

Corporate governance report

# Long-term perspective and decisiveness

**High inflation, rising interest rates and geopolitical turbulence characterised the past year. For Castellum, it has been a challenging and instructive year.**

The rapidly changing financial market impacted the entire property sector in 2023, with higher financing costs and depressed property values. One of the main tasks of the Board in such a situation is supporting executive management while maintaining a long-term perspective. Good corporate governance should ensure decision-making that helps address and manage short-term challenges without losing sight of strategic objectives.

## **Breadth and expertise on the Board**

At the March meeting, two new members were elected to the Board: Ann-Louise Lökhölm and Louise Richnau. During the summer, Leiv Synnes was replaced by Pål Ahlsén on the Board. With this, Castellum's Board of Directors expands its competence and breadth in financial issues, sustainability issues and the real estate industry from an international perspective. The function and efficiency of the Board was assessed during the year. The results show that the activities of the Board work are characterized by a high level of commitment and a diversity of experiences and perspectives when making decisions.

## **New Chief Executive Officer**

In March, after a thorough recruitment process, the Board appointed a new CEO: Joacim Sjöberg. Joacim has been a Board member of Castellum since 2020 and thus has a good understanding and knowledge of the company. He also has extensive industry experience and deep knowledge of the banking and financial sector.

**“The rapidly changing financial market impacted the entire property sector, with higher financing costs and depressed property values. One of the main tasks of the Board in such a situation is supporting executive management while maintaining a long-term perspective.”**

## **Financial stability for long-term value creation**

During the year, the Board placed great emphasis on the company's financial stability to ensure that the company maintains its investment-grade rating. Through the new share issue, a series of property sales and the unfortunate but necessary decision to suspend the dividend, the company has significantly strengthened its financial position. Castellum will stand firm even in poorer economic times and has every opportunity to continue its journey of growth in the Nordic region when market conditions are right.

On behalf of the Board, I would like to thank executive management and staff. I would also like to thank my colleagues on the Board for their good collaboration. Finally, a warm thanks to you, our shareholders, for your commitment over the past year.

## **Per Berggren**

Chairman of the Board



Corporate governance report

# Sustainable and responsible corporate governance

Sound corporate governance is the foundation of a trusting relationship with shareholders and other key stakeholders in the company’s business environment. Corporate governance is also a key component in running Castellum sustainably and responsibly – all in accordance with applicable laws, regulations and best practice – and it is customised based on Castellum’s operations.

## Structure for corporate governance

Corporate governance pertains to the decision-making systems through which the owners, directly or indirectly, control the company. This report on Castellum’s corporate governance is presented in accordance with the Swedish Annual Accounts Act and the Swedish Corporate Governance Code (the “Code”).<sup>1</sup> Castellum Aktiebolag (publ) is a Swedish listed company whose share is listed on Nasdaq Stockholm Large Cap. The Company’s Board of Directors has its registered office in Gothenburg, and the object of the company’s business is to acquire, manage, develop and sell real property and securities as well as conduct other business associated therewith – directly or indirectly through wholly or partly owned companies.

**Framework for corporate governance**

Castellum’s corporate governance is regulated through both external and internal regulations. The external regulations include such laws and ordinances as the Swedish Companies Act and the Swedish Annual Accounts Act, the Code, the

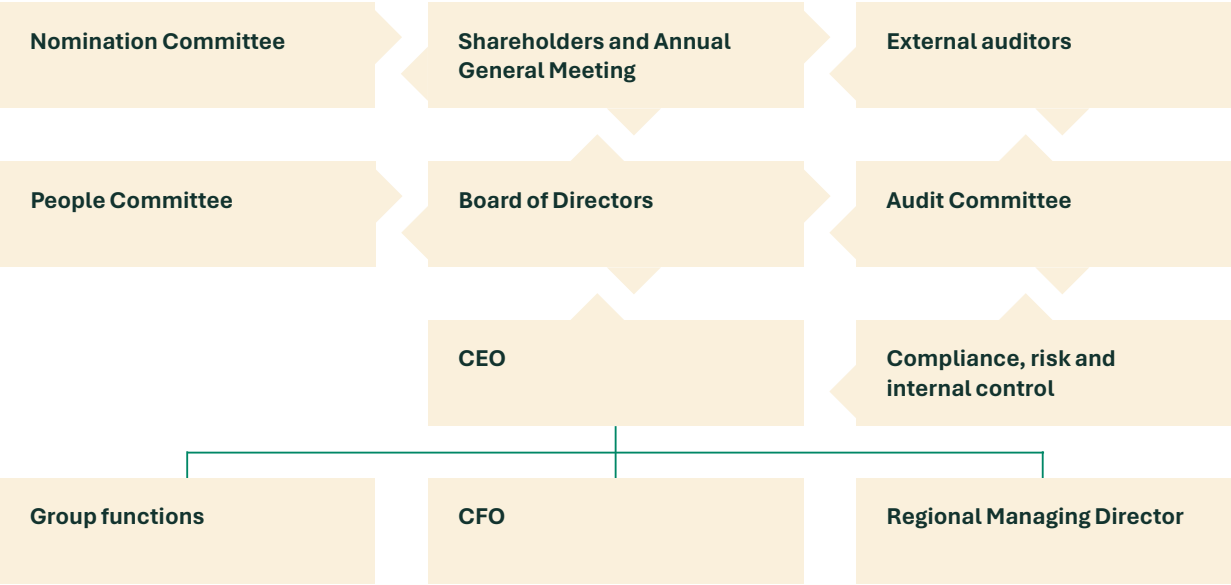
Nasdaq Stockholm Rulebook for Issuers, IFRS standards, EU accounting regulations and the UN Global Compact. The most important internal regulations are Castellum’s Articles of Association and internal governing documents that address such matters as the Board of Directors’ rules of procedure, policies, guidelines and procedures for internal control and risk management.

In all respects, Castellum was in compliance with the Code and Nasdaq’s Rulebook for Issuers as well as best practices on the stock market during the year.

**Shareholders and shares**

In 2023, Castellum carried out a new share issue of approximately SEK 10 Bn, with preferential rights for the company’s shareholders. Through this rights issue, share capital increased by SEK 82,100,242 to SEK 246,300,726 and the number of shares increased by 164,200,484 to 492,601,452.<sup>2</sup>

As of 31 December 2023, share capital totalled SEK 246,300,726, distributed across 492,601,452 shares with a quotient value of SEK 0.50 per share.



Each share entitles the holder to one vote and carries an equal right to a share in Castellum’s capital.

As of 31 December 2023, 62.7 per cent of the total share capital was owned by Swedish institutions, funds and private individuals, and 37.3 per cent by investors abroad. The largest owner was Akelius Residential Property AB (publ), which owned 13.52 per cent of the outstanding shares, and was the only

registered shareholder with holdings exceeding 10 per cent of the number of votes for all shares in the company. Additional disclosures regarding the share are reported in the section “The share” and on the company’s website.

