



SUSTAINABILITY
ACCOUNTS 2019

CONTENTS

SUSTAINABILITY AT A GLANCE

Interview with the CEO	3
Striving for excellence in action	5
Sustainability Key Figures.....	6
Long-term Goals of our Sustainability Strategy	7

SUSTAINABILITY PRIORITIES IN 2019

Carbon Neutral.....	9
Accessible	11
Convenient and Safe.....	12
Excellence in Action.....	15

FOCUS AREAS AND MATERIALITY

Our Materiality Assessment.....	17
Priority Matrix.....	18
Ongoing Dialogue with our Stakeholders.....	19


OTHER CORNERSTONES FOR A SUSTAINABLE SHOPPING CENTRE OPERATOR

Good Employer	20
Citycon Code of Conduct and Transparency.....	21
Responsible Supply Chain Management.....	22
Waste Recycling and Water Management.....	22
Green Financing	23
Reporting Principles, Methodology and Boundaries	24

KEY SUSTAINABILITY INDICATORS

Independent Assurance Report	43
------------------------------------	----

HOW TO READ CITYCON'S 2019 REPORTS

Our reporting in 2019 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 the '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: 



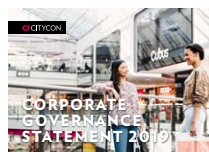
SUSTAINABILITY ACCOUNTS

Describes Citycon's environmental and social performance, as well as sustainability highlights in 2019.



FINANCIAL REVIEW

Covers Citycon's financial performance in 2019, 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 2019.

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 2019. 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.



These symbols help us to report our results in a way that is open and easy to understand. The green, yellow and red faces provide a quick overview of the status of our short-term sustainability targets. The symbols should be understood in the context of the targets and comments provided for that action.

INTERVIEW WITH THE CEO

F. Scott Ball started as CEO of Citycon on 1 January 2019. We sat down with Mr. Ball to discuss the role of sustainability at the company.

As you have now been at Citycon for one year, how would you describe sustainability at the company and what were the main sustainability achievements in 2019?

I strongly believe that profitability and sustainability go hand in hand. Both enable us to contribute in a positive way to our customers and the local communities where we operate. Sustainability for us is about carbon neutrality, accessibility, convenience and safety, and integrating these throughout the company. This of course involves many smaller targets to be achieved along the way.

Looking at the short-term targets of our sustainability strategy, I'm happy to see that we are back on track towards increasing our energy efficiency. The energy intensity of our shopping centres decreased by seven percent since last year, but we still need to work hard to achieve the target of 15% reduction from 2014 levels by the end of 2020. More than half of our customers in Finland, Sweden and Denmark already visit us by public transport, bicycle or by foot, and all our development projects are very strongly connected to public transport. In 2019, we opened the world's largest solar park with snow melting technology on the roof of the

“
I strongly believe that profitability and sustainability go hand in hand. Both enable us to contribute in a positive way to our customers and the local communities where we operate.



F. Scott Ball, CEO

shopping centre Down Town in Porsgrunn, Norway. This year Citycon launched a Green Financing Framework and issued its first Green Hybrid Bond under the framework. This integrates our financing activities with our sustainability targets and further integrates sustainability across functions inside the company.

Could you tell us a little more about the Green Financing Framework and the Green Bond. Why was this important?

In November 2019 Citycon launched a Green Financing Framework and later the same month we issued a EUR 350 million green hybrid bond. The Green Financing Framework is based on Citycon's sustainability strategy and aims to support the sustainability targets of the company and diversify the investor base. The purpose of the framework is to transparently show investors that financing activities issued under the framework follow strict sustainability criteria. Proceeds issued under the framework can be used to finance or re-finance eligible green assets in four categories: green buildings, energy efficiency, renewable energy or waste management.

The hybrid bond was an important milestone in strengthening Citycon's credit profile and balance sheet. It was placed to a broad base of European investors. The second important factor is that a growing part of investors, especially in Europe, operate with a mandate only to invest in green assets. They could now invest in Citycon as we have a third-party verified Green Financing Framework in place, meaning that the spectrum of potential investors in Citycon is now broader than before.

The development of the mixed-use project Lippulaiva progressed during 2019 as Citycon selected a new contractor for the shopping centre part. The heating and cooling needs of the shopping centre will be met by carbon free, geothermal energy. How important are environmental factors in the company's development projects?

I think it's about a broader picture of high-quality assets in the right places with the right offering. And for us this means that all our development projects will be strongly connected to public transport and will all be environmentally certified. Furthermore, they will be mixed-used assets offering not only shopping but also services like municipal healthcare, libraries, kindergartens etc. According to our new strategy, we have identified significant opportunities to develop residential buildings attached to our properties. A denser city structure adjacent to services and public transport is also in line with creating more sustainable communities.

Lippulaiva is a good example of this. Lippulaiva will be a mixed-use centre with both a shopping centre, kindergarten and municipal services. Eight residential blocks will be built in connection to the centre. The heating and cooling of the shopping centre will be done by Geothermal power, and the shopping centre

will qualify as a Nearly Zero Energy Building. It will be directly connected to the metro line and there will be 250 parking spaces for electrical vehicles for the shopping centre and apartments. The building project itself will be LEED Gold certified.

Looking forward, we aim to BREEAM In-Use certify all our existing assets by the end of 2020. All our new construction projects will be environmentally certified with the target level of BREEAM Excellent.

Part of Citycon's sustainability strategy is to make the best sustainability practices the norm, how is this seen in everyday work?

Since the new management started, we have implemented a new organization with the aim of focussing on our assets and finding synergies from our Pan-Nordic portfolio. We brought the Sustainability function closer to the operations and to the new Operations Development Team. This means that we take sustainability into considerations whenever we make changes in our operations and have a more systematic way of looking for opportunities to reduce greenhouse gas emissions, energy use and waste in all our operations. In 2019 we launched the Citycon Sustainability Awards, a yearly award that the company gives to a

“
We take sustainability into considerations whenever we make changes in our operations.”

tenant that has done outstanding sustainability work. Our shopping centres prosper when the communities where we operate prosper. Therefore, we focus on minimizing our environmental impacts and making sure our shopping centres are convenient and safe and provide products and services that add value to the community.

STRIVING FOR EXCELLENCE IN ACTION

Climate change is the biggest challenge of our time. Citycon wants to have a positive impact on people, communities and the environment. “Excellence in action” is present in what everyone at Citycon does every day. We want to make best sustainable practices the norm throughout the company, so that successes are shared and adopted.

Citycon’s updated sustainability strategy was taken into use at the beginning of 2018 with the objective of defining clear and justified sustainability priorities that create value for us as well as our stakeholders. Our priorities combine business relevance and the most important sustainability issues for our stakeholders, the environment, and the communities we operate in. Our sustainability strategy sets long-term main objectives that span to 2030 as well as strategic actions for the next three years.

We combine climate, environmental and social objectives and have selected indicators that enable close monitoring of performance in those areas. By setting objec-

tives both for 2020 and for 2030, combined with regular updates of the objectives in our sustainability strategy, Citycon prevents becoming locked in the choices made and is able to include the latest developments in environmental and social impacts. By adopting a participatory approach in the areas where we operate, Citycon includes local stakeholders and their knowledge in the sustainability policies.

In 2020, the strategy will be updated partly. We will revise the strategic actions set in place for the first three years and update them based on both our performance and on external developments.



MORE INFORMATION

A description of how we create value can be found in our financial review on [page 7-8](#).



READ MORE

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



SUSTAINABILITY KEY FIGURES

-56%

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



-10%

ENERGY INTENSITY
FROM BASELINE 2014
(KWH/SQ.M.)



-58%

CLIMATE CHANGE IMPACT
FROM BASELINE 2014
(TCO₂E)

84%

BREEAM IN-USE CERTIFIED SHOPPING CENTRES
MEASURED BY FAIR VALUE %



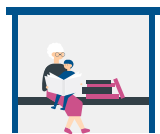
55%

SHARE OF SHOPPING CENTRE
WITH YOUTH COOPERATION PROJECTS HELD



867

COMMUNITY ENGAGEMENT EVENTS HELD



100%

SHARE OF SHOPPING CENTRES ACCESSIBLE
BY PUBLIC TRANSPORT



3,547

BICYCLE PARKING SPACES



100%

SHARE OF RENEWABLE ELECTRICITY
USED FOR OWN CONSUMPTION

LONG-TERM GOALS OF OUR SUSTAINABILITY STRATEGY

With 170 million visitors every year and 38 shopping centres in the Nordic region, Citycon has both a responsibility and an opportunity to have a positive impact on people, communities and the environment.

