



Responsible corporate governance inspires trust

Responsible corporate governance is key to the confidence of owners and all other stakeholders in the business. Naturally, it is of particular importance when two businesses merge. Only then, can all the good intentions behind Catena's acquisition of Brinova Logistik AB be realised and business activities developed. Therefore, it is gratifying in my capacity as Chairman to already be able to confirm that we have a well-balanced Board that functions well with the executive management. This means that we can make rapid, but well-founded decisions and create the trust that is so crucial to our short-term and long-term success.

Henry Klotz , Chairman of the Board

All business decisions at Catena must be justifiable from a financial and ethical perspective.

Through transparency and availability we provide our shareholders and other stakeholders with insight into decision paths, responsibility, powers and control systems. The information we provide must be correct, reliable and up to date.

Corporate governance

Catena is a Swedish public limited liability company listed on NASDAQ OMX Stockholm. The applicable regulations for governance and control of the Group are primarily the Articles of Association, the Swedish Companies Act, the Swedish Annual Accounts Act, OMX Nordic Exchange Regulations, the Swedish Corporate Governance Code, internal guidelines and policies, as well as other applicable laws and regulations. Catena's Board and executive management endeavour to ensure that Catena complies with the requirements imposed by the stock exchange, shareholders and other stakeholders. The Swedish Corporate Governance Code (the "Code") is aimed at ensuring favourable conditions for active and responsible ownership. It is based on the principle of comply or explain. Deviations from the Code must be justified and explained. This Corporate Governance Report describes how Catena applied the Code during 2013.

Annual General Meeting

The Annual General Meeting (AGM) is the company's highest decision-making body. At the AGM, all shareholders are provided with opportunity to exercise influence over the company corresponding to their respective shareholdings. The AGM appoints the Board and auditors and adopts principles for the remuneration of the Board, auditors and Group management. When necessary, the AGM also makes decisions on items including the Articles of Association, dividends, and changes in share capital. At the AGM, which must be held within six months of the close of the financial year, resolutions must be passed on the adoption of the balance sheets and income statements, the appropriation of Catena's profit or loss and the discharge of responsibility of the Board and the CEO.

Annual General Meeting, 24 April 2013

At Catena's AGM 24 April 2013, the company's balance sheet and income statement were adopted, as was the Board's proposed appropriation of profits of SEK 11,564,500, corresponding to a dividend per share of SEK 1.00. The AGM resolved that the number of Board members should total five (five) and to re-elect the Board

members Henry Klotz, Christer Sandberg, Lennart Schönning and Bo Forsén as well as elect Katarina Wallin as a new member for the period until the next AGM. Henry Klotz was elected Chairman of the Board.

The AGM also resolved to adopt guidelines for remuneration to Catena's senior executives. Furthermore, the AGM resolved that fees to Catena's auditors be paid according to approved invoices on an ongoing basis.

Extraordinary General Meeting 23 September 2013

At the Extraordinary General Meeting of Catena on 23 September 2013, the Board's proposal for a new share issue as part of the acquisition of Brinova Logistik AB was passed. The Meeting resolved that the number of Board members should total six (six) and to elect Erik Paulsson, Andreas Philipson and Gustaf Hermelin as new Board members and to re-elect Henry Klotz, Bo Forsén and Katarina Wallin for the period until the next AGM. Henry Klotz was elected Chairman of the Board. Christer Sandberg and Lennart Schönning declined re-election.

Remuneration of Board and senior executives

In line with the decision of the AGM on 24 April 2013, the Chairman of the Board receives SEK 200,000 and other members SEK 100,000 each. No directors' fees are payable to the CEO. Salary, other remuneration and pension premiums for the CEO and other senior executives are presented in Note 8 of the Annual Report. No variable remuneration was paid to Catena's CEO or other senior executives in 2013.

Nomination Committee

The Nomination Committee is tasked with preparing and submitting proposals for the Board, Chairman of the Board, directors' fees, policies for appointing the Nomination Committee, the Chairman at the AGM and, when applicable, auditors and auditors' fees.