1. The Code is available at [www.bolagsstyrning.se](http://www.bolagsstyrning.se).  
 2. After cancellation of 17,331,000 treasury shares, corresponding to SEK 8,665,500 in share capital, in accordance with the resolution of the AGM on 23 March 2023.

## Annual General Meeting

The Annual General Meeting (the “AGM”) is Castellum’s supreme decision-making body, and it is at the AGM that Castellum’s shareholders have the right to take decisions concerning the company’s affairs. In accordance with Castellum’s Articles of Association, notice to attend the AGM is published in Post- och Inrikes Tidningar and on the company’s website. Publication of the notice to attend will be announced in Dagens Industri. Castellum’s AGM is to be held in Gothenburg or Stockholm during the first half-year after the end of every financial year. The AGM resolves on such issues as the adoption of the company’s annual report, appropriation of the company’s profits or losses and discharging the Board members and Chief Executive Officer from liability. The AGM also elects Board members and auditors, and resolves on the establishment of a Nomination Committee, fees to the Board of Directors and auditors, and guidelines for determining salaries and other remuneration to the CEO and Executive Management. In accordance with Castellum’s Articles of Association, the Board has the possibility of deciding whether shareholders will exercise their voting rights by post prior to an AGM.

### Annual General Meeting 2023

Castellum’s AGM was held on 23 March 2023 in Stockholm. Shareholders also had the possibility of exercising their voting rights through postal voting. 148,047,453 shares and votes were represented at the AGM, representing 42.8 per cent of the number of shares and votes.

Matters that are customary for an annual general meeting were addressed at the 2023 AGM. The shareholders also voted to authorise the Board to decide on a share issue with preferential rights for the company’s shareholders of approximately SEK 10 Bn to strengthen the company’s financial position, safeguard its credit rating and facilitate value-creating investments. The AGM resolved on authorising the Board to decide on acquisition and transfer of treasury shares, with the acquisition limited to a maximum of the number of shares corresponding to 10 per cent of all shares in the company. The AGM also resolved to authorise the Board to decide, on one or more occasions, on new issues of shares corresponding to a maximum of 10 per cent of the company’s share capital at the point in time when the authorisation is first utilised, with or without deviation from the shareholders’ preferential rights. The AGM also resolved to reduce share capital through cancellation of treasury shares. Minutes and other documents from the AGM are available on the company’s website.

### Extraordinary General Meeting 2023

An Extraordinary General Meeting (the EGM) was held in Stockholm on 13 July 2023. During the EGM, it was resolved that the Board of Directors would continue to comprise six members, and that Pål Ahlsén would be elected as a new Board member for the period up until the end of the next AGM. Shareholders had the possibility of exercising their voting rights through postal voting at this general meeting as well.

## Nomination Committee

Castellum’s Nomination Committee is tasked with presenting proposals to the AGM on the number of Board members, the composition of the Board of Directors and proposals for remuneration to the Board. The Nomination Committee will also present proposals for the chairman of the Board and of the AGM, for auditors and their remuneration, and where applicable for changes to the instructions for appointing the Nomination Committee.

The Nomination Committee’s proposals will be announced at the latest in connection with the notice to attend the AGM. Castellum’s shareholders have the possibility of contacting the Nomination Committee with proposals and opinions.

### Nomination Committee members

Castellum’s Nomination Committee will comprise the Chairman of the Board and one member appointed by each of the four largest registered shareholders, either by number of votes or otherwise known to be so. In 2023, the company’s ownership circle changed, and this table shows the composition of the Nomination Committee before and after the constitution of the Nomination Committee ahead of the AGM of 2024. After these changes, the members of the Committee together represent roughly 24.8 per cent of the total number of shares and votes in the company.

The 2023 Annual General Meeting		The 2024 Annual General Meeting	
Member	Appointed by owner	Member	Appointed by owner
Helen Fasth Gillstedt (Chair, Nomination Committee)	Handelsbanken Fonder	Helen Fasth Gillstedt (Chair, Nomination Committee)	Handelsbanken Fonder
Ralf Spann	Akelius Residential Property AB (publ)	Kerstin Engström	Akelius Residential Property AB (publ)
Patrik Tillman	M2 Asset Management AB and M2 Capital Management AB	Richard Torgerson	Nordea Fonder
Johannes Wingborg	Länsförsäkringar Fondförvaltning AB (publ)	Johannes Wingborg	Länsförsäkringar Fondförvaltning AB (publ)
Per Berggren (Castellum’s Chairman of the Board)	–	Per Berggren (Castellum’s Chairman of the Board)	–

# Board of Directors

The Board of Directors has the overall responsibility for Castellum's strategy and organisation. Moreover, the Board is responsible for electing the CEO, looking after the interests of the company and its shareholders, and checking compliance with applicable laws, the Articles of Association and the Code.

The Board is also responsible for establishing and monitoring the Group's overall, long-term strategies and objectives as well as the budget. The Board is responsible for issues of investments, capital structure and financing, and monitors the company's financial circumstances. Moreover, the Board decides on adopting relevant policies and ensuring long-term value creation for the operations. This includes the company's Code of Conduct, which summarises the company's responsibilities and values.

The Board establishes rules of procedure for Board work every year. The rules of procedure describe the work of the Board and the allocation of responsibility between the Board and the CEO. The rules of procedure also indicate which topics are to be addressed at each Board meeting, and provide instructions regarding financial reporting to the Board. The rules of procedure also prescribe that the Board is to have an Audit Committee as well as a People Committee. The Committees prepare and produce recommendations to the Board on various matters. Members of the Committees are appointed

yearly by the Board, and their rules of procedure are included in the Board's rules of procedure.

## Composition of the Board

Under the Articles of Association, Castellum's Board is to consist of no less than four and no more than eight members. The Articles of Association do not contain any restrictions pertaining to the electability of Board members. The shareholders elect the Board members at the AGM and hold office for the period until the conclusion of the first AGM following their appointment. In 2023, the Board consisted of five to seven members. No Board member is entitled to remuneration upon their assignment coming to an end.

New Board members receive an introduction to the company and its operations and undergo, as needed, the stock exchange's training programme for board members of listed companies. Subsequently, the Board continually receives information on subjects including changes to regulations, issues that concern operations and the Board's responsibility in a listed company. The Board works continually to update its collective knowledge in sustainable development and the field of ESG. Information on the Board members, their tasks outside the Group, and their holdings in Castellum is presented on pages 114–115.

## Chairman of the Board

The Chairman of the Board is responsible for ensuring that Board members regularly receive, through the agency of the CEO, the information required to monitor the Company's financial position, earnings, liquidity, financial planning and development. The Chairman of the Board is also obliged to carry out decisions made by the AGM such as establishment of a Nomination Committee, and to participate in its work.

