

CATENA

Investor Report 2022

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Introduction

Background

In 2008, the World Bank issued the world's first green bond, and, since then, interest in this type of dedicated loan has increased substantially. Catena's green framework was established in 2021 and covers all types of lending instruments where the cash equivalent is reserved for green instruments. This report is thus the second investor report in the series and meets the requirements specified in Catena's green framework. The framework has been established according to the Green Bond and Green Loan Principles developed by the ICMA (International Capital Market Association). The framework was in turn independently reviewed by CICERO Shades of Green, which has submitted a Second Party Opinion in which the framework was awarded the rating of 'Medium Green shade'. In May 2021, Catena issued its first green bonds. In this report, we describe the investments that are classified as green according to the framework. The report and its contents are reviewed by our auditors who have provided an opinion on the final page.

A responsible company that continuously develops its operations is a competitive and attractive company. Our tenants' activities and our own new-build projects account for large emissions in total. Therefore, it is important for us to take responsibility where the impact is greatest and that we work in collaboration with others to reduce our impact throughout the value chain. By developing more sustainable logistics solutions, Catena is able to exert a positive influence over both business partners and the environment, and we see great potential in building even more resource efficiency into new-build, conversion and extension projects. According to the Swedish National Board of Housing, Building and Planning (Boverket), the construction and property sector accounts for approximately one fifth of Sweden's domestic emissions of greenhouse gases. Furthermore, according to the Swedish National Board of Housing, Building and Planning's environmental indicators, just over half of the climate impact occurs as early as during the construction phase of a new building, or during demolition. The sector also contributes to emissions through the importing of construction materials and construction products.

Sustainability activities

Since 2013, Catena has been working with an internal environmental management system that is certified according to ISO 14001, which means that we have undertaken to constantly develop and improve our environmental work. Catena's sustainability reporting is prepared in accordance with the GRI (Global Reporting Initiative) and follows the latest updated GRI universal standards. In order to take a stand on issues of human rights, labour law, the environment and anti-corruption, Catena has signed the UN Global Compact. Catena's sustainability activities support the Sustainable Development Goals in Agenda 2030.



→ Read more about our sustainability activities on our website.

Important developments in 2022

In 2020, the GRI universal standards framework was updated, and the update entailed Catena conducting an updated materiality analysis in accordance with GRI's recommended process in spring 2022.

In 2022, Catena was awarded EPRA sBPR Gold for its reporting in 2021.

EU taxonomy

Catena welcomes the EU's green taxonomy and reports voluntarily, as a proactive measure. Catena will be subject to the EU taxonomy through the Corporate Sustainable Reporting Directive (CRSD). We identify that 100 percent of Catena's operations come under the construction and property sector. Please read our reporting of the EU's green taxonomy in our annual report, pages 94–95, 102–104.

Climate risks

The work with climate risks (both physical and transition risks) continues, and here Catena follows both recommendations from the Task Force for Climate-related Disclosure (TCFD) and the reports in accordance with the climate risks identified in the EU's taxonomy, Appendix A.

In 2022, Catena focused on and was guided by its updated sustainability targets:

- Net-zero greenhouse gas emissions by 2030.
- The entire portfolio must be net-positive in terms of biodiversity by 2030.
- Of the Group's lettable area, 100 percent must be environmentally certified by 2030.
- Certified as a Great Place to Work, with the goal of achieving a Trust Index of 85 percent by 2025 (industry average in Sweden of 82 percent).
- Exert a positive influence on our business partners and our environment by participating in societal development.