The ownership structure changed in conjunction with the acquisition of Brinova Logistik AB and the new issue of shares in Catena, which brought about a new composition of the Nomination Committee based on ownership at 18 October 2013. Thereafter, the Nomination Committee comprised: Henry Klotz appointed by CLS Holdings plc., Åsa Bergström appointed by Fabege AB, Svante Paulsson appointed by Backahill Kil AB and Klas Andersson appointed by SFU Sverige AB. The Chairman of the Nomination Committee is Åsa Bergström, while the Chairman of the Board Henry Klotz convenes the meetings.

Board of Directors

The Board's overriding task is to manage the Catena's and the Group's activities on behalf of the owners in a way that best secures the owners' interest in a favourable long-term return on capital. The members are elected annually at the AGM for the period up to the end of the following AGM. The Board's work is carried out in compliance with statutory provisions, the Articles of Association and the formal work plan. The formal work plan is discussed at the statutory Board meeting and is set annually.

The composition of the Board includes expertise and experience from the areas that are of major importance as part of efforts to support, monitor and control operations in a property company. Board members have expertise in properties, the real estate market, and financing and business development, for example.

In accordance with the Articles of Association, Catena's Board is to comprise not fewer than five and not more than nine members with no deputies. Catena's Board comprises six members who were elected at the Extraordinary General Meeting (EGM) on 23 September 2013. The EGM resolved to re-elect Henry Klotz, Bo Forsén and Katarina Wallin as members and to elect Erik Paulsson, Gustaf Hermelin and Andreas Philipson as new members. Henry Klotz was elected Chairman of the Board. The mandate for all of the Board members runs to the end of the next AGM. For further information about the Board members, please refer to the section "Board, senior executives and auditors".

The work of the Board of Directors

The Chairman of the Board is responsible for leading the work of the Board in an efficient and appropriate manner. In addition to leading the work, the Chairman monitors the Group's ongoing developments through contact with the CEO on strategic issues. During 2013, ten minuted Board meetings were held, two of which were statutory. The Group's CEO served as the Board secretary until the acquisition of Brinova's logistics properties. Thereafter, the CFO has served as the Board secretary. In addition to the above items, Board meetings have addressed plans and strategies for the Group's development and the ongoing follow-up of results and position, valuations of the Group's properties, liquidity and financing as well as investment decisions.

Catena's auditor in charge Lars Wennberg, PwC, was called in to the Board meetings in February and November.

Formal work plan

The Board of Catena works in accordance with a formal work plan consisting of instructions in respect of the division of duties and financial reporting. The formal work plan represents a complement to the provisions of the Swedish Companies Act and Catena's Articles of Association and is reviewed annually. The Board also assesses the CEO's work performance. The CEO does not attend this assessment.

The Board is responsible for continuously monitoring and controlling Catena's operations. Consequently, it is the

Attendance in 2013 – Board of Directors

Meeting date	Type	Henry Klotz	Bo Forsén	Andreas Philipson	Katarina Wallin	Erik Paulsson	Gustaf Hermelin	Lennart Schönning	Christer Sandberg	Jan Johansson	Auditor
											Lars Wennberg
21 Feb	R	X	X					X	X	-	X
24 Apr	R	X	X					X	X	-	
24 Apr	S	X	X		X			X	X		
8 Aug	R	X	X		X			X	X		
8 Aug	E	X	X		X			X	X*		
13 Sep	S	X	X		X						
23 Sep	E	X	X	X	X	X	X				
27 Sep	E	X	X	X	X	-	-				
6 Nov	R	X	X	X	X	X	X				X
9 Dec	ET	X	X	X	X	X	X				

S=Statutory. R=Regular. E=Extra. ET=Extra telephone meeting.

* Item 5 via telephone.

Andreas Philipson attended all meetings, and up until the meeting on 23 September as CEO.

Erik Paulsson and Gustaf Hermelin attended the meeting on September 13 but not as Board members.

Erik Paulsson and Gustaf Hermelin did not attend the meeting on 27 September due to conflict of interest.

At the regular meeting held on 24 April 2013, Jan Johansson stepped down from and Katarina Wallin joined the Board.

At the extra meeting held on 23 September 2013, Lennart Schönning and Christer Sandberg stepped down from and Erik Paulsson, Andreas Philipson and Gustaf Hermelin joined the Board.

