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# NEINVER SUSTAINABILITY REPORT 2015



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Company  
Growth  
Stakeholders  
Environment

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**NEINVER**  
Create. Future. Now.

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# Message from the Chairman

(G4-1)

*“NEINVER has earned its place as one of the industry’s benchmark companies. It is the second-largest operator of outlet centres in Europe and is the market leader in Spain and Poland”*



I am again pleased to present NEINVER’s annual Sustainability Report, with information about our corporate social responsibility performance in 2015 and our aspirations for the future.

NEINVER has earned its place as one of the industry’s benchmark companies. It is the **second-largest operator of outlet centres in Europe** and is the market leader in Spain and Poland. The company is also one of **Spain’s five largest managers of logistics properties**, bolstering its position in that sector as well, a field that NEINVER has been involved with since its founding.

In 2015, the company operated in an economic environment marked by the **recovery of consumer confidence** and the **strengthening of business at outlet centres**. There were also challenges: the need to **move towards omni-channel sales** to meet consumers’ needs through digital technologies, **geographic expansion**, and investors’ and consumers’ growing demand for socially and environmentally **responsible growth strategies**.

NEINVER’s success has always been rooted in adapting to its environment and shaping itself to the market’s trends. This is why it focuses proactively on identifying business opportunities that let it overcome obstacles and advance resolutely towards a future of growth and leadership.

The **market’s recognition of our experience and specialisation as a manager of retail and outlet centres** is therefore one of our main assets. Other partners rely on NEINVER to perform these tasks, and have signed agreements that strengthen our position in the European market and as a key partner in the outlet sector.

Besides the management business, there were major investment achievements in 2015, such as implementation of the agreements signed with Colony Capital and TIAA-CREF the previous year for **investment in outlet and logistics properties**. Since those agreements, assets were acquired at a total purchase price of €348 million.

Lastly, I cannot pass up the chance to thank NEINVER’s entire professional team for their efforts during the past year, which made these important advances possible. I have every confidence that with this great team, we will meet the goals we are pursuing.

Madrid, June 2016  
José María Losantos y del Campo  
Chairman



# Message from the CEO (G4-1)

*“In 2015, NEINVER’s results improved in every market where it does business, reflecting its forward momentum over the past year”*

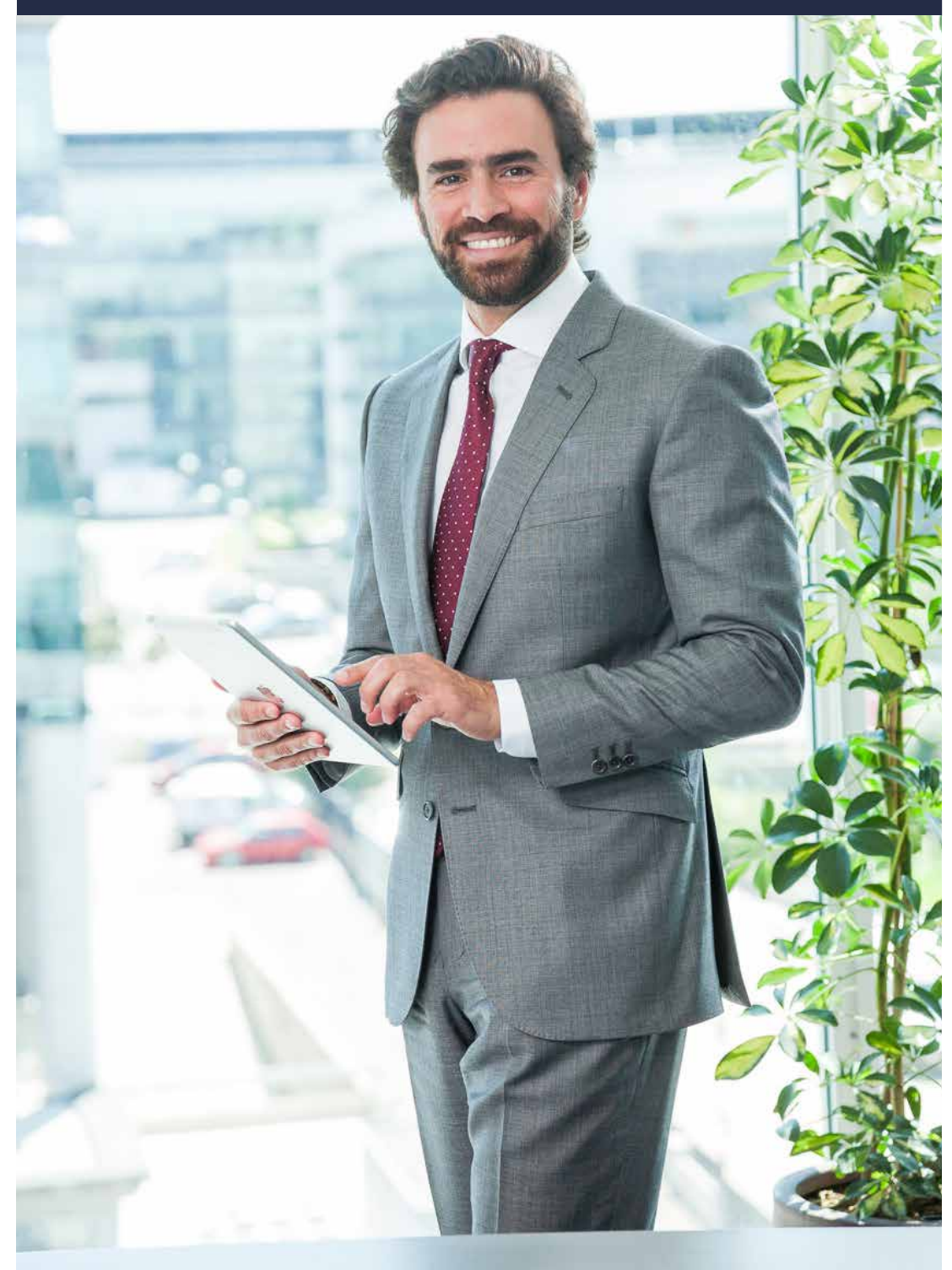
It is a pleasure to present the NEINVER Group’s 2015 Sustainability Report. This publication documents our business’s most relevant economic, social and environmental achievements, and sets out our goals for the future. It is part of our commitment to providing information about the company’s performance to our stakeholders, who care increasingly about transparency and responsible management.

In 2015, **NEINVER’s results improved in every market where it does business**, reflecting its forward momentum over the past year. NEINVER’s earnings were solid and much higher than in 2014, largely through increased income from property management and through the appreciation of investments in which the company owns an interest. At the same time, NEINVER continued some notable processes that it began in prior years, such as the **disinvestment plan**—through which the company has sold off unproductive and non-strategic assets over the past three years—and its **debt-reduction process**.

Besides financial performance, the company’s decisions increasingly hinge on the **sustainable development and management of assets**. Once again in 2015, NEINVER’s management processes were recognised by the highest certification standards: it obtained **quadruple certification of Nassica** (ISO 9001, ISO 14001, ISO 50001 and OHSAS 18001), **BREEAM certification** with a rating of “excellent” for the Roppenheim centre (BREEAM In-Use) and for the design of the future Viladecans outlet centre (BREEAM New Construction). Operationally, the greatest achievement was reducing total energy consumption by 7.1%.

To continue broadening our commitment, the company recently defined a corporate social responsibility roadmap. It also successfully rolled out its **Criminal Compliance Programme**, consistent with the latest reform of Spain’s Penal Code and with other applicable laws and regulations. The Group established new procedures which, combined with its existing transparency methodologies, ensure both transparency and legal compliance.

NEINVER also remains committed to innovation and to shaping itself to the market and to the latest shopping trends. The company has therefore **developed an omni-channel strategy** to fully integrate all its digital channels and tools with the physical centres. This next step in its management model will help optimise the company’s relationship with brands and shoppers alike. In fact, NEINVER has become the first operator of outlets and shopping centres to offer an omni-channel experience in the B2B2C (business to business to consumer) space, which will favour the company’s growth amid the digital revolution.



Other milestone 2015 projects that will solidify in 2016 include the acquisition of **151,500 sq.m. of logistics properties from Zaphir Logistics** by the joint venture between NEINVER and Colony Capital. Additionally, the autumn of 2016 will bring the opening of the 18th outlet centre managed by the company: **Viladecans The Style Outlets**.

Many of the recent changes will propel NEINVER to the next level, since they mark a qualitative leap in the company’s strategy.

We are already seeing the first fruits of this new era, which I am sure will make us all very proud in the coming years. Working together, all of us—NEINVER’s management team, employees and professionals, clients and suppliers—will once again reap much success.

Madrid, June 2016  
Daniel Losantos Egea  
CEO





—  
NEINVER  
PROFILE



# NEINVER-At a glance

*"NEINVER is a leading property development, investment, fund management and property management company. Since its founding in 1969, NEINVER's business has revolved around the development, acquisition, leasing and management of a wide range of property products, including business parks, industrial parks and retail properties."*

*The company has solidified its position in the European retail property market, basing its growth strategy on specialisation in the outlet sector. The Group has operations in France, Germany, Italy, the Netherlands, Poland, Portugal and Spain"*

"NEINVER is the second-largest operator of outlet centres in Europe, based on number of square metres managed, and is the market leader in Spain and Poland"

"More than 1,000 brands in its centres and more than €1.2 billion in sales in 2015"

"Europe's only shopping centre manager to earn ISO 50001 energy-efficiency certification for its entire portfolio<sup>1</sup>, and more than 82% of its centres have quadruple certification: ISO 9001, ISO 14001, ISO 50001 and BREEAM In-Use"

## Countries in which NEINVER operates



\* NEINVER does not handle the property management of P. Bricor or the petrol station.  
\*\* Includes Futura Park Wrocław, an asset that NEINVER sold in 2015 but still manages.

<sup>1</sup> Except for Galeria Malta

The Group's key figures for 2015 (G4-9)

PROFIT OR LOSS FOR  
THE FINANCIAL YEAR



(up 145% from 2014)

COMMERCIAL PROPERTIES / GLA<sup>1</sup> MANAGED



(down 13% from 2014)



(down 14% from 2014)

COMMERCIAL PROPERTIES  
MANAGED



(down 5% from 2014)

SALES REVENUE AT MANAGED  
COMMERCIAL PROPERTIES



(up 10% from 2014)

NET SALES



(down 9,3% from 2014)

LOGISTICS PROPERTIES / GLA<sup>1</sup> MANAGED



(up 5% from 2014)



(up 8% from 2014)

VALUE OF THE  
MANAGED PORTFOLIO



(down 2% from 2014)

EMPLOYEES



(up 1% from 2014)

GROSS BANK DEBT



(down 19% from 2014)

PROPERTIES IN DEVELOPMENT / GLA<sup>1</sup> IN DEVELOPMENT



(up 0% from 2014)



(up 0% from 2014)

VISITS



(up 5% from 2014)

INDIRECT EMPLOYEES



(up 1% from 2014)

GLA<sup>1</sup> MANAGED



(down 10% from 2014)

PROPERTIES UNDER RENOVATION / GLA<sup>1</sup> UNDER RENOVATION



(up 200% from 2014)



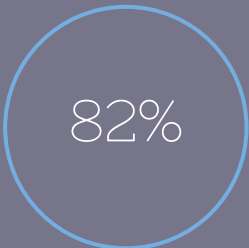
(up 200% from 2014)

AVERAGE OCCUPANCY RATE  
OF THE OUTLET CENTRES



(up 2% from 2014)

CENTRES WITH QUADRUPLE CERTIFICATION  
OF MANAGEMENT SYSTEMS



(down 6% from 2014)

Note: These figures reflect the Group's situation on 31 December 2015. The figures for commercial properties do not include data from Nassica Vila do Conde and P. Brícor (a centre not managed by NEINVER), Galeria Katowicka and Vista Alegre (centres NEINVER sold in 2015 that it does not manage) or Barakaldo Retail Park and Megapark Barakaldo Outlet (which NEINVER began managing in early 2016). Similarly, the figures for logistics facilities do not include the assets acquired from Zaphir Logistics Properties in February 2016 (about 151,500 sq.m.).

<sup>1</sup> GLA: Gross leasable area

# Highlights of 2015

*"2015 brought solid earnings in all the company's markets, as well as the first fruits of the strategic partnerships it formed the previous year"*



**Solid earnings in all markets.**

The year 2015 brought solid earnings in all the markets in which NEINVER operates, for total earnings of €61 million. Besides the good figures for sales and foot traffic, highlights include the opening of the new section of Ursus in Poland, and the arrival of new brands in several centres (including premium brands).



**Naming of a new CEO.**

Daniel Losantos was named the CEO of NEINVER in 2015. Previously, Daniel Losantos had served as the company's Managing Director, a position now held by Carlos González, who also retains the responsibilities of Chief Financial Officer.



**Viladecans The Style Outlets: start of construction of the new centre and acquisition of a 50% interest by TH Real Estate.**

TH Real Estate, as agent for TIAA-CREF, completed the purchase of a 50% interest in the centre, which is now under construction in the Barcelona metropolitan area. It will be the first centre NEINVER manages in Catalonia.

This transaction was part of the strategic alliance between NEINVER and TIAA-CREF to create a market-leading outlet platform in Europe.



**Acquisition of logistics assets from Zaphir Logistics Properties as well as NEINVER and Colony Capital's acquisition of logistics assets in Portugal.**

Following the creation of a joint venture between NEINVER and Colony Capital in 2015 to acquire logistics assets, with the goal of investing €200 million of capital, the venture has expanded its portfolio of logistics properties by acquiring about 151,500 sq.m. from Zaphir Logistics Properties. The agreement was finalised in early 2016 and involved an investment of €87 million.

With this purchase, their joint venture becomes one of the leading investors in the logistics sector on the Iberian Peninsula.



# Highlights of 2015



## Progress in the company's digital transformation.

NEINVER is leveraging technology solutions to evolve its management model, becoming the first outlet operator to offer a clean transition between the shopping experience in its physical centres and digital space, thus optimising the relationship between brands and shoppers.

In implementing this digital strategy, the company carried out various projects in 2015 such as creating a unique digital identifier for The Style Outlets customers and defining standards for the use of digital tools in its centres (Wi-Fi, geolocation, social media platform, etc.).



## Approval of a CSR roadmap.

After reviewing its Corporate Social Responsibility Strategy, the company defined a CSR roadmap with concrete steps to be taken with regard to the environment, corporate governance, labour practices, and operations. For each of these, action plans were established for implementation by the Corporate Responsibility Committee.



## Roll-out of the Criminal Compliance Programme.

To ensure ethical behaviour, NEINVER began a project in 2014 to develop a Criminal Compliance protocol, which it completed and distributed to all employees in late 2015. It brings the management of compliance-related risks in line with the latest reform of Spain's Penal Code and other applicable laws and regulations.



## Nassica's quadruple certification.

Nassica passed the certification audits for standards ISO 9001, ISO 14001, ISO 50001 and OHSAS 18001 in 2015, earning quadruple certification for the first time. This is the culmination of hard work carried out since Nassica joined the NEINVER portfolio in 2014.



## Contract to manage Megapark Barakaldo.

Since early 2016, NEINVER has managed the outlet centre and retail park that occupy 64,000 sq.m. of Megapark's 128,000 sq.m. of commercial space. This retail park is owned by Lar España Real Estate Socimi and features stores such as Decathlon, El Corte Inglés, MediaMarkt and Mercadona. This is the first centre NEINVER manages that it does not own or co-own.



## BREEAM certification of Viladecans in its design phase and of Roppenheim, which obtained a BREEAM rating of "excellent".

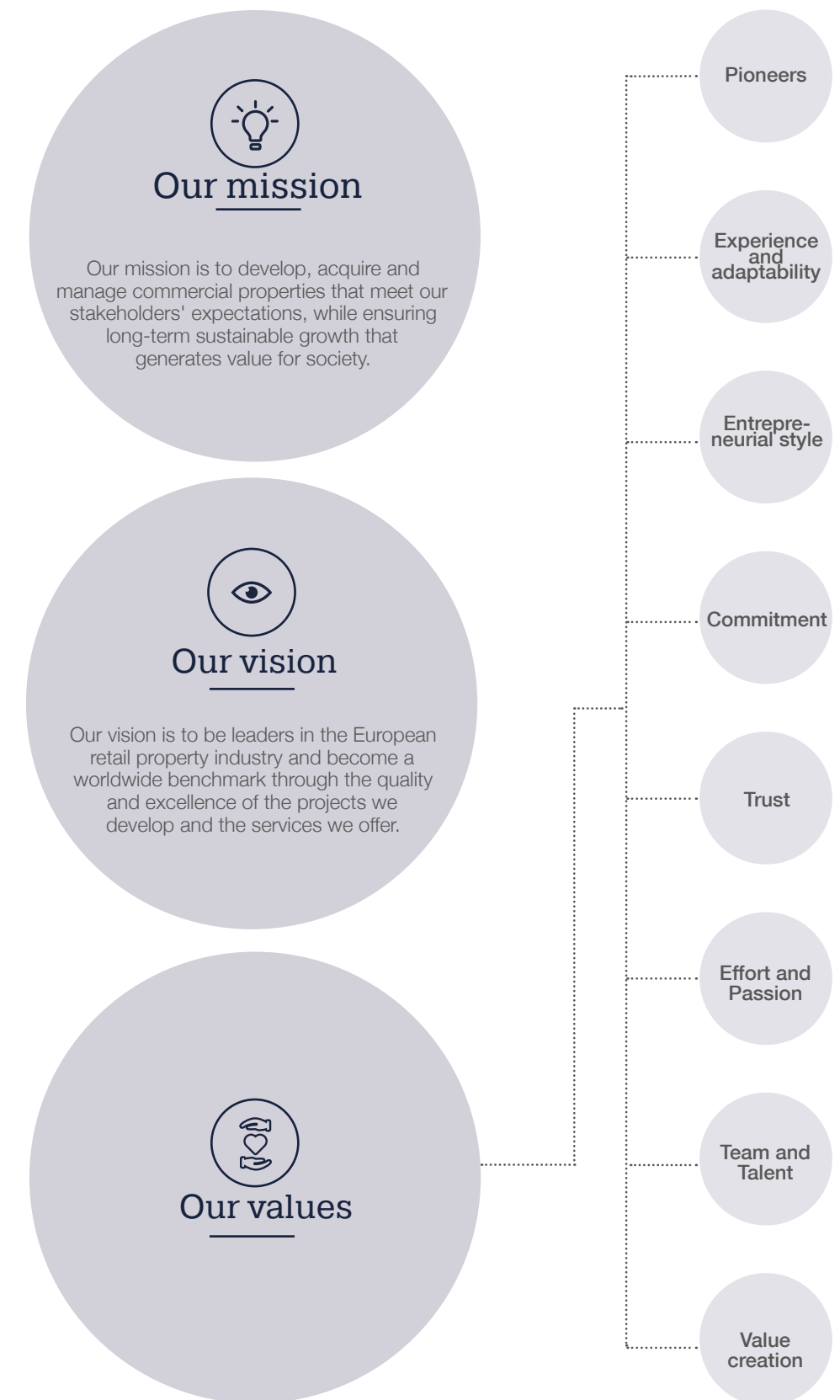
Roppenheim became the 5th building in Europe to earn a rating of outstanding in part 2 (building management) of BREEAM In-Use certification, and the 3rd building (and 1st outlet centre) in France to earn that rating.

In 2015, the company voluntarily re-evaluated this centre to gain a higher rating than before.

# This is how we create value

*“NEINVER’s mission, vision and values aim to help strengthen its position as a benchmark company in the retail property sector. They seek to bolster its leadership as one of the foremost companies specialised in property development, investment, fund management and property management, and to solidify its appeal as a strategic partner thanks to its experience, talent and passion”*

## NEINVER’S MISSION, VISION AND VALUES





## BUSINESS MODEL (G4-4)

NEINVER is a leading property development, investment, fund management and property management company. Since its founding in 1969, its business has revolved around developing, acquiring, leasing and managing a wide range of property products, including commercial properties, business parks and logistics assets. Values of sustainability and social responsibility are always present throughout the entire property cycle.

NEINVER has solidified its position in the European retail market, and the key players in the industry value the company's know-how. This has now led to

a contract under which, for the first time, NEINVER will manage retail properties it does not own or co-own. Those assets are the Megapark Barakaldo Retail Park and Fashion Outlet Barakaldo, whose management was transferred to NEINVER in early 2016 following negotiations in 2015. By managing third-party assets, NEINVER seeks to position itself better for future potential growth of its portfolio.

In 2015, NEINVER also continued its commitment to managing logistics properties, a field in which it has a great deal of experience.

## A benchmark company in the market: management of the entire property cycle

### Management

#### Asset management

Serving as the manager of assets it also owns (or co-owns) reinforces its long-term commitment to the assets' sustainability, value and quality, and helps create a unique, trusting relationship with investors and clients.

#### Fund management

Since 2007, NEINVER has managed an investment fund called IRUS European Property Fund. IRUS has generated attractive returns and stable dividends by acquiring assets developed by NEINVER and obtaining new assets, thanks to comprehensive, specialised management.

### Design

NEINVER is committed to designing and developing innovative properties, adaptable to the needs of each client and market, and complying with the highest standards of sustainability.

### Development

The company has experience developing a wide range of property assets such as logistics facilities, business parks, offices, and especially leisure and retail parks and outlet centres, in which it has specialised for the past 20 years.

### Leasing

More than 1,000 brands put their trust in NEINVER. The outlet centres' average occupancy rate has grown from 96% in 2014 to 97.7%.

### Finance

Leadership  
Experience  
Commitment  
Innovation  
Flexibility

## SPECIALISATION IN THE RETAIL PROPERTY (G4-4)

Within the retail sector, NEINVER's growth strategy over the last 20 years has been based on specialisation in outlet properties under The Style Outlets and FACTORY brands. In 2015, the company managed 15 outlet centres and 5 retail

centres with a total of 502,355 sq.m. of GLA. In recent years the Group has positioned itself as one of the European leaders in this sector, with more than 1,500 stores operated by more than 1,000 top brands.



### FACTORY

- A **first-generation outlet concept**, synonymous with smart shopping, offering name-brand products at deep discounts all year. NEINVER's specialisation began with this brand.
- It still operates in the **Polish market**.
- **Well-established centres** with high levels of loyalty, foot traffic and sales.



### The Style Outlets

- **Best-in-class outlet platform** offering clear advantages to shoppers and brands alike.
  - For **shoppers**: a broader mix of stores and brands.
  - For **international brands**: an international platform of 10 outlet centres that lets them enter new markets and ensure efficient, centralised management.
- **The Style Outlets centres** are unique, distinguished by their:
  - **Concept**: Visitors can find products from the best brands at reduced prices.
  - **Design**: Buildings with sustainable, energy-efficient architecture that respects the environment.
  - **Shopping experience**: Including additional services to make the visit more pleasant.

Specialisation in developing and managing this type of property asset requires careful management of every variable affecting the consumers' shopping experience, the operators' satisfaction and the investors' profits.

Therefore, two key areas of NEINVER's business are: 1) to build a trusting, mutually beneficial relationship with store operators, which will let the company sign and renew leases with new premium brands, and 2) to offer shoppers an attractive mix

of stores and a convenient, pleasant shopping experience with exclusive services.

By doing this, the company has successfully boosted foot traffic in its centres and, by extension, their sales revenue, allowing store operators and investors to improve their results, and increasing the value of the company's assets year after year. It does all this in a context of integration with the local community and under strict sustainability standards throughout the property cycle.

# COMMITMENT TO QUALITY

One of NEINVER's main goals is to do business responsibly and efficiently, while ensuring quality, environmental protection, and the safety and health of employees and customers. This is a defining trait of NEINVER, which year after year has let it achieve a high level of quality, safety and environmental care.

This is vouched for by the most stringent international certifications, both within and outside the industry, which has placed the company at the head of its sector in this regard.

## Certifications NEINVER obtained<sup>1</sup>

Certification norm/standard	Goal	% of portfolio that obtained the certification*
ISO 14.001	Ensure good environmental management of the company.	86
ISO 9.001	Promote efficient processes in the company and ensure high quality.	86
ISO 50.001	Optimise energy consumption, reducing costs and environmental impact.	86
BREEAM In Use	Improve the centres' sustainability performance and reduce their operating costs.	77
BREEAM New Construction	Ensure the new properties' energy and water efficiency and contribute to their users' well-being.	23**
OHSAS 18.001	Ensure that our centres are safe for workers and visitors.	32

\* Percentage of centres/corporate offices certified, out of the total number of centres and corporate offices, including centres open in 2015 and those that were in development. For details about which centres have which certifications, please see the appendix of environmental and employment indicators.

\*\* Percentage of all centres and corporate offices, even though it is only relevant to new construction and to the renovation of existing buildings.

<sup>1</sup> For more information, see the appendix of environmental and employment indicators.



**PORTUGAL**

- Signed 12 new leases with top brands and renewed 21 others.
- Installed LED lighting.

**Visitors**

4.2 M

**Sales**

€107.8 M

**Leasable area**

44,000 sq.m.

**Direct and indirect jobs\***

1,700

**SPAIN**

- Welcomed new operators to the centres (Adidas, Textura, Tous, etc.).
- Began constructing the Viladecans centre.
- Renovated Nassica, which obtained quadruple certification (ISO 9001, 14001, 50001 and OHSAS 18001).

**Visitors**

14.4 M

**Sales**

€352 M

**Leasable area**

176,155 sq.m.

**Direct and indirect jobs\***

4,450

**FRANCE**

- Welcomed 12 new stores and 3 new pop-up stores.
- Released a white paper on the outlet business to promote and improve the sector.
- Obtained BREEAM certification of the Roppenheim centre.

**Visitors**

1.5 M

**Sales**

€83.6 M

**Leasable area**

27,235 sq.m.

**Direct and indirect jobs\***

563

# International operations

(G4-6) (G4-8)

The NEINVER network includes 13 The Style Outlets centres (three of them in development), 5 FACTORY centres and 5 retail centres spread across Portugal, Spain, France, the Netherlands, Germany, Italy and Poland.



\* Direct jobs: NEINVER employees in the country. Indirect jobs: employees of the stores at the centres and of the main contractors working in the centres.

**ITALY**

- Signed 14 new leases with firms in Vicolungo and 9 in Castel Guelfo.
- Reduced emissions by installing new boilers and LED lighting in Castel Guelfo.

**Visitors**

6.4 M

**Sales**

€229 M

**Leasable area**

58,700 sq.m.

**Direct and indirect jobs\***

1,500

**GERMANY**

- Signed 26 new leases with major brands.
- Installed LED lighting.

**Visitors**

3.8 M

**Sales**

€168 M

**Leasable area**

182,500 sq.m.

**Direct and indirect jobs\***

1,100

**POLAND**

- New projects with strategic partners (Jones Lang La Salle) and iconic brands (Calvin Klein, Geox and Skechers).
- Optimised energy management using building-management systems.

**Visitors**

25M

**Sales**

€382 M

**Leasable area**

179,204 sq.m.

**Direct and indirect jobs\***

7,327

—  
OUR  
PERFORMANCE  
IN 2015

2





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*“NEINVER reported earnings of €61 million for 2015, up from 24.8 million in 2014. The company’s revenue grew in all its markets”*

This positive trend is a continuation of the good results from 2014 and largely reflects some of the actions implemented that year, such as signing strategic alliances with Colony Capital and TIAA-CREF, thereby creating two property-investment vehicles in the outlet and logistics sector.

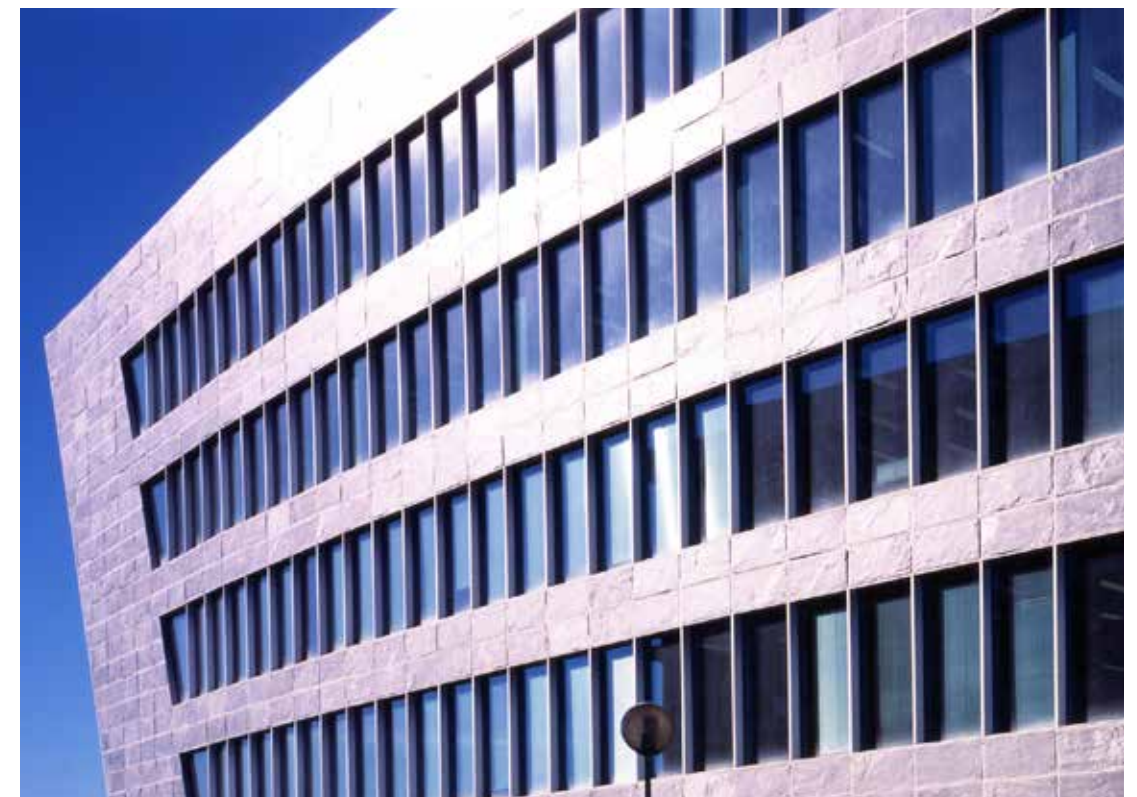
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## A year of growth in all markets (G4-DMA)

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NEINVER’s positive results for 2015 also reflect:

- **Sustained income:** NEINVER’s income streams are diversified in two directions: functionally (rental income versus management service fees) and geographically (income from operations in five countries), which offers the company greater protection from potential risks. In addition, the year brought an increase in management income as a result of the strategic alliances signed in 2014, long-term strategies that give the company greater security about the future stability of this income stream. So, for example, 41% of total revenue in 2015 came from the management business, while in 2014 it accounted for 34% of total revenue.
- **Reduced operating expenses:** NEINVER successfully reduced expenses by 15.6% compared to 2014 by adapting the company’s structure to new changes in the business model, thus increasing efficiency while keeping the same margins as in previous years.
- **Sale of assets and shares:** NEINVER obtained additional resources in order to improve its financial structure.
- **Reducing financial costs:** NEINVER reduced its financial costs thanks to an improved financial structure, mainly by reducing land-related debt and owning fewer resource-consuming assets.
- **Increased value of the company’s financial holdings:** The value of NEINVER’s financial holdings has increased, including its share in the IRUS Fund, which provides a value reserve for the company and shows the appreciation that some assets in the property sector experienced in the past year.



