



## SUSTAINABILITY ACCOUNTS 2017

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# SUSTAINABILITY KEY FIGURES

**-42%** CLIMATE CHANGE IMPACT FROM BASELINE 2014 (tCO<sub>2</sub>e)

**80%** BREEAM IN-USE CERTIFIED SHOPPING CENTRES MEASURED BY FAIR VALUE\*

\*Includes three properties where certification process was finalised, but final certificates were not confirmed to Citycon by the end of the reporting period.

**83%** TENANT SATISFACTION SATISFIED

**500** COMMUNITY ENGAGEMENT EVENTS HELD

**70%** SHARE OF RENEWABLE ELECTRICITY USED

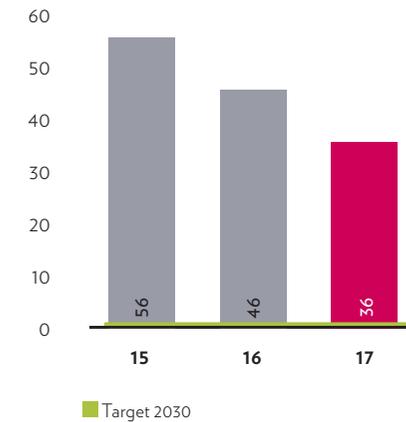
**100%** SHARE OF SHOPPING CENTRES ACCESSIBLE BY PUBLIC TRANSPORT



**3,695** BICYCLE PARKING SPACES

## GREENHOUSE GAS INTENSITY FROM BUILDING ENERGY

(Baseline corrected, kgCO<sub>2</sub>e/sq.m)



## ENERGY INTENSITY OF SHOPPING CENTRES

Baseline corrected, kWh/sq.m

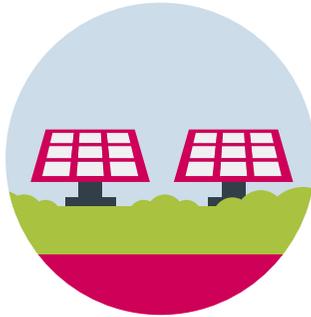


# CITYCON'S SUSTAINABILITY STRATEGY

In 2017, Citycon updated its Sustainability Strategy. The objective of our strategy is to define clear and justified sustainability priorities that create value for us as well as our stakeholders. Our guiding principle has been to find issues that we can influence directly. Our priorities combine business relevance and are the most important to our stakeholders, the environment, and the communities we operate in. In our strategy, we define long-term main objectives that span until 2030 as well as strategic actions for the next three years that will guide us in achieving the main objectives. Our new sustainability strategy has been taken into action from the beginning of 2018.

Our strategy is built around four priority areas of our long-term sustainability promises.





### CARBON NEUTRAL

Using less energy and producing more of it ourselves

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

**Strategic actions for next years:**

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



### ACCESSIBLE

Encouraging green transportation

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

**Strategic actions for next years:**

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



### CONVENIENT AND SAFE

Customers, tenants and personnel all feel right at home

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

**Strategic actions for next years:**

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



### EXCELLENCE IN ACTION

Making best practices the norm

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

**Strategic actions for next years:**

- Personal targets will be set in place for sustainability work for Citycon employees.
- Sustainability actions at Citycon are carried out through clear responsibilities. Lessons learned will be clearly listed, results reported, and best practices will be actively taken into use across all assets.
- 100% of assets will be BREEAM In-Use certified by the end of 2020 with the minimum level being "good".
- All new development projects will obtain a green building certification.
- Citycon will present an annual award for the year's actions which best support its sustainability strategy (to tenants, community initiatives etc.).

# THE SUSTAINABLE SHOPPING CENTRE

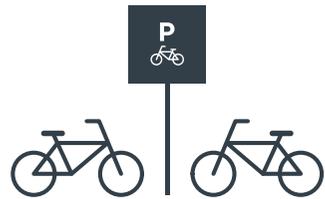
Buildings represent a large fraction of global carbon emissions and energy consumption. In addition, shopping centres affect local communities in several ways. By integrating sustainability measures into our daily operations, we aim to do more than expected to achieve sustainable development. Below are a few examples of how we do this.





**PROXIMITY AND EASY ACCESS**

Shopping centres are located close to people, in urban hubs with excellent connections to public transport. Access to commuter rail, metro and busses is seamless or integrated into the centre itself.



**ENVIRONMENTALLY-FRIENDLY AND HEALTHY TRANSPORTATION**

Ample bicycle parking and good pedestrian access makes it easy to leave the car at home. Designated parking spaces and charging stations for electrical vehicles and electrical bicycles encourages environmentally-friendly modes of transportation.



**ENERGY- AND WATER-EFFICIENT SOLUTIONS**

There is a host of big and small technical solutions that minimise energy consumption: effective heat recovery from technical systems and appliances, LED lighting in both common areas and shops, optimised ventilation, low-flow water fixtures and toilets, as well as waterless urinals save both water and energy.



**ENERGY PRODUCTION**

Part of the energy needed is produced by shopping centres locally, using fossil free resources. Solar panels on the roof produce electricity and provide shade, which also reduce the need for cooling during summer. Geothermal heating and cooling reduces the need for external heat and cooling.



**WASTE MANAGEMENT AND MAINTENANCE**

Well-planned and conducted waste management provides both tenants and visitors with the possibility to reduce, reuse and recycle, as well as dispose of waste in a sustainable way.



**ENVIRONMENTALLY-FRIENDLY AND HEALTHY MATERIALS**

Low carbon materials and recycled building elements reduce the carbon footprint of the building. Focusing on the building materials used also ensure a good indoor climate.



**SAFETY AND SECURITY**

Safety is taken into consideration in the design of the centre as well as the building materials and technology. Safety procedures are planned and tested and shopping centre management is trained in safety matters. Security guards are trained to take a pre-emptive and de-escalation approach.



**LOCAL ENGAGEMENT AND SERVICES**

The shopping centre is a part of the local community with services such as health care centres, libraries, theatres, playgrounds and places of worship. It is a meeting point for local residents and provides a space for local engagement – a place for more than just shopping.



**ACCESSIBILITY FOR ALL**

Accessibility for people with disabilities is taken into consideration as well as youth, the elderly and children and their families. This is done through continuous dialogue with local residents and other stakeholders.



**A GREEN ROOF**

A green roof has both aesthetic and practical benefits: it provides isolation which reduces the need of heating during winter and cooling during summer. Green roofs retain rainwater, easing storm water management during heavy rains. They improve air quality by filtering noxious gases and can help support local biodiversity.

# HOW DID WE DEFINE OUR SUSTAINABILITY FOCUS AREAS?

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

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

## STAKEHOLDER CONSIDERATION IN OUR SUSTAINABILITY STRATEGY

Citycon performed a sustainability materiality assessment for the first time in 2009, and since then the assessment has been reviewed internally by Citycon and through stakeholder group studies. Updates have

been recently conducted in 2014 and 2015. The materiality assessment was updated in 2017 in relation to the update of Citycon's sustainability strategy.

Material aspects for Citycon's sustainability strategy were identified by the sustainability team through workshops with corporate management, in-depth interviews with major tenants, investors and municipalities as well as a sustainability survey intended for all Citycon employees. We also included specific sustainability-themed questions in our tenant survey which was distributed to all of our tenants. In 2018, we will extend the distribution of the sustainability survey to our shopping centre visitors.

When identifying the focus areas for our sustainability work, our three primary questions were "How can we create value through sustainability?", "What is important for our overall business?" and "Which issues can we impact directly?". During this process, we recognised an extensive list of sustainability issues that matter to us and our stakeholders, and the work that we do during our daily business operations. Since the possibilities to influence some of the issues are limited, as well as the overall impact of others are not as big, we compressed the list of most relevant topics.

We continuously follow up and reflect on our objectives through global initiatives, such as the UN's Sustainable Development Goals published in 2015.

All 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 sustainability strategy and 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 which have been identified as material by Citycon are presented in the matrix on **page 8**. Issues that were identified as strategically important for our sustainability work are featured in our sustainability strategy and discussed under the headline "Our Sustainability Priorities". Due to their strategic importance, these issues will be the focus of our sustainability work in the near future. This is where the most value through sustainability is created.

## WE CONSIDER THE FOLLOWING ASPECTS WHEN IDENTIFYING MATERIAL ITEMS:

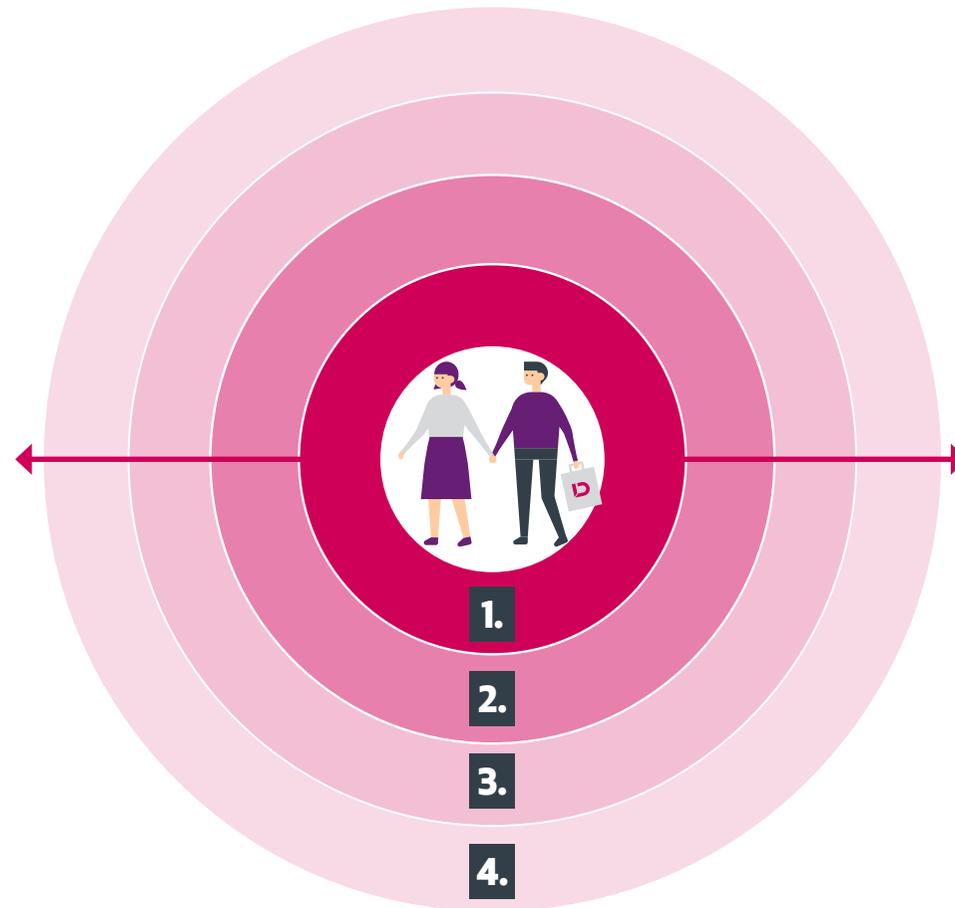
- 1) Considerations identified during stakeholder surveys and interviews
- 2) Strategic policies
- 3) Risk management programme
- 4) Changes in internal and external operating environments (including trends)
- 5) Industry best practices and benchmarks
- 6) Framework of sustainable development
- 7) Principles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

Other important sustainability issues are discussed under the headline "Other cornerstones for a sustainable shopping centre operator". These issues lay the foundation for our sustainable business operations at Citycon, but are not featured in our sustainability strategy.

