



OLUPA COFFEE CHERRY - SINGRENO, GUATEMALA 7:43 AM

YOUNG COFFEE TREES READY TO BE PLANTED - SAN LORENZO, GUATEMALA 10:04 AM

SUSTAINABILITY ACCOUNTS 2018

SUSTAINABLE URBAN COMMUNITY HUBS



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HOW TO READ CITYCON'S 2018 REPORTS

Our reporting in 2018 consists of the Sustainability Accounts, the Financial Review and the Corporate Governance Statement. More information on Citycon, our strategy and value creation can be found on our renewed 'Citycon Strategy Review' section on our website.

To make the report more reader-friendly, parts of this report, as well as supplementary information and additional case examples, can be found on our webpage. You can recognise the links to this material through this symbol:



SUSTAINABILITY ACCOUNTS

Describes Citycon's environmental and social performance, as well as sustainability highlights in 2018.



FINANCIAL REVIEW

Covers Citycon's financial performance in 2018, operational key figures, the report by the Board of Directors and the risk management review.



CORPORATE GOVERNANCE STATEMENT

Explains Citycon's structure of governance and the Board of Directors' activities in 2018.

REPORTING FRAMEWORK AND ASSURANCE

These Sustainability Accounts provide information on the sustainability issues that matter the most to us and our stakeholders, based on our materiality assessments. We focus on what we achieved in these areas during 2018. This report was prepared in accordance with GRI (Global Reporting Initiative) Standards Core option. Selected key sustainability indicators have been assured by Ernst & Young Oy. The full list of assured indicators can be found in our GRI tables.

INTERVIEW WITH THE CEO AND COO

F. Scott Ball, appointed as CEO of Citycon on January 1st 2019 and Henrica Ginström, appointed as COO at the same time, discuss the role of sustainability at Citycon and share some of Citycon’s key sustainability targets.

Citycon’s renewed sustainability strategy has now been in use for one year. How important is it to have a long-term strategy, and how has the implementation gone so far?

SB: We are focusing on the right topics; climate neutrality, accessibility, convenience and safety and best practices. We have set very ambitious targets, to which I feel the whole company is committed, and that is the most important first step. Using less energy, encouraging green transportation and focusing on convenience for our tenants and visitors all make business sense. The shopping centre business is going through big changes everywhere. Changing consumer behaviour, combined with urbanisation, has greatly impacted the industry in the United States – something I am very familiar with – and this will impact Citycon as well. It is excellent that these issues are also taken into consideration in our sustainability strategy looking ahead.

HG: Citycon has already focused on energy efficiency for a longer period, and working with these issues in a portfolio of 52 shopping centres requires tenacity. Our target is to decrease our energy consumption per



Our target is to decrease our energy consumption per square meter by 15% from 2014 levels by the end of 2020.

square meter by 15% from 2014 levels by the end of 2020. This is a tough target and we are heading in the right direction. All of our shopping centres are connected to public transport and, in 2018, we increased the amount of charging points for EVs and electric bicycles. Our operations team and our sustainability team have both put in a big effort in certifying and recertifying our assets.



The story of the year was climate change. We experienced the hottest summer on record in much of the Nordics and in October, the UN Intergovernmental Panel on Climate Change (IPCC) released a landmark report revealing that global temperatures are heading towards a 3°C rise this century. How is Citycon responding to this issue?

SB: Carbon neutrality by 2030 is one of our four long-term sustainability promises. Setting this target shows that we are taking this issue seriously and are committed to pulling our weight in mitigating climate change. Becoming carbon neutral by 2030 is going to take a lot of work and I am looking forward to seeing the changes this will bring to the company.

HG: For us, this is first and foremost a question about energy efficiency, since the most direct way we can impact our own carbon footprint is by consuming less energy. But it's also about producing our own energy and the emissions from our visitors and the logistics at our shopping centres. In 2018, all electricity procured by Citycon was green electricity and we will install an increasing number of solar powerplants on our roofs in 2019 and further ahead. We are also installing geothermal heating and cooling in some shopping centres. We have been working hard on this and can show quite

good results, as our carbon footprint has decreased by 13% compared to last year.

Citycon's shopping centres attract more than 170 million visitors annually and are an important part of the local community. How do you see the role of shopping centres in building sustainable communities, and how do you see that Citycon can contribute to the local communities where you operate?

SB: Our shopping centres are convenience-based and focus on providing products and services that the local community needs and enjoys. Locally, our shopping centres also provide a large number of jobs through our tenants. We recently opened a new shopping centre, Mölndal Galleria, in the Gothenburg area of Sweden, which is a good example of our strategy. Mölndal Galleria brings services and shops to the community, is environmentally certified with a huge green roof on top, and is very accessible by public transport.

HG: We strive to make our shopping centres into an integral part of the cities and local communities where people come to visit, not only for convenient shopping and services, but also to spend time with friends and family. We engage with the local community in which we operate in a



Becoming carbon neutral by 2030 is going to take a lot of work and I am looking forward to seeing the changes this will bring to the company.

wide variety of ways ranging from a 10k run through Kista Galleria to flea markets and collaborations with the municipalities and NGOs. In 2018, our project concerning youths in our shopping centres received the SOSTE Award from the Finnish Federation for Social Affairs and Health, recognising our long-term work for the well-being of youths spending time in our shopping centres.

How would you summarise the sustainability approach at Citycon?

SB: At Citycon, we believe that operating sustainably is a key cornerstone in creating long-term value. Citycon's approach to sustainability starts with asset selection. We do not compromise on the urban location and multifunctionality of our shopping centres. They are urban community hubs, linked to public transport, offering more than shopping to the local community. We will continuously look for opportunities to improve our environmental performance by reducing greenhouse gas emissions, energy use and waste in all of our operations. We are committed to promoting the wellbeing, safety and prosperity of the communities in which we operate.

HG: Sustainability is an integral part of the way we work at Citycon and we believe that we can better contribute to communities with sustainable shopping centres. We strive to maximise our energy efficiency and produce renewable energy for our own use and to make our shopping centres convenient and safe, easy to visit and lovely to spend time in.

BUILDING A SUSTAINABLE BUSINESS CULTURE

Citycon's strategy is to create value for its stakeholders through developing and offering the right assets and retail expertise supported by a strong capital base. Sustainability, and our material aspects, are integrated into the overall strategy and operations of the company, and we are advancing our ambition to make sustainable thinking and action natural trademarks of our company culture.

Based on our materiality assessment, we can have the greatest impact on sustainability in and around our shopping centres by focusing on energy efficiency, renewable energy use, convenience and safety, low-carbon transport, and building management. Our sustainability strategy and strategic actions for the coming years work as a guideline for all Citycon employees working with these issues.

In practice, business operations are supported by group functions such as sustainability, communications, finance, legal and HR management activities. These functions all work closely with business operations on all levels, and the heads of sustainability, legal and HR all report to the CEO or COO.

The purpose of our sustainability management approach is to avoid and mitigate negative environmental impacts from our business operations as well as to enhance

positive social and economic impacts. On a local scale, we strive to provide convenient and safe shopping centres, accessible by public transport, bicycles and electric vehicles. We strive to maximise our energy efficiency and produce some of the energy we consume locally. On a global scale, we strive to minimise our impact on climate change and contribute to building sustainable cities and communities.



READ MORE

A more detailed overview of our management approach to our material sustainability aspects can be found online www.citycon.com/management-approach

Read more about the sustainable shopping centre on our webpages www.citycon.com/sustainability/the-sustainable-shopping-centre



MORE INFORMATION

A description of how we create value can be found in our financial review on [pages 8–9](#).



SUSTAINABILITY KEY FIGURES

-47%

GREENHOUSE GAS INTENSITY
FROM BASELINE 2014
KGCO₂E/SQ.M.



-4%

ENERGY INTENSITY
FROM BASELINE 2014
KWH/SQ.M.



-49%

CLIMATE CHANGE IMPACT
FROM BASELINE 2014
(TCO₂E)

83%

BREEAM IN-USE CERTIFIED SHOPPING CENTRES
MEASURED BY FAIR VALUE



82%

TENANT SATISFACTION SATISFIED



733

COMMUNITY ENGAGEMENT EVENTS HELD



100%

SHARE OF SHOPPING CENTRES ACCESSIBLE
BY PUBLIC TRANSPORT



3,786

BICYCLE PARKING SPACES



100%

SHARE OF RENEWABLE ELECTRICITY
USED FOR OWN CONSUMPTION

LONG-TERM GOALS OF OUR SUSTAINABILITY STRATEGY

In 2017, Citycon updated its sustainability strategy. The aim of the strategy is to set ambitious long-term sustainability targets covering the sustainability issues that matter the most to us and our stakeholders. These targets set out a clear goal of what we aim to achieve by 2030 and form the backbone of our sustainability work. Our strategy is built around four priority areas of our long-term sustainability promises:

CARBON NEUTRAL

Using less energy and producing more of it ourselves

Long-term main objective: Citycon is carbon neutral by 2030.

ACCESSIBLE

Encouraging green transportation

Long-term main objective: 100% of assets are connected to public transport, encouraging green ways to visit our centres. By 2030, most of our visitors will visit us by public transport, foot, bike or electric vehicles.

CONVENIENT AND SAFE

Visitors, customers and personnel all feel right at home

Long-term main objective: Tenant satisfaction stays consistently above 90% in areas of safety, security, hospitality and service-mindedness. In addition, visitor dwell-time in shopping centres will increase.

EXCELLENCE IN ACTION

Making best practices the norm

Long-term main objective: Citycon puts best sustainability practices into effect by following a clear roadmap and monitoring success.



EXCELLENCE IN ACTION



READ MORE

Our full sustainability strategy is available online at: www.citycon.com/sustainability/creating-value-through-sustainability

DEFINING FOCUS AREAS AND MATERIALITY

Citycon wants to offer the best retail space and everyday shopping experience in urban shopping centres in the Nordics. In order to achieve this, we must secure and maintain financial stability and successful business operations. Citycon's sustainability work enhances stakeholder relations and can generate added value for operations, improve financial performance, and improve risk management.

According to Citycon's definition, stakeholders include parties who are or may be affected by our operations, and who may affect the fulfilment of our objectives. Our defined stakeholders are consumers, tenants, employees, investors, analysts and shareholders, partners, local communities, municipalities and media, as well as NGOs and industry associations. A well-functioning relationship between us and our stakeholders increases transparency and helps us develop our sustainability activities.

OUR MATERIALITY ASSESSMENT

In 2017, we carried out a full update of our materiality assessment in connection with the updating of our sustainability strategy. Material aspects were identified through workshops, interviews and surveys to both internal and external stakeholders. In 2018,

we extended our sustainability materiality assessment to include the views of our shopping centre visitors by performing a visitor sustainability survey. The survey was distributed on social media and shopping centre websites in Norway, Sweden, Finland and Estonia.

Our visitors value sustainability highly, as over 80% of the respondents consider these issues important or very important for the business success of our shopping centres. According to our survey, the most important sustainability issues for our visitors are easy access to public transport, recycling and waste management and health and safety in our shopping centres. This means that both our tenants and visitors have the same views on what is important for our sustainability work.