## Independence of the Board

Under the Code, the majority of the Board members elected by a General Meeting must be independent in relation to the company and company management, and at least two of these must also be independent in relation to the company's major shareholders. As of 31 December 2023, Castellum's Board comprised six members, of which six were independent in relation to the company and company management, and five were independent in relation to the company's major shareholders.

## Diversity policy

The Nomination Committee applies Point 4.1 of the Code as a diversity policy in its activities, with the goal of achieving a suitable composition (with regard to the company's operations, phase of development and circumstances in general) characterised by ver-

satility and breadth as regards the competence, experience and background of the Board members elected by a General Meeting. The composition of Castellum's current Board of Directors is a suitable one, marked by versatility and breadth as regards the competence and experience of its members in strategically important areas for Castellum. Furthermore, an equitable gender distribution is desirable, as reflected in the fact that 50 per cent of Castellum's Board members elected by a General Meeting are women and 50 per cent are men.

Information on the background and experience of Board members is presented on pages 114–115.

## The activities of the Board in 2023

Castellum's Board held 27 meetings in 2023, of which one was the Board meeting following election, and three Board meetings were held per cap-sulam. According to the prevailing rules of procedure, the Board is to hold at least seven scheduled Board meetings per calendar year in addition to the Board meeting following election. The CEO attends the meetings of the Board and the Chief Legal Officer is the secretary. Other members of Executive Management take part as needed. Each meeting also addresses the issue of potential disqualifications or other conflicts of interest in relation to any of the issues that are to be addressed at the meeting.

The Board has routinely addressed strategic issues pertaining to the company's operations and orientation, monitoring of previously completed acquisitions and investments, and new investments. One key element of the Board's work is the quarterly financial reports. The Board also receives routine reports concerning the company's financial position. One of the crucial priorities for the Board during the year was appointing a new Chief Executive Officer for the company following the resignation of the previous Chief Executive Officer at the

#### Table of attendance at Board meetings

Board members	Remuneration, KSEK	Attendance out of total meetings			
		Board of Directors <sup>1</sup>	People Committee	Audit Committee	Independent
Per Berggren	1,282	26/27	4/4	5/5	Yes
Anna-Karin Celsing	668	27/27		5/5	Yes
Henrik Käll	553	27/27		5/5	Yes
Ann-Louise Lökholm-Klasson <sup>4</sup>	407	17/17	3/3		Yes
Louise Richnau <sup>4</sup>	426	17/17	3/3		Yes
Pål Ahlsén <sup>5</sup>	262	8/8		2/2	No <sup>2</sup>
Leiv Synnes <sup>6</sup>	116	15/18		1/1	No <sup>2</sup>
Joacim Sjöberg <sup>7</sup>	24	9/10	1/1		No <sup>3</sup>
Rutger Arnhult <sup>8</sup>	45	1/2			No <sup>2</sup>
Anna Kinberg-Batra <sup>9</sup>	50	2/2	1/1		Yes

1. The large number of Board meetings should be viewed in the light of the rights issue that the company carried out during the year.

2. Not independent in relation to major stockholders.

3. Not independent in relation to the company and Executive Management.

4. The Board member took office on 23 March 2023.

beginning of the year. Another key priority for the Board during the year was preparing the proposal for and facilitating the rights issue of approximately SEK 10 Bn for the purpose of strengthening the company's financial position, safeguarding its credit rating and facilitating value-creating investments.

The Board also focused on other strategically important issues such as cost control and risk management, as well as the company's long-term strategy for achieving its sustainability goals. Furthermore, the Board has delved deeper into issues per-

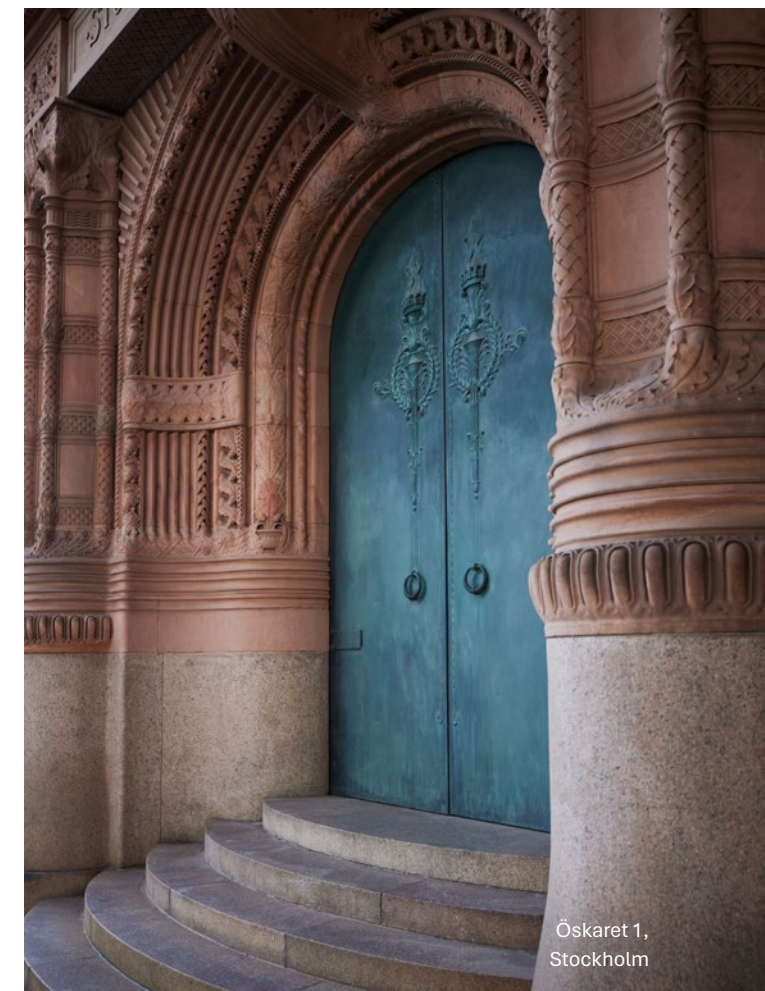
taining to the property portfolio, with a focus on its composition, risks and evaluation.

The Board has also held meetings with the auditors without representation from Executive Management.

No compensation other than remuneration for Board work and Committee work has been paid.