# PRIORITY MATRIX

## MATERIAL ISSUES FOR CITYCON

1. **Extreme business importance & immediate possibility to impact**
  - Health and safety in shopping centres
  - Energy efficiency & CO<sub>2</sub> footprint
2. **Extreme business importance & indirect possibility to impact**
  - Accessibility – central location, easy access to public transportation & green transportation
  - Tenant satisfaction & cooperation
3. **Very high business importance & direct possibility to impact**
  - Community engagement
  - Good employer
4. **High business importance & immediate possibility to impact**
  - Sustainable construction & green buildings
  - Ethical business conduct & transparency



## 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 & CO<sub>2</sub> footprint
- Ethical business conduct & transparency

### MUNICIPALITIES & CITIES

- Community engagement
- Energy efficiency & CO<sub>2</sub> footprint
- Accessibility

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

## ONGOING DIALOGUE WITH STAKEHOLDERS

It is a priority for us to maintain cooperative relationships with local residents, tenants, municipalities and visitors in and around our shopping centres. We are committed to high ethical principles and strive to offer carbon neutral, accessible, convenient and safe shopping centres to all of our visitors. We aim to continuously explore ways of further 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. We also invite local residents to celebrate completed work and opening of the shopping centre.

In 2017, our interaction with stakeholders took place in a wide range of forms and locations. For consumers, we continued to develop our customer community programme both in terms of volume and customer-centric value. We welcomed more than 100,000 new members, and by the end of the year our digital customer community programme had 700,000 members. We believe that developing our digital customer community programme plays an important role in making the customer journey smoother whilst simultaneously enhancing our e-commerce resilience.

We received nearly 2,500 individual customer feedback messages through our webpages and digital community programme.

We performed satisfaction surveys for our tenants and participated in several retail and real estate industry seminars. Citycon has an active and continuous dialogue with capital market participants from retail investors to institutional investors and sell-side analysts. Citycon aims for open and continuous communication with capital markets through stock exchange releases, as well as financial and other reporting. In addition, Citycon conducts more personal discussions with investors through management meetings, investor conferences and roadshows, Annual General Meetings as well as Capital Markets Days. In 2017, Citycon met with over 120 financial institutions and participated in 13 conferences and roadshows. In May 2017, Citycon arranged a Capital Markets Day for institutional investors in Espoo, Finland, and provided an update on the company's strategic direction. Citycon's Investor Relations function coordinates all investor activities, and aims to provide equal treatment of all capital market participants.

We provided our stakeholders with in-depth sustainability information through our Sustainability Accounts, as well as participated in GRESB and CDP surveys. We also interacted with industry asso-

ciations and NGOs in different projects and forums through, for example, EPRA (European Public Real Estate Association), FIBS (Finnish Business & Society), FIGBC (Green Building Council Finland), NCSC (Nordic Council of Shopping Centres), ICSC (International Council of Shopping Centres) and Nuorten Palvelu ry.



It is of paramount importance that we continue to successfully convert our centres to urban platforms where commerce meets community. We should think as 'city platform operators' with an open mind for non-retail services and experiments that address the needs for convenience and community engagement."

-Marcel Kokkeel, CEO



### READ MORE

about our stakeholder interactions on  
**page 16-17.**

# BUILDING A SUSTAINABLE BUSINESS CULTURE



Sustainability is an embedded contributor to added-value for operations, financial performance, and all our stakeholders. 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. In order to achieve this, we must develop and manage shopping centres that are resilient towards megatrends, changing the areas where we operate. Our sustainability strategy and strategic sustainability actions for the upcoming years, work as a guideline for all Citycon employees working with these issues.

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.

In practice, business operations are supported by Group functions such as sustainability, communications, marketing, finance, legal and HR. These functions all work closely with business operations on all levels and the heads of the functions 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 enhance positive social and economic impacts. On a global scale, we strive to minimize our impact on climate change and contribute to building sustainable cities and communities.

An overview of our management approach to our material aspects is presented in the table below.



## READ MORE

Description of how we create value can be found in the Annual Review **on pages 14-15**.

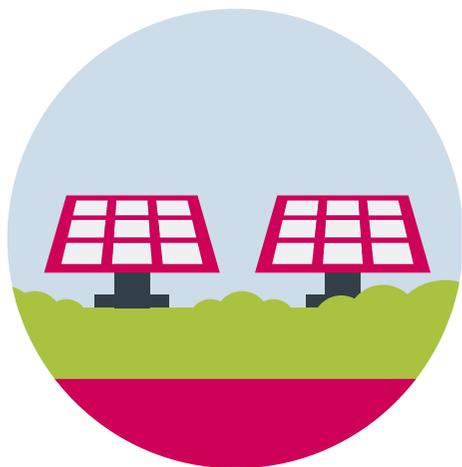
More information on how megatrends are shaping our business **on pages 8-9** of our Annual Review.

# OVERVIEW OF MANAGEMENT APPROACH

MATERIAL ASPECT	ENERGY EFFICIENCY & CARBON FOOTPRINT, SUSTAINABLE CONSTRUCTION & GREEN BUILDINGS	ACCESSIBILITY AND ENGAGEMENT WITH LOCAL COMMUNITIES	TENANT SATISFACTION AND COOPERATION	HEALTH AND SAFETY IN SHOPPING CENTRES	GOOD EMPLOYER	RESPONSIBLE SUPPLY CHAIN MANAGEMENT, ETHICAL BUSINESS CONDUCT AND TRANSPARENCY
<b>Management approach</b>	<p>Citycon's approach to sustainability management is governed by the company's strategy, goals and sustainability strategy. The objectives and measures specified in the sustainability strategy have been integrated into day-to-day operations and ordinary practices in shopping centre management and property development</p> <p>Sustainability information is part of the company's quarterly reporting. Our day-to-day sustainability management consists of:</p> <ul style="list-style-type: none"> <li>• Observing environmental responsibility in all functions and anticipating future amendments to legislation.</li> <li>• Continuously developing steering, management and reporting of sustainability practices. Sharing best practices.</li> <li>• Expecting partners to operate in a way that supports the fulfilment of Citycon's sustainability goals.</li> <li>• Guiding personnel towards sustainability issues through target-setting, training and internal communications.</li> </ul> <p>• Acting ethically and responsibly by following our Code of Conduct and making a good faith effort to have our business partners adhering to the Code or similar high ethical standards.</p> <p>Our approach to managing our social impacts culminates in HR management and the promotion of ethical principles and good administrative practices throughout the value chain.</p> <p>The HR strategy and shared HR processes provide support and guidance for leadership.</p> <p>The performance management process plays a key role in driving our retail experts to deliver on our commitments to our stakeholders and the communities we are present in.</p>					
<b>Purpose of management approach</b>	Avoid and mitigate impact on climate change. Increase use and production of renewable energy, and mitigate negative environmental impacts from operations.	Contribute to building sustainable cities and communities, and mitigate climate change impact of travel to and from our shopping centres.	Enhance cooperation and communication with our tenants. Ensure a high level of safety and security for our employees, tenants and visitors, and broaden cooperation to achieve this.	Build a great employer experience. Provide employees with possibilities to grow as professionals, and a healthy, safe, and respectful work environment for all.	Consistently comply with applicable laws and regulations and embrace ethical principles. Being a reliable partner in each community and in all of our business activities.	
<b>Policies and commitments</b>	Subject to the EED, energy efficiency audit law. Member of the Finnish Property and Building sector Energy Efficiency Agreement 2017–2025. Strategic targets (Energy efficiency, Carbon footprint, Renewable energy, Building certifications) guide the work. New buildings: all new development projects will obtain a green building certificate. In addition to external environmental classification principles, Citycon has internal guidelines. Existing buildings: internal guidelines as well as external benchmarks used. All assets to be BREEAM In-Use certified by year-end 2020 with minimum level of good or higher.	Accessibility is part of our core portfolio criteria: linked to public transportation, focused on capital city regions and population growth, health care, municipal services, and education incorporated in the centres. Community activity checklist in place to steer our community activities. A socio-economic impact measurement through a few key indicators, such as local jobs created and community engagement events held.	Annual tenant satisfaction survey taking into account several different aspects. e.g. fluency of co-operation, the activities of Citycon shopping centre teams, satisfaction with marketing and services provided by the shopping centres, and sustainability issues. The results help Citycon to identify development areas in the centres, to improve activities and to measure the impact of measures taken.	Policies and trainings in place, including crisis plan and training. Various initiatives and collaboration agreements are in place to ensure the safety of our shopping centres.	Several policies and guidelines in place to commit our management and employees to act as One: <ul style="list-style-type: none"> <li>• HR Strategy</li> <li>• Employee Equality Plan</li> <li>• Occupational Health and Safety Action Plan</li> <li>• Performance Management process CODE</li> <li>• Different policies to support employees' capability and ability to work, including rehabilitation and early intervention plans.</li> <li>• Code of Conduct</li> <li>• Company values</li> </ul> We also see our One Citycon Cooperation Group and local health and safety committees as a commitment to the cooperation with our employees.	<ul style="list-style-type: none"> <li>• Citycon's Code of Conduct lays down the ethical principles and business standards the company adheres to in all of its operations.</li> <li>• By applying Citycon's Business Code of Conduct to all material business relationships Citycon requires suppliers to embrace Citycon's Code of Conduct or similar high ethical principles, and act accordingly.</li> </ul>

MATERIAL ASPECT	ENERGY EFFICIENCY & CARBON FOOTPRINT, SUSTAINABLE CONSTRUCTION & GREEN BUILDINGS	ACCESSIBILITY AND ENGAGEMENT WITH LOCAL COMMUNITIES	TENANT SATISFACTION AND COOPERATION	HEALTH AND SAFETY IN SHOPPING CENTRES	GOOD EMPLOYER	RESPONSIBLE SUPPLY CHAIN MANAGEMENT, ETHICAL BUSINESS CONDUCT AND TRANSPARENCY
<b>Targets and actions</b>	Main targets and results during 2017 are presented in the Sustainability Accounts <b>on page 2</b> . Citycon's sustainability strategy, our long term main objectives and strategic targets for next years are presented on <b>pages 3-4</b> in the Sustainability Accounts and <b>page 21</b> in the Annual Review.					
<b>Responsibilities and resources</b>	Business operations are supported by group level coordinator. Heads of sustainability, legal and HR all report to the CEO or COO. The management of environmental matters is coordinated at group level with the objective of sharing best practices throughout the company.	Business operations are supported by group functions such as sustainability, finance, legal, marketing, communications, security and HR management activities			The VP of Human Resources is responsible for ensuring that the HR processes and plans are implemented in all Citycon countries by the HR Team, in cooperation with management.	The General Counsel is responsible for ensuring compliance with laws and regulations and our Code of Conduct. The legal function supports business operations and group functions in legal matters. Data Protection Officer is a member of the legal team.
<b>Evaluation of management approaches</b>	We follow up on results achieved, and develop our management practices in connection to other strategic policies, the risk management programme, and changes in the internal and external operating environments. The Corporate Management Committee (CMC) makes a thorough review of the sustainability strategy and strategic actions every third year. The sustainability team provides yearly progress reports to the CMC on the strategic sustainability actions.				We collect information from the employees annually with an employee survey to evaluate the effectiveness and results of this management approach. The results are reviewed, and actions plans are taken to improve them. Possible changes to the approach are made. We also perform various analyses to review that employees are treated fairly and equally.	Legal policies and management practices are reviewed and developed in connection to other strategic policies, as well as changes in internal and external operating regulatory environments.

