

Social Responsibility

The long-term goal is for Castellum to conduct its operations in a responsible manner in relation to society and stakeholders. Going beyond expectations. Worthy of trust. The Code of Conduct describes how employees are to treat tenants, suppliers, partners and other players in day-to-day operations.

Castellum's commitment

We will conduct business in a responsible manner in relation to the community as well as to our stakeholders.

Code of Conduct

Castellum's Code of Conduct, which applies to all Castellum employees, regulates behaviour towards one another as well as towards Castellum's tenants, suppliers, partners, and other stakeholders that employees meet in daily operations. It is based on Castellum's values (Personal, Passionate, Proactive and Reliable), the ten principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The Code of Conduct clarifies Castellum's position on human rights, working conditions, business ethics and information. Castellum is to provide quality service, comply with laws and regulations, never discriminate against anyone, and ensure a healthy working environment with a high safety level at the workplace. Castellum also maintains focus on gender equality issues, as described in the company's diversity plan.

Castellum's operations are subject to each country's laws and regulations concerning, for example, working conditions, occupational safety and freedom of association. Castellum's HR manual addresses issues such as working environment, equal opportunities, salaries, pensions and company cars. Each new employee undergoes mandatory training that includes the company's Code of Conduct, sustainability initiatives and diversity. Preventive efforts regarding corruption issues, where conduct in various everyday situations is continually discussed, are conducted throughout the Group.

A pivotal element is that all employees understand and follow the Code of Conduct. All employees must undergo Castellum's mandatory training concerning the content of the Code of Conduct. Departures from the Code of Conduct must be reported and discussed with an immediate supervisor or, if this is impossible, with another representative of the company. Castellum has a whistleblower function, independent of the company, that can be reached via the Group's website and Intranet. This function is intended to help both employees and external parties to report incidents and actions that are not in line with Castellum's values or Code of Conduct, or otherwise have a negative impact on the company or people's health and safety. All whistleblower cases are handled in accordance with established procedures. Those reporting a whistleblower case receive prompt feedback and then the aim is to maintain a dialogue with the initial notifying person. All cases are handled confidentially, and the person making the report will always receive some form of feedback within ten days. In 2021, Castellum received some ten cases through the whistleblower function. Some of the cases led to a change in routines or to targeted communication efforts. In 2021, the company and management did not receive any information on the occurrence of incidents that had a negative impact on the health and safety of tenants. In the last five years, neither Castellum nor any representative of the company have been sentenced for any crime that could

be linked to a departure from the company's Code of Conduct, corruption or operations that inhibit competition. Nor was the company ordered to pay damages or any fines, linked to either violations of environmental legislation or other legislation, in 2021. Castellum has not paid any financial subsidies or otherwise compensated lobbying organisations or other non-profit operations whose purpose is to impact political campaigns or other forms of legislation.

Community engagement

For Castellum, community engagement is about offering healthy and productive urban environments where people have a high sense of well-being. It is also about contributing to urban development that encourages the integration of different societal groups. Another important aspect for Castellum is to facilitate the entry of more young people and people with varied cultural backgrounds into the labour market. Castellum holds stakeholder dialogues and participates in joint projects with other property owners and players to create better living environments together. In 2021, a total of 62 (47) young people worked at Castellum as vacation replacements, interns, apprentices, trainees or with academic degree projects. 19 (9) of these young people were apprentices (in Castellum's definition, people who are struggling to enter the job market), which is equivalent to approximately 4% of Castellum's employees. Castellum has also adopted a goal of requiring its contractors to hire apprentices in all larger projects. In addition, Castellum collaborates with organisations such as the Jobbsprånget internship programme, which is an initiative that matches companies with academics who have just arrived in Sweden. During the year, Castellum offered job experience positions to individuals with non-Swedish backgrounds who had just arrived in the country.

Castellum also has a Code of Conduct for suppliers, since Castellum expects suppliers to also promote sustainable development. Castellum's work on diversity and equality are also important components in building a corporate culture in which employees are given the right conditions to work. That is why Castellum has produced an equality policy as well as a diversity and equality plan in order to take a proactive approach to these issues every day. In addition, there are ambitious long-term goals regarding diversity and equality.

A cornerstone of Castellum's corporate culture has been its decentralised organisation, which creates committed employees who take on responsibilities and feel themselves a part of operations.