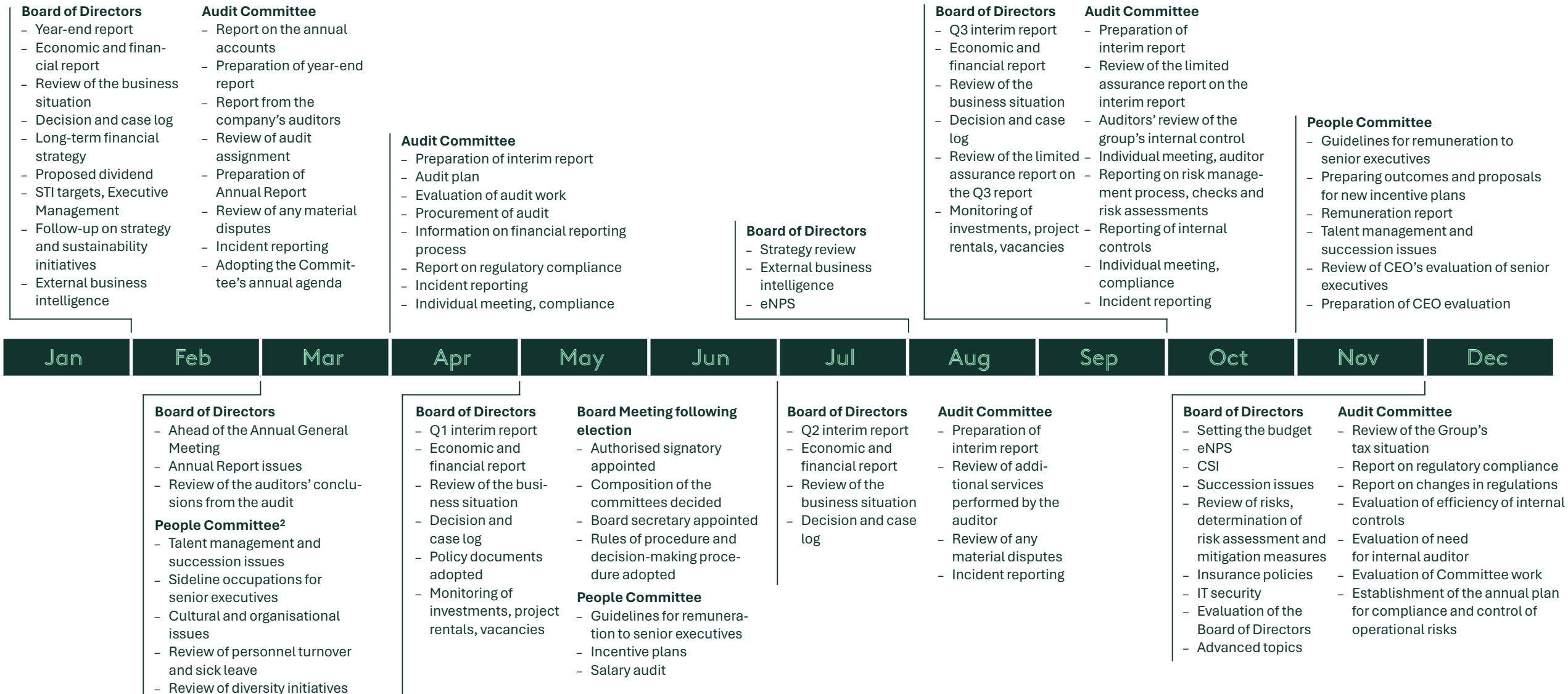
#### Evaluation of the Board

The Board undergoes an evaluation of the results of its activities, the effectiveness of its working methods and how it can be improved. In 2023, the Chairman of the Board used an external consultant to thoroughly evaluate those activities of the Board and the committees that comply with the guidelines under the Code. The evaluation indicated a high level of engagement an open and constructive Board climate. The evaluation has been presented to the Nomination Committee and was discussed by the Board. The evaluation reviewed aspects such as the role and composition of the Board, the work climate, risk management, strategy and goals, monitoring and check systems, integrity and communication. The evaluation and subsequent Board discussion serve as a basis for the ongoing development of the Board's work methods and enable the Board to take decisions that are well-informed.



Öskaret 1,  
Stockholm

**The activities of the Board of Directors<sup>1</sup>**



1. The current annual wheel began to be applied in the fourth quarter of 2023.  
2. Began to be applied in the first quarter of 2023.

## People Committee

The Board of Directors has appointed a People Committee that routinely evaluates the terms of remuneration to senior executives in light of current market conditions. The Committee prepares matters in this area for decision by the Board.

The People Committee will consist of at least three Board members who are independent of the company and its executive management. The tasks of the People Committee include preparing recruitments to key roles in Executive Management and succession issues, discussing management by objectives concerning issues of equality and diversity, monitoring and evaluating the application of the guidelines for remuneration to senior executives that the AGM has adopted, and monitoring and evaluating programmes for variable remuneration to Executive Management that are either ongoing or were concluded during the year.

The People Committee is to meet at least three times a year, and met four times in 2023. Issues that were addressed at the meetings included succession planning for executive management, evaluation of the CEO and executive management, the organisation's employee survey, personnel data, diversity targets, and salary reviews for senior executives as well as overall STI and LTI incentive plans including evaluation of STI targets. Additionally, the People Committee has prepared a proposal for the remuneration report.

Information on the members of the People Committee can be found on page 114–115.

## Audit Committee

The Board of Directors has appointed an Audit Committee that monitors such issues as audits, and prepares matters in these areas for decisions by the Board.

The Audit Committee is to consist of at least three Board members not employed by the company. The tasks of the Audit Committee include monitoring the company's financial reporting and risk initiatives, as well as staying routinely informed about the audit of the Annual Report and consolidated accounts during the year. Furthermore, the Audit Committee will meet regularly with the Group's auditors to stay informed about the scope and focus of the audit and to discuss their views of the Group's risks. The Audit Committee will also review and monitor the auditor's impartiality and independence, paying particular attention to whether the auditors provide other services besides auditing (non-audit services), as well as evaluating the audit work and informing the company's Nomination Committee of the results of the evaluation.

The Audit Committee is to hold at least five meetings a year, and the Company's auditors must attend on at least two occasions. On one of these two occasions with the auditors, no one from Executive Management may be present. In 2023, the Committee held five meetings. Issues covered at the meetings included financial reporting encompassing a review of future regulations and their potential impact on Castellum; evaluation of the property portfolio; tax; internal control and risk management; the impartiality, independence and work of the auditors; any potential material disputes in Group companies; and incident reporting from the whistleblower service. Operational issues were also thoroughly examined. In addition, the Audit Committee held individual sessions during the year with compliance and the auditors without the presence of Executive Management.

Information on the members of the Audit Committee can be found on page 114.

## Auditor

The auditor is elected by the Annual General Meeting, is an independent reviewer of Castellum's accounting and corporate governance report, sustainability report and report on green MTNs, and also reviews the administration by the Board and the CEO. The Annual General Meeting selected Deloitte as Castellum's auditor for the period until the end of the AGM of 2024. The auditor in charge at Deloitte is authorised public accountant Harald Jagner.



Harald Jagner  
Castellum's auditor

## CEO and Executive Management

The CEO is responsible for routine administration of the company and managing operations in accordance with the guidelines and instructions of the Board of Directors as well as for providing the Board with information and the necessary documentation for decisions. The CEO leads the work of Executive Management and takes decisions after consulting its members. The CEO presents reports at Board meetings and is to ensure that Board members are routinely sent the information needed to monitor the Company's and the Group's financial position, earnings, liquidity and development.