# OUR SUSTAINABILITY PRIORITIES



## CARBON NEUTRAL: Using less energy and producing more of it ourselves

We recognise that buildings represent a large fraction of global carbon emissions and energy consumption, and that the real estate sector holds opportunities to reduce operating expenses while mitigating energy-related environmental impacts. This is seen directly in energy efficiency questions, since lower energy costs improve profitability and make properties

more attractive and competitive. Our sustainability strategy focuses strongly on energy efficiency, own renewable energy production, and using green electricity. In our daily work, we strive to reduce energy demand, promote efficiency, and generate clean and renewable power solutions.

### ENERGY EFFICIENCY AND CARBON FOOTPRINT

Citycon seeks to mitigate its impact on climate change through energy saving measures, by increasing cooperation with tenants for the conservation of energy, increasing own renewable energy production, and increasing the ratio of renewable energy in purchased electricity. In 2017, the total share of green electricity amounted to 70% (58% in 2016). Furthermore, the central locations and good public transport connections of shopping centres reduce the negative environmental impacts of customer car-bound traffic. Energy consumption in Citycon's properties is mostly indirect consumption, i.e. procured energy. Only a few shopping centres are heated by fossil fuels, and this fuel used is reported as direct energy consumption.

Electricity consumption in common areas (excluding tenant consumption) decreased by 6,7%. In like-for-like shopping centres, electricity consumption in common areas decreased by 6,3%.

District heating consumption decreased by 7,3% compared to the previous year. Weather adjusted consumption decreased by 4%. Heating energy consumption in like-for-like shopping centres decreased by 6,1%.

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 4,4% compared to previous year.

The total carbon footprint decreased by 23% compared to the previous year. This change was caused by the increased share of CO<sub>2</sub> free electricity, changes in the property portfolio and an increase in energy efficiency. The carbon footprint of like-for-like properties decreased by 27%. The greenhouse gas intensity of our properties decreased by 22,5% compared to previous year.

### SUSTAINABLE CONSTRUCTION AND GREEN BUILDINGS

Green buildings focus on efficient resource use and reduce impacts on human health and the environment. In both new projects and (re)developments, the environmental effects, occupant and visitor health and comfort are all taken into account. This is done through following and exceeding building regulations and focusing on energy efficiency measures, choice, use and re-use



Citycon's total carbon footprint decreased by 23% compared to the previous year.

of materials, indoor air quality and efficient water use. Citycon's properties are not situated on protected land areas. The location of our shopping centres in urban areas, and our focus on public and carbon free transport, reduce the environmental impact of our shopping centres and the indirect impacts they have on biodiversity. In connection with majority of zoning and major projects, environmental impact assessments are carried out, and when not required by law, Citycon evaluates the need for an assessment of its own on a case-by-case basis.

## EXCELLENCE IN ACTION

Citycon's Buskerud Storsenter was the first shopping centre to use CO2 as a refrigerant for carbon neutral comfort cooling for the entire building, when new heat pumps were installed during a refurbishment in the winter of 2017. Using CO2 as a refrigerant reduces the global warming potential from the refrigerant itself, but also has energy efficiency benefits since it enhances surplus heat recovery, as well as transfer of heat and cooling within the building. Energy consumption at Buskerud has decreased by 27% compared to pre-refurbishment. This technology has already been adapted at Linderud and we are planning to implement similar technology at two more of our Norwegian shopping centres.

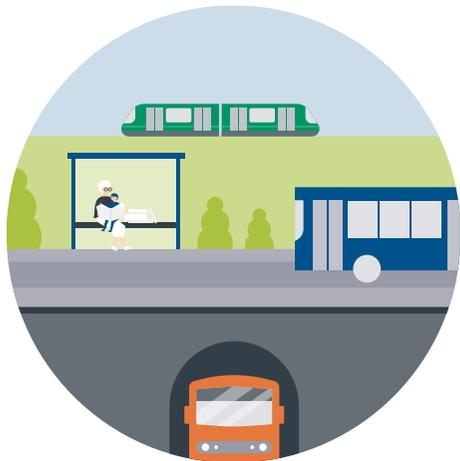
In May 2017, Citycon initiated a large solar power plant at Iso Omena. Installations have been done in stages. By the end of the year, the power plant consisted of 1998 solar panels with an estimated annual production of 455,000 kWh, roughly equalling the annual consumption of 250 residential flats. In Jakobsberg Centrum a smaller solar power plant installation is under way which, once operational in February 2018, will produce 72,000 kWh of renewable electricity per year. We are currently looking into solar power plant installations on 10 more of our properties during 2018.

Citycon is building the new state-of-the-art Lippulaiva shopping centre. The heating and cooling of the shopping centre will be produced by renewable carbon-neutral geothermal energy derived from the bedrock. The geoenery power plant will make Lippulaiva almost completely self-sufficient in terms of heating and cooling energy. Lippulaiva's plant is as far as known the largest geothermal heating and cooling facility in the world to be constructed in connection with a retail property. The total output of the facility is roughly 4,000kW, equalling to 500 residential house heat pump systems. The geothermal power plant will provide heating and cooling for a gross area of 76,000 square metres in total. In addition to the leasable premises, the system provides heating and cooling for the parking garage and to the service floors located in connection to the shopping centre.

2017 has been a year of BREEAM In-Use re-certification, and working towards certifying new assets. At the end of 2017, 80% of our shopping centres were BREEAM In-Use certified. All ongoing and planned development projects strive to obtain either BREEAM or LEED certifications. 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.



In the Excellence in Action section we show some of the best practices that we have put into effect during 2017.



**ACCESSIBLE:  
Encouraging green  
transportation**

Being connected to public transport is an integral part of both our overall strategy and our renewed sustainability strategy. All of our shopping centres are connected to public transportation, and our aim is to make our shopping centres seamlessly integrated into the transportation systems of the cities we operate in. In addition to this, we aim to make our shopping centres easy to visit by foot, bike and electrical vehicles. 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.

Accessibility as a separate topic in our sustainability strategy is a new approach for Citycon. We strive to increase the role of our shopping centres as community hubs by broadening our focus to all sorts of environmentally friendly modes of transport.

The following figures describe the accessibility of our shopping centres at the end of 2017:

- Connectivity to public transport: 100% of shopping centres
- Charging points for electric cars: 206
- Eco-parking, low emission, hybrid cars: 163
- Parking for people with disabilities, family parking: 893
- Number of dedicated bicycle parking: 3,695
- Shopping centres with commuter parking access: 10

Iso Omena is a great example of excellent accessibility. The end station of the first phase of the western metro line and the bus terminal for feeder traffic are located under the shopping centre, which makes Iso Omena a strong public transportation hub, and the heart of Southern Espoo. Iso Omena is equipped with parking space dedicated



We aim to make our shopping centres easy to visit by public transport, foot, bike and electrical vehicles.

to families and low-emission cars, with the parking spaces situated closest to entrances. The shopping centre also holds electrical vehicle charging stations as well as commuter parking spaces for those who wish to continue their journey towards Helsinki with the metro. There are over 600 dedicated bicycle parking spaces and Espoo City bike pick-up points right outside the centre.

**EXCELLENCE**

In Espoonlahti, Finland, Citycon made the decision to invest in Lippulaiva shopping centre's development project. Lippulaiva shopping centre was demolished, giving way to a modern, multi-functional shopping centre. The Western metro extension's station and a bus terminal for feeder traffic will be located within the new centre. Given that shopping centre Lippulaiva is closed for the duration of the construction work, Citycon secured everyday services for residents of the surrounding area, and the prerequisites for its tenants' business during the period of the renovation, by building Finland's first pop-up shopping centre, Pikkulaiva.



**READ MORE ABOUT**

Lippulaiva and Pikkulaiva in our Annual Review **page 29**.



## CONVENIENT AND SAFE: Customers, tenants and personnel all feel right at home

### TENANT SATISFACTION AND COOPERATION

At Citycon we have established various channels for communicating and gathering feedback from our tenants, ranging from an online tenant information portal to regular tenant meetings with shopping centre management. We recognise that cooperation with tenants plays an important part in achieving our sustainability goals. We

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

We undertake extensive tenant satisfaction surveys across the business, enabling us to work with our tenants to identify areas of improvement. In 2017, we commissioned our largest uniform survey yet, reaching all tenants in our operating countries of Sweden, Norway, Finland and Estonia, making it easier to compare the results all over our operations. From over 1,300 tenants 34% chose to complete the questionnaire. The results show that 83% of our tenants are satisfied with Citycon.

We were happy to see that 93% of our tenants are satisfied with environmental issues in our shopping centres, and 84% are satisfied with the social responsibility issues at our centres.

### HEALTH AND SAFETY IN OUR SHOPPING CENTRES

Safety, security and convenience in our shopping centres is a very important business aspect, and we aim to ensure the highest level of safety and security for

our employees, tenants and visitors. We recognise that health and safety is not something achieved alone, therefore we work closely with tenants, residents and authorities on safety issues. In addition to this, we actively endorse collaboration within the industry. We strive to link health and safety issues to community engagement activities, since we believe that the best foundation to build convenient and safe shopping centres is by being an active and enjoyed part of the local community.

All of Citycon's shopping centre personnel in Finland and Norway participated in medical and fire trainings. In Sweden, these trainings have been held bi-annually, hence not performed in 2017. Basic security trainings for our tenants were held at all of our Finnish shopping centres during 2017. In connection to this, we organised fire safety training possibilities using a mobile fire training simulator with hands-on guidance for fire extinguishing using real fire in six 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 2017.

From 2018 onward, together with our security partner, we will provide security, safety and fire prevention trainings for all of our staff and guards, as well as fire training and evacuation trainings for all tenants in

each shopping centre. The on-site fire, evacuation and security training for all tenants will be preceded by an e-learning session.

### ENGAGEMENT WITH LOCAL COMMUNITIES

At Citycon, we believe that one of the key elements of being a successful shopping centre, is by being a true community hub, where people come to visit, not only for convenient shopping and services, but also to spend time with friends and family. Shopping centres provide natural places for engagement with the local community and provide excellent venues for many local events. Our engagement with local communities has revolved around inclusion, where local communities are tied with our work and the building itself. We strive to engage both younger and older generations.

Across our shopping centres in the Nordics, we have organised a large number of different events, happenings and community engagement projects ranging from musical events, local food fairs, performances, informational events, a pop-up library, and long-lasting co-operations with NGOs.

We have organised senior walks and senior gymnastics in shopping centres in both Norway and Finland, and cooperated with youth engagement in several ways. In Isokarhu we have cooperated in a project where unemployed young men are given

the possibility to carry out a work project of their own. Citycon provided a space that young men refurbished on their own, turning it into a pop-up café. In Trondheim, Norway, we took part in a project enhancing young entrepreneurship together with local schools. In Stenungstorg Centrum, Sweden, we organised a Young Enterprise Market, where students who have started their own business were able to sell their products and tell about their businesses. In Myrmani, Iso Omena, and Kista, we cooperated with local youth organisations, local police, and schools, in order to build a good relationship with the local youth.

During fall, the City Library of Stockholm held a pop-up library for the visitors at Liljeholmstorget Galleria and in Kista Galleria, where we collaborated with charity organisation Giving People and some of our centre's restaurants, to organise free meals for families in need. At Kista Galleria, a large portion of our visitors have international roots, hence the centre celebrates festivities from many different cultures during the year. For example, we have organised very appreciated events during the festivities of Eid al-Adha and Eid al-Fitr for the second time in 2017.