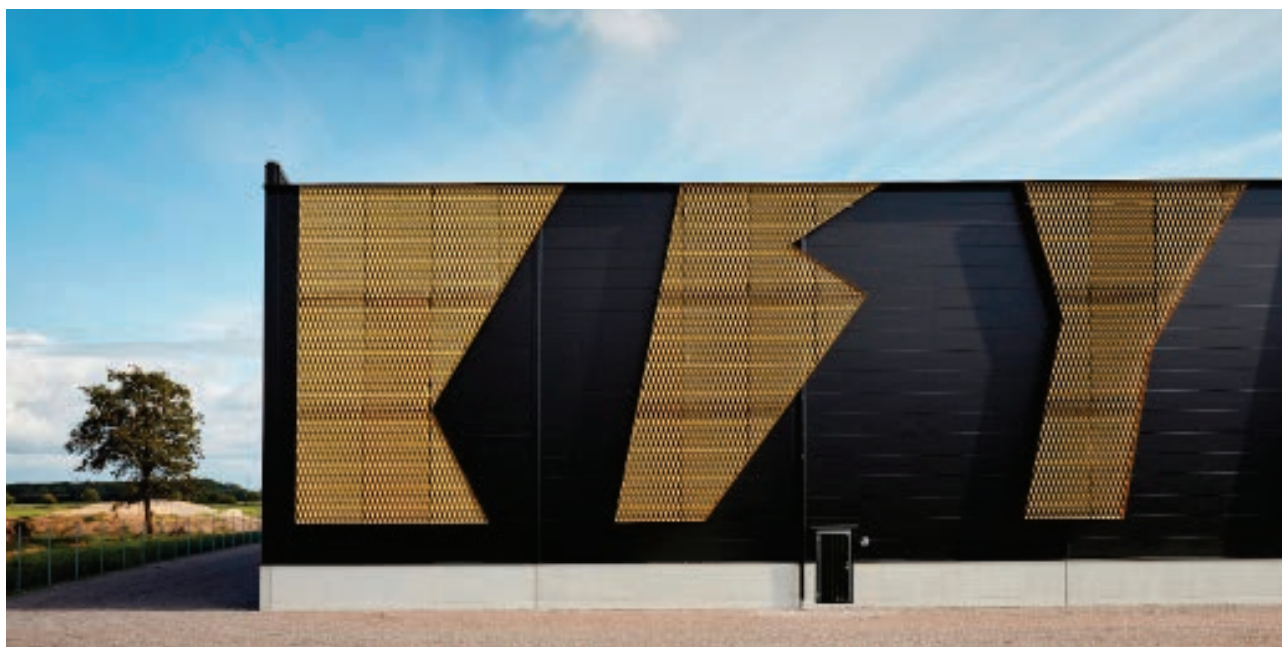
Energy consumption at our properties

From an operational perspective, the energy consumption at our properties is the factor that has the greatest climate impact, and it is the reason why energy consumption at our properties is a priority environmental issue for Catena. Catena must reduce energy consumption for normal-year adjusted heating by 15 percent in kWh/m² and for electricity by 10 percent (kWh/m²) by 2025 compared with the base year of 2017. The target includes energy consumption by both the property and business operations.

Greenhouse gas emissions

Greenhouse gas emissions in the new wording of our goals, unlike before, also refers to indirect emissions in Scope 3, such as emissions from our tenants' energy consumption and emissions that arise from newly constructed buildings and extensions as well as from major conversions. It is in Scope 3 that the majority of our emissions occur, therefore, it is of great importance that we work strategically to reduce these.

Our green financing



Green financing

At the end of 2022, Catena had a total of SEK 3,033 million outstanding in green loans, which corresponded to 28 percent of all outstanding interest-bearing debt. An intermediate goal is to achieve at least 50 percent green financing by 2025 at the latest. In 2021, Catena established its own MTN programme and at the same time established its own green financing framework. On the accounting reference date, SEK 1,400 million in green bonds were outstanding.

In addition to green financing within its own framework at the turn of the year, Catena had green loans taken out partly from banks and partly from Svensk FastighetsFinansiering (SFF) amounting to SEK 1,633 million.

Distribution, green investments and loans as at 31 December 2022	SEK million
Green and energy-efficient properties	
New properties and major renovations	6,775
Existing properties	6,076
Energy efficiency	
Energy-efficient projects	38
Green qualified assets¹	12,888
Green bonds (MTN) – within own framework	1,400
Green bank loans ²	1,455
Green bonds (SFF) ³	178
Green financing	3,033
Remaining space for green financing	9,855
Share of liquidity, new financing/refinancing	
New financing	0%
Refinancing	100%

1 Value as at 31 December 2022.

2 Green bank loans fulfil both the bank's own green framework and Catena's.

3 Green bonds via SFF fulfil both SFF's green framework and Catena's.

Bonds under the company's own MTN programme are listed on the Nasdaq Stockholm Green Bond List.

Outstanding bonds (MTN)

ISIN	Issued (year)	Maturity (year)	Nominal amount
SE0013104635	2021	2025	SEK 950 million
SE0013104627	2021	2025	SEK 450 million

All green financing raised within the context of our own framework is managed at portfolio level. This means that a green loan within the framework is not necessarily directly linked to a specific green asset within our own framework. The allocation of the equivalent of the liquidity from outstanding green financing within our own framework is distributed to the green pool of qualified investments.