# Principal NEINVER economic and financial figures, 2013–15

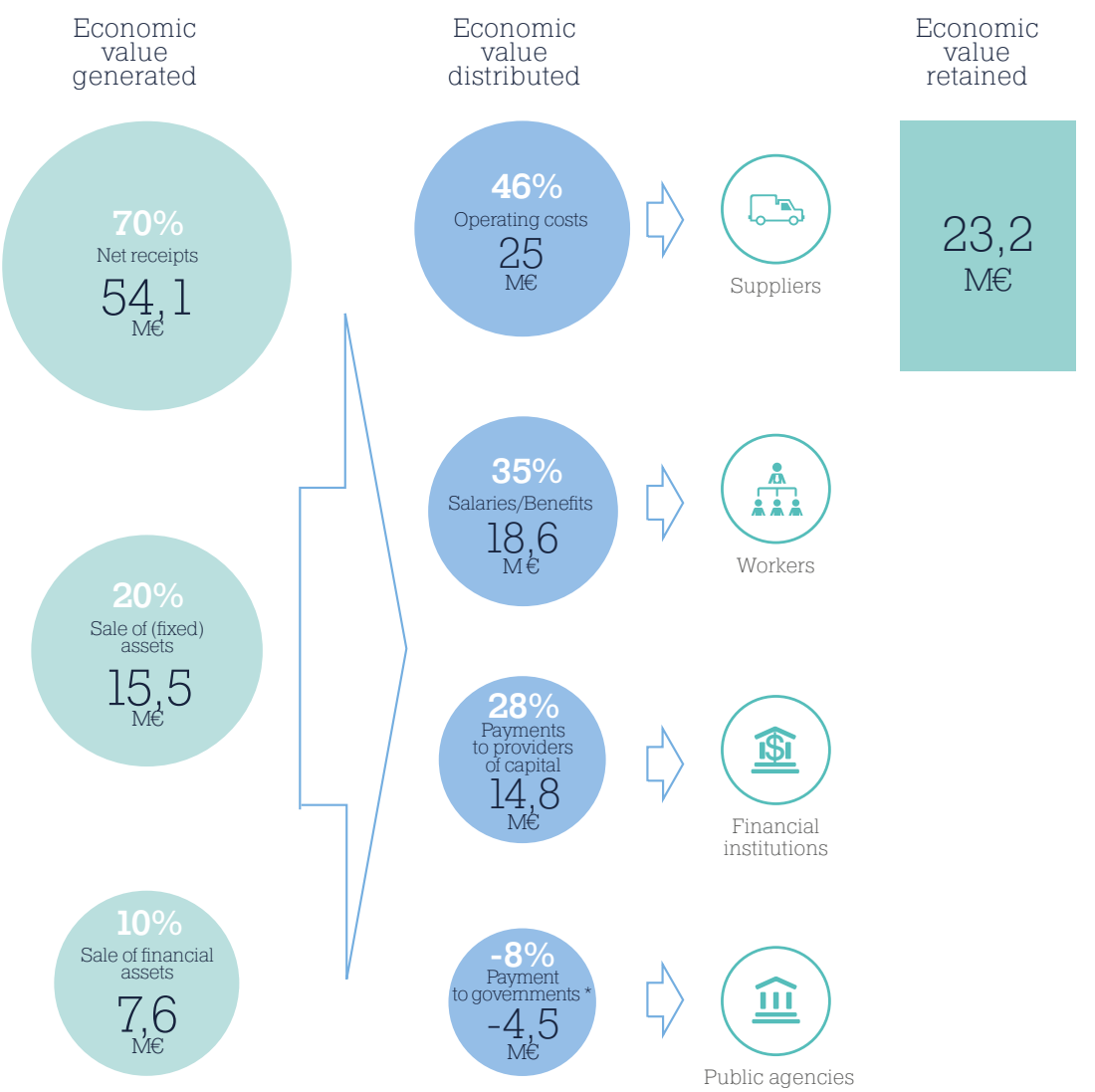
NET SALES		
2015	2014	2013
54.1 M€	59.7 M€	59 M€
OIBDA		
2015	2014	2013
12.9 M€	15.8 M€	15.5 M€
EBITDA		
2015	2014	2013
35.2 M€	26.6 M€	19 M€
PROFIT OR LOSS FOR THE FINANCIAL YEAR		
2015	2014	2013
61 M€	24.9 M€	-47.2 M€
ASSETS		
2015	2014	2013
647.5 M€	668.8 M€	619.7 M€
GROSS BANK DEBT		
2015	2014	2013
302.8 M€	375.6 M€	387.1 M€

For 2016, NEINVER hopes to maintain a similar gross margin and EBITDA (before revenue from the sale of assets), with an 8% reduction in financial expenses. NEINVER will continue working to bolster the value of its holdings in investment vehicles and the earnings from its sale of assets and land.

## DISTRIBUTION OF VALUE TO STAKEHOLDERS

In 2015, NEINVER generated €77,287,000 of economic value through revenue and the sale of assets. About 70% of this generated value was distributed to some of the company's main stakeholders such as workers, shareholders and suppliers.

### Economic value generated, distributed, and retained by NEINVER in 2015 <sup>1</sup>





# Operating results (G4-8)



## PROPERTY DEVELOPMENT

In 2015, NEINVER completed the expansion of the FACTORY Ursus centre and, over the course of 7 months, completely renovated the Nassica leisure centre in Getafe, near Madrid. The same year, NEINVER also started building phase 1 of the Viladecans The Style Outlets property, scheduled to open in autumn of 2016.

In 2016, the company also plans to start building an outlet property in Amsterdam (the Netherlands) and is still working on development of the property

in Werl (Germany). To complement its pipeline projects, NEINVER continues to assess new opportunities to develop assets and, in 2015, considered 45 new projects as well as possible expansions of existing assets.

The company's logistics operations will grow again in 2016, following acquisition of Zaphir's portfolio of logistics facilities by the joint venture between NEINVER and Colony Capital. The portfolio of 23 facilities totals 151,500 sq.m..

### Ongoing projects in 2015

Country	Property	Description	GBA in sq.m.	Store locations
Properties whose construction began in 2015				
Spain	Viladecans The Style Outlets	Construction of the centre began in 2015 and it is scheduled to open in 2016.	50,277	93
Total of properties whose construction began in 2015			50,277	93
Expansion of existing centres				
Poland	FACTORY Ursus	Completed construction of the expansion that was begun in 2014.	15,689	26
Total expansions			15,689*	26
Renovation of existing centres in 2015				
Spain	Nassica	Complete renovation of the Nassica leisure centre.	107,861	44
Total renovations			107,861	44
Approved projects whose construction will begin in 2016–17				
The Netherlands	Amsterdam The Style Outlets	Construction will start in 2017, after the company obtained the environmental permit in early 2016. It is scheduled to open in 2018.	69,835	115
Germany	Werl The Style Outlets	Construction will start in 2018 and it is scheduled to open in 2019.	119,754	80
Total of properties whose construction will begin in 2016–17			194,754	200

\* The underground area has 8,351 sq.m. which includes 7,504 sq.m. for parking places.

## LEASING

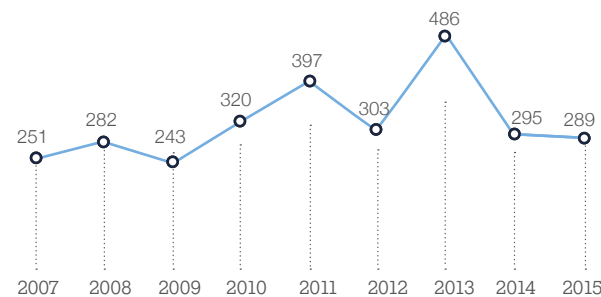
NEINVER currently manages the leasing and re-leasing of more than 2,000 store locations in 6 European countries, with a portfolio of more than 1,200 domestic and international brands.

In 2015, NEINVER's leasing team signed 289 leases<sup>1</sup> for a total of 53,090 sq.m., giving the outlet

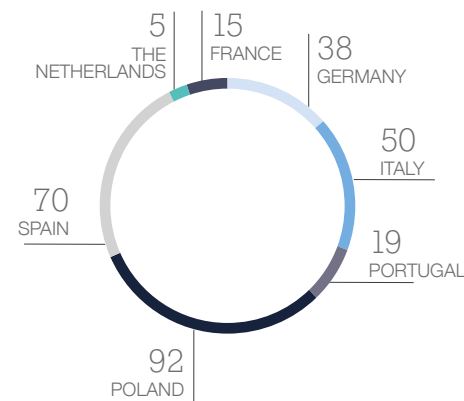
centres a 97.7% average occupancy rate, up from 96% in 2014. In 2016, as the opening of Viladecans The Style Outlets gets closer, the number of leases is expected to increase again.

As in 2014, Spain and Poland were the countries with the largest number of signed leases in 2015.

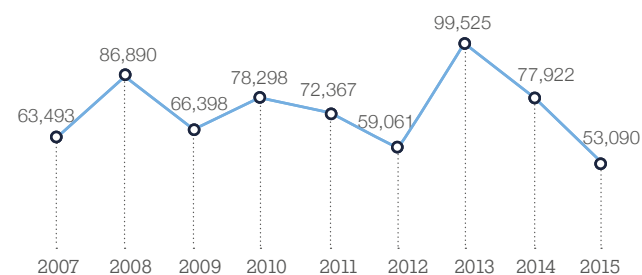
Changes in number of leases



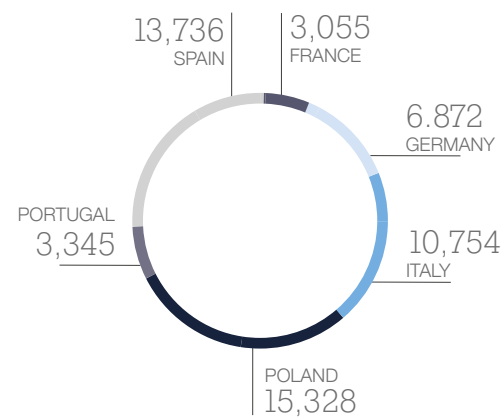
Number of leases signed, by country



Changes in leased area (sq.m.)



Leased area, by country (sq.m.)

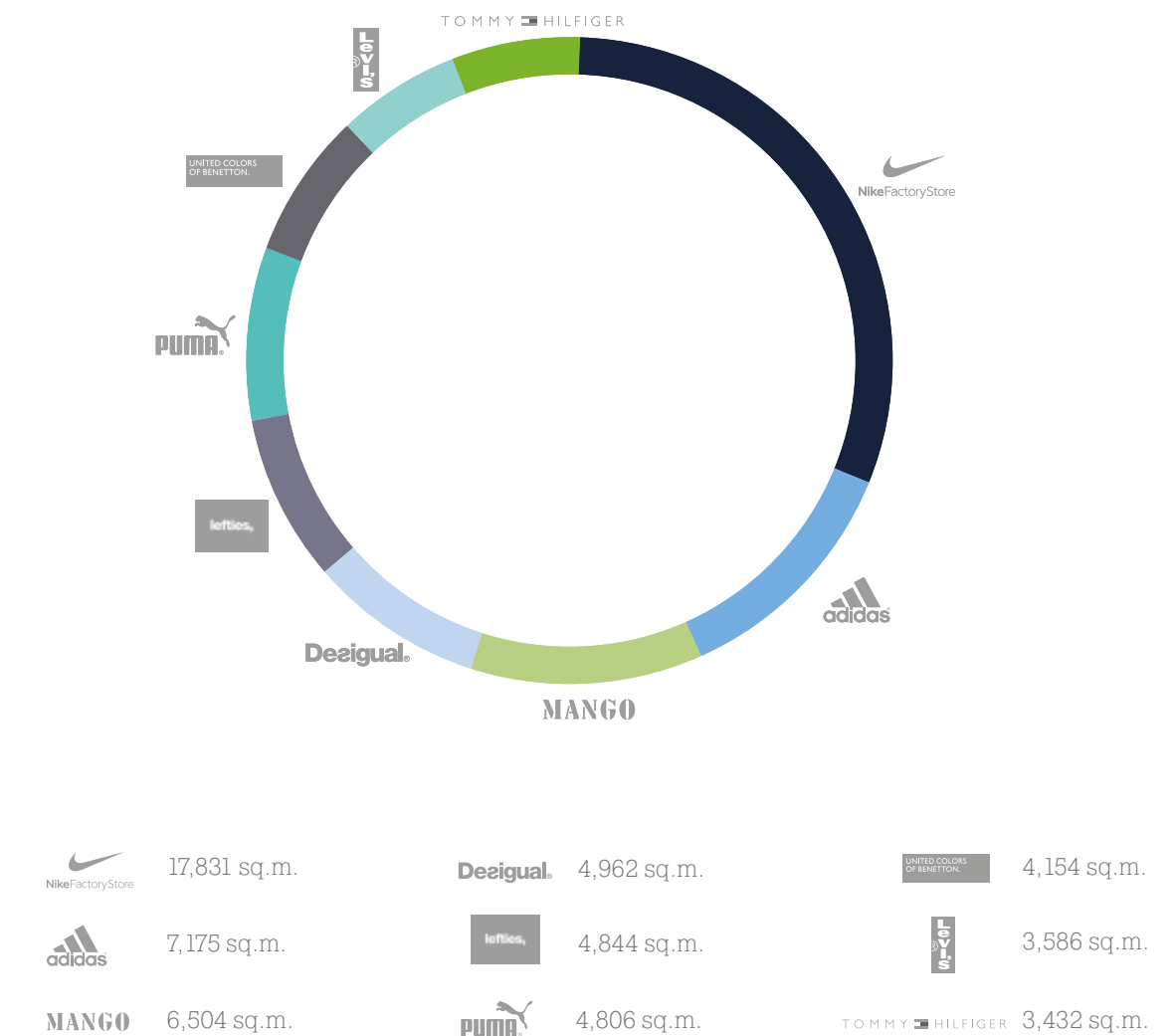


<sup>1</sup> This includes leases signed for Viladecans The Style Outlets, which is scheduled to open in autumn of 2016.

NEINVER remains committed to a policy of leasing its units to top international brands for a higher-quality mix of stores in its shopping centres, and offering shoppers an ever more appealing range of products and services.

Reflecting this process, the major store operators in the portfolio managed by NEINVER, in terms of units and area leased, include quality brands such as Nike, Mango, Adidas, United Colors of Benetton, Puma and Desigual. In 2015, these were joined by new prestigious brands such as Marc Cain, Gerard Darel and Scotch & Soda.

GLA of largest outlet operators\*



\* Counting only operators occupying at least 2,500 sq.m. of GLA.

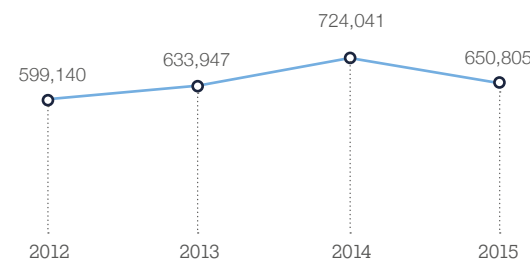


## ASSET MANAGEMENT

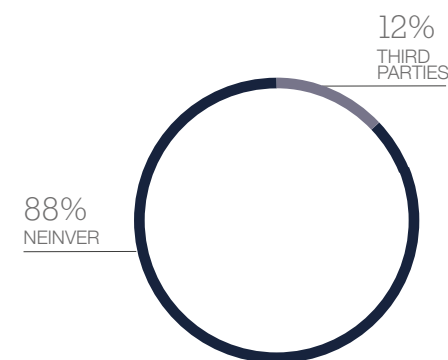
Asset management remains a core activity in NEINVER's business strategy. In fact, for the first time in its history, NEINVER recently took on the management of a centre in which it has no ownership stake. That centre is Megapark Barakaldo Outlet and Megapark Barakaldo Retail Park, where NEINVER has managed 64,000 sq.m. of GLA since early 2016.

By the end of 2015, the company had a management portfolio of 20 commercial properties totalling 502,355 sq.m.. NEINVER also managed 23 logistics properties with a total area of 148,450 sq.m.. The assets the company manages had a total area of 650,805 sq.m..

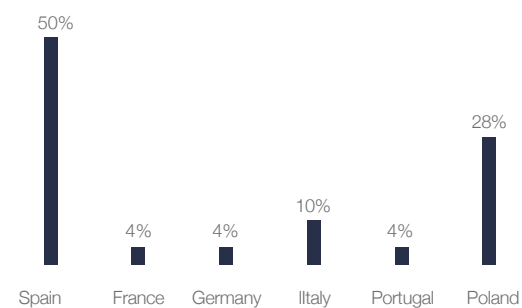
Changes in GLA managed (sq.m.)



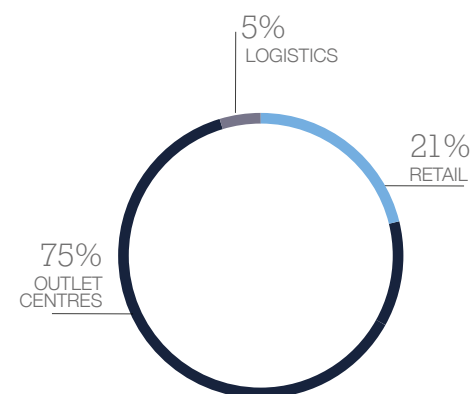
GLA managed, broken down by ownership (sq.m.)



Geographical breakdown by GLA of managed assets



Breakdown of business use of managed assets, by value



## Improving assets' value through management

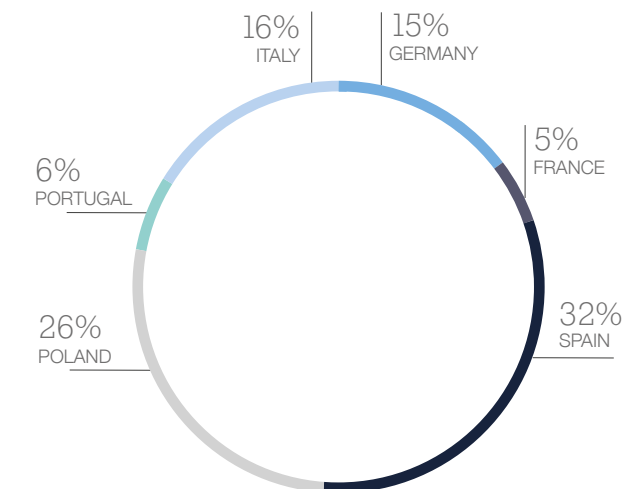
Regarding the value of the assets it manages, NEINVER continues to be a benchmark company for asset management in the retail property

sector. The company is known for the quality of its management, reflected year after year in the centres' increased foot traffic and sales revenue.

Changes in the NEINVER portfolio's KPIs, 2014 vs 2015



Geographical breakdown of managed assets, by market value



These key indicators reflect the company's ability to increase sales volume and profitability for store operators and investors. This translates

into a market value totalling €1.995 B as of 31 December 2015.

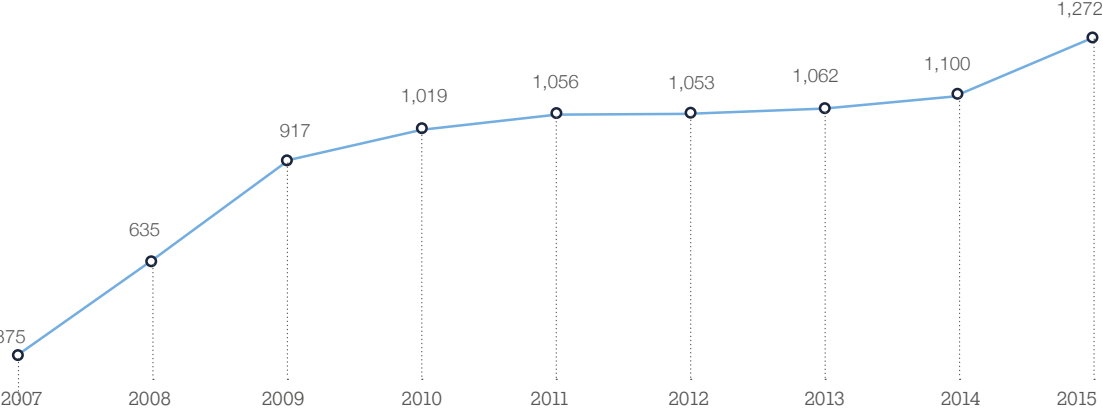
# FUND MANAGEMENT AND JOINT VENTURES

## IRUS Fund

IRUS European Fund is an industry-specific fund focused on outlet centres and retail parks, with an estimated life of 10 years (2007–17). NEINVER is now evaluating what will happen starting in 2017, and is considering different options to discuss with the shareholders in search of consensus.

The fund was subscribed in February 2007 by top-class European institutional investors, who committed €480 million of their own funds to the vehicle, including NEINVER's 25% equity stake. At present, it has 12 assets in 5 countries, with a total of 266,047 sq.m. of GLA and a combined value of €1,275,050,000, which is 18.39% higher than in December 2014 (excluding Futura Park Wrocław, sold in November 2015).

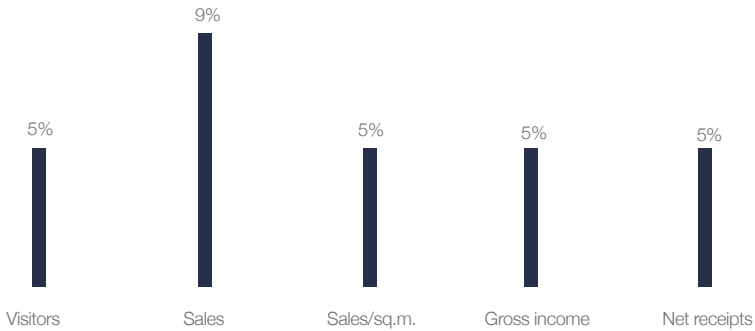
Increase in the value of portfolio assets 2007–15



Since its establishment in 2007, the Fund has distributed a total of €112 million in dividends, equal to 23.35% 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 widespread steep declines in property values.

At the same time, IRUS Fund assets ended the year with steady growth in their performance data. Especially noteworthy was the performance of the occupancy rate figure, which in 2015 averaged 99.6%.

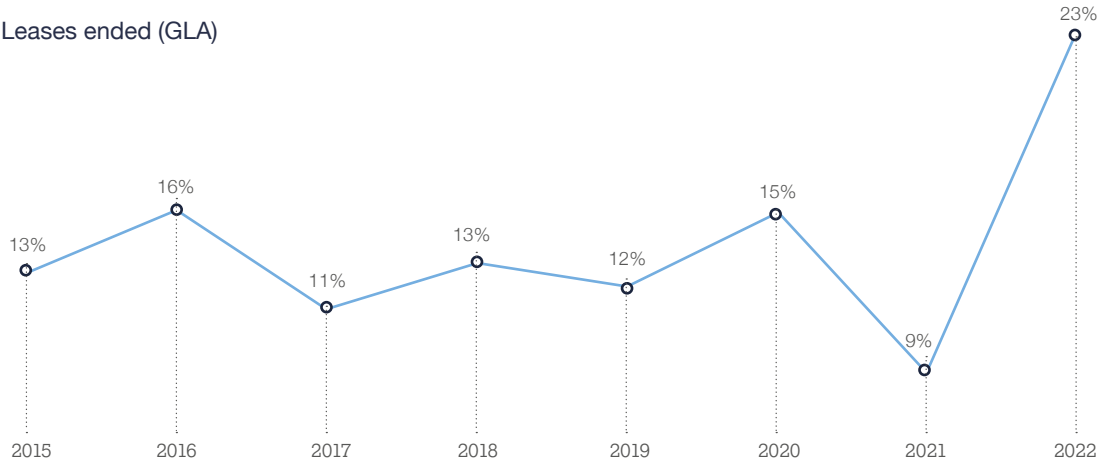
Changes in the IRUS portfolio's KPIs, 2015 vs 2014



The re-leasing schedule also gives the property great solvency and stability. Brand diversity; the centres' high occupancy rates; diversification of assets, in terms of both age and location; and

the fact that the lease duration ranges from 5 to 10 years, depending on the country, mean the portfolio's lease expiry schedule ensures stability in rental income, year after year.

Leases ended (GLA)



## SALE OF ASSETS (G4-13)

Continuing with its policy of selling non-strategic assets, NEINVER sold the following in 2015:

Wrocław Futura Park	IRUS sold Futura Park Wrocław for €25.8 million to Encore + Futura Sp. z o.o., a Polish firm that is part of a fund co-managed by LaSalle Investment Management and Aviva Investors.
Galeria Katowicka	Meyer Bergman European Retail Partners, with which NEINVER had formed a joint venture to develop this centre, acquired Galeria Katowicka in late 2015.
El Cañaveral	In 2015, NEINVER sold 59,971 sq.m. of land to the Schenker company in El Cañaveral.



A close-up photograph of a person's hand reaching out to touch a stalk of wheat in a field. The scene is bathed in the warm, golden light of a sunset or sunrise, with the sun low on the horizon, creating a strong lens flare and illuminating the wheat stalks. The background is a soft-focus field of similar wheat plants.

—  
THE PATH TO  
ONGOING  
RESPONSIBLE  
GROWTH

3

“The recovery of consumer confidence and a shift of ecommerce towards omni-channel strategies were two major trends in the industry in 2015”

# Industry overview

NEINVER continually analyses these developments' implications for business, so it can respond to any challenges they may present.

## The market environment and challenges for the company

CONTEXT		
 Business has improved at outlet centres; consumer confidence has recovered	<p>The outlet sector has reaffirmed its ability to sustain growth.</p> <p>The rise in consumer confidence was supported by increased sales at the outlet centres that NEINVER manages in Europe.</p>	<p>NEINVER has bolstered its position in the industry thanks to the edge that brands gain by working with this benchmark company, the opportunity that this industry offers investors, and NEINVER's ability to provide the best possible customer experience. Investors appreciate the company's know-how, as they increasingly care about the competitive edge associated with having stores in outlet centres.</p>
CHALLENGES		
 Omni-channel	<p>An omni-channel approach gives the customer a single seamless experience with the brand in every platform and point of contact, whether physical or digital.</p>	<p>Companies must be able to adapt their business model to focus on the customer experience. They must therefore offer the right brands and the right product and/or service in the right context at the right time. NEINVER is committed to technological innovation that lets it constantly learn more about its customers, offering them a relevant value proposition based on their preferences and behaviours.</p>
 Geographic expansion	<p>The high cost of debt, with limited room for expansion in certain markets, remains a barrier. Internationalisation is therefore vital, given the growing demand among investors.</p>	<p>NEINVER's long-term strategy is based on international expansion together with specialisation in the outlet business. That is why in 2014 and 2015 the company formed two strategic partnerships, with THRE and Colony Capital.</p>
 Sustainability and CSR	<p>Investors and consumers increasingly demand a growth strategy that takes into account ESG factors (Environmental, Social and Governance).</p>	<p>NEINVER is the first company in the industry to earn BREEAM's sustainable-construction certification for all the outlets it developed throughout Europe. It also obtained certification of its centres' management systems, under BREEAM In-Use and other standards such as ISO 14001, 9001 and 50001.</p>



# Leadership strategy

*"NEINVER challenges itself to be the company that clients, investors and workers prefer. To achieve that, it remains committed to innovation, reinventing itself and adapting to industry trends, while generating consumer confidence"*

The last few years for NEINVER have been marked by the optimisation of resources, restructuring of its debt and the signing of strategic partnership agreements, such as those with THRE, KKR and Colony Capital, in which NEINVER has proven itself an ideal partner. In 2015, the company solidified existing achievements, especially regarding its capitalisation structure, the increased value that the company brings to clients, to investors and to the large team that NEINVER comprises, all without sacrificing growth.

Diversification remains a key element of growth for NEINVER, which continues working to identify international business opportunities for all its lines of business. A clear example is the expansion into managing third-party properties, such as the agreements reached for NEINVER to assume management of Megapark Barakaldo and Halle Leipzig starting in 2016. NEINVER is a benchmark in the commercial property management sector. The company is known for its know-how and the quality of its management, reflected year after year in the centres' increased foot traffic and sales revenue. This is why leading companies in the sector have entrusted the management of their properties to NEINVER. Also, consistent with its growth strategy and reinforcing its position as a developer and manager of property assets, NEINVER is reviving its industrial and logistics business. The logistics sector is a major part of the company's roots and is currently one of the most promising segments of the property market,

given the interest investors have expressed and the rise in demand for logistics facilities.

Throughout NEINVER's growth trajectory, the company has striven to adapt to changes in the economic environment and trends in the market. In 2015, it conducted a deep analysis of its outlet management to optimise its management model. At the same time, all areas of the company remain involved in a process of digital transformation, through the implementation of its omni-channel strategy. In 2015, NEINVER exponentially broadened the digital points of contact with brands and shoppers and their traceability, offering customers an innovative, exclusive range of options through a unified omni-channel experience.

