Style Outlets and Galeria Katowicka, for which no data is available) consumed a total of 203,699 cu. m in 2013. This is slightly more than in 2012 (381 cu. m more), reflecting the

increased sq. m of the currently open managed properties. A comparative analysis based on the same number of centres shows that consumption has moved in the right direction, declining by 8.2%⁵.

Total



Like for Like



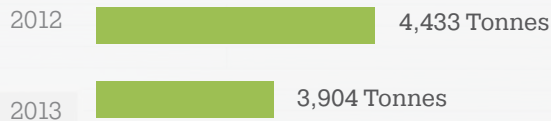


Sevilla The Style Outlets

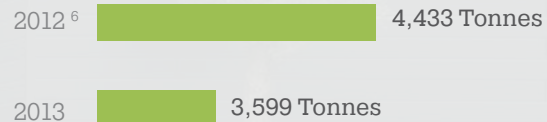
WASTE PRODUCTION

Total waste production for all the group's outlet and retail centres also made progress in 2013. Volume decreased to 3,904 tonnes, 12% less than the previous year. Notably, this figure does not include waste produced at Vicolungo The Style Outlets (whose waste is handled by the public disposal service) or the Galeria Katowicka centre (which just opened in 2013), for which data is not available.

Total



Like for Like



Analysis of change in energy figures, by country

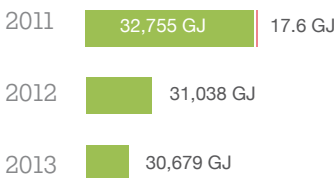
SPAIN

Energy

Total energy consumption at NEINVER's centres and corporate offices in Spain totalled 30,679.41 GJ, 1.2% less than in 2012, even with the remodelling of 3 outlet centres in Greater Madrid. In 2013, electricity continued

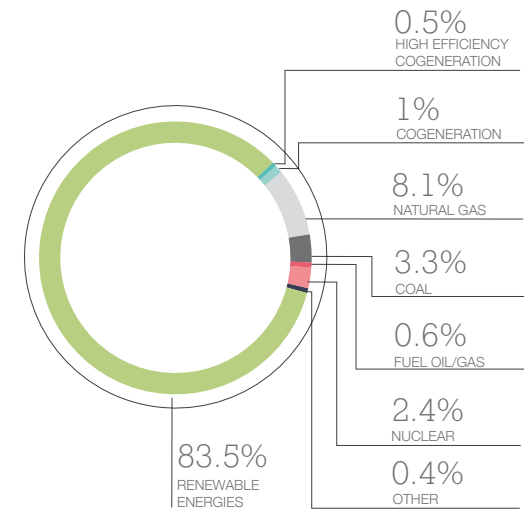
to be the only source of direct energy in the centres, but major improvements occurred in production sources: renewable energy increased to 83.5% of energy sources in Spain.

Direct energy consumption broken down by primary source, in GJ



Electricity Gas/Fuel Oil Thermal energy

Indirect electrical consumption broken down by primary source, in %

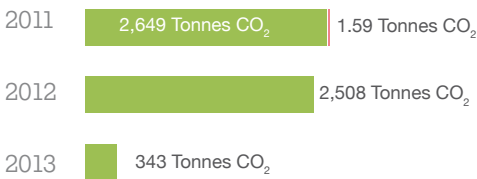


Emissions

Direct and indirect greenhouse gas emissions were calculated from energy consumption figures. Emissions in Spain were reduced to 343.06 tonnes of CO₂, down 86.3% from 2012. This is a significant change given the exponential increase of renewable energy in the energy mix for Spain, with emissions considered nil.

At the same time, transport-related emissions were down again this year thanks to efforts by NEINVER España to reduce travel. Total emissions, including car, rail and air, were reduced to 473.6 tonnes of CO₂, 13.5% less than in 2012.

Total direct and indirect gas emissions in centres and headquarters in Spain, in tonnes of CO₂



Electricity Gas/Fuel Oil Thermal energy

Water

Unlike energy consumption, water consumption figures grew worse in Spain. According to the comparative analysis of cu. m consumed in all the retail and outlet centres in this country, a significant 13% increase occurred, especially in consumption by Getafe and Sevilla The Style Outlets.



Waste

Waste from all the centres in Spain totalled 885 tonnes in 2013, a positive change in the indicator, down 6% from 2012.

