

We take long-term responsibility

Increasing e-commerce is driving development, causing goods transports to shift from large pallet consignments to small parcels. Future logistics solutions are faster, smarter, and lead to increased resource efficiency and lower environmental impact. Driving forces include both cost savings and demands for more environmentally and socially sustainable transports – and successful implementation requires the right premises, in the right location.

By means of its expertise and understanding of both community development and customer challenges, Catena is a strategic partner for customers in creating the conditions for more profitable and sustainable logistics flows.

We work actively to offer environmentally adapted and cost-efficient solutions for our tenants, both in existing properties and in the planning of new ones. This may entail ongoing improvement processes regarding how we help customers reduce their transports or identify more environmentally efficient ventilation solutions, as well as how the large roof surfaces on our properties can be seen and used as assets from the perspective of sustainability. In 2018, a Sustainability Manager was recruited to further strengthen the organisation, both practically and strategically.

Operating in the property market, with customers from the north of Sweden to the south, our social commitment is also an important success factor, with our efforts encompassing everything from local growth and collaboration to support in social contexts, and this is where our customer-oriented property management organisation plays an important role.

In 2018, we worked actively with the Company's values and discussed what they mean in practice. The process of developing Catena's new core values has engaged all employees.



Our various stakeholders demand that we maintain a clear approach to corporate responsibility and sustainability work on an ongoing basis, and they expect our commitment to be apparent in more than various policy documents. This report illustrates some of our activities and their impact.

Benny Thögensen
CEO, Catena AB



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Sustainable operations

In parallel with climate change, we are seeing changing consumption patterns and cargo flows for which production systems are global. This imposes stricter demands on fast, intelligent and cost-effective deliveries – more sustainable logistics.

Strategy and objectives

Sustainability is one of Catena’s prioritised strategic areas. Catena’s sustainability work is based on ongoing efforts to ensure that the Company’s own operations are conducted sustainably. By focusing on sustainability work in its own operations, Catena also makes it possible to provide sustainable logistics solutions to its customers.

Catena’s sustainability work is based on three principal focus areas. Priorities in the sustainability efforts are based on Catena’s other strategic objectives, the Company’s potential influence and opinions from the continuous dialogue Catena conducts with customers, investors, suppliers and local authorities. Catena has a high level of ambition and works continuously to develop the Company’s sustainability work.

FOCUS AREAS	PRIORITY SUSTAINABILITY ISSUES	OBJECTIVES	OUTCOME 2018
Sustainable logistics and societal development	<ul style="list-style-type: none"> Establish the conditions for logistics flows with a minimal environmental impact. Disseminate knowledge about sustainable logistics. 	Be engaged in networks and holding regular meetings with local government leaders in our market areas.	<ul style="list-style-type: none"> Over the year, Catena met with representatives of municipalities to present its new construction projects and to discuss the development of new and existing areas of land. Participated in various networks and attended sector market days throughout the country. The much-appreciated and well-attended LogistikTrender event was again arranged by Catena, with some 400 people attending. In focus for the day were future trends in the logistics sector.
Sustainable properties	<ul style="list-style-type: none"> Work with energy efficiency and renewable energy. Aim for a low environmental impact in new construction and conversions. Impose demands on suppliers with regard to health, safety and the environment. 	Select energy sources from a lifecycle perspective.	<ul style="list-style-type: none"> In connection with new construction and major remodelling projects, ongoing discussions are held on what energy source is to be chosen based on all aspects. Over the year, investments were made in geothermal and Tellus heating systems and, at the Dikartorp property, this allowed the property to be disconnected completely from the district heating network. By means of a hybrid heat pump coordinated with the property’s sub-floor heating system, installing a Tellus heating system, provides considerably lower consumption of heat than current standards. Tellus heating has also been installed at the new construction sites at the Sunnanå Logistics Position, outside Malmö.
		Always examine the possibility of installing solar cells in new buildings.	<ul style="list-style-type: none"> During the year, Catena established a solar energy group within the Company, which is to determine where investments should be made and how to collaborate with customers. Individuals from management and each of the regions are represented in this group. A 254.61 kWp photovoltaic plant was installed in Dikartorp during the year. Catena is looking into installing nine more photovoltaic plants.
		Offer green leases to all tenants with an annual rent exceeding SEK 1 million.	<ul style="list-style-type: none"> All tenants have the possibility of choosing a green lease when signing a new contract. During the year, one green lease was signed.
		Environmentally classify all newly produced properties and, to the greatest extent possible, those being converted.	<ul style="list-style-type: none"> All new buildings completed in 2018 will be classified as Green Buildings.
Attractive and responsible employer	<ul style="list-style-type: none"> Offer training and skills development for employees. Strive for diversity in the organisation. Prevent bribery and corruption. 	Participate in job fairs and offer internships and holiday jobs to young people.	<ul style="list-style-type: none"> During the year, Catena’s CEO gave lectures at Malmö University. Catena hosted an LAW trainee (learning at work). During the spring, two trainees from the property programme at Malmö University completed a two-year internship at Catena. Unfortunately, there were no opportunities to participate in labour market days during 2018.
		Maintain an eNPS of at least 40.	<ul style="list-style-type: none"> In the Catena employee survey conducted at the end of 2018, the result for eNPS was +63. The outcome was thus somewhat higher than in the previous year (+58) and clearly above the Company’s target.

