

# Overall governance structure

## Articles of Association

The name of the Company is Castellum Aktiebolag and the company is a public limited company. The head office of the Company is in Gothenburg. The objective of the Company's operations is to acquire, administer, develop and sell properties and securities, directly or indirectly through wholly or partially owned companies, and to conduct other operations compatible with these. Changes to Castellum's Articles of Association are made in accordance with the provisions of the Companies Act. The Articles of Association in their entirety can be accessed at the company's website, [www.castellum.se](http://www.castellum.se).

## The Swedish Corporate Governance Code

Corporate governance covers the various means of decision-making by which the shareholders directly and indirectly control the Company. Corporate governance in Swedish listed companies has been developed through laws, recommendations and statements as well as through self-regulation. The Swedish Corporate Governance Code (the "Code") is important for corporate governance in Swedish listed companies.

The model below describes the overall structure of corporate governance at Castellum.

## Compliance with the Code

In the opinion of the Board, Castellum complied with the Code in all respects in 2021 and has no deviations to report or explain.

## Shareholders and shares

Castellum Aktiebolag (publ) is a Swedish public limited company governed by the Swedish Companies Act, the Nasdaq Stockholm Rulebook for Issuers, the Code and the Articles of Association.

The Castellum share is traded on Nasdaq Stockholm Large Cap. At 31 December 2021, Castellum had approximately 103,000 shareholders. Of the total share capital, 57% was owned by Swedish institutions, funds and private individuals, and 43% by foreign investors. The largest owner of Castellum is Rutger Arnhult, who owns 17.2% of the shares outstanding through a company, which

is the only registered shareholder with holdings exceeding 10% of the shares in the Company.

The share capital amounts to SEK 172,865,984 distributed among 345,731,968 registered shares with a quotient value of SEK 0.50. Each share entitles the holder to one vote and carries an equal right to a share in Castellum's capital. There are no warrants, convertible bonds or similar securities which may lead to additional shares in the Company.

## Acquisition of Kungsleden Aktiebolag (publ)

In 2021, Castellum submitted and concluded a public takeover bid of Kungsleden Aktiebolag (publ). Prior to the acquisition, Kungsleden was listed on Nasdaq Stockholm with a separate corporate governance structure. After the public takeover bid was completed, Kungsleden was de-listed from Nasdaq Stockholm and is now a subsidiary of Castellum. Various functions from Kungsleden's corporate governance will thus be integrated into Castellum's corporate governance framework.

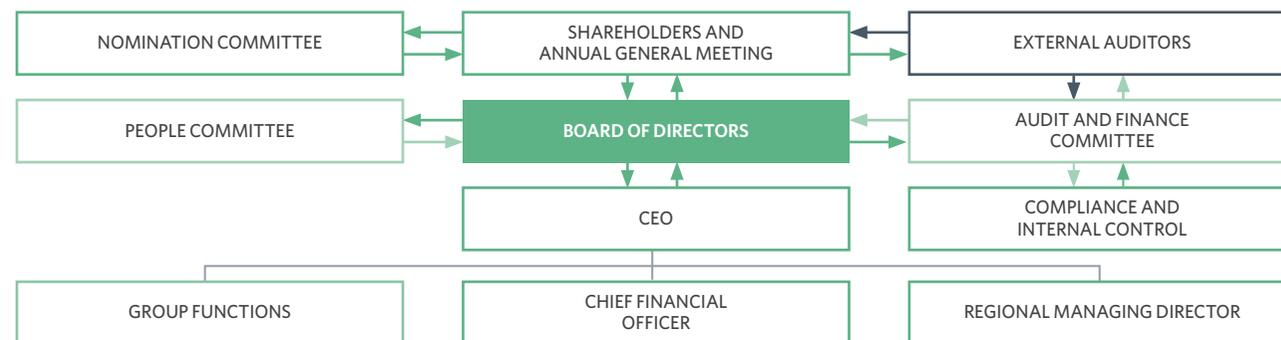
### External regulations

The external framework for corporate governance includes:

- The Swedish Companies Act
- The Nasdaq Stockholm Rulebook for Issuers
- The Swedish Corporate Governance Code (the Code)
- IFRS standards
- EU accounting regulations
- The UN Global Compact

### Important internal regulations

- Articles of Association
- The Board of Directors' rules of procedure
- Resolution procedure
- Policy regarding the composition of the Board, authorised signatories, proxy forms and authorisations
- Rules of procedure for subsidiary Boards of Directors
- Communication policy, financial policy, tax policy, insider policy, sustainability policy, Code of Conduct, Code of Conduct for suppliers and crisis management policy
- Manuals and guidelines for important parts of operations
- Processes for internal control and risk management



### Chairman of the Board

The Chairman of the Board of Directors 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 regarding establishment of a Nomination Committee, and to participate in its work.