In the Stockholm area, we have arranged several flea market events at Liljeholmstorget Galleria, Kista Galleria, Högdalen Centrum, Stenungstorg and Jakobsberg.

These events allow visitors, using the back of their car trunks, to utilise the parking area as a flea market, transforming our parking areas into lively market places several times a year.

In Iso Omena, we partnered up with our tenant Chapple - Evangelical Lutheran Parishes of Espoo, for a Climate Week at the beginning of November. During the week, discussions and informational events on climate change were held, and advice on diminishing your own carbon footprint was given.

Citycon does not endorse the activities of any political party or groups. 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 2017 in connection with the zoning and planning of our development projects, our representatives participated in meetings with municipal political bodies. Citycon has also participated in informational meetings for residents concerning planning and zoning of our development projects together with municipal bodies. The purpose of these activities was to increase and facilitate interaction, and openly share information with local residents.

## EXCELLENCE IN ACTION

In 2017, we have actively endorsed collaboration for security in the industry and with other stakeholders. Together with SAFE Shopping Centers and Nordic Council of Shopping Centres, we produced a "Guide to Shopping Centre Risk and Security". The guide aims to assist, give guidance, and provide knowledge of the basic risk and security management needs which should be in place in a shopping centre. It covers topics like risk assessment, security planning and crisis management, as well as high threat procedures. Our Head of Group Security is a member of the European Security Group of the International Council of Shopping Centres (ICSC), and has been active in sharing best practices in different forums internationally.

Citycon is a partner in an urban farming project beneath Högdalen Centrum in Stockholm. An underground cargo space at the shopping centre has been converted to a high-technology farming space that can be active all year-round. The goal is to create a small-scale industry and provide local job opportunities. Soon, the cafés and retailers in Högdalen Centrum will be able to offer fresh salad and herbs from the shopping centre's underground farming project. "Cultivating City Bazaars" is a unique collaboration between Nya Rågsveds Folkets Hus, the City of Stockholm, and Citycon, that aims to promote social and sustainable city development by producing local produce and offering job opportunities to long-term unemployed citizens.

In Finland, we continued and extended our youth security guard project in cooperation with the NGO Youth Service Association. Security guards for youngsters are now available in both Iso Omena and Koskikeskus. The youngsters' security guards serve as security guards, and trusted and reliable adults, that youth spending time at the centres can contact in both big and small issues. As both shopping centres have received very positive feedback and promising results, we are planning to take this model into use in two more Finnish shopping centres next year, and to start a similar cooperation project with a local organisation in Stockholm.

# OTHER CORNERSTONES FOR A SUSTAINABLE SHOPPING CENTRE OPERATOR

## GOOD EMPLOYER

At Citycon, we want to ensure that all Cityconners enjoy and feel proud of their work. Since our retail and real estate experts are one of our most important assets, the core of our HR strategy is to provide our personnel with possibilities and prerequisites to grow as professionals. Our values *Passionate*, *Solution-Orientated* and *Together One* also guide all Cityconners in their everyday work.

All employees have target setting and evaluation discussions in January-February, and review discussions in August-September with their immediate superiors. As a part of these discussions, employees review their competence development plan together with their manager on an annual basis, and agree about further actions for developing their competences. These actions might include job learning, internal or external trainings, job rotation, participation in a project, benchmarking, mentoring, coaching, etc. We believe that the best results are achieved through individual development plans, and encourage our employees to proactively discuss with their manager what kind of development actions would benefit them best. Our personnel does not report on all trainings that they have participated in, since the development actions vary a lot

– with training being only one way to develop competences.

In 2017, we launched a new digital leadership and personnel management tool called “CityPeople”, that helps our leaders to set and monitor targets and goals. In 2018, we will continue to further develop CityPeople by launching new features, e.g. self-learning sections, to be used as a part of induction process. New employees participate on a group level induction days, where participants receive more information about Citycon’s culture and ways of working.

In tasks concerning the daily operations of shopping centres, Citycon engages outsourced workers for certain tasks. These tasks are security, cleaning functions, as well as part of the technical personnel. All of these operators are subject to Citycon’s Business Code of Conduct, and expected to follow the same high ethical standards as all of Citycon’s staff.



### READ MORE

on how we make our people grow and glow in our Annual review **pages 24-25**. More information on our personnel structure in our Key Sustainability Indicators **pages 35-36**.

## RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Citycon’s Business Code of Conduct, updated in 2017, sets forth the standards of business behavior and ethics which Citycon expects of its business partners, as well as personnel employed by or engaged to provide services to such business partners. The Business Code of Conduct is based on Citycon’s Code of Conduct.

Citycon’s supplier selection process is set forth in internal purchasing policies. As adherence to high ethical principles promotes mutual trust of business partners, as well as contributes to their sustainability in the market, Citycon requires its suppliers to commit to Citycon’s Business Code of Conduct, or similar or higher ethical principles, and act accordingly. If a supplier acts inconsistent 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 business relationship.

All new lease agreements signed in 2017 contained a Code of Conduct commitment clause. At the end of year 2017, more than two thirds of our total lease agreements included a Code of Conduct clause. In 2018, Citycon will focus on raising an overall awareness of the updated Business Code of Conduct, and ensuring the use of the

Business Code of Conduct in its tendering processes.

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



### MORE INFORMATION

Citycon’s Business Code of Conduct and further information on whistleblowing line are available at [www.citycon.com/code-of-conduct](http://www.citycon.com/code-of-conduct).



## CITYCON CODE OF CONDUCT AND TRANSPARENCY

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

Citycon promotes the Code of Conduct in its internal communication and occasions. All new employees are required to confirm their commitment to comply with the principles of Citycon's Code of Conduct. Training is arranged each year for all Citycon employees.

Citycon also makes a good faith effort to have its business partners to 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 behavior and ethics, the standards Citycon expects from its business partners are set out in Citycon's Business Code of Conduct available on the company's web page.

To maximise stakeholder engagement to the code, Citycon has various implementation to the codemeasures, such as:

- Commitment clauses included in lease agreements.
- Reviews performed in connection with material investment processes.
- Inviting business partners to embrace and act according to Citycon's Business Code of Conduct.

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

In 2017, Citycon updated its Code of Conduct in whole. The updated Code of Conduct reflects Citycon's values (Passionate, Solution-Oriented and Together One) better, and includes guidance on new topics such as privacy, safety and security, and social media. All of these areas have become increasingly

relevant in Citycon's business. The company also added a new internal speak up channel through the employee's co-operation group, offering yet another convenient way to raise concerns regarding the Code of Conduct.

No fraud, bribery, or corruption cases were brought to the company's attention in 2017.

In 2018, Citycon will pay attention to implementation of the updated Code of Conduct and arrange special internal trainings to its employees. The company will continue open dialogue and further promote awareness of Citycon's ethical principles among internal and external parties.



### MORE INFORMATION

Citycon's code of conduct is available at [www.citycon.com/code-of-conduct](http://www.citycon.com/code-of-conduct).

## WASTE RECYCLING AND WATER MANAGEMENT

Water consumption includes water consumed at our properties and by tenants. Tenant water consumption is highest in grocery stores, restaurants and cafés, hair salons, laundries and car wash facilities. A property's water consumption includes water used in public facilities, and water used for cleaning and property maintenance. Reported water covers water consumed in common areas and by tenants. All water comes from municipal waterworks.

Citycon's total water consumption decreased by 4,8% compared to the pre-

vious year. Water consumption per visitor in like-for-like shopping centres was 5.2 litres, remaining at the same level as 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 94%, an increase of one percentage point from last year. The total amount of waste generated in our shopping centres increased by 3,8%. In like-for like shopping centres, the increase was 3,4%.

### EXCELLENCE IN ACTION

During the year, Citycon piloted an automatic water surveillance system with leakage alarms to detect even small possible leakages. We continued measures, such as the installation of user-specific water meters, to reduce water consumption.

In Finland, together with our recycling service provider, we increased the use of an online recycling training module to cover all of our shopping centres and tenants. We are looking into making the passing of this training module a prerequisite for receiving a key card, for everyone working at our Finnish shopping centres. Recycling coordinators visited ten of our shopping centres, giving hands-on advice to our property managers as well as our tenants on how to increase the recycling rate.

As we have achieved a high rate of waste recycling, in the future we want to further help and involve our tenants and visitor in effective recycling.



# REPORTING PRINCIPLES, METHODOLOGY AND BOUNDARIES

Regarding the content and principles of sustainability reporting, Citycon applies the Global Reporting Initiative's (GRI) Standards Sustainability Reporting Guidelines, Construction and Real Estate Sector Supplement (CRESS), as well as the Best Practices Recommendations on Sustainability Reporting published by EPRA (European Public Real Estate Association, sBPR Guidelines 3rd edition). Coverage of the mentioned reporting recommendations is presented on **pages 39–44**. This report has been prepared in accordance with the 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 98% of the leasable area owned by Citycon. Environmental data covers shopping centres and other properties which were owned by Citycon on 31 December 2017, acquired before 30 June 2017, or divested after 30 June 2017. Energy figures from development projects are included from completion. Environmental data of managed properties (on behalf of

other owners) is presented on **page 28**, however, these are excluded from Citycon's total numbers. Development project energy figures are included from the day when they are completed. 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 earlier. Citycon follows EPRA's financial Best Practices Recommendations. Properties, which have been consistently in operation (and not under development) during the previous two full reporting periods, are included in the "like-for-like" portfolio. Sold properties are excluded from like-for-like comparison. Figures for Citycon Norway in 2014 have been included in the baseline calculation for Citycon's environmental target setting. However, data for 2014 has not otherwise been retrospectively corrected.

Ernst & Young Oy has provided limited assurance for numerical environmental indicators. The assured indicators have been marked into the **Sustainability Data Guide** on **pages 39–44**. **The Assurance Statement** can be found on **page 45**.

## ELECTRICITY AND ENERGY

Citycon reports the 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 building technical systems. Based on case studies, the share of electricity consumption in common areas is between 25–70% 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 2014–2017 for electricity are supplier-specific emissions factors, and in addition, Guarantees of Origin have been taken into account. For Estonia, supplier-specific factors were not available, therefore, national residual mix-based emissions factors have been used. For location-based emissions, national production-based emissions factors from IEA (five-year averages 2012–2016) have been used. In 2013 and before, emissions were calculated using only location-based emission factors, therefore the figures for 2014–2016 are not entirely comparable with earlier figures. For all CO<sub>2</sub> emission calculations, the source for global warming potential is the IPCC Fifth Assessment Report (AR5 - 100 year).

District heat emission factors for 2017 are based on national statistics in Finland and Sweden (five-year averages). In Norway and Estonia emission factors for district heating are based on data provided by heat suppliers. In the calculation of greenhouse gas intensity from building energy, the same principles are applied as for energy intensity calculation, with the exception that landlord obtained tenant electricity 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 (99% 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.