Audit Committee – the entire Board. Remuneration Committee – the entire Board until 23 September 2013, thereafter the Committee comprised Henry Klotz (Chairman), Bo Forsén and Katarina Wallin.



duty of the Board to ensure there is a functioning reporting system.

Regular reports concerning Catena's and the Group's economic and financial position, current market issues, project reporting, and, in certain cases, underlying information for investment decisions and property sales, are presented at Board meetings.

In addition to being responsible for Catena's organisation and administration, the Board's key task is to make decisions on strategic issues. Each year, the Board sets the overall goals for the Group's operations and decides on strategies to attain these goals. The CEO's instructions and internal policy documents are also reviewed annually.

Auditor

Catena's auditors are elected at the AGM. The 2012 AGM elected registered public accounting firm PwC as the new auditor with auditor in charge Lars Wennberg for a period of four years. The auditor reports the results of his examination to the shareholders in the auditor's report. This is presented at the AGM. In addition, the auditor presents a detailed report to the Board twice annually. In conjunction with this report, a discussion is also held concerning the observations of the audit. In addition to auditing, PwC has also provided services in the areas of taxes and accounting.

Fees are paid according to approved invoices on an ongoing basis.

CEO

The CEO leads operations on the basis of the CEO's instructions drawn up by the Board. According to the instructions, the CEO is tasked with ensuring that the Board members receive regular information and reports on Catena's progress to enable them to make sound assessments and well-founded decisions.

The CEO must also ensure that Catena observes the obligations regarding information and so forth that arise from the listing agreement with NASDAQ OMX Stockholm.

The CEO's duties also include supervising compliance with the goals, policy and strategic plans established by the Board and ensure that they are submitted to the Board for updating or review whenever necessary.

Remuneration Committee

The Board of Catena has established a Remuneration Committee. The task of the Remuneration Committee is to prepare matters concerning remuneration and other conditions of employment for the CEO. The CEO, on the basis of principles established by the Board, determines remuneration of senior executives. Until 27 September 2013, the Remuneration Committee consisted of all Board members, thereafter, the Committee comprised Henry Klotz (Chairman), Bo Forsén and Katarina Wallin.

Audit Committee

Catena's Board has established an Audit Committee. The task of the Audit Committee is to maintain and add to efficiency in contacts with the Group's auditor and to supervise the procedures for auditing and financial reporting. The Committee also evaluates the work of the auditor and monitors how accounting principles and requirements are progressing. The Board has decided that all its members, with the exception of the CEO, are to be part of the Committee.

Stock market information

Catena submits prompt, simultaneous, correct and reliable information to existing and potential shareholders and other stakeholders. The company submits interim reports, a year-end report and an annual report for the entire financial year. Catena's website, www.catenafastigheter.se, presents current information on Catena, such as press releases and financial statements. Shareholders can download financial information from the company via the website. This infor-

mation can also be ordered directly from Catena by telephone.

Internal control

The Board is responsible for internal control pursuant to the Swedish Companies Act and the Swedish Corporate Governance Code. This Corporate Governance Report is prepared in accordance with Chapter 6, Section 6 of the Swedish Annual Accounts Act and is thus limited to internal control and risk management related to financial reporting.

The basis of internal control is the control environment in which the work of the Board and executive management is set. The Board has adopted a number of important policies and basic guidelines for internal control programs, such as financial, environmental and information policies. The CEO presents regular reports to the Board on the basis of established routines and documents.

Catena's internal control structure is based on a clear division of responsibility and work between the Board and



CEO, as well as within operational activities. Operational activities include business control and business planning processes. Examples of these include tools for monitoring operations, preparations ahead of the purchase and sale of properties/companies, and underlying data for property valuations.

Control activities are performed at the individual property level in the form of current results and investment monitoring and, at the overall level, in the form of results analysis at the area level, analysis of key data and reviews of the Group's legal structure. In order to prevent and detect errors and deviations, there are, for example, systems for attestation rights, reconciliations, approval and reporting of business transactions, reporting templates as well as accounting and valuation policies. These systems are continuously updated. Internal information and external communication are regulated at the overall level by means of the information policy. Internal information is disseminated through regular information meetings.