Long-term value creation

Long-term value creation requires that operations are conducted with a focus on sustainability. Sustainability initiatives involve environmental considerations such as efficient and responsible use of resources and developing a future-proof and sustainable asset portfolio as well as social responsibility by promoting the development of the cities where Castellum operates.

The work also involves ensuring a healthy work environment for employees. Sustainability initiatives are carried out in collaboration with customers and other stakeholders – a requirement for success. Guidelines for conducting value-creating sustainability initiatives can be found in the sustainability policy, the Code of Conduct and the Code of Conduct for suppliers.

Castellum reports on this work in accordance with the GRI standards. Reports on sustainability activities are regularly presented to Castellum's Board of Directors.

Monitoring

Routine monitoring takes place at many levels in the Group, at the property and regional levels as well as at Group level. Through the Audit and Finance Committee, the Board of Directors evaluates the information submitted by Executive Management and the auditors. Furthermore, the Company's auditors report their observations from the review, and their assessment of internal controls, directly to the Audit and Finance Committee at least twice a year.

In addition, the Audit and Finance Committee conducts an annual review of the risk assessment and the measures agreed on. Monitoring by the Audit and Finance 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 and proposals that emerge.

Internal audit

Castellum has a decentralised and transparent organisation. The economic and Treasury functions are managed from the head office, meaning that routines and processes are uniform but also provide the conditions for various parts of the functions to review one another's processes – a form of self-assessment, all for the purpose of increasing and improving internal control. The business units and the Company monitor the income statements and balance sheets on a quarterly basis.

Clear documentation through policies and instructions, along with frequent monitoring and regular discussions with the auditors, continually ensure the work to improve these processes. Management and reporting are reviewed by the Company's auditors and reported to both the Audit and Finance Committee and the Board.

In addition, there is a whistleblower function on the Group's website and intranet. Taken together, this means that a specific division for internal audits is not considered justifiable.

Whistleblower

Castellum's whistleblower service can be accessed on the Group's website and the Group's intranet. The whistleblower service is an early warning system that provides both employees and external stakeholders the opportunity to anonymously report any deviations from Castellum's values and business ethics. The service is administered by an external partner to ensure anonymity and professionalism.

Sustainability governance

Castellum's sustainability governance must ensure an efficient organisation that develops the company's sustainability initiatives and realises its sustainability strategy. Key starting points are the 17 Sustainable Development Goals, the Paris Agreement and the ambition of achieving the company's own long-term sustainability goals that run up through 2030.

The work of the Board on sustainability issues

Castellum's Board of Directors annually adopts a sustainability policy and Codes of Conduct, and routinely discusses and follows up on the sustainability initiatives and the work on the sustainability strategy. The Board of Directors, together with Executive Management, are ultimately responsible for adopting Castellum's sustainability goals. Every year, the company's risk analysis is reported to the Board of Directors, which means that sustainability risks – including climate-related risks and risks linked to human rights – as well as opportunities and measures are reviewed. The Board of Directors and CEO together approve Castellum's sustainability report on an annual basis in conjunction with its signing. The Board has not appointed either a sustainability or a climate committee.

Significant deviations and actions linked to Castellum's sustainability initiatives and Code of Conduct are reported to the Board of Directors when such incidents occur. During the year, no significant deviations linked to sustainability initiatives and the Code of Conduct were reported to the Board.

The work of Executive Management on sustainability issues

Castellum's CEO is ultimately responsible for all sustainability initiatives. This responsibility also encompasses climate-related risks and opportunities. The Head of Sustainability pursues and develops sustainability and climate initiatives for the Group, and reports directly to the Chief Operating Officer in Executive Management. The Head of Sustainability informs Executive Management of the results of the initiatives at least four times a year, or when the need arises. Executive Management annually approves the sustainability report, and the materiality analysis when it is updated. There has not been a need to inaugurate a special climate committee at the management level, since the sustainability managers in the organisation pursue climate initiatives as an integral part of the operation. The Head of Sustainability and the sustainability managers are responsible for supervising

Policies for sustainability initiatives

Regulations that control Castellum's sustainability initiatives:

External laws and guidelines

- The Swedish Companies Act
- The Swedish Annual Accounting Act
- The Swedish Environmental Code
- The Swedish Work Environment Act
- Building Regulations from the National Board of Housing, Building and Planning
- UN Guiding Principles on Business and Human Rights
- UN Convention on the Rights of the Child
- EU Taxonomy Regulation
- Other applicable laws and regulations