# KEY SUSTAINABILITY INDICATORS

## ENERGY

### TOTAL ENERGY CONSUMPTION (302-1, CRE1)<sup>1)</sup>

MWh	2017	2016	2015	2014	2013	GRI Standards	EPRA CODE
Electricity in common areas	123,582	132,411	131,916	105,246	110,211	302-1	Elec-Abs
Tenants' electricity purchased by landlord <sup>2)</sup>	78,987	80,609	85,546	72,922	71,745	302-1	Elec-Abs
Total electricity consumption in premises	202,568	213,020	217,461	178,168	181,956	302-1	Elec-Abs
Electricity consumption in Citycon's offices <sup>6)</sup>	74	95	97	33	72	302-1	Elec-Abs, own office
Non-renewable electricity in premises	59,860	89,362	116,312	143,471	167,478	302-1	Elec-Abs
Renewable electricity in premises	142,635	123,563	101,150	34,697	14,406	302-1	Elec-Abs
District heating <sup>3)</sup>	101,502	109,522	98,404	126,614	133,811	302-1	DH&C-Abs
Weather corrected district heating	108,931	113,481	117,080	139,718	-		
District cooling <sup>3)</sup>	7,993	7,773	5,888	6,694	2,025	302-1	DH&C-Abs
<b>Direct energy consumption</b>							
Fuels <sup>7)</sup>	2,959	3,192	2,782	3,279	4,590	302-1	Fuels-Abs
Fuels like-for-like <sup>7)</sup>	588	0	0	-	-		Fuels-Iff
<b>Total energy consumption in premises</b>	<b>315,023</b>	<b>333,506</b>	<b>324,536</b>	<b>314,754</b>	<b>322,382</b>	<b>302-1</b>	

### ENERGY INTENSITY INDICATORS<sup>4)</sup>

	Unit	2017	2016	2015	2014	2013	GRI Standards	EPRA CODE
Building energy intensity shopping centres	kWh/sq.m.	183	196	184	245	280	CRE1	Energy-Int
Building energy intensity shopping centres <sup>5)</sup>	kWh/visitor	1.36	1.34	1.23	1.43	1.50	CRE1	Energy-Int
Building energy intensity other retail properties	kWh/sq.m.	275	184	172	208	235	CRE1	Energy-Int
Baseline corrected building energy intensity shopping centres <sup>8)</sup>	kWh/sq.m.	190	199	198	211	-	CRE1	Energy-Int

The coverage of energy and associated GHG disclosure is 98% of GLA under operative control. The figures are based on measured consumption, estimates are not used.

<sup>1)</sup> 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 operation control. Kista Galleria's environmental data is included in its entirety for 2014–2017. Kista Gal-

leria's environmental data is not included for previous years.

<sup>2)</sup> 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.

<sup>3)</sup> Energy used for heating and cooling is reported in its entirety.

<sup>4)</sup> 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.

<sup>5)</sup> Excluding shopping centres where the amount of visitors is not collected. In 2017 these were Fruängen Centrum, Högdalen Centrum, Myllypuro, Heikintori, Espoontori, Forum, Isomyyri, Jyväskylä, Tikkuri, Martinlaakson ostari Glasshuspassasjen, Krokstad Senter and Oasen Kontoreiendom

<sup>6)</sup> The reported consumption includes the headquarters and Citycon Norway office 2015–2017, other offices are integrated into shopping centres. Heating, water and waste in offices are excluded from reporting as they are included in the rent and not reported separately to Citycon.

<sup>7)</sup> Fuels include oil, natural gas and biofuel.

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

**ENERGY CONSUMPTION<sup>1)</sup>**

MWh	2017	2016	2015	2014	2013	%, 2016-2017	%, 2013-2017
Electricity in common areas	123,582	132,411	131,916	105,246	110,211	-6.7	12.1
District heat	101,503	109,522	98,404	126,614	133,811	-7.3	-24.1
Total energy consumption <sup>1)</sup>	236,036	252,897	238,989	241,832	250,637	-6.7	-5.8

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

MWh	MWh	2017	2016	2015	2014	2013	%, 2016-2017	%, 2013-2017
	Electricity in common areas	122,172	129,917 <sup>2)</sup>	128,478	92,851	92,585	-6.0	32.0
	District heat	98,355	103,825	89,979	110,358	115,285	-5.3	-14.7
	Total energy consumption <sup>1)</sup>	231,479	244,649	227,109	207,568	213,175	-5.4	8.6
<b>Shopping Centres</b>	Electricity in common areas	1,410	2,494	3,438	12,395	19,002	-43.4	-92.6
	District heat	3,147	5,697	8,425	23,453	28,110	-44.8	-88.8
<b>Other Retail Properties</b>	Total energy consumption <sup>1)</sup>	4,557	8,248	11,881	34,264	47,129	-44.8	-90.3

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

MWh	MWh	2017	2016	2015	2014	2013	%, 2016-2017
	Electricity in common areas	73,483	78,356	70,826			-6.2
	District heat	54,552	58,125	48,171			-6.1
	Total energy consumption <sup>1)</sup>	135,664	144,116	122,596			-5.9
<b>Shopping Centres</b>	Electricity in common areas	74,789	79,852	72,028			-6.3
	District heat	57,699	61,022	50,615			-5.4
<b>Like-for-Like Properties</b>	Total energy consumption <sup>1)</sup>	140,117	148,509	126,242			-5.7

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

<sup>2)</sup> Corrected calculation error.

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

MWh	MWh	2017	2016	2015	2014	2013	%, 2016-2017	%, 2013-2017
<b>Finland</b>	Electricity in common areas	52,052	55,136	55,301	65,969	77,309	-5.6	-32.7
	District heat	72,695	78,447	67,541	92,008	99,319	-7.3	-26.8
	Total energy consumption <sup>1)</sup>	127,094	135,448	122,842	157,976	176,629	-6.2	-28.0
	Total energy consumption in like-for-like shopping centres <sup>1)</sup>	47,882	50,814	48,761	-	-	-5.8	
<b>Norway</b>	Electricity in common areas	35,726	39,600	38,280	-	-	-9.8	
	District heat	4,298	4,597	3,843	-	-	-6.5	
	Total energy consumption <sup>1)</sup>	41,155	45,133	43,078	-	-	-8.8	
	Total energy consumption in like-for-like shopping centres <sup>1)</sup>	32,795	35,080	34,490			-6.5	
<b>Sweden</b>	Electricity in common areas	27,133	29,013	28,508	29,219	21,820	-6.5	24.3
	District heat	21,226	23,492	23,756	30,726	30,051	-9.6	-29.4
	Total energy consumption <sup>1)</sup>	53,495	57,896	57,620	66,639	53,896	-7.6	-0.7
	Total energy consumption in like-for-like shopping centres <sup>1)</sup>	47,200	50,618	32,262	-	-	-6.8	
<b>Baltics and Denmark</b>	Electricity in common areas	8,671	8,662	9,827	10,058	11,081	0.1	-21.7
	District heat	3,284	2,986	3,265	3,880	4,441	10.0	-26.1
	Total energy consumption <sup>1)</sup>	14,292	14,421	15,449	17,217	20,112	-0.9	-28.9
	Total energy consumption in like-for-like shopping centres <sup>1)</sup>	7,788	7,603	7,083	-	-	2.4	

<sup>1)</sup> 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 <sub>2</sub> e	2017	2016	2015	2014	2013
Scope 1, direct	496	603	566	650	909
Scope 2, indirect, market-based	44,337	58,124	71,593	77,648	71,816
Scope 2, indirect, location-based	57,585	65,320	67,849		
Scope 3, indirect	1,515	1,567	1,500	1,240	693
<b>Total (Market-based)</b>	<b>46,347</b>	<b>60,295</b>	<b>73,659</b>	<b>79,538</b>	<b>73,419</b>

### GREENHOUSE GAS EMISSIONS BY SCOPES IN LIKE-FOR-LIKE PROPERTIES (EPRA GHG-DIR-LFL, GHG-INDIR-LFL)

tCO <sub>2</sub> e	2017	2016	2015
Scope 1, direct	24	15	71
Scope 2, indirect	20,481	28,350	31,178
Scope 3, indirect	678	707	503
<b>Total</b>	<b>21,183</b>	<b>29,072</b>	<b>31,752</b>

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

tCO <sub>2</sub> e	2017	2016	2015	2014	2013
Electricity in common areas	2,195	15,928	19,619	20,880	20,850
Tenants' electricity supplied by the landlord <sup>2)</sup>	25,876	23,460	34,919	34,036	25,626
Electricity in Citycon offices	4	10	11	17	53
District heat and cooling	16,262	18,726	17,044	22,715	25,287
Fuels	496	603	566	650	909
Wastewater	846	889	879	762	225
Waste logistics	113	109	116	86	75
Business travel	404	397	315	300	317
Commuting	148	169	187	90	73
Paper consumption and mail	4	4	4	3	3
<b>Total</b>	<b>46,347</b>	<b>60,295</b>	<b>73,659</b>	<b>79,538</b>	<b>73,419</b>

### LIKE-FOR-LIKE TOTAL DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS (EPRA GHG-DIR-LFL, GHG-INDIR-LFL)

tCO <sub>2</sub> e	2017	2016	2015
Electricity in common areas	502	6,878	7,987
Tenants' electricity supplied by the landlord <sup>2)</sup>	11,832	12,115	15,306
Heating and cooling (including fuels)	8,171	9,372	7,956
Wastewater	607	638	439
Waste logistics	71	68	64
<b>Total</b>	<b>21,183</b>	<b>29,072</b>	<b>31,752</b>

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

	2017	2016	2015	2014	2013
Building greenhouse gas intensity, kgCO <sub>2</sub> e/sq.m.	36	46	56	48	50
Building greenhouse gas intensity, kgCO <sub>2</sub> e/visitor	0.26	0.32	0	0.33	0.36
Baseline corrected building greenhouse gas intensity <sup>4)</sup> , kgCO <sub>2</sub> e/sq.m.	36	46	56	63	

The coverage of Energy and associated GHG disclosure is 98% 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 114 tCO<sub>2</sub>. Biogenic scope 3 emissions have not been assessed.

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

In the calculation of greenhouse gas intensity, the numerator corresponds to emissions from electricity in common areas, district heating and cooling as well as emissions from waste water and waste. Additionally,

tenants' electricity supplied by the landlord is included in 2015-2017 figures. I.e. the figures for 2014 and 2015 are not directly comparable.

<sup>4)</sup> Baseline corrected intensity 2014 includes Citycon Norway data as well as tenants' electricity supplied by the landlord.