The company's commitment to doing business in keeping with principles of sustainable development and social responsibility is another distinctive aspect of its strategy and has surely contributed to its successes. Its commitment to sustainability and its stakeholders is reflected mainly through the multiple certifications it has earned for both construction and management.

This strategy strengthens the creation of value for customers, store operators, investors and communities, helping to build long-term relationships based on trust and mutual benefit. All this has allowed NEINVER to be the second-largest operator of outlet centres in Europe and the market leader in Spain and Poland.

## NEINVER's leadership strategy



# Omni-channel sales, the decisive step in improving the customer experience

*"The digital age is in full swing, and the retail and property industries must make the most of it to continue innovating and must embrace new technologies, media and transactional models alongside the "traditional" channels. NEINVER is committed to developing technology that will let it satisfy all the needs of its brands and customers, allowing them full interaction at any time through any channel"*

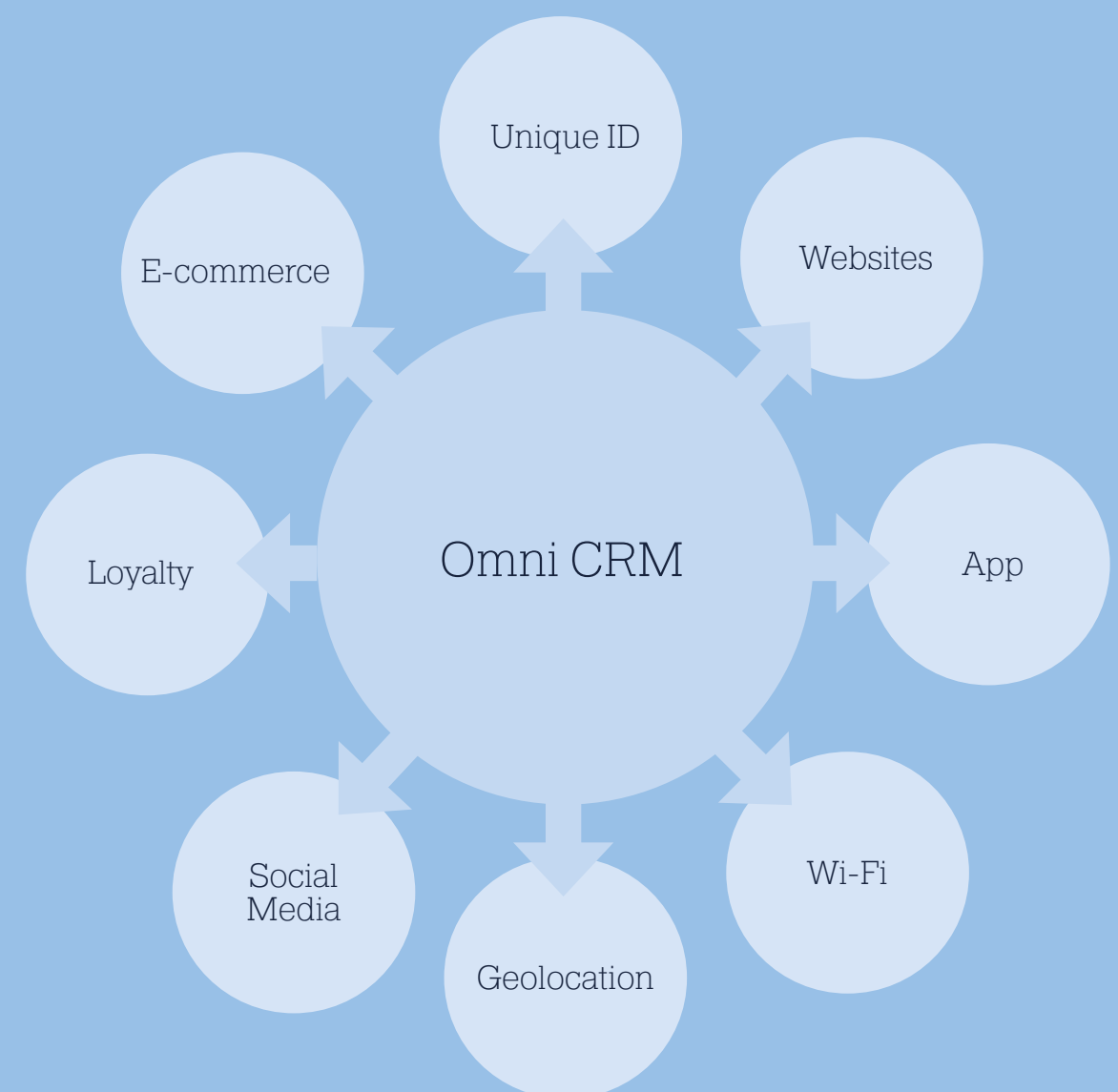
From NEINVER's perspective, the consumer is now an omni-consumer, relating to brands through their preferred channels, and the digital experience is a vital part of the shopping process. In fact, the customer's "journey" occurs before, during and after the purchase, since it is essential to have a digital relationship model that allows identification of the customer and each person's shopping habits throughout the decision-making process, regardless of the channel through which the purchase ultimately occurs.

In the coming years, as in recent years, ecommerce is expected to account for a growing percentage of overall retail sales. In this context, NEINVER has become the first operator of outlets and shopping centres to offer an omni-channel experience in the B2B2C (business to business to consumer)

space. This responds to customers' omni-channel shopping habits and integrates physical and digital transaction channels, offering each consumer personalised, micro-segmented communication, thus contributing added value to the brands' business strategy.

NEINVER's customer/brand relationship model relies on total integration of the customer's experience in its physical and digital centres. The NEINVER digital ecosystem therefore aligns and integrates all its components around its omni-channel platform to manage the customer relationship using omni-CRM (omni-Customer Relationship Management). Recency (the customer's latest contact with the brand), frequency (number of contacts in a given period) and purchases are the keys to monetizing our relationship model.


The NEINVER digital ecosystem






As part of development of the NEINVER digital ecosystem, various projects were developed for The Style Outlets portfolio, to build a robust, integrated digital ecosystem.

## Projects NEINVER carried out to develop its digital ecosystem

- 

**Unique digital identifier**

Creating a unique customer login identifier for all points of contact with the NEINVER digital ecosystem. Development of a unified database . Integrating the unique digital ID into the omni-CRM system.
- 


**Shopping centres' websites**

Standardisation of the look and feel of websites for the physical and ecommerce centres using responsive design technology to allow proper display on any device, with Drupal as the sites' content management system. Currently, more than 50% of the visits to our sites happen on mobile devices. The websites have been integrated into the omni-CRM system.
- 

**Wi-Fi technology, geolocation and social media at centres**

Defining standards for Wi-Fi technology, geolocation and the role of social media for implementation at each centre that NEINVER manages. As of 2015, NEINVER had more than 700,000 followers on Facebook, Instagram and Twitter, and more than 16,000 Wi-Fi connections at its centres. Integration of the Wi-Fi zones, geolocation service and social networks into omni-CRM.
- 

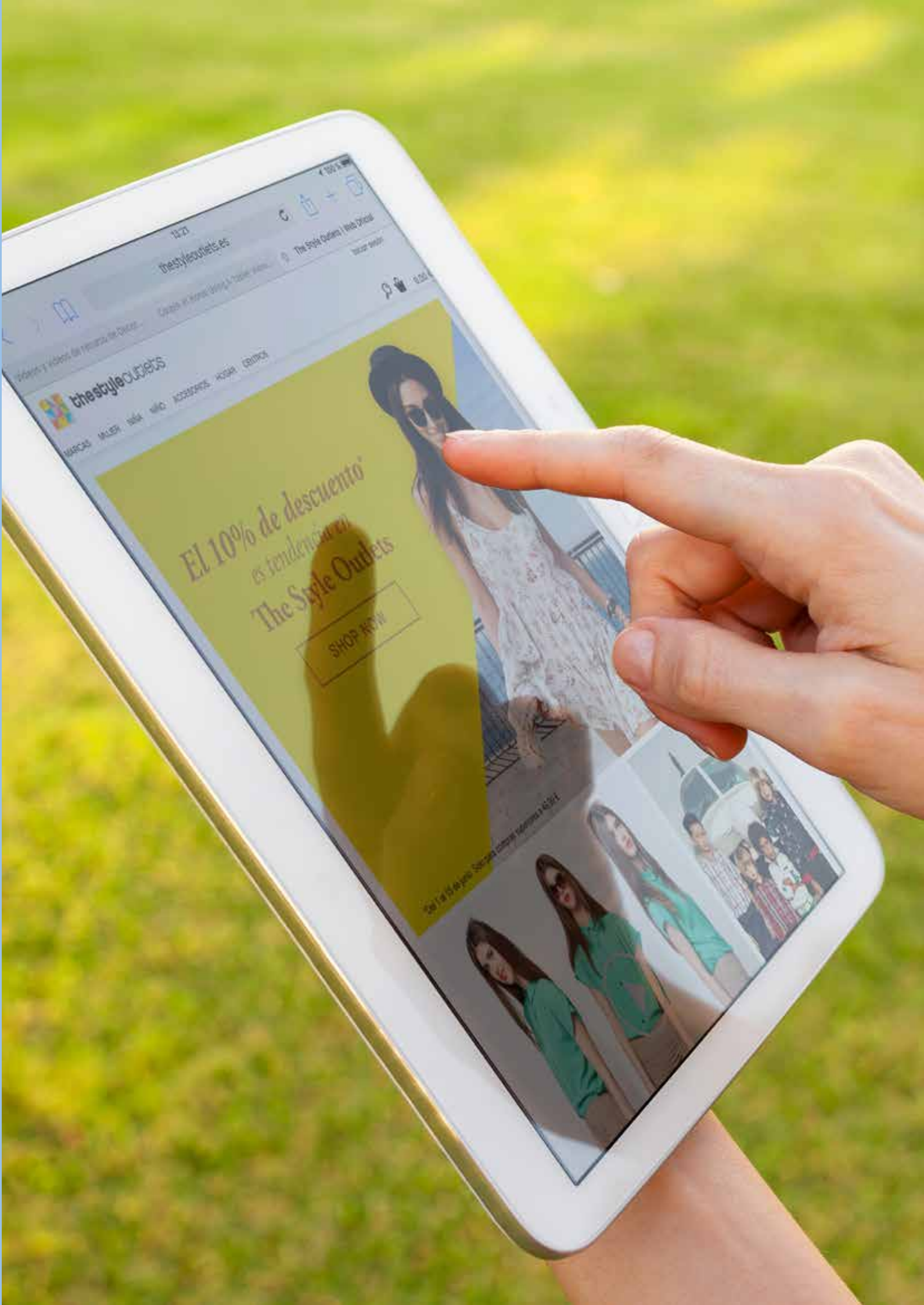
**Mobile app and loyalty programme**

Complete development of a new single app for all the shopping centres. Pilot test of the new QR-code-based loyalty programme at San Sebastián de los Reyes The Style Outlets. More than 7,700 downloads of the app on iOS and Android. Integration of the app and the loyalty programme into omni-CRM.
- 

**Omni-CRM**

Creation of an omni-CRM platform that consolidates and manages interactions with all NEINVER digital assets, to present an omni-channel view of customers and brands.

In 2016, NEINVER plans to achieve full omni-channel integration of The Style Outlets, and has therefore launched its ecommerce platform. NEINVER also plans to start rolling out this digital strategy to the FACTORY centres and to its Alegra and Nassica brands. This roll-out will start with putting in place the unique identifier, the implementation of the CRM and the integration of the centres' websites with the app and the Wi-Fi network, as already described for The Style Outlets centres.







# Corporate governance

(G4-34) (G4-35) (G4-36)

*"In 2015, Daniel Losantos was named the CEO of NEINVER and Carlos González became the Managing Director. These changes reflect NEINVER's constant pursuit of efficiency, promoting alignment between departments and the various business areas, and above all, its pursuit of positive results"*

## GOVERNANCE MODEL

Since 2013, when NEINVER began a redesign of its organisational structure, the company's identity has grown stronger and there has been increased coordination between its different areas. However, determined to adapt to today's changing environment and focus on areas that offer the company greater opportunity and growth potential,

NEINVER has undertaken further changes for 2016.

The main item was the naming of Daniel Losantos as CEO in October 2015. His former position of Managing Director is now occupied by Carlos González, who also retains the duties of his previous position as Chief Financial Officer.

## NEINVER organisation chart



## CORPORATE GOVERNANCE (G4-7) (G4-38) (G4-49)

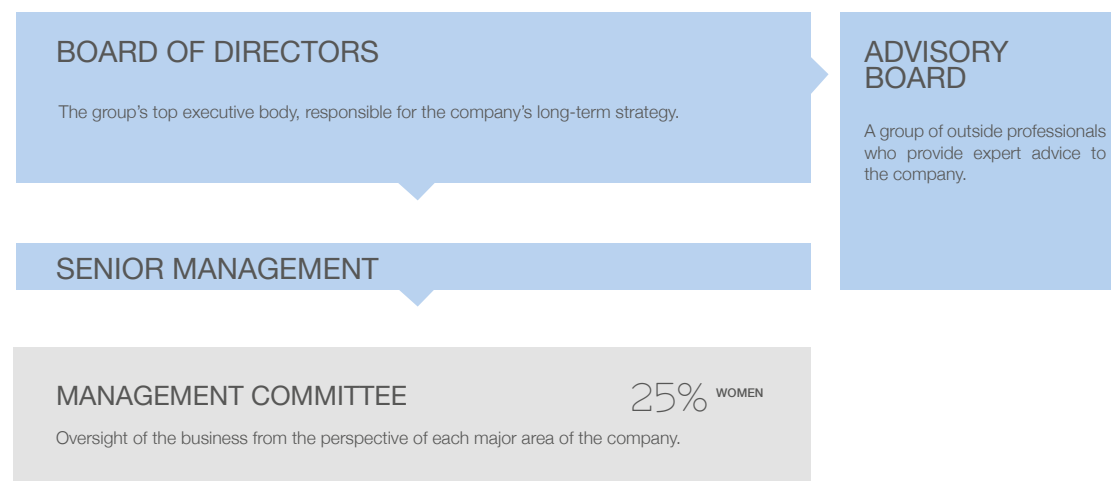
*“The NEINVER group’s corporate governance structure is built around the operations of 2 boards and 1 committee that makes decisions independently”*

The top corporate body is the General Shareholders’ Meeting, represented by the Losantos family, who hold 100% of the share capital. This body is not involved in the company’s day-to-day management, though senior management must report to it periodically.

The Advisory Board comprises professionals from outside the Company. The Management Committee is established as an executive body. Its structure is designed to bolster the company’s various strategic priorities.

The Board of Directors, in turn, is the group’s top executive body and is responsible for the company’s long-term strategy.

## NEINVER corporate governance structure (G4-LA12)



## Risk management (G4-2) (G4-46)

*“NEINVER periodically identifies and assesses factors that could be a source of risks and opportunities for the business”*

Additionally, at the operations level, the company evaluates another type of risks that can affect its performance, such as those associated with illegal practices or related to asset management, solvency, debt repayment and the group’s social and criminal liability.

To control these risks, NEINVER is developing a Risk Map that categorises them. This map is updated periodically under the ultimate responsibility of the

Management Committee. As part of this update, the company is working to analyse new types of risk, including cyber-risks.

The company has other tools to avoid the impact of such episodes, such as a crisis manual designed to guide its action in dealing with any emergencies that arise in its properties, internal rules to ensure ethical behaviour, and insurance policies that allow the transfer of certain risks.

To guarantee ethical behaviour and regulatory compliance, NEINVER began a project in 2014 to develop a Criminal Compliance protocol, which it completed and distributed to all employees in late 2015. It brings the management of compliance-related risks in line with the latest reform of Spain’s Penal Code and other applicable laws and regulations.





# Commitment to integrity

(G4-DMA) (G4-56) (G4-57) (G4-58) (G4-SO4)

*"Behaving with integrity in a way that ensures legal compliance, transparency and respect for legitimate interests is a basic principle for ensuring the proper functioning of the company and maintaining close relationships with stakeholders"*

NEINVER has put in place a range of mechanisms to ensure compliance with these principles, both in the company's operations and in employees'

behaviour. This framework is also required of other organisations with which NEINVER does business.

## Ethics and preventing bad business practices



The company has a Code of Ethics that defines corporate ethical principles and guides employees' conduct in situations related to business practices and the industry (transparency, legal compliance, data protection, conflicts of interest, etc.) and related to how they treat and interact with each other.

NEINVER also enforces a strict policy against corruption and other bad business practices, such as those affecting free competition. In this context, the company is governed by the regulations in force in each country. Through specific clauses in its contracts, it is committed to guaranteeing that its business relations never include anti-competitive elements such as radius clauses.

In 2015, the company's precautions against corruption and fraud were strengthened with the publication of its Criminal Compliance Programme,

a protocol to prevent criminal prosecution risk that reflects the latest reform of Spain's Penal Code. This programme refers to the organisation's Code of Ethics, establishes new policies and processes for action and reporting, assigns responsibility for carrying them out, addresses compliance and oversight, and establishes a disciplinary system. Under the new Criminal Compliance Programme, a confidential email address has been set up for reporting infractions, which can also be used to answer questions and receive suggestions.

All the company's employees must know and respect the Code of Conduct and the entire Criminal Compliance Programme. NEINVER carried out specific communications initiatives in 2015 to achieve that goal. It also asked all in-house staff to send Human Resources a letter of acceptance of these internal regulations.

## COMMITMENT TO OUTSIDE INITIATIVES (G4-15)

NEINVER has signed several external codes of conduct that bolster the organisation's commitment to ethical behaviour.

### External codes of conduct



#### United Nations Global Compact

The Compact promotes a universal consensus on 10 principles regarding human rights, work, the environment and prevention of corruption.



#### RICS – Royal Institution of Chartered Surveyors

This trade association certifies property- and construction-sector experts and ensures that they follow the property industry's most stringent international ethical standards. NEINVER has several certified professionals. The Facilities Management department also complies with RICS standards.

# INTEGRITY IN THE RELATIONSHIP WITH PARTNERS, SUPPLIERS AND STORE OPERATORS

NEINVER's commitment to integrity extends to other organisations with which it has commercial or financial relationships.

Integrity in the relationship with partners, suppliers and store operators. Actions taken

STORE OPERATORS	PARTNERS	SUPPLIERS
<p>Improve awareness and oversight of store operators' legal and financial practices.</p> <p><b>Standardising leases:</b></p> <ul style="list-style-type: none"> <li>Boilerplate text common to all centres and countries; and</li> <li>Section adapted to local conditions and characteristics.</li> <li>Clauses on sustainability (energy efficiency, waste management, safety and health).</li> </ul> <p>This helps avoid discretion in the leases' content and thus prevents the inclusion of clauses or agreements that would be illegal or at odds with the company's principles and values.</p>	<p>Respond to partners' demands and ensure that they operate in accordance with NEINVER's principles and values.</p> <ul style="list-style-type: none"> <li>The leases include <b>specific anti-corruption and anti-bribery clauses</b> that establish ethical commitments. Non-compliance invalidates the contract.</li> <li><b>Compliance with FATCA</b> (the Foreign Account Tax Compliance Act, a U.S. law), as required by some partners, which includes rules on accounts and investments outside the United States.</li> </ul>	<p>Improve awareness and oversight of the legality of suppliers' practices.</p> <ul style="list-style-type: none"> <li><b>Creation of a KYC (Know Your Client) questionnaire</b> to send to all providers associated with the property development business. Among other things, it asks whether the supplier has internal precautions against money laundering and the financing of terrorism.</li> </ul>

# TRACKING AND MONITORING COMPLIANCE WITH COMMITMENTS

To monitor compliance with all the procedures described, the company conducts audits and has measurement systems that periodically review 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.

Throughout 2016, NEINVER will supervise the implementation of its Criminal Compliance Programme so it can make any procedural adjustments needed due to changes in the company (new structure, new business activities, new partners, etc.).

# Corporate Social Responsibility management

*"Acting responsibly lets NEINVER anticipate risks, respond to stakeholders' expectations and take advantage of other opportunities arising from improved asset management"*

Corporate responsibility reinforces NEINVER's strategy at every phase of its business's life cycle. The company is working to improve its properties' functionality, flexibility, efficiency and durability while conveying its commitment through responsible behaviour that is respectful of the market, society and the other stakeholders with which it interacts.

In 2015, NEINVER reviewed its Corporate Social Responsibility strategy, and this process produced a CSR roadmap for 2016–20 with steps to take in several areas: the environment, corporate governance, labour practices and operational practices. For each of these steps, the company devised action plans whose implementation will be overseen by the Corporate Responsibility Committee.



NEINVER CSR Roadmap for 2016–2020

<div>1</div> <div>ENVIRONMENT</div> <div><ul style="list-style-type: none"><li>• Develop a Certifications and Green Energy Policy.</li><li>• Update the Sustainable Design Guide and develop a Sustainable Operations Guide.</li><li>• Train employees and contractors with environmental liability.</li><li>• Get store operators more involved in meeting goals and in environmental reporting.</li><li>• Develop Waste Management Plans.</li><li>• Improve calculation of the carbon footprint.</li><li>• Bolster monitoring of waste water.</li><li>• Analyse the implementation of the ISO 55000 standard.</li><li>• Get store operators to sign on to NEINVER's green energy contracts.</li><li>• Establish long-term public environmental goals.</li><li>• Improve the internal reporting system for environmental indicators.</li></ul></div>	<div>2</div> <div>CORPORATE GOVERNANCE AND CSR MANAGEMENT</div> <div><ul style="list-style-type: none"><li>• Develop a company-wide CSR Policy.</li><li>• Roll out the Criminal Compliance Programme.</li><li>• Create a Management System and a Risk Committee.</li><li>• Expand the corporate Risk Map to include the supply chain's sustainability and behaviour.</li><li>• Promote innovation.</li><li>• Conduct CSR training.</li></ul></div>
<div>3</div> <div>LABOUR PRACTICES</div> <div><ul style="list-style-type: none"><li>• Prevent stress and promote a healthy lifestyle.</li><li>• Earn certification of the Occupational Health and Safety System for all of the company's centres.</li></ul></div>	<div>4</div> <div>OPERATIONAL PRACTICES</div> <div><ul style="list-style-type: none"><li>• Review the framework for collaboration with store operators on sustainability.</li><li>• Develop a Responsible Procurement Policy.</li><li>• Review the supplier prescreening questionnaires to better understand how they manage sustainability issues (Environment, Health and Safety, Human Rights, etc.).</li></ul></div>

Transparency and improving stakeholder relations is another priority of the company's approach to corporate responsibility management. NEINVER engages in ongoing dialogue with the various

stakeholder groups with whom it interacts, identifying their expectations from the company and setting up several channels through which to respond to their needs for information.

Transparency and stakeholder relations (G4-24) (G4-26) (G4-27)

Stakeholder group	Aspects of the company that interest them	Communication channels
Investors and strategic partners	<ul style="list-style-type: none"><li>• The centres' and the company's economic and operational performance and sustainability.</li><li>• Marketing and communication plans.</li><li>• Compliance, transparency and confidentiality.</li><li>• Risk management, opportunities and reputation.</li><li>• Optimising expenses and investments and increasing the value of assets.</li><li>• Sustainability certification of the centres and of their management systems.</li></ul>	<ul style="list-style-type: none"><li>• Annual reports.</li><li>• Periodic reports (IRUS Fund, Performance of the NEPTUNE centres).</li><li>• Specific reports about the centres and their sustainability performance (GRESB questionnaire).</li><li>• Periodic meetings with senior management and with the centres' management.</li><li>• Websites and media.</li></ul>
Employees	<ul style="list-style-type: none"><li>• Strategy, new projects, organisational changes.</li><li>• Training and development opportunities.</li><li>• Work environment and job satisfaction.</li><li>• Comfortable working conditions that promote productivity.</li><li>• Improving work-life balance, flexible working arrangements.</li></ul>	<ul style="list-style-type: none"><li>• In-house releases and visual communication in offices.</li><li>• Periodic satisfaction surveys.</li><li>• Personal interviews, informational meetings between management and teams.</li><li>• Intranet.</li></ul>
Store operators	<ul style="list-style-type: none"><li>• Centres' earnings and management performance.</li><li>• The company's management model.</li><li>• Compliance, transparency and confidentiality.</li><li>• Actions to drive sales.</li><li>• In-store efficiency measures.</li></ul>	<ul style="list-style-type: none"><li>• Reports on changes and progress among operators.</li><li>• Satisfaction surveys.</li><li>• Marketing activities.</li><li>• Periodic centre-level and corporate-level contact.</li><li>• Store operators' intranet and bulletin boards.</li><li>• System for complaints and requests.</li></ul>
Shoppers	<ul style="list-style-type: none"><li>• New services, promotions and activities at the centres.</li><li>• Brands that operate in the centres.</li><li>• Maintaining environmental and safety conditions to ensure a suitable shopping experience.</li></ul>	<ul style="list-style-type: none"><li>• Emailed information about new services, promotions and activities at the centres.</li><li>• Shopper surveys.</li><li>• Customer service systems as well as mechanisms for submitting suggestions (on site and online).</li><li>• Community outreach.</li><li>• Digital poster displays.</li><li>• Social media and mobile apps.</li><li>• Information in the media.</li></ul>
Community	<ul style="list-style-type: none"><li>• Jobs creation and wealth generation in the surrounding area.</li><li>• Development of infrastructure and services available to the entire community.</li><li>• Collaboration agreements with institutions.</li><li>• Support for social projects.</li></ul>	<ul style="list-style-type: none"><li>• Meetings with each area's key socioeconomic players.</li><li>• Participation in cultural events and activities.</li><li>• Social media, communication media and information points in the centres.</li></ul>
Institutions	<ul style="list-style-type: none"><li>• Jobs creation and wealth generation in the surrounding area.</li><li>• Compliance, transparency and confidentiality.</li><li>• Fostering employment in population segments that face special difficulties.</li><li>• Training and first employment experiences for young people.</li><li>• Sustainable development and management of centres.</li><li>• Signing agreements on the preservation of public spaces.</li><li>• Activities to help attract tourism.</li></ul>	<ul style="list-style-type: none"><li>• Constant ties to local and regional authorities.</li><li>• Joint action plans.</li><li>• Cooperation with local employment agencies.</li><li>• Regulatory inspections.</li><li>• Participation in events and meetings.</li></ul>
Media	<ul style="list-style-type: none"><li>• Information about the company's activity and about the sector.</li><li>• Innovative projects or other actions in the centres (sustainability, renovations, expansions, etc.).</li></ul>	<ul style="list-style-type: none"><li>• Surveys and interviews with management.</li><li>• Press conferences and presentations.</li><li>• Reports in the press and other media.</li><li>• Ongoing one-to-one contact.</li></ul>
The industry	<ul style="list-style-type: none"><li>• General information about the company.</li><li>• Fostering best business practices.</li><li>• Sharing of experiences, business networking.</li><li>• Visibility to brands and investors.</li></ul>	<ul style="list-style-type: none"><li>• Participation in national and international conferences, events and trade shows.</li><li>• Presence on steering committees of industry organisations.</li></ul>
Suppliers	<ul style="list-style-type: none"><li>• Ensuring safety and comfort for the performance of their jobs.</li></ul>	<ul style="list-style-type: none"><li>• Online platform to prevent occupational risks among suppliers.</li><li>• Contact with the Administrative Department.</li></ul>
Financial institutions	<ul style="list-style-type: none"><li>• Compliance, transparency and confidentiality.</li><li>• Company's current status.</li><li>• Financial assets' performance.</li><li>• Strategy and forecasting.</li></ul>	<ul style="list-style-type: none"><li>• Periodic reports and financial statements.</li><li>• In-person meetings.</li></ul>



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CREATING  
VALUE  
FOR OUR  
STAKEHOLDERS

4





*“NEINVER’s management of its personnel focuses on offering them an attractive career path, strengthening their commitment to the company and attracting the talent it needs to achieve its strategic goals”*

# EMPLOYEES

## MANAGEMENT MODEL

(G4-DMA)

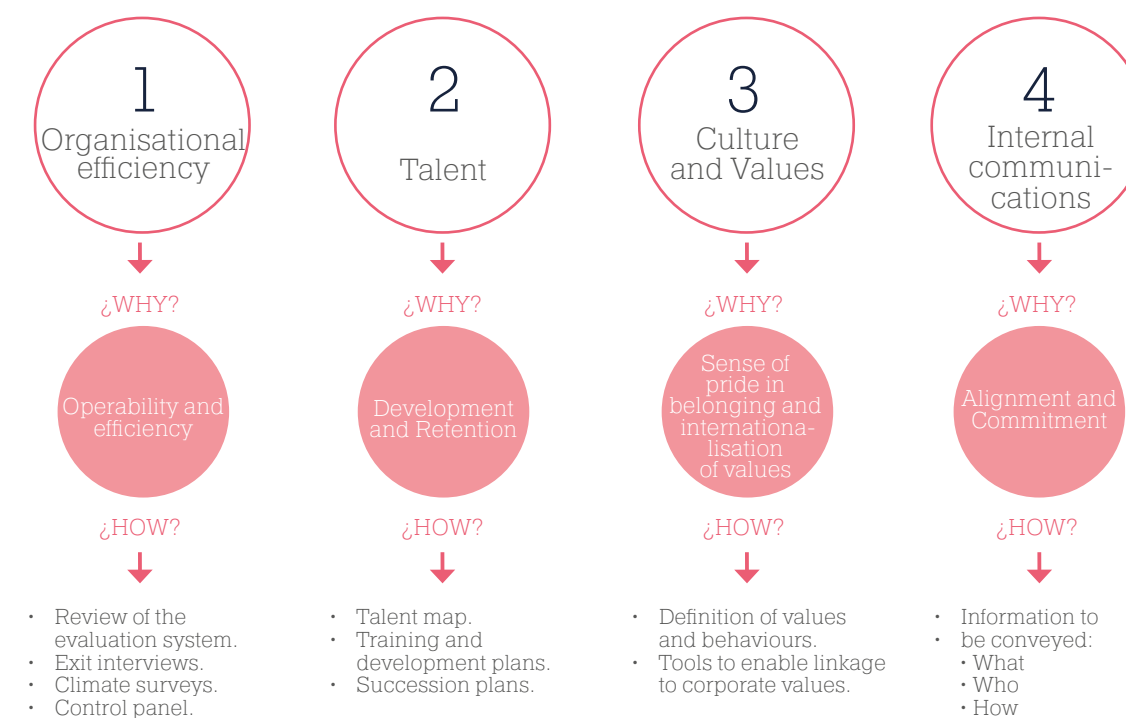
In 2015, NEINVER continued to develop initiatives related to its 2014–16 **Strategic Human Resource Plan**.