Catena keeps a record of all assets/investments that qualify and ensures that there are sufficient green assets at all times to cover outstanding green loans.

→ Read more about our selection and evaluation process in our Green Finance Framework.

Cicero's opinion

Our framework has been awarded the Cicero Medium Green rating by Cicero Shades of Green with the following opinion:



“In addition to the company's policies and guidelines, the sustainability work is based on the ten principles of the UN Global Compact. As a member, the Company works actively to contribute to the Agenda 2030 and the Sustainable Development Goals (SDGs).”

‘In 2020, Catena became a member of the LFM30, which is a local initiative in Malmö to achieve a climate-neutral construction sector in line with Agenda 2030. Also in 2020, Catena was awarded two European Public Real Estate (EPRA) Sustainability awards – EPRA Silver and EPRA Most Improved.’

‘The policies toward sub-contractors through Catena's Code of Conduct are good, covering business ethics, social safeguards as well as environmental issues. The management of proceeds is in accordance with the Green Bond Principles and the Green Loan Principles. Catena's annual Sustainability Report is conducted in accordance with the Global Reporting Initiative (GRI) Standards as well as with EPRA's Sustainability Best Practice Recommendations. In 2020, the Company has also chosen to work towards reporting in line with the Task Force on Climate-Related Financial Disclosure (TCFD)'s recommendations.’

“Included in the overall shading is an assessment of the governance structure of the green finance framework. CICERO Shades of Green finds the governance procedures in Catena's framework to be Excellent.”

→ Please read Cicero's full opinion on our website.

EXAMPLE PROPERTY: Vrangelsro 5:4

📍 Halmstad

🏠 49,980 m²

🌿 BREEAM-SE



Catena acquires two properties from Halmslätten

The acquisition of Vrangelsro 5:4 and Logistiken 3 adds two modern logistics properties with a strong, long-term tenant in Martin & Servera. Both properties have an attractive sustainability profile in terms of being completely self-sufficient in heating through the recovery of heat from the cooling system. ‘We are happy to be able to add Vrangelsro 5:4 and Logistiken 3

to our portfolio. The acquisition is in line with our strategy to own and manage modern logistics properties in important logistics locations. By strengthening our presence in Halmstad and Umeå, we position Catena for continued attractive growth,’ says Jörgen Eriksson, CEO of Catena.

