

## Nomination Committee

The 2021 AGM resolved to adopt instructions for the appointment of a Nomination Committee, to be in force until further notice, that ahead of each AGM the Nomination Committee shall present proposals for the number of members of the Board of Directors; for election of members to the Board of Directors, including the Chairman of the Board; for the election of auditors; for remuneration to Board members and auditors; and for changes to the instructions for appointment of the Nomination Committee where applicable.

The Nomination Committee's proposal will be announced at the latest in connection with the notice to attend the AGM, and shareholders will be given the opportunity to contact the Nomination Committee with proposals for nomination.

At the 2021 Annual General Meeting, it was resolved that the Nomination Committee would consist of the Chairman of the Board as well as one member elected by each of the four largest registered or otherwise known shareholders, with the exception of such shareholders as may be represented by the Chairman of the Board, on the last share trading day of the year prior to the AGM.

When the Nomination Committee was convened ahead of the 2022 AGM, the Nomination Committee consisted of Helen Fasth Gillstedt (chair), appointed by Handelsbanken; Patrik Essehorn, appointed by Corem Property Group; Johannes Wingborg, appointed by Länsförsäkringar Fonder; Mats Gustafsson, appointed by Lannebo Fonder; and then-Chairman of the Board Rutger Arnhult. The company's ownership circle has changed due to the completion of Castellum's bid for Kungsleden, and after contacts with the larger shareholders, the Nomination Committee has decided that Ilija Batljan (appointed by Ilija Batljan Invest) will replace Mats Gustafsson as a member of the Nomination Committee. Moreover Per Berggren, in his capacity as new Chairman of the Board, has replaced Rutger Arnhult as a member of the Nomination Committee. After the changes to the composition of the Nomination Committee, the members of the Committee together represent just under 10% of the total number of shares and votes in the company.

## Board of Directors

The Board has overall responsibility for Castellum's strategy and organisation and manages Castellum's business on behalf of the shareholders. Under the Articles of Association, Castellum's Board is to consist of no less than four and no more than eight 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. For 2021, the Board consisted of seven members. The Board works in accordance with established rules of procedure containing instructions on the allocation of work between the Board and the CEO. 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 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.

The rules of the Companies Act apply to Board decisions, meaning that both more than half of the members in attendance and more than one third of the total number of members must vote for a decision. In the event of a split vote, the Chairman has the deciding vote.

### Responsibility of the Board

According to the Swedish Companies Act and the Board of Directors' rules of procedure, the Board is responsible for:

- Preparing business decisions and supporting management.
- Developing, preparing and monitoring overall, long-term strategies and objectives, budgets and business plans.
- Establishing guidelines to ensure that the Company's operations create value over the long term.
- Reviewing and approving the accounts.

- Review of the auditors' conclusions from the audit and the Auditor's report.
- Taking decisions on issues concerning investments and sales.
- Capital structure, dividend policy and decisions on financing.
- Developing the Group's policies.
- Ensuring that there are control systems for monitoring compliance with policies and guidelines.
- Ensuring that there are systems for monitoring and controlling the Company's operations and risks, which also include climate-related risks and opportunities.
- Significant changes to Castellum's organisation and operations.
- Appointing the Company's Chief Executive Officer and setting the CEO's fixed salary and other benefits.

Each member is to act independently and with integrity, and to look after the interests of the Company and all shareholders.

The experiences of the Board members as part of the work of the Board are covered by confidentiality.

### Board of Directors' rules of procedure

The Board of Directors 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 should be covered at each Board meeting, and provide instructions regarding financial reporting to the Board of Directors.

The rules of procedure also prescribe that the Board is to have an Audit and Finance 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 of Directors.

Well-being, cont.

**Equality (GRI 405-1, Diversity-Emp)**

Demographic structure personnel	2021		2020		2019		2018	
	Number of employees	Of which women	Number of employees	Of which women	Number of employees	Of which women	Number of employees	Of which women
<b>Board of Directors</b>	<b>7</b>	<b>44%</b>	<b>8</b>	<b>50%</b>	<b>7</b>	<b>57%</b>	<b>7</b>	<b>57%</b>
Under 30	0	—	—	—	—	—	—	—
30-50	0	—	1	100%	1	100%	1	100%
Over 50	7	44%	7	43%	6	50%	6	50%
<b>Executive management</b>	<b>8</b>	<b>50%</b>	<b>8</b>	<b>50%</b>			<b>9</b>	<b>44%</b>
Under 30	0	—	—	—	—	—	—	—
30-50	6	47%	6	50%	5	40%	6	67%
Over 50	2	58%	2	50%	2	50%	3	0%
<b>Employees excl. executive management</b>	<b>427</b>	<b>43%</b>	<b>413</b>	<b>40%</b>			<b>374</b>	<b>42%</b>
Under 30	37	50%	29	48%	48	47%	32	29%
30-50	237	49%	202	47%	218	45%	198	54%
Over 50	153	31%	182	30%	154	28%	145	27%

This table shows the demographic structure of personnel, according to age and gender, for various administrative levels. Castellum does not track the minority status of employees. Castellum has chosen not to report on the groups known as regional management groups in the company since they do not correspond to regional management groups from a global perspective but rather a national one.

**Age distribution - number of employees (GRI 405-1)**

Age distribution	Women	Men	Total
<b>Number of employees, excluding Board</b>	<b>182</b>	<b>245</b>	<b>427</b>
Under 30	18	19	37
30-50	117	120	237
Over 50	47	106	153

**Composition of the Board (Gov-Board)**

	2021
Number of Board members	8
Number of independent Board members	7
Average mandate period, years	4

New measurement as of 2021. Refer to page 148 for ESG competence on the Board.

**Employee turnover (GRI 401-1, Emp-Turnover)**

Employee turnover <sup>1)</sup>	2021		2020		2019	
	Number of employees	Of which women	Number of employees	Of which women	Number of employees	Of which women
<b>New employees during the year<sup>2)</sup></b>						
Under 30	6	39%	4	47%	15	55%
30-50	16	50%	20	68%	32	39%
Over 50	4	47%	7	20%	10	20%
Total new employees	25	47%	31	54%	57	40%
Proportion of new employees	6%	3%	7%		14%	
<b>Employees who left during the year</b>						
Under 30	7	33%	0	—	8	59%
30-50	21	44%	14	33%	21	75%
Over 50	17	24%	11	25%	7	35%
Total number of leavers	45	35%	25	30%	36	64%
Proportion of leavers	11%	4%	6%		9%	
Proportion of leavers on own initiative <sup>3)</sup>	56%	20%				

The average cost for external new recruitment in 2021 totalled SEK 121,058 per recruit.

1. Castellum has transitioned to the Full-Time Equivalent (FTE) principle as of 2018. FTE takes into account actual work time during the year; deductions are made, for example, for level of service and actual period of employment during the year. Example: an employee who begins employment on 1 July and works 70% (28 hours/week) up through 31 December is counted as 0.35 FTE (employed for 50% of the year at 70% employment).
2. Of the new hires during the year, 47% had an international background.
3. New measurement as of 2021.