Citycon's sustainability strategy defines actions and targets which set clear goals for 2030. Our work to reach these goals is guided by the concept "Excellence in action", which refers to our desire to make best sustainable practices the norm throughout the company. Our strategy is built around the 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, bicycle, or electric vehicles.

Convenient and Safe: Visitors, customers and personnel all feel right at home.

Long-term main objective: Continuously taking actions to improve the experience of safety, security, hospitality and service-mindedness.



READ MORE

Our full sustainability strategy is available online at

www.citycon.com/sustainability/creating-value-through-sustainability



SUSTAINABILITY PRIORITIES IN 2019

Sustainability issues that matter most to us are presented in this report under the headline “Sustainability Priorities in 2019”. These are strategically important issues and are featured in our sustainability strategy. 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.



CARBON NEUTRAL: USING LESS ENERGY AND PRODUCING MORE OF IT OURSELVES

ENERGY EFFICIENCY AND CARBON FOOTPRINT

Citycon's target is to become carbon neutral by 2030. This means that by 2030 we will have no direct carbon emissions from our own assets and all our purchased energy will be carbon-neutral. We aim to achieve this target by energy efficiency measures, increasing our own renewable energy production, cooperating with our tenants for energy conservation and by increasing the share of carbon neutral energy purchased. In 2019, 100% of the electricity bought for own use was green. The central locations and good public transport connections of Citycon's shopping centres also reduce the carbon footprint from the visitors' journey to our centres. Energy consumption in Citycon's properties is mostly indirect consumption (i.e. procured energy). Only three shopping centres are heated by fossil fuels, and this fuel usage is reported as direct energy consumption.

In 2019, Citycon installed three new solar power plants with two additional plants planned and ready for installation in 2020. Rooftop solar power installations have proven to be technically and economically feasible

CASE



We opened the world's largest solar park with snow melting technology on the roof of the shopping center Down Town in Porsgrunn, Norway. 8,000 square metres of solar panels produce energy equivalent to the consumption of about 100 apartments.

[READ MORE](#)

Carbon Neutral: Using less energy and producing more of it ourselves

Target 2020

Status 2019

<ul style="list-style-type: none"> Renewable energy production: All assets will produce renewable energy for their own use 	<p>As PV Installations are physically and economically feasible in fewer assets than anticipated, we are behind schedule. We are carrying out feasibility studies on both geothermal and PV installations in several additional assets.</p> <ul style="list-style-type: none"> Estimate: 30% of assets will produce renewable energy by the end of 2020. 	☹️
<ul style="list-style-type: none"> Energy efficiency: -15% energy consumption /m² (from 2014 levels) 	<p>Energy efficiency has improved at Citycon and there are several energy efficiency projects ongoing.</p> <ul style="list-style-type: none"> 2019: -10% 	😐
<ul style="list-style-type: none"> Green electricity: 100% green electricity. 	<p>All electricity purchased for own consumption has been Green electricity since 2018.</p>	😊
<ul style="list-style-type: none"> Energy investment: 2% of net rental income will be budgeted for value enhancing energy investments 	<p>Share of NRI used for energy efficiency investments will be above target in 2020.</p> <ul style="list-style-type: none"> Energy investments amounted to 1,5% of NRI in 2019 and will amount to 2,4% in 2020 according to budget. 	😊

in far fewer assets than anticipated, as both load bearing and planned development projects cause uncertainty concerning power plant placements.

During the year, we continued to implement energy efficiency measures identified through energy audits in several of our assets and carried out the planning of large-scale energy efficiency projects in Iso Omena, Myyrmanni and Koskikeskus, which will be implemented during the coming years. 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 decreased by 6.5% compared to the previous year.

The total carbon footprint decreased by 17.7% compared to the previous year. The greenhouse gas intensity of our properties decreased by 15.3% compared to the previous year.

In 2019, we pledged to set a Science Based Target. The target will guide us in the concrete steps to take in order to become carbon neutral by 2030.



READ MORE

In-depth information on our energy efficiency and carbon footprint can be found in our Key environmental figures on **pages 26-30**.



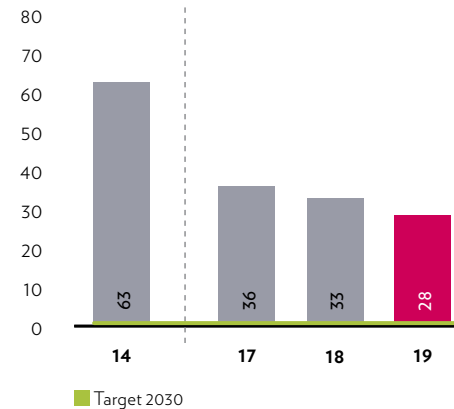
CASE

Carbon neutral shopping centre management requires a centre to run entirely on fossil-free energy. This can be achieved in several ways. At Iso Omena we procure only fossil-free energy for the operation of the shopping centre and produce some of our own electricity through solar power, but we strive to do even more.

READ MORE

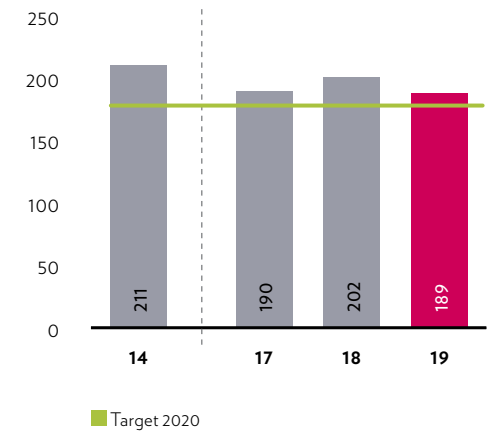
GREENHOUSE GAS INTENSITY

(Baseline corrected, kgCO₂e/sq.m)



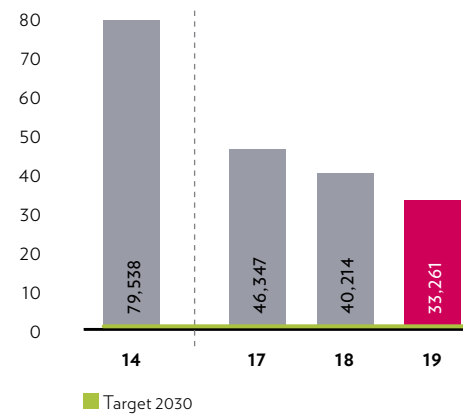
ENERGY INTENSITY OF SHOPPING CENTRES

(Baseline corrected, kWh/sq.m)



CLIMATE CHANGE IMPACT

Greenhouse gas emissions (tCO₂e)



ACCESSIBLE: ENCOURAGING GREEN TRANSPORTATION

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. Our development projects strongly focus on public transport hubs.

All of our centres are accessible by bus, 8 centres are directly connected to metro lines, 20 to train lines and 2 to tram lines. In Norway and Sweden, we have continued a car-sharing system at 10 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 5 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, and in 2019 we have continued discussions with both private companies and municipalities. In 2019 13 of our centres had municipal or private city-bike stations close by.

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.

The following figures describe the accessibility of our shopping centres at the end of 2019:

- Connectivity to public transport: 100% of shopping centres
- Charging points for electric cars: 273
- Eco-parking, low emission, hybrid cars: 95
- Parking for people with disabilities, family parking: 1,779
- Number of dedicated bicycle parking spaces: 3,547
- Share of visitors arriving by public transport, foot or bicycle:
 - Estonia: 41%
 - Finland: 83%
 - Norway: 31%
 - Sweden and Denmark: 68%

Accessible: Encouraging Green Transportation

Target 2020

Status

<ul style="list-style-type: none"> • Enabling EV uptake: All assets will offer electrical vehicle charging possibility for cars and bikes. 	Local agreement in Norway to install EV chargers in all centers. Target may be delayed. <ul style="list-style-type: none"> • 65% of centres have EV charging. 	😊
<ul style="list-style-type: none"> • Bicycling: All assets will promote cycling, with different methods tested and the best practices spread across all sites. 	Bicycle repair happenings in the spring in Finland, updated bike parking in e.g. Kristiine centre. <ul style="list-style-type: none"> • 87% of Shopping centres have dedicated bicycle parking spaces. 	😐
<ul style="list-style-type: none"> • Public transport: Public transport options will be proactively developed together with local stakeholders. 	Public transport is a key criteria for all development projects. <ul style="list-style-type: none"> • 100% of Centres accessible by public transport. 	😊
<ul style="list-style-type: none"> • Rail transport: Citycon will focus on shopping centres connected to rail transport. 	Development projects such as Lippulaiva and Liljeholmstorget are focussed in centres connected to rail transport.	😊

CASE

CityHub: a solution for reducing transport-related emissions. At Trekanten in Asker municipality, Citycon carried out a concept study for a more efficient logistics in the city centre of asker in order to reduce transport-related emissions.