A notable example is the **organisational efficiency** initiative, which included the roll-out of a staff management and assessment dashboard. With this tool, corporate senior management and the various country managers have current

information to guide their decision-making.

Regarding the Plan’s other priorities, NEINVER has taken a range of actions to develop **talent**, add **new skill sets** to the company to meet the needs of new projects, foster **corporate culture and values**, and develop **internal communications** as detailed in previous sections.

### Key priorities of the 2014–16 Strategic Human Resource Plan



## NEINVER STAFF IN 2015

In 2015, NEINVER increased its in-house staff slightly to 268 employees, spread across six European countries, mainly Spain and Poland.

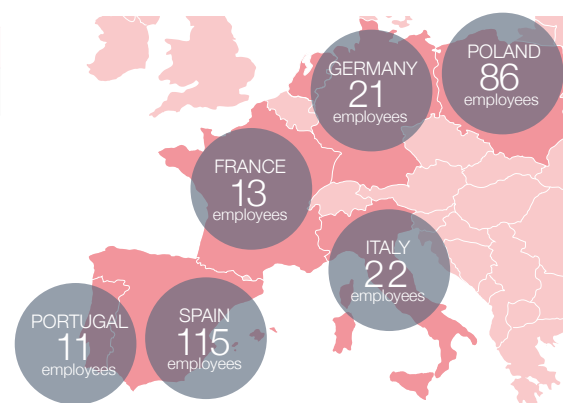
Of these employees, 90% worked full time and 93% had an open-ended contract.

### NEINVER's main employment indicators (2015)

#### Staff turnover (G4-LA1)

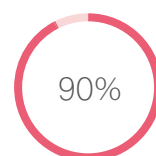
Age	Male			Female		
	Hires	Depart.	Rate	Hires	Depart.	Rate
<30	1	3	0.75	20	9	5.41
30-50	7	11	3.36	17	19	6.72
>50	-	1	0.19	1	1	0.37
<b>TOTAL</b>	<b>8</b>	<b>15</b>	<b>4.29</b>	<b>38</b>	<b>29</b>	<b>12.50</b>

#### Broken down by country (G4-10)

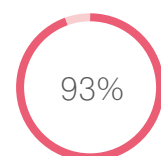


### Other indicators (Breakdown by contract type, employees covered by collective bargaining agreements, and number of voluntary departures)\*

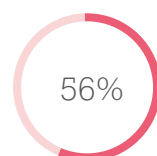
#### Full-time employees (G4-10)



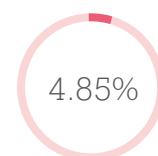
#### Employees with open-ended contracts (G4-10)



#### Employees working under a Collective Bargaining Agreement\* (G4-11)



#### Voluntary departures



NEINVER works continually to select employees whose skills and qualifications meet needs created by the company's strategic goals and new projects. Along those lines, NEINVER will work in 2016 to attract the professionals it needs

to staff its ecommerce structure and the teams in charge of new projects such as managing Megapark in Barakaldo and the company's new centre in Viladecans.

\* Figure for Spain, France and Italy. There is no such agreement in Germany, Portugal or Poland.

## COMMITMENT TO YOUNGER WORKERS AND LOCAL JOB CREATION

Besides the jobs created directly by the company, NEINVER is committed to developing employability in the communities around its centres and among recent university graduates:



### Fostering the local workforce

In 2015, NEINVER participated in the jobs programme **“Prepárate para tu futuro” (Prepare for Your Future)** run by the City of Viladecans, located just outside Barcelona.

As part of this initiative, NEINVER gave participants specialised training in areas such as window displays, the outlet business, sales, special promotions, and customer service, besides offering them additional tools such as foreign-language learning support and learning other job-search information such as CV writing and how employers select employees. The sessions that dealt most directly with business and human resources were taught by professionals from the company.

Besides the 2015 edition, two more are scheduled for 2016.



### Commitment to young talent

NEINVER has an **internship grant programme for recent university graduates** in which the company cooperates with various educational institutions.

This programme includes ongoing support and monitoring of participants by an adviser, so they can enrich their training with the experience of professionals from the company.

From 2012 to 2015, the company offered 63 internship grants: 55 in Spain, 5 in Italy, 1 in Germany and 2 in France.

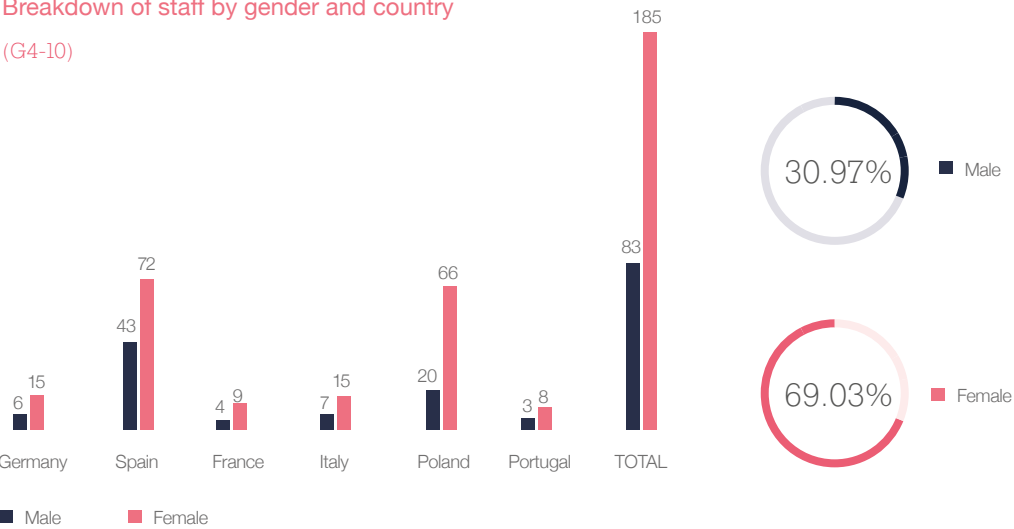


## EQUAL OPPORTUNITY (G4-DMA)

NEINVER promotes equal opportunity and a corporate culture of non-discrimination on the basis of gender, nationality, areas or profiles.

Strong participation by women is one of the company's hallmarks. In 2015, their presence increased in the senior management and management categories.

Breakdown of staff by gender and country (G4-10)



Breakdown of staff by employee category, gender, and age ranges (G4-LA12)

Employee category	Age	Male	Female	Total
GOVERNANCE TEAM	30-50	0.75%	-	0.75%
	>50	-	0.37%	0.37%
		0.75%	0.37%	1.12%
Governance total		0.75%	0.37%	1.12%
SENIOR MANAGEMENT	30-50	1.87%	2.24%	4.10%
	>50	0.75%	-	0.75%
		2.61%	2.24%	4.85%
Senior management total		2.61%	2.24%	4.85%
MIDDLE MANAGEMENT	30-50	6.34%%	8.21%	14.55%
	>50	0.75%	0.37%	1.12%
		7.09%	8.58%	15.67%
Middle management total		7.09%	8.58%	15.67%
TECHNICIANS	<30	0.37%	0.37%	0.75%
	30-50	7.46%%	8.96%	16.42%
	>50	1.49%	0.37%	1.87%
		9.33%	9.70%	19.03%
Technicians total		9.33%	9.70%	19.03%
ADMINISTRATIVE STAFF	<30	2.24%	15.30%	17.54%
	30-50	8.21%	30.97%	39.18%
	>50	0.75%	1.87%	2.61%
		11.19%	48.13%	59.33%
Administrative staff total		11.19%	48.13%	59.33%
TOTAL		30.97%	69.03%	100%

## PROFESSIONAL DEVELOPMENT (G4-DMA)

NEINVER continually invests in training its professionals, aware of how this improves their job satisfaction and professional growth.

went to longer, in-person courses on specific technical topics.

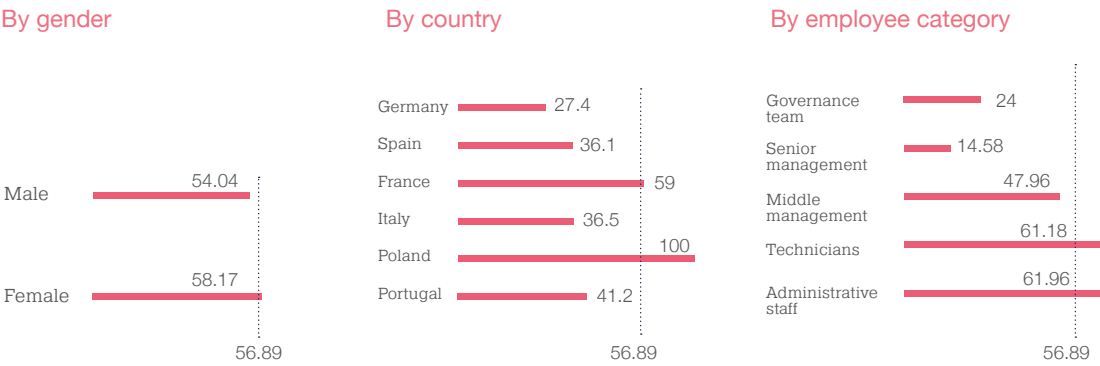
In 2015, the company provided each employee with an average of 56.89 hours of training. This entailed a total investment of €180,977, up 47% from the previous year. Most of the investment

Staff training was distributed equitably by gender, with a focus on people in non-senior-management positions. A geographical breakdown shows the emphasis on training in Poland and France in 2015.

INVESTMENT AND AVERAGE HOURS OF TRAINING AT NEINVER (G4-LA9)



AVERAGE HOURS OF TRAINING PER NEINVER EMPLOYEE (2015) (G4-LA9)



As in previous years, NEINVER has stayed focused on language training. In Spain, this training was formalised through the TOEIC certification of all participants in the English courses.

specific job positions. It has also run advanced vocational courses to help develop workers with growth potential.

It has also run specialised programmes such as property risk management training, integrated management system audits, energy audits, BREEAM® certification, legal specialisation and updates, ecommerce and other topics that complement the technical training needed for

For next year, NEINVER is considering an **in-house training programme** to be taught by professionals in the company, with specialised courses in property asset assessment, use of computer applications and hardware, innovation, communication, and outlet centre management.

# COMPENSATION POLICY FOR FAIR REMUNERATION (G4-S2)

NEINVER uses international standards to set employee remuneration, aiming for compensation terms in line with those of its main competitors.

In 2015, the company therefore updated its market salary information, based on the existing system of salary bands, to guarantee fairness and to use objective criteria for salary rises.

In compliance with its equality and non-discrimination policy, NEINVER makes no distinctions when setting employees' compensation other than differences between various job positions, as well as their performance and their levels of responsibility.

Any differences in average remuneration by category and gender reflect only these factors.

Within a given category there can be positions with different levels of responsibility and therefore different compensation, and these may be occupied by people of different genders.

2015 ratio of men's to women's average salary, by employee category.

Governance team	0.89
Senior management	1.11
Middle management	1.23
Technicians	0.96
Administrative staff	1.28

## Benefits packages and flexible compensation plan (G4-LA2)

NEINVER complements its professionals' salary compensation with other benefits, such as health insurance, available to all employees and their immediate families,<sup>1</sup> life insurance that pays a fixed annual benefit based on salary, and accident insurance, underwritten for all staff in all countries, though employees are not required to buy it.<sup>2</sup>

In Spain, NEINVER has also implemented a special flexible-compensation plan for employees, which 22% of them made use of in 2015. The plan lets employees take part of their compensation in the form of, for example, restaurant meal vouchers,

childcare vouchers, a transport card, or training subsidies, which workers can select based on their individual needs while reducing their tax bill. In Portugal, similar measures were implemented to let employees take advantage of tax deductions for school and childcare centre expenses.

NEINVER is also deploying an upper-management compensation policy to promote loyalty and foster the medium- and long-term commitment of senior managers through various programmes. In 2015, all senior managers in the company participated in one of these programmes.



<sup>1</sup>Except in Germany, where public health coverage is so comprehensive that no private health benefits are needed.  
<sup>2</sup>These benefits are available to full-time employees.

# PERFORMANCE ASSESSMENT (G4-LA11)

Each year, the company assesses the performance of all its employees.

This process uses the same criteria in every country and directly influences the training plan defined for each person, and the variable portion of their compensation.

In 2013, the company also conducted a 360° evaluation of all personnel, examining their cooperation and teamwork. NEINVER hopes to repeat this in the future, evaluating a larger number of skills than last time.



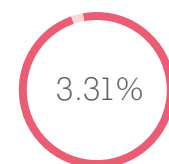
## COMMITMENT TO WORKPLACE SAFETY AND HEALTH (G4-DMA)

Once again this year, NEINVER achieved excellent safety and health figures, reflecting its commitment to ensuring a safe, healthy workplace. In 2015,

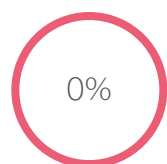
only workplace absenteeism numbers rose due to more frequent and longer use of sick days for common illnesses.

### HEALTH AND SAFETY INDICATORS (G4-LA6)

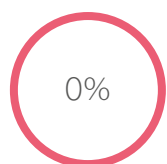
Workplace  
Absenteeism



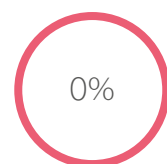
Occupational  
Accidents



Occupational  
Diseases



Days Missed



In managing this, NEINVER requires a training programme at each property about risk control and preventive management.

In turn, it conducts an annual risk assessment for each job position; gives new employees a

best-practices manual they are required to read, addressing workplace accident-prevention issues and ergonomic aspects of their job; and has an Improvements Communication Model as a channel to convey all sorts of consultations and improvements regarding occupational risk prevention.

## NEINVER'S FIRST-EVER SAFETY AND HEALTH WEEK

In November 2015, the company held its first Safety and Health Week to raise employees' awareness about healthy habits for living.

It featured a range of activities including posture-correction sessions and nutrition and stress-management workshops. In addition, employees have been offered a chance to have physical examinations and more exhaustive medical exams than the law requires, and the option of taking part in free sports activities.

In 2016, NEINVER will expand this programme to the other countries where it does business and will round out the initiative with intranet videos and tutorials for employees.

## INTERNAL COMMUNICATIONS

Internal communications is a key tool for aligning employees' actions, creating a sense of connection among the staff, and defining a consistent corporate culture. Each year, NEINVER plans a variety of activities in this area with which it also hopes to reinforce values such as transparency, credibility and its professionals' commitment and teamwork.

Throughout 2015, NEINVER continued to develop the corporate intranet as the main tool for in-house communication, fostering employees' participation by creating areas where they can share information about experiences, company-wide initiatives, questions, sporting events, and for the channelling of country-specific information.

The company also set a goal of bolstering communication from senior management regarding the company's earnings. To that end, in early 2016 it held a session led by the CEO and the Managing Director, which went out as a videoconference from corporate headquarters to employees in all of NEINVER's other locations. All materials from the session, as well as an on-demand video of it, are available on the intranet for employees who could not attend or who want detailed access to the information.

These internal communications activities respond to the first demands identified in the 2014 employee satisfaction survey. In the coming years, a new version of the survey will assess workers' opinion of these changes and of other aspects of working for the company.

## COMPLAINT AND SUGGESTION MAILBOX

As part of the Criminal Compliance Programme,<sup>1</sup> an email box was set up so employees can send questions, complaints and suggestions to the Criminal Compliance Officer. This is a confidential process by which staff members can report any practice or act that violates NEINVER policies or procedures, or that could be considered an infraction of workers' rights or could create a problematic work environment, as well as situations of workplace harassment or bullying and any other circumstance that could violate the company's best practices.



<sup>1</sup> For more information on the Criminal Compliance Programme, see section 6 of Chapter 4.



# Investors

International developers and investors appreciate the traits that make the company a benchmark strategic partner for developing or acquiring new properties in the retail and outlet sectors as well as logistics assets.

In recent years, NEINVER has therefore signed strategic alliances with financial partners, reinforcing its leadership in the European retail property market. These included the creation of the IRUS Fund in 2007, in which the company manages both the fund itself and the assets it comprises, while also establishing joint ventures with various property-investment firms. The return on most of these investment vehicles increased in 2015, surpassing expectations.

During the course of the year, through its partnership with TIAA-CREF (Neptune), the

company successfully completed acquisition and financing of the initially defined portfolio of properties. These assets now also include the future Viladecans outlet centre, scheduled to open in autumn of 2016. The value of the managed assets totalled €239.9 M in 2015, and the value of the assets under construction totalled €52.3 M. At present, Neptune is considering developing new properties and is actively seeking new assets in the market that could join the platform and help it grow.

Other highlights from the partnerships NEINVER established include starting the renovations of Nassica (a property acquired by the joint venture with KKR), the opening of the new section of FACTORY Ursus (an IRUS property in Poland) and financing the initial portfolio of Colver to cover 55% of the purchase price.



## Inversores y partners en NEINVER 2015

**ColonyCapital**

**irus fund**  
irus European retail property fund.

**KKR**

**TH** TIAA Henderson  
Real Estate

**HEITMAN**  
A REAL ESTATE INVESTMENT MANAGEMENT FIRM

*"NEINVER retains a hands-on ownership role in most of the properties it manages, allowing full alignment between its goals as the centres' manager and owner. This bolsters the confidence of the other owners, the financing institutions and the tenants"*

NEINVER, a strategic partner in the retail and logistics sectors

01

**SPECIALISATION  
IN THE RETAIL AND  
OUTLET SECTOR**

Highly experienced in developing, leasing and managing centres.

02

**EXPERIENCE IN THE  
LOGISTICS SECTOR**

Development and management of logistics properties for more than 45 years.

03

**INTEGRITY AND  
TRANSPARENCY**

Transparent communication with stakeholder groups, robust risk management, commitment to its own integrity and that of its partners and other actors with which it collaborates.

04

**SUSTAINABILITY**

Certifying properties according to the most stringent standards. Constant efforts to improve the centres' environmental and financial performance.

# Store operators

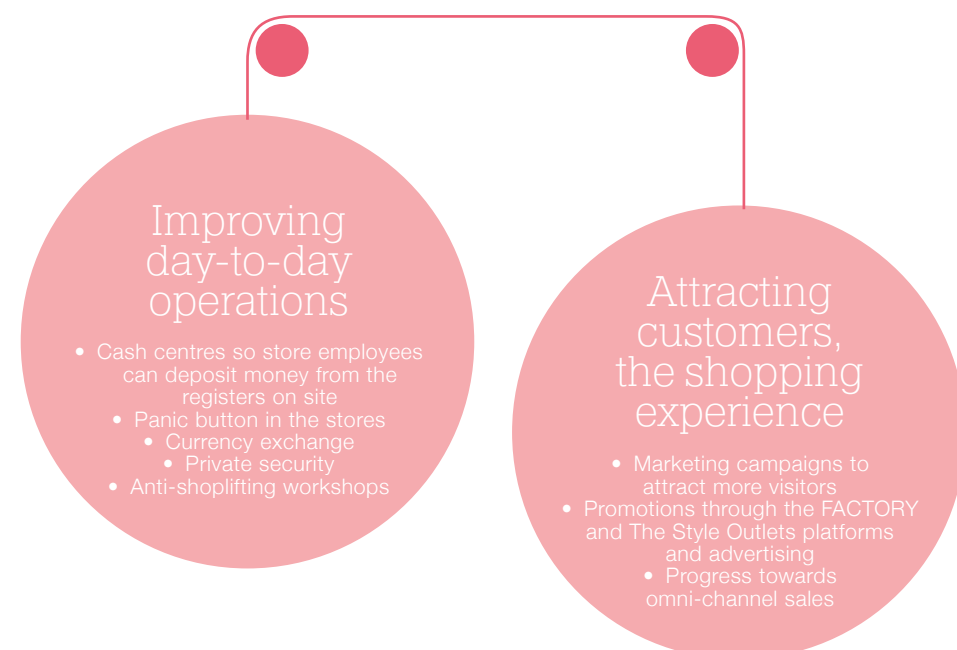
*“NEINVER develops close, mutually beneficial relationships with its store operators, helping to create a retail environment that increases their sales. The company works with 1,200 of the top national and international brands. Seventy per cent of them renew their leases”*

NEINVER offers its store operators a variety of services, such as visual merchandising support, marketing activities, and generating specific information for each brand. This all helps to optimise retail management in the centres.

## SERVICES PROVIDED TO THE OPERATORS

NEINVER provides a variety of services beneficial to the store operators. These mainly fall into two categories: simplifying the operators' management

of the shops, and attracting customers to them (which requires an optimal shopping experience).



NEINVER's progress towards an omni-channel approach<sup>1</sup> was another landmark in 2015, since development of the tools for omni-CRM (omni Customer Relationship Management) will let NEINVER document, describe and improve the communication between brands and consumers and help them be more in tune with each other. It will be possible to monitor every

step of the customer's trajectory, providing the stores with personalised information about the consumer's habits and shopping preferences, so operators can focus their strategy, tailor product offerings and boost performance. This will also create a better experience for the customer, who will enjoy a personally targeted offering of products and services.

## VISUAL MERCHANDISING ACTIVITIES

As part of its commitment to improving operators' ability to optimise the shopping experience, the Visual Merchandising team continued to carry out

a range of initiatives throughout 2015, as it had done in recent years.

### Activities in 2015

#### Training

Two free annual training sessions on various topics for all the store operators, including theoretical and practical courses and consultation and support sessions.

#### In-store communication tools

NEINVER has developed an in-store communication strategy through which it has designed and provided operators with in-store posters to announce promotions, accompany window displays, etc.

#### Direct activities in the stores

The visual merchandising team is available to help brands improve their sales, image and product displays. The NEINVER team works closely with the stores' sales teams and gives advice to improve their performance.

<sup>1</sup> For more information on NEINVER's digital strategy and omni-channel sales, see section 3 of Chapter 4.

## SHARED COMMITMENT TO INTEGRITY AND SUSTAINABILITY (G4-DMA)

Through an initial evaluation, NEINVER makes sure to partner only with brands that operate responsibly and legally, and have a solid history and reputation. The company's standard leases also ensure that all

leasing agreements include uniform requirements to follow legal and regulatory norms in keeping with NEINVER's ethical standards and principles.

### EMA PROJECT TO STANDARDISE LEASES

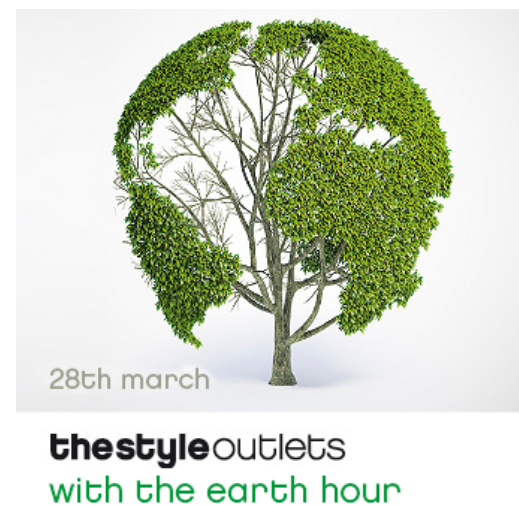
Through its EMA project, NEINVER seeks to strengthen the company as a brand, while ensuring its efficiency and integrity, by standardising its boilerplate lease. This will help ensure compliance with minimum requirements that NEINVER desires and will boost efficiency by streamlining the review and translation process. The new boilerplate lease will also be more simple, direct and consistent from country to country, though national differences can be taken into account.

NEINVER rejects any type of anti-competitive practices, and especially forbids any contractual clauses establishing bad business practices, such as exclusivity radius clauses.<sup>1</sup>

Sustainability is another area in which NEINVER works closely with store operators to achieve shared goals.<sup>2</sup> On the one hand, NEINVER includes sustainability clauses in its leases; on the other, it provides store operators with construction-related Technical Guides as well as guides on environmental best practices and on saving energy, to improve their performance. Whenever appropriate, NEINVER also gets them involved in other environmental and awareness-raising initiatives, such as Earth Hour, which was held on 28 March 2015.

Cooperation on sustainability not only offers environmental advantages but, since it also reduces the costs of running the centre (by saving resources such as energy and water), it lets NEINVER devote more resources to activities

of interest to its operators and visitors: marketing initiatives, for instance, or new services.



<sup>1</sup> A type of clause in which operators commit to not open another outlet store within a radius of up to 150 km.

<sup>2</sup> For more information about the environmental standards for store operators, see Chapter 4.

## SATISFACTION SURVEYS (G4-PR5)

Understanding operators' needs is vital to building efficient business relationships. Traditionally, NEINVER has conducted twice-yearly satisfaction surveys to identify areas needing improvement, to work on them and thus optimise the management of the centres. Over the past few years, the surveys have reflected steadily rising satisfaction levels.

In 2015, the satisfaction surveys were revised. This eliminated superfluous questions, such as those about issues NEINVER is not able to respond to or act on in the short term.

For the first time, the new survey includes direct questions about the thoroughness of reporting and communication. Regarding sustainability, the survey adds a direct question on environmental management, as well as questions about satisfaction with lighting levels, temperature, maintenance of green spaces and the availability of waste separation bins.





# The centres' visitors

*"The shopping experience is at the heart of NEINVER's strategy to increase the number and quality of visitors. The goal is to create the best possible experience, not just in terms of shopping at the centres but in every aspect of the visit"*

Attracting and satisfying quality visitors is a key to success for the company and the store operators. Some basic priorities in NEINVER's strategy are careful design, technological innovation and the range of visitor services.

The company's fundamental aim is to turn visits and shopping into a unique leisure experience. So besides offering smart shopping options to customers (top brands at 30% to 70% off, all year), NEINVER provides services that contribute to satisfaction and make the visit more pleasant.

These include free parking, phone-charging stations, geolocation of minors, storing visitors' belongings while they shop, loans of pushchairs and wheelchairs, supervised children's leisure areas, organic dining options, Wi-Fi, and information points.

**57**  
million visitors  
in 2015  
(up 5% from 2014\*)

## Omni-channel sales and the shopping experience

Improving the customer experience is one of the company's top priorities. This goal goes beyond customers' visits to physical centres and extends to a broader offering, so every interaction with the brand will be more positive, regardless of the type of contact.

NEINVER's omni-channel strategy is one of the main tools in its efforts to improve the customer experience. Rolling out the omni-channel strategy lets shoppers interact with The Style Outlets through any channel at any time, without barriers. This strategy makes NEINVER the first outlet operator to offer 360° integration between the shopping experience in its physical centres and the digital space, optimising the relationship between brands and consumers.

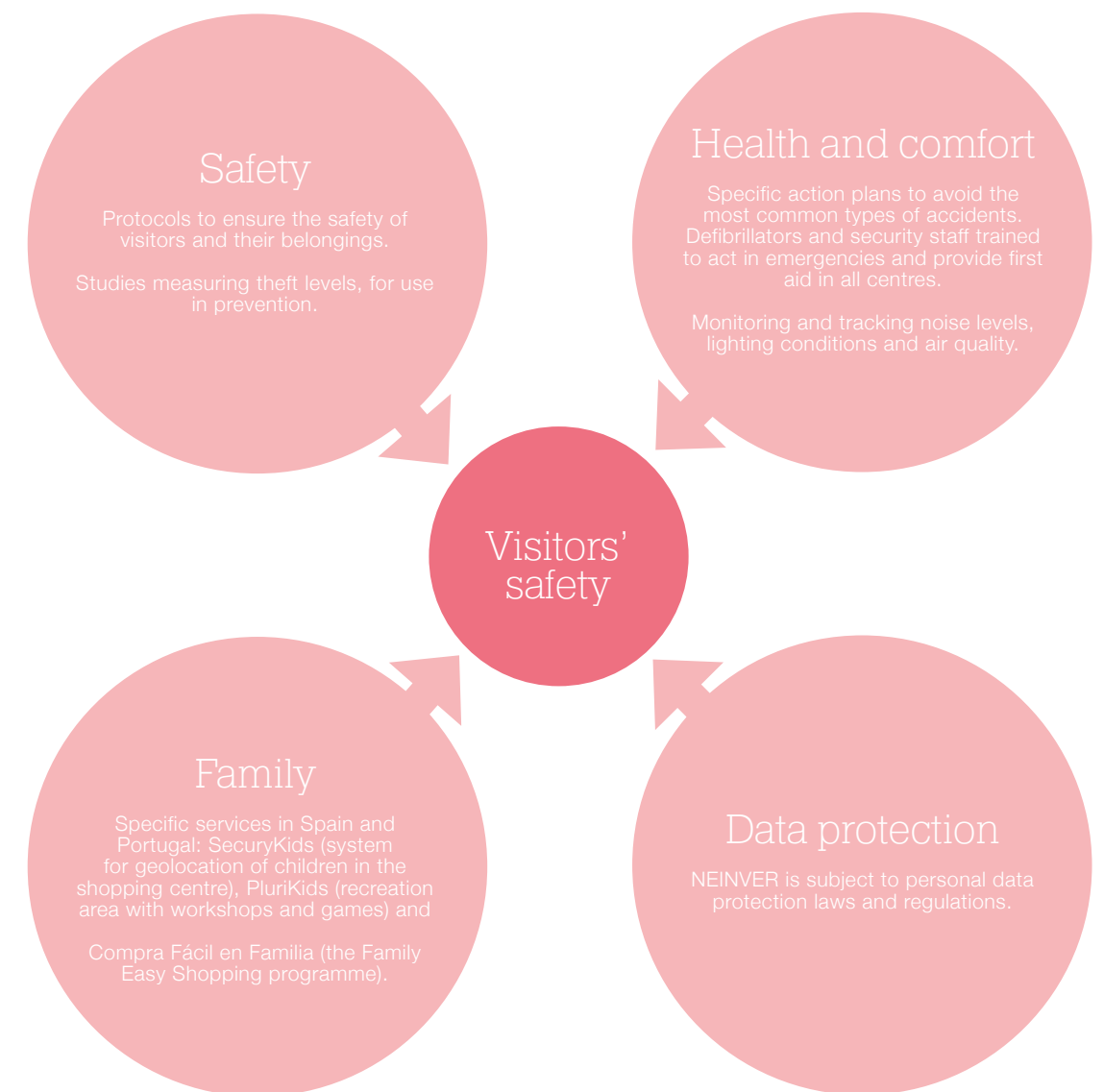
As a future objective, NEINVER will continue to expand its omni-channel approach, rolling its digital strategy out to the other countries where it operates.