Waste generated, in tonnes



Getafe The Style Outlets

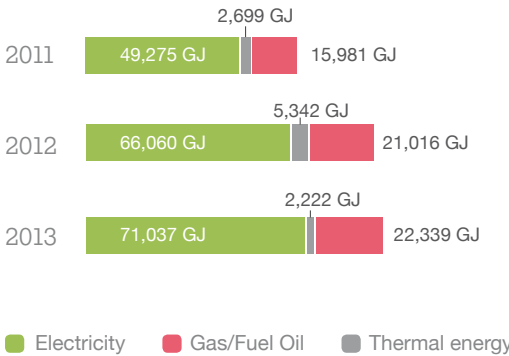
POLAND

Energy

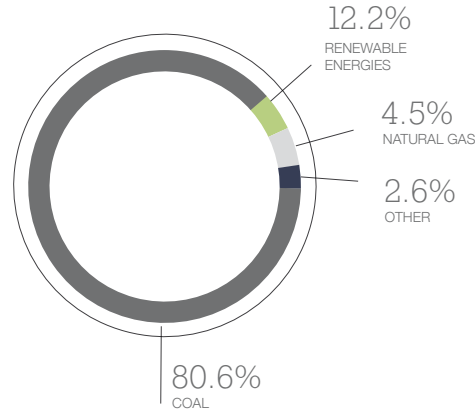
Poland is still the country with the weakest environmental performance within the group. The centres' energy consumption totalled 95,599.69 GJ. This figure suggests that in 2012, energy consumption rose by 3.4%, mainly because a new outlet centre opened in Warsaw.

Importantly, a major decline in gas consumption coincided with increased use of electricity, which now accounts for 74% of energy usage in this country.

Direct energy consumption broken down by primary source, in GJ



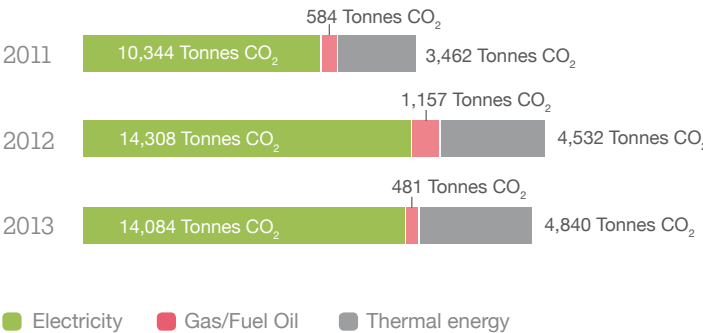
Indirect electrical consumption broken down by primary source, in %



Emissions

Despite an increase in total energy consumption, greenhouse gas emissions decreased in Poland to 19,406.22 tonnes of CO₂ (down 3.1%), largely because the FACTORY Wrocław centre gets 100% of its energy from emission-free green sources. Emissions from electricity account for the largest portion (72.58%), followed by heating (24.94%).

Total direct and indirect greenhouse gas emissions, in tonnes of CO₂



Water

As with energy consumption, total water consumption by the centres in Poland rose by 9%, again due to the addition of the new FACTORY Annapol centre.



Waste

Operations in Poland generated a total of 1,585 tonnes of waste in 2013, only counting waste produced in centres that the group manages. This figure is 27.42% lower than in 2012, largely due to a drop in waste production at the Galeria Malta centre, from 1,018 to 549 tonnes.

Waste generated, in tonnes⁹



FACTORY Annapol

ITALY

Energy

Energy consumption in Italy was 3,362 GJ in 2013, reflecting a 7.5% increase over the past year owing to the opening of phase 3 of Vicolungo The Style Outlets. The figures reflect

electricity exclusively, and the indirect sources are mainly natural gas (40%) and renewable energy sources (36.7%).

Direct energy consumption broken down by primary source, in GJ

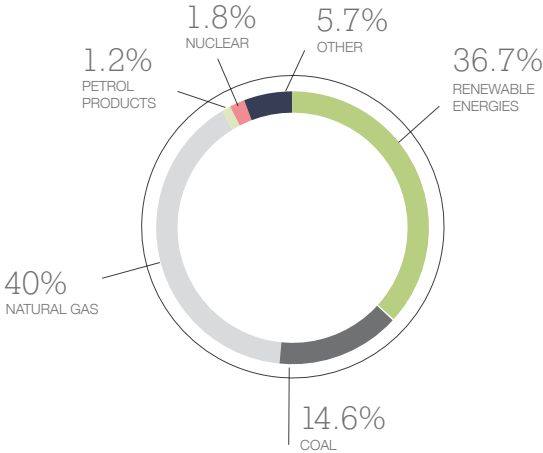
2011 4,115 GJ 47.85 GJ

2012 3,128 GJ

2013 3,362 GJ

Electricity Gas/Fuel Oil Thermal energy

Indirect electrical consumption broken down by primary source, in %



Emissions

The energy used in Italy translates to a total of 375.52 tonnes of CO₂ emissions, up 7.5% from the 2012 greenhouse gas emissions, probably due to the third expansion of Castel Guelfo The Style Outlets.

Total direct and indirect greenhouse gas emissions, in tonnes of CO₂

2011 459.5 Tonnes CO₂ 5.3 Tonnes CO₂

2012 349.3 Tonnes CO₂

2013 375.5 Tonnes CO₂ 5.3 Tonnes CO₂

Electricity Gas/Fuel Oil Thermal energy

Water

Unlike the energy figures, water consumption decreased significantly in Italy. Though data exists for only one of the two centres in that country (Castel Guelfo The Style Outlets), water usage dropped by more than 6,000 cu. m in 2013.

2012 34,680 cu. m

2013 28,547 cu. m

Waste

In Italy, the amount of waste generated by Castel Guelfo The Style Outlets declined by 54% from 2012, with waste reduced to 300 tonnes, returning to and improving on the 2011 levels.

