

Note 12 Personnel and Board of Directors

	Group		Parent Company	
	2021	2020	2021	2020
Number of employees				
Average number of employees	443	413	85	81
of which women	189	162	55	49
of which Finland (of which women)	8 (4)	2 (1)	—	—
of which Denmark (of which women)	12 (3)	12 (3)	—	—

Salaries, remuneration and benefits

	Group		Parent Company	
	2021	2020	2021	2020
Salaries, remuneration and benefits				
Chairman of the Board	1.2	1.2	1.2	1.2
Other Board members	3.2	3.0	3.2	3.0
Chief Executive Officer and Deputy CEO				
Base salary	6.9	4.7	6.9	4.7
Variable remuneration	-1.0	3.5	-1.0	3.5
Benefits	0.1	0.1	0.1	0.1
Other senior executives				
Group: 7 (7), Parent Company: 3 (3)				
Base salary	12.8	13.2	5.1	5.9
Variable remuneration	8.0	7.2	3.2	2.5
Benefits	0.6	0.6	0.2	0.2
Employees excluding executive management	293.2	286.1	67.6	79.5
Total	325.1	319.6	86.5	100.6
Contractual pensions costs				
Chief Executive Officer and Deputy CEO	1.7	1.5	1.7	1.5
Other senior executives (7 men, 3 women)	4.1	4.2	1.7	1.9
Employees excluding executive management	44.4	35.6	8.7	11.6
Total	50.2	41.3	12.1	15.0
Statutory social security expenses incl. payroll tax				
Chairman of the Board	0.4	—	0.4	—
Other Board members	1.0	—	1.0	—
Chief Executive Officer and Deputy CEO	2.3	3.0	2.3	3.0
Other senior executives (7 men, 3 women)	7.7	7.6	3.0	3.2
Employees excluding executive management	102.9	98.4	23.4	27.8
Total	114.3	109	30.1	34.0
Total	489.6	469.9	128.7	149.6

In 2021, the Parent Company had 7 (8) board members, of whom 3 (4) were women, while the total number of Board members in the Group's subsidiaries was 23 (13), of whom 12 (4) were women. At year end, the Group had 8 (8) senior executives, of whom 4 (4) were women. The total number of senior executives in the management groups of all the subsidiaries, and senior executives of the Group, was 47 (37), of whom 23 (14) were women.

Board remuneration

Board remuneration was set by the 2021 Annual General Meeting at KSEK 3,565, of which KSEK 1,015 was allocated to the Chairman of the Board and KSEK 425 to each of the remaining Board members. Additional remuneration totalling KSEK 750 is also due. These amounts apply from the AGM on 25 March 2021 to the AGM on 31 March 2022.

Board fees	2021	2020
Per Berggren	673	490
Rutger Arnhult	1,020	—
Anna-Karin Celsing	625	—
Christina Karlsson Kazeem	500	421
Anna Kinberg Batra	447	—
Zdravko Markovski	525	263
Joacim Sjöberg	447	213
Charlotte Strömberg	—	1,189
Anna-Karin Hatt	—	490
Christer Jacobson	—	421
Nina Linander	—	609
Johan Skoglund	—	121
Total	4,237	4,217

Executive Management

At year end, the CEO, the Chief Financial Officer, the Deputy CEO/Chief Financial Officer, Director Communications and HR Director, as well as the four Managing Directors of the regions, were part of Castellum AB.

Remuneration and benefits

Remuneration and benefits for Executive Management are prepared by the Remuneration Committee and decided by the Board of Directors. The remuneration comprises a base salary as well as variable remuneration according to an incentive plan, described below. During the three-year period of the plan, variable remuneration can amount to a maximum of three years' salary. Executive Management has an incentive plan that comprises two components:

- A profit-based component that is based on growth in income from property management compared to the previous year, as well as an overall estimation of development for certain individual factors. Full outcome requires that growth in income from property management per share reaches 10% per year. When growth is in the 0–10% range, a linear calculation of the incentive is made. The profit-based component is paid out yearly as salary after the year-end closing and can total no more than six months' salary per year. The outcome for 2021 was 56% (72), representing a cost of MSEK 3 (6) including social security contributions.

Note 12 cont.

