



2024

Annual Report

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Castellum's Annual Report
The statutory Annual Report, which contains the Directors' Report and financial statements, is found on pages 32–168 and 173. Castellum's statutory Sustainability Report under the Swedish Annual Accounts Act is found on pages 4–13, 25, 28, 41–46, 47–107, 110–113 and 115–120. The cross-references to the various sustainability reporting frameworks that Castellum applies are on pages 100–105.

This is a translation of the Swedish language original. In the events of any differences between this translation and the Swedish original, the latter shall prevail.

Front page: Kalvebod Brygge 39–41, Copenhagen



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Introduction

Welcome to Castellum

Castellum owns, manages, and develops properties and is one of the Nordic region’s largest listed property companies, quoted on Nasdaq Stockholm Large Cap. The company develops flexible workplaces and smart logistics solutions, and is located in attractive growth cities in the Nordic region. Castellum aims to be the Nordic region’s most sustainable property company and actively contribute to sustainable development. Castellum is the only company in the Nordic property and construction sector that has been included in the Dow Jones Sustainability Index.

Key metrics 2024

Contract value	SEK 9,478 M (9,243)
Income from property management	SEK 4,819 M (4,373)
Loan-to-value ratio	36 % (37)
Property value ¹	SEK 155 Bn (160)
Energy optimisation in the like-for-like portfolio	–4 % kWh/sq. m. (–4)
Share of self-generated solar electricity of annual electricity consumption	21 % (17)
Sustainability-certified properties	54 % (50) of sq. m.
Gender equality	43 % women (41) 57 % men (59)

1. Including holdings in Entra.



Ottar 5, Västerås

CEO's comment

Increased income from property management and strong financial position

We sum up 2024 with income from property management that increased 10.2 per cent year-on-year. The advantages of the company's diversified property portfolio and size became clear during the year. The robust actions that were taken in previous years have created the stability and growth platform that we intended. Our strong regional cities truly showed the way during the year, and our various sub-markets balance each other well.

The year was marked by a cautious rental market, but at the same time it was a market where we had high levels of activity involving new and existing tenants. There is a heavy focus from companies on the workplace – not just from a cost perspective – and our role is increasingly moving towards an advisory one. Offering an attractive workplace is an important way to entice employees to return to the

office. After the pandemic, office attendance and flexibility were frequently discussed topics. We are seeing a gradual increase in office attendance and a growing interest among employees to be at the office. Work Life of the Future, our annual survey of the Nordic region that over 4,000 office employees respond to, shows that both time in the office and the willingness to be there have increased for the third consecutive year.

Major lease for TV4

In November, we signed a 15-year lease with television channel TV4 for approximately 16,000 square metres in Stockholm's port district. In the Rotterdam 1 property, we are creating a broadcasting studio that is on the very cutting edge of development. The investment volume totals SEK 300 M and the total rental value amounts to SEK 1 Bn. The TV studio will also bring new life into the whole of this

expansive district, which in the next few years will be witness to a rapid pace of development.

Positive net leasing

We achieved positive net leasing of SEK 13 M for 2024, a result to be proud of given the generally cautious rental market. Behind this figure lies a comprehensive effort by the entire organisation and a large number of leases. Castellum's focused leasing activities yielded clear results.

Gradual increase of projects

After a drastic slow-down in project operations in 2023, we are now gradually increasing the pace of development in our portfolio. Ongoing projects are progressing well; we have started a number of new projects, and above all we have worked on our pipeline where we have a number of major business opportunities with good yield potential.



CEO's comment

During the year, we started the Erskine & friends project in the Kungsholmen district of Stockholm, an extensive renovation where we are creating 10,000 square metres of attractive office space. In Västerås, we are building a fully leased, new, efficient and sustainable 37,000-square metre logistics facility.

In Norrköping, we are renovating a previously vacant office building that is now fully leased to the Swedish Police Authority.

We have also broken ground on our joint project with the Port of Gothenburg – OneMed's new logistics facility in the Halvorsäng district of Gothenburg, where we are constructing a 45,000-square metre logistics facility. The new, modern logistics park with optimal access roads to the largest port in the Nordic region provides us with the possibility of a further expansion of approximately 100,000 square metres. In the Lilla Bommen district, also in Gothenburg, an office property is being converted into a hotel for Scandic.

After the end of the year, we announced our plans to initiate the construction of Infinity, a modern and sustainable office property in the Hagastaden district of Stockholm. Start of construction is planned for the third quarter of 2025, with occupancy planned to begin starting in September 2027. The total investment volume is approximately SEK 1,700 M, of which about SEK 450 M has already been invested, for example, to acquire land. Infinity is one of our most

prestigious projects and a central component of the strategy for raising the quality of the asset portfolio and creating value for our shareholders.