*eNPS stands for “Employee Net Promoter Score” and is a measure of employee loyalty. The scale goes from -100 to +100.

Focus area:

Sustainable logistics and societal development

Catena shall be a driving force in establishing conditions for a societal development with more sustainable logistics solutions. This will be realised in cooperation with our customers.

Sustainable logistics solutions

Sustainable logistics entails optimising flows based on environmental, social and economic aspects. One of the challenges of sustainable logistics is logistics planning where the parameters for optimisation can often point in different directions. Examples of common optimisation parameters that can be contradictory are a maximal load factor, minimal transport time, the shortest possible route to the goods' final destination, and pre-determined delivery times. Catena is constantly working to create conditions for more sustainable logistics planning and the optimum solution varies and looks different for different customers. For Catena, this requires constantly understanding the customers' different challenges and the possible solutions, both today and in the future. Catena strives for flexibility and speed in the solutions it offers. Catena also strives to always stay one step ahead and to understand emerging trends, challenges and new hubs.

Involvement in networks and regular meetings with municipal councils, cooperative organisations and special interest associations in all market areas allows Catena to present the Company's views on logistics challenges and to ensure that logistics issues are taken into account in urban planning processes, for example.

Intelligent urban centre logistics through collaboration

Developing new, intelligent city logistics solutions is important in being able to achieve a more sustainable society and is crucial for the capacity to handle the ever increasing proportion of digitally-driven trade. Catena operates close to several municipalities to contribute to more cost and environmentally efficient solutions, enabling a higher usage of vehicle capacity and more accurate route planning, thus optimising urban logistics. With suitable locations for terminals adjacent to metropolitan regions, goods can, for example, be reloaded without passing through the urban centre, which is often the case today.

Through the company Urban Services, Catena has, since 2017, joined forces with Fabege, RagnSells and Servistik to develop a city logistics solution servicing Arenastaden in Solna, outside Stockholm. The area encompasses approximately 100,000 square metres of shops, with 4,000 residents and 30,000 workplaces, and, when fully developed, would generate more than 5,000 transports per week if no measures are taken. Urban Services aims to establish a locally sustainable logistics network

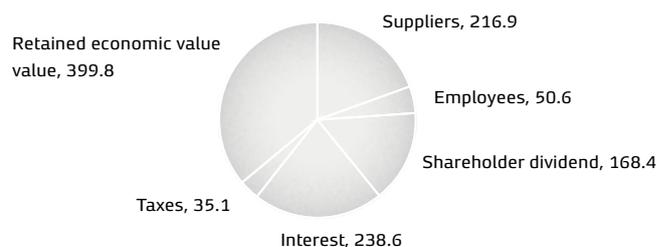
in which deliveries, handling of returns and recycling are managed in a shared flow to and from the area. The ambition is to reduce direct deliveries by 70 percent by 2021. This will be achieved by Urban Services offering a shared loading centre from which goods can be transported the last stretch by smaller electric vehicles. The vehicles will then carry back returns and recycling materials to maximise the utilisation of the vehicles' capacity.

In 2018, Urban Services signed an agreement with the owner of Mall of Scandinavia, Unibail-Rodamco-Westfield, and therefore handles the goods deliveries for some 200 customers there. Signing additional agreements with others players in Arenastaden is the next step.

Value creation for the Company's stakeholders

Sustainable logistics has great potential for long-term impacts on society, in terms of environmental, social and economic parameters. Catena maintains an ongoing dialogue with its key stakeholders to ensure that the Company also focuses on the right things in its sustainability efforts. Catena's direct impact on its stakeholders and the economy occurs through the direct economic value that the Company generates. One way to quantify companies' direct impact on their stakeholders is to assume how the Company's income has been distributed to different stakeholder groups – employees, suppliers, and society through tax payments. The diagram shows how Catena's income in 2018 was distributed among various stakeholder groups.

Created and distributed economic value, SEK M



The diagram shows how Catena's income in 2018 was distributed among various stakeholder groups. The total value created in 2018 amounted to SEK 1,109.4 million.

**ENERGY SAVING
 PROJECTS
 2018**

PROFITABLE COMBINATION OF GEOTHERMAL ENERGY AND PHOTOVOLTAIC CELLS

Several of Catena’s properties offer the possibility of replacing district heating with different geothermal solutions. In properties with refrigeration and freezer plants, a combination including photovoltaic cells can further improve profitability in projects while also reducing greenhouse gas emissions. In 2018, Catena invested in a combined facility of this kind at the Dikartorp 3:12 property, located in Jakobsberg, outside Stockholm.

The property houses a terminal for refrigerated and frozen goods, meaning it has considerable cooling needs, while other parts of the property have premises that require heating. The surplus energy generated by the cooling units is recycled and used in other parts of the property. Combined with the geothermal heating facility, this allows the property’s heating needs to be covered very efficiently.

Since the refrigerated terminal has particularly high energy needs during the summer months, photovoltaic

plants are also well-suited this type of property. The photovoltaic cells generate most electricity in the summer months – the part of the year when the refrigeration plant needs most electricity to power the cooling units.

