

Well-being

Action-oriented, flexible organisation

Castellum works continually on developing and improving its organisation. Its starting point is that a shared structure in combination with a strong local presence creates the best business advantages. The company's understanding of tenants' specific requirements and deep knowledge of the specific context of each local property and rental market create the ability to act - which makes a difference, promotes business and helps employees grow.

Castellum is to be an attractive employer with committed, motivated leaders working towards the same goals, thereby meeting high expectations. The company works to attract, recruit, develop and retain the right managers and employees. The goal is to be the best choice of property management partner in all of Castellum's markets. Castellum always strives for improvement, and will be clear and transparent concerning expectations of everyone who works in the Group. Constructive monitoring is a natural and mutual part of the relationship between managers and employees, and takes place through quarterly performance and

career development reviews as well as follow-up dialogue. In addition, dialogue and follow-up routinely take place on a daily basis.

Castellum assesses various perspectives, and therefore considers diversity and equality to be important keys to growth, which is why this is a priority issue. Castellum's diversity and equality initiatives must promote equal treatment on issues concerning conditions of employment, work conditions and development in the work. The ambition is the pursuit of diversity and equality initiatives as an integral part of operations.

Education, number of people (GRI 2-7)

	2021		2020	
	Women	Men	Women	Men
University	126	133	111	129
Upper secondary school	54	108	49	121
Compulsory school	2	4	2	1

Division of labour, % (GRI 2-7)

	2021		2020	
	Women	Men	Women	Men
Customer relations/ property management	38%	62%	35%	65%
Project and business development	28%	72%	23%	77%
Support functions	65%	35%	34%	66%
Executives	45%	55%	40%	60%
Regional management groups	46%	54%	44%	56%
Executive Management	50%	50%	50%	50%

Type of employment, number of people (GRI 2-7)

	2021		2020	
	Women	Men	Women	Men
Full-time employees	174	242	155	249
Part-time employees	8	3	7	2

Forms of employment, number of people (GRI 2-7)

	2021		2020	
	Women	Men	Women	Men
Permanent employees	179	242	161	250
Temporary employees	3	3	1	1

For more detailed information on how Castellum works on diversity and equality, refer to pages 28-30.

All employee data is based on actual data. The information has been compiled and assured by Castellum's HR department. Regional HR information has been broken down by county for Sweden. Since the number of employees in Castellum's operations in Finland and Denmark is limited, these employees are included in the statistics for Sweden.

Training and education (GRI 404-1, Emp-Training)

Training, hours	Women	Men	Total
Average number of employees during the year	182	245	427
Average number of training hours during the year	2,320	3,779	6,099
Under 30	218	250	468
30-50	1,596	2,109	3,705
Over 50	506	1,421	1,927
Average hours per employee/year	13	15	14

Leadership development, hours	Women	Men	Total
Number of participating employees	37	41	78
Number of hours	427	501	928

Castellum does not break down training hours by occupational category, as the company does not have access to this information. The information may be developed in the next few years with a Group-wide HR system. The average cost for training per employee totals SEK 8,000 for women and SEK 10,000 for men, with an average of SEK 9,000 for all employees in 2021.

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
Board of Directors	7	44%	8	50%	7	57%	7	57%
Under 30	0	—	—	—	—	—	—	—
30-50	0	—	1	100%	1	100%	1	100%
Over 50	7	44%	7	43%	6	50%	6	50%
Executive management	8	50%	8	50%			9	44%
Under 30	0	—	—	—	—	—	—	—
30-50	6	47%	6	50%	5	40%	6	67%
Over 50	2	58%	2	50%	2	50%	3	0%
Employees excl. executive management	427	43%	413	40%			374	42%
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
Number of employees, excluding Board	182	245	427
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 ¹⁾	2021		2020		2019	
	Number of employees	Of which women	Number of employees	Of which women	Number of employees	Of which women
New employees during the year²⁾						
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%	
Employees who left during the year						
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 ³⁾	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.

Well-being, cont.

Working environment

Castellum protects and supports both employees and suppliers, and it is our responsibility that no one becomes ill, either physically or mentally, or is injured owing to their work.

We work routinely on developing and improving working environments within the entire Group. Castellum also has a Code of Conduct for suppliers, in which they are obligated to meet the same requirements we impose on ourselves as regards work environments. During the year, 18 work-related accidents (11) were reported, 7 (5) of which involved Castellum employees. Total sick leave remained low, at 2.9% (2.0).

To reach the Group's tough sustainability goals of net-zero carbon emissions by 2030 and maintain a non-fossil fuel powered vehicle fleet, Castellum's employees must prioritise sustainable travel and meetings. Castellum's guidelines include the following requirements:

- Travel over 450 km should primarily be booked by train.
- Environmental requirements are imposed on all travel (e.g. green taxis should be booked).
- Annual climate compensation for all of the Group's travel.

Occupational health and safety

(GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7)

Castellum's procedures for occupational health and safety cover all its employees. Systematic occupational health and safety work is based on a work environment handbook with policies, guidelines and procedures that is available to all employees on the intranet. All employees are covered by Castellum's systematic health and safety work, and training is continual both in accordance with plans and as needed. Castellum assumes its statutory work environment responsibility for all of its employees and agency staff, and assumes coordinating responsibility for contractors in our operations.

