

The Election Committee's proposal for resolutions at the Annual General Meeting 2022 and motivated statement

At the Annual General Meeting on 25 March 2021 in Castellum AB (publ), it was resolved to adopt new principles for the appointment of the Election Committee. The Election Committee shall fulfil the tasks set out in the Swedish Corporate Governance Code and, as applicable, propose amendments to the principles for appointment of the Election Committee. In accordance with the instructions for the Election Committee, the four largest shareholders are entitled to appoint one representative each to constitute the Election Committee together with the Chairperson of the Board of Directors. On 23 September 2021, the company announced that the Election Committee ahead of the Annual General Meeting 2022 had been established and that it consisted of Helen Fasth Gillstedt (Chairperson), appointed by Handelsbanken Fonder, Johannes Wingborg, appointed by Länsförsäkringar Fondförvaltning, Mats Gustafsson, appointed by Lannebo Fonder, Patrik Essehorn, appointed by Corem Property Group, and Rutger Arnhult, Chairperson of the Board of Directors. On 17 December 2021, the company announced that changes in ownership had taken place due to the completion of Castellum's bid on Kungsleden and that Ilija Batljan, appointed by Ilija Batljan Invest, therefore replaced Mats Gustafsson as member of the Election Committee. On 10 January 2022, the company announced that Rutger Arnhult had been appointed as CEO and thus had left the position as Chairperson of the Board of Directors as well as member of the Election Committee with immediate effect. In connection therewith, Per Berggren was appointed as Chairperson of the Board of Directors and replaced Rutger Arnhult in the Election Committee. The Election Committee has since then consisted of the following owner representatives together with the Chairperson of the Board of Directors:

- Helen Fasth Gillstedt (Chairperson of the Election Committee), appointed by Handelsbanken Fonder
- Johannes Wingborg, appointed by Länsförsäkringar Fondförvaltning
- Patrik Essehorn, appointed by Corem Property Group
- Ilija Batljan, appointed by Ilija Batljan Invest
- Per Berggren, Chairperson of the Board of Directors

Malin Axland, General Counsel at Kungsleden, has been the secretary of the Election Committee.

As the five largest shareholders have waived their right to appoint members to the Election Committee, the shareholder representatives in the Election Committee represent slightly under 10 percent of the share capital and the total number of votes in the company.

The Election Committee's proposal to the Annual General Meeting

1. The lawyer Sven Unger is proposed to be appointed as Chairperson at the Annual General Meeting.



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2. The number of Board members is proposed to be six and the number of auditors is proposed to be one without any deputy auditor.

3. Remuneration to the members of the Board of Directors is proposed to be the following (2021 remuneration within brackets).

- The Chairperson of the Board of Directors: SEK 1,075,000 (SEK 1,015,000).
- Each of the other members of the Board of Directors: SEK 440,000 (SEK 425,000).
- Chairperson of the People Committee: SEK 100,000 (SEK 100,000).
- Each of the other members of the People Committee: SEK 75,000 (SEK 75,000).
- Chairperson of the Audit and Finance Committee: SEK 220,000 (SEK 200,000).
- Each of the other members of the Audit and Finance Committee: SEK 105,000 (SEK 100,000).
- A member of the Board of Directors who is employed by the company shall not receive remuneration as Board member.

4. The proposed Board members are:

(a) Per Berggren (Chairperson)

(b) Anna Kinberg Batra

(c) Anna-Karin Celsing

(d) Joacim Sjöberg

(e) Rutger Arnhult

(f) Henrik Käll (new election)

The Board members Christina Karlsson Kazeem and Zdravko Markovski have declined re-election.

5. In accordance with the Audit and Finance Committee's recommendation, Deloitte is proposed for re-election as auditor in Castellum until the end of the Annual General Meeting 2023. If the Annual General Meeting resolves to elect Deloitte as auditor, Deloitte has informed that Harald Jagner will continue as auditor in charge.

6. It is proposed that the auditor's fee shall be paid as per approved accounts.

7. No changes are proposed in the instructions for the Election Committee, which were adopted at the 2021 Annual General Meeting and apply until further notice.

Motivated statement including report on the Election Committee's work

Ahead of the 2022 Annual General Meeting, the Election Committee has held six meetings at which minutes were kept and, in addition, had contact by telephone and email. All members of the Election Committee have carefully considered whether there is a conflict of interest to accept the assignment as member of the Election Committee of Castellum. The Election Committee has considered the outcome of the evaluation of the Board of Directors' work,



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conducted by a firm specialized in Board evaluations, and in addition, conducted interviews with all Board members as well as discussions with the company's executive management. Furthermore, the Election Committee has considered the Audit and Finance Committee's recommendation on election of auditor. The company's shareholders have had the opportunity to submit proposals to the Election Committee until and including 6 December 2021. No proposals have been received.