Waste generated, in tonnes

2012 552 Tonnes

2013 300 Tonnes



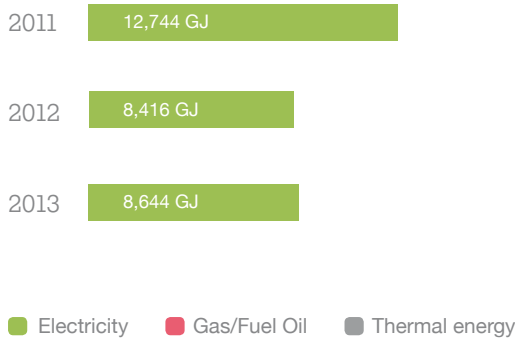
PORTUGAL

Energy

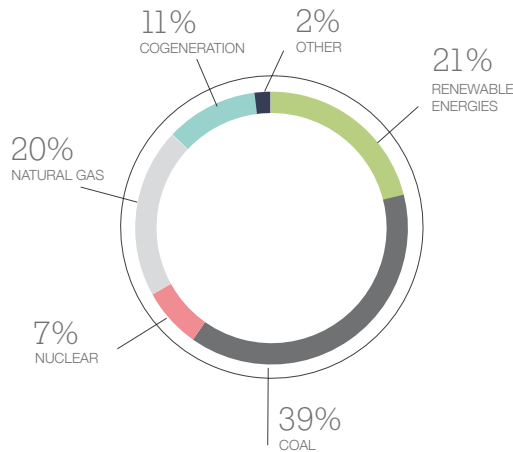
Total energy consumption by the centres in Portugal rose slightly by 2.7% to 8,644 GJ, mainly due to construction to expand the food court at Vila do Conde The Style Outlets. Electricity is still the only source of primary

energy, while the main indirect sources of production are coal (39%) and to a lesser extent renewable energy sources (21%) and natural gas (20%).

Direct energy consumption broken down by primary source, in GJ



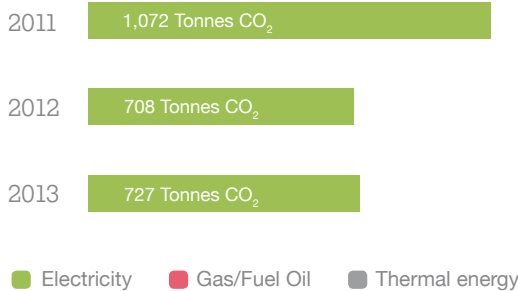
Indirect electrical consumption broken down by primary source, in %



Emissions

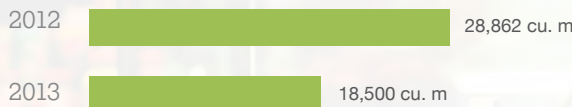
Direct and indirect greenhouse gas emissions were derived from energy consumption figures. Emissions in 2013 totalled 727.55 tonnes of CO₂.

Total direct and indirect greenhouse gas emissions, in tonnes of CO₂¹⁰



Water

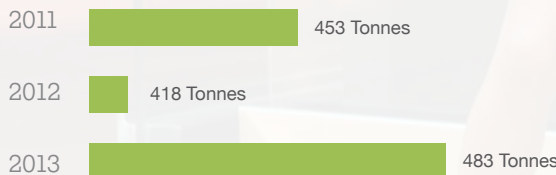
The operations in Portugal achieved a noteworthy reduction of water consumption to 18,500 cu. m in 2013. This is 36% less than the previous year, thanks to the phase-in of improvements to the centre's plant-watering system.



Waste

In Portugal, the amount of waste generated by the operation of Vila do Conde The Style Outlets rose to 483 tonnes, 15% higher than in 2012. This increase is largely due to the expansion of the centre's food court. These results led the NEINVER teams to implement a waste-management project at this centre, to help minimise the related environmental impact.

Waste generated, in tonnes¹¹



Vila do Conde The Style Outlets

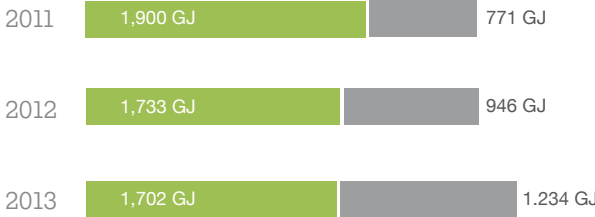
GERMANY

Energy

Germany increased energy consumption by 9.6% compared to 2012, to 2,937.02 GJ due to the 2012 expansion of Zweibrücken The Style Outlets. Although electricity consumption was down 1.8%, thermal energy consumption increased by a greater proportion, 30.42%, resulting in an increase in total consumption.