In our materiality assessment, we have mapped the views of our stakeholders against the business importance of different sustainability issues for Citycon. Subsequently, we have assessed the impact our own actions can have on these issues, both locally and globally.

The results of our materiality assessment are presented and compressed into one picture in our priority matrix.

All of the items presented in the matrix are considered important. The positioning

WE CONSIDER THE FOLLOWING ASPECTS WHEN IDENTIFYING MATERIAL ITEMS:

- 1) Considerations identified during stakeholder surveys and interviews
- 2) Strategic policies
- 3) Risk management programme
- 4) Changes in internal and external operating environments (including trends)
- 5) Industry best practices and benchmarks
- 6) Framework of sustainable development
- 7) Principles regarding the scope of reporting

of each item takes the impact, as well as the current internal and external operating environments, into consideration.

Both the sustainability strategy and the priority matrix have been discussed and approved by Citycon's Corporate Management Committee. The GRI indicators presented in this report were selected based on the materiality assessment results. In addition to our material aspects, Citycon reports certain other sustainability issues due to their importance to external stakeholders, or the importance based on continuity of sustainability reporting. The issues that have been identified as material by Citycon are presented in the matrix below.



READ MORE

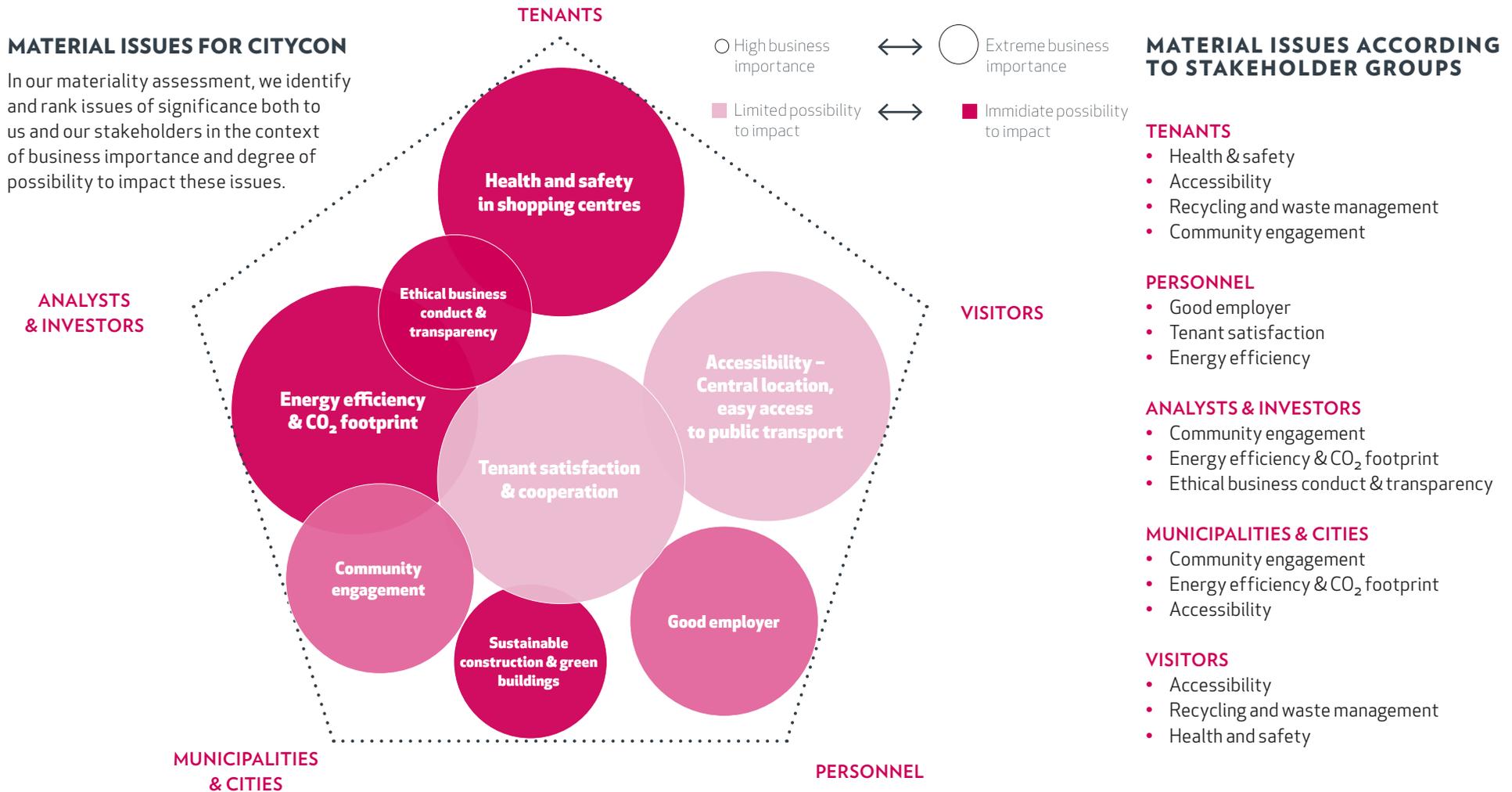
on how we defined the issues that matter the most to us and our stakeholders:

www.citycon.com/sustainability/sustainability-issues-that-matter-the-most-to-us-and-our-stakeholders

PRIORITY MATRIX

MATERIAL ISSUES FOR CITYCON

In our materiality assessment, we identify and rank issues of significance both to us and our stakeholders in the context of business importance and degree of possibility to impact these issues.



ONGOING DIALOGUE WITH STAKEHOLDERS

It is a priority for us to maintain cooperative relationships with local residents, tenants, municipalities and visitors in and around our shopping centres. We are committed to highly ethical principles and we strive to offer carbon neutral, accessible, convenient and safe shopping centres to all of our visitors. We aim to continuously further explore ways of improving interaction and consider issues identified in dealings with stakeholders.

Our daily operations include several ways of listening to our stakeholders. Our channels range from receiving and responding to customer feedback to listening and engaging with local residents in connection with (re) development projects and topical issues in the communities in which we operate.

Citycon maintains an active and continuous dialogue with capital market participants from domestic retail investors to international institutional investors, as well as sell-side analysts. Citycon aims at open and continuous communication with the capital markets through stock exchange releases and financial and other regulatory reporting. In addition, Citycon conducts more personal discussions with the capital markets through meetings and calls with management and Investor Relations, and by participating and arranging investor conferences and roadshows, Annual General Meetings, and Capital Markets Days. Citycon's Investor Relations function coordinates all capital market-related activities with the primary task of ensuring that the capital markets have correct and sufficient information at all times to determine the value of the share. In 2018, Citycon met over 100 institutional investors in 16 conferences and roadshows

in Europe and the US and participated in several events targeted for domestic retail investors. In addition, Citycon maintained an active dialogue with the sell-side analysts during the year.

We provided our stakeholders with in-depth sustainability information through our Sustainability Accounts, as well as participated in the CDP and ISS-Oekom sustainability surveys, among others. We also interacted with industry associations and NGOs in different projects and forums through, for example, EPRA (European Public Real Estate Association), FIBS (Finnish Business and Society), FIGBC (Green Building Council Finland), NCSC (Nordic Council of Shopping Centres), ICSC (International Council of Shopping Centres) and Nuorten Palvelu ry.



MORE INFORMATION

Read more about how we engage with our tenants and the local community on **pages 15-17**.

CASE

Helping local people and businesses grow: For several years, in the cities of Bergen and Drammen in Norway, Citycon has cooperated with Folkeuniversitetet, the Norwegian extended university organisation, to provide further education for our tenant's employees.

[READ MORE](#)

CASE

Lahti city centre has seen a decrease in attractiveness due to tough competition from retail development outside of the city. Additionally, the safety of the city centre has decreased. To address the situation and bring forth solutions for these issues, Citycon started a dialogue with stakeholders and organised an event at Trio shopping centre together with the municipality as well as experts.

[READ MORE](#)

EXCELLENCE IN ACTION

Sustainability priorities:

Carbon neutral > Accessible > Convenient and safe

Other cornerstones for a sustainable shopping centre operator:

Good employer > Code of Conduct > Supply chain > Waste and water

SUSTAINABILITY PRIORITIES IN 2018

At Citycon, we have recognised a long list of sustainability issues that matter to us. The strategically important issues are featured in our sustainability strategy and are presented in this report under the headline “Sustainability Priorities in 2018”. Other important sustainability issues are discussed under the headline “Other Cornerstones for a Sustainable Shopping Centre Business”. These issues lay the foundation for our sustainable business operations at Citycon but are not featured in our sustainability strategy.

EXCELLENCE IN ACTION:

Strategic actions for the coming years:

- A personal targets system will be set in place for sustainability work.
- Sustainability actions at Citycon are carried out through clear responsibilities. Lessons learned will be clearly listed, results reported, and best practices will be actively taken into use across all assets.
- 100% of assets will be BREEAM In-Use certified by the end of 2020, with the minimum level being ‘good’.
- All new development projects will obtain

a green building certification.

- Citycon will present an annual award for the year’s actions that best support its sustainability strategy (to tenants, community initiatives, etc.)

Achieving our sustainability targets requires the adoption and use of best practices. This means learning from each other and spreading the best sustainability actions and ideas across functions and across country borders. Our sustainability performance is followed up and reviewed quarterly on a group level, enabling us to evaluate projects and processes. Our approach to building environmental certifications through BREEAM In-Use is a material part of our excellence in action target. Certification processes at Citycon are carried out by our own staff in order to really get to know our shopping centres and operate them in the best possible way.

SUSTAINABLE CONSTRUCTION AND GREEN BUILDINGS

Green buildings focus on the efficient use of resources and reduce impacts on

human health and the environment. In both new projects and (re)developments, the environmental effects, occupant and visitor health and comfort are considered. This is done through following and exceeding building regulations and focusing on energy efficiency measures, choice, use and re-use of materials, indoor air quality and efficient water use. Citycon’s properties are not situated on protected land areas. The location of our shopping centres in urban areas, and our focus on public and carbon free transport, reduce the environmental impact of our shopping centres and the indirect impacts they have on biodiversity. Environmental impact assessments are carried out in connection with the majority of zoning and major projects. When not required by law, Citycon evaluates the need for an assessment of its own on a case-by-case basis.

In 2018 we have continued our work with asset certification through BREEAM. During the year, we have certified or re-certified 21 of our properties. At the end of 2018, 83% of our shopping centres were BREEAM In-Use certified. We also opened one new shopping

centre, Mölndal Galleria. Mölndal Galleria is the first BREEAM-certified shopping centre in the Gothenburg region, and achieved the level of ‘very good’. According to our sustainability strategy, all of our assets aim to be BREEAM In-Use certified by 2020 and all new development projects will be environmentally-certified.

CASE

Iso Omena received the Finnish Shopping Centre of the Year award, and Pikkulaiva received the Finnish Shopping Centre Act of the Year award, as well as the Innovation of the Year award. The jury of the Shopping Centre Act 2018 competition specifically praised the responsibility and innovation of Citycon’s solution.

