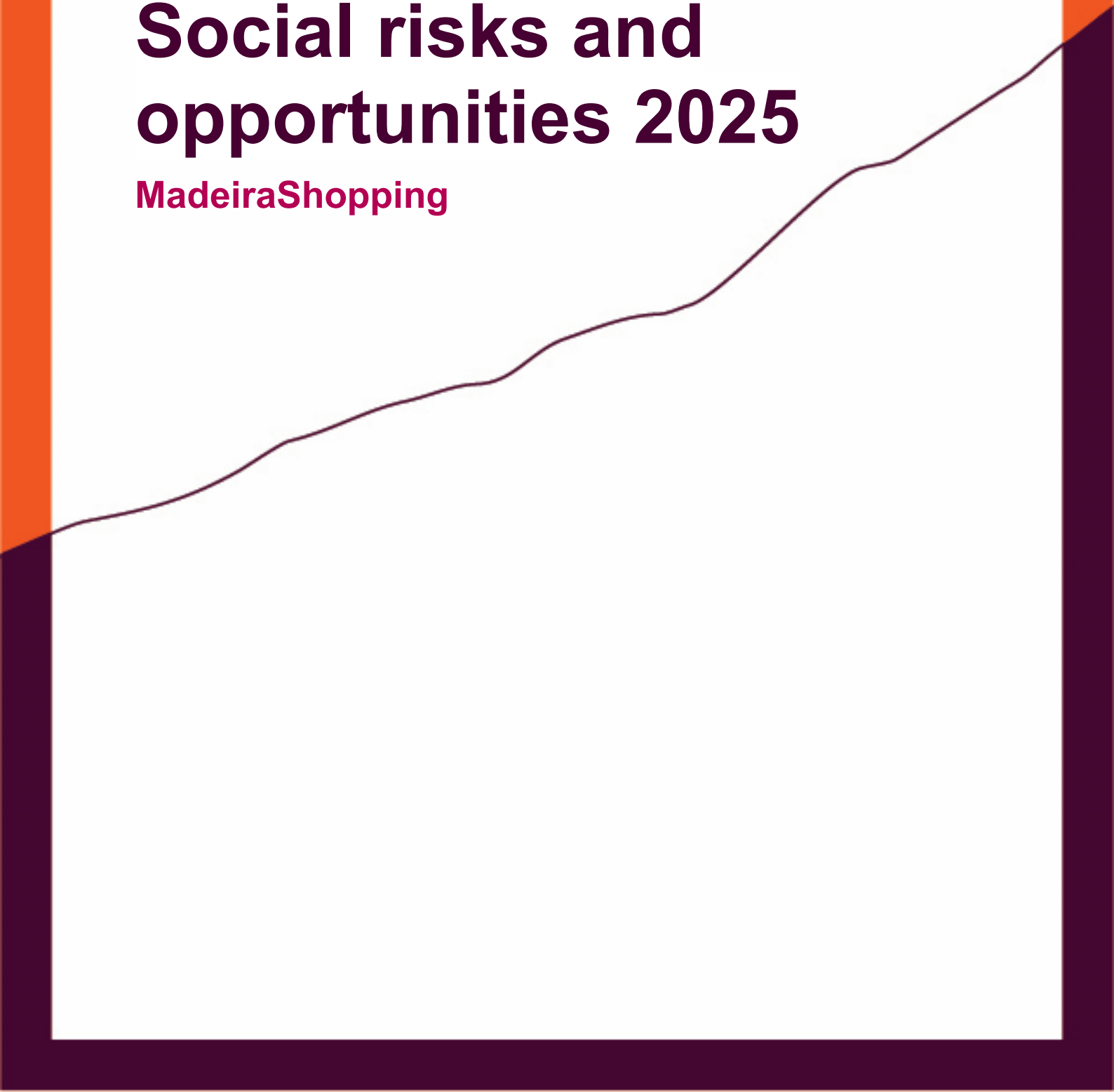


Social risks and opportunities 2025

MadeiraShopping



01. Introduction

The Social Risks and opportunities study aimed to analyse and evaluate the Social Risks and opportunities, to which MadeiraShopping, located in the city/municipality of Funchal, Autonomous Region of Madeira, Portugal, is exposed to.