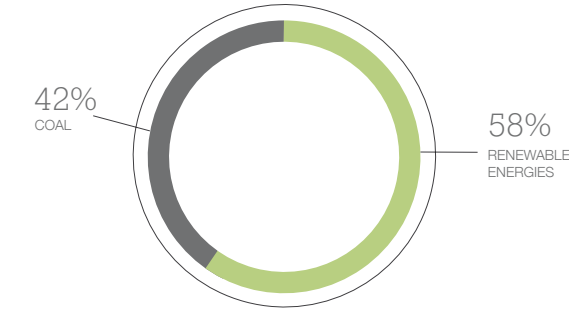
On the positive side, the use of renewable energies rose by 52% as the main indirect source, followed by coal (48%).

Direct energy consumption broken down by primary source, in GJ



Electricity Gas/Fuel Oil Thermal energy

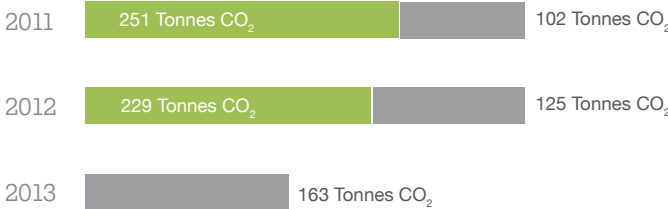
Indirect electrical consumption broken down by primary source, in %



Emissions

In spite of the slight increase in energy consumption, Germany reduced direct and indirect greenhouse gas emissions to 163.53 tonnes of CO₂, down 54% from 2012. This is a very significant change given the exponential increase of renewable energy in the energy mix for this country thanks to buying “green energy”. As a result, all the electricity was hydroelectric.

Total direct and indirect greenhouse gas emissions, in tonnes of CO₂ ¹²



Electricity Gas/Fuel Oil Thermal energy

Water

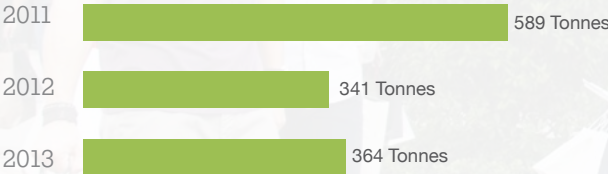
As with energy, Germany's water consumption also rose slightly to 5,918 cu. m in 2013, 9.1% more than the year before, due to the enlargement of Zweibrücken The Style Outlets.



Waste

In Germany, the amount of waste generated by the operation of Zweibrücken The Style Outlets rose by 6.6% compared to 2012, to 364 tonnes.

Waste generated, in tonnes ¹³



Zweibrücken The Style Outlets

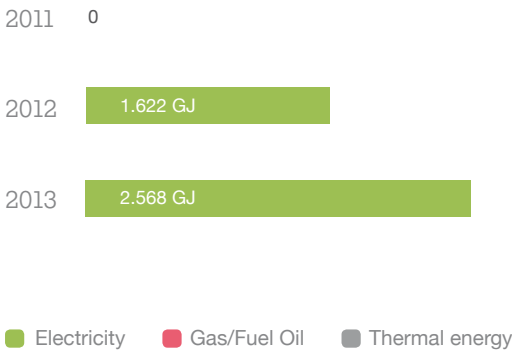
FRANCE

Energy

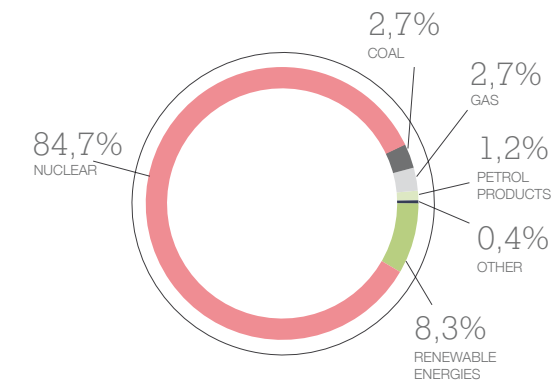
Consumption in France in 2013 rose to 2,568 GJ, up 58% from 2012. The increase is due to the opening of Roppenheim The Style Outlets in May 2012. An analysis of monthly consumption shows a slight, 5.4% rise.

In France, the group's only energy source is electricity and, given the specifics of the country, the main indirect production source is nuclear energy, accounting for 84%.

Direct energy consumption broken down by primary source, in GJ



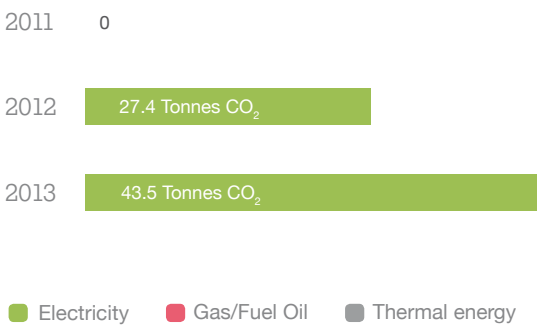
Indirect electrical consumption broken down by primary source, in %



Emissions

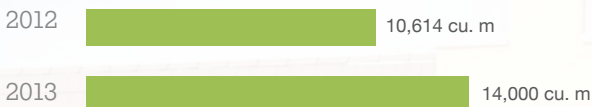
As energy consumption rose in France, so did greenhouse gas emissions, increasing by 58% to 43.51 tonnes of CO₂.