\* Not counting Galeria Katowice, which was sold towards the end of the year.

## ENSURING SAFETY AND SECURITY (G4-DMA) (G4-PR1) (G4-PR8)

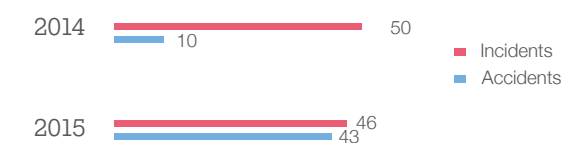
Ensuring visitors' safety and security in the company's centres and facilities is vitally important

to NEINVER, in terms of both physical safety and the security of personal data.



Despite NEINVER's efforts to improve safety in its centres, 2015 brought an increased number of accidents in Spain. The main reason was the renovation of Nassica which, since it involved changes to the paving surface, caused minor accidents during the work and a number of falls. All these defects were resolved immediately, and the figures have returned to normal in 2016.

### Incidents and accidents at The Style Outlets in Spain



# VISITOR SERVICES

To address its visitors’ expectations and suggestions or complaints, and to ensure continual improvement, NEINVER has set up a specific procedure whereby incident forms and suggestion forms are available at all its centres to anyone who wishes to use them, even though this is not required by law.

Visitors can also submit inquiries via the web, and can contact a specific email address in each management unit. Moreover, all the centres have information points that give visitors a way to communicate with the centre and offer customers face-to-face interaction.

All concerns or complaints are always treated as a vital source of information for improving operations, and each is always answered personally. Depending on the nature of the complaint or incident, it is escalated to the appropriate manager for response and to ensure the issue does not come up again.

At shopping centres that NEINVER manages, the number of complaints/incidents submitted

on paper dropped by 44.8% in 2015, from 134 to 74. This indicator is very culturally bound, and this form of communication is used more often in Southern European countries. By contrast, in Northern Europe, complaint forms are not a common part of the culture. There are even centres, such as Zweibrücken, that received no written complaints at all in 2015.

Inquiries section of the centres’ websites



Complaints received by NEINVER



Suggestions received by NEINVER



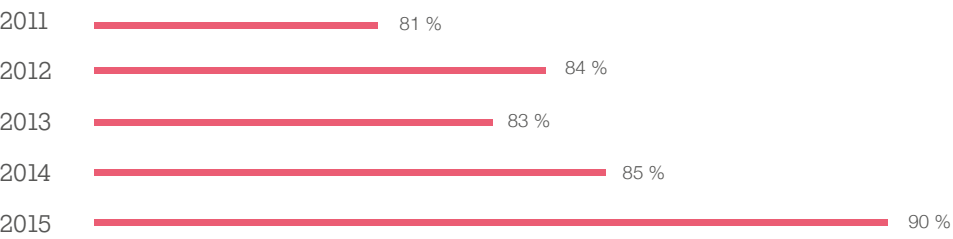
Note: These statistics reflect complaints and suggestions received through The Style Outlets websites.

# SHARED COMMITMENT

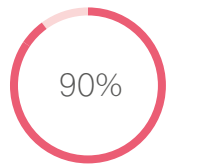
NEINVER is continually assessing visitors’ characteristics and customers’ degree of satisfaction, in order to provide a unique shopping experience. This is why it conducts specific studies of multiple variables, such as the centres’ catchment areas and the implementation of tracking measures to follow changes in brand awareness, customer satisfaction and so on. The company’s goals include brand repositioning for both The Style Outlets and FACTORY, based on current and upcoming research.

Year after year, visitors’ overall satisfaction has been increasing, as has their intention to return to the centres, which reflects the success of the company’s campaigns and approaches: positive reactions to improvements in the company’s products, services and customer service, and increased customer loyalty thanks to a good shopping experience.

Changes in visitors’ satisfaction rate 2011–15 <sup>1</sup>

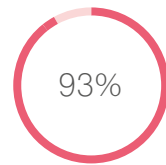


Overall evaluation of the centres<sup>1</sup>



Positive or very positive opinion (up 5% from 2014)

Intention to return<sup>1</sup>



Definitely / probably (up 3% from 2014)

<sup>1</sup> No 2014 or 2015 data is included for Poland.

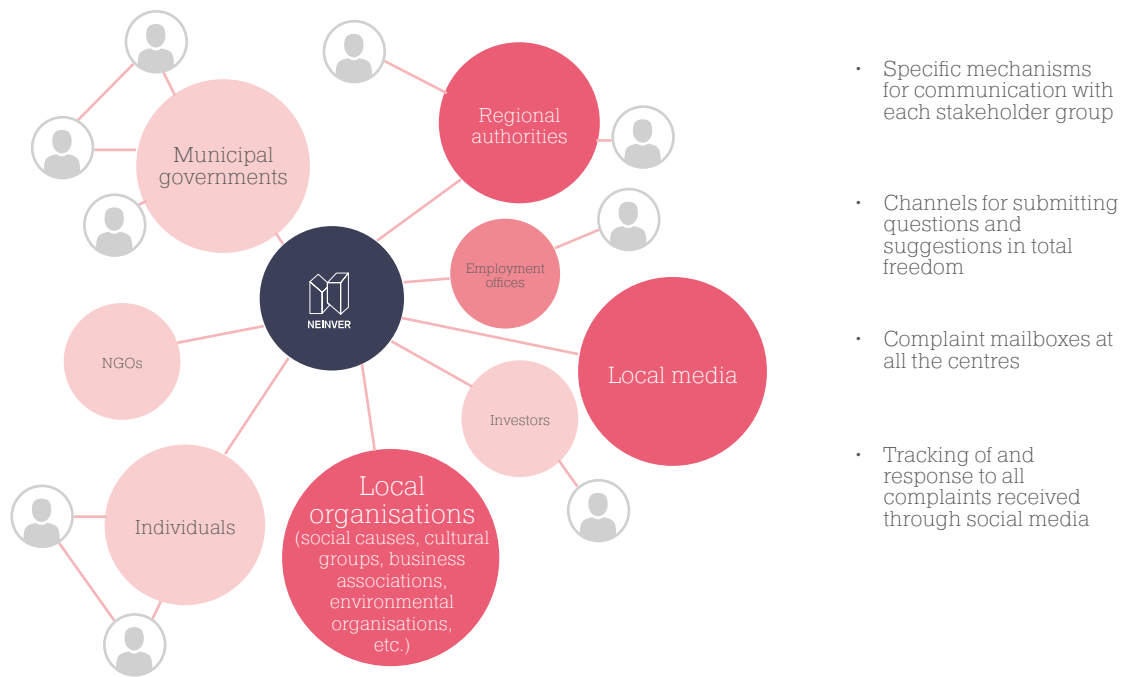
“NEINVER strives to create centres that are well integrated with their surroundings, always taking into account the specifics and expectations of the community. The company’s local presence helps generate more than 16,500 jobs, directly or indirectly, while attracting tourism, improving infrastructure and supporting local culture and social causes”

# Local communities

## COMMUNITY IMPACT ANALYSIS (G4-DMA) (G4-24) (G4-SO1)

For each property, NEINVER analyses the potential impact of its operations, and puts its resources behind managing any aspect that could harm the community. When developing its centres, the company performs and publishes socio-economic impact studies.

### Dialogue and cooperation with the community



In evaluating this impact, NEINVER goes beyond the legally required analyses and engages in dialogue with the community, including all identified stakeholder groups, to explore their needs in depth. In this context, it typically signs **Collaboration Agreements** with local authorities as another way to foster development of the surrounding area as the company develops new properties. Through these agreements, the two parties cosponsor programmes that address issues of mutual concern, such as economic and social growth and bolstering and developing the business environment.



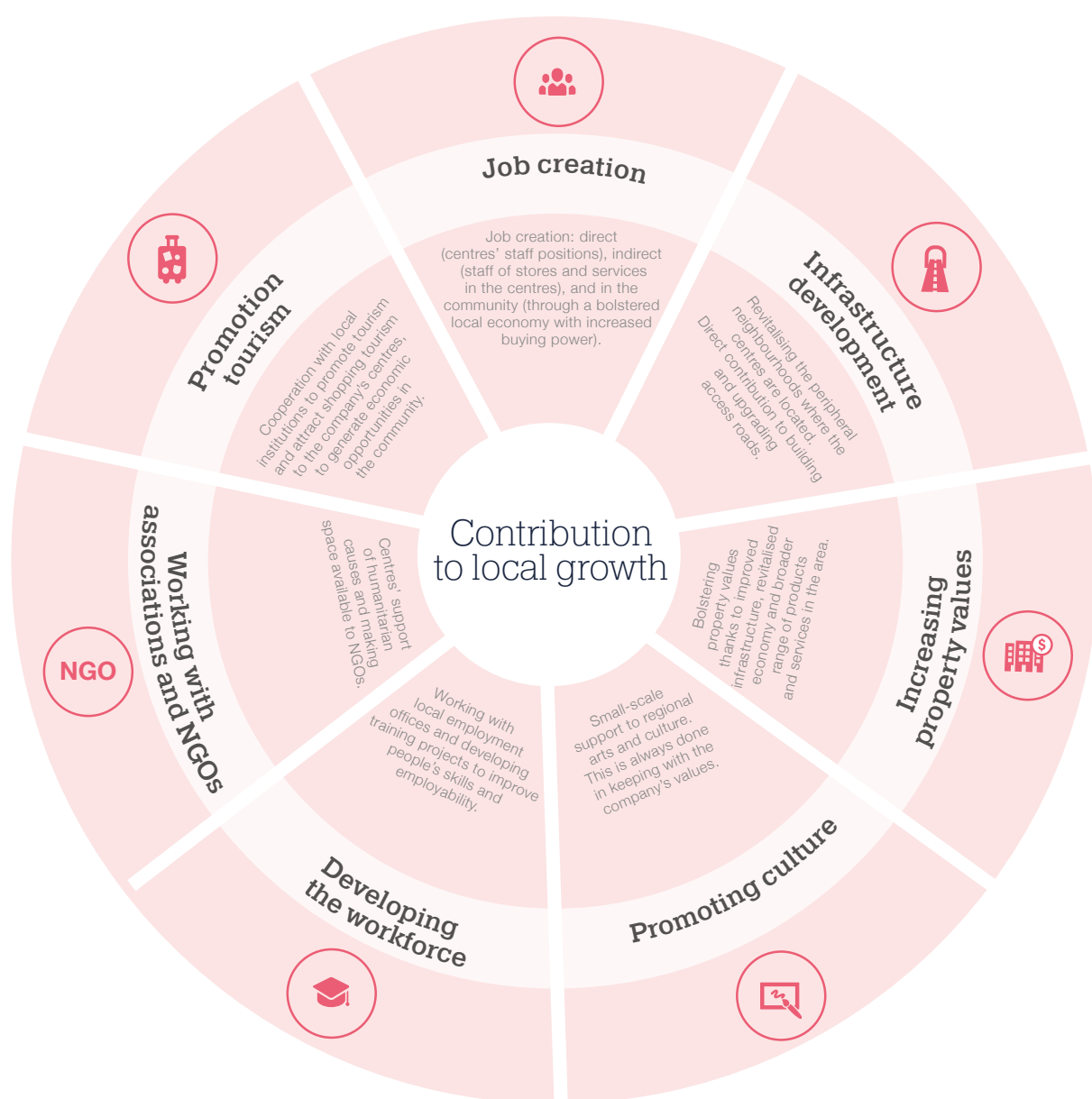
## NEINVER'S FOOTPRINT ON ITS SURROUNDINGS

(G4-EC7) (G4-EC8)

The properties NEINVER develops generally have a positive impact on the community. Their location on the outskirts of cities avoids conflicts of this type. As the company's experience shows,

not only do the centres not compete with local business, but they can increase the region's commercial draw, boosting its economic growth.

### Positive impacts on the surrounding area



## Creating a Tourism Strategy for The Style Outlets brand

Tourism and shopping go hand in hand. Not only do tourists spend some of their time buying souvenirs but there is also so-called shopping tourism, in which buying products is the tourist's main goal.

NEINVER has a team dedicated to leveraging the centres' potential as a tourist destination. It is working on a tourism strategy for The Style Outlets brand and building relationships with tourism organisations. Key elements in this strategy include brand positioning, creating tourist packages and services to meet every demand, and cooperating with companies in the tourist industry.







## Viladecans, a centre integrated into the community

**Viladecans The Style Outlets** is the centre that NEINVER is developing in the town of Viladecans, just outside Barcelona.

The property, scheduled to open in autumn of 2016, will entail a total investment of more than €80 million and will be home to more than a hundred top-name fashion stores and restaurants. It will also attract tourists and energise business. It has a catchment area of 7 million inhabitants, and in the first year, it is expected to welcome 2.7 million visits.

While developing the property, the company developed a strategy and an action plan to give it a national and international profile among its target markets, which bolsters the project's transparency at every step. The company has also signed a **Collaboration Agreement with the Viladecans town government**, with both parties

committing to promote projects that could help the area's economic and social development:

- **Training initiatives:** NEINVER is participating actively in training sessions for people who hope to work at the centre, in cooperation with the local employment office, on topics such as business skills, languages, writing a CV, and job interviews. Company employees participate in these sessions, which are being well received among local residents.
- **Infrastructure improvement:** Developing the surrounding area and building the viaduct that connects the centre to the C-32 motorway. The bridge opened to traffic in August 2014, producing notable improvements to traffic in the area. Construction around the centre is expected to finish in 2016.

- **Promoting tourism:** Setting up Tourist Information Points and a VAT refund counter in the centre, developing transport between the outlet centre and Barcelona's city centre, and cooperation with the Barcelona and Catalonia Offices of Tourism. Thanks to a strategic combination of products and services planned for the centre, and thanks to its great location, Viladecans The Style Outlets is generating great interest among tour operators and event agencies in Central Europe, Brazil and Asia.

Besides these actions, the property is expected to benefit the community in other ways:

- **Job creation:** Direct and indirect creation of 1,300 jobs at the centre and in the community, once the centre and its second phase are operational.

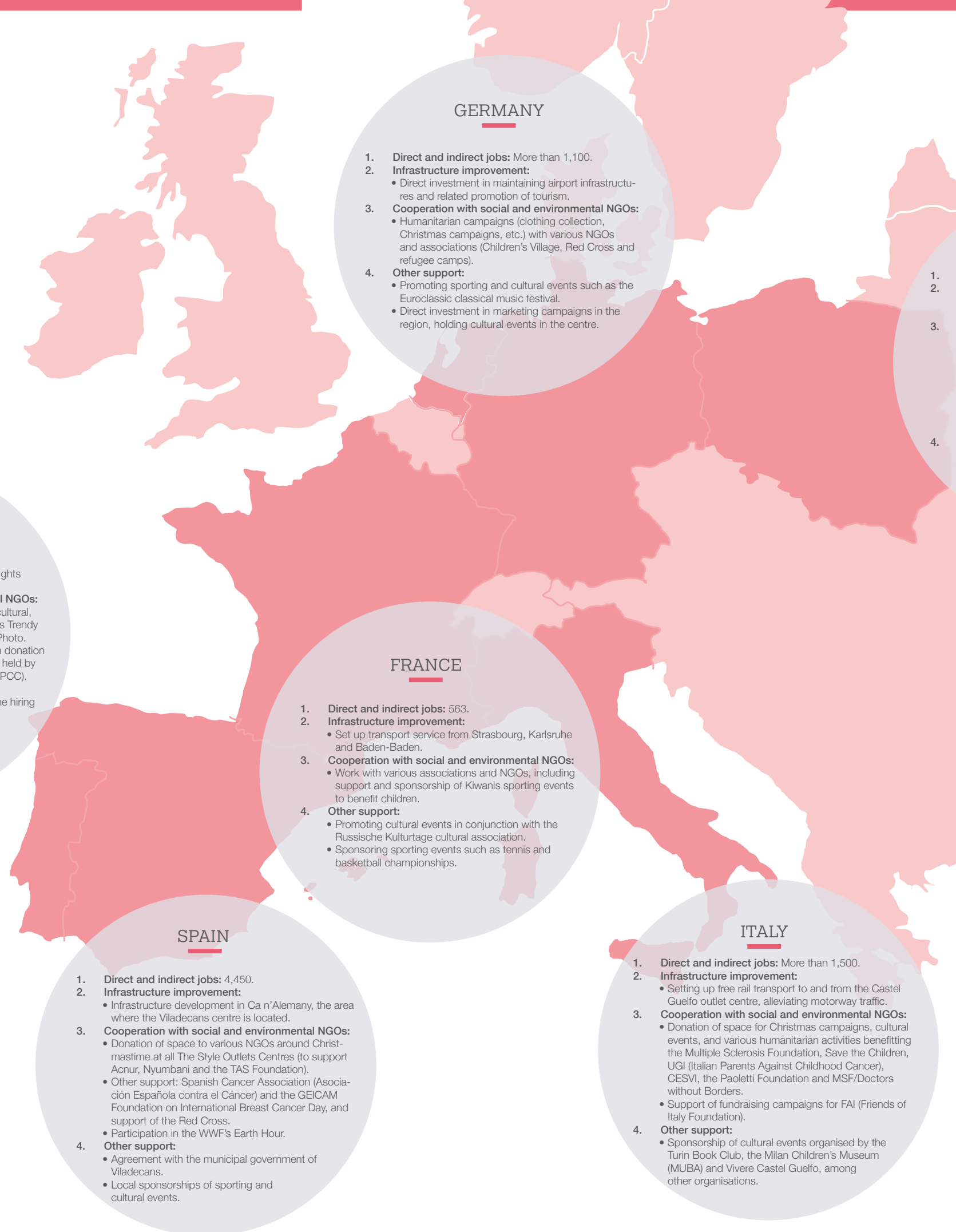
- **Revitalisation of business in the region: A 20% to 30% rise in commercial GDP and an 8% to 12% rise in restaurant GDP**, thus reversing the decline seen in those sectors in recent years.
- **Sustainability:** In keeping with the company's sustainable construction policy, Viladecans will be developed in compliance with the BREEAM® ES New Construction standard with the goal of having the centre earn that certification. Now, in the design phase, the centre has received the BREEAM Design Stage Certificate with a Very Good rating, the first centre in Catalonia to obtain that distinction.

## NEINVER's contribution in each country: (G4-EC7)

The company's operations generate more than 16,500 direct and indirect jobs in the areas where it has centres. The company also collaborates with numerous organisations on social and environmental projects and initiatives of interest to the local community.

**PORTUGAL**

- Direct and indirect jobs:** 1,700.
- Infrastructure improvement:**
  - Improving road access and installing traffic lights around Vila do Conde.
- Cooperation with social and environmental NGOs:**
  - In collaboration with CRL, helped promote cultural, social and environmental campaigns such as Trendy 'n' Foodie, Art on Chairs, and World Press Photo.
  - Support of humanitarian campaigns through donation of space and direct participation in activities held by different non-profit organisations (IMA and LPCC).
- Other support:**
  - Working with local employment offices for the hiring of unemployed people.
  - Work with hospitals and local authorities on health and safety campaigns.
  - Sponsoring sporting events such as the Sailing World Championship.





# Suppliers

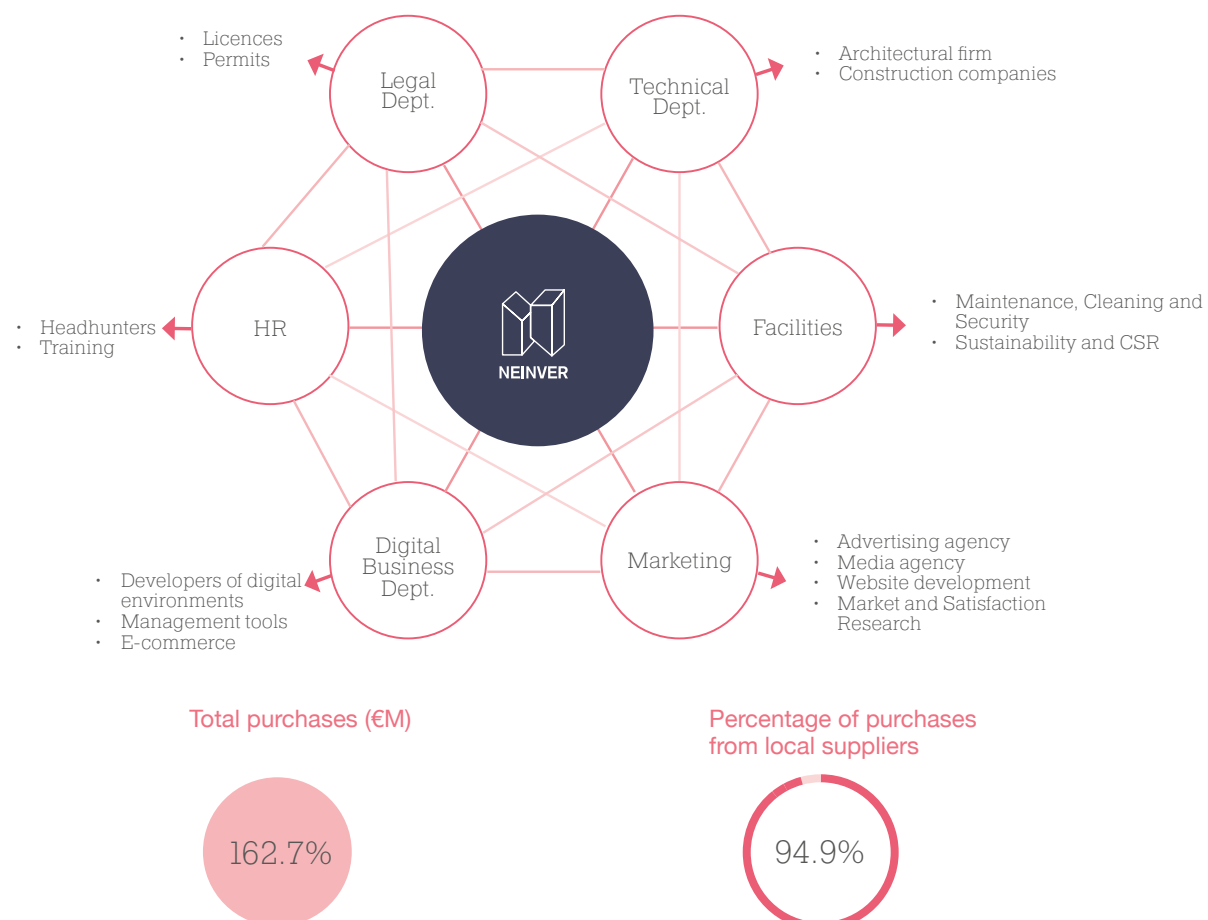
*“NEINVER expects its suppliers to share its commitment to quality, the environment and responsible behaviour”*

## NEINVER'S SUPPLY CHAIN (G4-12)

NEINVER does not have a linear supply chain. The company's involvement in every phase of the property cycle means its business structure

is divided into diverse areas and departments that require suppliers suited to their needs, often possessing widely different traits.

NEINVER's supply chain. Types of suppliers and main indicators



## RESPONSIBLE MANAGEMENT OF THE SUPPLY CHAIN (G4-DMA) (G4-EN32)

NEINVER requires its suppliers to match its commitment to the quality it delivers in its own services. It has therefore developed a relationship model based on an exhaustive selection process that takes into account products' and services' impact on the business and their consistency with the company's quality standards, productivity and competitiveness.

The relationship model the company defined extends not only to the initial selection and

certification process, but also to contracting and follow-up.

NEINVER provides ongoing support to its suppliers through training in environmental and workplace safety, by disseminating environmental and energy best practices, offering customised advice, as well as through ongoing certification procedures and measuring the level of service provided.

## Prescreening of suppliers

NEINVER uses a precertification system before signing formal contracts, which sets standards of behaviour that include, among others, having strategic certifications (such as ISO 9001, ISO 14001, ISO 50001 and OHSAS 18001), efficient energy use, service forecasting models, and appropriate labour practices.

These requirements vary depending on the type of service required, and they make a firm more appealing when it comes time to select a supplier.



## Sustainability in the formal contracting process

Additionally, the company's formal contracts with suppliers include best-practices clauses on labour regulations, on safety and health, and on the environment.

In all these agreements, NEINVER follows up with its suppliers to ensure that these requirements continue to be met throughout the contract period. To achieve this, it carries out an ongoing certification process and internal audits. NEINVER includes formal service-level agreements in the most critical contracts, so it can continually assess the supplier's performance, mainly as it affects the end customer, so the company and supplier can work together for improvement.

Furthermore, to improve suppliers' awareness of and commitment to legal compliance, a new KYC (Know Your Client) questionnaire has been prepared specifically for the development-related suppliers, in which they commit to preventing money laundering and the financing of terrorism, among other priorities.

By taking these steps, NEINVER is pulling together a portfolio of high-quality suppliers who help minimise external risks to the company, while optimising costs and investing in continual improvement.

### New certification process for suppliers

In 2016, the company has started working to implement a new SAP-based **supplier-certification process**, by which formal screening criteria will be fed into the tool and a log will be kept to facilitate comparisons and to access supplier data, that can be used to determine whether to maintain or discontinue contracts, depending on compliance or non-compliance.

## Transparency in selecting suppliers.

In 2015, NEINVER added mandatory fraud-prevention procedures to the selection process. These establish new bases for choosing and assessing suppliers, stipulating the minimum number of bids to solicit, the departments and managers involved in evaluating them, and the types of oversight that ensure a proper bidding process.

In addition, in 2015 all employees of the company signed its Code of Ethics, which specifically

regulates things such as the acceptance of gifts and any other types of privileges, communication, and avoiding conflicts of interest on awarding contracts and, in general, making sure contracting complies with objective, ethical criteria.

Both the Code of Ethics and the newly approved procedures reflect the company's effort to identify potential infractions and take preventive steps to minimise the chance of their occurring.

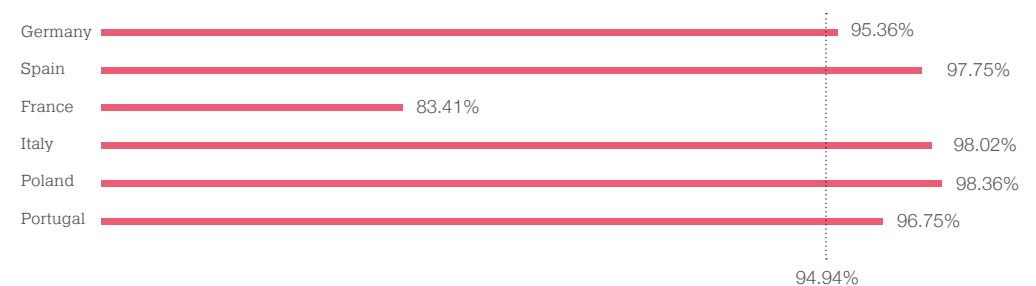
## HELPING SUPPLIERS GROW

Purchases of goods and services help the company's suppliers grow, strengthening their businesses and leading to indirect job creation. NEINVER prioritises local sourcing to help generate wealth in the regions where it operates.

Most purchasing for the centres (94.9% on average) is through suppliers in the same country as the

centre. These are mainly purchases of facilities management services (maintenance, repairs, cleaning, gardening, security, supplies), marketing, legal and tax assistance, accounting services, travel agencies, estate agents, insurance brokers and office rentals. Corporate-level procurement is concentrated in Spain and Poland.

### Percentage of local purchases (2015)



# The industry

*“NEINVER participates actively in industry associations, standards organisations and other groups that promote improvement and excellence in the industry”*

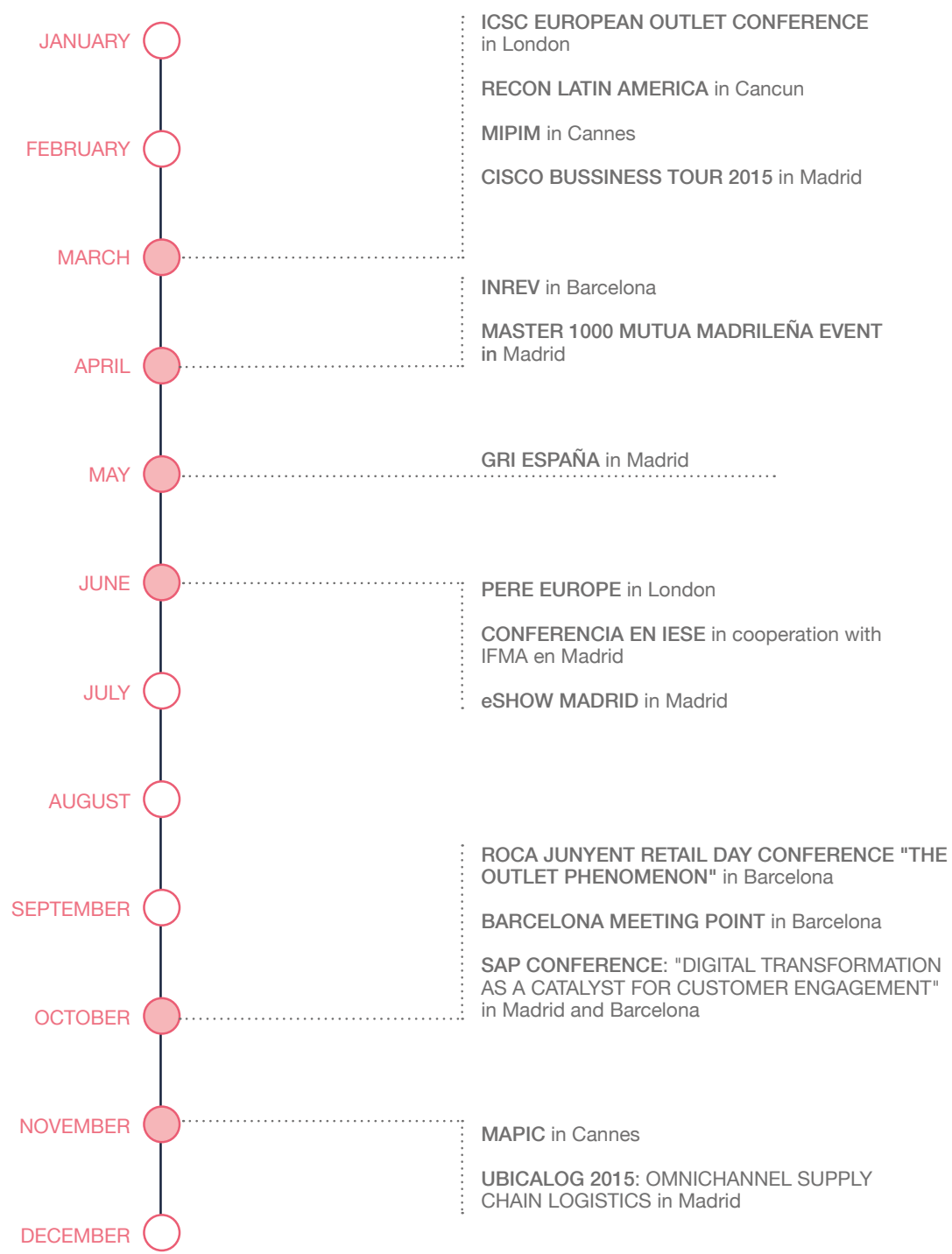
Involvement in these organisations gives the company great visibility among store operators, drawing the interest of brands and investors, and facilitating business networking.