Continued portfolio optimisation

During the year, we continued to optimise our asset portfolio through invest-

ments and sales. Over time, we will increase the aggregate value of our assets, but divestments may exceed investments during certain periods. The goal of the portfolio optimisation is higher quality and density.

We evaluated a number of acquisitions during the year. Our growth ambitions remain large, and long-term shareholder value is created by doing good business.

Strong financial position and strong financing market

The loan-to-value ratio amounted to a low 35.6 per cent, and our available liquidity including unutilised credit facilities amounted to SEK 26.4 Bn. We are very satisfied with the balance sheet, and we are well positioned for future investment opportunities.

During the year, we received a strong credit rating from Moody's and in conjunction with this, we issued an unsecured bond of EUR 500 M in the European capital market. It was our first issue in the European capital market since March 2022. Interest was extremely high and, as we understand

Significant events in 2024

- **Revised financial targets and dividend policy.** In May, the Board decided on a revision of its financial targets and dividend policy. The new overall financial target is a return on equity of at least 10 per cent. The new dividend policy means that the dividend will total at least 25 per cent of income from property management.
- **High ranking in S&P Corporate Sustainability Assessment.** For the ninth consecutive year, Castellum received top marks in the S&P Corporate Sustainability Assessment, and we are the only Nordic property company in the Dow Jones Sustainability Indices. This distinction strengthens Castellum's position as a sustainable investment alternative.
- **Creating the TV studio of the future in Stockholm's port district.** In November, Castellum signed a 15-year lease with television channel TV4 for approximately 16,000 square metres. Completion of the property is scheduled for autumn 2026, after which it will be ready for occupancy. The total investment volume is approximately SEK 300 M and the total rental value amounts to approximately SEK 1 Bn.
- **Bond issued in the European capital market once again.** Castellum has issued an unsecured bond of EUR 500 M in the European capital market at a credit margin of 1.75 per cent and a maturity of 6.25 years. It was Castellum's first issue in the European capital market since March 2022.
- **Continued investment in installation of solar PV systems.** Back at the start of the previous year, the target of installing at least 100 PV systems as part of the solar panel programme "100 on Solar" by the end of 2025 had already been achieved. This solar power initiative will now continue, with the installation of a further 100 PV systems by 2030. The expansion of PV systems means that we can both achieve our sustainability goals and provide protection against higher electricity costs.
- **Start of construction of the Halvorsäng Logistics Park in Gothenburg.** During the summer, Castellum commenced the construction of the Halvorsäng Logistics Park, in partnership with Göteborgs Hamn AB. The first stage includes an ultramodern and sustainable logistics facility of 45,000 square metres, fully leased to the med tech company OneMed. The total investment for the partner company was SEK 597 M, with occupancy planned for 2026.
- **Improved credit rating.** Moody's Investors Service confirmed Castellum's credit rating of Baa3 and adjusted the outlook from stable to positive. This positive outlook reflects Castellum's continued good operational and financial performance. It is estimated that a strong credit rating will entail lower capital costs and reduced refinancing risk over time.

CEO’s comment

it, demand was the greatest ever for a Nordic property company.

After the end of the period, we received a credit rating of BBB from S&P, which validates our business model and strong financial position. This rating further improves our position in the capital market and enables lower financing costs over time.

Top marks in sustainability once again

For the ninth consecutive year, we received top marks in the S&P Corporate Sustainability Assessment, and we are the only Nordic property company in the Dow Jones Sustainability Indices. This distinction cements our position as a sustainable investment alternative. In the assessment, which covers over 13,000 listed companies globally, Castellum ranked an impressive eighth place among property companies.

Acquisition of shares in Entra

Since 2020, the Norwegian property company Entra has been Castellum’s exposure to the dynamic property market in Oslo and Bergen. Entra has an impressive market position, first-rate assets and a skilled organisation. After the end of the year, we acquired additional shares in Entra, thereby triggering a mandatory offer under Norwegian law. We believe that the acquisition of shares in Entra is a value-creating investment that will make a positive contribution to Castellum’s performance over time.

Revised financial targets

In May, the Board of Directors of Castellum decided on a revision of its financial targets and dividend policy. The new overall financial target is a return on equity of at least 10 per cent per year over a business

cycle. The new dividend policy means that the dividend will total at least 25 per cent of income from property management, unless the company’s financial position justifies otherwise. Our strategy of developing the portfolio toward higher quality and density in Nordic growth regions stands firm. The company has a large development portfolio, which we expect to be able to develop over a longer period with a good return at low financial risk.