At 31 December 2023, Castellum's Executive Management consisted of the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer, the Chief Legal Officer, the Communications Director, the Head of People & Culture, and the Managing Directors in the five regions. In 2023, Executive Management had 14 meetings.

Information on the members of Executive Management is presented on pages 116–117.

### Remuneration to senior executives

The current guidelines for remuneration to senior executives were adopted at Castellum's AGM of 2022. The guidelines apply to senior executives in Castellum's Executive Management group.

Under the guidelines, remuneration levels must be market-based and competitive. A fixed salary shall be paid for work performed in a satisfactory manner. Pension terms will be defined-contribution and not exceed 33 per cent of the annual salary. In addition to fixed salary, variable remuneration will be offered that rewards clearly goal-related performances in simple, transparent constructions in accordance with an earnings and share price-related incentive plan. Variable remuneration of this kind is intended to promote long-term value creation and sustainability initiatives in the Group.

In 2023, the company followed the guidelines adopted by the AGM of 2022, with the exception that the Board chose to exercise its right in the guidelines to temporarily deviate if there were specific reasons, and decided to give some senior executives a lump sum, within the framework of the total maximum remuneration in the guidelines as a result of the extraordinary year of extra work due to the rights issue. For further information regarding remuneration to Executive Management, refer to Note 9.

## Guidelines for remuneration to the executive management

**The following guidelines for determining salary and other remunerations to the executive management in Castellum Aktiebolag (publ) were adopted at the 2022 Annual General Meeting and are in effect until further notice.**

### The guidelines' promotion of the company's business strategy, long term interests and sustainability

An overall objective of the operations of Castellum is to create a sound development of shareholder value over time, which shall be achieved by implementing the company's business strategy. In short, the company's business strategy is that Castellum shall create successful and sustainable workplaces in Nordic growth regions by really keeping close to customers, while staying on the cutting edge of innovation and expertise (for more information regarding Castellum's business strategy, please see [www.castellum.com/about-castellum/strategy-and-value-creation/](http://www.castellum.com/about-castellum/strategy-and-value-creation/)). Castellum shall uphold such remuneration levels and terms of employment necessary to recruit and maintain a competent group executive management with capacity to achieve established objectives, implement the business strategy and to safeguard Castellum's long term interest, including its sustainability work. The Board of Directors considers and evaluates the remuneration as a whole, consisting of fixed remuneration, pension terms, variable remuneration and

non-monetary benefits. The overall principles in respect of the remuneration to the executive management in Castellum shall be terms adjusted to the conditions of the market and competitiveness and these guidelines enable to offer the executive management such remuneration.

### Preparation of matters regarding remuneration to the executive management

Castellum has a People Committee which consists of three Board members, including the Chairman of the Board. The members of the People Committee shall be independent of the company and its executive management. The People Committee appoints one of the members as Chairman of the People Committee. In relation to the Board of Directors, the People Committee shall have a preparatory function in respect of principles for remuneration, remuneration and other terms of employment regarding the executive management. Consequently, the People Committee shall prepare a proposal in respect of guidelines for remuneration to the executive management, which the Board of Directors shall present to, and which shall then be resolved upon by the Annual General Meeting. The People Committee shall also evaluate the application of the guidelines resolved upon by the Annual General Meeting. Further, the People Committee shall, within the scope of the guidelines resolved upon by the Annual



General Meeting, prepare proposals regarding remuneration to the Managing Director and other members of the executive management. The People Committee shall annually evaluate the Managing Director's performance. Further, the People Committee shall observe and evaluate programs for variable remuneration to the executive management which are on-going or finished during the year as well as Castellum's current remuneration structure and remuneration levels. Furthermore, the People Committee shall annually prepare a remuneration report which shall be submitted to the Annual General Meeting for approval. The Managing Director or other members of the executive management shall not participate in the People Committee's and the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

#### **The executive members and kinds of remuneration to which the remuneration guidelines apply**

The guidelines applies to executive members of the group executive management in Castellum. The guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting 2022.

#### **Fixed remuneration**

A fixed salary shall be paid for work performed in a satisfactory manner. The fixed salary shall be based on market level conditions, and shall be determined with regard to competence, area of responsibility and performance.

#### **Pension terms**

The executive management shall be entitled to pension benefits consisting of retirement pension and premium exemption, that shall be premium defined, and health insurance, that shall be benefit defined. Variable remuneration shall not be pension qualifying income, unless required by mandatory collective agreement provisions applicable for the executive member at the payment date (in which case necessary adjustment shall be made of the variable remuneration so that cost neutrality is achieved for the company). The pension benefits for executive management shall not exceed 33 per cent of the annual remuneration (fixed and variable, respectively), including payment for vacation.

#### **Variable remuneration**

In addition to the fixed salary, variable remuneration may be offered in order to reward clearly goal-referenced achievements by simple and transparent structures. The variable remuneration shall be linked to predetermined and measurable criteria. Such variable remuneration shall aim to create long

term value within the group, by contributing to Castellum's business strategy and long term interests, including its sustainability work, and shall be rewarded within the scope of one profit and share price based incentive program. Total variable remuneration per year may not exceed the fixed annual remuneration.

#### **Profit and share price based incentive program**

The profit and share price based incentive program consists of two parts, a one-year remuneration based on growth in income from property management per share and the development of individually determined factors, as well as a three-year remuneration based on to what extent established objectives in respect of the development of the share price have been achieved over a three-year period. The program's structure shall be based on the objective to align the interests of the group executive management with the interests of the shareholders by way of the group executive management also being shareholders of Castellum and by increasing the share of the total remuneration which is connected to the development of the group. Hence, the performance targets under the profit and share price based incentive program are clearly linked to Castellum's business strategy and long term interests, including its sustainability work, among others by linking the remuneration to the development of

shareholder value and by promoting the executive member's long term personal development.

#### *Profit based remuneration*

The profit based remuneration has a one-year performance and earning period for each financial year. The outcome of the annual profit based remuneration is based on growth in income from property management per share (i.e. cash flow-based growth) as well as on an overall assessment of the development of certain individually determined factors that the Board of Directors decides to give priority to under the current financial year. In order to receive full variable remuneration, a 10 per cent annual growth in income from property management per share is required and that the individually determined factors are achieved. In the event of growth in income from property management per share of between 0–10 per cent, a linear calculation is performed in respect of the outcome and the remuneration to be paid, and the same applies, as applicable, to the individually determined factors.

The maximum outcome in respect of the annual profit based remuneration for each executive member amounts to half of the annual fixed salary per financial year, based on each participant's annual fixed salary per the month of July each year. If remuneration is to be paid, payment is made annually as salary after the financial statements for the current financial year are adopted.