- A share price-based component that is based on the total return on the Castellum share during a three-year period, both in nominal figures and compared with index for property shares in Sweden, the Euro-zone and the UK. For full outcome of the incentive plan, the total return must be at least 50% during the period and the total yield has to exceed index development by at least 5 percentage points during the period. When growth is in the 0-50% and 0-5 percentage points ranges respectively, a linear calculation of the incentive is made. Any variable remuneration is paid as salary after the measurement period from June 2020 to May 2023. During the three-year period, the share price-based portion may total no more than one and a half years' salary, equivalent to a cost for Castellum of MSEK 20 including social security expenses. As of December 2020, the time-adjusted outcome was 75% (64), representing a cost of MSEK 8 (4) including social security contributions. Final reading and set-offs will occur in May 2023.

Executives in receipt of variable remuneration according to the incentive plan must acquire Castellum shares for at least half of the amount of the payment due after tax. The paid incentive does not affect pensionable contributions.

Pensions

Members of Executive Management have defined-contribution pensions with no other obligations for the company than to pay an annual premium during the time of employment. This implies that these persons, after completed employment, have the right to decide on their own, the time-frame during which the defined-contribution payments and subsequent return will be received as pension. The retirement age for the CEO and other members of Executive Management is 65 years.

Notice of dismissal

In the event of notice of dismissal by the company, the notice period will not exceed 6 months regarding the Chief Executive Officer and 12 months for any other member of Group executive management. When notice of termination is given by the Chief Executive Officer or any other member of Executive Management of the company, the notice period is six months. During the notice period, salary and other benefits are paid, with deduction for salary and remuneration derived from other employment or activity. No deduction will occur for the Chief Executive Officer. Upon notice of dismissal of the Chief Executive Officer by the company, a severance pay of 12 months' fixed salary is paid, and is not reduced as a result of other income received by the Chief Executive Officer.

Pensions for other employees

Other employees at Castellum have defined-contribution pensions, with no other obligations for the company than to pay an annual premium during the time of employment. This implies that these persons, after completed employment, have their own right to decide on the time-frame during which the defined-contribution payments and their return on investment will be received as pension. However, there is an exception for about 40 employees within the Castellum Group who instead have defined-benefit ITP plans with regular payments to Alecta. Fees for the year for pension insurance policies signed with Alecta totalled MSEK 1.5 (1.6). The surplus in Alecta may be distributed to the insurance holder and/or to the insured. Alecta's surplus in the collective consolidation level as of December had not been made official at the time of signing of this Annual Report and can therefore not be reported. Alecta's latest official consolidation level for 2021 was 172% (148). The collective consolidation level is made up by the market value of Alecta's assets as a percentage of the insurance obligations calculated according to Alecta's assumptions for calculating the insurance, which do not comply with IAS 19.

Note 13 Investment properties

Schedule of the changes during the year	Group	
	2021	2020
Opening balance	103,042	95,168
New construction, extensions and reconstructions	3,799	2,512
<i>of which capitalised interest costs</i>	50	37
Acquisitions	56,147	2,646
Sales	-16,350	-740
Change in value	6,307	3,712
Currency translation	201	-256
Closing balance	153,146	103,042
Schedule of tax assessment value		
Buildings	39,450	29,008
Land	17,572	13,142
Total tax assessment value	57,022	42,150
Income from investment properties	6,184	5,892
Property costs for investment properties	1,813	1,549

The year's change per category is shown in the table below.

Change for the year by category	Offices		Public sector properties		Warehouse/Logistics	
	2021	2020	2021	2020	2021	2020
Opening balance	49,332	44,667	21,879	21,716	18,446	15,390
Category adjustments	1,942	1,189	-2,604	-4	46	692
New construction, extensions and reconstructions	1,099	835	256	217	284	389
Acquisitions	38,488	2,179	3,161	218	2,100	233
Sales	-4,803	-74	-2,292	-612	-7,738	—
Change in value	3,038	767	1,166	364	1,075	1,747
Currency translation	177	-231	21	-20	2	-5
Closing balance	89,273	49,332	21,587	21,879	14,215	18,446

Change for the year by category	Retail		Light industry		Developments and land	
	2021	2020	2021	2020	2021	2020
Opening balance	7,552	7,242	2,352	2,119	3,481	4,034
Category adjustments	-183	14	33	—	766	-1,891
New construction, extensions and reconstructions	86	158	23	12	2,051	901
Acquisitions	2,545	—	5,102	—	4,751	16
Sales	-785	—	-791	-20	59	-34
Change in value	287	138	62	241	680	455
Currency translation	—	—	—	—	—	—
Closing balance	9,502	7,552	6,781	2,352	11,788	3,481

The Parent Company owns no properties.