During the warmer half of the year, the property needs less heating, meaning that the excess heat generated by the cooling units can instead be used to recharge the energy stored by the geothermal plant. The recharging of heat in the boreholes prepares the geothermal plant for the colder part of the year, engendering better opportunities to efficiently cover the demand for heat throughout the year.

Planning is now in progress for similar facilities in Karlstad, Sundsvall and Linköping.

Brief facts about the facility

The geothermal plant consists of 20 energy wells to a bore depth of 225 metres each and three heat pumps with an output of 264 kW. The active recharging of stored energy mainly takes place during the spring and summer period when the energy reserve is depleted. The investments have allowed the property to disconnect from district heating.

The photovoltaic plant consists of 943 photovoltaic modules of 270 W and is expected to provide 248,000 kWh/year. December 2018 was the first full month in which the plant’s new energy meter was operational and we are seeing a reduction in energy consumption by 78.2 percent (normal year-adjusted).

SEK **8.3** million
 Project expense

13.1%
 Direct return

7.6 years
 Repayment period



Focus area:

Sustainable properties

Catena works continuously to ensure that its properties are as sustainable as possible by increasing the efficiency of energy consumption, realigning to more renewable energy and environmental certification of properties.

Governance of environmental work

Catena has identified five areas where operations have a significant environmental impact: electricity consumption, heat usage, choice of building materials in new construction and remodelling, waste management and reduced transport through efficient logistics locations. For the risks and environmental aspects that the Company has identified, there are action plans, as well as overall environmental objectives and operational objectives that are monitored and evaluated on an annual basis. Catena's environmental management system is certified in accordance with ISO 14001.



Environmental certification of properties

Catena's objective is to certify all major new productions at least in accordance with Green Building. As the Company's properties are often newly produced on behalf of a customer, the choice of environmental certification is often a common decision with the

prospective tenant. For logistics buildings, it is difficult, in many cases, to justify environmental certification since more comprehensive environmental certifications, such as BREEAM, LEED and Miljöbyggnad are, in many cases, adapted for other types of commercial properties. All com-

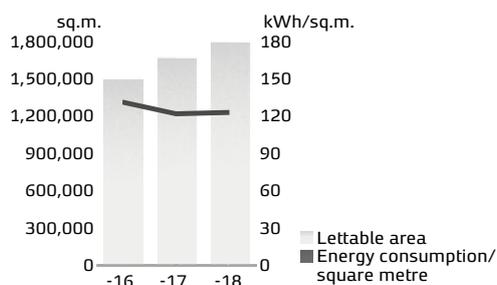
pleted newly constructed properties meet the GreenBuilding requirements. This entails that the property consumes at least 25 percent less energy than the requirements of the National Board of Housing, Building and Planning's requirements building regulations (BBR) for new buildings. Catena is working to certify another five properties.

Energy use

Heating and electricity are the single largest operating cost item for properties, meaning that optimised use of energy leads to both improved environmental performance and positive financial effects for both Catena and its tenants. Accordingly, enhancing energy efficiency remains a priority area for Catena. In existing properties, the focus continues to be on optimisation and refinement of systems. The energy-tracking system, which has been implemented gradually since 2015, now encompasses all properties and provides great opportunities for identifying problems, as well as savings potential. The properties are in the process of being connected to Catena's general management system continues, with this having been implemented in approximately 56 percent of the portfolio.

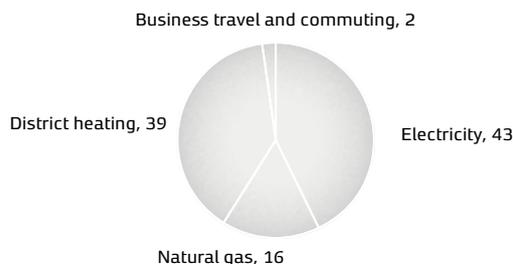
Catena aims to follow up energy consumption at all of its properties and perceives added value in being able to help tenants with follow up and proposing measures even when the tenants themselves are responsible for subscriptions. A challenge in implementing energy-saving projects is when Catena is not responsible for the properties' ener-

Property portfolio development and purchased energy per square metre



The diagram shows the development of the property portfolio's size and energy consumption per square metre. The calculation of energy consumption has been revised and Catena now reports energy consumption for 1,650,231 square metres, corresponding to 92 percent of the total lettable area. There are no energy consumption data for the remaining 8 percent, since Catena does not have access to all tenants' control data. To have comparable figures, Catena has also revised the figures for previous years. The increased energy consumption is attributable to higher energy consumption in the acquisitions implemented in 2016 and 2017.

Distribution of greenhouse gas emissions 2018, %



The diagram shows Catena's total greenhouse gas emissions in 2018 by respective activity.

gy supply. It can then be more difficult to get larger energy savings projects through, since efforts often require rent increases and the payback time for larger investments often extends beyond the term of the customer’s lease.

Greenhouse as emissions

Catena monitors greenhouse gas emissions from its operations annually in accordance with the Greenhouse Gas Protocol (GHG Protocol). In 2018, the Company’s total greenhouse gas emissions amounted to 8,555 (8,948) tonnes of CO₂e of which 98 (98) percent comes from energy purchased for the Company’s properties – read more about the calculations on page 134.