### The work of the Board in 2021

Castellum's Board held 29 meetings in 2021, of which one was the Board meeting following election. According to the prevailing rules of procedure, the Board is to hold at least seven scheduled Board meetings per calendar year, of which one is a Board meeting following election.

The Board meetings are held in connection with the Company's financial reporting: annual accounts, proposals for appropriation of profits, and issues in connection with the AGM are covered in January; interim reports in April, July and October; strategy in June and the budget for the coming year in December.

At each of the scheduled Board meetings, matters of significance for the company such as investments, sales of properties and financing, are covered. Further, the Board is informed of the current business situation in both the rental and property markets and the credit and stock markets. Issues concerning work environment, incident reports and customer-related questions are addressed regularly by the Board.

The Board also holds meetings with the auditors without the presence of corporate management.

Routine matters the Board addressed in 2021 further include Company-wide policies, the overall strategy plan, the Board's rules of procedure, capital structure and financing needs and sustainability initiatives, including continued focus on know-how for all Board members in the field of sustainability. Apart from this, the operational model and organisational issues were addressed, as was the company's insurance situation.

In addition, the Board devoted several meetings to enhancing their knowledge of operations through themed meetings. Beyond the routine matters above, the work of the Board in 2021 focused on recruiting a new CEO and the continued shift of Castellum's

asset portfolio, both from a quality perspective and towards higher density with an even clearer orientation on growth cities in the Nordic region where significant strides have been made in Finland and Norway (through the ownership of the Norwegian property company Entra ASA). During the year, the work of the Board also focused on the public takeover bids submitted to Entra ASA and Kungsleden Aktiebolag (publ), the sale of a logistics portfolio to Blackstone and the further acquisition of shares in Entra ASA. The Board also continued to invest time and energy into initiatives around the company's financing and credit rating and its project development process, as well as issues concerning innovation and technology-based business development, climate initiatives, efficiency enhancement measures and issues concerning succession and recruitment, as well as risk management.

During the autumn of 2021, the Board also conducted an evaluation of its work. The evaluation indicated an open and constructive Board climate and a decision-making process that functions well.

The evaluation has been presented and submitted to the Nomination Committee and was discussed by the Board. Topics reviewed in the evaluation include working climate, forms of work concerning the business process, crisis management, strategic issues, monitoring and control systems, access to – and the need for – particular Board competence, order of succession, morals, ethics and communication.

The evaluation and subsequent Board discussion serve as a basis for the ongoing development of the Board's work methods and ensure that the Board can take decisions that are as well-informed as possible.

The Board evaluation complies with the guidelines for board evaluations in the Code.

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

| Board members             | Remuneration, KSEK | Meeting attendance               |                  |                             | Independent      |
|---------------------------|--------------------|----------------------------------|------------------|-----------------------------|------------------|
|                           |                    | Board of Directors <sup>1)</sup> | People Committee | Audit and Finance Committee |                  |
| Rutger Arnhult            | 1,190              | 22 of 29                         | 1 of 4           | 3 of 4                      | No <sup>2)</sup> |
| Per Berggren              | 525                | 29 of 29                         | 3 of 4           |                             | Yes              |
| Anna-Karin Celsing        | 625                | 21 of 29                         |                  | 3 of 4                      | Yes              |
| Christina Karlsson Kazeem | 500                | 29 of 29                         | 2 of 4           |                             | Yes              |
| Anna Kinberg Batra        | 425                | 22 of 29                         |                  |                             | Yes              |
| Zdravko Markovski         | 525                | 29 of 29                         |                  | 4 of 4                      | Yes              |
| Joacim Sjöberg            | 425                | 29 of 29                         |                  |                             | Yes              |

1. The large number of Board meetings should be viewed in the light of a high level of activity on the transaction market. Some Board members took office on 25 March 2021 and therefore did not participate in all meetings during 2021.