Occupational Health and Safety by property type (H&S-Asset)

	Like-for-like (Lfl) comparison																	
	Offices			Logistics			Retail			Public sector properties			Light industry			Castellum total		
	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019
Health and safety evaluations (H&S-Asset)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Work-related injuries and ill health (GRI 403-9, 403-10, H&S-Emp, H&S-Comp)

	2021		2020		2019	
	Employees	Suppliers	Employees	Suppliers	Employees	Suppliers
Number of work-related fatalities (H&S-Emp)	0	0	0	0	0	0
Number of workplace injuries leading to absence (LTI)	2	5	2	4	— ⁴⁾	— ⁴⁾
<i>Injury frequency rate per 200,000 hours (LTIFR)</i>	0.5	0.2	0.5	0.2	— ⁴⁾	— ⁴⁾
Number of workplace injuries with serious consequences ¹⁾	0	0	0	0	— ⁴⁾	— ⁴⁾
<i>Injury frequency rate per 200,000 hours</i>	0	0	0	0	— ⁴⁾	— ⁴⁾
Total number of recorded workplace injuries	7	11	5	6	7	11
<i>Injury frequency rate per 200,000 hours (TRIFR, H&S-Emp)</i>	1.7	0.3	1.2	0.3	1.7	— ⁴⁾
Number of recorded workplace injuries ²⁾ (H&S-Comp)	13	not measured	5	not measured	6	not measured
Short-term sick leave as % of total hours worked (H&S-Emp)	1.1%	not measured	0.9%	not measured	1.0%	not measured
Long-term sick leave as % of total hours worked (work days lost, employees; H&S-Emp)	1.8%	not measured	1.1%	not measured	1.9%	not measured
Total sick leave as % of total hours worked (absence, employees; H&S-Emp)	2.9%	not measured	2.0%	not measured	2.9%	not measured
Total number of hours worked	840,212	6,712,089³⁾	828,613	4,194,183³⁾	846,905	—⁴⁾

Terms: LTI = Lost Time Injury, LTIFR = Lost Time Injury Frequency Rate, TRIFR = Total Recordable Injury Frequency Rate.

1. Serious injuries with more than 6 months of recovery, excl. fatalities.

2. Castellum's interpretation of GRI's "Work-related ill health".

3. The number of hours worked for suppliers is based on an assumption that 60% comprises labour costs at an hourly price of SEK 500.

4. The key metrics were first measured in 2020.

Well-being, cont.

The work environment handbook indicates how the responsibility and work environment tasks are allocated. The regional managing directors of the various parts of the operation bear primary responsibility. The regional managing directors delegate work environment tasks to the operations so that one or more managers, supervisors or other employees are tasked with working to prevent risks in the work and to achieve a satisfactory work environment. Employees or employers who are or have been assigned responsibility for work environment tasks must ensure that the knowledge concerning the work is sufficient, which is also defined in Castellum's work environment handbook. The company's local safety officers have an important function in occupational health and safety work, and in cooperating to develop Castellum's work environment. Courses in occupational health and safety are continually held in the operation.

Risk identification and management

Identifying and preventing risks to health and safety are the foundation of Castellum's occupational health and safety work. Risks are assessed at different levels and in specific situations. For example, risks are reviewed and a renewed risk assessment is conducted for every part of operations on an annual basis. Risk assessments are also conducted in conjunction with changes (e.g. moving premises, new tools, changes to working methods or prior to hiring a contractor).

Castellum's workplace-related incidents and accidents are handled according to established procedures. If an employee suffers an occupational injury or gets into an accident at work, or if some near-accident occurs at work, the managing director of the operation concerned, the manager concerned and the HR director – as well as the employee – will investigate the causes so that the risk of ill health and accidents can be prevented in the future and, if needed, routines and approaches for minimising risks can be changed.

The regional managing directors of the operation concerned, or alternately the manager concerned, must report the occurrence to the Swedish Work Environment Authority without delay. The regional managing directors of the operation concerned are also responsible

for reporting work-related injuries to Castellum's legal department. The documentation will be used in the systematic health and safety work so as to prevent future accidents.

At Castellum, the safety officers have the right to intervene and stop work that is deemed to be dangerous or could entail a risk of injury or ill-health. In Castellum's projects, near-accidents and accidents must also be reported for the purpose of learning from the experience. Our hired contractors are formally responsible, in their capacity as employers, to investigate and implement measures in conjunction with workplace injuries. It is the task of Castellum as property developer, however, to draw lessons from what took place in order to apply actions in conjunction with planning and designing projects as well as regards overall conditions for the project. Castellum's employees have a great deal of influence over the company's work environment and health initiatives. The safety officers have an important role in this. Influence is exercised through measures such as participation in risk assessments, safety committees, physical fitness groups and more. At Castellum, there are local safety committees that both employer and employee representatives take part in.