Total direct and indirect greenhouse gas emissions, by weight¹⁴



Water

Water consumption also increased for operations in France, to 14,000 cu. m in 2013, due to the opening of Roppenheim The Style Outlets. A monthly analysis shows that consumption actually decreased from 1,326 cu. m in 2012 to 1,166 cu. m in 2013.



Waste

Likewise, the amount of waste generated by the operation of Roppenheim The Style Outlets rose in absolute terms by 14% compared to 2012, to 288 tonnes. Considering that the centre opened in April 2012, waste production actually progressed in the right direction: it dropped from 31 tonnes a month in 2012 to 24 tonnes a month in 2013.

Waste generated, in tonnes



Roppenheim The Style Outlets

Scope of this Report

Content and scope of this report

Report preparation process

The 2013 Sustainability Report includes information from that financial year as well as information about 2010-2012 to make it easier for the reader to understand and compare the content with previous publications.

It was developed according to GRI recommendations and principles for defining content in this type of Report, with special attention to prioritising topics and stakeholders, using sustainability criteria of materiality, stakeholder inclusiveness and context. Thus a materiality analysis was performed in mid 2013 through various surveys of employees, ongoing dialogue with stakeholders, and the company's overall strategy.

This analysis made it possible to accurately identify the company's main stakeholders in the current context, as well as the most relevant issues the company should report on in this document and its future Sustainability Reports. And all of this needed to bear in mind the sectoral, socioeconomic and environmental context in which the NEINVER group does business.

In preparing this report, the company also made major efforts to honour the principles of clear, balanced information. Thus the report includes objective, favourable and unfavourable information about the group's performance. It mentions data and indicators designed to help the reader easily interpret and understand the key factors that have influenced NEINVER's performance.

Scope and limits

The report's scope was therefore defined based on the relevance and impact of the company's activities on each key stakeholder group. Therefore, regarding the limitations of the information in the Sustainability Report, we should note that:

- The economic and financial information in Section 2.1 includes data from all NEINVER group companies (see complete list in the audited consolidated financial statement). The financial statements presented therefore match the company's audited annual

consolidated financial statement. For purposes of consistency and comparison, the report uses the same information criteria that were used for 2010, 2011 and 2012.

- The information about the company's different business lines – development (2.3), leasing (2.4), asset management (2.5) and fund management (2.6) – include operating results from every part of the group for 2013 in the 6 countries where it has active operations. All of NEINVER's operations are included, whether carried out independently or as joint ventures with other companies. The structure of the information also allows comparability with data from 2010, 2011 and 2012.
- The information on Human Resources includes the activities conducted at corporate headquarters in Spain, as well as in the NEINVER branch offices or national headquarters in each country (Portugal, Poland, Italy, France and Germany). To facilitate data comparisons, information from 2010-2012 is presented here as well.
- Finally, the chapter on the environment includes NEINVER's corporate-level strategy and activities, without mentioning specific local initiatives. It also presents all existing data on the company's environmental performance in each outlet centre and shopping centre that NEINVER builds and/or manages in Europe, regardless of whether it owns the property. Environmental information is presented for all centres except Galeria Katowicka, for which no data is available. The section does not include the environmental impact of the store operators' activities or of the operations of suppliers or subcontractors.

If there are any additional specific gaps in an Indicator presented in the report, they will be explained concretely in the notes accompanying each KPI.

Similarly, any changes to information or data published in previous Reports will be explained in the notes accompanying each indicator. The notes will give the reason for the change and indicate the effects that recasting the information might have.

That said, the most significant variation in scope compared to the previous period is the addition of 2 new

assets in Poland in 2013: FACTORY Annopol and Galeria Katowicka.

Data measurement techniques and the bases for the calculations

Wherever possible, this Report presents concrete data that can be verified in the NEINVER group's information systems. All estimates, assumptions or limitations in the values presented will be specifically explained in the explanatory notes for each indicator. In any case, the potential margin of error in any estimated quantitative data will not affect the reader's ability to reach accurate conclusions about the NEINVER group's performance.

All GRI indicators were calculated in compliance with the protocol guidelines. In cases where NEINVER's response

does not exactly meet all GRI requirements, all necessary explanations will be given in the note for that indicator.

For any non-GRI indicators, calculation methods will be explained in the KPI notes if the method would not be obvious to the reader.

In financial results and other monetary data, the average currency exchange rate was used to convert Polish figures from Zlotys to euros (0.4111111).

External validation of this report

This Report complies with LEVEL B reporting as defined in the GRI G3 Guide, for self-evaluation by a company. Level B compliance is not audited by any external audit firm.