[READ MORE](#)

CONVENIENT AND SAFE: VISITORS, CUSTOMERS AND PERSONNEL ALL FEEL RIGHT AT HOME

TENANT SATISFACTION AND COOPERATION

Thriving tenants are the very core of Citycon's business and cooperating with our tenants is key for making our shopping centres convenient and safe. Our tenants also play an important role in keeping our centres energy efficient and our recycling rates at a high level. We cooperate with our tenants in various community engagement projects, offer energy efficiency advice when remodelling and provide advice and help with recycling issues.

At Citycon, we keep an active and open dialogue with our tenants. We organize informal morning meetings between the centre management and our tenants at least every quarter. We organize workshops and other forums for gathering input and views from our tenants, and of course meet them one on one for specific questions. All our tenants have access to an online tenant portal with detailed information about working in our centres and ways to contact us when necessary.

CASE

Since 2013, Citycon has provided its tenants in Norway with the possibility for further education through a cooperation with the Norwegian extended university organization. In 2019, the cooperation expanded to two centres in Stavanger.

READ MORE

Convenient and safe: Visitors, customers and personnel all feel right at home

Target 2020

Status

<ul style="list-style-type: none"> Safety standard for our business: play a proactive role to establish an industry standard certification on safety and security. 	SAFE Shopping centers have created the Safe retail destination certificate in cooperation with City.	
<ul style="list-style-type: none"> Youth cooperation: Testing different cooperation and involvement projects, spreading best practices. By 2020 all assets will have youth involvement activities in place. 	The Youth- Focused security guard (NOJA) project has been very successful in Finland. Similar projects will be spread across other operating countries in 2020. Successful local projects in Norway and Sweden. <ul style="list-style-type: none"> 55% of Shopping centres had youth involvement projects. 	
<ul style="list-style-type: none"> Spaces for the communities: Each asset will aim to accommodate some space annually for rent free use by the local community, NGOs, or local businesses. 	As organizing rent-free use of space for community engagement purposes has proven difficult, we have focussed on shorter-term events. <ul style="list-style-type: none"> Awareness raising or informational events held by charities and other organizations in 65% of centres in 2019. 	
<ul style="list-style-type: none"> Volunteering: Each Citycon employee can use one work day per year for voluntary work in our shopping centres. 	All employees can use one work day per year for voluntary work under the concept "Charity day" the concept will be developed further in 2020 to increase the amount of employees taking part.	

HEALTH AND SAFETY IN OUR SHOPPING CENTRES

Citycon has long been driving the development of safe and secure trading venues in the Nordic region as a responsible property owner, but also in Europe where Citycon actively participates in this development as the only Nordic property owner in the International Council of Shopping Centres (ICSC) European security forum.

During the past year we have further developed and refined our processes and routines. These are now being implemented in all our shopping centres with very good results. As proof of this, we were the first in the Nordic countries to certify our shopping centres according to the international standard "SAFE Retail Destination". In addition to giving us a good control of operational risks in our portfolio, the certification corresponds to new requirements from our tenants and helps us to have attractive shopping centres to establish businesses in.

At present, seven shopping centres are certified. In 2020 we will certify a further 14 shopping centres, with the aim that our entire portfolio will be certified by 2022.

This, in combination with further efforts implemented in 2020, strengthens our position as the industry leader in Europe in risk and safety work.

During the year Citycon has published a safety standard for the whole group, com-

bined with trainings and implementation. We have held Crisis trainings in Norway, Finland and Sweden with representatives from all countries and across all functions present. Furthermore, we performed evacuation trainings in both Finland and Norway.

We held safety training for staff and tenants in 16 shopping centres, fire training for tenants and staff in 36 shopping centres, and medical and first aid training was arranged in 12 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 2019. Health and wellbeing are also assessed as part of the BREEAM In-Use certification carried out in our shopping centres. Currently 84% of our shopping centres are certified through BREEAM In-Use.



READ MORE

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

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

ENGAGEMENT WITH LOCAL COMMUNITIES

We aim to make our shopping centres true community hubs where people come to visit, not only for convenient shopping and services, but also to spend time with friends and family. We organize and take part in a plethora of different events that vary from centre to centre. Being an active member of the local community is a key factor in creating successful shopping centres.

In 2019 we arranged a total of 867 events and community engagement projects. Many events were just for bringing people together for some fun: 156 musical, dance and theatre performances by students and performers were held in 30 shopping centres. Others were educational, such as the SDG-themed events in Albertslund, Denmark, our cooperation with the NGO Junior Achievement in several centres in Sweden, and cooperation with schools and vocational schools in Finland, Sweden and Norway. In our community events we strive to promote health and inclusion and have taken part in several sports events: In Linderud Center we organized a football game inside the centre together with a local vocational school in a project aiming to get more girls with ethnic backgrounds interested in sports. Kistaloppet, a 10K run goes through Kista Galleria every September, and in Högdalen we took part in a week-long

sports festival with the aim to let children try out different sports.

We also strive to invite local organizations into our centres to promote charitable work. Throughout the year there were over 200 awareness raising or informational events by charities and NGO's in our centres.

At Koskikeskus, Myyrmanni, Iso Omena, Columbus, Kista Galleria, Linderud, Storbyen and Stopp Senter, we have cooperated with local municipalities, schools and youth organisations to combine youth engagement and safety. In Finland, we have expanded our youth-friendly security guards project to cover all but one of our shopping centres and will have at least one youth-focussed security guard in all our Finnish centres in the beginning of next year. In 2020, Citycon will initiate the process of expanding the approach of combined security and youth engagement in our centres to our other operating countries.

At Citycon, all employees can use one work-day per year for volunteer work taking place in our Shopping centres.

At Iso Omena, Citycon's personnel, together with a non-profit group of volunteers and one of our grocery tenants, set up a one-day event collecting groceries for low-income families in need. The system was ingeniously simple: buy the product or gift-card you want to donate and leave it at the collection point.

During the day we collected nearly 20 shopping carts of food, hygiene and cleaning products and baby supplies. Throughout December, we collected Christmas presents for disadvantaged children in centres in both Finland and Norway.

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 the 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

Linderud shopping centre in Oslo helps students at Bjerke High School to prepare for work life. The students have come to Linderud shopping centre for job shadowing, and for support when writing a job application and CV.

[READ MORE](#)

CASE

At Albertslund Centrum in Denmark, Citycon hosted a series of events based on the Sustainable Development Goals. During the year we had six educational theme-days with activities and competitions for both children and grown-ups, each event focussing on one of the 17 Sustainable Development Goals.

[READ MORE](#)

CASE

Kista Galleria in Stockholm celebrated the festivities of Eid al-Fitr for the fourth time in 2019 with a one-day Eid event full of activities. This year the food court also prolonged its opening hours to offer our visitors a place to eat and meet after the sunset.

[READ MORE](#)

EXCELLENCE IN ACTION: MAKING BEST PRACTICES THE NORM

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.

SUSTAINABLE CONSTRUCTION AND GREEN BUILDINGS

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. Citycon's properties are not located on protected land areas. 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.

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



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.

Excellence in action: Making best practices the norm

Target 2020	Status
<ul style="list-style-type: none"> Personal targets: A personal targets system will be set in place for sustainability work. 	Personal targets for sustainability in use for selected employees. The scope will be broadened in 2020.
<ul style="list-style-type: none"> Getting things done: 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. 	New organization has brought sustainability function closer to operations. <ul style="list-style-type: none"> New Technical manual will include best practises from Q2-Q3 2020.
<ul style="list-style-type: none"> Environmental certifications: 100% of asset will be BREEAM In-Use certified by 2020 with minimum level of good or higher. 	<ul style="list-style-type: none"> 84% by asset value BIU Certified. All assets are in line to be certified in 2020.
<ul style="list-style-type: none"> Environmental certifications: All new development projects will obtain a green building certification. 	<ul style="list-style-type: none"> 100% of on-going and planned development projects will be certified.
<ul style="list-style-type: none"> Acknowledging good work: Citycon will present an annual award to a tenant or business partner who has taken excellent sustainability actions during the year. 	We launched the annual Citycon Sustainability Awards in 2019. <ul style="list-style-type: none"> The first award was given in December 2019.

carried out by our own staff in order to get to know our shopping centres and to operate them in the best possible way. During the year we have worked to certify or re-certify 31 of our properties. In 2019 Iso Omena was re-certified with the score of Excellent in both building management and asset performance. This was the highest BREEAM In-Use management score yet in Finland. At the end of 2019, 84% of our shopping centres were BREEAM In-Use certified. 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.