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

		2017	2016	2015
<b>Finland</b>	Scope 1, direct, tCO <sub>2</sub> e	0	0	0
	Scope 2, indirect, tCO <sub>2</sub> e	23,897	30,338	34,350
	Scope 3, indirect, tCO <sub>2</sub> e	300	309	314
	Building greenhouse gas intensity <sup>1)</sup> , kgCO <sub>2</sub> e/sq.m.	56	69	77
<b>Norway</b>	Scope 1, direct, tCO <sub>2</sub> e	24	43	99
	Scope 2, indirect, tCO <sub>2</sub> e	144	153	131
	Scope 3, indirect, tCO <sub>2</sub> e	232	230	239
	Building greenhouse gas intensity <sup>1)</sup> , kgCO <sub>2</sub> e/sq.m.	1	1	1
<b>Sweden</b>	Scope 1, direct, tCO <sub>2</sub> e	0	0	0
	Scope 2, indirect, tCO <sub>2</sub> e	1,939	2,843	3,333
	Scope 3, indirect, tCO <sub>2</sub> e	371	400	373
	Building greenhouse gas intensity <sup>1)</sup> , kgCO <sub>2</sub> e/sq.m.	8	10	12
<b>Baltics and Denmark</b>	Scope 1, direct, tCO <sub>2</sub> e	472	560	467
	Scope 2, indirect, tCO <sub>2</sub> e	18,353	24,780	33,768
	Scope 3, indirect, tCO <sub>2</sub> e	56	59	68
	Building greenhouse gas intensity <sup>1)</sup> , kgCO <sub>2</sub> e/sq.m.	186	251	303

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

## ENVIRONMENTAL DATA, MANAGED PROPERTIES

### MANAGED SHOPPING CENTRES, NORWAY <sup>1)</sup>

Energy, MWh	2017	2016	2015
Electricity consumption in common areas	19,722	18,552	18,289
Tenants' electricity purchased by landlord	5,114	4,951	1,798
District heat	4,043	3,754	2,984
Fuels	1,594	1,783	2,598
<b>Total energy consumption</b>	<b>30,473</b>	<b>29,040</b>	<b>25 669</b>
Renewable electricity	24,836	23,503	17,994
Building energy intensity, kWh/sq.m.	127	115	114
<b>Carbon, tCO<sub>2</sub>e</b>			
Scope 1, direct	232	294	142
Scope 2, indirect, market-based	125	118	888
Scope 2, indirect, location-based	331		
Scope 3, indirect	146	158	157
Building greenhouse gas intensity, kgCO <sub>2</sub> e/sq.m.	3	3	6
<b>Water, m<sup>3</sup></b>			
Total water consumption	124,978	138,038	136,662
<b>Waste, t</b>			
Landfill waste	67.2 (2%)	47.8 (2%)	31.7 (1%)
Incinerated waste	861.46 (30%)	800.7 (31%)	784.4 (29%)
Composted waste	576.77 (20%)	530.6 (20%)	544.9 (20%)
Recycled waste	1,339 (46%)	1,186.0 (46%)	1,259.6 (47%)
Reused waste	53.91 (2%)	40.9 (2%)	84.1 (3%)
Total waste amount	2,898	2,606	2,705

<sup>1)</sup> 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, %
<b>Total portfolio - BREEAM in use</b>	
BREEAM Outstanding, asset / building management	0 / 7
BREEAM Excellent, asset / building management	8 / 18
BREEAM Very Good, asset / building management	46 / 0
BREEAM Good, asset / building management	22 / 55
<b>Total - BREEAM in use<sup>1)</sup></b>	<b>80</b>
<b>Total portfolio - LEED</b>	
LEED Platinum	22
LEED Gold	1
LEED Silver	4
LEED Certified	2
Total - LEED	29
<b>Total portfolio - environmental certificates</b>	<b>81</b>
<b>(Re)Developments (on track to achieve)</b>	
Möln dal Galleria - BREEAM Very good	22
Lippulaiva - BREEAM Excellent	78
Total	100% of development projects ongoing or finished in 2017 to be certified

<sup>1)</sup> Includes three properties where certification process was finalised, but final certificates were not confirmed to Citycon by end of reporting period.

## WATER

### WATER CONSUMPTION <sup>2)</sup> (GRI 303-1, CRE2, EPRA WATER-ABS, WATER-LFL, WATER-INT)

	2017	2016	2015	2014	2013	% 2016-2017	% 2013-2017
Total water consumption, m <sup>3</sup>	804,494	845,314	835,054	723,423	603,014	-4.8	33.4
Like-for-like total water consumption, m <sup>3</sup>	577,364	606,733	417,412	-	-	-4.8	-
Total water consumption in shopping centres, m <sup>3</sup>	799,305	839,477	815,374	685,898	560,464	-4.8	42.6
Total water consumption in like-for-like shopping centres, m <sup>3</sup>	572,175	604,379	411,459	-	-	-5.3	-
Water intensity in shopping centres <sup>1)</sup> , l/visitor	4.7	4.6	4.3	4.3	3.7	4.3	28.4
Water intensity in like-for-like shopping centres <sup>1)</sup> , l/visitor	5.2	5.2	-	-	-	0.0	-

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

	2017	2016	2015	2014	2013	% 2016-2017	% 2013-2017
Total water consumption, m <sup>3</sup>	242,197	249,977	253,637	280,803	294,216	-3.1	-17.7
Total water consumption in shopping centres, m <sup>3</sup>	237,009	245,337	235,001	245,193	253,844	-3.4	-6.6
Total water consumption in like-for-like shopping centres, m <sup>3</sup>	93,744	89,870	87,407	-	-	4.3	-
<b>Finland</b> Water intensity in shopping centres <sup>1)</sup> , l/visitor	3.7	3.1	3.0	3.1	2.9	17.1	26.9
Total water consumption, m <sup>3</sup>	189,009	187,449	192,998	-	-	0.8	-
Total water consumption in shopping centres, m <sup>3</sup>	189,009	187,449	192,998	-	-	0.8	-
Water intensity in shopping centres <sup>1)</sup> , l/visitor	5.0	5.0	5.1	-	-	-1.5	-
<b>Norway</b> Total water consumption in like-for-like shopping centres, m <sup>3</sup>	150,569	154,197	157,886	-	-	-2.4	-
Total water consumption, m <sup>3</sup>	324,598	356,026	328,039	378,896	237,718	-8.8	36.5
Total water consumption in shopping centres, m <sup>3</sup>	324,598	354,829	326,995	376,786	235,540	-8.5	37.8
Total water consumption in like-for-like shopping centres, m <sup>3</sup>	302,333	332,536	138,922	-	-	-9.1	-
<b>Sweden</b> Water intensity in shopping centres <sup>1)</sup> , l/visitor	6.0	6.4	5.8	6.6	5.9	-7.2	0.9
Total water consumption, m <sup>3</sup>	48,689	51,861	60,381	63,919	71,080	-6.1	-31.5
Total water consumption in shopping centres, m <sup>3</sup>	48,689	51,861	60,381	63,919	71,080	-6.1	-31.5
Total water consumption in like-for-like shopping centres, m <sup>3</sup>	25,529	27,775	27,245	-	-	-8.1	-
<b>Baltics and Denmark</b> Water intensity in shopping centres <sup>1)</sup> , l/visitor	3.9	3.9	3.5	3.7	3.5	-1.1	9.2

<sup>1)</sup> Excluding shopping centres where amount of visitors is not collected. In 2017 these were Fruängen Centrum, Högdalen Centrum, Myllypuro, Heikintori, Espoontori, Forum, Isomyyri, Jyväskeskus, Tikkuri, Martinlaakson ostari Glasshuspassasjen, Krokstad Senter and Oasen Kontoreiendom. The water intensity increase in Finnish shopping centres largely stems from changes in the portfolio, and a 13% increase in food & beverage GLA in like-for-like properties.

<sup>2)</sup> Water consumption figures for 2016 and 2017 include also a hotel and a student apartment block located in Kista Galleria. Kista Galleria is included in lfl figures.

## WASTE

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

	2017		2016		2015		2014		2013		2012	
	t	%	t	%	t	%	t	%	t	%	t	%
Landfill waste	1,350	6	1,545	7.1	1,137	4.9	2,106	12.3	2,410	12.3	2,695	12.3
Incinerated waste	7,487	33	6,873	31.6	8,151	35.3	4,294	25.1	4,179	25.1	4,080	25.1
Composted waste	4,228	19	4,143	19.0	4,148	17.9	2,628	15.4	2,724	15.4	2,797	15.4
Recycled waste	8,257	37	8,180	37.6	8,645	37.4	7,387	43.2	5,299	43.2	4,955	43.2
Reused waste	1,240	5	1,021	4.7	1,029	4.5	689	4.0	485	4.0	370	4.0
<b>Total</b>	<b>22,562</b>	<b>100</b>	<b>21,761</b>	<b>100</b>	<b>23,110</b>	<b>100</b>	<b>17,105</b>	<b>100</b>	<b>15,097</b>	<b>100</b>	<b>14,896</b>	<b>100</b>

### TOTAL WEIGHT OF WASTE IN SHOPPING CENTRES BY DISPOSAL ROUTES

	2017		2016		2015		2014		2013		2012	
	t	%	t	%	t	%	t	%	t	%	t	%
Landfill waste	1,336	6	1,530	7.1	1,135	5.0	1,918	11.6	2,112	14.7	2,375	16.8
Incinerated waste	7,420	33	6,804	31.6	8,047	35.2	4,229	25.5	4,104	28.3	3,909	27.7
Composted waste	4,218	19	4,134	19.2	4,125	18.0	2,580	15.5	2,658	18.5	2,711	19.2
Recycled waste	8,147	36	8,061	37.4	8,559	37.4	7,207	43.4	5,088	35.2	4,759	33.7
Reused waste	1,240	6	1,016	4.7	1,017	4.4	665	4.0	484	3.4	364	2.6
<b>Total</b>	<b>22,362</b>	<b>100</b>	<b>21,545</b>	<b>100</b>	<b>22,882</b>	<b>100</b>	<b>16,599</b>	<b>100</b>	<b>14,446</b>	<b>100</b>	<b>14,118</b>	<b>100</b>

### TOTAL WEIGHT OF WASTE BY DISPOSAL ROUTES, LIKE-FOR-LIKE (EPRA WASTE-LFL) <sup>1)</sup>

	2017		2016		2015	
	t	%	t	%	t	%
Landfill waste	675	4.8	639	4.7	801	6.3
Incinerated waste	5,257	37.7	4,843	36.0	4,384	34.4
Composted waste	2,428	17.4	2,396	17.8	2,269	17.8
Recycled waste	4,966	35.7	4,946	36.7	4,785	37.5
Reused waste	600	4.3	647	4.8	517	4.1
<b>Total</b>	<b>13,926</b>	<b>100</b>	<b>13,471</b>	<b>100</b>	<b>12,757</b>	<b>100</b>

	2017		2016		2015	
	t	%	t	%	t	%
Landfill waste	687	4.9	650	4.8	801	6.3
Incinerated waste	5,318	37.7	4,903	36.3	4,397	34.4
Composted waste	2,434	17.2	2,401	17.7	2,274	17.8
Recycled waste	5,071	35.9	5,053	37.4	4,794	37.5
Reused waste	600	4.3	517	3.8	517	4.0
<b>Total</b>	<b>14,109</b>	<b>100</b>	<b>13,525</b>	<b>100</b>	<b>12,784</b>	<b>100</b>

<sup>1)</sup>The coverage of waste data is 99% of GLA under operative control.