### *Share price based remuneration*

The share price based remuneration has a three-year performance and earning period. The outcome of the three-year share price based remuneration is based on the total return of the Castellum share in absolute terms during the three-year period, as well as on the total return of the Castellum share in comparison with one or several relevant real estate share indexes during the performance and earning period. In order to receive full variable remuneration under the three-year program, the total return must amount to at least 50 per cent during the relevant period, and the total return must further exceed the development of the indexes, respectively, with at least 5 percentage points during the relevant period. In the event of an outcome of between 0–50 per cent and 0–5 percentage points, respectively, a linear calculation is performed in respect of the outcome and the remuneration to be paid.

The maximum outcome in respect of the share price based remuneration for each executive member amounts to half of the annual salary per program (three-year period), based on an average of each participant's annual fixed salary per the month of July for all three years covered by the respective share price based incentive program.

The Board of Directors may each year resolve on the adoption of a share price based incentive program that covers three financial years. If remuneration is to be paid, payment is made as salary

after the end of each measurement period of three financial years. The participants shall undertake to purchase Castellum shares for at least half of the amount of the share price based remuneration received, after deduction for tax.

### *General regulations*

The Board of Directors resolves on the detailed terms of the profit and share price based incentive program within the terms and conditions set out in these guidelines. To which extent the criteria for awarding variable remuneration have been satisfied shall be evaluated when the measurement period has ended. The Board of Directors is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by Castellum. The received remuneration according to the incentive program shall be paid as salary, includes payment for vacation and shall not be pension qualifying income, unless required by mandatory collective agreement provisions applicable for the executive member at the payment date. In the event that the remuneration to the executive member is pension qualifying income in accordance with mandatory collective agreement provisions, necessary adjustment shall be made of the remuneration so that cost neutrality is achieved for the company.

### **Non-monetary benefits**

The non-monetary benefits may include, for example, medical insurance, phone benefits and company car. For the Managing Director, premiums and other costs relating to such benefits may amount to not more than 2 per cent of the fixed annual remuneration. For the other members of the executive management, premiums and other costs relating to such benefits may, in total, amount to not more than 5 per cent of the total fixed annual remuneration.

### **Termination of employment and severance pay**

The notice period shall, upon termination by the company, not exceed six months in respect of the Managing Director, and twelve months in respect of any other member of the executive management of the company. The notice period shall, upon termination by the Managing Director or by any other member of the executive management of the company, be six months. During the notice period full salary will be paid and other benefits will be provided to the employee, with deduction for salary and other remuneration received from another employment or business during the notice period. Such deduction shall not be made in respect of the Managing Director. A severance pay, corresponding to twelve fixed monthly salaries, shall be paid to the Managing Director upon termination by the company. Such severance pay shall not be reduced due to other income received by the Managing Director.

### **Salary and employment conditions for employees**

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the People Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

### **Deviation from the guidelines for specific reasons in particular cases**

The Board of Directors may temporarily resolve to deviate from the guidelines, in whole or in part, if in a specific case there is special cause for the deviation and a deviation is necessary to serve the company's long term interests, including its sustainability work. As set out above, the People Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to deviate from the guidelines.

### **Shareholder's views**

The Board of Directors has not received any views from the shareholders on the existing remuneration guidelines for the executive management.

# The Board of Director's report on internal controls pertaining to financial reporting and regulatory compliance

**Under the Swedish Companies Act and the Code, the Board of Directors is responsible for Castellum having functional internal control and processes for checking the financial reporting in order to reduce the risk for unforeseeable discrepancies or errors in the reporting. Castellum has an Internal Controller who, together with the Compliance Manager, is responsible for ensuring a good internal control environment.**

Castellum's internal control consists of five components: control environment, risk assessment, control activities, information and communication, and monitoring. The internal control for financial reporting is described below.

## Control environment

The control environment forms the basis for internal control relating to financial reporting and consists of various parts that together form the culture and values that govern Castellum. The company's centralised accounting function is the basis for this internal control, together with shared policies for the Group, the subgroup and all legal entities. Decision-making paths, authorisations and responsibilities have been documented in the policies that form the basis for the internal controls and are

regularly updated in accordance with applicable legislation, reporting standards or listing requirements.

## Risk assessment

Risk management is built into the processes concerned, and various methods are used to evaluate and limit risks in order to achieve the company's goals as well as to ensure that the risks that the company is exposed to are managed in accordance with Castellum's policies. The company has a risk and compliance team that focuses on assessing the Group's risks, including the risk of fraud. Annual reviews are conducted of the observations based on the internal controls and the risk survey, and the risk management is monitored.

For more information on the operation's risk and risk management, refer to pages 97–101.

## Control activities

The risks identified as regards financial reporting are managed through the company's control structure, resulting in a number of control activities. The control activities include analytical monitoring on several levels in the organisation and comparison of result items, account reconciliation, monitoring and reconciling decisions and policies established by the Board.

Castellum's accounting and Treasury function are administered from the head office using uniform routines and procedures, which creates conditions for an efficient approach and facilitates a structured review of controls. Clear documentation of controls, along with routine monitoring, safeguards the continual efforts to enhance the efficiency of the procedures.

## Information and communication

Castellum's policies pertaining to financial reporting are communicated to the personnel concerned. Upon the commencement of new employment, new employees are expected to familiarise themselves with these and training courses are routinely held. Executive Management and the Board regularly receive financial information with comments on the financial results and risks. The Board also receives information about risk management, internal control and financial reporting from the company's risk and compliance team, as well as from the auditors through the Audit Committee. For distribution of external information there is a communication policy that ensures that the distribution of information is correct and complete.

## Monitoring

Through the Audit Committee, the Board evaluates the information submitted by Executive Management and the auditors. Furthermore, the Company's auditors report back on observations and their assessment of internal controls directly to the Audit Committee at least twice a year. In addition, the Audit Committee conducts an annual review of the risk assessment that was conducted and the measures agreed on. Monitoring by the Audit Committee and the Board of Directors is of particular importance for the development of internal control and for ensuring that action is taken regarding any shortcomings. Having evaluated the internal control environment and the efficiency of control activities, the Board does not believe that the company needs an internal audit function.

Gothenburg, April 2024

Castellum Aktiebolag (publ)  
Board of Directors

## Castellum's policies

### Financial policy

Establishes overall objectives and guidelines for financial risk and how financial operations are to be conducted. The financial policy also indicates how responsibility for financial operations is allocated, and how risks are to be managed and reported. It also includes instructions for how operational activities are to be pursued.

### Code of Conduct

Provides guidelines for conducting operations responsibly, with the aim of all business being characterised by a high level of business ethics and accountability. Governs the Group in relation to employees, contractors, customers, suppliers and other stakeholders. Castellum's Code of Conduct can be found on the company's website.