External initiatives

- GRI Standards
- UN Sustainable Development Goals
- Paris Agreement
- Sweden's road map to Fossil-Free Sweden
- UN Global Compact
- OECD Guidelines for Multinational Enterprises
- TCFD
- ISO 14001
- Science Based Targets

- Sustainability certifications
 - Green Building
 - Miljöbyggnad
 - BREEAM
 - LEED
 - WELL
 - Noll CO2
- Local sustainability programmes and climate adaptation plans

Important internal regulations

- Sustainability Policy
- Work environment handbook
- Code of Conduct
- Code of Conduct for suppliers
- Internal environmental management system
- Internal control processes
- Other instructions

climate-related risks and opportunities, monitoring compliance with the company's sustainability policy, realising the sustainability strategy and achieving the sustainability goals.

Governance of sustainability initiatives

All of Castellum's operations are encompassed by the sustainability initiatives, and this is governed with the use of a management system that consists of Group-wide policies, guidelines, short- and long-term measurable goals and detailed action plans. The aim of this work is to monitor, document, evaluate and improve Castellum's sustainability activities. Castellum follows the precautionary principle, which is integrated into Castellum's sustainability policy and business processes, and is monitored via the company's environmental management system. To ensure and maintain systematic sustainability initiatives, all Swedish and Danish operations are certified under ISO 14001.

Castellum's sustainability initiatives are based on committed, skilled employees and training in sustainability issues on a regular basis. The efforts to identify and manage our social, environmental and economic impact has been delegated to Castellum's Sustainability Team. All of

Castellum's employees undergo mandatory web-based training in sustainability, diversity and codes of conduct, which is also a part of the onboarding of new employees.

Basis for sustainability initiatives

Castellum is a responsible community developer that intends to be part of promoting sustainable development. Castellum regards the precautionary principle and society's requirements under laws and regulations as minimum requirements. To achieve properly functional sustainability initiatives, Castellum will:

- Act in accordance with the UN Global Compact.
- Promote the realisation of the UN Sustainable Development Goals and the Paris Agreement.
- Follow Castellum's Code of Conduct and the Code of Conduct for suppliers. All Castellum's employees and partners must understand and comply with their respective Codes of Conduct.
- Continually increase competence in sustainability through education and communication of sustainability issues.
- Routinely monitor, report on and improve the company's sustainability initiatives.

Castellum's four overall sustainability areas

The Planet

Castellum acknowledges the scientific evidence that human activity is accelerating climate change. Overstepping the planet's limits involves great risk for the future. Castellum has therefore decided to set targets for its own efforts and to govern its operations in a manner that is in line with the UN Sustainable Development Goals and the Paris Agreement.

Castellum's asset portfolio will be future-proofed by making buildings more energy-efficient, taking life cycle perspectives into account in investments, assuming responsibility for natural resources and biological diversity, increasing the share of renewable energy and adapting operations to the consequences of climate change. Castellum will be involved in the climate plans and policies of its customers and of government agencies, it will display leadership and to the greatest extent possible will inspire the industry to reduce its climate impact.

Climate risks

Castellum regards a changed climate as a significant risk that over the long term constitutes a risk to our operations, our properties and our tenants. When extreme weather arises – floods or heavy rains, for example – it causes damage and disruptions in several ways: directly to the property or neighbouring infrastructure (e.g. electrical outages, waste water backing up out of drains, or disruptions to public transportation to and from our properties). Therefore, Castellum has implemented specific risk analysis processes for all investments to better take into account such climate risks as the risk of flooding, land erosion and vulnerability to extreme weather.

Climate goals

In 2018, Castellum was the first property company in the Nordic region to have its climate goals approved by the Science Based Targets initiative (SBTi). The purpose of the SBTi is to guide companies across the globe in identifying and mapping their carbon emissions, and in establishing scientifically correct climate targets that are in line with the goals of the Paris Agreement on reducing global warming.

Castellum's goal is to achieve net-zero carbon emissions from operations by 2030, thus supporting both the Paris Agreement and the national ambition for a fossil fuel-free Sweden.