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

t	2017	2016	2015	2014	2013
Finland	9,065	9,253	9,465	9,780	9,959
Norway	6,645	6,524	7,088	-	-
Sweden	5,875	5,109	5,621	6,338	4,117
Baltics and Denmark	977	877	937	986	1,021
<b>Total</b>	<b>22,562</b>	<b>21,761</b>	<b>23,110</b>	<b>17,105</b>	<b>15,097</b>

**TOTAL WASTE AMOUNT BY SOURCE (EPRA WASTE-ABS)**

t	2017	2016	2015	2014	2013	%, 2016-2017	%, 2013-2017
Shopping centres	22,362	21,545	22,882	16,599	14,446	3.8	54.8
Other	200	217	228	506	651	-7.4	-69.2
<b>Total</b>	<b>22,562</b>	<b>21,761</b>	<b>23,110</b>	<b>17,105</b>	<b>15,097</b>	<b>3.7</b>	<b>49.4</b>

**TOTAL WEIGHT OF WASTE IN SHOPPING CENTRES BY TYPE**

	2017		2016		2015		2014		2013	
	t	%	t	%	t	%	t	%	t	%
<b>Non-hazardous waste</b>										
Landfill	1,283	6	1,308	6	901	4	1,644	7	1,964	14
Energy	7,420	33	6,804	32	8,047	35	4,229	18	4,104	28
Paper	517	2	632	3	667	3	711	3	739	5
Plastic	310	1	296	1	335	1	1,900	8	66	0
Cardboard	6,535	29	6,347	29	6,785	30	4,066	18	3,686	26
Compost	4,218	19	4,134	19	4,125	18	2,580	11	2,658	18
Metal	288	1	330	2	327	1	221	1	220	2
Glass	495	2	455	2	445	2	308	1	377	3
Other recycled	1,096	5	923	4	795	3	578	3	432	3
Other unsorted waste	53	0	222	1	235	1	274	1	148	1
<b>Hazardous</b>	144	1	93	0	221	1	87	0	51	0
<b>Total</b>	<b>22,362</b>	<b>100</b>	<b>21,545</b>	<b>100</b>	<b>22,882</b>	<b>100</b>	<b>16,599</b>	<b>100</b>	<b>14,446</b>	<b>100</b>

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

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

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

	2017		2016		2015	
	t	%	t	%	t	%
<b>Non-hazardous waste</b>						
Landfill	671	5	581	4.3	722	5.7
Energy	5,257	38	4,843	36.0	4,384	34.4
Paper	209	1	238	1.8	210	1.6
Plastic	243	2	246	1.8	275	2.2
Cardboard	4,011	29	4,041	30.0	3,909	30.6
Compost	2,482	18	2,396	17.8	2,269	17.8
Metal	147	1	164	1.2	147	1.2
Glass	357	3	256	1.9	243	1.9
Other recycled	75	1	57	0.4	51	0.4
Other	525	4	590	4.4	466	3.7
<b>Hazardous</b>	5	0	59	0.4	79	0.6
<b>Total</b>	<b>13,982</b>	<b>100</b>	<b>13,471</b>	<b>100</b>	<b>12,755</b>	<b>100.0</b>
<b>Total amount change, %</b>	<b>3,8</b>		<b>5,6</b>			

**RECYCLING RATE OF SHOPPING CENTRES**

%	2017	2016	2015	2014	2013	2012
Finland	88	85	92	84	80	77
Norway	100	100	99	-	-	-
Sweden	95	97	95	95	97	96
Baltics and Denmark	100	100	92	92	86	86
<b>Total</b>	<b>94</b>	<b>93</b>	<b>95</b>	<b>88</b>	<b>85</b>	<b>83</b>

## PERSONNEL

### NUMBER OF EMPLOYEES

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

### PERSONNEL KEY FIGURES

	2017		2016		2015	
	FTE	%	FTE	%	FTE	%
<b>Employment type 31 Dec. (102-8, 401-1)</b>						
Permanent employees/Fixed-term employees	230,1/17	93/7	259/13	95/5	286/11	96/4
Full-time employees/Part-time employees	244,5/2,6	99/1	270/2	99/1	288/9	97/3
<b>Average age of employees and sex distribution (401-1)</b>						
Average age, years 31 Dec.	42		43		44	
Employees under age 18 during the year	0		0		0	
Female/male percentage 31 Dec.	100,7/146,4	41/59		45/55		46/54
<b>Employee turnover during the year (401-1)</b>						
New contracts including short-term substitutions	40.6		42		32	
Female/male percentage of new contracts	17,2/23,4	42/58		45/55		62/38
Permanent employees left Citycon	34		59		27	
Female/male percentage of left employees	14,9/19	44/56		45/55		30/70
Employees returning to work after parental leave		99		99		100
<b>Sick days (403-2)</b>						
Number of sick days during the year	2058		896		307	
Sick days per employee	8		3		3	

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

All employment relationships are based on a legal employment contract.

## EMPLOYEE GROUP BY GENDER 31 DECEMBER 2017

	Total		of which female	
	FTE	%	FTE	%
Management committee	6.0	2.4	2.0	33.0
Other directors	25.0	10.1	7.0	28.0
Managers	117.5	47.6	45.5	39.0
Other employees	98.6	39.9	46.2	47.0
<b>Total</b>	<b>247</b>	<b>100</b>	<b>101</b>	<b>41</b>

## DURATION OF EMPLOYMENT 31 DECEMBER 2017

	FTE	%
Less than 2 years	85.3	34.5
2-4 years	49	19.8
More than 4 years	112.8	45.7
<b>Total</b>	<b>247.1</b>	<b>100</b>

## AGE PROFILE 31 DECEMBER 2017

	FTE	%
Under 30	38.8	15.7
30-50	152.7	61.8
Over 50	55.6	22.5
<b>Total</b>	<b>247.1</b>	<b>100</b>

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 levels. On a general level, the gender pay-ratio is 92%. 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) <sup>1)</sup>

MEUR	2017	2016 <sup>5)</sup>	2015 <sup>5)</sup>
<b>Direct economic value generated</b>			
<b>a) Revenues</b>			
Finland	126.2	127.2	139.0
Norway	121.6	115.1	60.5
Sweden and Denmark	61.7	60.3	63.1
Estonia	28.7	29.2	32.9
<b>Gross rental income</b>	<b>257.4</b>	<b>251.4</b>	<b>223.9</b>
<b>Service charge income</b>	<b>80.8</b>	<b>80.3</b>	<b>71.7</b>
Revenues from sale of investment properties <sup>2)</sup>	315.9	109.9	126.8
<b>Economic value distributed</b>			
<b>b) Operating costs</b>			
Finland	-33.1	-32.2	-35.2
Norway	-28.9	-26.6	-15.6
Sweden and Denmark	-14.8	-14.8	-15.6
Estonia	-6.0	-6.1	-7.4
Other <sup>4)</sup>	0.7	0.5	0.0
<b>Purchases related to property operating costs <sup>3)</sup></b>	<b>-82.2</b>	<b>-79.2</b>	<b>-73.8</b>
Finland	100.1	220.3	-109.0
Norway	84.9	45.7	-1 556.2
Sweden and Denmark	109.0	45.7	-43.7
Estonia	3.9	1.7	-8.4
Other <sup>4)</sup>	0.8	1.1	-1.3
<b>Investments</b>	<b>298.7</b>	<b>314.5</b>	<b>-1,718.6</b>

MEUR	2017	2016 <sup>5)</sup>	2015 <sup>5)</sup>
<b>c) Employee wages and salaries</b>			
Finland	-3.3	-3.2	-2.7
Norway	-9.8	-12.0	-9.5
Sweden and Denmark	-3.8	-3.9	-3.5
Estonia	-0.5	-0.4	-0.4
Other <sup>4)</sup>	-6.8	-6.8	-6.0
<b>Paid wages and salaries</b>	<b>-24.1</b>	<b>-26.2</b>	<b>-22.1</b>
Finland	0.0	0.0	0.0
Norway	-0.1	0.0	-0.1
Sweden and Denmark	-0.1	-0.1	0.0
Estonia	0.0	0.0	0.0
Other <sup>4)</sup>	-0.1	-0.1	0.0
<b>Funds used for employee training</b>	<b>-0.4</b>	<b>-0.1</b>	<b>-0.2</b>
<b>d) Payments to providers of capital <sup>2)</sup></b>			
Paid dividends and return from invested unrestricted equity fund	-116.2	-131.4	-89.2
Loan repayments and proceeds	-52.0	3.8	3.9
Paid and received financial expenses as well as realised exchange rate losses/gains	<b>-65.7</b>	<b>-57.9</b>	<b>-57.9</b>
<b>e) Payments to government</b>			
<b>Income taxes received/paid (directly from/ to government) <sup>2)</sup></b>			
Finland	-0.1	-0.8	-0.2
Norway	-4.6	-3.7	-3.6
Sweden and Denmark	-1.6	-1.4	-0.7
Sweden and Denmark	-3.0	-2.9	-3.5
Estonia	-0.1	-0.1	-0.1
<b>Property taxes (payments to government as agent, recharged to tenants)</b>	<b>-9.3</b>	<b>-8.1</b>	<b>-7.8</b>

<sup>1)</sup> The figures do not include Kista Galleria.

<sup>2)</sup> Items from the cash flow.

<sup>3)</sup> 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.

<sup>4)</sup> Mainly expenses arising from the Group's functions.

<sup>5)</sup> 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 Danish operations as a part of the new Sweden and Denmark-segment. Simultaneously, the monitoring of Estonian operations was transferred to a separate Estonia-segment. Information from previous years is presented on the basis of new segmentation.

# GRI TABLES

AR: Annual report  
 FS: Financial review  
 SA: Sustainability accounts  
 CGS: Corporate governance statement

GRI Standards	EPRA Sustainability BPR	Content	Location	Comments	Limited assurance	Coverage % (EPRA sBPR)
<b>GRI 102: General disclosures</b>						
<b>Organisation</b>						
102-1		Name of the organization	AR p. 4		x	
102-2		Activities, brands, products, and services	AR p. 4-5		x	
102-3		Location of headquarters	back cover		x	
102-4		Location of operations	AR, p. 5		x	
102-5		Ownership and legal form	CGS, p. 2, FS p. 40		x	
102-6		Markets served	AR, p. 35-39		x	
102-7		Scale of the organization	FS, p. 4, 6-7		x	
102-8		Information on employees and other workers	SA, p. 35		x	
102-9		Supply chain	AR p. 14-15		x	
102-10		Significant changes to the organization and its supply chain	FS, p. 8, 86-88	No significant changes in the supply chain.	x	
102-11		Precautionary Principle or approach	SA, p. 12 CGS, p. 14-15		x	
102-12		External initiatives	SA, p. 29		x	
102-13		Membership of associations	SA, p. 9		x	
<b>Strategy</b>						
102-14		Statement from senior decision-maker	AR, p. 6-7		x	
102-15		Key impacts, risks, and opportunities	AR, p. 8-9, 14-15 FS, p. 8-9, 38		x	
<b>Ethics and integrity</b>						
102-16		Values, principles, standards, and norms of behavior	SA, p. 9		x	
102-17		Mechanisms for advice and concerns about ethics	SA, p. 9, 18		x	
<b>Governance</b>						
102-18		Governance structure	CGS, p. 2, 12		x	
102-19		Delegating authority	CGS, p.12		x	
102-20		Executive-level responsibility for economic, environmental, and social topics	CGS, p. 12-13	CEO and COO are responsible for the day-to-day management of the company, which includes economic, environmental and social topics. CEO regularly reports to the board.	x	