Contact

Please address any questions about this report to the CSR department: Área de RSE de NEINVER. C/ Francisca Delgado, 11 5ª planta, 28108, Alcobendas, Madrid, phone (+34) 914902200 or by writing to sustainability@NEINVER.com

GRI application levels

REPORT APPLICATION LEVEL		C	C+	B	B+	A	A+
Standard Disclosures	Profile Disclosures OUTPUT	Report on: 1.1 2.1-2.10 3.1-3.8, 3.10-3.12 4.1-4.4, 4.14-4.15	Report Externally Assured	Report on all criteria listed for Level C plus 1.2 3.9-3.13 4.5-4.13, 4.16-4.17	Report Externally Assured	Same as requirement for Level B	
	Disclosures on Management Approach OUTPUT	Not Required		Management Approach Disclosures for each Indicator Category		Management Approach disclosed for each Indicator Category	
	Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report fully on a minimum of any 10 Performance Indicators, including at least one from each of: social, economic, and environment.		Report fully on a minimum of any 20 Performance Indicators, at least one from each of: economic, environment, human rights, labor, society, product responsibility.		Respond on each core and Sector Supplement* indicator with due regard to the materiality Principle by either: a) reporting on the indicator or b) explaining the reason for its omission.	

*Versión final del Suplemento Sectorial

GRI indicator protocol set

CODE	INDICATOR DEFINITION	PAGE	REPORTED
STRATEGY AND ANALYSIS			
1.1	Statement from the most senior decisionmaker of the organisation (e.g. CEO, chair or equivalent senior position) about the relevance of sustainability to the organisation and its strategy.	6-7	Yes
1.2	Description of key impacts, risks and opportunities.	6-7 20-21	Yes
ORGANISATIONAL PROFILE			
2.1.	Name of the organisation.	9	Yes
2.2.	Primary brands, products and/or services.	14-17	Yes
2.3.	Operational structure of the organisation, including main divisions, operating companies, subsidiaries and joint ventures.	18-19 34-35	Yes
2.4.	Location of organisation's headquarters.	10-18	Yes
2.5.	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	18-19	Yes
2.6.	Nature of ownership and legal form.	36-37	Yes
2.7.	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries).	14-19	Yes
2.8	Scale of the reporting organisation	18-25	Yes
2.9	Significant changes during the reporting period regarding size, structure or ownership.	26-27 34-36	Yes
2.10	Awards received in the reporting period.	28	Yes
REPORT PARAMETERS			
3.1.	Reporting period for information provided.	4-5, 110	Yes
3.2.	Date of most recent previous report.	4 y 5	Yes
3.3.	Reporting cycle.	4 y 5	Yes
3.4.	Contact point for questions regarding the report or its contents.	111	Yes
3.5.	Process for defining report content.	110	Yes
3.6.	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	110-111	Yes
3.7.	State any specific limitations on the scope or boundary of the report.	110-111	Yes
3.8.	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organizations.	110-111	Yes
3.9.	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	111	Yes
3.10.	Explanation of the effect of any restatements of information provided in earlier reports and the reasons for such restatement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	110-111	Yes
3.11.	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report.	110-111	Yes
3.12.	Table identifying the location of the Standard Disclosures in the report.	113-119	Yes
3.13.	Policy and current practice with regard to seeking external assurance for the report.	111	Yes

CODE	INDICATOR DEFINITION	PAGE	REPORTED
GOVERNANCE, COMMITMENTS AND ENGAGEMENT			
4.1.	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	36	Yes
4.2.	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation's management and the reasons for this arrangement).	36	Yes
4.3.	For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	36	Yes
4.4.	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	36 y 72	Yes (note 15)
4.5.	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements) and the organisation's performance (including social and environmental performance).		Yes (note 16)
4.6.	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	38-39	Yes
4.7.	Process for determining the composition, qualifications and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	36	Yes, partly
4.8.	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental and social performance and the status of their implementation.	12 38-39	Yes
4.9.	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct and principles.	36-39	Yes
4.10.	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance.		Yes (note 17)
4.11.	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	39	Yes
4.12.	Externally developed economic, environmental and social charters, principles or other initiatives to which the organisation subscribes or endorses.	38	Yes
4.13.	Principal memberships in associations (such as industry associations) and/or national/international advocacy organisations.	80	Yes
4.14.	List of stakeholder groups engaged by the organisation.	40-41	Yes
4.15.	Basis for identification and selection of stakeholders with whom to engage.	40-41	Yes
4.16.	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	40-41	Yes
4.17.	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	40-41	Yes

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ECONOMIC ASPECTS			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	48	Yes
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.		Yes (note 2)
EC3	Coverage of the organisation's defined benefit plan obligations.		Yes (note 3)
EC4	Significant financial assistance received from government.	48	Yes
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	67, 69	Yes (note 25)
EC6	Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation.	48, 75	Yes
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	66, 75	Yes
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagement.	48, 81-83	Yes
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	81-83	Yes
ENVIRONMENTAL ASPECTS			
EN1	Materials used by weight or volume.		Not reported
EN2	Percentage of materials used that are recycled input materials.		Not reported
EN3	Direct energy consumption by primary energy source.	94, 98, 100, 102, 104, 106, 108	Yes
EN4	Indirect energy consumption by primary source.	94, 98, 100, 102, 104, 106, 108	Yes
EN5	Energy saved due to conservation and efficiency improvements.	92-93	Yes
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	86-93	Yes
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	92	Yes
EN8	Total water withdrawal by source.		Not reported
EN9	Water sources significantly affected by withdrawal of water.		Not reported
EN10	Percentage and total volume of water recycled and reused.		Not reported
EN11	Location and size of land owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas.	70	Yes (note 36)