To achieve properly functional sustainability initiatives, Castellum will:

- Decrease the direct and indirect carbon emissions in Scopes 1, 2 and 3 that promote global warming.
- Use natural resources responsibly and efficiently so as not to jeopardise the planet's limits, and thus our climate and the opportunities for future generations in a finite world.
- Build and manage from a service life perspective, and promote circular models.
- Promote increased biological diversity and limit the use and spread of environmentally hazardous products.
- Create conditions for responsible waste management through minimising waste, guarding against pollutants and regarding waste as a resource for reuse and recycling.

Biodiversity

The great majority of Castellum's properties are not located in environments that are protected from the perspective of biodiversity or have a high biodiversity value. In cases where Castellum constructs new buildings, it always ensures that there is at least an equal amount of biodiversity upon completion of the project as there was before the building was constructed. To ensure this, a tool that has been specially produced and adapted to Castellum's development operation is used.

21 new projects were carried out during the year. All of these have been evaluated from a perspective of biodiversity. Several different measures such as planting of flora and preservation of water courses were taken to ensure that biodiversity has not been negatively impacted.

Future-proofing

Castellum will be part of driving this development forward and promoting sustainable development. We intend to create safe and healthy work environments for customers and employees. Castellum works with acknowledged sustainability certification systems and environmental inventories to create a sustainable asset portfolio in a changing world.

To achieve properly functional sustainability initiatives, Castellum will:

- Offer comfortable, healthy environments for people in and around our properties.

- All properties held for more than one year are to be environmentally inventoried. Updates must take place at least every ten years.
- All new production is to be certified for sustainability, and existing properties are to be certified in accordance with sustainability goals.

Well-being

Castellum works to promote health and wellness and to increase productivity, where equality and diversity are important conditions. Castellum is a flexible employer that offers freedom for its employees.

To achieve properly functional sustainability initiatives, Castellum will:

- Offer comfortable, healthy environments for our employees' well-being.
- Create an equitable organisation with a diversity reflecting the composition of society.
- Call attention to and change any discriminatory structures in the organisation.
- Be an attractive employer and attract the best and most professional employees.
- Continue with collective bargaining agreements and maintain all employees' rights to organise and participate in collective bargaining.
- Maintain a zero-tolerance attitude as regards child labour and forced labour in own projects.

Diversity and Equal Opportunity

Castellum has well-developed initiatives in diversity and equality, with the overall goal of promoting equal rights for all. All people are of equal worth and must be treated equally based on their individual conditions and possibilities regardless of gender, gender identity or expression, ethnicity, religion or other expression of faith, disability, sexual orientation and age.

All employees are individually responsible for helping to create a positive workplace. Everyone also has a responsibility to work for integration and to counteract all forms of discrimination. Women and men must be given the same opportunities to have an impact on their work situation.

Castellum's initiatives for diversity and equality are based on the following:

- Equality as a strategy involves all employees having the same rights, obligations and opportunities in the company regardless of gender, transgender identity or expression, ethnicity, religion or other expression of faith, disability, sexual orientation or age.
- Employees must therefore be recruited, paid and promoted on equal terms. Salaries will be determined based on responsibility and performance, and on nothing else.
- Competence will be evaluated from a perspective of diversity.
- Equality must promote the development of an organisation in which women are equally as valued as men.
- Our worksites must be mentally, physically and socially adapted to our employees. Harassment must not occur.
- We take a positive view of the combination of working and parenthood.
- We benefit from our differences. Differing opinions and experiences spur creativity and development. Diversity in the company is to be regarded as a boost to resources.

Social responsibility

Castellum will pursue its operations in a responsible manner in relation to society and its stakeholders. To achieve properly functional sustainability initiatives, Castellum will:

- Maintain long-term, sustainable financial growth in cash flows.
- Create business models for collaboration regarding sustainable investments.
- Maintain low financial and operational risk for a strong increase in value in the company while offering shareholders a competitive dividend.
- Use financial and human capital efficiently.
- Ensure that no violations of human rights occur in our projects or with a link to the work that suppliers perform on our behalf.
- Maintain a zero-tolerance attitude as regards child labour and forced labour in projects being carried out by our suppliers.
- Contribute to employment and young people's opportunities to enter the labour market.
- Engage in issues that are significant for societal development.
- Continue to ensure that no violations of human rights occur in our own or our suppliers' operations.