A return to dividend

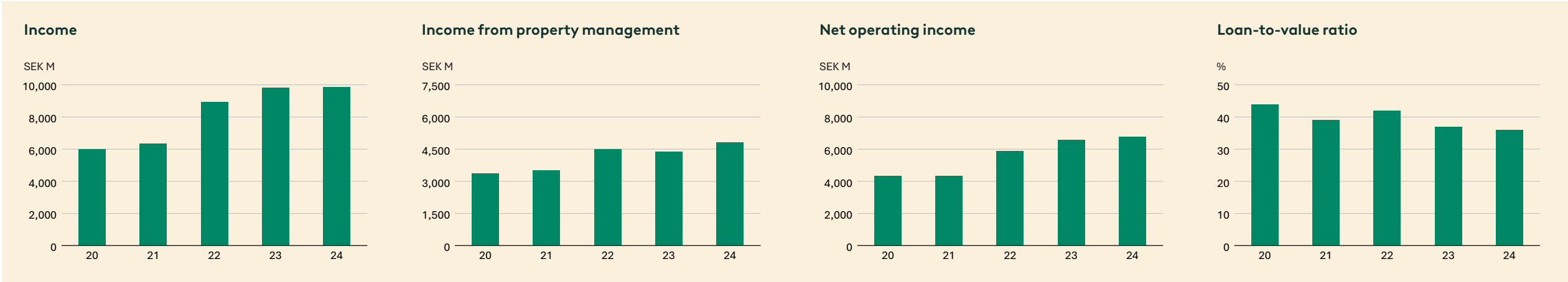
After two years with dividends on hold, it is gratifying to see that the Board has decided to propose a dividend of SEK 2.48 per share, or a total of SEK 1.2 Bn, to the AGM. This corresponds to 25.3 per cent of our income from property management for 2024.

Well positioned for continued growth

Castellum has a good starting point, with the breadth of our tenants and the geographical mix providing a stabilising effect. We have a strong financial position, and thus we have the scope for prioritising growth once again. Our Nordic focus enables us to maintain a presence in the strongest growth areas in the Nordic region.

I would like to extend a warm thanks to our investors, tenants, partners, Board of Directors and employees for your commitment and collaboration over the past year.

Joacim Sjöberg
Chief Executive Officer



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Strategy



Strategy, targets and results

A strategy for long-term value creation

Castellum is one of the Nordic region’s leading and most sustainable property companies, and creates long-term value through sustainability, diversification and a strong corporate culture.

Castellum is to be the natural commercial choice for the private and public sectors as one of the Nordic region’s foremost, and most sustainable, property managers and developers of office and logistics properties.

The company’s tenants reflect a broad diversity of different sectors and industries. This promotes strong diversification and risk spread in the lease portfolio.

Castellum is to be an attractive and leading employer by making employees the centre of focus and having a strong culture with distinct values.

The company is working towards clear sustainability goals over both the short and long term in order to be the most sustainable property company in the Nordic region and to actively promote sustainable development.

Conducting operations responsibly is crucial for Castellum’s success. With sustainable operations, the company will generate value for all stakeholders.

Vision

Beyond expectations.

Mission

Creating workplaces where people and enterprises thrive.

Business idea

We create successful and sustainable workplaces in Nordic growth cities by truly keeping close to customers, while staying on the cutting edge of innovation and expertise.

The Castellum Spirit

The Castellum Spirit constitutes the core values that guide Castellum in its daily activities.

1. Business-focused
2. Committed
3. Courageous

Business model

Investing in and developing commercial premises that are managed by a decentralised and customer-centric organisation. Castellum focuses on cash flow and conducts all operations at low financial risk.

Overall targets

≥10%
return on equity per year over a business cycle.

Performance 2024

3.0 per cent return on equity.

Three-year strategy plan

Castellum's strategy initiatives are based on a three-year strategy plan that is revised annually and adopted by the Board of Directors. The approach ensures both a long-term perspective as well as adaptation to current market conditions. The strategy establishes the company's strategic orientation, priorities and targets.



Asset portfolio

Castellum will operate in several Nordic countries to facilitate the company's growth strategy, expand its financing opportunities and increase its risk spread. Castellum will focus on a few segments, and maintain good market awareness and know-how in the select segments of Offices and Warehouse/Light industry. Castellum is continually shifting its portfolio towards higher quality by either developing existing properties and moving them up the value chain or through new production, as well as through transactions in growth markets in the Nordic region. The company's ambition in its respective sub-markets is for geographic concentration to achieve efficient property management and profitability.

Targets:

A significant market share in every sub-market.

Return on equity will total at least 10 per cent per year over a business cycle.