The picture shows one of Catena's typical logistics properties, Törsjö 2:49, which has a prime location outside Örebro beside the European motorways, E18 and E20.

Board



Henry Klotz, Chairman of the Board
London. **Born:** 1944. **Elected:** 2007. **Education:** Engineer. **Primary employment:** Executive Vice-Chairman of CLS Holdings plc. **Other positions:** Board member of a large number of companies in the CLS Group and Board member of NOTE AB. **Holding in Catena:** None. **Independence status under the Swedish Corporate Governance Code:** Independent in relation to the company and executive management. Dependent in relation to major shareholders.



Katarina Wallin, Board member
Danderyd. **Born:** 1970. **Elected:** 2013. **Education:** M.Sc. in Engineering from KTH, the Royal Institute of Technology. Behavioural Science and Business Administration from Stockholm University. **Primary employment:** Strategy Consultant and Partner at Evidensgruppen. **Other positions:** Chairman of the Board at Belatchew Arkitekter AB and Bernow Lindqvist Wallin AB. Board member at Ekologigruppen AB, Evidens blv AB, Au Point AB and Evimetrix AB. Acting Board member at BFAB and VOK AB. **Holding in Catena:** None. **Independence status under the Swedish Corporate Governance Code:** Independent in relation to the company and executive management. Independent in relation to major shareholders.



Erik Paulsson, Board member
Båstad. **Born:** 1942. **Elected:** 2013. **Education:** Elementary school. **Primary employment:** Company leader and entrepreneur since 1959. **Other positions:** Chairman of the Board of Fabege AB, Backahill AB, SkiStar AB and Wihlborgs Fastigheter AB. Board member of Nolato AB. **Holding in Catena:** 11,680,751 shares (through companies). **Independence status under the Swedish Corporate Governance Code:** Independent in relation to the company and executive management. Dependent in relation to major shareholders.



Gustaf Hermelin, Board member
Björkvik. **Born:** 1956. **Elected:** 2013. **Education:** Business Administration at Stockholm School of Economics. **Primary employment:** CEO of Catena AB. **Other positions:** Board member at Diös Fastigheter AB, Fabege AB and Platzer Fastigheter AB. **Holding in Catena:** 1,951,353 shares (through companies). **Independence status under the Swedish Corporate Governance Code:** Dependent in relation to the company and executive management. Dependent in relation to major shareholders.



Andreas Philipson, Board member
Enskede. **Born:** 1958. **Elected:** 2013. **Education:** M.Sc. Civil Engineering, Chalmers Institute of Technology, Harvard Business School Executive Program. **Primary employment:** CEO of TAM Group AB. **Other positions:** Board member of TAM Group AB and Veg Tech AB as well as subsidiaries of TAM Group. **Holding in Catena:** 1,000 shares (through companies). **Independence status under the Swedish Corporate Governance Code:** Dependent in relation to the company and executive management. Independent in relation to major shareholders.



Bo Forsén, Board member
Ljunghusen. **Born:** 1948. **Elected:** 2012. **Education:** Business Administration from Lund University. **Primary employment:** Board work. **Other positions:** Chairman of the Board at Victoria Park AB, Scandinavian Resort AB and Norén Fastigheter AB. Board member at Roxtec AB and Cale AB. **Holding in Catena:** 1,000 shares (through companies). **Independence status under the Swedish Corporate Governance Code:** Independent in relation to the company and executive management. Independent in relation to major shareholders.

Group Management and Auditor



Gustaf Hermelin, CEO

Björkvik. **Born:** 1956. **Education:** Business Administration at Stockholm School of Economics. **Previous experience:** CEO of Klöver AB, Strömfastigheter i Norrköping and Strandfastigheter AB. **Board assignments:** Board member at Fabega AB, Diös Fastigheter AB and Platzer Fastigheter AB. **Holding in Catena:** 1,951,353 shares (through companies).



Peter Andersson, CFO

Ängelholm. **Born:** 1966. **Education:** M.Sc. in Business Administration. **Previous experience:** CFO at Brinova Fastigheter AB and CFO at Fastighets AB Skånehus. **Holding in Catena:** None.