Health Care

For Castellum, healthy employees who feel good and live healthy lifestyles are important. Lifestyle, and the physical and social environment, are crucial for people's health and wellness both in leisure time and work life.

Castellum makes use of external resources for occupational health services, starting from the fact that expert knowledge is necessary to study and assess the potential physical and mental risks. Occupational health care proposes measures and takes part in implementing them. It is also an important resource when rehabilitation studies are to be conducted and in conjunction with work adaptation measures for individual employees and groups of employees. It may be a question of employees who face challenges in the physical work environment, for example, with unbalanced work. Health checks are conducted throughout the company once per year, and more time is scheduled when needed. The purpose of

occupational health care is to work in a manner that promotes health and is preventive, in accordance with the intent of the Swedish Work Environment Act.

Through their healthcare insurance, all employees have access to several preventive health service such as telephone support and e-health services, which are free of charge to use and are available round the clock. In order to provide every employee with the proper conditions to care for their health, all employees are offered work environment and health check-ups at certain intervals.

To inspire our employees, Castellum has a physical fitness group that continually develops activities that our employees are invited to. Every year, our physical fitness group develops a plan with various physical fitness activities that are carried out around the company. Every employee also has access to a physical fitness subsidy of SEK 5,000 per year.

Preventive work with suppliers

Castellum's operations encompass many buildings and large areas of land around the Nordic region. To achieve effective administration and construction, Castellum needs to partner with many different suppliers. Partnership with suppliers is built on such factors as clear requirements and expectations, as well as dialogue and monitoring. By imposing clear requirements in areas such as work environment, we can enable and promote sustainable development for the entire construction and property industry. The Code of Conduct for suppliers, clear requirements in procurement documents, and instructions for suppliers are a few examples of how Castellum takes on these issues.

Work-related injuries and ill health (GRI 403-9, 403-10)

During the year, a total of 7 workplace accidents (5) were reported for Castellum's own employees. The most common accidents were crushing injuries, falls and injuries owing to sub-operations. The number of injuries resulting in sick leave (LTI) yields an accident rate of 0.5 (0.5) per 200,000 hours worked, which is considered low. The accident rate is defined as the number of workplace accidents that lead to absence on one or more contractual workdays per 200,000 hours worked.

Sick leave in the company remains low and continues to hold steady at 2.9% (2.0). Our time-reporting system for registering sick leave provides us with the opportunity for early identification of employees who are experiencing work-related ill health. During the year, 13 employees (7) indicated that their absences were a consequence of conditions at work. Those who suffered workplace injuries with absence as a result are here. In addition, there is ill health as consequence of stress. We work continually with health-promoting and preventive activities for the purpose of preventing employees from suffering work-related injuries and ill health. We work in accordance with a structure similar to a “hierarchy of controls” in order to prevent and reduce the risk of injury.

Castellum has established targets for forward-looking occupational health and safety work:

- Short-term sick leave must be under 2%.
- Long-term sick leave must be under 3%.
- Zero workplace injuries and work-related illness among employees and suppliers.
- All managers must have undergone systematic occupational health and safety training for the purpose of possessing the knowledge required for the responsibility they have been delegated.
- Safety committee meetings must be held every three months.
- Psychosocial work environment issues must be followed up annually via questions in temperature measurements, which were introduced during the year. Targets for psychosocial issues will be followed up on in 2021.

Castellum has procedures for recording and investigating work-related illnesses in order to establish the underlying causes and to develop preventive strategies. Among our suppliers, 5 workplace injuries (4) resulting in absence were reported during the year. This yields an accident rate of 0.15 per 200,000 hours worked, which from an industry perspective can be considered low. The accident rate is defined as the number of workplace accidents that lead to absence on one or more workdays per 200,000 hours worked. No fatalities have occurred, which is why we did not divide fatalities according to workplace illness or workplace accidents, nor is any fatality rate reported.

Performance and career development review (GRI 404-3, Emp-Dev)

Performance and career development reviews are conducted on a regular basis to set individual goals and identify any needs for competence development. All employees are offered performance and career development reviews. In the course of 2021, 91% (93) of all employees took part in performance and career development reviews, of which 93% (89) were women and 89% (95) were men. Castellum does not break down performance and career development reviews by occupational category, as the company does not have access to this information at the individual level. The information may be developed in the next few years with a Group-wide HR system.

Sick leave, employees (GRI 403-10)

	2021			2020		
	Women	Men	Total	Women	Men	Total
Absenteeism, Castellum	3.3%	2.6%	2.9%	2.1%	2.0%	2.0%
Of which short-term sick leave	1.1%	1.1%	1.1%	0.8%	1.0%	0.9%
Of which long-term sick leave (counted after day 15)	2.2%	1.5%	1.8%	1.3%	1.0%	1.1%

Performance and career development review (GRI 404-3, Emp-Dev)

	2021			2020		
	Women	Men	Total	Women	Men	Total
Performance and career development reviews conducted (Emp-Dev)	93%	89%	91%	89%	95%	93%

Castellum does not break down performance and career development reviews by occupational category, as the company does not have access to this information. The information may be developed in the next few years with a Group-wide HR system.