Property management

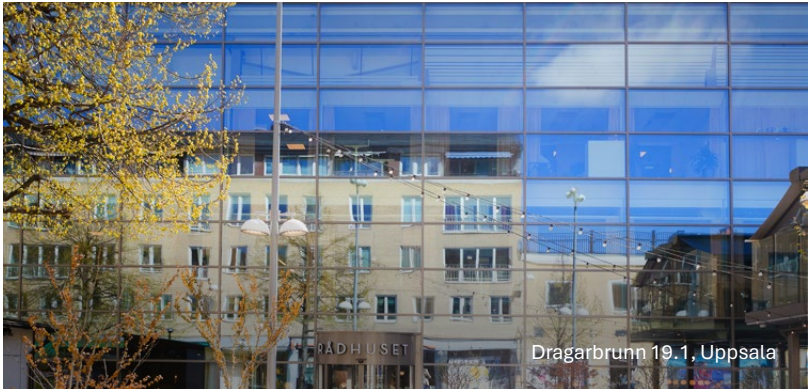
Property management and services are performed in a decentralised organisation with local presence and in-house employees in all sub-markets. This creates good local awareness, extensive knowledge of the local rental market and strong relationships with the tenants. Castellum is to have a clear, strong customer orientation where responsiveness and partnership characterise the entire operations in order to forge long-term, value-creating relationships. In order to offer attractive premises with the smallest possible environmental and climate footprint, Castellum is to develop efficient property management while reducing use of resources in its properties. Optimised management creates value for both tenants and the company from several perspectives, in terms of finances, sustainability, and competitiveness.

Targets:

High customer satisfaction index (CSI).

2.5 per cent energy efficiency enhancements per year (like-for-like).

70 per cent of Castellum's properties must have an energy performance lower than 100 kWh/sq. m. by 2025.



Financing

Castellum is to have low financial risk, and its established ambition is to have a credit rating corresponding to Investment Grade, minimum Baa3/BBB–. This is why Castellum prioritises a strong balance sheet. Financial activities are to be conducted in such a way that ensures access to long and short-term financing. Moreover, the aim is to achieve a low, stable net interest, after taking the company’s established risk mandates into account. Trends in the financial markets have a significant impact on Castellum. Finance operations must therefore reflect and support the goals and conditions of the business operations.

Risk metric:

Loan-to-value ratio that does not permanently exceed 40 per cent.
Interest coverage ratio of at least 3.



Sustainability

Sustainable operations ensure responsible management of financial, environmental and social resources, which creates value for tenants, shareholders and society. The company’s 23 sustainability goals¹ are interlinked and integrated throughout its operations. Castellum’s Code of Conduct is based on the principles of the UN Global Compact and clarifies Castellum’s position on human rights, working conditions, the environment, business conduct and information. The company’s sustainability ambitions promote both societal benefits and commercial value for the company’s stakeholders.

Targets:

By 2030, Castellum is to have net-zero carbon emissions throughout its value chain.
No properties subject to serious climate risks.



Organisation

Castellum is to be an attractive workplace with an open culture, where employees feel both included and appreciated. All employees will be encouraged to develop and to be themselves. Diversity, gender equality and inclusion are to be a natural part of this.
Castellum will continually define strategic and critical competences, as well as work with skills supply and succession planning, particularly for managers and key roles. This reduces dependence on individuals and operational risks.
The Castellum Spirit is the company’s core values, culture and personality. It governs how Castellum’s employees act towards tenants, one another and the surrounding community in order to create clarity around orientation and goals. The Castellum Spirit is built on shared values and the ambition of achieving the company’s vision.

Targets:

Castellum’s Net Promoter Score must be higher than external benchmarks.
40 to 60 per cent gender equality among all occupational categories.
20 per cent of Castellum’s employees will have international backgrounds.

1. In 2025, Castellum will review its climate targets and formulate new ones in accordance with the new SBTi standard for buildings.

Value-creation model

How Castellum creates sustainable values

The construction and property industry is one of the sectors with high carbon emissions, both in Sweden and globally. Reducing these emissions is necessary for achieving the UN’s Sustainable Development Goals. Castellum takes responsibility for carrying out its operations with a low level of climate impact, and actively promotes the transition to a more sustainable society. Castellum is also engaged in creating positive sustainability values that benefit both the company and society as a whole.

