

## **NOMINATION COMMITTEE'S REPORT, PROPOSALS AND MOTIVATED OPINION IN PREPARATION FOR CATENA AB's (PUBL) ANNUAL GENERAL MEETING 2020**

### **Background**

Catena's Annual General Meeting on 25 April 2019 decided to appoint a Nomination Committee consisting of representatives of the four largest shareholders and the Chairman. In accordance with the decision, the members of the Nomination Committee are to be announced as soon as they are appointed and that changes are to be made to the Nomination Committee in the event that any of the shareholders represented decreases its shareholding.. The composition of the Nomination Committee was announced on 28 October 2019, and changes in the composition of the Nomination Committee were published on 9 March 2020 (Jan Persson, representing Kilen 134 Strängnäs AB stepped down as a member of the Nomination Committee and Olof Nyström, representing Fjärde AP-fonden, was appointed as a new member of the Nomination Committee).

The Nomination Committee consists of: Anders Nelson, appointed by Backahill, Johannes Wingborg, appointed by Länsförsäkringar Fondförvaltning AB, Olof Nyström, appointed by Fjärde AP-fonden, and Gustaf Hermelin, Chairman of the Board and appointed by SFU Sverige AB. The Chairman of the Nomination Committee is Anders Nelson, while the Chairman of the Board, Gustaf Hermelin, convenes the Committee.

Combined, the four owner representatives represented about 44 percent of the votes in Catena as of 29 February 2020.

The Nomination Committee has been tasked with presenting proposals to Catena's Annual General Meeting 2020 regarding:

- Election of a chairman for the Meeting
- Election of Board members
- Election of Chairman of the Board
- Election of auditor
- Board fees
- Remuneration to the Remuneration and Audit Committees
- Auditors' fees
- Decision on principles for the appointment of the Nomination Committee

The objective of the work of the Nomination Committee has primarily been to achieve an appropriate composition of the Board of Directors, with the members' combined expertise and experience building a broad base that is well-suited to Catena's operations, phase of development and general circumstances. The Board of Directors shall be characterised by diversity and breadth with regard to members' expertise, experience and background. An even gender distribution should be sought.

### **Nomination Committee's work and proposals**

The Nomination Committee has convened and maintained ongoing contact during the period up until the publication of the Notification of the Annual General Meeting. As a basis for its work, the Nomination Committee has familiarised itself with the evaluation of the Board of Directors that has been made, and analysed needs for expertise and experience in relation to the Company's operations. The Nomination Committee has discussed the size and composition of the Board, and has considered both the gender perspective, as well as the areas of expertise and characteristics that Board members should embody. As a basis for its work, the Nomination Committee has, among other things, obtained views from members of the Board regarding the Company's strategy, risk management and control functions. Having discussed the size and composition of the Board, the Nomination Committee proposes that the Board shall consist of seven ordinary members without deputies.

The Nomination Committee proposes:

- that Gustaf Hermelin be appointed chairman of the Meeting,
- that the Board of Directors shall consist of seven members,
- that Gustaf Hermelin, Katarina Wallin, Hélène Briggert, Tomas Andersson and Magnus Swärdh be re-elected. It was noted that Henry Klotz and Ingela Bendrot have declined re-election as Board members,
- that Caesar Åfors and Vesna Jovic be newly elected as Board members, and
- that Gustaf Hermelin be re-elected Chairman of the Board.

The Nomination Committee has also assessed the independence of the Board members. The proposal for the Board of Directors of Catena complies with current requirements regarding the independence of the members in relation to the Company, the company management and the Company's major owners.

	Independent of the Company	Independent of major shareholders
Caesar Åfors	Yes	Yes
Vesna Jovic	Yes	Yes
Magnus Swärdh	Yes	No
Gustaf Hermelin	No	No
Tomas Andersson	Yes	No
Katarina Wallin	Yes	Yes

Hélène Briggert	Yes	Yes
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Accordingly, the proposal regarding the Board of Directors of Catena meets the requirements of both NASDAQ Stockholm and the Code's regarding the independence of the members. More detailed information about the Board members and the auditor can be found on Catena's website and in the Annual Report. It was noted that Johannes Wingborg, representative for Länsförsäkringar Fondförvaltning AB, did not participate in the decision to propose Caesar Åfors as a member due to Länsförsäkringar Fondförvaltning's regulations (Caesar Åfors is the Chairman of the Board of Länsförsäkringar AB).

With regard to Board fees, the Nomination Committee proposes that the total remuneration to the Board of Directors shall amount to SEK 1,580,000 (SEK 1,460,000), to be distributed as follows:

SEK 350,000 (SEK 330,000) to the Chairman of the Board, and  
SEK 175,000 (SEK 165,000) to each of the other members not employed by the Company.  
SEK 80,000 (SEK 40,000) in remuneration to the Remuneration Committee, to be distributed in the amount of SEK 40,000 (SEK 20,000) to the chairman of the Committee and SEK 20,000 (SEK 10,000) to each of the other two members.  
SEK 100,000 (SEK 100,000) in remuneration to the Audit Committee, to be distributed in the amount of SEK 50,000 (SEK 50,000) to the chairman of the Committee and SEK 25,000 (SEK 25,000) to each of the other two members.