MAIN ASSOCIATIONS THAT NEINVER BELONGS TO (G4-16)	
European Association for Investors in Non-listed Real Estate Vehicles (INREV)	
Family Office Managers Meetings (FOMM)	
Global Real Estate Institute (GRI)	
International Council of Shopping Centers (ICSC)	
European Facility Management Network (EuroFM)	
International Facility Management Association (IFMA)	
Asociación de Usuarios de SAP de España (AUSAPE, Spanish Association of SAP Users)	
Royal Institution of Chartered Surveyors (RICS)	
Private Equity Real Estate (PERE/PEI)	
Urban Land Institute (ULI)	

The company also takes part in industry trade shows and conferences, helping to spread best business practices.

In 2015, NEINVER also helped teach Facilities Management classes at the Technical University of Madrid (the Politécnica), for which the IFMA honoured the company for Best Practice in Spain.

NEINVER's presence at industry events in 2015







—  
REDUCING OUR  
ENVIRONMENTAL  
FOOTPRINT

5



*“NEINVER works to achieve outstanding performance in the three vectors of sustainability: processes, people and planet. To that end, it sets targets for continual improvement in all its activities, while working with its stakeholders and staying alert to new technologies that help improve its environmental performance”*

## Sustainability throughout our properties' life cycle

The company's environmental management encompasses all **processes** related to its properties' life cycle, from their design and development to asset management and fund management.

In each of its processes, the company adopts sustainability criteria and actions that reduce NEINVER's environmental footprint. These measures also support business development by boosting the quality of services, improving the satisfaction of tenants and visitors, and preserving high comfort levels and occupancy rates.

NEINVER's environmental management reaches beyond the company's own activities: it also extends to other **people and groups** it interacts with, especially the contractors that develop its properties and the centres' suppliers, store operators and visitors.

As part of its efforts to protect the **planet**, NEINVER focuses on energy, greenhouse gas emissions, water, and waste production and management, as these are the environmental issues most relevant to its business and its stakeholders.



NEINVER's approach to sustainability

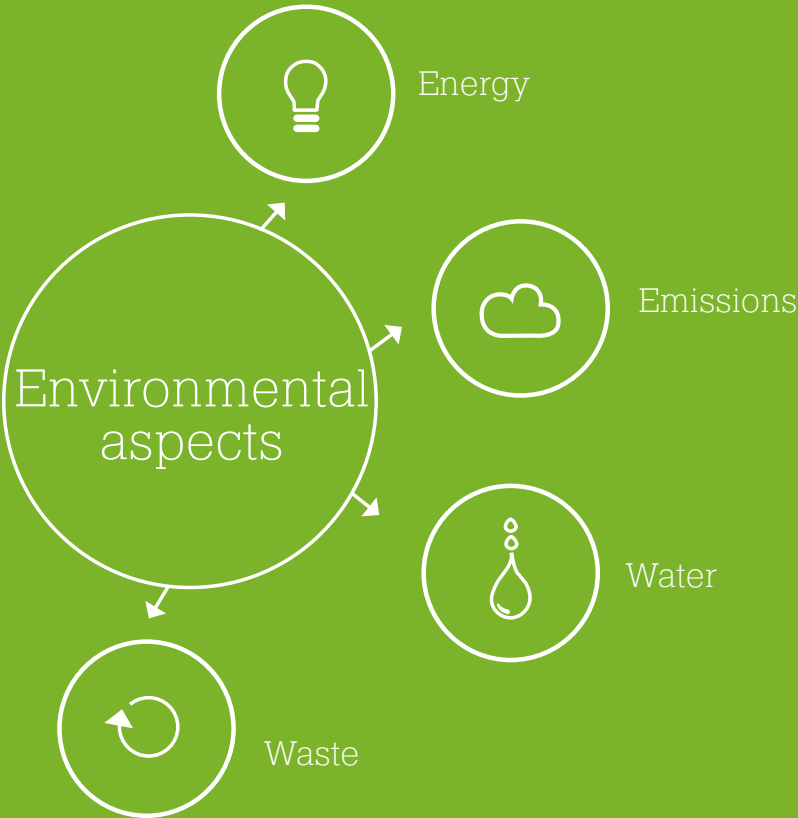
Processes



People



Planet







## ASSET DESIGN AND DEVELOPMENT (G4-14)

Since 2011, NEINVER has certified its new centres (and renovations of existing ones) under the BREEAM New Construction standard, ensuring

that these assets are developed to high standards of energy efficiency and sustainability.

*"Viladecans earned BREEAM certification with a Very Good rating in its design phase (pending completion of construction). In this specific case, NEINVER's strategic commitment to certifying sustainable construction involved taking steps to reduce consumption, use local materials and design a space respectful of the local community and the environment. All these actions will no doubt optimise the centre's management in the future, making this building a benchmark outlet centre in the industry"*

Óscar Fernández Blanco  
Project Manager

Right from the pre-development stage, the company incorporates environmental principles into its properties, such as assessing the economic, social and environmental viability of a location, plot of land or potential project.

Then, in the design stage, the company ensures that the technical plans meet all requirements for this BREEAM certification and for the necessary permits. NEINVER recently received its environmental permit for Amsterdam The Style Outlets.

Lastly, for the construction phase, NEINVER follows sustainability requirements when choosing contractors to do the work. The preselection process takes into account the firms' sustainability performance, and once contractors are chosen, the contracts include "green clauses" defining environmental and social requirements. Some refer specifically to the building's main construction materials, requiring the use of raw materials from manufacturers with certified management systems, and that waste from construction and demolition will be sent for processing whenever possible<sup>1</sup>.

<sup>1</sup> NEINVER requires contractors to prove and document that at least 80% of the materials will come from suppliers and manufacturers with an ISO 14001-certified Environmental Management System.

## Environmental management during asset development. 2015 highlights.

### Sustainability processes in the renovation of Nassica



In 2015, NEINVER undertook the renovation of Nassica, using sustainability criteria and implementing systems to improve energy efficiency, reduce energy and water consumption, and improve sewage treatment.

The steps taken included installing LED technology to replace the lighting in the centre and the car park, and implementing organic predegradation treatment of sewage.

The centre is expected to receive BREEAM In-Use certification in 2016.

### Construction of the new centre in Viladecans



In 2015, the Viladecans centre earned BREEAM New Construction certification at the design stage with a Very Good rating, and the company is working towards certifying the completed building once it opens. This may be the first commercial building in Catalonia to have this distinction.

The centre's design will help decrease light pollution at night and will include measures to minimise CO<sub>2</sub> emissions in the construction phase and subsequent operating phase.



## MANAGING THE CENTRES (G4-14)

Good environmental performance in managing the centres is a key factor in cost containment and increasing the centres' value. Through its Facility Management area, NEINVER makes numerous efforts to improve energy efficiency, minimise consumption of water and raw materials, and optimise waste management.

To achieve these goals, NEINVER has an ISO 14001-certified Environmental Management System. This has been integrated with the company's existing (ISO 9001-certified) Quality Management System and (OHSAS 18001-certified) Occupational Health and Safety System. The company is developing a roadmap with environmental-management and energy-efficiency activities, and conducts periodic

monitoring and evaluation to foster continual improvement.

Moreover, given the importance of energy-related issues, NEINVER implemented and certified an ISO 50001-compliant energy management system for its entire portfolio, with the sole exception of Galeria Malta.

By maintaining high standards in managing its centres, the company also recently finished earning BREEAM In-Use certification for all its centres that have operated for more than two years. They were certified for the buildings' construction and systems (Part 1) as well as their building-management policies and procedures (Part 2).

COUNTRY	CENTRE	PART 1	PART 2
SPAIN	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
POLAND	FACTORY Ursus	Very Good	Good
	FACTORY Wrocław	Very Good	Good
	FACTORY Poznań	Good	Very Good
	Galeria Malta	Very Good	Very Good
	FACTORY Annopol	Very Good	Very Good
PORTUGAL	Vila do Conde The Style Outlets	Very Good	Good
	Vicolungo The Style Outlets	Good	Good
ITALY	Castel Gelfo The Style Outlets	Good	Very Good
GERMANY	Zweibrücken The Style Outlets	Very Good	Good
FRANCE	Roppenheim The Style Outlets	Excellent	Outstanding

Possible ratings: Unclassified, Acceptable\*, Pass\*\*, Good\*\*\*, Very Good\*\*\*\*, Excellent\*\*\*\*\*, Outstanding\*\*\*\*\*

*"In 2015, we decided to voluntarily repeat the BREEAM In-Use assessment, to aim for a higher rating. The results were better than expected. Environmental improvements such as eliminating the use of herbicides, installing presence detectors in meeting rooms and changing rooms, implementing a water leak detection system, and conducting air quality checks earned the centre ratings of Excellent and Outstanding"*

Bertrand Verger  
Site Facility Manager, Roppenheim The Style Outlets

## Environmental management within asset management. 2015 highlights.

### Nassica's quadruple certification



When Nassica joined NEINVER's portfolio in 2014, preparation began for it to earn the same certifications as the company's other properties. Thus in 2015 it passed the certification audits for standards ISO 9001, ISO 14001, ISO 50001 and OHSAS 18001, obtaining quadruple certification for the first time. The external audit found no non conformity whatsoever, even though reforms were in full swing during the assessment.

### Roppenheim earns *Outstanding* rating in *BREEAM In-Use* certification

The Roppenheim centre underwent a voluntary reassessment in 2015 to raise its certification level. The result: its Part 2 rating (for building management) rose from Excellent in 2014 to *Outstanding* in 2015.

Roppenheim thus became the 5th building in Europe, the 3<sup>rd</sup> in France, and the first outlet centre to earn that rating.







FUND MANAGEMENT

The company currently manages IRUS Fund, whose portfolio includes eleven outlet centres, among other assets. NEINVER has all of them participating in the GRESB initiative (Global Real Estate Sustainability Benchmark), under which they report annually on their progress on environmental issues and corporate social responsibility.

GRESB is a worldwide benchmark for sustainability performance in the real state. Each year, it evaluates the progress of real estate companies and the sector as a whole, through questionnaires completed voluntarily by property owners or managers who wish to know and improve the impact and quality of their assets' environmental management.



**GRESB**

From their first participation in GRESB in 2013, the centres owned by the IRUS Fund have improved their score every year. From 2014 to 2015, the score rose by 14%, exceeding the industry average.






COOPERATION WITH OTHER STAKEHOLDERS

(G4-EN32)

NEINVER works with its suppliers, contractors and store operators, setting requirements for their compliance with the company's sustainability

standards. It has established awareness-raising and collaboration tools to involve them in improving the centres' environmental performance.

	 SUPPLIERS	 CONTRACTORS	 STORE OPERATORS
Environmental requirements	<ul style="list-style-type: none"><li>• Know NEINVER's policy on the environment, energy efficiency, quality, and occupational health and safety.</li><li>• Answer a pre-evaluation questionnaire that assesses environmental certifications.</li><li>• Sign "green clauses" in the contracts.</li><li>• Work in compliance with the contractual Service Level Agreements, which set criteria for behaviour and define penalties.</li><li>• Receive and review a twice-yearly reminder about green policies and clauses and about the monitoring of certain environmental aspects.</li></ul>	<ul style="list-style-type: none"><li>• Obey environmental laws and follow best practices.</li><li>• Correctly manage health and safety of staff and at facilities.</li><li>• Act responsibly, minimising energy consumption and the use of non-renewable raw materials.</li><li>• Manage waste appropriately, especially for hazardous waste.</li></ul>	<ul style="list-style-type: none"><li>• Comply with the leases' environmental management and efficiency clauses.</li><li>• Comply with the requirements in the retail units' Technical Guides, which establish obligations to meet when operators design, build and manage their stores.</li></ul>
Awareness-raising and collaboration tools	<ul style="list-style-type: none"><li>• Guides to best practices on environmental issues and energy efficiency for suppliers and store operators.</li><li>• Twice-yearly Store Manager Meetings in which centre management meets with all store managers to present the centre's key figures and remind them of environmental issues such as the importance of recycling, where recycling bins are located, etc.</li><li>• Ongoing training about NEINVER policies and procedures.</li><li>• Periodic performance meetings between the contract manager and the supplier to assess improvements and critical points.</li></ul>		





## COMMITMENT TO CONTINUAL IMPROVEMENT. 2015 AND 2016 TARGETS

Each year, NEINVER tracks its environmental goals, analysing its compliance, the impact of past actions, and priorities for the future.

### NEINVER's 2015 environmental targets. Level of compliance.

	AREA	TARGET	PROGRESS
Energy	Green energy	Supply green energy to most of the portfolio, including FACTORY Kraków and FACTORY Annopol in Poland and Roppenheim The Style Outlets in France.	<b>Achieved</b> - Most of the centres use green energy. Galeria Malta and FACTORY Ursus are exceptions.
	Energy consumption	Reduce energy consumption by 2% compared to 2014.	<b>Achieved</b> - Total energy consumption was 7.1% lower. Intensity decreased by 7.6% (per visitor) and 9.4% (per hour of operation).
Environment	Procedure in case of spills	Monitor and track all spills in car parks and other areas of the properties, implementing the "Spill Response Procedure."	<b>In progress</b> - The procedure is not yet rolled out to all centres, which should occur in 2016.
	Water	Reduce water consumption by 1% compared to 2014 in all centres that NEINVER manages.	<b>In progress</b> - Though total water consumption rose by 2.7%, the country-level consumption dropped in Italy, Portugal and France in absolute terms and in intensity, while in Spain, water intensity decreased.
	BMS (Building Management System)	Upgrade the Facility Management tool that tracks consumption (currently using PLANON) and improve communication on actions taken in this area.	<b>In progress</b> - In Spain, Portugal and Poland, NEINVER already receives dashboards and periodic reports from an external service. Indicators for CO <sub>2</sub> , water and energy are automated and are monitored through the BMS. The company plans to roll out the same approach soon to its centres in Italy, France and Germany.
	Technical Guides	Implement phase 2 of standardising the tenants' Technical Guides with environmental clauses.	<b>Achieved</b> - Technical Guides were updated to add new improvement phases and green clauses.

Besides completing targets not reached in 2015, NEINVER has set the following priorities for 2016:

### NEINVER's 2016 environmental targets

AREA	TARGET
Environmental reporting	Update the Facility Management metrics to improve reporting of the relevant variables.
Sustainability	Create a CSR committee of staff members from different departments to drive strategic decision-making in this area.  Launch new satisfaction survey of store operators to learn about their satisfaction with and perception of sustainability, to identify possible areas of improvement.
Certifications	The 2016 renewal of BREEAM In-Use certification across the portfolio, and first-time certification of Nassica, FACTORY Annopol, and the expansions of FACTORY Ursus and Futura Park Wrocław.  Obtain BREEAM New Construction certification for Viladecans once the centre opens.  Renew ISO 9001, ISO 14001 and OHSAS 18001 certifications when they expire.
Energy efficiency	Create a new indicator for energy consumption that distinguishes centres by climate zone (cold/warm), age (new/old) and design (outdoor/indoor), yielding a functional energy matrix.
Efficient management	Create a portfolio-wide Maintenance Policy to ensure the highest quality standards in NEINVER buildings. This policy will address energy efficiency, water consumption, pollutant emissions, land use, responsible use of resources, and occupational health and safety.
Environmental management	Have a third party perform environmental due-diligence audits at all IRUS centres. Execute the resulting action plans.

# Environmental performance in 2015

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*“NEINVER’s leadership strategy prioritises reducing the company’s environmental footprint. Each year, the company measures the success of its management and defines new actions by assessing the outcome of completed projects and reporting its most relevant environmental indicators”*

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## ENERGY CONSUMPTION (G4-DMA)

Energy consumption is a top environmental priority. For instance, in all its centres except Galeria Malta, NEINVER has implemented an energy management system that complies with the ISO 50001 standard. Another 2015 milestone was the roll-out of *Energy Managers*, which provide a growing amount of information about the centres' energy use, broken down by processes, equipment and areas. This lets the company focus actions on higher-consumption areas and make detailed studies of energy demand, allowing NEINVER to optimise facilities through a management process of continual improvement.

This is why in 2016 the company will separately track consumption at centres in cold and warm climate zones. This can help identify specific areas for improvement.

NEINVER is also taking other steps, conducting reviews to spot energy inefficiencies and then define specific improvement plans for each centre. These plans will include measures such as installing automated lighting-management systems, replacing fluorescent lights with LED, optimising heating systems, upgrading inefficient equipment and adjusting electrical power levels.

*"A shopping centre's first years of operation require a thorough study of the property, so you can learn how all the systems work and how they behave under real operating conditions. That's when you identify the ideal configuration of each system, which allows savings in later years. That is what has occurred at Futura Park Kraków. The center opened for business in October 2011, and since then the energy needs have decreased every year, even as its foot traffic and occupancy rate grew. In 2015, energy consumption (for electricity and gas) was 3.2% lower than in 2014, and almost 19.4% lower than in 2013"*

Robert Sepiol  
Site Facility Manager, FACTORY Kraków and Futura Park Kraków

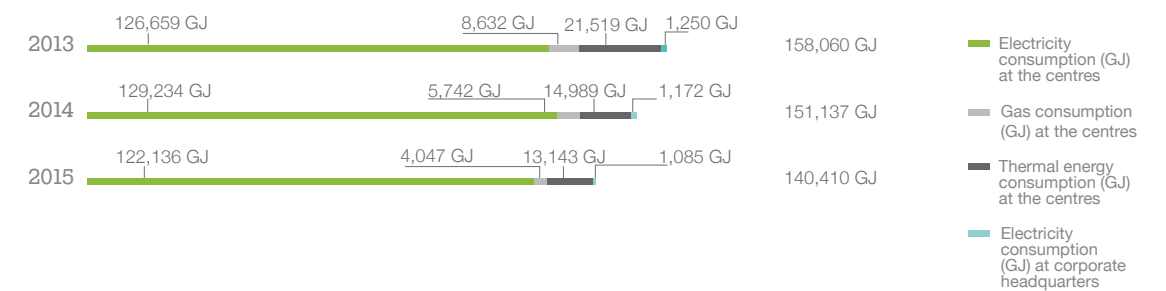
## Changes in consumption

(G4-EN3) (G4-EN5) (G4-EN6) (G4-EN7) (G4-CRE1)

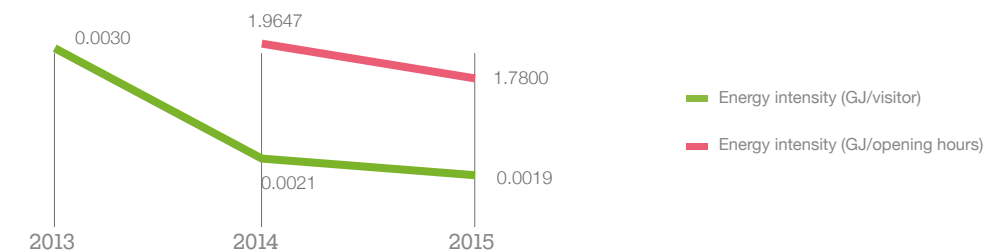
Energy consumption at NEINVER's centres and offices in 2015 was 140,410 GJ, down 7.1% from 2014. The centres' like-for-like energy consumption also decreased significantly (by 10.0%), from 152,846 GJ in 2014 to 137,618 GJ.

Regarding energy intensity at the centres, the energy consumption per visitor and per opening hours dropped by 7.6% and 9.4% respectively.

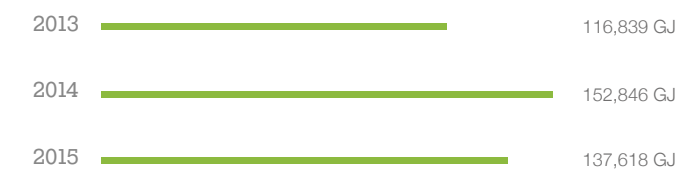
### Total energy consumption (GJ)



### Centres' energy intensity per visitor (GJ/visitor) and per opening hours (GJ/hour)



### Like-for-like total energy consumption (GJ)







## GREENHOUSE GAS EMISSIONS (G4-DMA)

Besides the investments and actions to boost energy efficiency at the centres, the company launched a green energy programme that has affected emissions very significantly. In early 2016,

a review of NEINVER's 2015 electrical service contracts found that 90.5% of the company's centres were buying green energy (all but 2 centres).

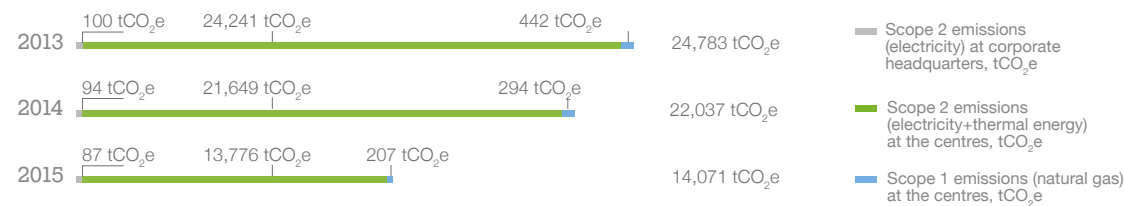
### Changes in emissions

(G4-EN15) (G4-EN16) (G4-EN17) (G4-EN18) (G4-EN19)  
(G4-CRE3) (G4-CRE4)

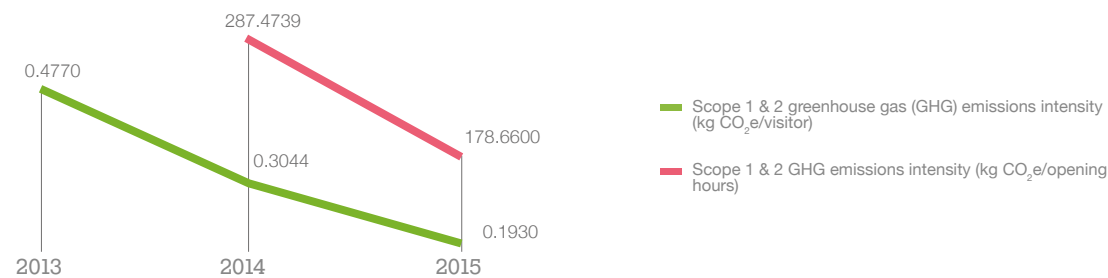
The company's emissions dropped by 36.1% in 2015 (Scope 1 and 2 emissions, as defined by the GHG Protocol)<sup>2</sup>, thanks in part to the purchase of green energy. In comparable, like-for-like terms, they decreased by 20.1%.

Looking towards the future, NEINVER has adopted new targets to further minimise greenhouse gas emissions. It will therefore try to expand the use of green energy to its other centres and will invest in zero-emission technologies.

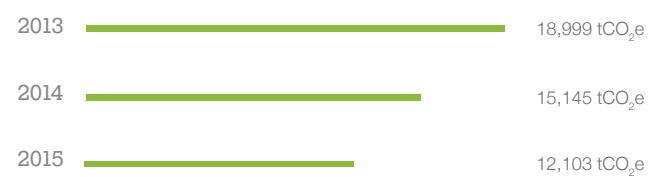
#### Scope 1 and 2 emissions (tonnes CO<sub>2</sub>e)



#### Centres' emissions intensity per visitor (kg CO<sub>2</sub>e/visitor) and per opening hours (kg CO<sub>2</sub>e/opening hours)



#### Like-for-like Scope 1 and 2 emissions (tonnes CO<sub>2</sub>e)



<sup>2</sup> The GHG Protocol is the most widely recognised international method for estimating greenhouse gas emissions. This standard classifies emissions into three scopes (1, 2 and 3). NEINVER has calculated emissions for Scope 1 (direct consumption of natural gas in the company's boilers) and Scope 2 (emissions from electricity consumption and from use of thermal energy drawn from district heating systems).

## Reduction of emissions from the transport of customers and employees

NEINVER pursues various options to reduce the environmental impact of customer and employee transport, as follows:



#### Bicycle

Bicycle parking at more than 70% of the portfolio, with plans to expand that to 100% in 2016.



#### Electric vehicles

Charging points at 55% of the portfolio.



#### Public transport

Free shuttle service to the centre and improvements to the transport network through public buses.



#### Virtual meetings

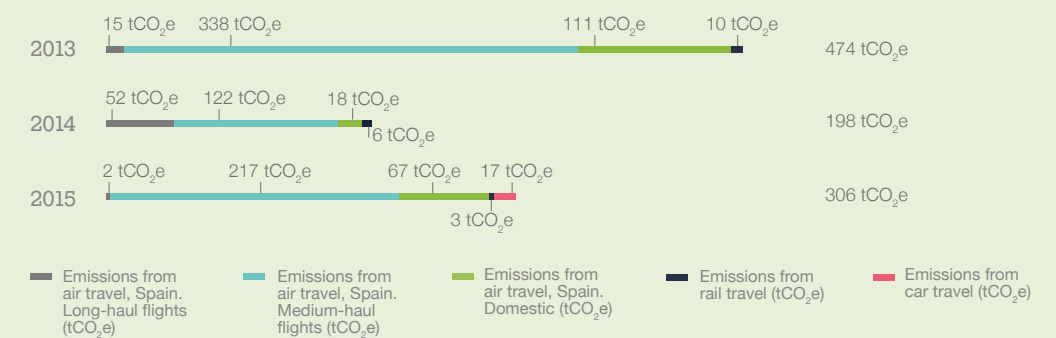
Videoconferencing equipment to avoid business travel.

### A new videoconferencing system reduced business-travel emissions by 36% from 2013 to 2015

In 2012, NEINVER activated a videoconference system to reduce the need for business travel to attend meetings. It had two goals: 1) bolster energy efficiency and cost savings, and 2) improve employees' quality of life, favouring work-life balance while optimising productivity.

In the more than three years they have been in use, these systems have produced very positive results. Emissions from employee travels decreased by 36% since 2013, though there was an increase from 2014 to 2015. The main reasons for this rise were a more thorough calculation method that includes new categories (such as car travel) and a more exhaustive data-collection process. Additionally, the number of business trips increased because of the company's expansion (with unavoidable site visits to Viladecans and Amsterdam, for example).

#### Greenhouse gas emissions from business travel\*



\* 2015 is the first year for which car travel data is available.

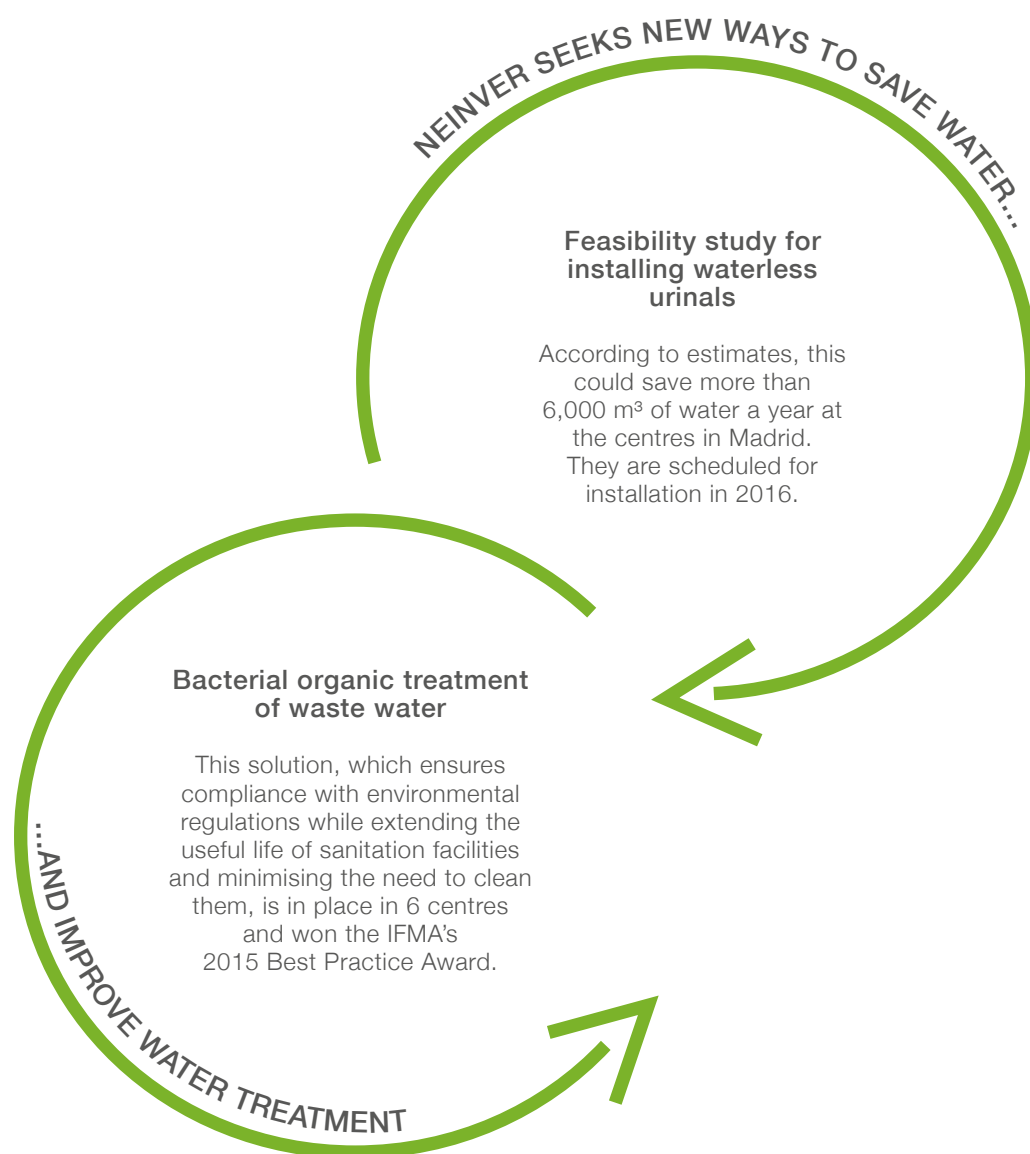


## WATER CONSUMPTION (G4-DMA)

NEINVER pursues sustainable use of water and therefore monitors consumption constantly and adopts savings procedures at its centres, optimising facilities and raising awareness among workers and visitors.