**PROPERTIES QUALIFIED ACCORDING TO THE GREEN FRAMEWORK
CATEGORY 1 – Green and energy-efficient properties**

Property	Environmental certification	Output solar cell plants	Energy class		Energy performance	Improvement in relation to regulatory requirements	Calculated annual climate impact	Calculated annual climate impact (including electricity use of business operations)	Assessed avoidable annual emissions ³
			kWp	kWh/m ²					
Backa 23:5, 5510	iDrift Silver		C	70	63	10	22.67	40.92	-0.45
Backa 23:5, 5520	iDrift Silver	251*	A	70	35	50	0.59	97.18	0.53
Backa 23:9			B	73	54	26	0.83	-2.50	5.35
Backa 97:10			B	70	39	44	2.07	33.83	-14.26
Barnarps-Kråkebo 1:56			B	70	40	43	2.33	5.61	-7.87
Barnarps-Kråkebo 1:44			B	76	41	46	29.92	49.27	-3.82
Björrod 1:205	Miljöbyggnad Silver (Environmental Building Silver)		B	96	63	34	1.22	19.02	-1.29
Broby 57:5	Miljöbyggnad Silver (Environmental Building Silver)	499	B	70	37	47	0.70	150.87	-2.89
Drivremmen 1			B	80	53	34	1.07	78.12	-11.14
Egeskovvej 20			A	0	0	Data not available	Data not available	-3.33	Data not available
Förmannen 4			A	70	28	60	0.31	31.88	7.87
Hammaren 1			A	70	29	59	-0.19	70.05	90.28
Hammaren 2			A	70	29	59	0.12	4.10	45.12
Jordbromalm 4:33			A	72	35	51	0.17	24.44	33.55
Jordbromalm 4:41			B	70	41	41	0.74	54.82	-9.85
Klarinetten 1			B	107	69	36	2.55	13.58	-5.24
Kometvej 15			A	41.3	40.2	3	2.48	5.39	-8.90
Lagret 1			A	70	25	64	0.83	40.65	-13.15
Lagret 4	Miljöbyggnad Silver (Environmental Building Silver)		B	70	37	47	0.90	16.85	-3.26
Logistiken 3		200	A	95	40	58	0.96	129.77	9.09
Lokesvej 18			A	41.2	39.8	3	2.56	8.96	-10.70
Mappen 3		255	B	80	56	30	4.52	178.54	-107.13
M.P. Allerups Vej 61		5	A	56.8	51	10	2.57	4.97	Data not available
Morgongåva 15:33	Miljöbyggnad Silver (Environmental Building Silver)	2000	B*	80	31.2	61	Data not available	Data not available	Data not available
Mosås 4:57			B	70	51	27	29.35	33.87	-19.86
Målås 4:4			B	96	69	28	2.40	36.12	-5.49
Norra Varalöv 31:11, hus A	Miljöbyggnad Silver (Environmental Building Silver)		A	70	15	79	7.94	213.95	-102.67
Norra Varalöv 31:11, hus B	Miljöbyggnad Silver (Environmental Building Silver)	255*	A	70	14	80	0.30	58.12	22.81
Norra Varalöv 31:11, hus C	Miljöbyggnad Silver (Environmental Building Silver)	255	A	70	28	60	0.52	Data not available	-1.66
Norra Varalöv 31:5			B	70	37	47	0.70	0.08	-0.84
Plantehuset 3, Terminalen	Miljöbyggnad Silver (Environmental Building Silver)	255	B	70	48	31	0.43	Data not available	4.26
Plantehuset 3, Höglagret	Miljöbyggnad Silver (Environmental Building Silver)		A	86	6	93	0.18	1.00	11.09
Plantehuset 3, Möbellagret	Miljöbyggnad Silver (Environmental Building Silver)	255	A	70	21	70	1.07	31.99	-38.41
Rebbelberga 26:37			A	70	25	64	0.25	8.27	6.22
Slottshagen 2:1			B	88	50	43	103.05	96.16	-103.59
Snesholm 1:16	Miljöbyggnad Silver (Environmental Building Silver)	1501	A	70	10	86	0.25	9.40	17.66
Stenvreten 8:33			B	116	73	37	0.47	11.61	-0.88
Storheden 2:1			B	83	61	27	1.63	-1.60	-1.73
Rosersberg 11:81			A	70	29	59	1.39	50.82	2,536.97
Sunnanå 12:51 bygg 1	Miljöbyggnad Silver (Environmental Building Silver)		A	70	25	64	9.74	41.61	8.33
Sunnanå 12:52, bygg 2	Miljöbyggnad Silver (Environmental Building Silver)		C	80	71	11	1.37	6.55	-2.21
Sunnanå 12:52, bygg 3	Miljöbyggnad Silver (Environmental Building Silver)	291	B	70	38	46	0.89	Data not available	-3.47
Sunnanå 12:52, bygg 4	Miljöbyggnad Silver (Environmental Building Silver)	291	A	70	26	63	0.52	16.05	1.48
Sunnanå 12:52, bygg 5	Miljöbyggnad Silver (Environmental Building Silver)		A	70	18	74	5.55	Data not available	3.30
Tahe 1:64		254	B	70	42	40	2.90	165.73	-116.5
Vasslan 1			A	81	38	53	1.71	15.00	0.57
Vindtunneln 1			B	70	47	33	1.34	42.99	-2.47
Vindtunneln 2			B	70	40	43	1.62	38.05	-9.15
Åre 92	Miljöbyggnad Silver (Environmental Building Silver)		C	70	54.8	22	1.96	70.73	-37.97
Vrangelsro 5:4		499	A	103	23	78	0.61	234.54	2.96
TOTAL				73	39	46	260.97	2,270.32	2,161.00

* Solar cell plant owned by the tenant.

** This is a forecast. The value refers to a newly constructed building, which is why there is no energy declaration yet.

*** Assessed avoidable emissions only include the building's energy consumption (excluding use of electricity by business operations) and compare emissions from actual energy consumption in relation to the regulatory requirements.

CATEGORY 2 – Energy efficiency

Catena constantly works together with its tenants to improve the efficiency of the properties and reduce their energy consumption. Investing in efficient systems for electricity, heating and ventilation is a given. We describe a few examples of major energy projects that were carried out or started in 2022.