According to the BREEAM In-Use International version 6 scheme, the RSL 08 criterion aims to assess both the social risks to which an asset may be exposed and the opportunities it may generate to enhance social well-being, particularly for underrepresented or vulnerable groups. This assessment evaluates how the asset interacts with its surrounding community and supporting infrastructure, considering both the potential impacts it may have on the community and the risks it may face, due to community-related factors. Special attention is given to vulnerable groups, examining how local vulnerabilities could be amplified or mitigated by the assets' presence and operations.

Ultimately, this assessment supports a more socially resilient approach to asset management, encouraging actions and strategies that not only mitigate risk, but also enhance community well-being, inclusivity and the long-term social value of the asset.

02. Social risks and opportunities

The assessment considers specific indicators related to the surrounding socio-economic, demographic and institutional context, as well as health, safety, security, and climate risks. These factors are analysed to provide a comprehensive and structured understanding of the risks and opportunities associated with the asset.

The main social aspects identified in this assessment include:

- **Population & Aging:** Portugal's population in 2023 was 10.64 million, with 256 622 in the Autonomous Region of Madeira. Funchal, in particular, has 107 562 residents, representing 41.9% of the region's total. The ageing index in Funchal (197.5) was higher than the national average (188.1) and the autonomous region average (171.5).
- **Birth Rate & Active Population:** Portugal had a high crude birth rate in 2023 (8.1%), lower in the Autonomous Region of Madeira (6.8%) and 6.5% in the city of Funchal. The active population in 2024 was 5.28 million nationally, with 128 500 in the Autonomous Region of Madeira.
- **Migration Trends:** Portugal in 2024, registered 33 916 permanent emigrants, while permanent immigrants numbered 177 557, resulting in a net positive population inflow. Funchal foreign resident population grew from 4 869 in 2020 to 5 280 in 2021.
- **Security:** Portugal scored 0 on the Global Terrorism Index, indicating no recorded terrorist activity. Regarding the crime rate, it decreased to 33.4% in 2024. Funchal reported a lower rate of 33%, with a total of 3 551 crimes reported. The majority were property-related (36%) and against individuals (36%).

- **Education & Literacy:** Illiteracy has declined. In 2021, the national rate was 3.08%, the Autonomous Region of Madeira 4.51% and Funchal 3.31%, all showing significant improvement since 2011.
- **Poverty & Social Support:** In 2023, 20.1% of Portugal's population was at risk of poverty or social exclusion, slightly better than the EU average (21.4%). However, the Autonomous Region of Madeira reported a higher rate (22.9%). Additionally, the number of Social Insertion Income (welfare benefit that provides financial support and social integration plans to individuals and families in extreme poverty) beneficiaries nationally in 2024 (226 071) decreased by 6.1% compared to 2023 (240 841).
- **Labor & Modern Slavery Risks:** Average working week in Portugal was 37.5 hours in 2024 (above EU average, 36 hours). Illegal immigration and undeclared work are still issues in Portugal, especially in agriculture, though illegal immigrant numbers have declined.
- **Economic Indicators:** Autonomous Region of Madeira minimum wage in 2025 was 915€, 4.9% above the national figure, following a 7.6% increase compared to 2024. Unemployment stands at 6.4% nationally and 5.6% in the Autonomous Region of Madeira. The Consumer Price Index (CPI) inflation in the autonomous region fell from 4.96% in 2023 to 3.34% in 2024, highlighting a gradual return to price stability after the turbulence of recent years.
- **Public Health:** Life expectancy in Portugal is 82.5 years (85.3 for women, 79.5 for men). The country ranks mid-range in mental well-being. The Autonomous Region of Madeira had 926 specialized doctors in 2023, with 79% based in Funchal (732).
- **Climate Change Risks:** MadeiraShopping faces physical risks like Heavy Precipitation, Heat stress and Water stress.