### Code of Conduct for suppliers

Provides similar guidelines for suppliers as for Group employees as regards conducting operations responsibly with the objective of having all business characterised by a high level of business morals and accountability. Castellum's Code of Conduct for suppliers can be found on the company's website.

### Insider policy

Ensures proper ethical management in relation to the capital market by describing trading and reporting requirements.

### Sustainability policy

Provides guidelines for how sustainability initiatives in the Group are to be pursued. The work must promote

sustainable development and be broken down into specific measurable goals as well as being an integral and natural part of operations and based on participation and commitment.

### Communication policy

Ensures that all Group communication is correct and is provided in a professional manner at the right time. The policy covers both internal and external communication.

### Crisis management policy

Provides guidelines for how the Group is to act and communicate in a potential crisis.

### Tax policy

Ensures a clear framework for tax governance in the Castellum Group as a stage in the company's sustainability initiatives. The tax policy establishes the principles for compliance with taxes in the countries where Castellum operates.

### Work environment policy

Ensures that Castellum has a healthy work environment and that the company works together to achieve it. The Castellum Group is actively and preventively engaged on issues concerning the work environment under the laws and ordinances in force.

### Related parties policy

Ensures compliance with both laws and regulations regarding related-party transactions, and that confidence in Castellum as well as its reputation in the capital market are maintained. The policy also clarifies

regulations concerning conflicts of interest under the Swedish Companies Act, which are intended for the Board of Directors and CEO.

### Personal data policy

Ensures that personal data is processed in accordance with applicable data protection legislation.

### Policy regarding the composition of the Board, authorised signatories, powers of attorney and authorisations

Establishes the compositions of the boards of directors in the Group's subsidiaries, how to sign for the company and how proxy forms are to be designed, as well as what applies for attestations.

### Whistleblowing

Castellum has a whistleblower service that is available on the company's website and intranet. The whistleblower service provides both employees and external stakeholders the opportunity to anonymously report any actions or problematic situations that entail confirmed or suspected violations of laws and policies. The service is administered by an external partner to ensure anonymity, and incoming cases are sent to selected executives in Castellum for management as well as to the chair of the Audit Committee.

# Board of Directors



## Per Berggren

Chairman of the Board since 2022 and Board member since 2007. Member of the Audit Committee and People Committee.

**Born:** 1959

**Education:** Master of Science KTH and economic education, Stockholm University.

**Previous positions:** CEO of Hemsö Fastighets AB, CEO of Jernhusen AB, Division Manager of Fabège AB (publ), CEO of Drott Kontor AB and Property Manager at Skanska Fastigheter Stockholm AB.

**Current assignment:** Chairman of the Board of Podium Fastigheter AB and Fondamentor AB. Board member of White Arkitekter AB, White Intressenter AB, Förvaltnings AB Somsok, Brisas Invest AB, Collegio AB, RetailFast Holding AB, Litsby Förvaltning AB and Förvaltnings AB Skarpång, as well as Tingsvalvet Fastighets AB and several of its subsidiaries. Per is also Senior Adviser for Slättö Förvaltning AB.

**Shareholding:** 21,997

Independent in relation to the company and Executive Management: Yes

Independent in relation to the company's major shareholders: Yes



## Pål Ahlsén

Board member since 2023. Member of the Audit Committee.

**Born:** 1972

**Education:** Master's degree in economics, Stockholm University.

**Previous positions:** Lengthy experience from the property sector concerning property management, financing and transactions as well as leadership. Was previously President and CEO, Country Manager Germany and worked in business development at Akelius Residential Property AB (publ).

**Current assignment:** Chairman of the Board of Akelius Residential Property AB (publ) and alternate Board member of Tobias Frick Fastighet AB.

**Shareholding:** 0 shares via own holdings and 66,600,760 shares via related party holdings through Akelius Residential Property AB (publ)

Independent in relation to the company and Executive Management: Yes

Independent in relation to the company's major shareholders: No



## Anna-Karin Celsing

Board member since 2021. Chair of the Audit Committee.

**Born:** 1962

**Education:** Master of Economics from Stockholm School of Economics.

**Previous positions:** Has a background in banking, finance and Investor Relations. Previous positions include Head of Investor Relations at Swedbank and member of Group Management at Ratos as Chief Information Officer.

**Current assignment:** Board member of ACK Råd AB, Volati AB, Landshypotek Bank AB, OX2 AB, Peas Industries AB, Lannebo Holding AB, Lannebo Fonder AB, KLOB i Stockholm AB, Svensk Husproduktion AB, Tim Bergling Foundation, Stiftelsen Orienteatern and Stiftelsen Beckmans Designhögskola.

**Shareholding:** 4,500

Independent in relation to the company and Executive Management: Yes

Independent in relation to the company's major shareholders: Yes



## Henrik Käll

Board member since 2022. Member of the Audit Committee.

**Born:** 1967

**Education:** Master of Economics, Uppsala University, and studies at HEC.

**Previous positions:** Lengthy background in banking and finance, in positions including global head of sales and trading at Nordea Markets. Previously also worked in London at the Natixis and Dresdner Kleinwort banks. Board member of Hoist Finance AB.

**Current assignment:** Chairman of the Board of Fxity AB and Board member of Garantum Fondkommission AB, Bellmer Capital AB and Nordend AB.

**Shareholding:** 3,000

Independent in relation to the company and Executive Management: Yes

Independent in relation to the company's major shareholders: Yes

## Board of Directors, cont.



### Ann-Louise Lökholm-Klasson

Board member since 2023. Member of the People Committee.

**Born:** 1971

**Education:** Computer Science, University of Gothenburg, and Advanced Strategic Management, IMD.

**Previous positions:** CEO of Sweco Sverige AB since 2018. Has a background as manager and leader at Ericsson, and has held several different executive positions in the Sweco Group.

**Current assignment:** CEO and Board member of several subsidiaries in the Sweco Group. Board member of Innovations-företagen, the Confederation of Swedish Enterprise, Sweco ÅF Healthcare AB and Bemsiq AB. Ann-Louise is also the Principal Advisor for the Swedish Exhibition & Congress Centre and a member of the Nomination Committee of the Sweden Green Building Council.

**Shareholding:** 3,000

Independent in relation to the company and Executive Management: Yes

Independent in relation to the company's major shareholders: Yes



### Louise Richnau

Board member since 2023. Chair of the People Committee.

**Born:** 1966

**Education:** Master of Science in Engineering, KTH; CEFA and CESGA certificate.

**Previous positions:** Lengthy background in the property sector with investments, transactions, financing, establishment of new areas of operation, and sustainability issues. Previous experience from Swedish National Pension Funds (First through Third), Drott Riks AB and Nordanö. Was responsible for constructing Brunswick Real Estate Capital, the first Nordic institutional property credit fund (now Niam Credit).