READ MORE

EXCELLENCE IN ACTION

Sustainability priorities:

- Carbon neutral >
- Accessible >
- Convenient and safe

Other cornerstones for a sustainable shopping centre operator:

- Good employer >
- Code of Conduct >
- Supply chain >
- Waste and water

CARBON NEUTRAL

USING LESS ENERGY AND PRODUCING MORE OF IT OURSELVES

Strategic actions for the coming years:

- All assets will produce renewable energy for their own use.
- By the end of 2020, Citycon will have decreased energy consumption per sq.m. by 15% (from levels measured in 2014).
- As of 2018, all assets will use 100% green electricity.
- As of 2018, an allowance amounting to 2% of net rental income will be budgeted for value-enhancing energy investments.

We recognise that buildings represent a large fraction of global carbon emissions and energy consumption, and that the real estate sector holds opportunities to reduce operating expenses while mitigating energy-related environmental impacts. In our daily work, we strive to reduce energy demand, promote efficiency, and generate clean and renewable power solutions. Lower energy costs and on-site renewable

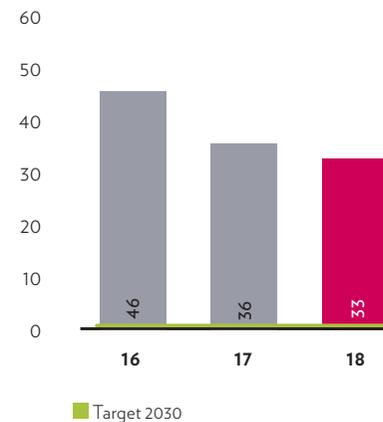
energy production improve profitability and make properties more attractive and competitive.

ENERGY EFFICIENCY AND CARBON FOOTPRINT

Citycon seeks to mitigate its impact on climate change through energy saving measures, by increasing cooperation with tenants for the conservation of energy, increasing its own renewable energy production, and increasing the ratio of renewable energy in purchased electricity. In 2018 the total share of green electricity acquired for own consumption amounted to 100%. Furthermore, the central locations and good public transport connections of shopping centres reduce the negative environmental impacts of customer car-bound traffic. Energy consumption in Citycon's properties is mostly indirect consumption (i.e. procured energy). Only a few shopping centres are heated by fossil fuels, and this fuel usage is reported as direct energy consumption.

GREENHOUSE GAS INTENSITY FROM BUILDING ENERGY

(Baseline corrected, kgCO₂e/sq.m)



CASE

Jakobsbergs Centrum in the larger Stockholm area is the first shopping centre in Sweden that has converted to geothermal energy for heating and cooling and has combined this with solar PV installations on the roof.

[READ MORE](#)

CASE

Being at the forefront of the evolving energy market is a prerequisite to running our shopping centres as energy-efficiently as possible. The electricity demand response market is one of these options Citycon is looking into.

[READ MORE](#)

During 2018, Citycon installed one new PV power plant and went through a large tendering and planning process for nine more solar power plants. Once they are all operational in 2019, the estimated annual solar electricity production at Citycon's shopping centres will amount to 4,000 MWh.

In 2018, we produced 6,693 MWh of locally-produced renewable energy at our solar and geothermal power plants.

2018 was a challenging year for energy saving efforts in the Nordics. The winter was unusually cold and the summer the warmest on record in both Finland and Sweden, and the sixth warmest on record in Norway. As a result, electricity usage for cooling increased in the summer months, and in some of our shopping centres water usage increased due to the need for emergency cooling.

Citycon's total baseline-corrected energy consumption in shopping centres (including electricity consumption in common areas, and weather corrected heating and cooling) per gross leasable area increased by 6.3% compared to the previous year.

The total carbon footprint decreased by 13.2% compared to the previous year. This decrease was caused by changes in the company's property portfolio and increased purchase share of CO₂ free electricity. The greenhouse gas intensity of our properties decreased by 6.6% compared to the previous year.



In 2018, we produced 6,693 MWh of locally-produced renewable energy at our solar and geothermal power plants.



READ MORE

In-depth information on our energy efficiency and carbon footprint can be found in our Key environmental figures pages 24–28.



EXCELLENCE IN ACTION

Sustainability priorities:

- Carbon neutral > Accessible > Convenient and safe

Other cornerstones for a sustainable shopping centre operator:

- Good employer > Code of Conduct > Supply chain > Waste and water

ACCESSIBLE

ENCOURAGING GREEN TRANSPORTATION

Strategic actions for the coming years:

- All assets will offer electric vehicle charging facilities for cars and bicycles.
- All assets will promote cycling, with different methods being tested and the best practices spread across all sites.
- Public transport options will be proactively developed together with local stakeholders.
- Citycon will focus on shopping centres connected to rail transport.

Being connected to public transport is an integral part not only of our sustainability strategy, but also our overall strategy. All of our shopping centres are connected to public transport and our aim is to make our shopping centres integrate seamlessly with the transport systems of the cities in which we operate. All of our centres are accessible by bus, 10 centres are directly connected to metro lines, 17 to train lines and six to tram lines. In Norway

and Sweden, we have started a car-sharing system at five of our centres, increasing their role as mobility hubs. In addition to this, we aim to make our shopping centres easy to visit by foot, bicycle, and electric vehicles. 87% of our shopping centres have dedicated areas for secure bicycle parking, and four of our centres offer charging facilities for electric bicycles. In cities that offer city bike services, we actively strive to accommodate city bike pick-up points close to our centres.

We strive to make our shopping centres easy to visit by dedicating parking spaces for low-emission cars, families and people with disabilities, as well as making sure our shopping centres are easily accessible for people with disabilities.



READ MORE

Iso Omena is a strong transportation hub in the heart of southern Espoo

www.citycon.com/sustainability/encouraging-green-transportation

The following figures describe the accessibility of our shopping centres at the end of 2018:

- Connectivity to public transport: 100% of shopping centres
- Charging points for electric cars: 209
- Eco-parking, low emission, hybrid cars: 150
- Parking for people with disabilities, family parking: 839
- Number of dedicated bicycle parking spaces: 3,786
- Share of visitors arriving by public transport, foot or bicycle: 54%



CASE

Climate-efficient logistics system for goods and waste transport. Trekanten shopping centre in Asker, Norway will be the subject of a case study and a pilot location for exploring and testing innovative solutions that aim to reduce logistics-related emissions.

READ MORE

EXCELLENCE IN ACTION

Sustainability priorities:

Carbon neutral > Accessible > **Convenient and safe**

Other cornerstones for a sustainable shopping centre operator:

Good employer > Code of Conduct > Supply chain > Waste and water

CONVENIENT AND SAFE

VISITORS, CUSTOMERS AND PERSONNEL ALL FEEL RIGHT AT HOME

Strategic actions for the coming years:

- Citycon will play a proactive role to establish an industry standard certification with regard to safety and security.
- Youth cooperation and involvement projects will be instituted with different methods tested, and the best practices will be spread across all sites. By the end of 2020, all assets will have youth involvement activities in place.
- Each asset will aim to annually accommodate some space for rent-free use by the local community, NGOs, or local businesses, to foster ownership and engagement with the local community.
- Each Citycon employee will be able to allocate one work day per year for voluntary work in community engagement events that take place within Citycon's shopping centres.

TENANT SATISFACTION AND COOPERATION

We recognise that cooperation with tenants plays an important part in achieving our sustainability goals. We strive to encourage and help our tenants to take part in our sustainability work by, for instance, encouraging them to take energy efficiency into consideration when making alterations to their stores, providing recycling advice to their employees, and inviting them to take part in our youth cooperation work to make our shopping centres attractive and pleasant for all of our visitors.

At Citycon, we strive to communicate actively with our tenants. To achieve this, we have implemented an online tenant portal with practical information on issues ranging from safety and security procedures to recycling and waste management. For more personal feedback possibilities, we organise face-to-face meetings with our tenants. We undertake extensive tenant satisfaction surveys across the business,

enabling us to work with our tenants to identify areas of improvement. In 2018, we commissioned our second uniform survey, which reached all tenants in our operating countries of Sweden, Norway, Finland, and Estonia. The survey was sent to over 3,000 tenants, and 42% of them chose to complete the questionnaire. We are happy to observe that the response rate increased by 9 percentage points compared to the previous year. The results show that 82% of our tenants are satisfied with Citycon. Compared to last year, the satisfaction score decreased by one percentage point, but there has been a slight shift from the share of tenants who are somewhat satisfied with Citycon to the ones who are very or completely satisfied. In 2018, we initiated an action plan to communicate and improve the areas our tenants find the most important in every shopping centre.

According to our tenant survey, the most important factors for our sustainability profile are, in order of significance: health

CASE

Taking action based on our Tenant Satisfaction Survey. The results of our yearly tenant satisfaction survey are reviewed in all of our shopping centres and we choose specific areas of development based on the feedback we receive from our tenants.

[READ MORE](#)

and safety in the shopping centre, connectivity to public transport, efficient waste management and recycling, and community enrichment events held at the centres.

HEALTH AND SAFETY IN OUR SHOPPING CENTRES

Safety, security and convenience in our shopping centres are extremely important issues for us, and we aim to ensure the highest level of safety and security for our employees, tenants and visitors. Shopping centres that are healthy, safe, easy to visit, and enjoyable are not something achieved alone. We therefore work closely with tenants, residents and the authorities on these issues. In addition, we actively endorse collaboration within the industry. We strive to link health and safety issues to community engagement activities, since we believe that the best foundation to build convenient and safe shopping centres is by being an active and valued part of the local community.

In Finland, we launched a digital safety and property use exam for all of our tenants and service providers. The exam covers safety and security basics through a set of questions that are tailored to fit accidents or incidents that can happen in a shopping centre environment. All tenants and service providers need to pass the exam once a year, and new employees are obliged to pass the exam before receiving any keys to our

premises. The exam is a part of our safety operations management system, which also includes rescue plans, maps and further information related to shopping centre safety and recycling.

In Sweden, we initiated the process of certifying our assets according to the SAFE shopping centre standard, the only internationally acknowledged resilience certification standard programme for shopping centres. Currently six of our shopping centres have received the certification, and our aim is to certify all of our centres according to the standard.

In 2018, Citycon signed an agreement with our security partner, Securitas, that covers security, safety and fire prevention training for all of our staff and guards, as well as fire training and evacuation training for all tenants in each shopping centre. During the year, the training programmes have been planned, and they will be held annually from 2019 onwards. During 2018, we held safety training for staff and tenants in 17 shopping centres, fire training for tenants and staff in 32 shopping centres, and medical and first aid training was arranged in 13 of our shopping centres.

Annual health and safety reviews are carried out in all of our assets, and there were no reports of incidences of non-compliance with health and safety regulations during 2018. Health and wellbeing are also

assessed as part of the BREEAM In-Use certification carried out in our shopping centres. Currently 83% of our shopping centres are certified through BREEAM In-Use.

Our Head of Group Security is a member of the Security Group of the International Council of Shopping Centres (ICSC) and Nordic Council of Shopping Centres (NCSC).