Mikael Halling, Deputy CEO, Head of Logistics and Acting Regional Manager Gothenburg

Helsingborg. **Born:** 1952. **Education:** MBA and Structural Engineer. **Previous experience:** Vice President of Brinova Fastigheter AB and Head of Logistics at Brinova Fastigheter AB. CEO of Birsta Fastigheter. **Holding in Catena:** None.



Göran Jönsson, Regional Manager Öresund

Landskrona. **Born:** 1961. **Education:** Structural Engineer. **Previous experience:** Head of Business Area Residential/Commercial in Brinova Fastigheter AB and CEO of Maintech Förvaltning Syd. **Holding in Catena:** None.



Maths Carreman, Regional Manager Stockholm

Nyköping. **Born:** 1958. **Education:** Structural Engineer. **Previous experience:** Head of Klöver Nyköping and Construction Manager/Purchasing Manager/Project developer at Skanska. **Holding in Catena:** 100 shares.



Lars Wennberg, Authorised Public Accountant, ÖhrlingsPricewaterhouseCoopers AB

Stockholm. **Born:** 1957. **Education:** Authorised Public Accountant.

The share, share capital and ownership structure

Catena's shares were listed on the Stockholm Stock Exchange on 26 April 2006. In 2013, the share was listed on NASDAQ OMX Stockholm – Nordic List, Small Cap in the Real Estate sector, under the ticker symbol CATE. From 2 January 2014, the share has been listed on NASDAQ OMX Stockholm – Nordic List, Mid Cap.

During 2013, the share price rose about 59% (10), from SEK 63.00 to SEK 100.00 and the market capitalisation was SEK 2,520 M (728). The highest price quoted for the share was SEK 103.50 on 21 August and the lowest quote was SEK 62.00 on January 7. The NASDAQ OMX Stockholm's all share index (OMXSPI) rose 22% (-17) and the Carnegie Real Estate Index (CREX) climbed 21% (15).

During the year, a total of 1,536,773 Catena shares were traded on the NASDAQ OMX Stockholm and Burgundy, corresponding to a turnover rate of 6.1%.

Shares and share capital

The share capital of Catena AB is to be no less than SEK 50,000,000 and no more than SEK 200,000,000. The total number of shares is not permitted to be less than 10,000,000 and more than 40,000,000.

At 31 December 2013, the share capital in Catena AB totalled SEK 110,859,980.80 distributed among 25,195,452 ordinary shares. The quotient value per share is SEK 4.40.

Each share confers one vote and each person entitled to vote at the General Meeting of shareholders may vote for the full number of shares held and represented. All shares confer equal rights to participate in the company's assets

and earnings. The shares are not subject to any limitations as regards the right to transfer of ownership.

The shares are denominated in SEK and have been issued in accordance with the provisions in the Swedish Companies Act.

The company's shares are not the subject of any mandatory offer, squeeze-out right or sell-out right. No public offer for the company's shares was made during the current or the preceding financial year.

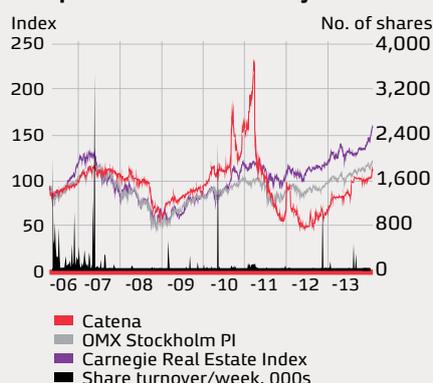
Catena is affiliated to Euroclear's account-based securities system and, accordingly, no physical share certificates are issued. All rights associated with the share accrue to the registered holder of the share in the share register maintained by Euroclear.

Ownership structure

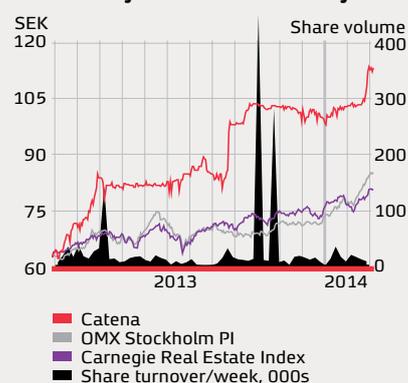
At 31 December 2013 the Catena AB had 15,084 shareholders (16,011). The largest shareholders are Backahill Kil AB with 46.4% (0) of the share capital and Endicott Sweden AB and Fabège AB each with 13.8% (29.9) respectively of the capital. No other shareholder held 10% or more of the shares outstanding on 31 December 2013.