**Current assignment:** Board member of Lotsberget AB, and Chairman of the Board of Bantaba AB. Board member of Nordanö Partners AB, Nordanö Intressenter AB, Nordanö Holding AB, FRT Jakobsgatan 6 AB, Lepano AB, Propel Capital V AB, Propel Capital VI AB, Sunna Group AB, Råsundapokalen AB and J6 Rådgivning AB. Louise is also a Board member and Senior Adviser/Partner of Nordanö Partners AB.

**Shareholding:** 19,042

Independent in relation to the company and Executive Management: Yes

Independent in relation to the company's major shareholders: Yes

### Malin Löveborg

Chief Legal Officer and Secretary of the Board.

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The disclosures pertain to conditions as of 29 February 2024. Shareholdings include member's own holdings and those of spouses, minors and children living at home, holdings of associated companies and holdings through capital insurance.

# Executive Management



## Joacim Sjöberg

Employed as President and CEO since 2023.

**Born:** 1964

**Education:** Master of Laws, Stockholm University.

**Previous positions:** Senior positions at Jones Lang LaSalle, Swedbank, Öhman Fondkommission, HSH Nordbank, Alfred Berg Fondkommission and Enskilda Securities. Lawyer at Mannheimer Swartling Advokatbyrå. Chairman of the Board of Beijerinvest AB, Räckesbutiken Sweden AB, Centro Kakel & Klinker AB, JLL Transaction Services AB and Tendium Holding AB. Board member of JLL Capital Markets AB, G&L Beijer Import och export and Wästbygg.

**Current assignment:** Board member of Valhalla Corporate Advisor AB, KlaraBo Sverige AB, and Entra ASA.

**Shareholding:** 24,842



## Sebastian Schlasberg

Employed as Chief Operating Officer since 2023.

**Born:** 1982

**Education:** Bachelor of Science in Economics and Business Administration, Copenhagen Business School.

**Previous positions:** Lengthy experience from senior positions in the property industry, including as Head of Asset Management at Scius Partners, Regional Director Stockholm at Corem Property Group, and prior to that analyst at Catella Corporate Finance.

**Current assignment:** —

**Shareholding:** 1,688



## Jens Andersson

Employed as Head of Treasury since 2022 and as Chief Financial Officer since 2023.

**Born:** 1973

**Education:** Master's in economics, Linköping University and KTH.

**Previous positions:** Lengthy experience in the banking, property and capital markets. Head of Finance and responsible for the US market at Corem Property Group AB/Klövern AB, and CEO of several of its subsidiaries. Project Manager at Catella Corporate Finance AB, founder and CEO of Vanir AM AB and prior to that First Vice President at Aareal Bank.

**Current assignment:** Board member of all subsidiaries in the Castellum Group as well as Trummelsberg Förvaltning AB.

**Shareholding:** 16,985



## Hanna Brandström

Employed as Head of People & Culture since 2022.

**Born:** 1980

**Education:** Bachelor's degree in Business Administration, Södertörn University.

**Previous positions:** HR Manager General Motors Nordic, Opel/Chevrolet Sverige AB; General Manager HR & Legal at SC Motors Sweden AB and HR Director/Head of People & Culture at Kungsleden Fastighets AB.

**Current assignment:** —

**Shareholding:** 1,094



## Mats Eriksson

Employed as Managing Director, Region Mälardalen since 2022.

**Born:** 1963

**Education:** High School Engineer, House & Urban Planning, Rudbecksskolan Örebro.

**Previous positions:** Regional Director Mälardalen, Kungsleden Fastighets AB; Business Manager Retail, Newsec Asset Management AB; Manager Property Development, Ica Fastigheter AB; Business Area Manager NIAM AB and Property Manager, Siab AB.

**Current assignment:** —

**Shareholding:** 9,450



## Per Gawelin

Employed since 2006, and as Managing Director, Region Central since 2018.

**Born:** 1978

**Education:** Graduate of upper secondary economics course.

**Previous positions:** Experience in the property industry and leadership experience as captain and player for Örebro SK Football Club.

**Current assignment:** Board member of Cleanica AB.

**Shareholding:** 5,287

## Executive Management, cont.



### Malin Löveborg

Employed as Chief Legal Officer since 2022.

**Born:** 1978

**Education:** Master of Laws.

**Previous positions:** Extensive experience in the property industry, most recently as Chief Legal Officer at Corem Property Group AB/Klövern AB, and prior to that a solicitor at Setterwalls advokatbyrå AB.

**Current assignment:** —

**Shareholding:** 2,500



### Anna-Karin Nyman

Employed as Communications Director since 2018.

**Born:** 1983

**Education:** Multimedia journalism and gender studies, Karlstad University.

**Previous positions:** Experience from several managerial positions as Communications Director at Jernkontoret, Press Manager at the Ministry of Enterprise and Innovation, Chief of Staff at the Ministry for Rural Affairs, political expert in the Riksdag, journalist, editor and editor-in-chief.

**Current assignment:** Board member of Byggherrarna.

**Shareholding:** 2,228



### Ola Orsmark

Employed as Managing Director, Region Öresund since 2014.

**Born:** 1971

**Education:** Master of Science in Engineering. Certified Board member.

**Previous positions:** Extensive experience in the property industry, most recently as Business Area Manager at Jernhusen.

**Current assignment:** Board member of IDEON AB. Limited partner in Easy Kommanditbolag and Ofcourse Kommanditbolag.

**Shareholding:** 14,175



### Örjan Rystedt

Employed as project manager since 2019, and Managing Director, Region West since 2023.

**Born:** 1975

**Education:** Master of Science in Engineering, KTH.

**Previous positions:** Extensive experience from the property sector, including in executive positions at Skanska.

**Current assignment:** Board member of Halvorsång Fastighets AB and Halvorsång Holding AB.

**Shareholding:** 897



### Kristina Sawjani

Employed as Chief Investment Officer since 2020.

**Born:** 1975

**Education:** Master of Science in Engineering.

**Previous positions:** Extensive experience from executive positions in the property industry such as Transaction Manager at AFA Fastigheter, Senior Investment Manager Folksam and consultant at Catella.

**Current assignment:** Board member of M&P Management AB, Sawjani 2019 AB and Sawjani 2022 AB.

**Shareholding:** 8,858



### Sven Stork

Employed as Managing Director, Region Stockholm since 2022.

**Born:** 1967

**Education:** Master of Science in Engineering, KTH.

**Previous positions:** Key Account Manager at Newsec Asset Management AB, Asset Manager at Niam AB, project manager at NCC Property Development AB, and Regional Director Stockholm at Kungsleden Fastighets AB.

**Current assignment:** Board member of Kista Limitless AB, a cooperative company for urban development in Kista.

**Shareholding:** 3,479

The disclosures pertain to conditions as of 29 February 2024. Shareholdings include member's own holdings and those of spouses, minors and children living at home, holdings of associated companies and holdings through capital insurance. The CEO has no material holdings or partnerships in companies that Castellum has significant business connections with.