Human rights

Castellum applies existing international guidelines in accordance with the UN Global Compact, the UN Guiding Principles on Business and the OECD Guidelines for Multinational Enterprises. Castellum has undertaken the following:

- To avoid causing or promoting negative impact on human rights through its own activities, and to deal with such actions if they occur.
- To attempt to prevent or alleviate negative impact on human rights that is directly linked to our operations, products or services.
- To prohibit child labour and forced labour.
- Castellum does not employ anyone under the age of 15 or applicable higher statutory minimum ages. Young people between the ages of 15 and 18 can work with non-hazardous work tasks, provided that they have reached the legal age for work and have undergone national compulsory education, or if the work permits compulsory education to be pursued in parallel. All work will be voluntary. No form of forced labour or labour connected with any form of threat or punishment is permitted.
- Freedom of association: All employees have freedom of association.
- The employees' right to freely negotiate with employers is a key element of the freedom of association. All employees therefore have the right to collective bargaining.
- Equal remuneration: This involves the principle of equal remuneration to male and female employees for work of equal value.
- Right to non-discrimination: The principle of non-discrimination is intended to guarantee that human rights are exercised without discrimination of any type based, for example, on race, skin colour, gender, language, religion, political or other opinion, national or social origin, or other status such as disability, age, sexual orientation and gender identity.
- Zero tolerance for human trafficking: Recruitment, transport, transfer, housing or receiving a person through the use of such means as threats, the use of violence or other forms of compulsion, removal, fraud or fraud for the purpose of exploitation must not occur.

This applies to all employee at Castellum, and governs how employees are to act toward each other and toward Castellum's tenants, suppliers, partners and other parties that employees encounter in their daily operations.

Castellum places the same stringent ethical requirements on suppliers and partners as it does on all employees in the Group. Castellum assesses the actual and potential consequences for and risks to human rights in our operations, in the operations of our business partners and as part of the due diligence process before we initiate new business relationships. The assessment encompasses all the areas mentioned above under Castellum's commitment to human rights, and encompasses at least the following groups: own employees, women, children, indigenous populations, migrant workers, outside contract labour force and local communities. We implement Castellum's Code of Conduct for suppliers in all our business relationships, and monitor this in our annual risk assessment.

Discrimination and harassment

Castellum exercises zero tolerance toward harassment and sexual harassment in its operations.

All employees undergo mandatory training in sustainability that includes training in diversity and how to prevent discrimination and harassment at the workplace. There is also a defined escalation process for reporting incidents and corrective or disciplinary measures that occur in the event of discriminatory behaviour or harassment, which includes the following elements:

- Assess the risks of discrimination, including harassment and sexual harassment, or of disciplinary measures taken to obstruct equal rights or opportunities.
- Analyse causes of risks and obstacles.
- Correct, and implement measures to prevent discrimination and promote equal rights and opportunities.
- Incidents are monitored and analysed in accordance with Castellum's guidelines.

The above includes but is not limited to working conditions, salaries, recruitment and promotion, training and competence development, harassment and sexual harassment, and ensuring that it is possible to combine working and parenthood. Like deviations from the Code of Conduct or other commitments that are reported in the whistleblower service by internal or external parties, negative impacts on the business environment from a perspective of the economy, the environment, society or human rights are investigated and corrective actions taken.