Owners outside of Sweden accounted for 5.6% (6.2) of the share capital. Owners in Sweden accounted for 94.4% (93.8) of the share capital and votes, of which legal entities

Share price trend
26 April 2006 – 28 February 2014



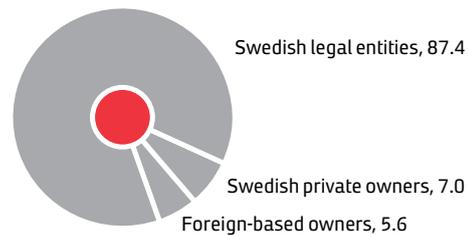
Share price trend
28 January 2013 – 28 February 2014



ISIN code: SE0001664707
 Ticker symbol on NASDAQ OMX: CATE
 Sector: Properties
 Source: SIX

Ownership, distribution by size of shareholding at 28 February 2014

Size of holding	No. of shareholders	Percentage of shareholders, %	No. of shares	Percentage of share capital and voting rights, %
1-500	14,390	95.8	1,182,398	4.7
501-1,000	403	2.7	311,191	1.2
1,001-5,000	180	1.2	368,720	1.5
5,001-10,000	16	0.1	112,392	0.4
10,001-15,000	6	0.0	69,701	0.3
15,001-20,000	5	0.0	84,240	0.3
20,001-	18	0.1	23,066,810	91.6
Total	15,018	100.0	25,194,452	100.0

Number of votes by country and category at 31 January 2014, %

accounted for 87.4 percentage points and private individuals for 7.0 percentage points of the share capital and votes.

Catena AB did not own any treasury shares in Catena at the end of 2013.

Shareholder agreements

The Board is not aware of any shareholder agreements between the company's shareholders and, with the exception of that stated in the following paragraph, is not aware of any other agreements or their equivalents that could later lead to a change in control of Catena.

Incentive programme

Catena has no incentive program outstanding. Neither are there any warrants or convertible bonds issued for Catena nor any authorisations to issue any such financial instruments. Accordingly, none of the Board members or any of the senior executives in Catena hold any warrants in Catena.

Dividend policy

The company's dividend policy was adjusted in conjunction with the acquisition of Brinova Logistik AB as follows: In the long-term, Catena's dividends should amount to 50% of profit from property management less standard rate tax

Ownership structure at 28 February 2014	No. of shares, 000s	Votes, %
Backahill	11,680	46.4
Endicott Sweden AB (CLS Holding pic)	3,469	13.8
Fabega AB (publ)	3,469	13.8
SFU Sverige AB	1,951	7.7
Catella Fondförvaltning	826	3.3
JPM Chase NA	645	2.5
Livförsäkrings AB Skandia	277	1.1
Banque Carnegie Luxembourg	214	0.8
Handelsbanken Fonder AB	118	0.5
CBNY-DFA-INT SML CAP V	97	0.4
Other shareholders	2,449	9.7
	25,195	100.0

Key share data	2013	2012
Share price at year end, SEK	100.00	63.00
Price trend in 2013, %	59.0	9.5
Earnings per share, SEK	9.81	19.26
Profit from property management per share, SEK	10.59	15.46
P/E ratio	10	3
Equity per share, SEK	64.95	62.93
Dividend per share, SEK	2.00 ¹⁾	1.00
Dividend yield, %	2.0 ¹⁾	1.6
No. of shares at year end, 000s	25,195	11,564
Average number of shares, 000s	14,291	11,564

1) In accordance with the Board's proposal to the AGM.

Development of share capital	Change in No. of shares	Total No. of shares	Total share capital
New share issue	17 May 1999	490,754	11,555,662
Bonus issue	9 March 2006	8,838	11,564,500
Private placement	18 October 2013	13,630,952	25,195,452
Number of registered shares and share capital		25,195,452	110,859,988.80