ENGAGEMENT WITH LOCAL COMMUNITIES

At Citycon, we believe that one of the key methods of being a successful shopping centre is by being a true community hub where people come to visit, not only for convenient shopping and services, but also to spend time with friends and family. Shopping centres provide natural places for engagement with the local community and provide excellent venues for many local events.

During 2018, we organised over 700 different events, informational meetings and community engagement projects in our shopping centres in the Nordic and Baltic countries. The events ranged from long-lasting cooperation projects with NGOs to theatre performances, pop-up museums, recycling information events, environmentally-themed crafts for kids, and even a dog pool party that helped to keep our furry friends cool during the record-breaking hot summer.

CASE

A group of youngsters got a glimpse behind the curtains at Koskikeskus in Tampere Finland, when Citycon together with the NGO Youth Service Association organised an overnight stay at the centre for the shopping centre management, security personnel and the youngsters.

[READ MORE](#)

In the Stockholm area, we continued our popular car trunk flea markets, turning the parking areas into lively market places several times per year, and continued our underground farming project in Högdalen Centrum. In Norway, we have organised local food fairs and exhibitions with local artists, participated in a range of charitable events and set up an outdoor movie theatre.



READ MORE

about our Award-winning Youth-friendly Security Guards on our webpage.

www.citycon.com/sustainability/youth-friendly-security-guards-in-our-shopping-centres

One focus area for our community engagement is to engage with youths and children. In Koskikeskus, Tampere, Finland, we organised a youth day in cooperation with a range of NGOs, with activities and health information for youths. In Liljeholmstorget Galleria, Stockholm, Sweden, we organised a recycling weekend with workshops and information for grown-ups, and recycling crafts for the little ones. In Iso Omena, Espoo, Finland, we set up a living room in which youths could spend time during the summer holidays and held a behind-the-scenes tour for a local school to look at the recycling facilities of the shopping centre. In Åkersberga, Sweden, we held a Junior Achievements fair and have organised several culture and music events held by local youth and kids, together with local schools.

CASE

During 2018 IsoKristiina in Lappeenranta, Finland hosted a Pop-Up Vocational College bringing students into our shopping centre to showcase their skills and inspire the learning process through an unconventional learning environment.

[READ MORE](#)

At Koskikeskus, Myyrmanni, Iso Omena, Kista Galleria, Linderud, Storbyen and Stopp Senter, we have cooperated with local municipalities, schools and youth organisations to combine youth engagement and safety questions. In a collaboration with the local municipality at Kista Galleria, we have had field assistants specialised in youth work visiting the centre five days per week to build bridges between youths and the security organisation at the centre. In Finland, we continued and expanded our Youngsters' own security guard project and are planning to spread an even wider form of collaboration tested in the Tampere region involving both municipalities, social services and NGOs.

At our centres in Sarpsborg, Norway, we have cooperated with the police, the municipality, and other retailers on security issues. The project involves youth education and a system to settle minor damage cases between offenders and retailers. At Linderud Senter in Oslo, we have cooperated with the local school since 2015, offering summer jobs to the students. In 2018, the upper secondary school started a programme that focused on business management. Linderud Senter and a number of our tenants are the partners of the programme, acting as mentors and giving on-the-job learning opportunities for students that have enrolled in the programme. 72 young people have had summer jobs at the centre.

For older generations, we have organised senior walks in both Norway and Finland. In Trio, Lahti, we provide a space – Lyytin Tupa – that works as a meeting place for the elderly, with the aim to prevent and alleviate loneliness for the elderly. This is a cooperation between our supermarket tenant and Citycon. Lyytin Tupa provides the possibility to meet, chat, have a cup of coffee, or, for example, play cards with voluntary hosts, and is a great example of how we can cooperate with our tenants to support the local community.

Citycon does not endorse the activities of any political party or group. Citycon's shopping centres can, however, be used by political parties to host election campaign events, subject to standard leasing terms. Citycon wants to engage in open dialogue with regional decision makers and officials in our operating areas. In connection with the zoning and planning of our development projects, our representatives have participated in meetings with municipal political bodies. Citycon has also participated in informational meetings for residents concerning planning and zoning of our development projects together with municipal bodies. The purpose of these activities was to increase and facilitate interaction, and openly share information with local residents.

CASE

Kolbotn Torg participated in an event bringing together businesses, voluntary organisations and public services. A good way for community building and finding fun community building events for our shopping centre.

[READ MORE](#)

EXCELLENCE IN ACTION

Sustainability priorities:

Carbon neutral > Accessible > Convenient and safe

Other cornerstones for a sustainable shopping centre operator:

Good employer > Code of Conduct > Supply chain > Waste and water

OTHER CORNERSTONES FOR A SUSTAINABLE SHOPPING CENTRE OPERATOR

GOOD EMPLOYER

MAKING OUR PEOPLE GROW AND GLOW

The core of Citycon’s HR strategy is to empower our personnel and provide them with the possibilities to grow as professionals. Citycon has a strong value-based performance culture that ensures employee experiences that result in all Cityconners enjoying and feeling proud of their work and accomplishments.

All Cityconners are encouraged to **seek opportunities to learn and develop**. We promote internal mobility and, every year, several employees move into new positions, cross-functions and even cross-borders. We aim to internally fill as many open positions as possible.

We constantly work towards finding the best possible fit regarding our culture, the job, and the person through active **talent management**. Many employees are recruited to trainee positions at the end of their studies. We support our professionals to reach

their full potential and offer them a path to move further in their careers within the company. Our employees learn in many ways – through experience at work, from others, via training and seminars, and through their professional networks. We aim to proactively find the next possible career steps and ensure that we have potential successors as vacant positions open.

We believe in **inspiring leadership and leading by example** to together reach our challenging goals. Our leaders coach their teams to ensure that everyone knows what to do, which goals to aim for, and how to get there. On top of our daily work, we develop our leadership culture twice a year in our internal “Let’s Lead” and “Licence to Lead” development programmes.

All employees have performance and career development review- and target-setting in January–February, and review discussions in August–September with their immediate superiors. As a part of these discussions, employees review their competence development plan together with their manager on



an annual basis and agree on further actions for developing their competences. These actions might include job learning, internal or external training, job rotation, participation in a project, benchmarking, mentoring, coaching, etc. We believe that the best results are achieved through individual development plans and we encourage our employees to proactively discuss with their manager what kind of development actions would benefit them best. We do not require our personnel to report on all training sessions in which they have participated, since the development actions vary a lot – with training being only

one way to develop competences.

Citycon's values: Passionate, Solution-Oriented and Together One lay the foundation for everything that we do in our operations and leadership. It's important that all Cityconners are engaged and committed to our values in their work and that the cultural fit is optimal, therefore we seek for passionate, solution-oriented people with a together one mindset in our recruitment processes. Our values are also discussed every year as a natural part of our performance plans. Building a strong culture with people living our values makes learning, development, talent management and leadership better and easier, allowing us to focus on reaching our goals in the best way possible.

DEVELOPMENT PROGRAMMES FOR EVERYONE

In addition to our "Let's Lead" development programme, we launched three new programmes in 2018: "Licence to Lead" for our managers, "Ambassador" for our senior professionals and "Next Generation" for our junior professionals.

The aim of these leadership development programmes was to give managers, as well as employees, the opportunity to develop themselves as both professionals and leaders. By focusing on different levels of self-awareness, personal growth, accountability, moti-

vation and feedback, we gave our personnel tools and ideas on how to lead themselves and others in their everyday work.

We received excellent feedback for all programmes and will most definitely continue organising and developing them in 2019.

In tasks concerning the daily operations of shopping centres, Citycon, to a large extent, makes use of outsourced workers. These tasks are security, cleaning functions, and technical functions. All of these operators are subject to Citycon's Business Code of Conduct and are expected to follow the same high ethical standards as all Citycon staff.

FOCUS AREAS IN 2019

We will continue to implement our HR strategy with the special attention to the following topics:

- Employer image and employee experience development
- Development programmes
- Leadership development
- Talent management and competence development

CASE

The Citycon awards recognise great achievements during our annual get-together, Citycon-Days.

READ MORE

CASE

Citycon career paths. At Citycon we promote internal mobility both across country borders and company functions and many Cityconners have done so. Read about the path from Trainee to Commercial Director and from Transaction Controller to COO.

READ MORE



MORE INFORMATION

on our personnel structure in our Key Sustainability Indicators **pages 37-38**.

EXCELLENCE IN ACTION

Sustainability priorities:

Carbon neutral > Accessible > Convenient and safe

Other cornerstones for a sustainable shopping centre operator:

Good employer > Code of Conduct > Supply chain > Waste and water

CITYCON CODE OF CONDUCT AND TRANSPARENCY

Citycon's Code of Conduct reinforces the company's values and lays the foundation for its business operations, guiding it to act both ethically and responsibly. The Code also expresses Citycon's continuous desire to be a reliable partner. The Code of Conduct governs all of Citycon's business decisions and actions, and applies to every employee and executive at Citycon (including employees of our subsidiaries and joint ventures, over which Citycon has management control).

Citycon promotes the Code of Conduct in its internal communication and occasions. All new employees are required to confirm their commitment to comply with the principles of Citycon's Code of Conduct.

Citycon also makes a good faith effort to have its business partners commit to the principles of Citycon's Code of Conduct or ensure their adoption of a similar set of policies in their business activities. The standards of business behaviour and ethics that Citycon expects from its business partners are set out in Citycon's Business Code of Conduct, available on the company's web page. Each

Citycon employee and executive is encouraged to raise questions and concerns regarding the Code of Conduct, and to report (anonymously, if so wished) any suspected or detected violations. Citycon's business partners can also report such violations. Reporting is conducted through a web-based whistleblowing line, and reports are processed on a confidential basis in accordance with the applicable data protection and other regulations.

In 2018, Citycon continued an open dialogue and promoted awareness of Citycon's ethical principles. Citycon's legal team held Code of Conduct training for all supervisors to better familiarise all functions with the Code of Conduct, updated in 2017. In turn, all supervisors reviewed the renewed Code of Conduct and the use of the speak-up channels with their teams. All Citycon employees also participated in online training and a questionnaire concerning the code.

No fraud, bribery, or corruption cases were brought to the company's attention in 2018.

In 2019, the company will further promote awareness of Citycon's ethical principles among internal and external parties.

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Citycon's supplier selection process is set forth in internal purchasing policies. As adherence to high ethical principles promotes mutual trust of business partners, and contributes to their sustainability in the market, Citycon requires its suppliers, as well as personnel employed by or engaged to provide services to such business partners, to commit to Citycon's Business Code of Conduct, or similar or higher ethical principles, and always act accordingly. The Business Code of Conduct is based on Citycon's Code of Conduct. If a supplier acts inconsistently with Citycon's Business Code of Conduct, the supplier is required to correct such action. If inconsistent action is continued, Citycon may choose to terminate the existing business relationship.

All new lease agreements signed in 2018 contained a Code of Conduct commitment clause. At the end of 2018, over 70% of our total lease agreements included a Code of Conduct clause. In 2019, Citycon will focus on ensuring the use of the Business

Code of Conduct in its material tendering processes in all operating countries.