Property	Measures	Estimated annual saving, tonnes CO ₂ e	Status
Mätaren 6	Geo-energy projects, including borehole thermal energy storage. And 499 kWp solar cell installations.	79	Completed Q1 2023
Sköns Prästbord 2:4	Circular energy cooling/freezing. Borehole thermal energy storage. Replacement of control system. Expansion of 245 kWp solar cells.	276	Completed Q1 2023

EXAMPLE: ARENDAL 13:3

📍 Gothenburg

🌿 BREEAM Building of the Year 2022



The first logistics facility with the highest certification

At the end of 2022, Catena acquired two properties from ICA Fastigheter, Arendal 13:3 in Gothenburg, Sweden, Arendal and Viby 19:106 in Upplands-Bro, Stockholm, Sweden.

Arendal 13:3 distinguishes itself with a logistics facility for cold storage that has achieved BREEAM Outstanding, one of a few logistics facilities in Sweden to attain the highest certifica-

tion from BREEAM, and was named BREEAM Building of the Year 2022. To achieve BREEAM Outstanding requires the vast majority of the total possible points, primarily within the areas of impact from construction work site, energy consumption, water consumption and the impact on ecological value.

Method

For the past two years, we have worked on a review and ensured that updated energy declarations are available at all of Catena's properties. The table on page 5 is based on information produced in the energy declarations. Energy declarations show the energy class and the regulatory requirements that apply to newly constructed buildings, namely requirements according to BBR 29 for Swedish properties and requirements according to BR18 for the Danish portfolio. They also show the buildings' energy performance based on a primary energy value.

The table also presents the emissions that arise in relation to energy consumption. Firstly, emissions from energy consumption within Scopes 1 and 2 are presented, that is, emissions from property energy. Where we have the data, we also present emissions from our tenants' energy consumption, that is, the use of electricity by business operations, as a part of our Scope 3.

The calculations of climate impact are based on the Greenhouse Gas Protocol. The emissions from electricity use are location-based and use the Swedish Environmental Research Institute's/the Swedish National Board of Housing, Building and Planning's conversion factor for the Swedish electricity mix of 0.037 kg of CO₂e per kWh. For district heating, the conversion factor published on

the respective energy company's website is used. For the Danish properties, the calculated emissions were obtained directly from the energy declarations.

Assessed avoidable emissions are based on the energy consumption that is avoided due to better energy performance compared with the regulatory requirements. In order to distinguish between the emissions from actual energy consumption and the regulatory requirements, the regulatory requirements (which are presented as primary energy values) have been converted to energy consumption with certain assumptions. We assume that the percentage distribution between heating and electricity has the same distribution for the regulatory requirements as the building's actual consumption. Based on this distribution, heating and electricity consumption are converted into greenhouse gas emissions with the respective emissions factors. Please see the formula below that we have used to calculate the building's primary energy values (obtained from BBR 29).

$$EP_{pet} = \frac{\sum_{i=1}^6 \left(\frac{E_{uppv,i}}{E_{geo}} + E_{kyl,i} + E_{tvv,i} + E_{f,i} \right) \times VF_i}{A_{temp}}$$

EXAMPLE PROPERTY: MAPPEN 1, 3 and 4

Linköping

57,000 m²

Energy project



New, self-sufficient energy system

Catena continuously works to reduce the properties' climate impact and operating costs by improving the efficiency of the energy consumption in the properties. A good example of this is Catena's area on Köpetorpsgatan right next to the airport in Linköping. Catena has three logistics facilities of 57,000 square metres in the area with tenants such as Arla, ICA and Bring. In addition, Catena has land for another building of around 10,000 square metres. For the three existing buildings, and for a future fourth building, a new unified energy system has been constructed that is completely self-sufficient and will be discon-

nected from the district heating system. The new system is based on the heat, which the cooling machines generate, being stored in a single geo-energy cold storage facility consisting of around 50 bore holes with a total bore depth of 15,000 metres. All of the properties' systems are linked together, and the heat generated by the freezers can be used for heating all of the properties. The total heating consumption is calculated to decrease to 10 kWh/m². In total, the project will result in a reduction of 74 percent in energy consumption, corresponding to a saving of 249 tonnes CO₂e per year.