GRI Standards	EPRA Sustainability BPR	Content	Location	Comments	Limited assurance	Coverage % (EPRA sBPR)
102-21		Consulting stakeholders on economic, environmental, and social topics	CGS, p. 16	Stakeholder consultation is carried out in shareholders general meetings, expert panels as well as different surveys to tenants, personnel, and investors. Material results from surveys reported to the board.	x	
102-22	Gov-Board	Composition of the highest governance body and its committees	CGS, p. 4-6		x	
102-23		Chair of the highest governance body	CGS, p. 5, 12		x	
102-24	Gov-Select	Nominating and selecting the highest governance body	CGS, p. 4		x	
102-25	Gov-Col	Conflicts of interest	CGS, p. 17		x	
102-26		Role of highest governance body in setting purpose, values, and strategy	CGS, p. 7-8		x	
102-27		Collective knowledge of highest governance body	CGS, p. 9		x	
102-28		Evaluating the highest governance body's performance	CGS, p. 7-8		x	
102-29		Identifying and managing economic, environmental, and social impacts	CGS, p. 14, FS, p. 38-39		x	
102-30		Effectiveness of risk management processes	CGS, p. 10		x	
102-31		Review of economic, environmental, and social topics	CGS, p. 7		x	
102-32		Highest governance body's role in sustainability reporting		CEO reviews and approves sustainability report.	x	
102-33		Communicating critical concerns	CGS, p. 16, Disclosure policy	<a href="http://www.citycon.com/investors/corporate-governance/disclosure-policy">www.citycon.com/investors/corporate-governance/disclosure-policy</a>	x	
102-34		Nature and total number of critical concerns	SA, p. 19	All good faith concerns can be reported through Citycon's whistleblowing line. <a href="http://www.citycon.com/sustainability/code-of-conduct/report-a-violation-page-en">www.citycon.com/sustainability/code-of-conduct/report-a-violation-page-en</a> No major critical concerns reported during 2017.	x	
102-35		Remuneration policies	<a href="http://www.citycon.com/remuneration">www.citycon.com/remuneration</a>		x	
102-36		Process for determining remuneration	CGS, p. 11, <a href="http://www.citycon.com/remuneration">www.citycon.com/remuneration</a>		x	
102-37		Stakeholders' involvement in remuneration	<a href="http://www.citycon.com/remuneration">www.citycon.com/remuneration</a>		x	
<b>Stakeholder engagement</b>						
102-40		List of stakeholder groups	SA, p. 7		x	
102-41		Collective bargaining agreements	GRI content index	Personnel is not covered by collective bargaining agreements.	x	
102-42		Identifying and selecting stakeholders	SA, p. 7		x	
102-43		Approach to stakeholder engagement	SA, p. 9, 16-17		x	
102-44		Key topics and concerns raised	SA, p. 9, 16-17		x	

GRI Standards	EPRA Sustainability BPR	Content	Location	Comments	Limited assurance	Coverage % (EPRA sBPR)
<b>Reporting practice</b>						
102-45		Entities included in the consolidated financial statements	FS, p. 52, 86-88		x	
102-46		Defining report content and topic Boundaries	SA, p. 7, 21		x	
102-47		List of material topics	SA, p. 6		x	
102-48		Restatements of information	SA, p. 21-22		x	
102-49		Changes in reporting	SA, p. 21-22		x	
102-50		Reporting period	SA, p. 21		x	
102-51		Date of most recent report	SA, p. 21		x	
102-52		Reporting cycle	SA, p. 21		x	
102-53		Contact point for questions regarding the report	GRI content index	Sustainability Analyst, wilhelm.ehrnrooth (at) citycon.com	x	
102-54		Claims of reporting in accordance with the GRI Standards	SA, p. 21		x	
102-55		GRI content index	SA, p. 39-44		x	
102-56		External assurance	SA, p. 21		x	
<b>GRI 103: Management approach</b>						
103-1		Explanation of the material topic and its Boundary	SA, p. 21-22		x	
103-2		The management approach and its components	SA, p. 11-12		x	
103-3		Evaluation of the management approach	SA, p. 11-12		x	
<b>ECONOMIC STANDARDS</b>						
<b>GRI 201: Economic performance</b>						
201-1		Direct economic value generated and distributed	SA, p. 37-38		x	
201-2		Financial implications and other risks and opportunities due to climate change	AR, p. 8-9 <a href="http://www.citycon.com/sustainability/environment/climate-change">www.citycon.com/sustainability/environment/climate-change</a>	Reported partly.	x	
201-3		Defined benefit plan obligations and other retirement plans	GRI content index	The company acts in accordance with legislation, not reported separately.	x	
201-4		Financial assistance received from government	GRI content index	Received subsidies amount to 0.126 MEUR for Finland and 2.5 MEUR for Norway.	x	
<b>GRI 203: Indirect economic impacts</b>						
203-2		Significant indirect economic impacts	AR, p. 15	Reported partly.	x	
<b>GRI 205: Anti-corruption</b>						
205-1		Operations assessed for risks related to corruption	GRI content index	No assessments. Citycon Code of Conduct is applied in all significant business relationships.	x	
205-2		Communication and training about anti-corruption policies and procedures	SA, p. 19		x	
205-3		Confirmed incidents of corruption and actions taken	GRI content index	No cases in 2017.	x	

GRI Standards	EPRA Sustainability BPR	Content	Location	Comments	Limited assurance	Coverage % (EPRA sBPR)
<b>GRI 206: Anti-competitive behavior</b>						
206-1		Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	GRI content index	No cases in 2017.	x	
<b>ENVIRONMENTAL STANDARDS</b>						
<b>GRI 302: Energy</b>						
302-1	Elec-Abs, DH&C-Abs, Fuel-Abs, Elec-LfL, DH&C-LfL, Fuels-LfL	Energy consumption within the organization	SA, p. 23-25		x	98, lfl 100
302-4		Reduction of energy consumption	SA, p. 13		x	
302-5		Reductions in energy requirements of products and services	SA, p. 23-25		x	
CRE 1	Energy-Int	Building energy intensity	SA, p. 23		x	98
<b>GRI 303: Water</b>						
303-1	Water-Abs; Water-LfL	Water consumption	SA, p. 20, 30		x	98, lfl 100
CRE2	Water-Int	Building water intensity	SA, p. 30		x	98
<b>GRI 304: Biodiversity</b>						
304-1		Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	SA, p. 13		x	
<b>GRI 305: Emissions</b>						
305-1	GHG-Dir-Abs	Direct (Scope 1) GHG emissions	SA, p. 13, 26-28, 22		x	98, lfl 100
305-2	GHG-Indir-Abs	Energy indirect (Scope 2) GHG emissions	SA, p. 13, 26-28, 22		x	98, lfl 100
305-3	GHG-Indir-Abs	Other indirect (Scope 3) GHG emissions	SA, p. 13, 26-28,		x	98, lfl 100
305-5		Reduction of GHG emissions	SA, p. 13, 26-28		x	
CRE 3	GHG-Int	Greenhouse gas emissions from buildings	SA, p. 27		x	98, lfl 100
<b>GRI 306: Effluents and waste</b>						
306-1		Water discharge by quality and destination	GRI content index	Waste water and rain water is led to municipal sewer systems.	x	
306-2	Waste-Abs; Waste I-f-l	Waste by type and disposal method	SA, p. 31-34		x	99, lfl 100
306-3		Significant spills	GRI content index	No spills in 2017.	x	
<b>GRI 307: Environmental compliance</b>						
307-1		Non-compliance with environmental laws and regulations	GRI content index	No cases in 2017.	x	

GRI Standards	EPRA Sustainability BPR	Content	Location	Comments	Limited assurance	Coverage % (EPRA sBPR)
<b>GRI 308: Supplier environmental assessment</b>						
308-1		New suppliers that were screened using environmental criteria	GRI content index	No assessments. Citycon Code of Conduct is applied in all significant business relationships.	x	
<b>SOCIAL STANDARDS</b>						
<b>GRI 401: Employment</b>						
401-1	Emp-Turnover	New employee hires and employee turnover	SA, p. 35		x	
401-3		Parental leave	SA, p. 35	Reported partly.	x	
<b>GRI 402: Labor/ management relations</b>						
402-1		Minimum notice periods regarding operational changes	GRI content index	Citycon complies with local legislation and regulations. Statutory negotiations between the employer and employees take place within a co-operation group. Employee representatives are elected for a term of two years at a time. The group discusses matters affecting the entire personnel.	x	
<b>GRI 403: Occupational health and safety</b>						
403-1		Workers representation in formal joint management-worker health and safety committees	GRI content index	Co-operative occupational safety committee in Finland. Matters discussed include issues related to health and safety, and well-being in the workplace. Raportoitu osittain.	x	
403-2	H&S-Emp	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	SA, p. 35	Citycon has formed safety committees or appointed a safety representative in each country. Matters discussed include issues related to safety and job well-being.	x	
<b>GRI 404: Training and education</b>						
404-2		Average hours of training per year per employee	SA, p. 18 AR, p. 24-25	Reported partly.	x	
404-3	Emp-Dev	Percentage of employees receiving regular performance and career development reviews	SA, p. 18	In accordance to our HR strategy all employees partake in annual performance reviews.	x	
<b>GRI 405: Diversity and equal opportunity</b>						
405-1	Diversity-emp	Diversity of governance bodies and employees	SA, p. 36 CGS, p. 5-6, 9		x	
<b>GRI 406: Non-discrimination</b>						
406-1		Incidents of discrimination and corrective actions taken	GRI content index	No cases in 2017.	x	
<b>GRI 407: Freedom of association and collective bargaining</b>						
412-3		Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	GRI content index	No such risks in operating areas.	x	

GRI Standards	EPRA Sustainability BPR	Content	Location	Comments	Limited assurance	Coverage % (EPRA sBPR)
<b>GRI 410: Security practices</b>						
410-1		Security personnel trained in human rights policies or procedures	GRI content index	Citycon's Group Security Manager has been trained as well as other relevant personnel.	x	
<b>GRI 412: Human rights assessment</b>						
412-3		Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	GRI content index	No such risks in operating areas.	x	
<b>GRI 413: Local communities</b>						
413-1		Operations with local community engagement, impact assessments, and development programs	SA, p. 16-17		x	
<b>GRI 414: Supplier social assessment</b>						
414-1		New suppliers that were screened using social criteria	GRI content index	No screenings. Citycon's Business Code of Conduct applied to all material business relationships.	x	
<b>GRI 415: Public policy</b>						
415-1		Political contributions	SA, p. 17		x	
<b>GRI 416: Customer health and safety</b>						
416-2		Incidents of non-compliance concerning the health and safety impacts of products and services	GRI content index	No incidents of non-compliance with regulations or voluntary codes.	x	
CRE 8	Cert-tot	Sustainable development certificates	SA, p. 29		x	100
<b>GRI 417: Marketing and labelling</b>						
417-3		Incidents of non-compliance concerning marketing communications	GRI content index	No incidents in 2017.	x	
<b>GRI 418: Customer privacy</b>						
418-1		Substantiated complaints concerning breaches of customer privacy and losses of customer data	GRI content index	No complaints in 2017.	x	
<b>GRI 419: Socioeconomic compliance</b>						
419-1		Non-compliance with laws and regulations in the social and economic area	GRI content index	No non-compliances according to our knowledge.	x	

# INDEPENDENT ASSURANCE REPORT

## (TRANSLATED FORM 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 corporate responsibility data presented for the reporting period 1.1.–31.12.2017 in Citycon's Sustainability Accounts 2017 (hereafter corporate responsibility information).

#### MANAGEMENT'S RESPONSIBILITY

The Management of Citycon is responsible for the preparation and presentation of the corporate 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 corporate 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 corporate 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, 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 corporate responsibility information would not, in all material respects, comply with the reporting principles. We have planned and performed our engagement to obtain sufficient appropriate evidence on which to base our conclusion.

We have performed, among others, the following procedures:

- An update of our knowledge and understanding of Citycon's material corporate responsibility reporting topics, organisation and activities.
- An assessment of corporate responsibility and application of the reporting

principles regarding the stakeholders' needs for information.

- Interviews with personnel responsible for gathering and consolidation of the corporate responsibility information to understand the systems, processes and controls related to gathering and consolidating the information.
- Visiting a site in Sweden, Norway and Finland to obtain evidence of the data gathering and consolidation process.
- Reviewing corporate 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 corporate 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 corporate responsibility.

## CONCLUSION

Based on our work described in this report, nothing has come to our attention that causes us to believe that the corporate 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, 20 February 2018

Ernst & Young Oy

Mikko Ryttilähti  
Partner, Authorized Public Accountant

Jani Alenius  
Leader of Climate Change and Sustainability Services



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