We strive to support and engage with our tenants in our efforts to operate our shopping centres in a sustainable fashion. This year, we launched the Citycon Sustainability Award. The award is given to a tenant or service provider that through their actions has excelled in supporting and promoting sustainability in our shopping centres. The first Citycon Sustainability Award, consisting of a cash prize for staff recreation as well as free marketing in Citycon's channels, went to Muotikaarre, a sustainable fashion store.



READ MORE

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

CASE



Lippulaiva centre in Espoonlahti, Finland, will become a sustainable mixed-use centre. The largest geothermal heating and cooling energy plant in Europe for a commercial building is being built under Lippulaiva and will generate carbon-free energy to meet the shopping centre's heating and cooling needs. Lippulaiva will be a Nearly Zero Energy Building that will also function as a public transport hub.

[READ MORE](#)

HOW WE DEFINE OUR MATERIAL TOPICS

In this report we focus on sustainability topics that have significant impact on Citycon and our stakeholders in 2019. These are our material topics.

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.

Our material topics were identified systematically through workshops, interviews and surveys among internal and external stakeholders. Our key stakeholders are consumers, tenants, employees, investors, analysts and shareholders, partners, local communities, municipalities and media, as well as NGOs and industry associations.

The materiality assessment shows that 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.

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.

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.

We carried out the materiality assessment in 2017 and 2018 through interviews with key stakeholder representatives, workshops and a survey. The survey was distributed on social media and shopping centre websites in Norway, Sweden, Finland and Estonia.

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 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.

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



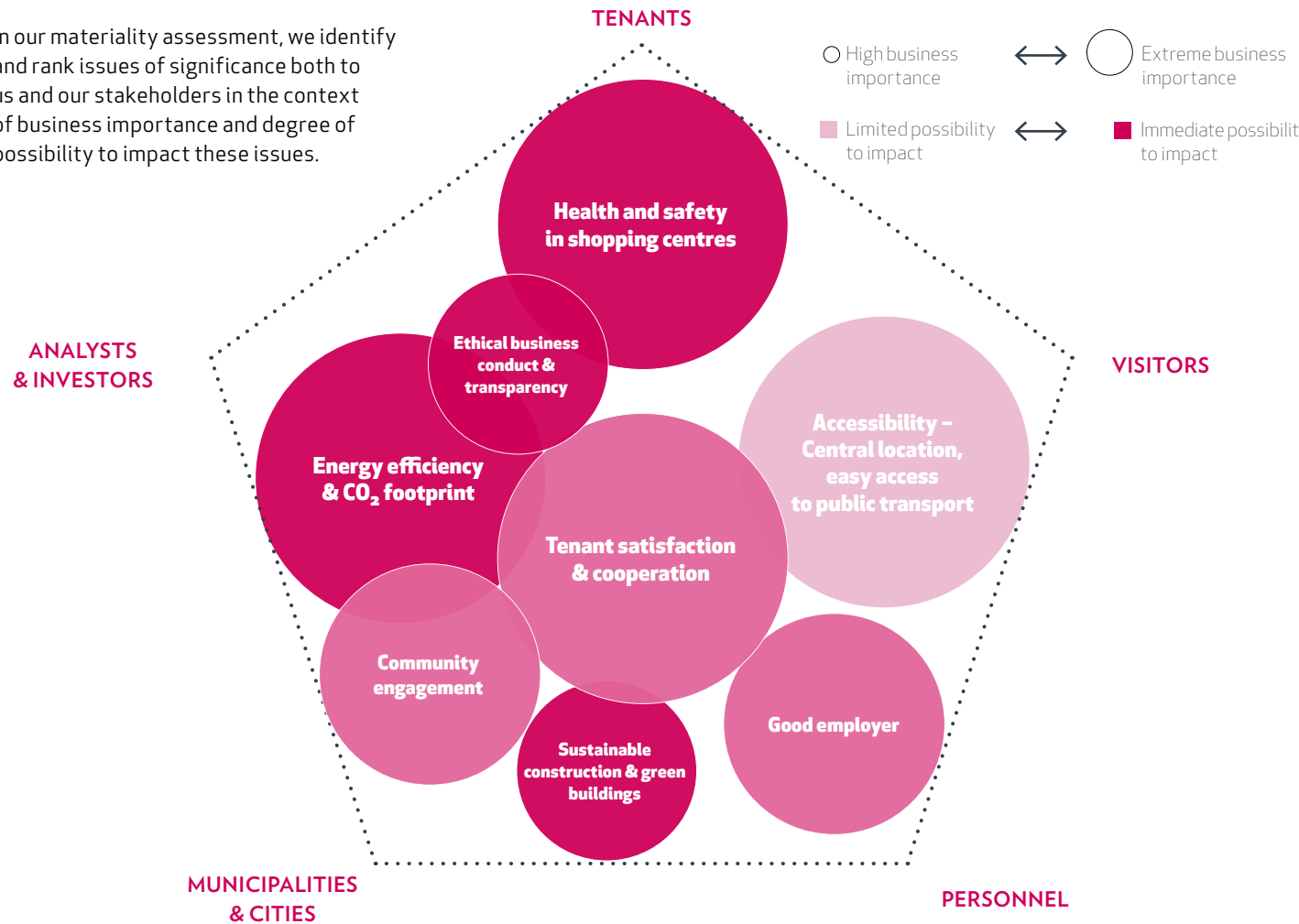
READ MORE

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

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.



MATERIAL ISSUES ACCORDING TO STAKEHOLDER GROUPS

TENANTS

- Health & safety
- Accessibility
- Recycling and waste management
- Community engagement

PERSONNEL

- Good employer
- Tenant satisfaction
- Energy efficiency

ANALYSTS & INVESTORS

- Community engagement
- Energy efficiency & CO₂ footprint
- Ethical business conduct & transparency

MUNICIPALITIES & CITIES

- Community engagement
- Energy efficiency & CO₂ footprint
- Accessibility

VISITORS

- Accessibility
- Recycling and waste management
- Health and safety

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 2019, Citycon met over 100 institutional investors in 15 conferences and roadshows in Europe and the US and

participated in several events targeted for domestic retail investors. In September 2019, Citycon arranged a Capital Markets Day for institutional investors in Stockholm, Sweden, and provided an update on the company's strategic direction. 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, ISS-Oekom and MSCI sustainability ratings, 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.

CASE



Kolbotn Torg in the greater Oslo area, invited the local Environmental and Labor Center to organise a pop-up store in order to sell recycled and upcycled products as well as hold auctions with the aim to enable and increase reuse in the area.

[READ MORE](#)



MORE INFORMATION

Read more about how we engage with our tenants and the local community on

[pages 12-14.](#)

OTHER CORNERSTONES FOR A SUSTAINABLE SHOPPING CENTRE OPERATOR

GOOD EMPLOYER

Citycon offers a workplace where associates are engaged and enabled to realize their full potential and as a team deliver great results.

The core of Citycon's HR strategy is to offer associates the opportunity to realize their full potential by offering associates opportunities to grow and develop as professionals. Citycon has a strong value-based performance culture, our associates feel proud of their work and accomplishments.

All associates at Citycon are encouraged to seek for opportunities to learn and develop. We promote internal mobility and, celebrate having associates moving into new positions, across functions and even across country borders. We promote internal moves and like to see critical roles to be filled from within.

With active succession planning we track our talents and critical people, we support our professionals to reach their full potential and offer them a path to move further in their careers within the company. Every day is a learning day for our associates at Citycon, we learn through experience at work, from interactions with colleagues, via training and seminars, and through our professional networks.

We believe in inspiring leadership and leading by example and as a team reaching 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.

All associates take part in the annual Performance management process (The CODE process) with Objective-setting taking place in Q1, and review discussions held in Q3 with immediate manager.

As a part of these discussions, employees review their development needs together with their manager and agree on a development plan. 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 associates 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 are to be the guide and foundation for everything we do in our operations and how we act as leaders. It's important that all Citycon associates 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 one team mindset in our recruitment processes. 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 possible way.

All Citycon associates are on an annual basis reminded on the importance of the high ethical standards, how to act and behave whilst being a Citycon associate, the Business Code of Conduct.

In work tasks concerning the daily operations of shopping centres, Citycon, to a large extent, makes use of outsourced workforce. These work tasks are mainly in the areas of security and maintenance.

All outsourced workforce and consultant are subject to Citycon's Business Code of Conduct and are expected to follow the same high ethical standards as all Citycon staff.