Citycon's business partners can report any suspected or detected violations of Citycon's Code of Conduct by Citycon's executives, employees or other persons representing Citycon, via a web-based whistleblowing line.



MORE INFORMATION

Citycon's Business Code of Conduct and further information on whistleblowing line are available at www.citycon.com/code-of-conduct

EXCELLENCE IN ACTION

Sustainability priorities:

Carbon neutral > Accessible > Convenient and safe

Other cornerstones for a sustainable shopping centre operator:

Good employer > Code of Conduct > Supply chain > Waste and water

WASTE RECYCLING AND WATER MANAGEMENT

Whereas we have reached a high level of waste recycling, we aim to further decrease the amount of waste produced and water consumed at our shopping centres and simultaneously increase the recycling rate. We find that the best way to achieve this is through cooperation and information sharing with our tenants and waste management providers.

During the year, we engaged with recycling and waste management coordinators that visited all of our Finnish shopping centres, and over half of the centres owned and managed by Citycon in Norway. The recycling and waste management coordinator gives hands-on advice to our tenants about how to sort different waste components and visits both technical rooms and tenants' stores to give information and advice. This service has been very appreciated by many working in our shopping centres, and establishes cooperation with the local waste management companies, with great results. In one of our shopping centres in Finland, we increased the recycling rate by 24%.

In Finland, we launched a digital safety and property use exam for all of our tenants and service providers. The exam covers safety and security basics and waste management and recycling information. All tenants and service providers need to pass the exam once a year, and new employees are obliged to pass the exam before receiving any keys to our premises.

Citycon's total water consumption decreased by 4.6% compared to the previous year. Water consumption per visitor in like-for-like shopping centres was 4.4 litres, an increase of 2% compared to the previous year.

Property waste management and sorting in Citycon's properties is organised in accordance with country-specific waste legislation and other local regulations.

We have reached a recycling rate of 98%, an increase of four percentage points from last year. The total amount of waste generated in our shopping centres decreased by 9.8%. In like-for like shopping centres, the decrease was 1.0%.



REPORTING PRINCIPLES, METHODOLOGY AND BOUNDARIES

Regarding the content and principles of sustainability reporting, Citycon applies GRI standards for sustainability reporting, the Construction and Real Estate Sector Supplement (CRESS), and Best Practices Recommendations on Sustainability Reporting (Version 3) published by the European Public Real Estate Association (EPRA). Coverage of the mentioned reporting recommendations is presented on [pages 24–40](#). This report has been prepared in accordance with GRI Standards Core option. The information is published annually, and the information presented corresponds to the company's financial year (i.e. 1 January–31 December).

Reported measures related to environmental performance included owned and rented shopping centres, and other properties where Citycon's ownership is at least 50% and where it has operational control (excluding two properties). This represents 97% of the leasable area owned by Citycon. Environmental data covers shopping centres and other properties that were owned by Citycon on 31 December 2018, acquired

before 30 June 2018, or divested after 30 June 2018. Energy figures from development projects are included from completion. Environmental data of managed properties (on behalf of other owners) is presented on page 29, but these are excluded from Citycon's total numbers. Development project energy figures are included from the day of completion. The environmental performance figures are based on actual measurements. In other words, estimates are not used.

Even though annual changes in the property portfolio – due to acquisitions, sales and (re)development – do not make reasonable comparisons over years, Citycon still reports a total portfolio performance according to the limitations mentioned previously. Citycon follows the EPRA Best Practices Recommendations Guidelines. Properties that have been consistently in operation (and not under development) during the previous two full reporting periods are included in the “like-for-like” portfolio. Sold properties are excluded from like-for-like comparison. Figures for Citycon Norway in 2014 have been included

in the baseline calculation for Citycon's environmental target setting. However, data for 2014 has not otherwise been retrospectively corrected.

Ernst & Young Oy has provided limited assurance for numerical environmental indicators. The assured indicators have been marked into GRI tables, [available online](#). The Assurance Statement can be found on [page 41](#).

ELECTRICITY AND ENERGY

Citycon reports tenants' electricity consumption in cases where Citycon is responsible for electricity procurement. In shopping centres, tenants have, in most cases, their own electricity meters and purchase agreement, and Citycon has no access to data related to tenant consumption. When energy procurement is the tenant's responsibility, it has been excluded from reporting. Energy used for heating and cooling is reported in its entirety. In terms of intensity figures, Citycon has limited the reported electricity consumption to

common areas, where it can have direct influence. This includes the electricity used for general lighting, ventilation and cooling, as well as lifts and escalators and other technical systems within the building. Based on case studies, the share of electricity consumption in common areas is between 25% and 70% of total electricity consumption, depending on heating, lighting and other technical solutions, as well as on the level of controllability.

CARBON

In calculating its carbon footprint, Citycon applies the Greenhouse Gas Protocol (GHG) developed by the World Resources Institute and the World Business Council for Sustainable Development. The market-based emissions factors for 2014–2018 for electricity are supplier-specific emissions factors and Guarantees of Origin have been taken into account. For Estonia, supplier-specific factors were not available. Therefore, national residual mix-based emissions factors have been used. For location-based emissions, national production-based emissions factors from IEA (five-year averages 2012–2016) have been used. For all CO₂ emission calculations, the source for

global warming potential is the IPCC Fifth Assessment Report (AR5 - 100 year).

District heat emission factors for 2018 are based on national statistics in Finland and Sweden (five-year averages). In Norway and Estonia, emission factors for district heating are based on data provided by heat suppliers. In the calculation of greenhouse gas intensity from building energy, the same principles are applied as for energy intensity calculation, with the exception that tenant electricity procured by Citycon is included.

WATER AND WASTE

The reported recycling rate indicates recycled, incinerated or reused waste fractions as a share of the total waste volume. Landfill waste is not included in recycled items. Waste reporting covers all properties where Citycon is responsible for waste management (97% of the leasable area owned by Citycon). Properties in which tenants are responsible for waste management are excluded from reporting, as there is no record available of their waste quantities. Reported water covers water consumed in common areas and by tenants. All water comes from municipal waterworks.

KEY SUSTAINABILITY INDICATORS

ENERGY

TOTAL ENERGY CONSUMPTION (302-1, CRE1) ¹⁾

MWh	2018	2017	2016	2015	2014	GRI Standards	EPRA CODE
Electricity in common areas	119,353	123,582	132,411	131,916	105,246	302-1	Elec-Abs
Tenants' electricity purchased by landlord ²⁾	66,961	78,987	80,609	85,546	72,922	302-1	Elec-Abs
Total electricity consumption in premises	186,315	202,568	213,020	217,461	178,168	302-1	Elec-Abs
Electricity consumption in Citycon's offices ⁴⁾	58	74	95	97	33	302-1	Elec-Abs, own office
Non-renewable electricity in premises	44,860	59,860	89,362	116,312	143,471	302-1	Elec-Abs
Renewable electricity in premises	141,397	142,635	123,563	101,150	34,697	302-1	Elec-Abs
District heating ³⁾	95,303	101,502	109,522	98,404	126,614	302-1	DH&C-Abs
Weather corrected district heating	102,132	108,931	113,481	117,080	139,718		
District cooling ³⁾	11,974	7,993	7,773	5,888	6,694	302-1	DH&C-Abs
Direct energy consumption							
Fuels ⁷⁾	3,408	2,959	3,192	2,782	3,279	302-1	Fuels-Abs
Fuels like-for-like ⁷⁾	627	503	0	0	-		Fuels-Iff
Total energy consumption in premises	296,999	315,023	333,506	324,536	314,754	302-1	

ENERGY INTENSITY INDICATORS ⁴⁾

	Unit	2018	2017	2016	2015	2014	GRI Standards	EPRA CODE
Building energy intensity shopping centres	kWh/sq.m.	194	183	196	184	245	CRE1	Energy-Int
Building energy intensity shopping centres ⁵⁾	kWh/visitor	1.36	1.36	1.34	1.23	1.43	CRE1	Energy-Int
Building energy intensity other retail properties	kWh/sq.m.	-	275	184	172	208	CRE1	Energy-Int
Baseline corrected building energy intensity shopping centres ⁶⁾	kWh/sq.m.	202	190	199	198	211	CRE1	Energy-Int

The coverage of energy and associated GHG disclosure is 97% of GLA under operative control. The figures are based on measured consumption, estimates are not used.

¹⁾ Citycon's reported energy consumption covers shopping centres and other retail properties where Citycon's share of ownership is at least 50% and where Citycon has operational control. Kista Galleria's environmental data is included in its entirety for 2014-2018. Kista Galleria's environmental data is not included for previous years.

²⁾ Citycon also reports the tenants' electricity consumption in cases where Citycon is responsible for electricity procurement. When energy procurement is on tenant's responsibility, it has been excluded from reporting.

³⁾ Energy used for heating and cooling is reported in its entirety.

⁴⁾ In terms of intensity figures, Citycon has limited the reported electricity consumption to common areas, where it can directly influence. This includes the electricity used for general lighting, ventilation and

cooling, as well as lifts and escalators and other building technical systems.

⁵⁾ Excluding shopping centres where amount of visitors is not collected. In 2018 these were Fruängen Centrum, Högdalen Centrum, Heikintori, Isomyyri, Sampokeskus, Glasshuspassasjen, Kongsenteret and Oasen Kontoreiendom

⁶⁾ The reported consumption includes the headquarters and Citycon Norway office 2015-2017, and Citycon Norway office 2018. Other offices, including the Head

office for the full year 2018 are integrated into shopping centres. Heating, water and waste in offices are excluded from reporting as they are included in the rent and not reported separately to Citycon.

⁷⁾ Fuels include oil, natural gas and biofuel.

⁸⁾ Baseline corrected intensity includes Citycon Norway data 2014, in addition the intensity is calculated with weather corrected heating consumption.

ENERGY CONSUMPTION

MWh	2018	2017	2016	2015	2014	%, 2017-2018	%, 2014-2018
Electricity in common areas	119,353	123,582	132,411	131,916	105,246	-3.4	13.4
District heat	95,303	101,503	109,522	98,404	126,614	-6.1	-24.7
Total energy consumption ¹⁾	230,038	236,036	252,897	238,989	241,832	-2.5	-4.9

ENERGY CONSUMPTION BY PROPERTY TYPE (EPRA ELEC-ABS & DH&C-ABS)

MWh	MWh	2018	2017	2016	2015	2014	%, 2017-2018	%, 2014-2018
Shopping Centres	Electricity in common areas	119,353	122,172	129,917	128,478	92,851	-2.3	28.5
	District heat	95,303	98,355	103,825	89,979	110,358	-3.1	-13.6
	Total energy consumption ¹⁾	230,038	231,479	244,649	227,109	207,568	-0.6	10.8
Other Retail Properties²⁾	Electricity in common areas	-	1,410	2,494	3,438	12,395	-	-
	District heat	-	3,147	5,697	8,425	23,453	-	-
	Total energy consumption ¹⁾	-	4,557	8,248	11,881	34,264	-	-

ENERGY CONSUMPTION BY PROPERTY TYPE, LIKE-FOR-LIKE (EPRA ELEC-LFL & DH&C-LFL)

MWh	MWh	2018	2017	2016	%, 2017-2018
Shopping Centres	Electricity in common areas	76,869	71,288	78,356	7.8
	District heat	55,621	53,949	58,125	3.1
	Total energy consumption ¹⁾	137,123	128,991	144,116	6.3
Like-for-Like Properties²⁾	Electricity in common areas	-	74,789	79,852	-
	District heat	-	57,699	61,022	-
	Total energy consumption ¹⁾	-	140,117	148,509	-

¹⁾ Total energy consumption incl. electricity in common areas, heating, cooling and fuels.