03. Our impact

MadeiraShopping has implemented a comprehensive set of measures to ensure the safety, well-being and inclusion of everyone who uses the space, as well as to minimize risks. Through a comprehensive process of risk analysis, we anticipate the main hazards and implement preventive measures that allow us to prevent incidents in our facilities.

Security is a top priority, supported by a network of high-quality CCTV cameras, trained security personnel on-site and a detailed emergency response plan. Additionally, specific procedures are in place to handle terrorism threats, supported by regular drills and training for building workers, reinforcing preparedness across all scenarios.



Figure 1. Exhibition – Safety and Expression¹

Health and wellness are also key focuses at the centre. Regular health screenings are made available to all building users, and indoor air and water quality are continuously monitored to ensure a safe environment. Occupational health services include scheduled medical appointments and health screenings. In addition, immediate access to first-aid support, with trained first responders and a defibrillator available on-site, ensuring prompt medical attention when needed. Mental health is also actively promoted among staff through training sessions, awareness campaigns, and access to professional support, contributing to a holistic and proactive approach to employee well-being.

Fair labour practices are central to the site's operations and form part of Sonae Sierra's formal policies. Direct staff receive fair wages and benefits in line with the company's Remuneration and Compensation Policy. Service providers are also required to comply with minimum regional wage standards and are included in benefits plans. Contracts with tenants and suppliers mandate full compliance with labour and social security legislation, and explicitly promote human rights, adequate working conditions, and fair remuneration policies.

Inclusivity and accessibility are reflected in various aspects of the shopping centre. The space is fully accessible to people with disabilities and the elderly, with features such as ramps and wide aisles. Signage is available in Portuguese and English. In addition, digital tools, including interactive touch screens, and the centre's website, provide access to maps, current promotions, and event information, enhancing the overall user experience for all visitors.

Community engagement is encouraged through the promotion of local businesses via pop-up shops and cultural events. There are spaces dedicated to affordable retail or social enterprises serving low-income customers, while inviting common areas such as lounges, seating zones, and picnic area provide opportunities for people of all ages, youth, seniors, and families to relax, socialise, and interact. The centre also provides opportunities for social solidarity institutions to raise awareness and fundraise within the premises. In addition, it fosters a sense of belonging through diverse programming, making it a welcoming place for relaxation and community interaction. The centre further participates in initiatives with local authorities to improve social conditions and collaborates with organisations to promote volunteering among staff and visitors.

¹ [Governo Regional da Madeira](#)

Feedback and suggestions are also encouraged through a clear complaint's procedure, reinforcing a responsive and community-centred environment.



Figure 2. Exhibition – The many faces of poverty²

Environmental responsibility is also integrated into daily operations. The site has assessed climate risks and developed strategies to build resilience. A certified corporate Safety, Health and Environmental Management System guides efforts to reduce energy and water consumption, promote recycling, and ensure sustainable sourcing. In addition, awareness-raising campaigns and exhibitions are organised to engage the community and promote environmental education. Visitors are encouraged to use public transportation, and electric vehicle chargers are available. At a corporate level, Sonae Sierra, the shopping centre's managing entity, holds well-recognised sustainability certifications, including ISO 14001 and ISO 45001, reinforcing its long-term commitment to sustainability stewardship.



Figure 3. Exhibition MagiCetus – Whale Museum³

Overall, this set of integrated initiatives reflects a responsible, inclusive, and sustainable approach to managing a modern shopping centre, one that prioritizes safety, health, human rights, community connection, and environmental resilience.

² EAPN – Rede Europeia Anti-Pobreza

³ MadeiraShopping