NEINVER also promotes awareness among other stakeholders, such as suppliers (especially those in charge of cleaning and gardening) and store operators, through best practices manuals for each group, explaining responsible water use and other environmental recommendations.

### NEINVER best practices for water management



## Changes in consumption

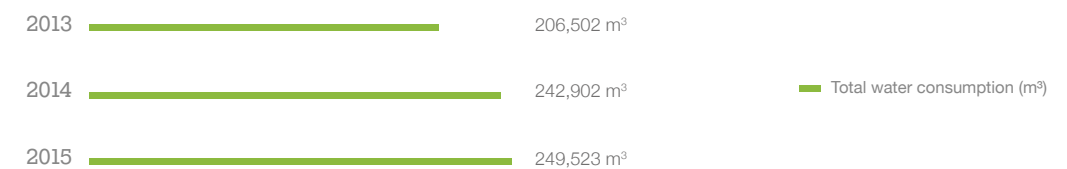
(G4-EN8) (G4-CRE2)

The total 2015 water consumption at NEINVER's centres was 249,523 m³. Compared to 2014, that represents a 2.7% increase in absolute terms, a 2.2% increase in consumption per visitor, and a 0.2% increase per opening hours.

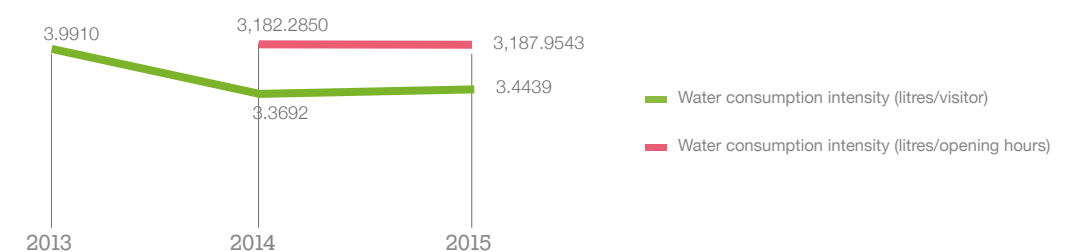
In comparable terms, *like-for-like* water consumption also rose, though to a lesser extent (0.05%).

The overall figures trended upward over the past year, but notable reductions were achieved in some countries where the company operates. These decreases are most conspicuous in the consumption ratios per visitor, since the centres' foot traffic has a strong impact on this environmental variable. Italy reduced its consumption per visitor by 6.6%, Portugal by 22.9%, Spain by 4.5% and France by 12.8%. However, the renovations and expansion of the FACTORY Ursus centre drove an increase in water consumption in Poland.

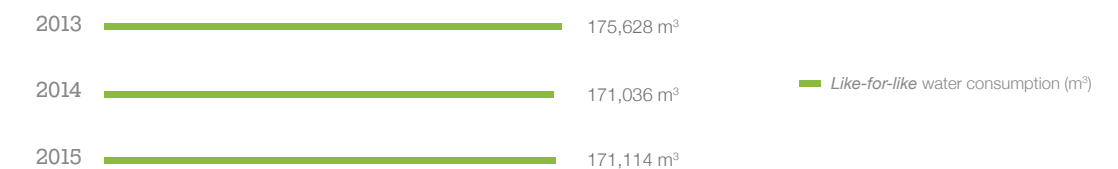
### Total water consumption (m³) at NEINVER centres



### Centres' water intensity per visitor (L/visitor) and per opening hours (L/opening hours)



### Like-for-like total water consumption (m³)





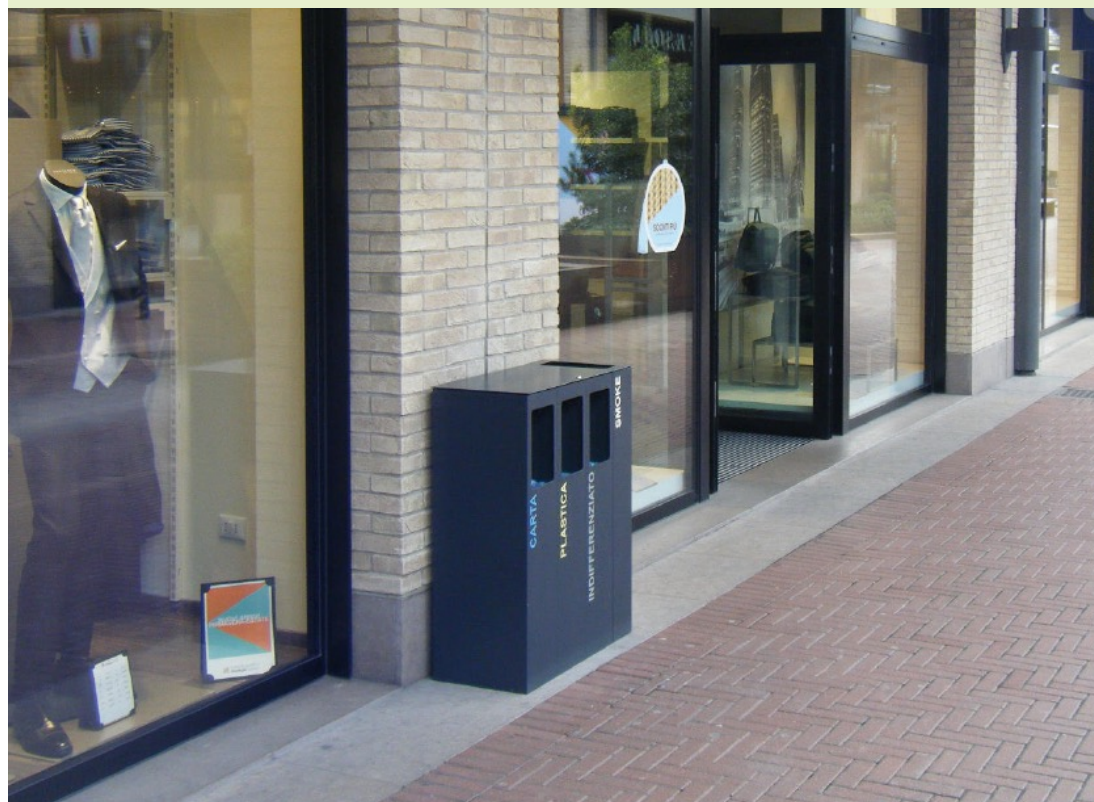
## WASTE (G4-DMA)

NEINVER manages waste responsibly in all its operations. To achieve this, it has set up the necessary facilities at all its centres so operators, visitors, suppliers and company employees can

properly separate the waste they generate. The goal is effective separation for subsequent treatment and recycling by authorised providers.

### Better waste management at the centres in Italy

In 2015, NEINVER made improvements to the waste separation systems at the centres in Italy. In Vicolungo, the municipal waste collection company granted permission for placement of selective-collection containers. This has helped eliminate odours while improving the company's corporate image in that country. At Castel Guelfo, bins have been installed with separate containers for different types of waste (see picture), which has made it possible to process the paper collected, gaining savings in waste management and minimising the company's environmental impact.



NEINVER also continues to run waste-separation training sessions at all the sites it manages, giving presentations at meetings with the store operators,

at informational events, through direct contact with operators, and in each centre's internal rules.

## Waste production (G4-EN23)

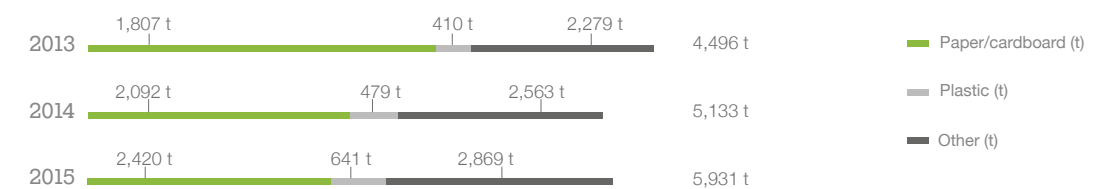
Waste generation rose by 15.5% compared to 2014. This increase does not necessarily reflect worse performance by the company, since much of it is due to a roll-out of improvements to the centres' waste collection. With these upgrades, NEINVER successfully raised the percentage of the company's waste that is collected and handled correctly.

Separating recyclables, such as paper/cardboard and plastic, is a priority for NEINVER,

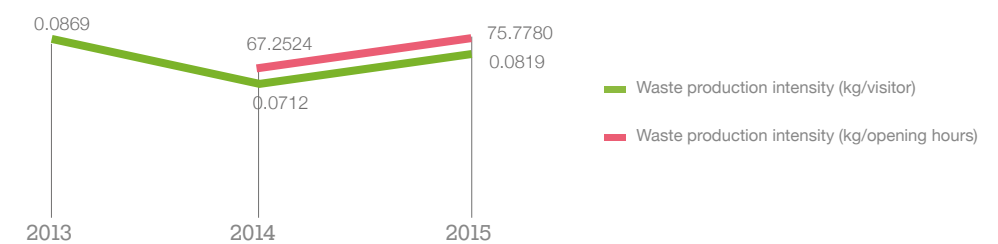
which has increased recycling rates for those types of waste at all its centres. This indicates that it is steadily improving the quantity and quality of its recycling, keeping these kinds of waste from being sent to a dump.

The overall rise in waste production was accompanied by an increase in waste production intensity per visitor and in the like-for-like figure, which was 3,967 tonnes in 2015 (up 23.6% from 2014).

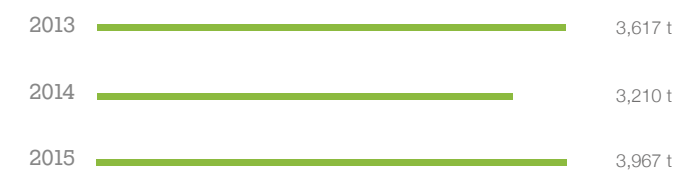
### Waste production (t) at NEINVER centres



### NEINVER centres' waste production intensity per visitor (kg/visitor) and per opening hours (kg/opening hours)



### Like-for-like total waste production (t)







## AIR QUALITY AND FUGITIVE EMISSIONS

NEINVER is taking steps to ensure optimal air quality at its facilities.

In 2015, the company began an air duct cleaning project at each The Style Outlets centre in Spain and Portugal, starting in Getafe centre.

Likewise, to prevent fugitive emissions, the centres' maintenance team periodically checks the air conditioning circuits for potential leaks. Centres also receive alerts from the BMS (Building Management System) if there is a loss of pressure.



## ENVIRONMENTAL TRAINING

NEINVER sponsors in-house and external trainings each year, covering topics such as energy efficiency, waste management, and certification systems.

In 2015, it gave courses to the teams pursuing BREEAM In-Use certification for the centres, so they could approach this challenge with proper

training. The International Facility Managers also had specific courses on the new versions of the ISO 9001 and ISO 14001 standards. This training focused on performing in-house audits to ensure compliance with the requirements defined in these standards.



## STANDARDISATION OF TECHNICAL GUIDES AT SOME CENTRES

The Technical Guides for remodelling and construction were made consistent across all centres, but with flexibility to adapt them to each centre's local circumstances. This offers multiple advantages, as it lets NEINVER:

- Maintain uniform branding at all its centres.
- Keep dialogue open with store operators, many of which have outlets in more than one centre, and facilitate their project planning.
- Facilitate a more flexible monitoring and approval process for remodelling.



## ENVIRONMENTAL PROTECTION EXPENDITURES AND INVESTMENTS

(G4-DMA) (G4-EN31)

In 2015, NEINVER devoted €2,118,626 to environmental expenditures and investments supporting the actions mentioned in the previous sections. One major investment item was the installation of LED lighting systems at the centres

in Poland, and installation of meters for a more detailed tracking of energy consumption. The main environmental expenses were related to various kinds of certification: management systems, BREEAM and waste management.



Country	Environmental expenditures	Environmental investments
Spain	€360,000	€1,080,000
Portugal	€60,000	€17,000
Italy	€45,000	€67,500
Poland	€105,126	€34,000
Germany	€80,000	€75,000
France	€70,000	€125,000
<b>TOTAL</b>	<b>€720,126</b>	<b>€1,398,500</b>



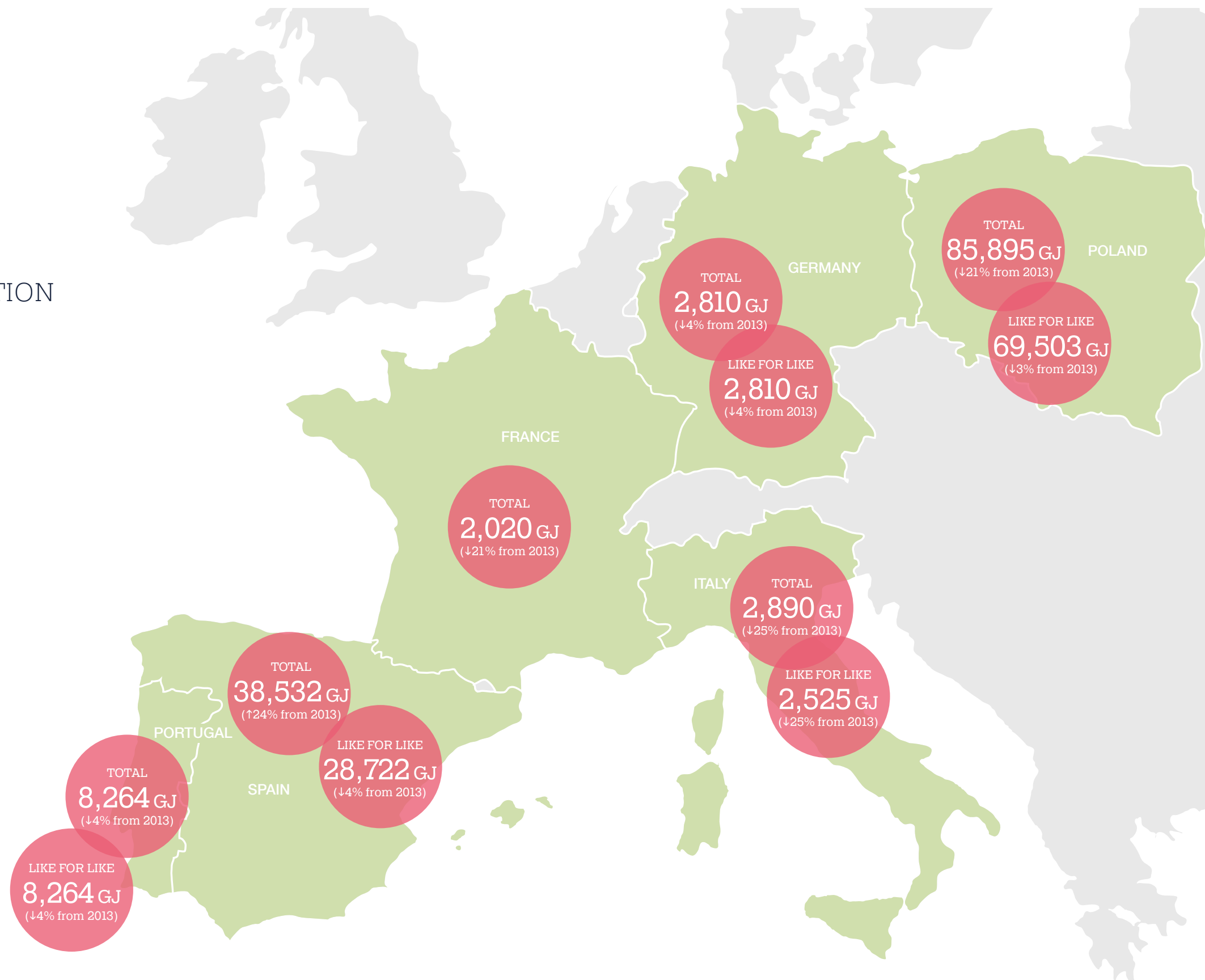
# Changes in environmental management broken down by country

The year 2015 was a time of improvements, especially regarding energy and greenhouse gas emissions, which the company reduced in almost every country. Changes in water consumption, however, varied greatly by country. Lastly, the aforementioned increase in waste production numbers largely reflects the improved collection systems, allowing a higher percentage of waste to be managed appropriately.





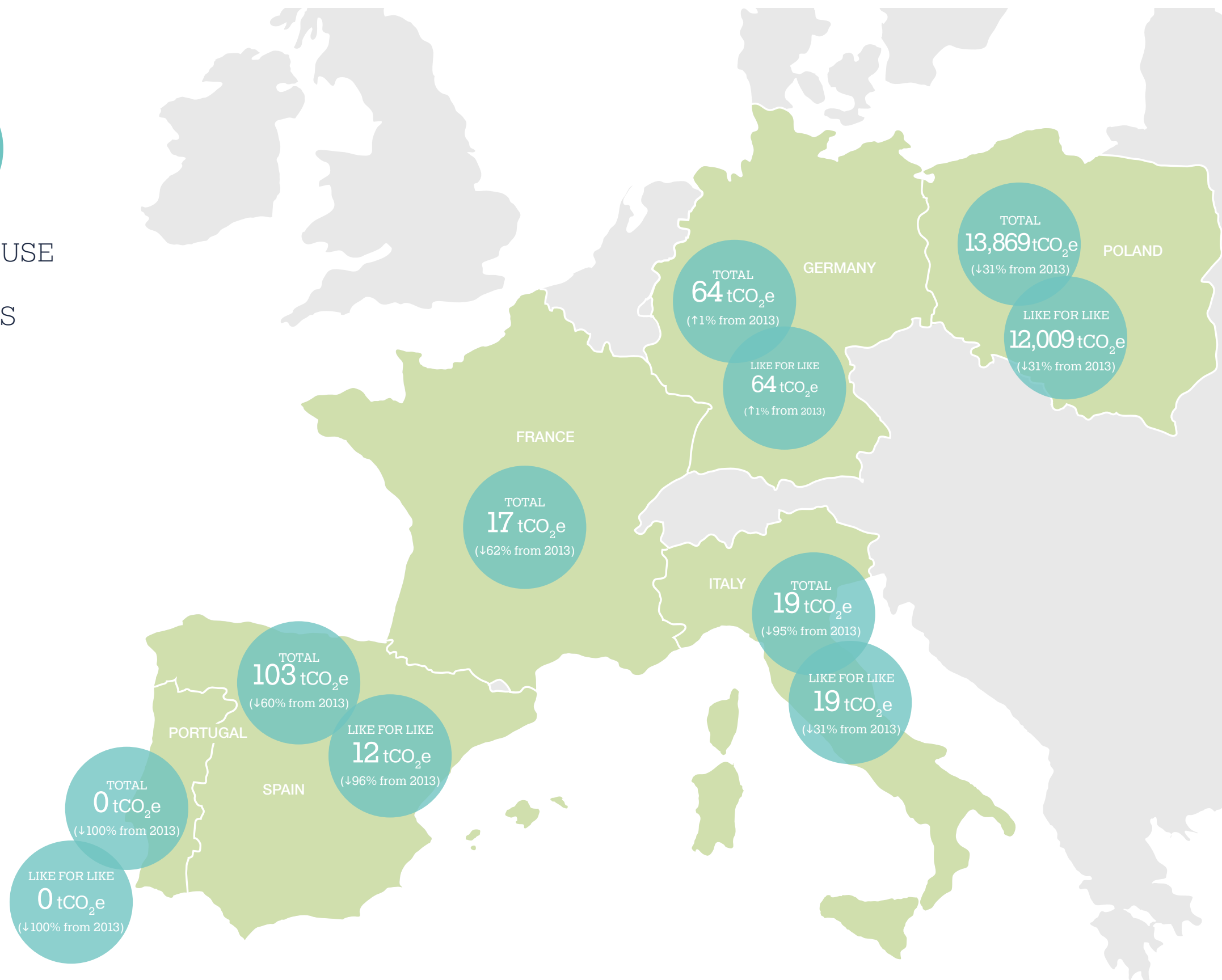
## ENERGY CONSUMPTION

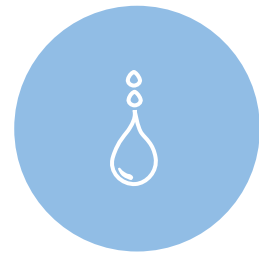




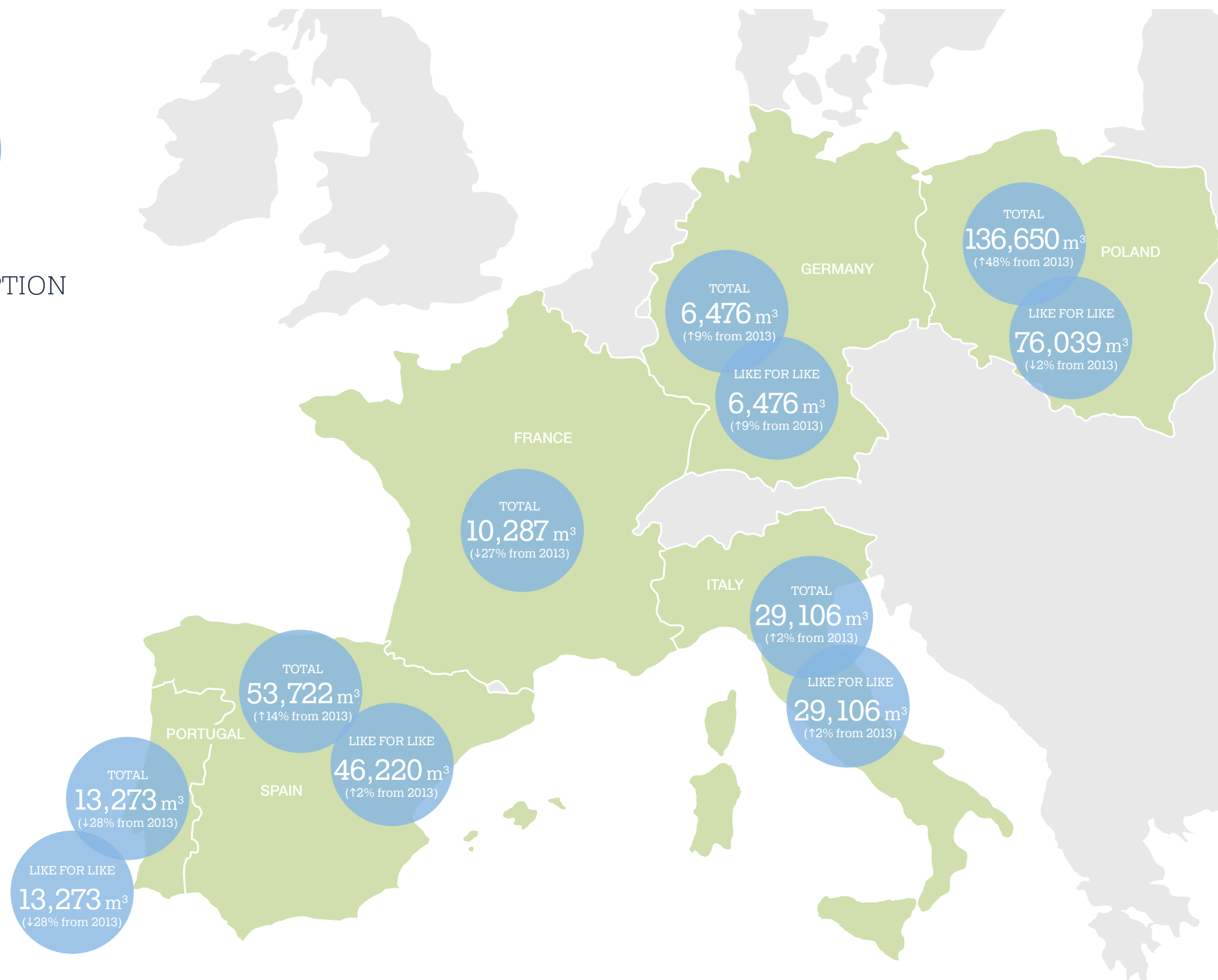


## GREENHOUSE GAS EMISSIONS



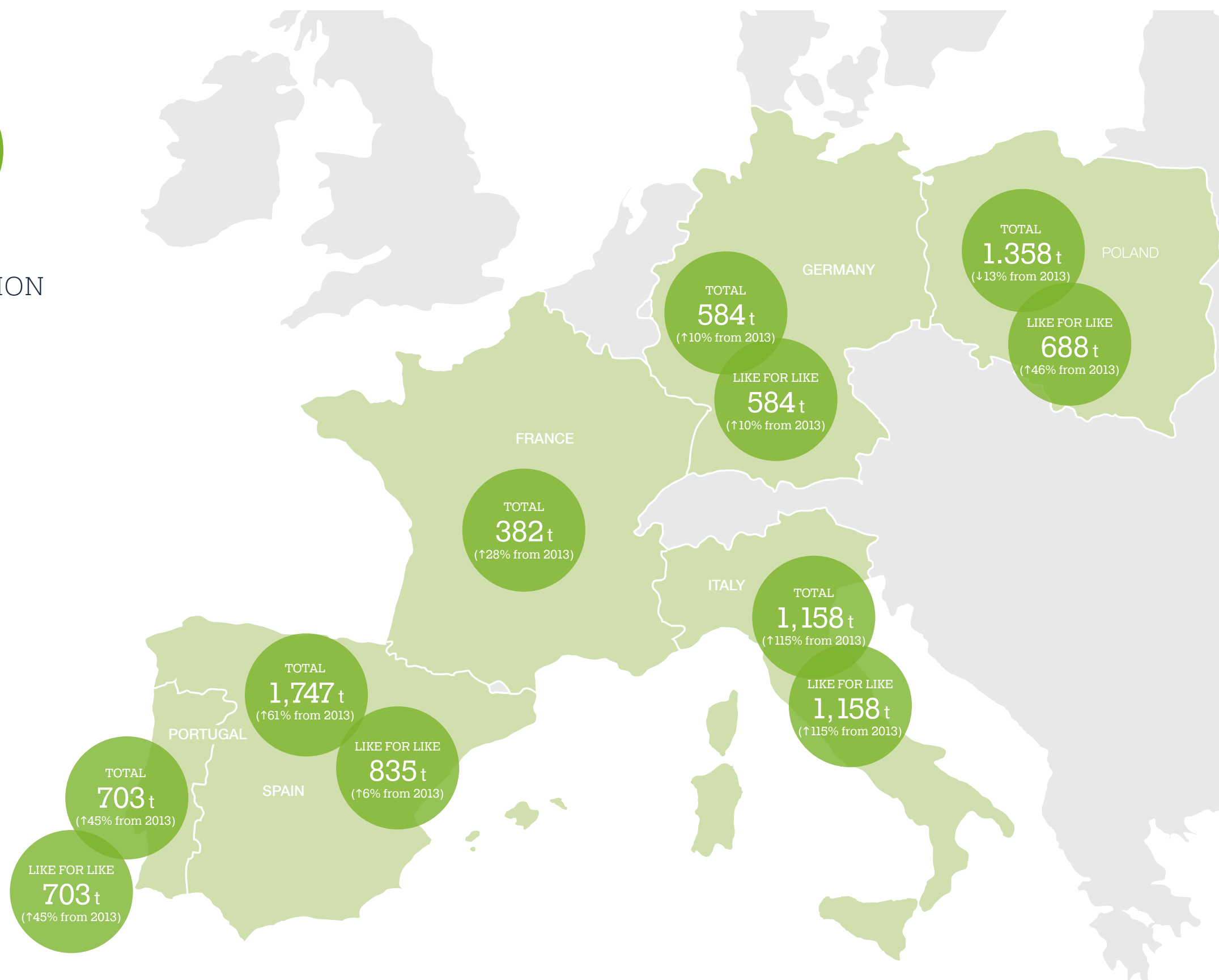


## WATER CONSUMPTION





## WASTE PRODUCTION





# APPENDIX OF ENVIRONMENTAL AND LABOUR INDICATORS

(G4-CRE6) (G4-CRE8)

Environmental indicators. Detailed information on consumption, emissions and waste