Most of Catena’s properties receive electricity from renewable sources through a framework agreement with Vattenfall, which reduces total emissions.

The cold winter and hot summer in 2018 posed challenges for Catena’s tenants and meant that consumption levels were at a somewhat higher level than in previous years despite energy saving projects. However, the past year demonstrated the importance of implementing energy saving projects, as the consumption levels would otherwise have been significantly higher.

Catena mainly seeks to reduce emissions by enhancing energy efficiency but also by replacing oil-fired boilers with district heating or geothermal heating and by continuously evaluating opportunities to install solar panels adjacent to its properties. A solar energy group was established within Catena in 2018 and is to determine where investments should be made and how to collaborate with customers. During the year, Catena invested in geothermal energy at the Dikartorp 3:12 property.



Energy use

	2018	2017	2016
Total electricity, MWh	118,217	103,892	103,074
– Of which tenants’ electricity	71,594	51,079	57,167
Natural gas, MWh	6,798	6,014	953
Heating oil, MWh	110	55	6
District heating normal year adjusted, MWh	55,896	46,546	49,275
Total, MWh	181,020	156,507	153,308
Energy consumption per square metre, kWh/m ²	124	123	132

The table shows the energy Catena has purchased divided by the respective type of energy and energy consumption per square metre. The calculation of energy consumption has been revised and Catena now reports energy consumption for 1,650,231 square metres, corresponding to 92 percent of the total lettable area. There are no energy consumption data for the remaining 8 percent, since Catena does not have access to all tenants’ control data. To have comparable figures, Catena has also revised the figures for previous years. Standard values have been stated for tenants’ electricity consumption in 2017 and 2016.

GHG emissions by activity

	2018	2017	2016
Electricity, tonnes CO ₂ e	3,645	4,610	5,559
Natural gas, tonnes CO ₂ e	1,373	1,215	192
Heating oil, tonnes CO ₂ e	31	15	2
District heating, tonnes CO ₂ e	3,354	2,955	2,830
Business travel and commuting, tonnes CO ₂ e	152	153	130
Total, tonnes CO₂e	8,555	8,948	8,713
Greenhouse gas emissions per square metre, kg CO ₂ e/m ²	4.7	5.8	5.8

The table shows Catena’s total greenhouse gas emissions and emissions per square metre. 100 percent of fuel consumption involves fossil fuel.

CONVERSION FROM DISTRICT HEATING TO GEOTHERMAL HEATING

Catena's long-term efforts to make the Company's properties more energy efficient have led to a number of successful results over the years. In 2018, investments were made in the Solsten 1:102 property, where Oriola is a tenant. These involved converting from district heating to geothermal heating with the drilling of 26 energy wells, which reduced energy consumption by 980,000 kWh per year. This corresponds to an annual saving of approximately SEK 750,000. Catena also decided to use low-temperature underfloor heating systems at the three most-recent new construction projects. This entails 78 percent lower energy consumption than the current requirements of the Swedish National Board of Housing, Building and Planning and considerably lower environmental impact.

980,000 kWh/year
Energy savings

78% lower
energy consumption

SEK 750,000
Annual savings



Oriola's high-bay warehouse.
Solsten 1:102, Härryda.

**ENERGY SAVING
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The geothermal solution that was installed has allowed the property to now be disconnected completely from the district heating network. Investments have also been made in the installation of Tellus heating systems, which give considerably lower consumption than the average. In connection with each new construction project and major remodelling projects, discussions are held regarding what energy sources should be chosen.

Choice of materials for new builds and conversions

Careful selection of materials is important to ensure healthy and safe premises, although the choice of materials also has a major impact on the buildings' energy performance during operation. In addition to standard supplier requirements, for any construction project exceeding SEK 5 million, Catena requires the preparation of an environmental plan. For contracts exceeding SEK 250,000, Catena requires systems for assessing and following up the construction materials used. Suppliers must use one of the three most common systems for assessing construction materials – Byggarubedomningen (BVB), Sunda-Hus Miljödata or BASTA. For simpler projects carried out by local contractors, Folksam's green construction guide can be used.

Waste

In most cases, Catena's tenants are responsible for their own waste management. For those tenants where Catena is responsible for waste management, the objective is for waste to be sorted into the fractions applicable for each municipality. Sorting should be performed in a manner that is easy and natural for the tenants. Hazardous waste generated by Catena's own operations is primarily handled by the property maintenance contractors. Catena requires that contractors have environmental management systems in accordance with ISO 14001, with their own procedures for waste management or that they apply Catena's procedures for the management of hazardous waste.

Purchases and supplier follow-up

Catena uses external suppliers and partners for, among other things, property management and large parts of the construction process for new construction and conversion, which entails that an important part of sustainability governance takes place in cooperation with suppliers and partners. The Company's employees are responsible for ascertaining whether the suppliers that are engaged are serious actors. No major changes took place in Catena's supply chain over the year.

Catena places high demands on both working conditions and environmental performance. All suppliers are initially checked so that any financial discrepancies are noted and partnerships are subsequently assessed on an ongoing basis. For major projects, the requirements are written into the general provision and, for smaller projects, requirements are documented on order forms signed by both parties. During the course of the projects, Catena works to be in place and ensure compliance with the requirements.