GOVERNANCE OF MATERIAL SUSTAINABILITY ISSUES

	The Planet	Future-proofing	Well-being	Social responsibility
Sustainability issues	<ul style="list-style-type: none"> Environmental and climate risks Renewable energy Minimise climate impact Efficient use of resources More sustainable building materials and installations Partner with customers for increased sustainability performance (e.g. through waste management and green mobility) Adapt the properties for climate change Increased circularity Biodiversity and ecosystem services 	<ul style="list-style-type: none"> Offer smart, flexible workplaces Sustainability certification of buildings 	<ul style="list-style-type: none"> Attractive workplace Diversity and equal opportunity Occupational health and safety 	<ul style="list-style-type: none"> Healthy premises Sustainable financing Good business ethics and anti-corruption Ensure sustainable supply chains Develop local communities (e.g. through apprenticeships)
GRI Standards	GRI 302: Energy GRI 303: Water and Effluents GRI 304: Biodiversity GRI 305: Emissions GRI 306: Waste GRI 307: Environmental Compliance	C1 Product responsibility	GRI 401: Employment GRI 403: Occupational Health and Safety GRI 404: Training and Education GRI 405: Diversity and Equal Opportunity GRI 416: Customer Health and Safety	GRI 201: Economic Performance GRI 205: Anti-corruption GRI 207: Tax GRI 308: Supplier Environmental Assessment GRI 414: Supplier Social Assessment GRI 413: Local communities
Why is this topic important for us?	By making efficient use of resources and applying the precautionary principle, we can reduce our negative impact on the planet, the environment and the climate. This also means that we can ensure a positive impact by developing our properties so that they comply with future environmental and climate requirements.	It is important that the operation is conducted responsibly with a high degree of ethics and a strong moral compass in relation to our stakeholders. We can promote a positive impact on our business environment by imposing environmental, social and human rights requirements in our supplier chain. If we do not, there is a risk that we will have a negative impact on our supplier chain. A clear focus on healthy premises and certified properties means we have a positive impact on our customers' environment.	The wellness and development of our employees, and offering them a safe work environment is key to the company continuing to develop in a positive direction.	We can make a positive contribution by acting in accordance with laws and regulations, delivering long-term sustainable financial results and paying tax. This is a condition for the continued performance of the operation.
Responsibility and actual/potential impact along the value chain	Making efficient use of resources in our operation while putting demands on suppliers and collaborating with customers is our responsibility. In the respective areas, we contribute together with our suppliers and customers to the positive and negative impact on the business environment that occurs in conjunction with construction, purchasing, property management and development.	We are responsible for placing clear requirements (environmental, social and with a strong link to human rights) on suppliers, and they have a great responsibility for complying with these. We are also responsible for our properties being safe for their users and the local community. Our role in the property industry means we have a direct positive impact on our business environment through offering healthy premises, promoting the development of local communities and by pursuing efforts on properties that are certified for sustainability.	<ul style="list-style-type: none"> We have a formal responsibility towards our employees, and endeavour to have a goal-oriented organisation where everyone feels involved We have a direct impact on our employees' workday in conjunction with construction, property management and purchasing By working on diversity and equality, we have a positive impact on our employees' work lives 	Meeting customer needs is our responsibility. We primarily develop properties together with our customers, but other stakeholder groups are also included in these procedures. Together with our customers, we contribute to the impact on the business environment that occurs in conjunction with construction, purchasing, property management and development.
Limitations in reporting	The sustainability data that is reported applies to Castellum as a Group. We focus on our own operation, from planning to implementation and administration. We also report carbon emissions from both upstream and downstream in the value chain. Any limitations are indicated in the respective tables.	Reporting occurs primarily for employees with supplementary disclosures from suppliers where available. We do not report information about customers and users. Any limitations are indicated in the respective tables.	Reporting occurs primarily for employees with supplementary disclosures from suppliers where available. We do not report information about customers and users. Any limitations are indicated in the respective tables.	The sustainability data that is reported applies to Castellum as a Group. There are no limitations in the reporting.
How we work	By ensuring efficient use of materials and natural resources, as well as efficient use of premises. Read more in the chapters "The Planet" and "Future-proofing".	By clearly structuring requirements and expectations of our suppliers.	By clearly structuring requirements and expectations of our employees.	We develop our properties, taking into account current and future needs in dialogue with customers and other stakeholders.
We aim to achieve the following:	The goal is to reduce our climate impact, achieving climate neutrality by 2030.	We aim to create long-term sustainability in our property portfolio.	We aim to create a healthy, risk-free and inspiring workplace where people feel committed and motivated, with a high degree of business ethics and a sense of responsibility.	The goal is to achieve workplaces that create value for us and for our customers.
Policies	<ul style="list-style-type: none"> Sustainability policy Guidelines for sustainability goals Code of Conduct Code of Conduct for suppliers Guidelines for sustainable vehicles and travel Other procedures 	<ul style="list-style-type: none"> Sustainability policy Guidelines for sustainability goals Code of Conduct for suppliers Other procedures 	<ul style="list-style-type: none"> Sustainability policy Guidelines for sustainability goals Health and safety manual, and work environment policy Code of Conduct HR manual and Manager manual Internal control procedures Other procedures 	<ul style="list-style-type: none"> Sustainability policy Accounting manual Financial policy Tax policy Other procedures
Commitments beyond Swedish law and guidelines	<ul style="list-style-type: none"> Climate targets approved by the SBTi Reporting in accordance with TCFD and the EU Taxonomy Regulation Fossil Free Sweden Supports the UN Global Compact 	<ul style="list-style-type: none"> Certification of buildings Observes the UN Global Compact 	<ul style="list-style-type: none"> Supports the UN Global Compact 	<ul style="list-style-type: none"> Supports the UN Global Compact Affiliated with WELL Portfolio
Targets	<ul style="list-style-type: none"> Climate neutrality 2030 Energy efficiency Proportion of certified buildings 100% renewable energy Fossil fuel-free vehicles 	<ul style="list-style-type: none"> High employee satisfaction index Proportion of certified buildings 	<ul style="list-style-type: none"> Low sick leave and few workplace injuries Diversity and equal opportunity 	<ul style="list-style-type: none"> Growth in income from property management Net investments Low financial risk Customer satisfaction index (CSI)
Special procedures, projects, programmes and initiatives	<ul style="list-style-type: none"> Environmental management system Method for climate calculations Sustainability training 	<ul style="list-style-type: none"> Whistleblower function 	<ul style="list-style-type: none"> Sustainability training in Code of Conduct and diversity 	<ul style="list-style-type: none"> Training in Code of Conduct
Evaluation of management	<ul style="list-style-type: none"> Monitoring of resource use and greenhouse gas emissions Resource use, environmental management systems and product responsibility are monitored as part of management's annual review Policies are evaluated annually and adopted by the Board 	<ul style="list-style-type: none"> Monitoring of cases in the whistleblower function on the Audit and Finance Committee Monitoring of local communities Annual evaluation of suppliers using social criteria during management review 	<ul style="list-style-type: none"> Monitoring of internal control Monitoring of diversity and equality, health and safety Policies are evaluated annually and adopted by the Board 	<ul style="list-style-type: none"> Analysis of Customer Satisfaction Index (CSI) Policies are evaluated annually and adopted by the Board

