

## **ACCOUNT OF THE WORK OF THE BOARD AND ITS COMMITTEES IN PREPARATION FOR THE 2019 ANNUAL GENERAL MEETING**

During 2018, the Board of Directors, in a good working relationship with a competent and committed management team, continued its efforts to develop Catena's operations responsibly for the benefit of all stakeholders and to balance a good return for shareholders with the risk on which all business operations are based. An evaluation of the composition and work of the Board of Directors was conducted during the year, and it has been found that the Board is well-composed for its tasks. It represents the experience that is essential for the company's continued development, including property-related, strategic and financial issues. In addition, the Board also possesses an extensive professional network, which is an additional prerequisite for successful operations. Thanks to this and focused and efficient committee work, the Board was able to take an active and energetic role and was able to make well-founded decisions.

The Board of Catena works in accordance with a formal work plan consisting of instructions in respect of the division of duties and financial reporting. The formal work plan is discussed at the statutory Board meeting and is set annually. In addition to leading the work of the Board in an efficient and appropriate manner, the Chairman monitors the Group's ongoing development through contacts with the CEO on strategic matters. The Board also assesses the CEO's work performance. The CEO's instructions and internal policy documents are also reviewed annually. The basis of internal control is the control environment in which the work of the Board and executive management is set. The Board has adopted a number of important policies and basic guidelines for internal control programmes, such as a financial policy, an ethics policy, a crisis management policy and information policies. Catena's internal control structure is based on a clear division of responsibility and work between the Board and CEO, as well as within operational activities.

During 2018, ten minuted Board meetings were held, of which one was statutory. During the year, the Deputy CEO/CFO acted as the secretary of the Board. In addition to the above items, Board meetings have addressed plans and strategies for the Group's development and the ongoing follow-up of results and position, valuations of the Group's properties, liquidity and financing as well as investment decisions. Catena's principal auditor (Mats Åkerlund, PwC) was co-opted to the Board meetings in February and July.

At its meeting on 2 July 2018, the Board resolved to issue 285,330 new shares. Only Domarbo Skog Aktiebolag was entitled to subscribe for the new shares as payment on the acquisition of a property. The issue price was SEK 175:2356 per share and raised SEK 50 million before issue expenses.

The Board of Catena has established a Remuneration Committee. The tasks of the Remuneration Committee include preparing matters concerning remuneration and other conditions of employment for the CEO. In 2018, the Remuneration Committee consisted of Bo Forsén (Chairman), Henry Klotz and Katarina Wallin.

Catena's Board of Directors has also established an Audit Committee. The task of the Audit Committee is to maintain and add to efficiency in contacts with the Group's auditor and to supervise the procedures for auditing and financial reporting. The Committee also evaluates the work of the auditor and monitors how accounting principles and requirements are progressing. During 2018, the Audit Committee consisted of Henry Klotz (chairman), Catharina Elmsäter-Svärd (until 26 April 2018), Hélène Briggert and Ingela Bendrot (until 26 April 2018). The Audit Committee held four minuted meetings in 2018.

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Helsingborg. March 2019

Catena AB (publ)

Board of Directors