	POLAND			GERMANY			ITALY			FRANCE			SPAIN			PORTUGAL		
ENERGY	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
Energy consumption																		
Total energy (GJ)	108,844	96,150	85,895	2,937	2,846	2,810	3,876	3,832	2,890	2,568	2,497	2,020	31,191	37,224	38,532	8,644	8,589	8,264
Electricity (GJ)	80,777	77,678	70,621	1,703	1,737	1,567	3,348	3,260	2,525	2,568	2,497	2,020	30,869	36,645	38,224	8,644	8,589	8,264
Thermal energy (GJ)	20,284	13,881	11,899	1,234	1,109	1,243	-	-	-	-	-	-	-	-	-	-	-	-
Natural gas (GJ)	7,782	4,592	3,375	-	-	-	528	571	364	-	-	-	322	579	308	-	-	-
Like-for-like total energy (GJ)	71,441	75,011	69,503	2,937	2,846	2,810	3,876	3,832	2,890	n.a.	n.a.	n.a.	29,940	27,524	28,722	8,644	8,589	8,264
Energy intensity																		
Energy intensity (GJ/visitor)	0.0048	0.0027	0.0025	0.0008	0.0007	0.0007	0.0006	0.0006	0.0004	0.0022	0.0018	0.0013	0.0021	0.0017	0.0017	0.0021	0.0021	0.0019
Energy intensity (GJ/opening hours)	n.d.	3.1222	2.7700	n.d.	1.0163	1.0030	n.d.	0.5291	0.3958	n.d.	0.8731	0.7315	n.d.	1.2911	1.2620	n.d.	1.8239	1.7489
GREENHOUSE GAS EMISSIONS	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
Greenhouse gas emissions																		
Scope 1 and Scope 2 emissions (tCO <sub>2</sub> e)	20,088	19,848	13,869	63	57	64	401	391	19	44	42	17	260	1,024	103	728	675	-
Scope 1 emissions (tCO <sub>2</sub> e)	15,519	235	173	-	-	-	27	29	19	-	-	-	17	30	16	-	-	-
Scope 2 emissions (tCO <sub>2</sub> e)	4,569	19,613	13,696	63	57	64	374	361	-	44	42	17	243	994	87	728	675	-
Like-for-like Scope 1 and Scope 2 emissions	17,507	13,775	12,009	63	57	64	433	391	19	n.a.	n.a.	n.a.	269	247	12	728	675	-
Emissions intensity																		
Emissions intensity (kg/visitor)	0.8848	0.5610	0.4067	0.0183	0.0149	0.0169	0.0657	0.0615	0.0029	0.037	0.030	0.011	0.0112	0.0443	0.0007	0.1781	0.1617	-
Emissions intensity (kg/opening hours)	n.d.	644.5112	447.2571	n.d.	20.2892	22.7373	n.d.	53.9378	2.5555	n.d.	14.7938	6.0374	n.d.	33.2869	0.5315	n.d.	143.3793	-
WATER	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
Water consumption																		
Water consumption (m³)	92,402	125,722	136,659	5,918	6,012	6,476	28,547	30,735	29,106	14,000	10,792	10,287	47,135	52,732	53,722	18,500	16,909	13,273
Like-for-like water consumption (m³)	77,308	71,922	76,039	5,918	6,012	6,476	28,547	30,735	29,106	n.a.	n.a.	n.a.	45,355	45,458	46,220	18,500	16,909	13,273
Water consumption intensity																		
Water consumption intensity (L/visitor)	4.0702	3.5536	4.0076	1.7108	1.5717	1.7200	4,6781	4.8400	4.5210	11.9881	7.7561	6.7610	3.3138	2.5143	2.4005	4.5278	4.0494	3.1240
Water consumption intensity (L/opening hours)	n.d.	4,082.4204	4,407.0697	n.d.	2,147.1429	2,311.2063	n.d.	4,243.7004	3,986.8434	n.d.	3,773.4266	3,724.4750	n.d.	1,888.5467	1,810.5284	n.d.	3,590.7836	2,809.1005
WASTE	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
Waste production																		
Total waste production (t)	1,555	959	1,358	533	585	584	538	610	1,158	300	351	382	1,087	2,001	1,747	484	628	703
Like-for-like total waste production (t)	1,273	532	688	533	585	584	538	610	1,158	n.a.	n.a.	n.a.	789	856	835	484	628	703
Waste production intensity																		
Waste production intensity (kg/visitor)	0.0685	0.0271	0.0398	0.1540	0.1529	0.1551	0,0881	0.0961	0.1798	0.2565	0.2523	0.2511	0.0764	0.0954	0.0780	0.1185	0.1503	0.1654
Waste production intensity (kg/opening hours)	n.d.	31.1519	43.8045	n.d.	208.8750	208.4011	n.d.	84.2168	158.5532	n.d.	122.7517	138.3128	n.d.	71.6492	58.8663	n.d.	133.2640	148.7166
MATERIALS	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
Use of materials																		
Paper (kg)	n.d.	104	77	n.d.	49	61	n.d.	65	51	n.d.	15	12	n.d.	94	272	n.d.	21	29
Toner (kg)	n.d.	16	14	n.d.	10	14	n.d.	24	6	n.d.	2	3	n.d.	37	28	n.d.	3	3

# APPENDIX OF ENVIRONMENTAL INDICATORS CERTIFICATIONS

(G4-CRE6) (G4-CRE8)

Current certifications in 2015

	ISO 9001	ISO 14001	ISO 50001	OHSAS 18001	BREEAM IN USE	BREEAM NEW CONSTRUCTION
POLAND						
FACTORY Kraków - Futura Park Kraków	x	x	x		x	x
FACTORY Poznań	x	x	x		x	
FACTORY Ursus	x	x	x		x	
FACTORY Wrocław	x	x	x		x	
Futura Park Wrocław	x	x	x		x	
FACTORY Annopol	x	x	x		x	x
Galeria Malta					x	
NEINVER Management Spain Head Office	x	x	x			
GERMANY						
Zweibrücken The Style Outlets	x	x	x		x	
ITALY						
Castel Guelfo The Style Outlets	x	x	x		x	
Vicolungo The Style Outlets	x	x	x		x	
FRANCE						
Roppenheim The Style Outlets	x	x	x		x	
SPAIN						
Coruña The Style Outlets	x	x	x	x	x	x
Getafe The Style Outlets	x	x	x	x	x	
Las Rozas The Style Outlets	x	x	x	x	x	
San Sebastián de los Reyes The Style Outlets	x	x	x	x	x	
Sevilla The Style Outlets	x	x	x	x	x	
Nassica	x	x	x	x		
Viladecans The Style Outlets						x
NEINVER Management Spain Head Office	x	x	x	x		
PORTUGAL						
Vila do Conde The Style Outlets	x	x	x		x	
THE NETHERLANDS						
Amsterdam The Style Outlets						x

APPENDIX OF LABOUR INDICATORS (G4-LA3)

Parental leave

	2013				2014				2015			
	Employees who went on leave		Employees who returned after leave		Employees who went on leave		Employees who returned after leave		Employees who went on leave		Employees who returned after leave	
	M	F	M	F	M	F	M	F	M	F	M	F
SPAIN	3	6	3	6	2	8	1	5	1	6	1	5
PORTUGAL	0	2	0	2	1	1	1	1	1	0	1	0
FRANCE	0	0	0	0	0	0	0	0	0	0	0	0
ITALY	0	2	0	2	0	0	0	0	0	1	0	0
GERMANY	0	0	0	0	0	2	0	0	0	3	0	1
POLAND	0	3	0	0	1	6	1	4	0	0	0	0





—  
ABOUT  
THIS REPORT

6

## ABOUT THIS REPORT (G4-18)

## SCOPE OF INFORMATION AND THE STANDARDS USED IN PREPARING THIS REPORT

This sustainability report includes information from 2015 for all of the company’s operations and services. Where appropriate, it also includes information from previous years as a point of comparison.

It was developed in compliance with the Core level established in the GRI G4 guidelines for the preparation of sustainability reports. It also includes additional content for the GRI industry-specific supplement for the *Construction and Real Estate sector*.

## GRI PRINCIPLES FOR DEFINING REPORT CONTENT

The report’s structure and content are based on the principles that the GRI established for writing sustainability reports, as indicated below:

- **Stakeholder engagement.** This report was prepared keeping in mind the various stakeholders’ interests and expectations regarding NEINVER’s operations. Besides identifying these expectations through the company managers who interact with them, the company analysed the results of several consultation processes that NEINVER conducted, as explained in the section about the materiality analysis.
- **Sustainability Context.** The company studied the interaction between NEINVER’s operations and services and the social, economic and environmental context in which it does business.
- **Materiality.** The company conducted a materiality study to define the aspects of sustainability that are most relevant to NEINVER. The methodology of this analysis is explained later in the chapter.
- **Completeness.** After identifying the material aspects, the company proceeded to include enough information about them to let stakeholders assess NEINVER’s economic, environmental and social performance over the past few years.

## GRI PRINCIPLES FOR DEFINING REPORT QUALITY

The development of the report also reflects the principles established by the GRI to ensure the quality of the information:

- **Balance.** Under this principle, sustainability reports must reflect both positive and negative aspects of a company’s performance. This yielded an objective, complete view of NEINVER’s overall performance.
- **Comparability.** The company compiled information periodically and included it in the report contents so stakeholders can analyse changes in its performance in recent years and compare it with that of other organisations.
- **Accuracy.** The information provided is detailed enough to meet the expectations expressed by the stakeholders.
- **Timeliness.** As in recent years, NEINVER will continue to update the contents of its Sustainability Report annually to provide periodic information to its stakeholders.
- **Clarity.** The company wishes to present its performance information in a way that is understandable and accessible to all its stakeholders.
- **Reliability.** This report includes a detailed explanation of how it was prepared. By doing this, NEINVER ensures that the report’s contents can be subjected to outside review to judge the quality and materiality of the information.

## MATERIALITY ANALYSIS (G4-26)

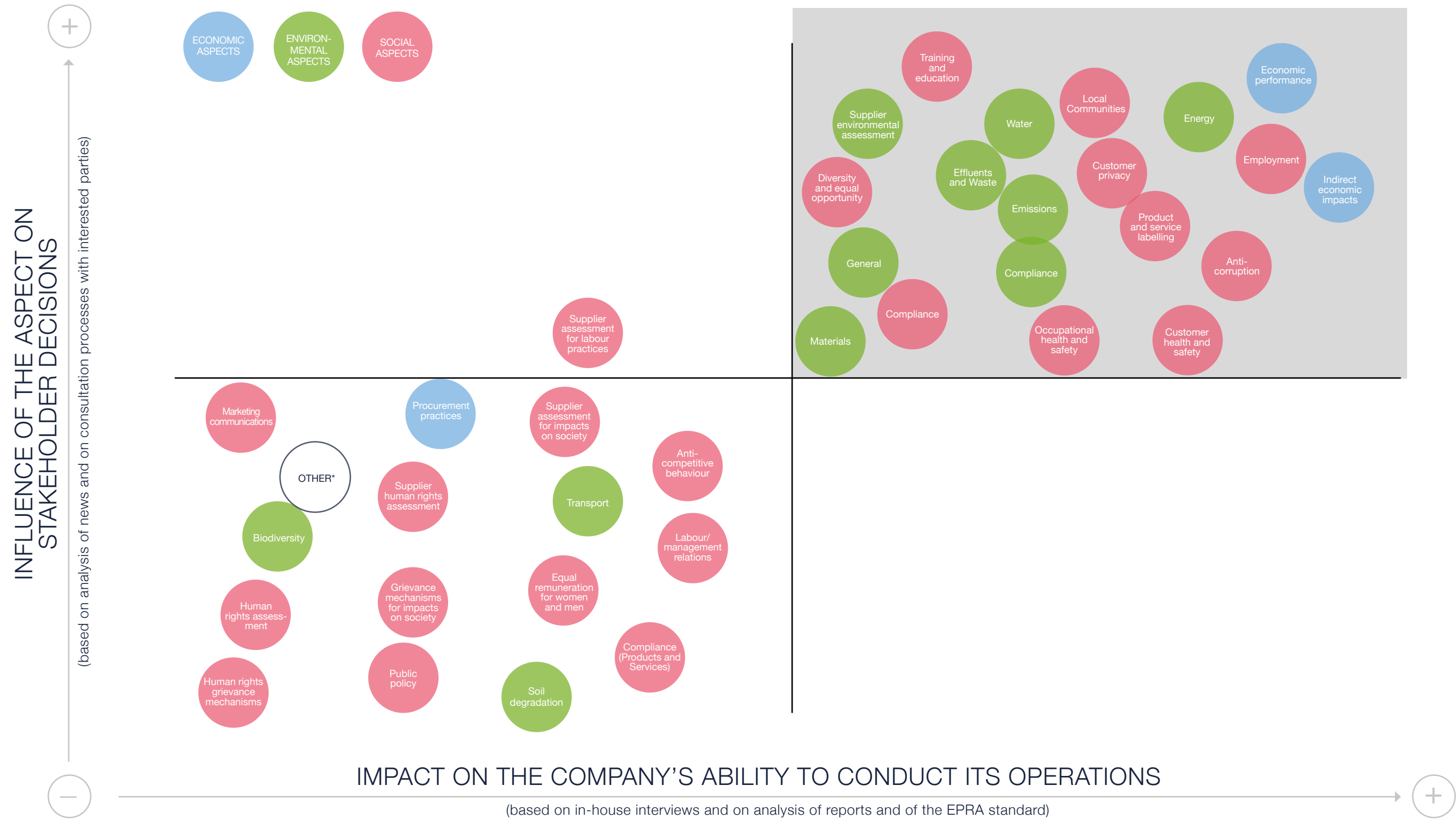
In compliance with the GRI G4 guidelines, this document compiles indicators reflecting the aspects of sustainability that were considered material to the company. NEINVER performed a targeted analysis to determine which topics are most important, either because they affect stakeholders’ decisions or because they are critical to the long-term success of the corporate strategy.

Specifically, this materiality analysis consisted of:

- **Meetings** with managers and senior managers of the key areas of the company.
- **Benchmarking** of other companies that specialise in the retail and outlet segment of the property industry.
- **Analysis of investors’ CSR requirements** by analysing the content and indicators requested by initiatives such as GRESB and the Dow Jones Sustainability Indices (DJSI), as well as conclusions drawn from interviews with some investors (TIAA Henderson, KKR).
- **Analysis of press clippings** compiled by the company over the past year.
- **Results of NEINVER’s stakeholder consultations.** Analysis of customer and employee satisfaction surveys.
- **Analysis of requirements under other reporting standards** (EPRA – Best Practices Recommendations on Sustainability Reporting).

The outcome of these actions made it possible to develop the following materiality matrix for the company:

MATERIALITY MATRIX FOR NEINVER (G4-19)



\* To keep the chart easy to read, the matrix does not include non-material aspects that GRI addresses (market presence, environmental effects of products and services, environmental grievance mechanisms, labour practices grievance mechanisms, human rights investment, non-discrimination, freedom of association and collective bargaining, child labour, forced labour, security practices, and indigenous rights)



The aspects in the upper right quadrant have the greatest materiality to NEINVER. The table below specifies which were ultimately considered in preparing the report.

Category	Material aspect	Aspect boundaries <sup>1</sup>	
		Organisation	Outside the organisation
EC	Economic performance	X	X
EC	Indirect economic impacts		X
EN	Materials	X	
EN	Energy	X	
EN	Water	X	
EN	Emissions	X	
EN	Effluents and waste	X	
EN	Compliance	X	
EN	General (Environmental protection expenditures and investments)	X	
EN	Supplier environmental assessment	X	X
SO	Employment	X	X
SO	Occupational health and safety	X	
SO	Training and education	X	
SO	Diversity and equal opportunity	X	
SO	Local communities		X
SO	Anti-corruption	X	
SO	Customer health and safety	X	X
SO	Product and service labelling	X	
SO	Compliance	X	
SO	Customer privacy	X	

<sup>1</sup> NEINVER's operations affect sustainability in positive and negative ways. The boundaries of each aspect refer to where these impacts occur (within the organisation and/or outside it), and their nature is described over the course of the report.

Once the material aspects and their boundaries were identified, the information for the report was compiled through interviews and by sending data collection sheets to corporate managers.

NEINVER prepared the final version of this report using the data it received and the contextual information from the materiality analysis. The GRI table in the next section tells readers where in the report to find information for each indicator requested by the standard.

The table indicates when it was impossible to meet all the guide's requirements for reporting a particular indicator. The company has also made a commitment to improve its information systems, to make the requested data available in future editions of the report.

## MORE INFORMATION (G4-31)

For further clarification about any information in this document or about the company's sustainability performance, contact NEINVER at [sustainability@neinver.com](mailto:sustainability@neinver.com)

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GRI TABLE

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# INDEX OF GRI G4 CONTENT (G4-32)



This Sustainability Report has been verified with the GRI Content Index Service, which certifies the accuracy of the GRI Content Index and that the indicator labels are placed correctly in the body of the Report.

## GENERAL STANDARD DISCLOSURES

GENERAL STANDARD DISCLOSURES	PAGE OR DIRECT RESPONSE	OMISSIONS	DESCRIPTION
STRATEGY AND ANALYSIS			
G4-1	4-7		Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability
G4-2	53		Description of key impacts, risks and opportunities
ORGANISATIONAL PROFILE			
G4-3	NEINVER S.A.		Name of the organisation
G4-4	20-21		Primary brands, products and services
G4-5	C/ Francisca Delgado, 11, 5ª planta. Alcobendas, Spain.		Location of the organisation's headquarters
G4-6	24-25		Number of countries where the organisation operates, and names of countries where it has significant operations
G4-7	52 NEINVER is a corporation (limited company).		Nature of ownership and legal form
G4-8	32-39		Markets served
G4-9	12-13		Scale of the organisation (number of employees, number of operations, net sales, etc.)
G4-10	64, 66	Subcontracted workers who provide services at the company's centres.	Breakdown of workforce by type of employment, type of contract, and region
G4-11	64		Percentage of employees covered by collective bargaining agreements
G4-12	90		Description of the supply chain
G4-13	39		Significant changes regarding the organisation's structure, ownership or its supply chain (acquisitions, share capital structure, selection and termination of suppliers, etc.)
G4-14	102-103, 104-105		Explanation of how the precautionary principle is addressed by the organisation
G4-15	55		Externally developed economic, environmental and social charters, principles or other initiatives to which the organisation subscribes or which it endorses
G4-16	94		Memberships of associations and national or international advocacy organisations in which the organisation: › Holds a position on the governance body › Participates in projects or committees › Provides substantive funding beyond routine membership dues › Views membership as strategic

GENERAL STANDARD DISCLOSURES	PAGE OR DIRECT RESPONSE	OMISSIONS	DESCRIPTION
MATERIAL ASPECTS AND COVERAGE			
G4-17	Financial data taken from the Group's annual consolidated financial statement. Its scope includes NEINVER, S.A. and all its subsidiary companies.		List of all entities included in the organisation's consolidated financial statements, and indication of which of them are not covered by this report
G4-18	140-141		Process for defining the report content and the Aspect Boundaries. Explanation of how the organisation has implemented the Reporting Principles for Defining Report Content
G4-19	142-143		List of all the material Aspects identified in the process for defining report content
G4-20	144		The Aspect Boundary within the organisation for each material Aspect
G4-21	144 (footnote)		The Aspect Boundary outside the organisation for each material Aspect
G4-22	Water and energy consumption data and greenhouse gas emissions data for 2013 and 2014 have been revised slightly from the figures included in the 2014 Sustainability Report. These restatements reflect improvements to the data collection and processing procedures, and are not considered significant.		Effect of any restatements of information provided in previous reports and the reasons for such restatements
G4-23	There have been no significant changes.		Significant changes from previous reporting periods in the Scope and Aspect Boundaries
STAKEHOLDER ENGAGEMENT			
G4-24	59-83		List of stakeholder groups engaged by the organisation
G4-25	NEINVER defines its list of stakeholders as including all organisations/groups that are critical to the company's operations or are influenced by its operations.		Basis for identification and selection of stakeholders with whom to engage
G4-26	59-141		The organisation's approach to stakeholder engagement
G4-27	59		Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns
REPORT PROFILE			
G4-28	The reporting period is the year 2015, although information from previous years is included where deemed appropriate.		Reporting period
G4-29	The most recent edition of the report was published last year.		Date of most recent previous report
G4-30	Annual.		Reporting cycle (such as annual, biennial)
G4-31	145		Contact point for questions regarding the report or its contents
G4-32	148-155		Indication of the "in accordance" option, plus a GRI Content Index indicating the location of the report's standard disclosures, and a reference to the external assurance
G4-33	No external assurance was obtained for the Sustainability Report. All indicators included in it come from the company's own annually audited management systems.		The organisation's policy and current practice with regard to seeking external assurance for the report. Information on the relationship between the organisation and the assurance providers, and the most senior decision-maker in the company who is involved in selecting the assurance provider



GENERAL STANDARD DISCLOSURES	PAGE OR DIRECT RESPONSE	OMISSIONS	DESCRIPTION
GOVERNANCE			
G4-34	51-52		The governance structure of the organisation responsible for decision-making on economic, environmental and social impacts
G4-35	51-52		Description of the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees
G4-36	51-52 The Management Committee involves all the company's top managers in issues related to economic, environmental and social topics. This Committee reports to Senior Management.		Existence of an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body
G4-37	All members of the Management Committee stay in ongoing contact with the key stakeholder groups in their area of activity. Topics important enough to affect the company's performance are shared by the Management Committee and, when necessary, are escalated to other elements of the corporate governance structure.		Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics
G4-38	52		Composition of the highest governance body and its committees by: executive or non-executive, gender, tenure on the governance body, independence, membership of under-represented social groups, competences relating to economic, environmental and social impacts, stakeholder representation
G4-39	The Chairman of the Board is not an executive officer, as Daniel Losantos was named CEO in late 2015.		Report whether the Chair of the highest governance body is also an executive officer
G4-42	52		The highest governance body's and senior executives' roles in the development, approval and updating of the organisation's purpose, value or mission statements, strategies, policies and goals related to economic, environmental and social impacts
G4-43	The company continually assesses the need to improve knowledge among its governance bodies, and in all cases promotes the most advisable initiatives.		Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics
G4-44	There is no independent performance evaluation of NEINVER's highest governance body.		Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics
G4-45	The Management Committee and other advisory bodies promptly inform the highest governance body about the most important management issues in the company, and that highest body gives its opinion and makes decisions about the most relevant issues.		The highest governance body's role in the identification and management of economic, environmental and social impacts, risks and opportunities. Include the highest governance body's role in the implementation of due diligence processes. Stakeholder consultation.
G4-46	53 The Management Committee informs the highest governance body about the main identified risks and about the steps to take to manage them.		Highest governance body's role in reviewing the effectiveness of the organisation's risk management processes for economic, environmental and social topics
G4-47	At all its meetings, the highest governance body analyses any new impacts, risks and opportunities of high relevance to the company.		Frequency of the highest governance body's review of economic, environmental and social impacts, risks and opportunities
G4-48	Management Committee.		Highest committee or position that formally reviews and approves the organisation's Sustainability Report and ensures that all material aspects are covered
G4-49	52 The Management Committee and other advisory bodies promptly inform the highest governance body about the most important management issues in the company, and that highest body gives its opinion and makes decisions about the most relevant issues.		Process for communicating critical concerns to the highest governance body

GENERAL STANDARD DISCLOSURES	PAGE OR DIRECT RESPONSE	OMISSIONS	DESCRIPTION
G4-52	68		Process for determining remuneration (indicating whether outside consultants are involved and whether they are independent)
G4-53	Stakeholders' opinions are not solicited for this section.		Stakeholders' involvement in defining remuneration policies
ETHICS AND INTEGRITY			
G4-56	54-56		Description of the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics
G4-57	54-56		Internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organisational integrity (such as helplines or advice lines)
G4-58	54-56		Mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisational integrity

SPECIFIC STANDARD DISCLOSURES

DISCLOSURES ON MANA- GEMENT APPROACH AND INDICATORS	PAGE OR DIRECT RESPONSE	OMISSIONS	DESCRIPTION
ECONOMIC PERFORMANCE			
ECONOMIC PERFORMANCE			
G4-DMA	29		Management approach
G4-EC1	31		Direct economic value generated and distributed (EVG&D) including revenues, operating costs, employee wages and benefits, donations and other community investments, profits undistributed and paid to providers of capital and to governments
G4-EC2	Actions related to energy are key to fighting climate change, which can have various effects on the assets the company manages: water shortages, changes in energy prices, changes in flooding patterns and impacts on the supply chain, for example.		Financial implications and other risks and opportunities for the organisation's activities due to climate change
G4-EC3	There is no benefit plan in the organisation.		Coverage of the organisation's defined benefit plan obligations
INDIRECT ECONOMIC IMPACTS			
G4-DMA	83		Management approach
G4-EC7	84-87, 88-89		Development and impact of infrastructure invest-ments and services supported
G4-EC8	84-85		Significant indirect economic impacts, including the extent of impacts
ENVIRONMENTAL PERFORMANCE			
MATERIALS			
G4-DMA	NEINVER takes care to reduce consumption in the centres, for example by installing interactive touch screens to reduce the need to print documents. In construction phases, by applying BREEAM sustainability criteria, it also works to reduce the environmental impact of its use of materials.		Management approach
G4-EN1	In 2015, paper consumption totalled 440 kg and toner consumption dropped to 69 kg.	No data is available on consumption of construction materials. Despite this, NEINVER requires its suppliers to reduce their use of materials and is committed to sus-tainable alternatives.	Materials by weight or volume
ENERGY			
G4-DMA	112		Management approach
G4-EN3	113		Energy consumption within the organisation (fuel, renewable and non-renewable sources, and electricity acquired, generated and sold) and methodologies/assumptions used
G4-EN5	113		Energy intensity
G4-EN6	113		Reduction of energy consumption
G4-EN7	113		Reductions in energy requirements of products and services
G4-CRE1	113		Building energy intensity

DISCLOSURES ON MANA- GEMENT APPROACH AND INDICATORS	PAGE OR DIRECT RESPONSE	OMISSIONS	DESCRIPTION
WATER			
G4-DMA	116		Management approach
G4-EN8	117 All NEINVER centres use the municipal water supply. Only Vila do Conde The Style Outlets uses well water, and only for fire protection and watering plants. The centre in Vila do Conde uses an estimated 1,560 m³ of well water per year (not included in the total figures provided).		Total water withdrawal by source
G4-EN9	No water sources were significantly affected by the company's with-drawal of water.		Water sources significantly affected by withdrawal of water
G4-CRE2	117		Building water intensity
EMISSIONS			
G4-DMA	114		Management approach
G4-EN15	114-115		Direct greenhouse gas (GHG) emissions (Scope 1)
G4-EN16	114-115		Indirect greenhouse gas (GHG) emissions (Scope 2)
G4-EN17	114-115		Indirect greenhouse gas (GHG) emissions (Scope 3)
G4-EN18	114-115		Greenhouse gas (GHG) emissions intensity
G4-EN19	114-115		Reduction of greenhouse gas (GHG) emissions
G4-CRE3	114-115		Buildings' greenhouse gas emissions intensity
G4-CRE4	114-115		Greenhouse gas emissions intensity for new construction and renovations.
EFFLUENTS AND WASTE			
G4-DMA	118		Management approach
G4-EN23	119		Total weight of waste by type and disposal method
G4-EN24	There were no significant spills.		Total number and volume of significant spills
COMPLIANCE			
G4-DMA			Management approach
G4-EN29	NEINVER received no such sanctions in 2015.		Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations
ENVIRONMENTAL - OVERALL			
G4-DMA	121		Management approach
G4-EN31	121		Total environmental protection expenditures and invest-ments by type
SUPPLIER ENVIRONMENTAL ASSESSMENT			
G4-DMA	91		Management approach
G4-EN32	91, 107 The company evaluates all its suppliers.		Percentage of new suppliers that were screened using environmental criteria

DISCLOSURES ON MANAGEMENT APPROACH AND INDICATORS	PAGE OR DIRECT RESPONSE	OMISSIONS	DESCRIPTION
SOCIAL PERFORMANCE – LABOUR PRACTICES AND DECENT WORK			
EMPLOYMENT			
G4-DMA	63		Management approach
G4-LA1	64		Total number and rates of new employee hires and employee turnover by age group, gender and region
G4-LA2	68		Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation
G4-LA3	137		Return to work and retention rates after parental leave, by gender
OCCUPATIONAL HEALTH AND SAFETY			
G4-DMA	70		Management approach
G4-LA6	70	A breakdown of the indicators by geography and gender, as they are not relevant factors in the context of the company's operations.  Indicators related to the work of contractors, because that information was not available when this report was written.	Type of injury and rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities, by region and by gender
G4-CRE6	135		Percentage of the organisation operating in verified compliance with an internationally recognised health and safety management system
TRAINING AND EDUCATION			
G4-DMA	67		Management approach
G4-LA9	67		Average hours of training per year per employee, by gender and by employee category
G4-LA11	69		Percentage of employees receiving regular performance and career development reviews, by gender and by employee category
DIVERSITY AND EQUAL OPPORTUNITY			
G4-DMA	66		Management approach
G4-LA12	52, 66		Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity
SOCIAL PERFORMANCE – SOCIETY			
LOCAL COMMUNITIES			
G4-DMA	83		Management approach
G4-SO1	83 NEINVER conducts this type of evaluation for all properties.		Percentage of centres with implemented local community engagement, impact assessments and development programmes
G4-SO2	When developing new properties, none of the socio-economic impact studies found any severe negative impacts in this area.		Operations with significant actual and potential negative impacts on local communities
G4-CRE7	The company's projects have not displaced any populations.		Number of persons voluntarily and involuntarily displaced and/or resettled by development, broken down by project.

DISCLOSURES ON MANAGEMENT APPROACH AND INDICATORS	PAGE OR DIRECT RESPONSE	OMISSIONS	DESCRIPTION
ANTI-CORRUPTION			
G4-DMA	54-56		Management approach
G4-SO4	54-55		Communication and training on anti-corruption policies and procedures
G4-SO5	There were no known cases of corruption during the reporting period.		Confirmed incidents of corruption and actions taken
COMPLIANCE			
G4-DMA	54-56		Management approach
G4-SO8	The company has not received any significant sanction in the last year.		Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations
SOCIAL PERFORMANCE – PRODUCT RESPONSIBILITY			
CUSTOMER HEALTH AND SAFETY			
G4-DMA	79		Management approach
G4-PR1	79 NEINVER evaluates the health and safety impacts of all the outlet and retail centres that it manages.		Percentage of significant product and service categories for which health and safety impacts are assessed for improvement
G4-PR2	There were no cases of non-compliance in this regard.		Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes
PRODUCT AND SERVICE LABELLING			
G4-DMA	76		Management approach
G4-PR4	There were no cases of non-compliance in this regard.		Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes
G4-PR5	77		Results of surveys measuring customer satisfaction
G4-CRE8	135		Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment.
CUSTOMER PRIVACY			
G4-DMA	79		Management approach
G4-PR8	To date, the company has received no complaints about non-compliance in this area or requests for data deletion.		Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data