Castellum’s ambition is to make a positive contribution to society

Reduced environmental and climate impact

Castellum utilises natural resources efficiently, and reduces resource use and carbon emissions to create a sustainable asset portfolio:

- 84 per cent reduction in Scope 1 and Scope 2 carbon emissions since 2007
- 33 per cent reduction in energy consumption since 2007
- Increased share of circular materials, and positive contribution to biodiversity

Favourable societal impact

- Develops sustainable properties that promote positive urban development
- Productive employees and tenants with a sense of health and wellness
- Through WELL Portfolio, Castellum offers healthier offices to over 16,000 of its tenants’ employees

Valuable financial impact

Castellum is a profitable company that contributes financially to various stakeholders:

- SEK 611 M in salary and remuneration to employees
- SEK 4,675 M to suppliers and contractors
- SEK 578 M in property tax, SEK 172 M in income tax and SEK 15 M in contributions to local communities

The value that Castellum creates for its stakeholders

Satisfied tenants in sustainable environments

- CSI: 74
- 54 per cent sustainability-certified properties
- 116 solar PV systems installed, corresponding to 21,165 kW
- 1,453 charging stations

106,200 shareholders

- 14 per cent total return on average per year since 1997
- 42 per cent of sales (turnover) is EU Taxonomy-aligned
- Green share, Nasdaq Green Equity Designation

Committed employees who are developing

- Approximately 14,000 training hours completed
- Low level of sick leave (2.6 per cent)
- Good gender equality (43 per cent women / 57 per cent men)

Robust, long-standing supplier relations

- Code of Conduct that covers all suppliers
- SEK 211 M in energy optimisation projects
- Goods and services purchased: SEK 4,675 M

Castellum combines traditional property management, project and transaction activities

- Property management
- Project development
- Transactions

Resources that Castellum uses

- 672 properties at a value of SEK 136 Bn and an area of 5.3 million square metres
- More than 500 employees
- A strong brand

- Approximately 6,400 suppliers and contractors
- 7,500 commercial leases
- 989 green leases
- Energy, water and materials

Business environment
Climate change, geopolitical conflicts, energy prices, inflation, interest rates, health and flexibility

Sustainability strategy

The sustainable city 2030

Castellum is to be entirely climate neutral by 2030. Castellum’s sustainability strategy, “The sustainable city 2030”, consists of three areas of focus: Future-proofed assets, Sustainable workplaces and Sound business. This strategy will ensure that the sustainability goals are achieved and that the company is both successful and relevant – not just today, but for a long time to come.

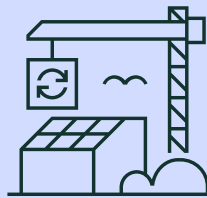


Future-proofed assets

Castellum will reduce its impact on climate and biodiversity, increase resource efficiency and develop a sustainable asset portfolio for the future.

A decrease in Scope 3 emissions in 2024 means that Castellum has reduced its total emissions by 31 per cent compared with 2023. Continued effort is required in Scope 1 and 2 to reduce energy consumption and to construct and develop buildings with a lower carbon footprint.

Energy efficiency	Fossil-free energy
–4% <small>(–4)</small> kWh/sq. m. since 2023	99% <small>(97)</small>
GHG emissions	Number of solar PV systems installed
–31% <small>(–25)</small> total CO ₂ eq since 2023	116 <small>(106)</small>



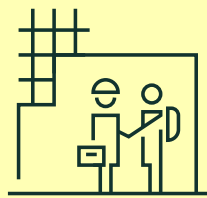
Sustainable workplaces

Castellum will create sustainable, attractive and inclusive workplaces that promote health and wellness.

In 2024, the company signed 249 green leases. This means that Castellum has 989 green leases that account for 27 per cent of the rental value.

Both the Net Promoter Score and gender equality between women and men increased during 2024. The proportion of employees with international backgrounds also increased compared with 2023.

Net Promoter Score	Sick leave ¹
8.3 <small>(8.2)</small>	2.6% <small>(2.4)</small>
Employees with international backgrounds	Gender equality
14% <small>(12)</small>	43/57% <small>(41/59)</small> Women/men



Sound business

Castellum will carry out its operations in a responsible manner, with clear requirements for the supply chain and respect for society and its stakeholders.

The company is actively engaged in helping young people and long-term unemployed to enter the job market. 7 per cent of Castellum’s employees in 2024 were interns².

The company has maintained its involvement in local communities, with nearly SEK 15 M in support and sponsorships during 2024.

Sustainability training	Employment injuries and work-related injuries ³
84% <small>(82)</small> trained employees	34 <small>(19)</small>
Support for local communities, and sponsorships	
SEK 14.9 M <small>(15.6)</small>	

1. Pertains to both short-term and long-term sick leave. 2. Interns pertain to summer workers, interns, apprentices and academic degree projects. Redefined goal for 2024. 3. Includes cases of stress-related sick leave.

3

Invest in Castellum

Castellum as an investment 15

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Castellum as an investment

Four reasons to invest in Castellum

Castellum’s objective is to create long-term value for its shareholders through healthy returns versus risk and by maintaining high levels of liquidity in the share. Here are four reasons to invest in the Castellum share.