In accordance with the recommendation of the Audit Committee, the Nomination Committee proposes the election of PwC with Mats Åkerlund as the principal auditor. Furthermore, the Nomination Committee proposes that the Annual General Meeting resolves that remuneration to the auditors be paid, as previously, in accordance with an approved invoice.

The Nomination Committee proposes unchanged principles for the appointment of the Nomination Committee in preparation for the 2021 Annual General Meeting, that is, that the Nomination Committee consist primarily of one (1) representative for each of the four largest shareholders, and of the Chairman of the Board and that the composition of the Nomination Committee be published no later than six months prior to the Annual General Meeting.

### **Summary of the Nomination Committee's proposal**

The Nomination Committee proposes that Catena's Annual General Meeting 2020 resolve:

- to elect Gustaf Hermelin as the chairman of the Meeting
- to appoint seven ordinary Board members with no deputies
- to re-elect Board members Gustaf Hermelin, Katarina Wallin, Hélène Briggert, Tomas Andersson and Magnus Swärdh as ordinary members
- that Caesar Åfors and Vesna Jovic be newly elected as ordinary Board members
- that Gustaf Hermelin be re-elected as Chairman of the Board
- to re-elect PwC with Mats Åkerlund as the auditor in charge

- that total fees to the Board of Directors amount to SEK 1,580,000 (SEK 1,460,000)
- of which Board fees be paid in the amount of SEK 1,400,000 (SEK 1,320,000), to be distributed in the amount of SEK 350,000 (SEK 330,000) to the Chairman of the Board and SEK 175,000 (SEK 165,000) to each member not employed by the Company
- that remuneration be paid to the Remuneration Committee totalling SEK 80,000 (SEK 40,000), to be distributed in the amount of SEK 40,000 (SEK 20,000) to the chairman of the Committee and SEK 20,000 (SEK 10,000) to each of the other two members
- that remuneration to the Audit Committee be paid totalling SEK 100,000 (SEK 100,000), to be distributed in the amount of SEK 50,000 (SEK 50,000) to the chairman of the Committee and SEK 25,000 (SEK 25,000) to each of the other two members
- that audit fees be paid in accordance with an approved invoice
- that the principles for the appointment of the Nomination Committee remain unchanged.

The Nomination Committee's complete proposal is presented in the notification of the Annual General Meeting.

### **Motivated opinion regarding the Nomination Committee's proposal for the election of the Board of Directors**

The Nomination Committee of Catena AB (publ) motivates its proposal for the election of the Board of Directors as follows: The Nomination Committee takes the view that, although the work of the Board has functioned well, two members with solid experience have declined re-election. The Nomination Committee has focused on maintaining skills in logistics and properties and a network among authorities and organisations. With Catena's predominant focus on logistics properties, the Nomination Committee considers the skills and composition of the Board of Directors to be more than adequate. To the extent that the Nomination Committee can judge, the Board of Directors will be composed, and have skills, well in-line with the requirements that can be imposed.

The Nomination Committee motivates its proposal for Chairman of the Board as follows: Gustaf Hermelin has worked well as the Chairman of the Board between 2017 and 2020 and as CEO between 2013 and 2017. Gustaf Hermelin has announced that he is available for re-election as Chairman of the Board. In his capacities as Chairman of the Board, Board member and CEO, Gustaf Hermelin has worked with the Company, its management and logistics properties for a long time and possesses specific expertise that would be difficult to replace. With him continuing as Chairman of the Board, it will continue to be possible to benefit from this expertise.

The Nomination Committee takes the view that the Board of Directors, is appropriately composed, with regard to the Company's operations, financial position and other conditions, to meet the requirements imposed by the Company's operations. In this connection, the Nomination Committee has taken into account, in particular, the Company's strategic development, governance and control, as well as the requirements that these factors impose on the expertise and composition of the Board of Directors.

The Nomination Committee has also generally taken into account the need for versatility and breadth in members' expertise, experience and background, while also pursuing a balance in terms of gender. In its work, the Nomination Committee has discussed the recommendations in the Swedish Code of Corporate Governance regarding diversity and gender equality on the Board of Directors. The proposed Board of Directors consists of three women and four men, corresponding to a share of about 43 percent women and 57 percent men.

Against the above background, the Nomination Committee has proposed the re-election of Board members – Gustaf Hermelin, Katarina Wallin, Hélène Briggert, Tomas Andersson and Magnus Swärdh, as well as the new election of Caesar Åfors and Vesna Jovic. It is proposed that Gustaf Hermelin be re-elected as the Chairman of the Board.

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Helsingborg, March 2020  
Catena AB (publ)  
Nomination Committee