Business ethics guidelines

Catena's values and ethical guidelines are fundamental in the daily work of the Company's employees, partners and suppliers. Behaviour must always be pervaded by good business ethics and comply with current legislation and agreements. In Catena's supply chain, risks have been identified regarding the environment, social conditions, corruption and human rights in the implementation of construction projects. Catena works to have clear guidelines, procedures and follow-up to minimise the risk of violations. Risks are handled by setting requirements and following up on the contractors and suppliers the Company engages. Major contracts will require plans for quality, environment and work environment and adherence to, for example, ID-06. Catena primarily requires that suppliers have environmental management systems certified in accordance with ISO 14001. In connection with new construction, an environmental guide is applied that regulates the selection of materials, sustainable products and structural design. For smaller local companies that do not have the resources to develop and certify their management systems, Catena also approves simpler environmental management systems. The requirement is that they work with guidelines, objectives and training in a similar manner to ISO 14001.

Catena has an ethics policy that describes the Company's fundamental values and guidelines for employees and Board members. The policy includes guidelines in accordance with the ethical rules on contact and relation promoting benefits in business activities that were developed by the Swedish Anti-corruption Institute. It is management's responsibility to ensure that managers and employees have the knowledge required to follow the Company's policies and guidelines. All major purchases and agreements are controlled centrally and assessed to determine whether they are correct and reasonable. Employees who discover circumstances that feel contrary to the law and Catena's guidelines shall point this out to their immediate manager, the CEO or the Board.

Focus area:

Attractive employer

In order to understand the needs of customers and generate business, it is crucial that Catena can attract and retain skilled employees. The work is based on shared values.

Catena has a small but effective organisation comprised of individuals with substantial industry experience and strategic competence. Being an attractive employer is a strategic objective for Catena and part of its business plan. Creating a truly successful company, requires a team of employees working together to achieve set objectives. An important component of that work are shared values that all executives and employees respect and follow and can use as the starting point for all decisions big and small. As Catena grows, being a valuation-driven organisation is increasingly important and all employees were involved in formulating the shared values in 2018. They were launched in December and the work of building a valuation-driven organisation is continuing in 2019.

+63

Catena's eNPS result for 2018 shows that employees are satisfied and are very good ambassadors for the Company.

Satisfied employees

Its employees are Catena's most important resource and entirely crucial for the operations. One way of following up the employees' view of the Company's role as an employer and its ongoing sustainability work is by means of the annual employee survey. The latest employee survey was conducted in December 2018 and was answered by 93 percent of all employees. The results of the employee survey show that Catena's employees are very satisfied and are good ambassadors for the Company.

One way of measuring an organisation's attractiveness as an employer is by following up employee loyalty in terms of eNPS, Employee Net Promotor Score. The rating is a measure of how many of the employees are prepared to recommend the Company as a workplace on a scale of -100 to +100. A positive rating means that the organisation has more active ambassadors than critics. The eNPS score was 63, which is slightly higher than the previous year's 58, and a very high rating in both national and international comparisons.



The image is from Catena's education and planning conference.

Employee mobility, count

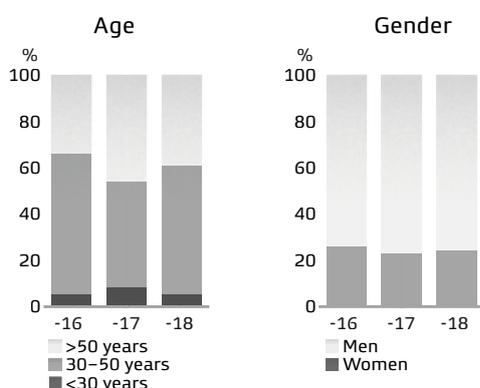
	2018		2017		2016	
	Number	Proportion women	Number	Proportion women	Number	Proportion women
New employees	6	17%	7	29%	15	20%
Share of total number of employees at year-end	15%		18%		39%	
Employees who left	4	0%	6	50%	3	67%
Share of total number of employees at year-end	10%		15%		8%	

Total labour force, count

	2018		2017		2016	
	Number	Proportion women	Number	Proportion women	Number	Proportion women
No. of employees	41	24%	39	23%	38	26%
Employees on permanent contracts	41	24%	37	22%	37	27%
– Of whom, full-time	41	24%	37	22%	37	27%
– Of whom, part-time	0	0%	0	0%	0	0%
Employees on temporary contracts	0	0%	2	50%	1	0%

The table shows the number of employees and the proportion of women at Catena, divided into different types of employment.

Employee distribution 2018



The diagram shows the percentage of employees in various age categories. There were a total of 41 employees as at 31 December 2018.

The diagram shows the percentage of men and women among Catena's employees.

Skills development

Continual skills development is crucial for Catena to continue to understand and be able to resolve the current and future challenges of its customers. Personal development plans are prepared in conjunction with the annual employee dialogues carried out with all employees. All employees are given a wide range of possibilities for choosing training, courses and seminars they wish to participate in on the Company's account. Central and prioritised training areas are management issues, finance, the environment and law. In 2018, Catena continued to offer substantial opportunities for employees to develop themselves and their professional skills, and a number of employees have taken more extensive courses in property management and control. During the spring, all employees attended the LogistikTrender event that Catena organises each year. This day is primarily aimed at customers and other external stakeholders, but is, at the same time, also an opportunity for all employees to learn more about where the logistics industry is heading and also entails all employees sharing the same knowledge platform. Work is also in progress to improve internal communications at the Company, where the focus is on how to more easily share information between the offices and to thus exchange even more knowledge internally.