1 Stable company

Castellum is a stable company that creates value through long-term growth at low financial risk. Since the IPO in 1997, shareholders have received an average total return of 14 per cent per year.

2 Well-diversified portfolio

Castellum has a well-diversified portfolio and is a clear alternative for the Nordic private and public sectors. Castellum is one of the Nordic region’s largest listed property companies, with a portfolio that is concentrated primarily in Nordic growth cities. The company’s tenants represent a cross-section of private and public sectors, which promotes strong diversification and risk spread in the lease portfolio.

3 Sustainable operations

Sustainability is an integral part of Castellum’s operations. The company is working towards clear sustainability goals over both the short and long term. The objective is to be the Nordic region’s most sustainable property company and actively contribute to sustainable development. Conducting operations responsibly is crucial for Castellum’s success. With sustainable operations, Castellum creates value for both tenants and investors as well as other stakeholders.

4 Continual enhancement of the portfolio

Castellum endeavours to own, manage and develop an asset portfolio that supports the overall goal of an annual return on equity of at least 10 per cent over a business cycle. Castellum continually evaluates its holdings in relation to its markets and segments in order to continue refining its portfolio. Completed projects and properties that it believes will not promote future growth are divested.

The Castellum share

Share listed since 1997

With a market capitalization of SEK 59.4 Bn, Castellum is one of the Nordic region's largest listed property companies. The share is traded on Nasdaq Stockholm Large Cap, where it has been listed since 1997.

Castellum's objective is for the company's share to generate competitive returns versus risk and to maintain high levels of liquidity in the share. The risk level must be lower than the industry average. All measures are to be grounded in a long-term perspective, and the company will report frequently, transparently and fairly to shareholders and the capital and credit markets as well as the media, all to facilitate external assessments and evaluations of the company and its share. The company's market capitalisation (i.e. the value of all shares outstanding in Castellum) amounted to SEK 59.4 Bn (70.6) as of 31 December 2024.

Net asset value

The valuation of a property company is often based on its net reinstatement value, which – simply put – is the difference between the market value of the asset portfolio and net debt.

The net reinstatement value could be said to comprise the aggregate capital that the company is managing on behalf of its owners. On this basis,

the company wants to generate a stable return and growth at low financial risk. Since assets are measured at fair value, the net asset value can be calculated using shareholders' equity in the balance sheet. Castellum's long-term net reinstatement value (EPRA NRV) amounts to SEK 157 per share (154).

Shares outstanding and turnover

The number of shares outstanding amounted to 492,446,049 (492,601,452). In 2024, a total of 289,164,000 shares were traded, equivalent to an average of 1,153,000 shares (1,941,000) per trading day and a turnover rate of 58 per cent (94) on an annual basis.¹

Earnings and return

Income from property management per share amounted to SEK 9.78 (9.69). Based on the share price, this resulted in a yield of 8.1 per cent (6.8). Earnings per share after tax amounted to SEK 4.79 (–25.68). Based on the share price, this resulted in a yield of 4.0 per cent (–17.9).

Total return

Total return reflects the development of the share price plus dividends paid during the period. The share price at year-end was SEK 120.55 (143.30),

1. Share turnover based on statistics from Nasdaq Stockholm.

equivalent to a market capitalisation of SEK 59.4 Bn (70.6) calculated on the number of shares outstanding. During the year, the share's total return was –15.9 per cent (35.1). No dividend was paid out.

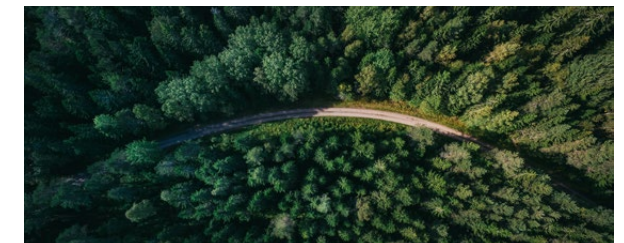
Change in value supplements income from property management

In property companies, the income from property management reflects only part of the overall earn-

ings. Comprehensive income and net reinstatement value also include changes in value under IFRS®, the international standard for reporting company finances. The income from property management must therefore be supplemented with a component of change in value as well as effective tax to produce an accurate view of income, yield and net asset value. Changes in value can vary greatly between years and quarters, thus leading to volatile results.

Market capitalisation, SEK Bn

59.4



Nasdaq Green Equity Designation

Castellum is the first major property company in the Nordic region whose shares have been classified as green on Nasdaq. The purpose of Nasdaq's Green Equity Designation is to provide increased visibility for investors who are looking for sustainable investments. To meet the criteria for a green share, at least 50 per cent of sales and investments must be defined as green, and less than 5 per cent of assets can be linked to fossil fuels.