²⁾ No other properties than shopping centres in 2018.

ENERGY CONSUMPTION BY BUSINESS AREA (EPRA ELEC-ABS & DH&C-ABS)

MWh	MWh	2018	2017	2016	2015	2014	%, 2017-2018	%, 2014-2018
Finland	Electricity in common areas	44,317	52,052	55,136	55,301	65,969	-14.9	-32.8
	District heat	61,138	72,695	78,447	67,541	92,008	-15.9	-33.6
	Total energy consumption ¹⁾	108,794	127,094	135,448	122,842	157,976	-14.4	-31.1
	Total energy consumption in like-for-like shopping centres ¹⁾	49,856	49,549	50,814	48,761	-	0.6	
Norway	Electricity in common areas	39,788	35,726	39,600	38,280	-	11.4	
	District heat	5,059	4,298	4,597	3,843	-	17.7	
	Total energy consumption ¹⁾	45,961	41,155	45,133	43,078	-	11.7	
	Total energy consumption in like-for-like shopping centres ¹⁾	40,071	34,016	35,080	34,490	-	17.8	
Sweden	Electricity in common areas	25,944	27,133	29,013	28,508	29,219	-4.4	-11.2
	District heat	25,471	21,226	23,492	23,756	30,726	20.0	-17.1
	Total energy consumption ¹⁾	59,564	53,495	57,896	57,620	66,639	11.3	-10.6
	Total energy consumption in like-for-like shopping centres ¹⁾	38,585	37,637	50,618	32,262	-	2.5	
Baltics	Electricity in common areas	9,305	8,671	8,662	9,827	10,058	7.3	-7.5
	District heat	3,634	3,284	2,986	3,265	3,880	10.7	-6.3
	Total energy consumption ¹⁾	15,719	14,292	14,421	15,449	17,217	10.0	-8.7
	Total energy consumption in like-for-like shopping centres ¹⁾	8,611	7,788	7,603	7,083	-	10.6	

¹⁾ Total energy consumption incl. electricity in common areas, heating, cooling and fuels.

CARBON

GREENHOUSE GAS EMISSIONS BY SCOPES (GRI 305-1, GRI 305-2, GRI 305-3, EPRA GHG-DIR-ABS, DHG-INDIR-ABS)

tCO ₂ e	2018	2017	2016	2015	2014
Scope 1, direct	561	496	603	566	650
Scope 2, indirect, market-based	38,154	44,337	58,124	71,593	77,648
Scope 2, indirect, location-based	52,081	57,585	65,320	67,849	
Scope 3, indirect	1,498	1,515	1,567	1,500	1,240
Total (Market-based)	40,214	46,347	60,295	73,659	79,538

GREENHOUSE GAS EMISSIONS BY SCOPES IN LIKE-FOR-LIKE PROPERTIES

tCO ₂ e	2018	2017	2016
Scope 1, direct	0	0	15
Scope 2, indirect	19,797	20,115	28,350
Scope 3, indirect	543	543	707
Total	20,340	20,658	29,072

TOTAL DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS (GRI 305-1, GRI 305-2, GRI 305-3, EPRA GHG-DIR-ABS, DHG-INDIR-ABS)

tCO ₂ e	2018	2017	2016	2015	2014
Electricity in common areas	0	2,195	15,928	19,619	20,880
Tenants' electricity supplied by the landlord ²⁾	24,277	25,876	23,460	34,919	34,036
Electricity in Citycon offices	0	4	10	11	17
District heat and cooling	13,878	16,262	18,726	17,044	22,715
Fuels	561	496	603	566	650
Wastewater	807	846	889	879	762
Waste logistics	102	113	109	116	86
Business travel	435	404	397	315	300
Commuting	150	148	169	187	90
Paper consumption and mail	4	4	4	4	3
Total	40,214	46,347	60,295	73,659	79,538

LIKE-FOR-LIKE TOTAL DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS

tCO ₂ e	2018	2017	2016
Electricity in common areas	0	0	6,878
Tenants' electricity supplied by the landlord ²⁾	12,469	12,552	12,115
Heating and cooling (including fuels)	7,328	7,563	9,372
Wastewater	478	478	638
Waste logistics	65	65	68
Total	20,340	20,658	29,072

**GREENHOUSE GAS INTENSITY FROM BUILDING ENERGY³⁾
(CRE3, EPRA GHG-INT)**

	2018	2017	2016	2015	2014
Building greenhouse gas intensity, kgCO ₂ e/sq.m.	33	36	46	56	48
Building greenhouse gas intensity, kgCO ₂ e/visitor	0.25	0.26	0.32	0	0.33
Baseline corrected building greenhouse gas intensity ³⁾ , kgCO ₂ e/sq.m.	33	36	46	56	63

The coverage of Energy and associated GHG disclosure is 97% of GLA under operative control.

For Scope 2 emissions, Citycon uses market-based emission factors. Location based emission factors are used only where clearly stated.

Biogenic Scope 1 emissions from biofuel use in shopping centres are 1.226 tCO₂. Biogenic scope 3 emissions have not been assessed.

²⁾ Citycon also reports emissions from tenants' electricity consumption in cases where Citycon is responsible for electricity procurement. When energy procurement is on tenant's responsibility, it has been excluded from reporting.

In the calculation of greenhouse gas intensity, the numerator corresponds to emissions from electricity in common areas, district heating and cooling as well as emissions from waste water and waste. Additionally, tenants' electricity supplied by the landlord is included in

2015–2018 figures. I.e. the figures for 2014 and 2015 are not directly comparable.

³⁾ Baseline corrected intensity 2014 includes Citycon Norway data as well as tenants' electricity supplied by the landlord.

**PROPERTIES' GREENHOUSE GAS EMISSIONS BY SCOPE AND BUSINESS AREA
(EPRA GHG-DIR-ABS, DHG-INDIR-ABS, GHG-INT)**

		2018	2017	2016	2015
Finland	Scope 1, direct, tCO ₂ e	0	0	0	0
	Scope 2, indirect, tCO ₂ e	15,763	23,897	30,338	34,350
	Scope 3, indirect, tCO ₂ e	269	300	309	314
	Building greenhouse gas intensity ¹⁾ , kgCO ₂ e/sq.m.	45	56	69	77
Norway	Scope 1, direct, tCO ₂ e	0	24	43	99
	Scope 2, indirect, tCO ₂ e	166	144	153	131
	Scope 3, indirect, tCO ₂ e	221	232	230	239
	Building greenhouse gas intensity ¹⁾ , kgCO ₂ e/sq.m.	1	1	1	1
Sweden	Scope 1, direct, tCO ₂ e	0	0	0	0
	Scope 2, indirect, tCO ₂ e	2,521	1,939	2,843	3,333
	Scope 3, indirect, tCO ₂ e	363	371	400	373
	Building greenhouse gas intensity ¹⁾ , kgCO ₂ e/sq.m.	9	8	10	12
Baltics	Scope 1, direct, tCO ₂ e	561	472	560	467
	Scope 2, indirect, tCO ₂ e	19,704	18,353	24,780	33,768
	Scope 3, indirect, tCO ₂ e	56	56	59	68
	Building greenhouse gas intensity ¹⁾ , kgCO ₂ e/sq.m.	200	186	251	303

¹⁾ In the calculation of greenhouse gas intensity, the numerator corresponds to emissions from electricity in common areas, tenants' electricity supplied by the landlord, district heating and cooling as well as emissions from waste water and waste.

ENVIRONMENTAL DATA, MANAGED PROPERTIES

MANAGED SHOPPING CENTRES, NORWAY¹⁾

	2018	2017	2016	2015
Energy, MWh				
Electricity consumption in common areas	19,590	19,722	18,552	18,289
Tenants' electricity purchased by landlord	4,903	5,114	4,951	1,798
District heat	4,531	4,043	3,754	2,984
Fuels	2,322	1,594	1,783	2,598
Total energy consumption	31,345	30,473	29,040	25,669
Renewable electricity	24,492	24,836	23,503	17,994
Building energy intensity, kWh/sq.m.	125	127	115	114
Carbon, tCO₂e				
Scope 1, direct	258	232	294	142
Scope 2, indirect, market-based	140	125	118	888
Scope 2, indirect, location-based	345	331		
Scope 3, indirect	149	146	158	157
Building greenhouse gas intensity, kgCO ₂ e/sq.m.	3	3	3	6
Water, m³				
Total water consumption	127,290	124,978	138,038	136,662
Waste, t				
Landfill waste	57.7 (2%)	67.2 (2%)	47.8 (2%)	31.7 (1%)
Incinerated waste	878.31 (30%)	861.46 (30%)	800.7 (31%)	784.4 (29%)
Composted waste	635.9 (22%)	576.77 (20%)	530.6 (20%)	544.9 (20%)
Recycled waste	1,334 (45%)	1,339 (46%)	1,186.0 (46%)	1,259.6 (47%)
Reused waste	44.0 (1%)	53.91 (2%)	40.9 (2%)	84.1 (3%)
Total waste amount	2.950	2.898	2.606	2.705

¹⁾ The coverage is 100% for managed properties (on behalf of other owners), but the figures are excluded from Citycon total numbers.