Work-related accidents and accident frequency

	2018	
	Number	Frequency
Work-related accidents	0	0
Number of serious work-related accidents	0	0
Number of work-related accidents resulting in deaths	0	0

Only Catena's own employees are included in the accident statistics and Catena had no contracted personnel during the year. The calculations are based on 79,831 working hours in total. Accident frequency is reported per 200,000 working hours.

Health and safety

Catena works to create a healthy and pleasant work environment for the Company's employees, encompassing work on risks associated with both the physical and psychosocial work environment. Important elements of this work are to create the conditions for balance between work and leisure and ensure that employees have the opportunity to manage their own time and influence

Summary Board and employees

	2018		2017		2016	
	Number	Proportion women	Number	Proportion women	Number	Proportion women
Board	7	43%	7	43%	6	33%
Under 30 years	0	0%	0	0%	0	0%
30–50 years	2	100%	2	100%	1	100%
Over 50 years	5	20%	5	20%	5	20%
Management	7	14%	7	14%	9	22%
Under 30 years	0	0%	0	0%	0	0%
30–50 years	3	33%	3	33%	6	33%
Over 50 years	4	0%	4	0%	3	0%
Other Employees	34	26%	32	25%	29	28%
Under 30 years	2	50%	3	33%	2	50%
30–50 years	20	30%	15	33%	17	29%
Over 50 years	12	17%	14	14%	10	20%

The table shows the composition of the Company by gender and age category.

their work situation. Catena also has collective bargaining agreements for all employees and allows employees to decide which tools they need to facilitate their work. Issues related to work environment, health and safety are addressed regularly at personnel meetings, at smaller personnel meetings held in each location, as well as at cross-group meetings. More ongoing information is distributed via internal channels.

Management also works on an ongoing basis with following up and ensuring a healthy work situation for all employees. Regional managers and others with responsibility for personnel bear considerable responsibility in working with Catena’s employees to assure a safe working environment. Where work situations are not secure, discussions are held with the manager responsible, with the CEO or HR Manager and measures are determined in joint consultation.

Catena’s work environment policy provides the framework for systematic efforts regarding the work environment. The work environment policy is reviewed in consultation with all employees and training in the policy is provided for all employees, including in connection with recruitment. Efforts to update the work environment policy will continue in 2019. All employees must also undergo training in work environment issues. If needed, further training is arranged via the occupational health service or other suppliers, and Catena also offers opportunities for further education on these issues.

Equal opportunities for all

Upon new employment, promotions and continuous evaluation, Catena assesses expertise, experience and per-

Training hours

	2018	2017	2016
Average for all employees	8	21	10
Women	11	12	16
Men	6	23	7

The table above shows the average number of training hours per employee.

sonal characteristics. We do not discriminate individuals, favourably or unfavourably, based on aspects unrelated to how well the individual performs his/her work. The Board of Directors consists of three women and four men. However, women are currently under-represented in the management team and Board. Catena is working actively to identify suitable female candidates in recruitment and promotion.

Attracting new talent

One of Catena’s strategic objectives is to attract new employees by participating in job fairs and offering internships and holiday jobs to young people. During the year, an LAW trainee (learning at work) worked with in finance and salary administration and two trainees from the property programme at Malmö University completed their two-year internships at Catena during the spring. In previous years, Catena has participated in labour market days, among other events, and the Company plans to continue with this in the future. These initiatives make the Company more visible to students in priority education areas and increase opportunities for attracting new talent.

Sustainability Notes

Catena’s Sustainability Notes contain supplementary data for the Company’s sustainability reporting, which has been prepared in accordance with the guidelines from the Global Reporting Initiative (GRI) The sustainability reporting for the 2018 calendar year follows the GRI Standards, level Core.

The sustainability reporting is defined by the GRI index primarily comprises the CEO’s comments, the Sustainability Report and Sustainability Notes. These Sustainability Notes have not been subject to external review.

The Sustainability Notes provide information on how the Company has chosen what the sustainability report

should focus on and how stakeholders’ priorities are met, as well as additional information on governance in priority areas. Catena also presents a GRI index and discloses certain supplementary tables and charts, as well as the sources of the data, assumptions and conversion factors used in the accounts.

Tågarp 16:17, Burlöv.

In Burlöv, just outside Malmö, grocery delivery company Mathem has a fully-adapted, approximately 8,000 square-metre central warehouse that serves the Malmö region. The property of a total of 52,500 square metres also accommodates other food distributors.



GRI index

The following table lists references to the GRI disclosures and indicators reported by Catena within the Company's reporting of its sustainability work. GRI Standard 403 is reported for the 2018 version, the remaining modules refer to the 2016 version.