According to an analysis conducted in 2024 by S&P Global Shades of Green, 55 per cent of Castellum's sales and 82 per cent of its investments are classified as green.



Shareholder value created

Upon listing in May 1997, Castellum’s asset portfolio amount to approximately SEK 10 Bn, income from property management to approximately SEK 300 M and shareholders’ capital to approximately SEK 4 Bn. Since then, Castellum has created shareholder value by increasing shareholders’ equity by SEK 30 Bn while a total dividend of approximately SEK 18.3 Bn has been paid out, and new share issues of approximately SEK 35 Bn were carried out. The asset portfolio during the same period grew to SEK 136 Bn while income from property management increased to SEK 4,819 M.

More than 100,000 shareholders

At the end of 2024, Castellum had just over 106,000 (110,000) shareholders, a decrease of approximately 3.7 per cent compared with year-end 2023. The proportion of registered shares abroad amounted to 37.5 per cent (37.2). The largest owner constellations confirmed as of 31 December 2024 are shown in the table to the right.

Regular contact with the stock market

In its capacity as a listed company, Castellum is in regular contact with the stock market. This contact is based primarily on quarterly financial statements, press releases related to significant commercial events and presentations by Castellum. Presenta-

tions take place in connection with quarterly financial statements, visits from investors and analysts, and investor meetings both in Sweden and abroad. Additional market and financial information is provided on Castellum’s web site.

A return to dividend

Castellum’s policy is to disburse at least 25 per cent of the company’s income from property management before tax. After two years with dividends on hold, the Board proposed to the Annual General Meeting (AGM) a dividend of SEK 2.48 per share, corresponding to a total of SEK 1.2 Bn. In this way, Castellum wants to attract shareholders that are looking for a total return including dividend at low financial risk.

Repurchase of shares as part of incentive programmes

The 2024 AGM gave a mandate to the Board, up until the next AGM at the latest, to acquire and transfer own shares. A maximum of 10 per cent of all shares in the company may be thus acquired. During the second quarter, the company repurchased 155,403 shares at an average price of SEK 129.49. This corresponds to 0.03 per cent of the number of registered shares. The repurchase was carried out as part of the incentive programme resolved on by the AGM.

Shareholders as of 31 December 2024

Shareholders	Number of shares, thousand	Share of votes/capital, %
Akelius Residential Property	51,801	10.5
BlackRock	24,909	5.1
Gösta Welandson with companies	19,638	4.0
Vanguard	18,858	3.8
Länsförsäkringar Fonder	18,728	3.8
Swedbank Robur Fonder	16,598	3.5
Nordea Funds	15,496	3.1
Akelius Apartments	14,800	3.0
Handelsbanken Fonder	14,169	2.9
Norges Bank	9,966	2.0
Folksam	9,450	1.9
Cliens Fonder	7,933	1.6
APG Asset Management	7,572	1.5
Alecta Tjänstepension	7,000	1.4
Carnegie Fonder	5,269	1.1
The 15 largest shareholders	242,187	49.2
Swedish shareholders, other	156,987	31.9
Foreign shareholders, other	93,272	18.9
Total shares outstanding	492,446	100.0
Repurchase of own shares	155	0.0
Total shares registered	492,601	100.0

Source: Holdings by Modular Finance AB. Data collected and analysed from Euroclear, Morningstar, Finansinspektionen, Nasdaq and Millistream.

Financial key metrics

	2024	2023
Outcome		
Income, SEK/share	20.00	21.72
Rental income, SEK/share	17.98	19.47
Income from property management, SEK/share	9.78	9.69
Net income for the year after tax, SEK/share	4.79	–25.68
Dividend, SEK/share ¹	2.48	—
Long-term EPRA NRV, SEK/share	157	154
Yield		
Return on long-term net reinstatement value, %	3.0	–15.3
Return on equity, %	3.0	–14.8
Return on total capital, %	2.8	–6.6
Valuation		
Income from property management per share/Share price, %	8.1	6.8
Income from property management after tax per share (EPRA EPS)/Share price, %	7.7	6.6
Dividend/Share price (dividend yield), % ¹	2.1	—
Price/Net reinstatement value per share (EPRA NRV), %	76.8	92.9
The share		
Market capitalisation, SEK M	59,364	70,590
Total return per share (including dividend)		
Castellum, %	–15.9	35.1
Nasdaq Stockholm (Six Return), %	8.6	19.2
Real Estate Index Sweden (EPRA), %	–4.8	19.5
Real Estate Index Eurozone (EPRA), %	–0.6	19.4
Real Estate Index Great Britain (EPRA), %	–11.7	10.7
Payout ratio, income from property management, % ¹	25.3	—
Financial risk		
Loan-to-value ratio, %	35.6	37.4
Interest coverage ratio, multiple	3.3	3.0

1. Proposed dividend.

4

Market

Local presence

Tenants

Property portfolio

Development portfolio

Transactions

19

20

22

24

27

31

Operations



Market

A more cautious rental market

The year was marked by a cautious Nordic rental market, but at the same time it was a market where Castellum had high levels of activity involving new and existing tenants.