ENVIRONMENTAL CERTIFICATIONS

ENVIRONMENTAL CERTIFICATES (CRE8, EPRA CERT-TOT)

	Proportion by value, %
Total portfolio - BREEAM in use	
BREEAM Outstanding, asset / building management	0 / 4
BREEAM Excellent, asset / building management	8 / 10
BREEAM Very Good, asset / building management	50 / 15
BREEAM Good, asset / building management	25 / 55
Total - BREEAM in use	83
Total portfolio - LEED and BREEAM	
LEED Platinum	23
LEED Gold	1
LEED Silver	4
LEED Certified	2
BREEAM Very Good	2
Total portfolio - environmental certificates	86
(Re)Developments (on track to achieve)	
Lippulaiva - BREEAM Excellent	100
Total	100% of development projects ongoing or finished in 2018 to be certified

CERTIFIED SHOPPING CENTRES

Shopping centre	Certification system(s)
Buskerud Storsenter	BREEAM In-Use
DownTown	BREEAM In-Use
Herkules	BREEAM In-Use
Iso Omena	BREEAM In-Use, LEED
IsoKristiina	BREEAM In-Use, LEED
Jakobsbergs Centrum	BREEAM In-Use
Kilden Kjøpesenter	BREEAM In-Use
Kista Galleria	BREEAM In-Use
Kolbotn Torg	BREEAM In-Use
Kongssenteret	BREEAM In-Use
Koskikeskus	BREEAM In-Use
Kremmertorget	BREEAM In-Use
Liertoppen	BREEAM In-Use
Liljeholmstorget Galleria	BREEAM In-Use, LEED
Linderud Senter	BREEAM In-Use
Magasinet Drammen	BREEAM In-Use
Myrmani	BREEAM In-Use
Möndal Galleria	BREEAM NC

Shopping centre	Certification system(s)
Oasen Kjøpesenter	BREEAM In-Use
Rocca al Mare	BREEAM In-Use, LEED
Sjøsidan	BREEAM In-Use
Solsiden	BREEAM In-Use
Stenungstorg Centrum	BREEAM In-Use
Stopp Tune	BREEAM In-Use
Storbyen Senter	BREEAM In-Use
Trekanten	BREEAM In-Use
Trio Shopping	BREEAM In-Use, LEED
Åkersberga Centrum	BREEAM In-Use
Managed Shopping centres	
City Syd	BREEAM In-Use
Markedet	BREEAM In-Use
Stovner Senter	BREEAM In-Use
Strandtorget	BREEAM In-Use
Tiller Torget	BREEAM In-Use
Torget Vest	BREEAM In-Use
Torvbyen	BREEAM In-Use

WATER

WATER CONSUMPTION ²⁾ (GRI 303-1, CRE2, EPRA WATER-ABS, WATER-LFL, WATER-INT)

	2018	2017	2016	2015	2014	% 2017-2018	% 2014-2018
Total water consumption, m ³	767,391	804,494	845,314	835,054	723,423	-4.6	6.1
Like-for-like total water consumption, m ³	454,814	442,044	606,733	417,412	-	2.9	-
Total water consumption in shopping centres, m ³	767,391	799,305	839,477	815,374	685,898	-4.0	11.9
Total water consumption in like-for-like shopping centres, m ³	454,814	442,044	604,379	411,459	-	2.9	-
Water intensity in shopping centres ¹⁾ , l/visitor	4.6	4.7	4.6	4.3	4.3	-3.3	6.8
Water intensity in like-for-like shopping centres ¹⁾ , l/visitor	4.4	4.3	5.2	-	-	2.3	-

TOTAL WATER CONSUMPTION BY BUSINESS UNIT (EPRA WATER-ABS, WATER-LFL, WATER-INT)

	2018	2017	2016	2015	2014	% 2017-2018	% 2014-2018
Finland							
Total water consumption, m ³	218,769	242,197	249,977	253,637	280,803	-9.7	-22.1
Total water consumption in shopping centres, m ³	218,769	237,009	245,337	235,001	245,193	-7.7	-10.8
Total water consumption in like-for-like shopping centres, m ³	108,339	110,143	89,870	87,407	-	-1.6	-
Water intensity in shopping centres ¹⁾ , l/visitor	3.5	3.7	3.1	3.0	3.1	-4.8	12.1
Norway							
Total water consumption, m ³	179,653	189,009	187,449	192,998	-	-5.0	-
Total water consumption in shopping centres, m ³	179,653	189,009	187,449	192,998	-	-5.0	-
Water intensity in shopping centres ¹⁾ , l/visitor	4.8	5.0	5.0	5.1	-	-2.3	-
Total water consumption in like-for-like shopping centres, m ³	159,641	160,140	154,197	157,886	-	-0.3	-
Sweden²⁾							
Total water consumption, m ³	320,532	324,598	356,026	328,039	378,896	-1.3	-15.4
Total water consumption in shopping centres, m ³	320,532	324,598	354,829	326,995	376,786	-1.3	-14.9
Total water consumption in like-for-like shopping centres, m ³	160,473	146,232	332,536	138,922	-	9.7	-
Water intensity in shopping centres ¹⁾ , l/visitor	5.9	6.0	6.4	5.8	6.6	-1.3	-10.4
Baltics							
Total water consumption, m ³	48,438	48,689	51,861	60,381	63,919	-0.5	-24.2
Total water consumption in shopping centres, m ³	48,438	48,689	51,861	60,381	63,919	-0.5	-24.2
Total water consumption in like-for-like shopping centres, m ³	26,361	25,529	27,775	27,245	-	3.3	-
Water intensity in shopping centres ¹⁾ , l/visitor	4.1	3.9	3.9	3.5	3.7	6.5	12.7

¹⁾ Excluding shopping centres where amount of visitors is not collected. In 2018 these were Heikintori, Isomyyri, Sampokeskus, Kongssenteret Vest, Oasen Kontoreiendom, Fruängen Centrum and Högdalen Centrum.

²⁾ Water consumption figures include a hotel and a student apartment block located in Kista Galleria. Kista Galleria is not included in lfl figures 2018-2017.

WASTE

TOTAL WEIGHT OF WASTE BY DISPOSAL ROUTE (GRI 306-2, EPRA WASTE-ABS)

	2018		2017		2016		2015		2014		2013	
	t	%	t	%	t	%	t	%	t	%	t	%
Landfill waste	363	2	1,350	6	1,545	7.1	1,137	4.9	2,106	12.3	2,410	12.3
Incinerated waste	7,367	36	7,487	33	6,873	31.6	8,151	35.3	4,294	25.1	4,179	25.1
Composted waste	3,893	19	4,228	19	4,143	19.0	4,148	17.9	2,628	15.4	2,724	15.4
Recycled waste	7,699	38	8,257	37	8,180	37.6	8,645	37.4	7,387	43.2	5,299	43.2
Reused waste	1,038	5	1,240	5	1,021	4.7	1,029	4.5	689	4.0	485	4.0
Total	20,360	100	22,562	100	21,761	100	23,110	100	17,105	100	15,097	100

TOTAL WEIGHT OF WASTE IN SHOPPING CENTRES BY DISPOSAL ROUTES

	2018		2017		2016		2015		2014		2013	
	t	%	t	%	t	%	t	%	t	%	t	%
Landfill waste	363	2	1,336	6	1,530	7.1	1,135	5.0	1,918	11.6	2,112	14.7
Incinerated waste	7,367	36	7,420	33	6,804	31.6	8,047	35.2	4,229	25.5	4,104	28.3
Composted waste	3,893	19	4,218	19	4,134	19.2	4,125	18.0	2,580	15.5	2,658	18.5
Recycled waste	7,699	38	8,147	36	8,061	37.4	8,559	37.4	7,207	43.4	5,088	35.2
Reused waste	1,038	5	1,240	6	1,016	4.7	1,017	4.4	665	4.0	484	3.4
Total	20,360	100	22,362	100	21,545	100	22,882	100	16,599	100	14,446	100

TOTAL WEIGHT OF WASTE BY DISPOSAL ROUTES, LIKE-FOR-LIKE (EPRA WASTE-LFL)¹⁾

	2018		2017		2016	
	t	%	t	%	t	%
Like-for-like shopping centres						
Landfill waste	179	1.4	582	4.5	639	4.7
Incinerated waste	4,591	35.5	4,472	34.3	4,843	36.0
Composted waste	2,443	18.9	2,406	18.4	2,396	17.8
Recycled waste	5,139	39.8	5,050	38.7	4,946	36.7
Reused waste	574	4.4	544	4.2	647	4.8
Total	12,925	100	13,055	100	13,471	100

	2018		2017		2016	
	t	%	t	%	t	%
Like-for-like properties²⁾						
Landfill waste	-	-	687	4.9	650	4.8
Incinerated waste	-	-	5,318	37.7	4,903	36.3
Composted waste	-	-	2,434	17.2	2,401	17.7
Recycled waste	-	-	5,071	35.9	5,053	37.4
Reused waste	-	-	600	4.3	517	3.8
Total	0	0	14,109	100	13,525	100

¹⁾The coverage of waste data is 97% of GLA under operative control

²⁾No other properties than shopping centres in 2018

TOTAL WASTE AMOUNT BY BUSINESS UNIT (EPRA WASTE-ABS)

t	2018	2017	2016	2015	2014
Finland	7,810	9,065	9,253	9,465	9,780
Norway	6,346	6,645	6,524	7,088	-
Sweden	5,248	5,875	5,109	5,621	6,338
Baltics	955	977	877	937	986
Total	20,360	22,562	21,761	23,110	17,105

TOTAL WASTE AMOUNT BY SOURCE (EPRA WASTE-ABS)

t	2018	2017	2016	2015	2014	%, 2017-2018	%, 2014-2018
Shopping centres	20,360	22,362	21,545	22,882	16,599	-9.0	22.7
Other	0	200	217	228	506	-100.0	-100.0
Total	20,360	22,562	21,761	23,110	17,105	-9.8	19.0

TOTAL WEIGHT OF WASTE IN SHOPPING CENTRES BY TYPE

	2018		2017		2016		2015		2014	
	t	%	t	%	t	%	t	%	t	%
Non-hazardous waste										
Landfill	339	2	1,283	6	1,308	6	901	4	1,644	7
Energy	7,367	36	7,420	33	6,804	32	8,047	35	4,229	18
Paper	426	2	517	2	632	3	667	3	711	3
Plastic	281	1	310	1	296	1	335	1	1,900	8
Cardboard	6,237	31	6,535	29	6,347	29	6,785	30	4,066	18
Compost	3,893	19	4,218	19	4,134	19	4,125	18	2,580	11
Metal	264	1	288	1	330	2	327	1	221	1
Glass	492	2	495	2	455	2	445	2	308	1
Other recycled	885	4	1,096	5	923	4	795	3	578	3
Other unsorted waste	24	0	53	0	222	1	235	1	274	1
Hazardous	152	1	144	1	93	0	221	1	87	0
Total	20,360	100	22,362	100	21,545	100	22,882	100	16,599	100

PROPORTION OF WASTE BY DISPOSAL ROUTE IN SHOPPING CENTRES BY BUSINESS UNIT (EPRA WASTE-ABS)

%		2018	2017	2016	2015
Finland	Landfill waste ¹⁾	1	12	15	8
	Incinerated waste ¹⁾	32	25	23	29
	Composted waste	24	21	21	21
	Recycled waste	35	34	35	35
	Reused waste	8	8	7	8
	Total	100	100	100	100
Norway	Landfill waste	0	0	0	1
	Incinerated waste	27	28	28	28
	Composted waste	22	22	26	24
	Recycled waste	48	47	44	45
	Reused waste	3	3	3	2
	Total	100	100	100	100
Sweden	Landfill waste	5	5	3	5
	Incinerated waste	52	50	49	52
	Composted waste	8	14	10	8
	Recycled waste	31	27	33	32
	Reused waste	4	3	4	3
	Total	100	100	100	100
Baltics	Landfill waste	0	0	0	8
	Incinerated waste	43	45	51	48
	Composted waste	21	8	8	4
	Recycled waste	36	36	40	40
	Reused waste	0	11	0	0
	Total	100	100	100	100

¹⁾ In Finland all Citycon's mixed waste is incinerated. Waste reporting in 2018 was amended to take this into consideration. All mixed waste (8% of total waste in Finland) has been moved to Incinerated from landfill to better portray the waste handling.