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EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	70	Yes (note 36)
EN13	Habitats protected or restored.	70	Yes (note 36)
EN14	Strategies, current actions and future plans for managing impacts on biodiversity.	70	Yes (note 36)
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.		n.a.
EN16	Total direct and indirect greenhouse gas emissions by weight.	95, 98, 100, 102, 104, 106, 108	Yes
EN17	Other relevant indirect greenhouse gas emissions by weight.	93	Yes partly
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	93	Yes partly
EN19	Emissions of ozone-depleting substances by weight.	99	n.a. (note 18)
EN20	NO, SO, and other significant air emissions by type and weight.		Not reported (note 19)
EN21	Total water discharge by quality and destination.		n.a. (note 20)
EN22	Total weight of waste by type and disposal method.	97, 99, 101, 103, 105, 107, 109	Yes partly (note 21)
EN23	Total number and volume of significant spills.		Yes (note 22)
EN24	Weight of transported, imported, exported or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and VIII, and percentage of transported waste shipped internationally.		n.a.
EN25	Identity, size, protected status and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.		n.a. (note 23)
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	92-93	Yes partly
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.		n.a.
EN28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.		Yes (note 24)
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	93	Yes partly
EN30	Total environmental protection expenditures and investments by type.		Not reported

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LABOUR ASPECTS			
LA1	Total workforce by employment type, employment contract and region, broken down by gender.	64-66	Yes
LA2	Total number and rate of new employee hires and employee turnover by age group, gender and region.	64-66	Yes
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.		Yes (note 26)
LA15	Return to work and retention rates after parental leave, by gender.		Yes (note 27)
LA4	Percentage of employees covered by collective bargaining agreements.	65-67	Yes
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.		Yes (note 28)
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.		Yes (note 29)
LA7	Rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities, by region and by gender.	71	Yes (note 30)
LA8	Education, training, counseling, prevention and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.		Yes (note 29)
LA9	Health and safety topics covered in formal agreements with trade unions.		Yes
LA10	Average hours of training per year per employee by gender, and by employee category.	70-71	Yes
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	70-71	Yes
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	69-70	Yes
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity.	67	Yes
LA14	Ratio of basic salary and remuneration of women to men by employee category.	67	Yes

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HUMAN RIGHTS ASPECTS			
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	75	Yes
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	75	Yes
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.		Yes (note 31)
HR4	Total number of incidents of discrimination and corrective actions taken.	75	Yes
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk and actions taken to support these rights.	75	Yes
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.	75	Yes
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour.	75	Yes
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.		Yes (note 31)
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	75	Yes (note 32)
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	75	Yes
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	75	Yes

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SOCIETY ASPECTS			
SO1	Percentage of operations with implemented local community engagement, impact assessments and development programs.	81	Yes
SO9	Operations with significant potential or actual negative impacts on local communities.	81	Yes
S10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	81-83	Yes
SO2	Percentage and total number of business units analysed for risks related to corruption.	38-39	Yes
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures.	38-39	Yes
SO4	Actions taken in response to incidents of corruption.	38-39	Yes
SO5	Public policy positions and participation in public policy development and lobbying.	38-39	Yes
SO6	Total value of financial and in-kind contributions to political parties, politicians and related institutions by country.		n.a.
SO7	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices and their outcomes.	38-39	Yes
SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	38-39	Yes
PRODUCT ASPECTS			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.		n.d.
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.		n.d.
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.		n.a.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.		n.a.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	78-79	Yes
PR6	Programmes for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship.		Yes (note 33)
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by type of outcomes.		Yes (note 34)
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.		Yes (note 35)
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.		Yes (note 35)