The Election Committee has addressed all matters that the Committee shall consider pursuant to the Swedish Corporate Governance Code. The Election Committee has, among other things, discussed and considered to what extent the current Board of Directors fulfils the requirements that will be imposed on it as a result of Castellum's business and development phase, the size of the Board of Directors, the different areas of competence that are and should be represented on the Board of Directors and the composition of the Board of Directors with respect to experience, gender and background. In addition, the Election Committee had discussed and considered succession matters and potential conflicts of interest in the Board of Directors' work, remuneration to the members of the Board of Directors, questions relating to election of auditor and the auditor's fee as well as whether there is a need for amendments to the principles for appointment of members of the Election Committee. The Election Committee has specifically taken into account that an even gender distribution shall be sought in the Board of Directors and that the Board of Directors shall be characterized by diversity and breadth in terms of competence, experience and background. The Election Committee has applied rule 4.1 in the Swedish Corporate Governance Code as diversity policy when preparing the proposal regarding election of members of the Board of Directors. Finally, the Election Committee has, in order for the company to fulfil its information obligation to the shareholders, informed the company on how the Election Committee has performed its tasks and on the proposals that the Election Committee presents.

The Election Committee is of the opinion that the current work of Board of Directors is functioning well, which is also confirmed by the Board evaluation that has been carried out. Per Berggren was appointed by the Board of Directors as new Chairperson of the Board of Directors in connection with the appointment of Rutger Arnhult, former Chairperson of the Board of Directors, as CEO. The Election Committee assesses that Per Berggren possesses the experience and skills required to lead the work of the Board of Directors and he has in a short time shown this in action. Consequently, the Election Committee proposes that Per Berggren should be elected as Chairperson of the Board of Directors to continue leading the work of the Board of Directors. The Election Committee has also considered whether the CEO should be proposed as a member of the Board of Directors. The Election Committee is of the opinion that the company would benefit from Rutger Arnhult being a member of the Board of Directors, both as he is the company's largest shareholder and as the Election Committee values that the company's largest shareholder is represented on the Board of Directors, but also in light of his competence and experience. The last few years have been characterized by a rapid pace of transformation for Castellum. The integration of Kungsleden's operations, tenants, properties and employees will continue to be in focus. Experience from leadership, organization and building a corporate culture combined with a strong focus on profitability is important for the company. Financing issues are particularly important for real estate companies with high profitability and growth ambitions. A great understanding of the capital market is also considered to be important for the company. Independence and integrity as well as corporate governance have also been particularly



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important factors for the Election Committee in the preparation of the proposal for the composition of the Board of Directors. Castellum is a leader in the area of sustainability and the Election Committee believes that it is important that the company retains that position. Against this background, the Election Committee proposes, in addition to the previously mentioned proposed members Per Berggren and Rutger Arnhult, also re-election of Anna Kinberg Batra, Anna-Karin Celsing and Joacim Sjöberg as well as election of Henrik Käll as new member of the Board of Directors.

Henrik Käll has a great understanding of the capital market and, particularly, the interest rate market, as he has worked in various leading positions in banking and finance both in Stockholm and London, including as Global Head of Markets Sales & Distribution at Nordea Markets covering all types of assets such as interest rates, shares, currencies and derivatives, whereby he was also a member of the Nordea Group's Risk and Product Committee. The Election Committee considers that the proposed Board members are competent and have extensive experience of matters regarding real estate management and development, capital markets, financing, city planning, sustainable business, changed customer behaviour, trend analysis, digitalization, communication and marketing, generating long-term shareholder value and Board work in general. Overall, the Election Committee considers that the proposed Board members together constitute a Board of Directors that has the versatility, competence, experience and background required with respect to Castellum's business, development phase and other circumstances. Further information about the proposed Board members can be found in documents published on the company's website.

In order to be able to evaluate the proposed Board members' independence in relation to Castellum and its executive management, as well as to major shareholders in Castellum, in accordance with the provisions of the Swedish Corporate Governance Code, the Election Committee has obtained relevant information about the proposed Board members. The Election Committee has hereby assessed that Rutger Arnhult is not to be regarded as independent in relation to the company and its executive management nor in relation to its major shareholders. All other proposed board members are considered to be independent in relation to the company, executive management and major shareholders. The proposal implies that an even gender balance is not achieved. However, the Election Committee's ambition is for Castellum to have a more even gender balance in the upcoming years. The Election Committee strives for the remuneration to the Board of Directors to be competitive in order to attract and retain Board members with the right qualifications and experience. The Election Committee assesses that the remuneration, in comparison with other leading real estate companies, is competitive, but the Election Committee also assesses that the work of the Board of Directors in Castellum is extensive and it is expected that the Board members invest a lot of time and commitment. Against this background, an increase is proposed. Nevertheless, the total cost for the Board of Directors, including remuneration for committee work, implies a decrease as the Board of Directors is proposed to be reduced by one person and the CEO, as proposed Board member, will not receive any remuneration for Board work.

Stockholm, February 2022
The Election Committee in Castellum AB (publ)