TOTAL WEIGHT OF WASTE IN LIKE-FOR-LIKE SHOPPING CENTRES BY TYPES

	2018		2017		2016	
	t	%	t	%	t	%
Non-hazardous waste						
Landfill	174	1	579	4	581	4.3
Energy	4,591	36	4,472	34	4,843	36.0
Paper	215	2	212	2	238	1.8
Plastic	216	2	207	2	246	1.8
Cardboard	4,129	32	4,100	31	4,041	30.0
Compost	2,443	19	2,406	18	2,396	17.8
Metal	173	1	150	1	164	1.2
Glass	407	3	381	3	256	1.9
Other recycled	472	4	499	4	590	4.4
Other	5	0	3	0	59	0.4
Hazardous	101	1	46	0	57	0.4
Total	12,925	100	13,055	100	13,471	100
Total amount change, %	-1.0		-3.1			

RECYCLING RATE OF SHOPPING CENTRES

%	2018	2017	2016	2015	2014	2013
Finland	99	88	85	92	84	80
Norway	100	100	100	99	-	-
Sweden	95	95	97	95	95	97
Baltics and Denmark	100	100	100	92	92	86
Total	98	94	93	95	88	85

PERSONNEL

NUMBER OF EMPLOYEES

	2018		2017		2016		2015	
Total number of employees 31 Dec. (102-7)	FTE	%	FTE	%	FTE	%	FTE	%
Total	254.25		247.1		140		137	
Personnel by country 31 Dec. (102-8)								
Finland	68.5	27	70.2	28	78	29	77	25
Norway	112.5	44	107.5	44	132	49	160	55
Sweden	60.25	24	56.4	23	50	18	48	16
Estonia	10	4	10	4	8	3	8	3
Netherlands	2	1	2	1	3	1	3	1
Denmark	1	0	1	0	1	0	1	0

PERSONNEL KEY FIGURES

	2018		2017		2016		2015	
Employment type 31 Dec. (102-8, 401-1)	FTE	%	FTE	%	FTE	%	FTE	%
Permanent employees/Fixed-term employees	238.95/15.3	94/6	230.1/17	93/7	259/13	95/5	286/11	96/4
Full-time employees/Part-time employees	250/4.25	98/2	244.5/2.6	99/1	270/2	99/1	288/9	97/3
Average age of employees and sex distribution (401-1)								
Average age, years 31 Dec.	41		42		43		44	
Employees under age 18 during the year	0		0		0		0	
Female/male percentage 31 Dec.	110.45/143.8	43/57	100.7/146.4	41/59		45/55		46/54
Employee turnover during the year (401-1)								
New contracts including short-term substitutions	48.9		40.6		42		32	
Female/male percentage of new contracts	28.8/20.1	59/41	17.2/23.4	42/58		45/55		62/38
Permanent employees left Citycon	38.8		34		59		27	
Female/male percentage of left employees	19.8/19	1	14.9/19	44/56		45/55		30/70
Employees returning to work after parental leave		100		99		99		100
Sick days (403-2)								
Number of sick days during the year	1,232		2,058		896		307	
Sick days per employee	5		8		3		3	

Full-time equivalent (FTE) is a unit that describes the amount of human resources available, including full-time and part-time employees pro rata, excluding employees who are on long-term leaves.

All employment relationships are based on a legal employment contract.

No occupational diseases, work-related injuries or fatalities during 2018.

EMPLOYEE GROUP BY GENDER 31 DECEMBER 2018

	Total		of which female	
	FTE	%	FTE	%
Management committee	5.00	2.0	1.00	20.0
Other directors	21.00	8.3	8.00	38.1
Managers	128.25	50.4	56.55	44.1
Other employees	100.00	39.3	44.90	44.9
Total	254.25	100.0	110.45	43.4

DURATION OF EMPLOYMENT 31 DECEMBER 2018

	FTE	%
Less than 2 years	76.15	30.0
2–4 years	39	15.3
More than 4 years	139.1	54.7
Total	254.25	100.0

AGE PROFILE 31 DECEMBER 2018

	FTE	%
Under 30	41.4	16.3
30–50	162.25	63.8
Over 50	50.6	19.9
Total	254.25	100.0

Compensation in Citycon is based on the level of responsibility, job requirements and demands, employees' competences and skills, as well as employee's performance. Salaries are reviewed once a year within each function and on company level. As part of the review, it is ensured that the salaries are in line within each team in terms of the job requirements and employee performance and that gender does not have an impact on salary level. On a general level, the gender pay-ratio is **93%**. The pay ratio is calculated of average salary of female employees / average salary of male employees (excluding CEO). The responsibility level, job requirements, employees' competences or performance is not taken into account in this pay-ratio.

ECONOMIC RESPONSIBILITY

ECONOMIC VALUE GENERATED AND DISTRIBUTED (EC 201-1)¹⁾

MEUR	2018	2017 ⁵⁾	2016 ⁵⁾
Direct economic value generated			
a) Revenues			
Finland & Estonia	138.1	154.9	156.4
Norway	114.1	121.6	115.1
Sweden & Denmark	64.0	61.7	60.3
Gross rental income	237.0	257.4	251.4
Service charge income	79.2	80.8	80.3
Revenues from sale of investment properties ²⁾	87.7	315.9	109.9
Economic value distributed			
b) Operating costs			
Finland & Estonia	-33.6	-39.2	-38.3
Norway	-27.3	-28.9	-26.6
Sweden and Denmark	-15.1	-14.8	-14.8
Other ⁴⁾	0.2	0.7	0.5
Purchases related to property operating costs ³⁾	-75.9	-82.2	-79.2
Finland & Estonia	54.9	104.0	222.0
Norway	21.1	84.9	45.7
Sweden and Denmark	91.7	109.0	45.7
Other ⁴⁾	1.2	0.8	1.1
Investments	168.8	298.7	314.5
c) Employee wages and salaries			
Finland & Estonia	-3.2	-3.8	-3.7
Norway	-9.8	-9.8	-12.0
Sweden and Denmark	-3.7	-3.8	-3.9
Other ⁴⁾	-5.4	-6.8	-6.8
Paid wages and salaries	-22.2	-24.1	-26.2
Finland & Estonia	-0.1	0.0	0.0
Norway	-0.1	-0.1	0.0
Sweden and Denmark	-0.1	-0.1	-0.1
Other ⁴⁾	-0.1	-0.1	-0.1
Funds used for employee training	-0.4	-0.4	-0.1

MEUR	2018	2017 ⁵⁾	2016 ⁵⁾
d) Payments to providers of capital ²⁾			
Paid dividends and return from invested unrestricted equity fund	-115.7	-116.2	-131.4
Loan repayments and proceeds	106.8	-52.0	3.8
Paid and received financial expenses as well as realised exchange rate losses/gains	-101.4	-65.7	-57.9
e) Payments to government			
Income taxes received/paid (directly from/ to government) ²⁾			
Finland & Estonia	-0.2	-0.1	-0.8
Norway	-3.6	-4.7	-3.8
Sweden and Denmark	-1.5	-1.6	-1.4
Property taxes (payments to government as agent, recharged to tenants)	-2.5	-3.0	-2.9
	-7.7	-9.3	-8.1

¹⁾ The figures do not include Kista Galleria

²⁾ Items from the cash flow

³⁾ Services related to property maintenance always require the use of local employees. Energy was the largest cost item in maintenance costs. Locally procured district heating from regional heating companies is the principal heating method. Electricity is purchased on a centralised basis in all countries.

⁴⁾ Mainly expenses arising from the Group's functions

⁵⁾ Citycon changed the presentation of segments during the last quarter of 2017 to better meet the segment information presented to the Board of directors by combining the monitoring of Estonian operations as a part of the new Finland & Estonia segment. Information from previous years is presented on the basis of new segmentation.

INDEPENDENT ASSURANCE REPORT

(Translated from original Report in Finnish language)

TO THE MANAGEMENT OF CITYCON OYJ

At the request of the Management of Citycon Oyj (hereafter Citycon) we have performed a limited assurance engagement on the environmental responsibility information presented for the reporting period 1.1.–31.12.2018 in Citycon's Sustainability Accounts 2018 (hereafter environmental responsibility information).

MANAGEMENT'S RESPONSIBILITY

The Management of Citycon is responsible for the preparation and presentation of the environmental responsibility information in accordance with the Global Reporting Initiative (GRI) Standards, EPRA (European Public Real Estate Association) Best Practice Recommendations on Sustainability Reporting (3rd Edition) and Citycon's internal reporting guidelines (hereafter the reporting principles).

ASSURANCE PROVIDER'S RESPONSIBILITY

It is our responsibility to present an independent conclusion on the environmental responsibility information based on our work performed. We do not accept nor assume responsibility to anyone else except to Citycon for our work, for the assurance report and for the conclusions that we have reached.

We have conducted the assurance engagement in accordance with the International

Standard on Assurance Engagements (ISAE) 3000 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information'. The ISAE 3000 standard requires compliance with ethical requirements as well as planning and performing the assurance engagement to obtain limited assurance on whether the environmental responsibility information has been prepared, in all material respects, in accordance with the reporting principles.

ASSURANCE PROVIDER'S INDEPENDENCE AND QUALITY ASSURANCE

We comply with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the IESBA (International Ethics Standards Board for Accountants). We apply ISQC 1 (International Standard on Quality Control) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

LIMITATIONS OF THE ENGAGEMENT

In a limited assurance engagement the evidence gathering procedures are more limited than in a reasonable assurance engagement, and therefore less assurance is obtained than

in a reasonable assurance engagement. The procedures selected depend on the Assurance Provider's judgment, including an assessment of the risks that the environmental responsibility information would not, in all material respects, comply with the reporting principles. We have planned and performed our engagement to obtain sufficient appropriate evidence on which to base our conclusion.

We have performed, among others, the following procedures:

- An update of our knowledge and understanding of Citycon's material environmental responsibility reporting topics, organisation and activities,
- Interviews with personnel responsible for gathering and consolidation of the environmental responsibility information to understand the systems, processes and controls related to gathering and consolidating the information,
- Visiting a site in Sweden, Norway and Finland to obtain evidence of the data gathering and consolidation process,
- Reviewing environmental responsibility data from internal and external sources and checking the data to reporting information on a sample basis,
- Reviewing the disclosed data presentation with regard to GRI Standards and EPRA Best Practice recommendations.

Our assurance report should be read in conjunction with the inherent limitations of accuracy and completeness for environmental responsibility information. This independent assurance report should not be used on its own as a basis for interpreting Citycon's performance in relation to its principles of environmental responsibility.

CONCLUSION

Based on our work described in this report, nothing has come to our attention that causes us to believe that the environmental responsibility information has not been prepared, in all material respects, in accordance with the reporting principles, or that the Information is not reliable, in all material respects, based on the reporting principles.

Helsinki, 13 February 2019

Ernst & Young Oy

Mikko Ryttilahti

Partner, Authorized Public Accountant

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Leader of Climate Change and Sustainability Services



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