GENERAL STANDARD DISCLOSURES		
GRI Standards	Description	Page reference/Comments
ORGANISATION PROFILE		
102-1	Name of the organisation	62
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GRI 205: ANTI-CORRUPTION		
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205-3	Number of corruption cases	No cases
GRI 302: ENERGY		
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GRI 403: OCCUPATIONAL HEALTH AND SAFETY		
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405-1	Composition of the Company	130
GRI 406: NON-DISCRIMINATION		
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406-1	Number of cases of discrimination	No cases
CRE: PRODUCT LIABILITY		
103-1, 103-2, 103-3	Governance	124
CRE8	Sustainability certifications for new construction, remodelling and extensions	135

Stakeholders and materiality

Catena's operations aim to generate returns for the shareholders, and to succeed, Catena needs to meet the needs of the customers. Catena succeeds well when there are employees, partners and suppliers who can identify the customers' wishes and ensure that they are put into

practice. New construction can be affected by political decisions and the approval of local residents. The table below presents the most important stakeholders, the most important possibilities for dialogue and the stakeholder groups' most important issues.

STAKEHOLDER GROUP	OPPORTUNITIES FOR DIALOGUE	KEY ISSUES
Shareholders, analysts and investors	<ul style="list-style-type: none"> • Annual General Meeting • Regular meetings, including in connection with interim reports • Ongoing phone contacts • Meetings with shareholders and analysts • Capital Markets Day in Båstad • LogistikTrender – an annual day for the industry's stakeholders, at which a current theme is discussed and penetrated in detail • Website 	<ul style="list-style-type: none"> • Business model, objectives and strategy • Funding • Growth • Profit • Sustainability and Corporate Governance • Publication of information • Share liquidity
Employees	<ul style="list-style-type: none"> • Regular contacts • At least one annual performance interview and salary review • Annual personnel conference to educate and motivate 	<ul style="list-style-type: none"> • Opportunities for training and skills development • Clear career paths • Salary and benefits • Balance between work and leisure • Diversity and equality
Society	<ul style="list-style-type: none"> • Regular contacts with public sector decision makers to improve logistics locally, regionally and nationally • LogistikTrender – an annual day for the industry's stakeholders, at which a current theme is discussed and penetrated in detail • The management organisation's regular contact with tenants, businesses and local officials • Website • Collaboration with, and sponsorship of local sports and community associations 	<ul style="list-style-type: none"> • Goods supply and smooth logistics • Trends • Traffic intensity • Low environmental impact • Cost-efficient solutions • Long-term view
Suppliers	<ul style="list-style-type: none"> • LogistikTrender – an annual day for the industry's stakeholders, at which a current theme is discussed and penetrated in detail • Regular personal meetings with suppliers • Website 	<ul style="list-style-type: none"> • Stable partner
Customers	<ul style="list-style-type: none"> • LogistikTrender – an annual day for the industry's stakeholders, at which a current theme is discussed and penetrated in detail • Reinforced active management organisation that maintains regular contact with tenants • Website 	<ul style="list-style-type: none"> • Stable and flexible landlord • Accessibility • Cost-efficient premises • Environmental efficiency • Access to multiple modes of transport

Catena's most important stakeholders are shareholders, analysts, investors, employees, society, suppliers and customers. Based on an ongoing dialogue with stakeholders and an in-depth stakeholder dialogue conducted in 2014, nine areas have been identified as material in the Company's sustainability efforts. The table below lists these nine areas and the corresponding sustainability disclosures in the GRI Standards.

CATENA'S SUSTAINABILITY ASPECTS	GRI STANDARDS
Work with energy efficiency and renewable energy	Energy, Emissions
Offer training and skills development for employees	Terms of employment and working conditions, Health and safety, Training
Preventing bribery and corruption	Anti-corruption
Generate financial returns	Economic performance
Establish the conditions for logistics flows with a minimal environmental impact	Indirect financial impact
Disseminating knowledge about sustainable logistics	Indirect financial impact
Aim for a low environmental impact in new builds and conversions	Environmental impact from products and services, Labelling of products and services
Striving for diversity in the organisation	Diversity and equal opportunities, Non-discrimination and jobs
Imposing demands on suppliers with regard to health, safety and the environment	Assessment of suppliers' environmental impact

Limitations

All of the sustainability aspects Catena has deemed to be significant in various ways have an impact on the Company's operations and employees. The key performance indicators presented refer to Catena and all subsidiaries and joint ventures with a participating interest of 50 percent or more, unless exceptions are described in connection with the information presented. Catena strives for comparability in historical data.

Some of Catena's sustainability aspects may also have an impact outside the Company's legal framework, such as at customers and suppliers. In these cases, this impact and the limitations on Catena's responsibility are described in an ongoing manner in connection with the reporting of governance and indicators.

Background data and complementary indicators

In this section, Catena presents the methods, assumptions and conversion factors used to prepare the Company's key performance indicators and GRI indicators. Supplemental information is also presented.

Supplier evaluation

The Company is evaluating appropriate indicators to measure and follow up suppliers' performance in a relevant and cost-effective manner. Catena currently measures none of the GRI indicators for the disclosure of supplier evaluation of the environmental impact, despite this having been identified as material.

Energy consumption & greenhouse gas emissions

Catena has this year changed its method for calculating energy use and now reports energy consumption for 92 percent of the total lettable area – the remaining 8 percent is not included in the figures because Catena lacks access to tenants' control values. The change in calculation method means that properties where tenants are responsible for purchasing energy are also now included in

the calculations. Energy use for 2017 and 2016 has been revised so that the figures are comparable.