Auditor's Limited Assurance Engagement Report on Catena AB (publ)'s Investor Report 2022

To Catena AB (publ), corporate identity number
556294-1715

Introduction

We have been engaged by the Management of the company Catena AB (publ) to undertake a review of Catena AB (publ)'s Investor Report for 2022.

Responsibilities of the Management for the Investor Report

The Management is responsible for the preparation of the report in accordance with applicable criteria, which consist of Catena's framework for Green Bonds ('Catena's green framework'). This responsibility also includes the internal control deemed necessary to establish a report that does not contain material misstatement, whether due to fraud or error.

The auditor's responsibility

Our responsibility is to express a conclusion on the report based on our limited assurance engagement.

We conducted our engagement in accordance with ISAE 3000 (revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. A limited assurance engagement consists of making enquiries, primarily of people responsible for the preparation of the report, and applying analytical and other limited assurance procedures. A limited assurance engagement has a different focus and a considerably smaller scope compared with the focus and scope of an audit in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The audit firm applies International Standard on Quality Management 1, which requires that the company designs, implements and manages a system of quality control including guidelines and procedures relating to compliance with ethical requirements, professional standards and applicable legal and regulatory

requirements. We are independent of Catena AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements.

The review procedures performed in a limited assurance engagement do not allow us to obtain such assurance that we become aware of all significant matters that could have been identified if an audit was performed.

Accordingly, the stated conclusion based on a limited assurance engagement does not have the assurance of an expressed conclusion based on an audit.

Our procedures are based on the criteria defined by the Group Management as described above. We consider these criteria suitable for the preparation of the report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions below.

Opinion

Based on the limited assurance engagement procedures we have performed, nothing has come to our attention that causes us to believe that the report is not prepared, in all material respects, in accordance with the criteria defined by Group Management.

Malmö, 22 March 2023
PricewaterhouseCoopers AB

Camilla Alm-Andersson
Authorised public accountant

Torbjörn Westman
Specialist member
of FAR

EXAMPLE PROPERTY: Hyltena 1:98

📍 Jönköping

📐 86,600 m²

🌱 New builds



Catena to build a ground-breaking logistics facility for Elgiganten, investing SEK 813 million

Catena has signed an agreement with Elgiganten for the construction and rental of a new logistics facility in Jönköping totalling 86,600 square metres. The building, which might become Sweden's first WELL-certified logistics facility, is to be completed in 2024 and the total investment is expected to be SEK 813 million.

'We are now building a new ultramodern facility in the best Nordic logistics location. From day one, we and Catena have aimed to build a long-term relationship focusing on a property that is sustainable both for the environment and for our staff. This is a very important initiative, allowing us at Elgiganten to continue to grow sustainably,' says Daniel Lundby, CEO of Elgiganten Logistik AB.

Both Catena and Elgiganten have a high level of sustainability requirements and the objective is for the new facility to be certified under both BREEAM Excellent and WELL Core, which is an international standard aimed at promoting health and well-being for those working in the building. A future WELL certification would mean that it might be the first logistics facility in Sweden that meets the WELL requirements and thus sets a new standard for logistics properties in terms of social sustainability. Furthermore, plans include solar cell systems, social spaces on the roof and well-planned green areas to conserve and benefit biodiversity.

Elgiganten is one of Sweden's leading home electronics distributors with its own store network and extensive online sales. During the 2020/2021 financial year, Elgiganten's turnover was SEK 15.9 billion, which is an increase of 17.6 percent compared with the previous year. Elgiganten is now expanding its logistical infrastructure in collaboration with Catena to facilitate a better customer experience, faster deliveries and a continued high rate of growth.

Summary

- Involves a new logistics facility with an area of 86,600 m² with an extension option of 28,300 which includes benefits such as making a future high-storage section possible.
- The total investment is expected to amount to SEK 813 million.
- The investment is financed via our own funds and available credit.
- Estimated net operating income of SEK 45 million.
- 20-year lease term.
- The objective is to obtain BREEAM Excellent certification. The project is also registered for WELL certification according to WELL Core.

Construction started in autumn 2022 with the estimated moving-in date for Elgiganten being spring 2024.

CATENA

Catena is a listed property company that sustainably develops and durably manages efficient logistics facilities through collaboration. Its strategically located properties supply the Scandinavian metropolitan areas and are adapted for both current and future flows of goods. The overarching objective is to generate strong cash flow from operating activities to enable sustainable growth and stable returns. Catena shares are traded on NASDAQ Stockholm, Large Cap.

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