- ¹ Total energy consumption includes the energy used (electricity, gas and heat) in all centres plus the offices in Alcobendas. It excludes the offices in Germany, Poland and France. It also includes the energy used in the remodelling and transformation work on the centres in Spain in 2013
- ² Since the company carries out its property-development business mainly through contractors, it is the contractors who are ultimately responsible for the environmental impact. NEINVER has no environmental liability, expenses or assets, and thus no potentially significant environmental provisions or contingencies. For this reason, no provision is listed for this item.
- ³ NEINVER has no social-benefit obligations to cover. The only exception is a retirement savings plan in Germany, in which employees make voluntary direct contributions, which vary over time, to external plans.
- ⁴ NEINVER does not employ people under the age of 18 in any of the workplaces it manages because of the nature of the industry we operate in. This policy applies even if a country's labour laws specifically allow such employment.
- ⁵ This like-for-like analysis was calculated by reducing the 2013 total by the amount consumed by FACTORY Annopol and the January to March consumption by Roppenheim The Style Outlets.
- ⁶ For the sake of a like-for-like comparative analysis using the same number of centres, it is estimated that the Alegria centre's waste production in 2012 (for which no data is available) was the same as in 2013. The calculation also excludes FACTORY Annopol's waste production for 2013 and Roppenheim The Style Outlets' waste for January to March 2013.
- ⁷ Some figures do not match the 2012 report, as NEINVER has updated emissions coefficients as per the standards of the International Energy Agency. The coefficient applied in the 2012 report was 0.325 and in 2013 we applied the new "official" figure of 0.291 to all emissions since 2011. The same correction has been applied to the emissions in Portugal, Germany and France. The emissions for Poland have hardly changed, as the coefficient was corrected from 781 to 780.
- ⁸ As no 2012 data is available for the Alegria centre, we estimated its production for 2012 as the same as in 2013. This estimate also reflects an adjustment of the figure published in the 2012 CSR Report.
- ⁹ Some figures do not match the 2012 report, as NEINVER has adjusted the calculation method to reflect a new regulation in effect in Poland. This variation applies only to Poland.
- ¹⁰ Some figures do not match the 2012 report, as NEINVER has updated emissions coefficients as per the standards of the International Energy Agency. The same correction has been applied to the emissions in Spain, Germany and France. The emissions for Poland have hardly changed, as the coefficient was corrected from 781 to 780.
- ¹¹ There are discrepancies with the data published in the 2012 report, due to a calculation error detected during preparation of this year's report. The 2012 figures included here are the amended, corrected numbers.
- ¹² Some figures do not match the 2012 report, as NEINVER has updated emissions coefficients as per the standards of the International Energy Agency. The same correction has been applied to the emissions in Spain, Portugal and France. The emissions for Poland have hardly changed, as the coefficient was corrected from 781 to 780.
- ¹³ There are discrepancies with the data published in the 2012 report, due to a calculation error detected during preparation of this year's report. The 2012 figures included here are the amended, corrected numbers.
- ¹⁴ Some figures do not match the 2012 report, as NEINVER has updated emissions coefficients as per the standards of the International Energy Agency. The same correction has been applied to the emissions in Spain, Portugal and Germany. The emissions for Poland have hardly changed, as the coefficient was corrected from 781 to 780.
- ¹⁵ There are no formal mechanisms.
- ¹⁶ Currently there is a link to economic performance but not to social and environmental performance.
- ¹⁷ There is no formal process to evaluate how the Board of Directors manages economic, environmental and social issues. There is no intermediary body between the Board and the General Meeting of Shareholders that could effectively perform that evaluation, so management is evaluated by the shareholders.

- ¹⁸ The only time the company's activity emits substances harmful to the ozone layer is when air conditioning equipment is replaced. The firms that NEINVER hires to do this always operate in compliance with all applicable regulations.
- ¹⁹ The data is not available to calculate this indicator.
- ²⁰ NEINVER's activities do not involve dumping of any kind.
- ²¹ The data is not available to break these figures down by type of waste.
- ²² The company's activities have produced no accidental spillage.
- ²³ NEINVER's activities do not involve dumping of any kind.
- ²⁴ There have been no fines or sanctions.
- ²⁵ All NEINVER group personnel are paid an initial salary above the minimum wage stipulated by local law.
- ²⁶ Part-time employees have the same benefits as full-time staff. Temporary and permanent employees are not eligible for these benefits until they complete six months of service.
- ²⁷ In 2012, 7 men and 18 women requested and took parental leave. 100% returned to work at the end of the leave period, and 80% were still with the company a year later. In 2013, the total was 3 men and 13 women. 100% of them requested and took parental leave and 81% returned to work afterwards.
- ²⁸ No minimum advance notification period is specified for structural changes to the organisation.
- ²⁹ NEINVER has not yet signed any specific agreement about workplace health and safety with any trade unions or works councils.
- ³⁰ Given the nature of NEINVER's business and the countries where it operates, the employees' risk of contracting dangerous diseases is low. This is why to date there has been no training on common or highly transmissible diseases for employees, family or the wider community.
- ³¹ In 2013 there was no specific training on human rights issues.
- ³² No clauses mention respect for minorities or the violation of indigenous peoples' rights, as the protection of indigenous populations is not a relevant issue in the European countries where NEINVER does business.
- ³³ NEINVER follows a responsible marketing and communication policy, respecting each region's and country's cultural norms. As a matter of principle, it aims not to influence vulnerable groups such as young children. For now, NEINVER has not adopted any voluntary code or standard on retail communications. The main reason is that NEINVER does not market any products that are controversial, banned in particular markets, or that are matters of public debate.
- ³⁴ NEINVER has not been able to detect any incident of this sort.
- ³⁵ In 2013, NEINVER had 1 complaint from a visitor regarding the handling of personal data. This involved a minor incident with no legal, administrative or financial consequences.
- ³⁶ The company does not own or manage any property in protected natural areas or high-biodiversity areas. However, the FACTORY Krakow centre is located in an area "adjacent" to the Protected Nature Reserve. NEINVER can state that none of its activities in Krakow has had any impact at all on this protected natural area. As a result, there was no need for the company to undo any type of damage. Given the special nature of such situations, NEINVER does not presently have a strategy or action plan to manage its impact on biodiversity.