To facilitate understanding, Catena presents all energy consumption in MWh or kWh. To convert energy consumption from MWh to GJ, use the conversion factor 3.6.

Catena measures and monitors greenhouse gas emissions annually in accordance with the Greenhouse Gas Protocol (GHG Protocol). Information on usage and conversion factors is retrieved from the following sources:

- Own combustion; energy statistics are retrieved from proprietary systems, conversion factors are retrieved from GHG Protocol.
- Travel with the Company's own vehicles; consumption statistics from mileage indicators and distance-based compensation, conversion factors from the Network for Transport Measures and Environment (NTM) and Statistics Sweden.
- Purchased energy; energy statistics from proprietary systems, conversion factors from the relevant energy suppliers, in some cases with one year's delay due to lack of access to current statistics.
- Business travel; usage statistics are retrieved from distance-based compensation, recorded costs and travel agency. Conversion factors for car journeys are obtained from the Swedish Transport Administration and NTM, for taxi trips from Taxi Stockholm, for train journeys from SJ and for air travel from GHG Protocol.
- Employee commuting; usage statistics are based on completed employee surveys for each year, conversion factors for different modes of transport are obtained from the Swedish Transport Administration and NTM.

The conversion factors are reviewed and updated once a year in connection with the preparation of the Sustainability Report. As far as possible, Catena uses conversion factors that include all relevant greenhouse gases, that is, CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃. The Company does not perform its own conversions from other green-

Greenhouse gas emissions by scope (tonnes of CO₂e)

	2018	2017	2016
Scope 1 (Use of oil, natural gas and fuel in commercial vehicles)	1,458	1,292	248
Scope 2 (Electricity and district heating not metered individually for each tenant)	805	1,272	1,627
Scope 3 (Oil, natural gas, electricity and district heating as metered individually for each tenant, as well as business travel and employee commuting)	6,292	6,385	6,837
Total	8,555	8,948	8,713

The table shows Catena’s GHG emissions allocated according to the relevant scope. Catena’s carbon dioxide emissions for electricity use (Scope 2) in geographical valuation (location based): 544 tonnes CO₂e.

Environmentally certified properties (square metres)

	2018	2017	2016
EU GreenBuilding	126,675	126,675	43,209
Total certified area	126,675	126,675	43,209
Share of total lettable area	7%	8%	3%

The table shows environmentally certified area as well as the proportion of environmentally certified area of the total lettable area.

house gases to CO₂e and therefore has no overall value for Global Warming Potential (GWP). The combustion of renewable fuels, just like fossil fuels, causes greenhouse gas emissions, but as these emissions are part of a cycle, Catena does not report these emissions under the Company’s greenhouse gas emissions. The conversion factors relating to the use of renewable fuels consist of the part of the fuel that is fossil, for example, the approximately 15 percent of E85 fuel that consists of petroleum.

Governance, health and safety

Catena’s management system for health and safety applies to all employees and is based on identified risks and overarching legal requirements. Health and safety issues are dealt with on an ongoing basis at management meetings, personnel conferences and through contact with the occupational health service. Although the management team is responsible for the annual follow-up of work environment matters, all employees are able to submit cases or, if they so wish, to participate in management meetings when specific agenda items are addressed. Information regarding Catena’s policies and manuals is available to all employees via Catena’s internal IT platform.

The work environment policy contains instructions and forms for the reporting of incidents and accidents and for how these are to be investigated. From time to time, an appointed group shall ensure that no employees are subject to reprisals. Incidents are followed up by the management team and a health and safety officer if one has been

appointed. The position of health and safety officer is currently vacant and all incidents must therefore be reported to the CEO.

An annual review of the work environment is conducted in the form of safety rounds at each department and regional office. Catena also conducts an annual risk assessment, with action plans and follow-up of the systematic work environment efforts being prepared. Based on the annual checks, assessments are made regarding what needs to be changed in the work environment.

Occupational health

Catena has signed an agreement on occupational health-care for all locations where Catena’s employees are posted. Health checks and specific interviews on preventive measures are conducted with all employees every two years. Employees may also contact the occupational health service directly when the need arises. This should first be approved by the manager responsible or HR.

Catena offers all employees an annual wellness subsidy. Involvement in various events is encouraged as employees can participate in various health runs and other events together. All employees also have the opportunity to take out private health insurance, a benefit that is voluntary for the employee and taxable.

Helsingborg, March 2019
Board of Directors

Auditor’s opinion regarding the statutory Sustainability Report

To the Annual General Meeting of Catena AB (publ), Corporate Registration Number: 556294-1715

Assignments and responsibilities

The Board of Directors is responsible for the Sustainability Report for 2018 on pages 120-135 and for it being prepared in accordance with the Annual Accounts Act.

Focus and scope of the review

Our examination has been conducted in accordance with FAR’s auditing standard RevR 12 *The auditor’s opinion regarding the statutory Sustainability Report*. This means that our examination of the statutory Sustainability Report is

different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinions

A statutory Sustainability Report has been prepared.

Malmö, 20 March 2019
PricewaterhouseCoopers AB

Mats Åkerlund
Authorised Public Accountant