DEVELOPMENT PROGRAMMES FOR EVERYONE

For all new hires the Employee journey will start with an excellent Onboarding program securing a solid and safe on the job learning.

Supporting our associates to further grow in their roles the company will continue sponsoring the programs “Licence to Lead” for our new managers and offer the “Ambassador program” for our senior professionals.

The aim of these development programmes is to give associates the opportunity to develop themselves as both professionals and leaders.

FOCUS AREAS IN 2020

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

- Attract, Recruit and Retain the best People
- Employee engagement and Team collaboration
- Succession Planning and Talent management

CITYCON CODE OF CONDUCT AND TRANSPARENCY

Citycon strives to maintain a transparent business climate and high business ethics. 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 on annual basis. In 2019, Citycon launched an internal campaign, “Code of Conduct November”, to all employees. The campaign included breakfast info meetings, video greetings from the management, intra news as well as screen savers organised around each of the ethical principle in the Code. Through the campaign, all employees had training on the ethical principles of the Code and their importance. Furthermore, 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 laid out in Citycon’s Business Code of Conduct, available on the company’s web page.

We encourage all employees and Citycon’s business partners, suppliers,

stakeholders, or any person affiliated with Citycon, to report (anonymously, if so wished) any suspected or detected fraud or other violations. In 2019, Citycon replaced its Whistleblowing Channel to ensure full whistle-blower anonymity and to even better protect sensitive data, in compliance with the requirements set forth in the EU’s Whistleblower Protection Directive. Citycon’s Whistleblowing Channel provides an alternative and anonymous way to raise concerns of non-compliance with Citycon’s values and ethical norms or applicable laws and regulations. Reporting is conducted through a web-based Whistleblowing Channel and reports are processed on a confidential basis in accordance with the applicable data protection and other relevant regulations. No fraud, bribery, or corruption cases were brought to the company’s attention in 2019.

In 2020, the company will further promote awareness of Citycon’s ethical principles among internal and external parties. For example, the company will conduct an online training and questionnaire concerning the Code of Conduct during the first quarter of the year 2020.

CASE

At Citycon, we believe that great people make great shopping centres and that the success of our tenants and our business relates directly to having the right people in the right position. Passionate employees are the key in our efforts to create a dynamic corporate culture that fosters new ideas and innovation. learn more about working at Citycon directly from our people.

[READ MORE](#)



MORE INFORMATION

Citycon’s code of conduct is available at www.citycon.com/code-of-conduct

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 since 2018 contain a Code of Conduct commitment clause, resulting in 75% of our lease agreements containing the clause at the end of 2019. In 2020, Citycon will continue to ensure 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.



All new lease agreements signed since 2018 contain a Code of Conduct commitment clause, resulting in 75% of our lease agreements containing the clause at the end of 2019.



MORE INFORMATION

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

WASTE RECYCLING AND WATER MANAGEMENT

Ensuring a high recycling rate at our shopping centres is the result of long-term cooperation with tenants and waste management providers alike. By providing guidelines, on-line trainings and hands-on advice, we strive to make recycling simple and motivating.

In 2019, we provided recycling training for our tenants in all shopping centres in Finland and Estonia, 19 centres in Norway and three Swedish centres. In Finland, we continued the use of recycling coordinators in all but two centres. The 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 much appreciated by many working in our shopping centres and has shown good results.

In both Sweden and Norway, we have improved and rebuilt recycling rooms to make the use easier and more pleasant. In Finland, all tenants and service providers need to pass a digital safety and property use exam and new employees are obliged to pass the exam before receiving any keys to our premises. The exam covers safety and security basics and waste management and recycling information.

Citycon's total water consumption decreased by 13.8% compared to the

previous year. Water consumption per visitor in like-for-like shopping centres was 4.3 litres, a decrease of 3% 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 99%, an increase of one percentage point from last year. The total amount of waste generated in our shopping centres decreased by 15.5%. In like-for-like shopping centres, the decrease was 7.9%.

CASE

Through a strong focus on waste management, Storbyen has increased their material recycling rate from 56% to 68%. Mixed waste costs money to dispose, while recyclable fractions do not. Motivating the tenants to sort waste is good for the environment and for the economy of the shopping centre.

[READ MORE](#)

GREEN FINANCING

In 2019, Citycon launched a Green Financing Framework which integrates the company's sustainability targets with its financing activities. The Green Financing Framework is based on Citycon's sustainability strategy and aims to support the sustainability targets of the company while diversifying the investor base.

Proceeds issued under the framework can be used to finance or re-finance eligible green assets in four categories: Green Buildings, Energy efficiency, Renewable energy and Waste management. Eligible Green Assets are selected by the Green Finance Committee consisting of members from the Group Treasury, Sustainability Team and Development team. All Green Financing instruments are managed at a portfolio level and Citycon ensures that the amount of Eligible Green Assets exceeds the amount of outstanding Green Financing Instruments.

The Framework has been developed in alignment with the Green Bond Principles 2018. Cicero, a global leading independent provider of second opinions on green bonds, has provided an external second opinion on Citycon's Green Financing Framework, which received a medium green ranking in Cicero's "Shades of Green" methodology.

Under the Green Financing Framework, Citycon can issue Green Bonds, Green Com-

mercial Papers, Green Loans, Green Hybrid Bonds or Green Private Placements.

In November 2019, Citycon issued a EUR 350 million green hybrid bond under the green financing framework. The hybrid bond was an important milestone in strengthening Citycon's credit profile and it was placed to a broad base of European investors, part of which were green investors, with a mandate only to invest in green assets. An amount equal to the net proceeds from the issuance of the green bond is allocated to the (re) financing of new or existing assets, developments or projects that meet Citycon's green financing framework requirements. The hybrid bond has an interest coupon of 4.5% per annum until the reset date 22 February 2025 ("First Reset Date") and thereafter, the interest rate will reset on each fifth (5th) anniversary. The hybrid bond does not have a specified maturity date but Citycon is entitled to redeem the Capital Securities on any of the 90 days up to and including the First Reset Date, and subsequently, on each annual interest payment date.



READ MORE

about Green Financing at Citycon online:

www.citycon.com/investors/financing/green-financing



Sustainability is embedded in all of Citycon's operations. Now we are also able to integrate sustainability objectives in our financing activities. The Green Financing Framework will further support Citycon's profile as a forerunner in sustainability and enable us to broaden our investor base".



Executive Vice President and Chief Financial Officer Eero Sihvonen

REPORTING PRINCIPLES, METHODOLOGY AND BOUNDARIES

Regarding the content and principles of sustainability reporting, Citycon applies GRI standards for sustainability reporting 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 26–42](#). 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 2019, acquired before 30 June 2019, or divested after 30 June 2019. Energy figures from development projects are included from completion. Environmental data of managed properties (on behalf of other owners) is presented

on [page 31](#), but these are excluded from Citycon's total numbers. 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 GRI Disclosure numbers and EPRA sBPR Performance measures have been marked in the GRI Tables, available

online. The Assurance Statement can be found on [page 43](#).

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 2014–2019 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 2014–2018) 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 2019 are based on national statistics in Finland. In Sweden, Norway and Estonia, National production-based emission factors from IEA (five-year averages 2014–2018) are used. 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	2019	2018	2017	2016	2015	GRI Standards	EPRA CODE
Electricity in common areas	110,568	119,353	123,582	132,411	131,916	302-1	Elec-Abs
Tenants' electricity purchased by landlord ²⁾	63,331	66,961	78,987	80,609	85,546	302-1	Elec-Abs
Total electricity consumption in premises	173,900	186,315	202,568	213,020	217,461	302-1	Elec-Abs
Electricity consumption in Citycon's offices ⁶⁾	59	58	74	95	97	302-1	Elec-Abs, own office
Non-renewable electricity in premises	37,310	44,860	59,860	89,362	116,312	302-1	Elec-Abs
Renewable electricity in premises	136,531	141,397	142,635	123,563	101,150	302-1	Elec-Abs
District heating ³⁾	84,704	95,303	101,502	109,522	98,404	302-1	DH&C-Abs
Weather corrected district heating	93,915	102,132	108,931	113,481	117,080		
District cooling ³⁾	8,786	11,974	7,993	7,773	5,888	302-1	DH&C-Abs
Direct energy consumption							
Fuels ⁷⁾	3,505	3,408	2,959	3,192	2,782	302-1	Fuels-Abs
Fuels like-for-like ⁷⁾	0	93	0	-	-		Fuels-If
Total energy consumption in premises	270,894	296,999	315,023	333,506	324,536	302-1	

ENERGY INTENSITY INDICATORS⁴⁾

	Unit	2019	2018	2017	2016	2015	GRI Standards	EPRA CODE
Building energy intensity shopping centres	kWh/sq.m.	181	194	183	196	184	CRE1	Energy-Int
Building energy intensity shopping centres ⁵⁾	kWh/visitor	1.29	1.36	1.36	1.34	1.23	CRE1	Energy-Int
Building energy intensity other retail properties	kWh/sq.m.	-	-	275	184	172	CRE1	Energy-Int
Weather-corrected building energy intensity shopping centres ⁸⁾	kWh/sq.m.	189	202	190	199	198	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.

