

Report on how the election committee has performed its tasks

At the annual general meeting of Castellum AB (publ) ("Castellum") held on March 24, 2011 it was resolved to establish an election committee, in preparation for the annual general meeting to be held in 2012, in order to fulfil the tasks set out in the Swedish Code of Corporate Governance and in order to give a proposal in respect of a procedure for setting up a new election committee. The election committee was duly established, in accordance with the annual general meeting's resolution, by the chairman of the board of directors contacting the three largest registered or otherwise known shareholders at the end of the third quarter of 2011, inviting each of them to appoint one member of the election committee. Since one of the contacted shareholders refrained from appointing a member, the fourth largest registered or otherwise known shareholder at the end of the third quarter of 2011 was consulted and invited to appoint one member of the election committee. The so appointed members have, together with the chairman of the board of directors, constituted the election committee.

Four recorded meetings have been held by the election committee. At these meetings the election committee has considered all issues listed in the Swedish Code of Corporate Governance as being under the responsibility of the election committee. The election committee has discussed, *inter alia*, (i) to what extent the current board of directors fulfils the requirements that will be imposed on the board of directors as a result of Castellum's business and development phase, (ii) the size of the board of directors, (iii) the different areas of competence represented, and which should be represented, on the board of directors, (iv) the composition of the board of directors' with respect to gender, experience and background, (v) remuneration to the members of the board of directors. The election committee has, among other things, considered the evaluation report of the board of director's work and has inquired whether the present members of the board of directors are at disposal for re-election.

The election committee has decided to propose re-election of the present board members Mr. Per Berggren, Mrs. Marianne Dicander Alexandersson, Mrs. Ulla-Britt Fräjdin-Hellqvist, Mr. Christer Jacobson and Mr. Johan Skoglund. Mr. Jan Kvarnström, who has been chairman of the board of directors since 1994 has declined re-election. The election committee further proposes that Mrs. Charlotte Strömberg and Mr. Jan Åke Jonsson shall be elected as new directors of Castellum. Mrs. Charlotte Strömberg is proposed as chairman of the board of directors.

In order to be able to appraise the proposed members of the board of directors' independence in relation to Castellum and its executive management, as well as to the larger shareholders in Castellum, the election committee has assembled information on the proposed members of the board of directors. Out of this, the election committee has assessed that all the proposed

members of the board of directors are to be regarded as independent in relation to Castellum, its executive management and its largest shareholders.

The level of remuneration to the members of the board of directors is proposed to be SEK 1,980,000, out of which SEK 510,000 shall be allocated to the chairman of the board of directors and SEK 245,000 to each of the other members of the board of directors. Compared with last year, the proposal entails an increase of the total remuneration with SEK 280,000 since the board of directors is increased with one member and the individual board remuneration is increased with approximately two percent. The amounts include compensation for committee work.

The election committee has further prepared a proposal for setting up an election committee in preparation for the annual general meeting to be held in 2013. Such proposal corresponds with the process applied in Castellum for the last couple of years for setting up the election committee.

Finally, the election committee has, in order to make sure that Castellum is able to fulfil its obligation to duly inform its shareholders, informed Castellum on how the election committee has performed its tasks and on the proposals that the election committee has decided to present.

January 13, 2012
The election committee in
Castellum AB (publ)