2. Not independent in relation to major stockholders.

# Board of Directors



|                            | <b>Per Berggren</b>   | <b>Rutger Arnhult</b>   | <b>Anna-Karin Celsing</b>  | <b>Christina Karlsson Kazeem</b>  |
|----------------------------|---|---|--|---|
|                            | Chairman of the Board since 2022 and Board member since 2007. Member of the Audit and Finance Committee and of the People Committee.                                    | Board member since 2022 and former Chairman of the Board since 2021.  | Board member since 2021. Chair of the Audit and Finance Committee.   | Board member since 2016. Member of the People Committee. CEO of Ettelva Arkitekter AB.  |
| <b>Born:</b>               | 1959  | 1967  | 1962   | 1965  |
| <b>Education:</b>          | Master of Science KTH and economic education from Stockholm University.   | Master of Economics from Lund University.   | Master of Economics from Stockholm School of Economics.  | Master of Science in Engineering from KTH Royal Institute of Technology.  |
| <b>Previous positions:</b> | CEO of Hemsö Fastighets AB, CEO of Jernhusen AB, Division Manager of Fabege AB (publ), CEO of Drott Kontor AB and Property Manager at Skanska Fastigheter Stockholm AB. | Extensive experience and expertise in the finance and property industry. Financial analyst for Handelsbanken Markets, Öhman Fondkommission and Alfred Berg Fondkommission. Former CEO and board member of Corem Property Group AB (publ). | 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. | Chairman of the Board of Tomorrow China, part of the H&H Communication Group. Communication Manager at Niscayah Group and executive positions at Razorfish AB and Creuna AB. Worked with city planning and development at the City of Stockholm Property Management Administration. |
| <b>Board assignments:</b>  | Board member of Fasticon Kompetens Holding AB, White Arkitekter AB, RetailFast Holding AB and Fondamentor AB.   | Chairman of the Board of M2 Asset Management AB (publ).   | Board member of companies including Carnegie Investment Bank AB, Volati AB, Landshypotek Bank AB, OX2 AB, Lannebo Fonder AB and Tim Bergling Foundation.   | Chairman of the Board of Creador AB and Millimeter Arkitekter AB.   |
| <b>Shareholding:</b>       | 10,000  | 58,925,000  | 2,000  | 439   |

**Anna Kinberg Batra****Zdravko Markovski****Joacim Sjöberg**

|                            |  |  |   |
|----------------------------|--|--|---|
|                            | Board member since 2021. Chair of the People Committee.  | Board member since 2020. Member of the Audit and Finance Committee.  | Board member since 2020. Member of the Audit and Finance Committee.   |
| <b>Born:</b>               | 1970   | 1964   | 1964  |
| <b>Education:</b>          | Bachelor in Economics from Stockholm School of Economics.  | Master of Science in Engineering from KTH Royal Institute of Technology.   | Master of Laws from Stockholm University.   |
| <b>Previous positions:</b> | Member of the Riksdag, chair of the Riksdag EU Committee and Finance Committee, leader of the Moderate Party. Municipal and county councillor, project leader in the European Parliament and advisor in the Swedish Government Offices. Director of Information, Stockholm Chamber of Commerce, co-founder of Nova Talent, leader in residence, Stockholm School of Business, advisor for SSE Business Lab and McKinsey, board member of Fryshuset, Avanza Pension and Collector Bank AB (publ). | Board member of Backastad AB and Backastad Projekt AB (Backahill Group), President and CEO of Svevia AB, several executive positions in the JM Group and Board member of Sveriges Byggindustrier in the Confederation of Swedish Enterprise. | 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 Aktiebolag, Räckesbutiken Sweden AB, Centro Kakel & Klinker AB, JLL Transaction Services AB and Tendium Holding AB. Board member of JLL Capital Markets AB and G&L Beijer Import och export AB. |
| <b>Board assignments:</b>  | Chairman of the Board of Soltech Energy Sweden AB (publ). Board member of Carasent ASA (publ), Cinis Fertilizer, Polarium Energy Solutions AB, Ogunsen (publ) and Swedish Space Corporation. Member of the Stockholm Chamber of Commerce Council of Representatives.   | Board member of Besqab AB (publ) and ZM & Co AB.   | CEO and board member of Valhalla Corporate Advisor AB, board member of Wästbygg Gruppen AB (publ) and KlaraBo Sverige AB.   |
| <b>Shareholding:</b>       | 2,000  | 2,000  | 2,000   |

**Malin Axland**  
Chief Legal Officer, and  
Secretary of the Board.

The information above refers to the situation in February 2022. 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.

# 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.