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 2019 these were Fruängen Centrum, Högdalen, Oasen kontoreiendom, Kongssenteret Vest, Isomyryi and Heikintori.

⁶⁾ The reported consumption includes the headquarters and Citycon Norway office 2015-2017, and Citycon

Norway office 2018-2019. Other offices, including the Head office are integrated into shopping centres. Heating, water and waste in Norway office is 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⁾ The intensity is calculated with weather corrected heating consumption.

ENERGY CONSUMPTION

MWh	2019	2018	2017	2016	2015	%, 2018-2019	%, 2015-2019
Electricity in common areas	110,568	119,353	123,582	132,411	131,916	-7.4	-16.2
District heat	84,704	95,303	101,503	109,522	98,404	-11.1	-13.9
Total energy consumption ¹⁾	207,562	230,038	236,036	252,897	238,989	-9.8	-13.1

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

MWh	MWh	2019	2018	2017	2016	2015	%, 2018-2019	%, 2015-2019
Shopping Centres	Electricity in common areas	110,568	119,353	122,172	129,917	128,478	-7.4	-13.9
	District heat	84,704	95,303	98,355	103,825	89,979	-11.1	-5.9
	Total energy consumption ¹⁾	207,562	230,038	231,479	244,649	227,109	-9.8	-8.6
Other Retail Properties²⁾	Electricity in common areas	-	-	1,410	2,494	3,438	-	-
	District heat	-	-	3,147	5,697	8,425	-	-
	Total energy consumption ¹⁾	-	-	4,557	8,248	11,881	-	-

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

MWh	MWh	2019	2018	2017	%, 2018-2019
Shopping Centres	Electricity in common areas	79,932	84,127	82,034	-5.0
	District heat	66,780	69,564	67,097	-4.0
	Total energy consumption ¹⁾	151,998	161,130	154,729	-5.7

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

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

MWh	MWh	2019	2018	2017	2016	2015	%, 2018-2019	%, 2015-2019
Finland	Electricity in common areas	36,805	44,317	52,052	55,136	55,301	-17.0	-33.4
	District heat	50,266	61,138	72,695	78,447	67,541	-17.8	-25.6
	Total energy consumption ¹⁾	90,596	108,794	127,094	135,448	122,842	-16.7	-26.3
	Total energy consumption in like-for-like shopping centres ¹⁾	76,909	80,248	77,225			-4.2	
Norway	Electricity in common areas	36,819	39,788	35,726	39,600	38,280	-7.5	-3.8
	District heat	4,777	5,059	4,298	4,597	3,843	-5.6	24.3
	Total energy consumption ¹⁾	42,119	45,961	41,155	45,133	43,078	-8.4	-2.2
	Total energy consumption in like-for-like shopping centres ¹⁾	31,645	33,686	32,079			-6.1	
Sweden	Electricity in common areas	25,667	25,944	27,133	29,013	28,508	-1.1	-10.0
	District heat	26,183	25,471	21,226	23,492	23,756	2.8	10.2
	Total energy consumption ¹⁾	56,682	59,564	53,495	57,896	57,620	-4.8	-1.6
	Total energy consumption in like-for-like shopping centres ¹⁾	34,580	38,585	37,637			-10.4	
Estonia	Electricity in common areas	11,278	9,305	8,671	8,662	9,827	21.2	14.8
	District heat	3,478	3,634	3,284	2,986	3,265	-4.3	6.5
	Total energy consumption ¹⁾	18,165	15,719	14,292	14,421	15,449	15.6	17.6
	Total energy consumption in like-for-like shopping centres ¹⁾	8,864	8,611	7,788			2.9	

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	2019	2018	2017	2016	2015
Scope 1, direct	679	561	496	603	566
Scope 2, indirect, market-based	31,008	38,154	44,337	58,124	71,593
Scope 2, indirect, location-based	42,568	52,081	57,585	65,320	67,849
Scope 3, indirect	1,574	1,687	1,515	1,567	1,500
Total (Market-based)	33,261	40,403	46,347	60,295	73,659

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

tCO ₂ e	2019	2018	2017
Scope 1, direct	0	0	0
Scope 2, indirect	22,630	19,797	20,115
Scope 3, indirect	587	611	543
Total	23,217	20,407	20,658

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

tCO ₂ e	2019	2018	2017	2016	2015
Electricity in common areas	0	0	2,195	15,928	19,619
Tenants' electricity supplied by the landlord ²⁾	19,743	24,277	25,876	23,460	34,919
Electricity in Citycon offices	0	0	4	10	11
District heat and cooling	11,265	13,878	16,262	18,726	17,044
Fuels	679	561	496	603	566
Wastewater	696	807	846	889	879
Waste logistics	86	102	113	109	116
Business travel	649	624	404	397	315
Commuting	139	150	148	169	187
Paper consumption and mail	4	4	4	4	4
Total	33,261	40,403	46,347	60,295	73,659

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

tCO ₂ e	2019	2018	2017
Electricity in common areas	0	0	0
Tenants' electricity supplied by the landlord ²⁾	13,122	14,627	13,364
Heating and cooling (including fuels)	9,508	9,717	10,728
Wastewater	517	535	499
Waste logistics	70	76	74
Total	23,217	24,954	24,666

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

	2019	2018	2017	2016	2015
Building greenhouse gas intensity, kgCO ₂ e/sq.m.	28	33	36	46	56
Building greenhouse gas intensity, kgCO ₂ e/visitor	0.21	0.25	0.26	0.32	0

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 23 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 wastewater and waste. Additionally,

tenants' electricity supplied by the landlord is included in 2015-2019 figures.

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

		2019	2018	2017	2016
Finland	Scope 1, direct, tCO ₂ e	0	0	0	0
	Scope 2, indirect, tCO ₂ e	12,901	15,763	23,897	30,338
	Scope 3, indirect, tCO ₂ e	231	269	300	309
	Building greenhouse gas intensity ¹⁾ , kgCO ₂ e/sq.m.	41	45	56	69
Norway	Scope 1, direct, tCO ₂ e	0	0	24	43
	Scope 2, indirect, tCO ₂ e	63	166	144	153
	Scope 3, indirect, tCO ₂ e	207	221	232	230
	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	886	2,521	1,939	2,843
	Scope 3, indirect, tCO ₂ e	290	363	371	400
	Building greenhouse gas intensity ¹⁾ , kgCO ₂ e/sq.m.	4	9	8	10
Estonia	Scope 1, direct, tCO ₂ e	679	561	472	560
	Scope 2, indirect, tCO ₂ e	17,143	19,704	18,353	24,780
	Scope 3, indirect, tCO ₂ e	54	56	56	59
	Building greenhouse gas intensity ¹⁾ , kgCO ₂ e/sq.m.	176	200	186	251

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 wastewater and waste.