Sustainability notes

Castellum's efforts to reduce the company's climate impact are ambitious. The ambition of working efficiently to develop a more sustainable property portfolio has been a goal of the company since the mid-1990s. These efforts have yielded results, and Castellum is now among the most sustainable companies in the industry.

To future-proof Castellum's asset portfolio and promote the sustainable development goals established by the UN and prioritised by the company, several challenging goals have been set. For example, buildings must be more energy-efficient, natural resources must be more efficiently utilised, biodiversity in urban environments must be increased, renewable energy must increase and changing weather conditions must be taken into account.

Castellum is involved in the climate plans and policies of its customers and of government agencies. It supports international treaties such as the Paris Agreement, displays leadership and to the greatest extent possible influences the industry to reduce its climate impact. Castellum is the first property company in the Nordic region to have its climate targets approved by the Science Based Targets initiative (SBTi). One of Castellum's targets is to achieve 100% climate neutrality in its operations by 2030, thereby supporting the UN's climate agreement and the national ambition for a fossil fuel-free Sweden. Despite the strong possibilities we see for adjusting emissions from property management (Scopes 1 and 2), there are major challenges to achieving climate neutrality in Scope 3. At present, we are far from having all the solutions to becoming climate neutral by 2030. But we know that ambitious goals drive innovation.

Reporting principles

Castellum submits sustainability disclosures for all material sustainability issues based on the GRI Standard and for all of the EPRA's sBPR performance measures. Sustainability disclosures are reported for energy, greenhouse gas emissions, water, waste, and sustainability-certified buildings as well as corporate governance and societal aspects.

This sustainability notes report on the methods, assumptions and conversion factors used to produce Castellum's sustainability disclosures. In addition, detailed tables and information are reported as well as comments on limitations to or exclusion of sustainability disclosures.



The Planet

General principles

Castellum limits its reporting to the properties where we have operational control in accordance with the principles of the Greenhouse Gas protocol. Operational control was selected since it provides Castellum with the best conditions for reporting the statistics and data that Castellum can directly influence. Properties where the customer is responsible for agreements regarding energy and water deliveries and waste removal are thus excluded. Nor does Castellum own measurement data in cases where the customer is responsible for the agreement, and it is therefore difficult to report that type of data.