ENVIRONMENTAL DATA, MANAGED PROPERTIES

MANAGED SHOPPING CENTRES, NORWAY¹⁾

	2019	2018	2017	2016
Energy, MWh				
Electricity consumption in common areas	18,836	19,590	19,722	18,552
Tenants' electricity purchased by landlord	4,544	4,903	5,114	4,951
District heat	3,563	4,531	4,043	3,754
Fuels	1,902	2,322	1,594	1,783
Total energy consumption	24,337	31,345	30,473	29,040
Renewable electricity	23,381	24,492	24,836	23,503
Building energy intensity, kWh/sq.m.	122	125	127	115
Carbon, tCO₂e				
Scope 1, direct	143	258	232	294
Scope 2, indirect, market-based	44	140	125	118
Scope 2, indirect, location-based	236	345	331	
Scope 3, indirect	136	149	146	158
Building greenhouse gas intensity, kgCO ₂ e/sq.m.	2	3	3	3
Water, m³				
Total water consumption	117,901	127,290	124,978	138,038
Waste, t				
Landfill waste	14.3 (1%)	57.7 (2%)	67.2 (2%)	47.8 (2%)
Incinerated waste	777.2 (31%)	878.31 (30%)	861.46 (30%)	800.7 (31%)
Composted waste	499.3 (20%)	635.9 (22%)	576.77 (20%)	530.6 (20%)
Recycled waste	1,126 (46%)	1,334 (45%)	1,339 (46%)	1,186.0 (46%)
Reused waste	50.4(2%)	44.0 (1%)	53.91 (2%)	40.9 (2%)
Total waste amount	2,467	2,950	2,898	2,606

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 Excellent, asset / building management	27 / 26
BREEAM Very Good, asset / building management	35 / 34
BREEAM Good, asset / building management	21 / 25
Total - BREEAM in use	84
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	87
(Re)Developments (on track to achieve)	
Lippulaiva - LEED Gold	100
Total	100% of development projects ongoing or finished in 2019 to be certified

CERTIFIED SHOPPING CENTRES

Shopping centre	Certification system(s)
Buskerud Storsenter	BREEAM In-Use
Down Town	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
Oasen Kjøpesenter	BREEAM In-Use

Shopping centre	Certification system(s)
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
Tumba Centrum	BREEAM In-Use
Åkersberga Centrum	BREEAM In-Use
Managed Shopping centres	
City Syd	BREEAM In-Use
Markedet	BREEAM In-Use
Stovner Senter	BREEAM In-Use
Stadionparken	BREEAM In-Use
Strandtorget	BREEAM In-Use
Tiller Torget	BREEAM In-Use
Torget Vest	BREEAM In-Use
Torvbyen	BREEAM In-Use

WATER

WATER CONSUMPTION²⁾

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

	2019	2018	2017	2016	2015	% 2018–2019	% 2015–2019
Total water consumption, m ³	661,449	767,391	804,494	845,314	835,054	-13.8	-20.8
Like-for-like total water consumption, m ³	491,677	508,525	474,202			-3.3	-
Total water consumption in shopping centres, m ³	661,449	767,391	799,305	839,477	815,374	-13.8	-18.9
Total water consumption in like-for-like shopping centres, m ³	491,677	508,525	474,202			-3.3	-
Water intensity in shopping centres ¹⁾ , l/visitor	4.1	4.6	4.7	4.6	4.3	-11.5	-5.5
Water intensity in like-for-like shopping centres ¹⁾ , l/visitor	4.3	4.5	4.6		-	-2.8	-

TOTAL WATER CONSUMPTION BY BUSINESS UNIT

(EPRA WATER-ABS, WATER-LFL, WATER-INT)

	2019	2018	2017	2016	2015	% 2018–2019	% 2015–2019	
Finland	Total water consumption, m ³	186,419	218,769	242,197	249,977	253,637	-14.8	-26.5
	Total water consumption in shopping centres, m ³	186,419	218,769	237,009	245,337	235,001	-14.8	-20.7
	Total water consumption in like-for-like shopping centres, m ³	163,582	171,607	150,882			-4.7	-
	Water intensity in shopping centres ¹⁾ , l/visitor	3.4	3.5	3.7	3.1	3	-2.6	13.7
Norway	Total water consumption, m ³	168,219	179,653	189,009	187,449	192,998	-6.4	-12.8
	Total water consumption in shopping centres, m ³	168,219	179,653	189,009	187,449	192,998	-6.4	-12.8
	Total water consumption in like-for-like shopping centres, m ³	139,482	150,084	151,559			-7.1	-
	Water intensity in shopping centres ¹⁾ , l/visitor	4.4	4.8	5.0	5.0	5.1	-8.8	-12.7
Sweden²⁾	Total water consumption, m ³	259,427	320,532	324,598	356,026	328,039	-19.1	-20.9
	Total water consumption in shopping centres, m ³	259,427	320,532	324,598	354,829	326,995	-19.1	-20.7
	Total water consumption in like-for-like shopping centres, m ³	163,090	160,473	146,232			1.6	-
	Water intensity in shopping centres ¹⁾ , l/visitor	4.4	5.9	6	6.4	5.8	-25.1	-24.2
Estonia	Total water consumption, m ³	47,385	48,438	48,689	51,861	60,381	-2.2	-21.5
	Total water consumption in shopping centres, m ³	47,385	48,438	48,689	51,861	60,381	-2.2	-21.5
	Total water consumption in like-for-like shopping centres, m ³	25,524	26,361	25,529			-3.2	-
	Water intensity in shopping centres ¹⁾ , l/visitor	4.6	4.1	3.9	3.9	3.5	10.7	30.1

¹⁾ Excluding shopping centres where amount of visitors is not collected. In 2019 these were Fruängen Centrum, Högdalen, Oasen kontoreiendom, Kongssenteret Vest, Isomyryi and Heikintori.

²⁾ Water consumption figures include a hotel and a student apartment block located in Kista Galleria. Kista Galleria is not included in lfl figures 2019–2017.

WASTE

TOTAL WEIGHT OF WASTE BY DISPOSAL ROUTE¹⁾ (GRI 306-2, EPRA WASTE-ABS)

	2019		2018		2017		2016		2015	
	t	%	t	%	t	%	t	%	t	%
Landfill waste	199	1	363	2	1,350	6	1,545	7.1	1,137	4.9
Incinerated waste	5,515	32	7,367	36	7,487	33	6,873	31.6	8,151	35.3
Composted waste	3,650	21	3,893	19	4,228	19	4,143	19.0	4,148	17.9
Recycled waste	6,772	39	7,699	38	8,257	37	8,180	37.6	8,645	37.4
Reused waste	1,071	6	1,038	5	1,240	5	1,021	4.7	1,029	4.5
Total	17,206	100	20,360	100	22,562	100	21,761	100	23,110	100

TOTAL WEIGHT OF WASTE IN SHOPPING CENTRES BY DISPOSAL ROUTES

	2019		2018		2017		2016		2015	
	t	%	t	%	t	%	t	%	t	%
Landfill waste	199	1	363	2	1,336	6	1,530	7.1	1,135	5.0
Incinerated waste	5,515	32	7,367	36	7,420	33	6,804	31.6	8,047	35.2
Composted waste	3,650	21	3,893	19	4,218	19	4,134	19.2	4,125	18.0
Recycled waste	6,772	39	7,699	38	8,147	36	8,061	37.4	8,559	37.4
Reused waste	1,071	6	1,038	5	1,240	6	1,016	4.7	1,017	4.4
Total	17,206	100	20,360	100	22,362	100	21,545	100	22,882	100

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

	2019		2018		2017		
	t	%	t	%	t	%	
Like-for-like shopping centres	Landfill waste	134	1	236	2	875	6
	Incinerated waste	4,572	33	5,260	35	4,709	32
	Composted waste	3,013	22	3,074	20	2,902	20
	Recycled waste	5,360	38	5,829	38	5,604	38
	Reused waste	869	6	741	5	790	5
Total	13,948	100	15,139	100	14,879	100	

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

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

t	2019	2018	2017	2016	2015
Finland	6,917	7,810	9,065	9,253	9,465
Norway	6,016	6,346	6,645	6,524	7,088
Sweden ¹⁾	3,506	5,248	5,875	5,109	5,621
Estonia	767	955	977	877	937
Total	17,206	20,360	22,562	21,761	23,110

¹⁾The local municipality handles part of the waste in two centres in Sweden. This data is missing from 2019 reporting.

TOTAL WASTE AMOUNT BY SOURCE (EPRA WASTE-ABS)

t	2019	2018	2017	2016	2015	%, 2018-2019	%, 2015-2019
Shopping centres	17,206	20,360	22,362	21,545	22,882	-15.5	-24.8
Other	0	0	200	217	228	-	-
Total	17,206	20,360	22,562	21,761	23,110	-15.5	-25.5

TOTAL WEIGHT OF WASTE IN SHOPPING CENTRES BY TYPE

	2019		2018		2017		2016		2015	
	t	%	t	%	t	%	t	%	t	%
Non-hazardous waste										
Landfill	190	1	339	2	1,283	6	1,308	6	901	4
Energy	5,515	32	7,367	36	7,420	33	6,804	32	8,047	35
Paper	70	0	426	2	517	2	632	3	667	3
Plastic	300	2	281	1	310	1	296	1	335	1
Cardboard	5,768	34	6,237	31	6,535	29	6,347	29	6,785	30
Compost	3,650	21	3,893	19	4,218	19	4,134	19	4,125	18
Metal	244	1	264	1	288	1	330	2	327	1
Glass	390	2	492	2	495	2	455	2	445	2
Other recycled	1,021	6	885	4	1,096	5	923	4	795	3
Other unsorted waste	9	0	24	0	53	0	222	1	235	1
Hazardous	49	0	152	1	144	1	93	0	221	1
Total	17,206	100	20,360	100	22,362	100	21,545	100	22,882	100

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

	%	2019	2018	2017	2016	2015
Finland	Landfill waste	1	1	12	15	8
	Incinerated waste	31	32	25	23	29
	Composted waste	25	24	21	21	21
	Recycled waste	34	35	34	35	35
	Reused waste	8	8	8	7	8
	Total		100	100	100	100
Norway	Landfill waste	1	0	0	0	1
	Incinerated waste	28	27	28	28	28
	Composted waste	23	22	22	26	24
	Recycled waste	46	48	47	44	45
	Reused waste	3	3	3	3	2
	Total		100	100	100	100
Sweden	Landfill waste	1	5	5	3	5
	Incinerated waste	40	52	50	49	52
	Composted waste	10	8	14	10	8
	Recycled waste	40	31	27	33	32
	Reused waste	9	4	3	4	3
	Total		100	100	100	100
Estonia	Landfill waste	3	0	0	0	8
	Incinerated waste	43	43	45	51	48
	Composted waste	23	21	8	8	4
	Recycled waste	31	36	36	40	40
	Reused waste	1	0	11	0	0
	Total		100	100	100	100

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

	2019		2018		2017	
	t	%	t	%	t	%
Non-hazardous waste						
Landfill	129	1	215	1	829	6
Energy	4,572	33	5,260	35	4,709	32
Paper	59	0	229	2	230	2
Plastic	256	2	243	2	221	1
Cardboard	4,509	32	4,731	31	4,563	31
Compost	3,013	22	3,074	20	2,902	20
Metal	180	1	181	1	172	1
Glass	357	3	444	3	417	3
Other recycled	824	6	608	4	731	5
Other	4	0	21	0	46	0
Hazardous	45	0	132	1	59	0
Total	13,948	100	15,139	100	14,879	100
Total amount change, %	-7.9					

RECYCLING RATE OF SHOPPING CENTRES

%	2019	2018	2017	2016	2015
Finland	99	99	88	85	92
Norway	99	100	100	100	99
Sweden	99	95	95	97	95
Estonia	97	100	100	100	92
Total	99	98	94	93	95

PERSONNEL

NUMBER OF EMPLOYEES

	2019		2018		2017		2016	
	FTE	%	FTE	%	FTE	%	FTE	%
Total number of employees 31 Dec. (102-7)								
Total	240.6		254.25		247.1		140	
Personnel by country 31 Dec. (102-8)								
Finland	69.4	29	68.5	26.94	70.2	28	78	29
Norway	95.7	40	112.5	44.25	107.5	44	132	49
Sweden	62.1	26	60.25	23.7	56.4	23	50	18
Estonia	11.4	5	10	3.93	10	4	8	3
Netherlands	1	0	2	0.79	2	1	3	1
Denmark	1	0	1	0.39	1	0	1	0

PERSONNEL KEY FIGURES

	2019		2018		2017		2016	
	FTE	%	FTE	%	FTE	%	FTE	%
Employment type 31 Dec. (102-8, 401-1)								
Permanent employees/Fixed-term employees	219,9 / 20,7	91/9	238,95/15,3	94/6	230,1/17	93/7	259/13	95/5
Full-time employees/Part-time employees	233,2 / 7,4	97/3	250/4,25	98/2	244,5/2,6	99/1	270/2	99/1
Average age of employees and sex distribution (401-1)								
Average age, years 31 Dec.	40		41		42		43	
Employees under age 18 during the year	0		0		0		0	
Female/male percentage 31 Dec.	107/133,6	45/55	110,45/143,8	43/57	100,7/146,4	41/59		45/55
Employee turnover during the year (401-1)								
New contracts including short-term substitutions	53.0		48.9		40.6		42	
Female/male percentage of new contracts	20 / 33	44/56	28,8/20,1	59/41	17,2/23,4	42/58		45/55
Permanent employees left Citycon	71.0		39		34		59	
Female/male percentage of left employees	38 / 33	16/14	19,8/19	1	14,9/19	44/56		45/55
Employees returning to work after parental leave	5	100		100		99		99
Sick days (403-2)								
Number of sick days during the year	1352		1232		2058		896	
Sick days per employee	10		5		8		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 2019.

EMPLOYEE GROUP BY GENDER 31 DECEMBER 2019

	2019				2018			
	Total		of which female		Total		of which female	
	FTE	%	FTE	%	FTE	%	FTE	%
Management committee	14	6	6	43	5.00	2.0	1.00	20.0
Other directors	13	5	6	46	21.00	8.3	8.00	38.1
Managers	30	12	22	73	128.25	50.4	56.55	44.1
Other employees	183.6	76	97	53	100.00	39.3	44.90	44.9
Total	240.6	100	131.0	54	254.25	100.0	110.45	43.4

DURATION OF EMPLOYMENT 31 DECEMBER 2019

	2019		2018	
	FTE	%	FTE	%
Less than 2 years	102.3	43	76.15	30.0
2–4 years	64.8	27	39	15.3
More than 4 years	73.5	31	139.1	54.7
Total	240.6	100	254.25	100.0

AGE PROFILE 31 DECEMBER 2019

	2019		2018	
	FTE	%	FTE	%
Under 30	51.1	21	41.4	16.3
30–50	155.8	65	162.25	63.8
Over 50	33.7	14	50.6	19.9
Total	240.6	100	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	2019	2018	2017 ⁵⁾	2016 ⁵⁾
Direct economic value generated				
a) Revenues				
Finland & Estonia	131.6	138.1	154.9	156.4
Norway	109.0	114.1	121.6	115.1
Sweden & Denmark	68.6	64.0	61.7	60.3
Gross rental income	232.1	237.0	257.4	251.4
Service charge income	77.1	79.2	80.8	80.3
Revenues from sale of investment properties ²⁾	65.8	87.7	315.9	109.9
Economic value distributed				
b) Operating costs				
Finland & Estonia	-30.4	-33.6	-39.2	-38.3
Norway	-21.0	-27.3	-28.9	-26.6
Sweden and Denmark	-14.6	-15.1	-14.8	-14.8
Other ⁴⁾	0.0	0.2	0.7	0.5
Purchases related to property operating costs³⁾	-65.6	-75.9	-82.2	-79.2
Finland & Estonia	66.9	54.9	104.0	222.0
Norway	21.5	21.1	84.9	45.7
Sweden and Denmark	14.0	91.7	109.0	45.7
Other ⁴⁾	3.3	1.2	0.8	1.1
Investments	105.7	168.8	298.7	314.5
c) Employee wages and salaries				
Finland & Estonia	-3.3	-3.2	-3.8	-3.7
Norway	-9.4	-9.8	-9.8	-12.0
Sweden and Denmark	-3.6	-3.7	-3.8	-3.9
Other ⁴⁾	-5.8	-5.4	-6.8	-6.8
Paid wages and salaries	-22.1	-22.2	-24.1	-26.2
Finland & Estonia	-0.1	-0.1	0.0	0.0
Norway	-0.1	-0.1	-0.1	0.0
Sweden and Denmark	-0.1	-0.1	-0.1	-0.1
Other ⁴⁾	-0.3	-0.1	-0.1	-0.1
Funds used for employee training	-0.5	-0.4	-0.4	-0.1

MEUR	2019	2018	2017 ⁵⁾	2016 ⁵⁾
d) Payments to providers of capital²⁾				
Paid dividends and return from invested unrestricted equity fund	114.9	-115.7	-116.2	-131.4
Loan repayments and proceeds	-339.3	106.8	-52.0	3.8
Paid and received financial expenses as well as realised exchange rate losses/gains	-60.2	-101.4	-65.7	-57.9
e) Payments to government				
Income taxes received/paid (directly from/ to government)³⁾	-1.1	-0.2	-0.1	-0.8
Finland & Estonia	-3.3	-3.6	-4.7	-3.8
Norway	-1.7	-1.5	-1.6	-1.4
Sweden and Denmark	-3.7	-2.5	-3.0	-2.9
Property taxes (payments to government as agent, recharged to tenants)	-8.8	-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.–31.12.2019 in Citycon's Sustainability Accounts 2019 (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 and 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, Estonia 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, 12 February 2020

Ernst & Young Oy

Mikko Ryttilahti

Partner, Authorized Public Accountant

Jani Alenius

Leader of Climate Change and Sustainability Services



www.citycon.com

Visiting address: Iso Omena, Piispansilta 21, FI-02230 Espoo, Finland
Mailing address: Iso Omena, Suomenlahdentie 1, FI-02230 Espoo, Finland
Tel. +358 207 664 400
info@citycon.com