Scope of the disclosures

Castellum works actively to gain access to the relevant data for properties it owns and manages. Having access to measurement data is important for Castellum, as it creates conditions for proper, efficient technical management in our buildings. At present, Castellum has excellent access to measurement data for nearly its entire portfolio. The size of the share of properties included in the respective indicators is shown next to the respective key metrics. Note that the share of potential objects to report under absolute figures for the respective years includes objects sold during the year in question, excluding land. Castellum does not, however, have access to all of the measurement data for all its properties. Measurement data of waste is primarily lacking due to the fact that several waste management contractors cannot provide complete data. Measurement data is also missing for energy and water. This is due to changes in the portfolio from purchases and sales of properties as well as development properties, which makes access to the relevant data more difficult. Castellum works continually on improving access to the relevant statistics. In total, Castellum owned 554 (642) properties at the end of 2021. Kungsliden, which was acquired in late 2021, has not been included in the company's sustainability reporting or sustainability key metrics. It will be included in 2022.

No estimates

No sustainability disclosures have been estimated; unless otherwise indicated, all measurement data and all disclosures reported have been measured and assured.

Normalisation

Castellum calculates key intensity metrics through division by the total floor area of the buildings; this is the most widely accepted method in Sweden for comparing energy use and resource consumption. Castellum uses Swedish Meteorological and Hydrological Institute (SMHI) degree days to normalise energy for heating. Energy for cooling is not currently normalised.

Segment reporting (by property type and geography)

Castellum reports sustainability disclosures separated into the following building types: offices, logistics, retail, public buildings and light industry. Castellum's own offices are reported separately on page 181. Since Castellum owns properties primarily in Sweden and a very small share in Denmark and Finland, reporting the statistics by geographical division is not relevant.

The Planet **energy**

Energy consumption

Castellum reports energy we purchase and tenants' own electricity consumption. Reporting of the energy purchased by Castellum is based on actual metered consumption. The same applies for tenants' electricity consumption.

Energy produced (GRI 302-1)

	Absolute energy (MWh)		
	2021	2020	% change
Electricity produced from own solar panel installations	4,637	1,580	193%
Production of own solar electricity, used on-site	1,946	1,512	29%
Production of own solar electricity, sold	2,691	68	3,857%
Scope of the disclosures on own solar electricity produced	46/46	31/31	

Energy consumption (GRI 302-1, 302-3, Elec-Abs, Fuels-Abs, DH&C-Abs, Energy-Int)

Energy source	Absolute energy use (MWh)			Renewable share		
	2021	2020	2019	2021	2020	2019
Building electricity	61,587	70,357	76,895	100%	100%	100%
Electricity, geothermal and cooling	1,532	1,586	1,316	100%	100%	100%
Electricity, direct	1,485	1,155	522	100%	100%	100%
1. Total electricity consumption (Elec-Abs)	64,604	73,098	78,733	100%	100%	100%
Biogas	1,735	1,723	2,714	100%	100%	100%
<i>Total consumption of renewable fuels</i>	<i>1,735</i>	<i>1,723</i>	<i>2,714</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>
Natural gas	219	312	223	0%	0%	0%
Oil	252	1	86	0%	0%	0%
<i>Total consumption of non-renewable fuels</i>	<i>471</i>	<i>313</i>	<i>309</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>
2. Total fuels purchased by landlord (Fuels-Abs)	2,206	2,036	3,023	79%	85%	90%
District heating	208,499	189,382	218,716	93%	94%	95%
District cooling	16,022	14,903	15,767	100%	95%	99%
3. Total consumption of district heating and cooling (DH&C-Abs)	224,521	204,285	234,483	93%	94%	95%
Total energy consumption (1+2+3)	291,331	279,419	316,239	95%	95%	96%
Total energy consumption (normalised)	294,111	326,287	340,645	—	—	—
Energy intensity, buildings (Energy-Int)	91	75	88	—	—	—
Energy intensity, buildings (normalised)	92	87	95	—	—	—

Absolute emissions are indicated in metric tons of CO₂eq, and intensity in kg per square metre. To convert from kWh to gigajoules (GJ), use a conversion factor of 3.6.

Energy consumption outside the organisation (GRI 302-2)

	2021	2020	% change
Electricity (MWh)	38,130	42,852	-11%
Scope of the disclosures on tenants' energy	150/554	192/642	