The Nordic rental market, in which Castellum operates, has been marked by caution in the capital cities but is showing higher levels of demand and stability in the regional cities. Castellum can look back on a year with positive net leasing and stable occupancy rates.

To attract employees back into the office, the importance of the workplace is increasing. Discussions about office attendance after the pandemic remain topical in the capital cities.

Castellum’s Nordic survey – Work Life of the Future, with just over 4,000 respondents – shows a steady increase in both office attendance and employee willingness to work in the office.

Stable rental levels

Despite last year’s indexations, the company had stable rental levels during the year in conjunction with renegotiated leases. A largely stable rental market for offices and warehouses/logistics, as well as a highly geographically diversified portfolio, underpins the company’s small rental losses.

Continued flight to quality

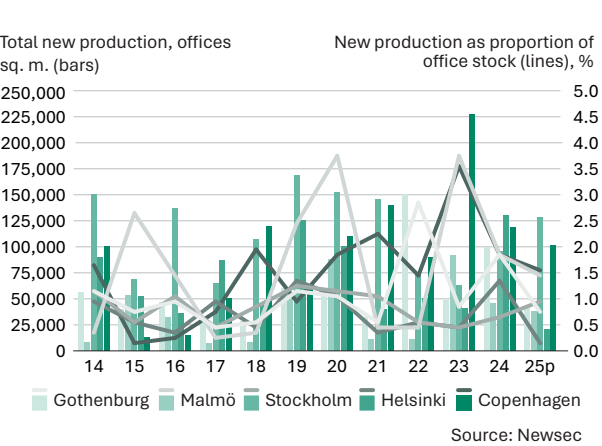
Lease turnover during the year was high, which has entailed both threats and opportunities. In the fourth quarter, the number of lease terminations increased. Bankruptcies also increased, but from very low levels. One clear trend is that tenants want higher quality premises. Moreover, companies are seeking to move closer to services, which means a steady stream of relocations away from peripheral locations.

A full 25 per cent of Castellum’s rental income comes from public sector tenants. Both judiciary authorities and other parts of public operations are showing highly robust demand for new premises. The company is meeting this demand through both new production and renovation of offices, as well as specially adapted offices.

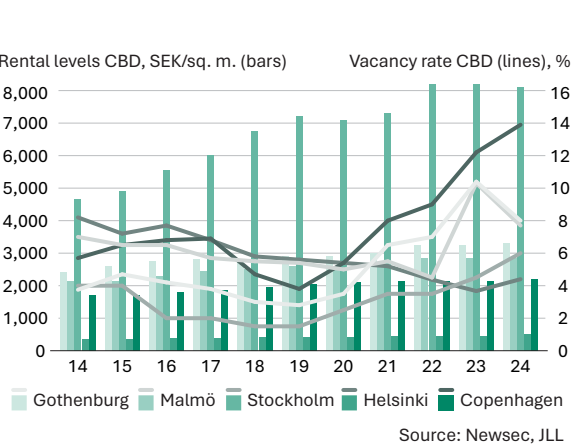
Robust demand in logistics

Castellum’s Warehouse/Light industry business segment, which accounts for approximately 14 per cent of the company’s asset portfolio, is also showing robust demand with low levels of vacancies. More logistics premises are needed, since demand still outstrips supply. Prices, on the other hand, have stabilised. The segment also contains business premises for development, testing and more, and is being driven forward by several global trends such as electrification and self-driving vehicles.

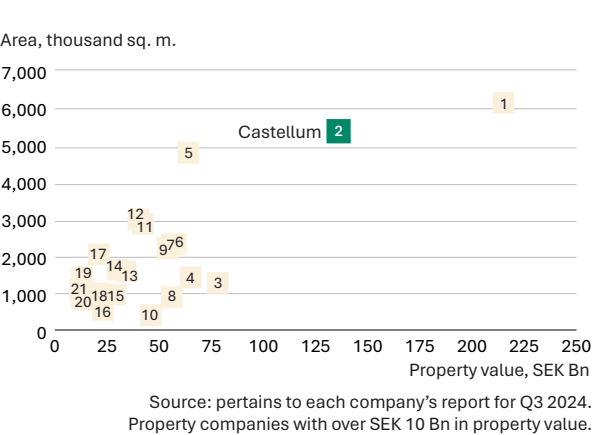
New production, offices



Rental levels and vacancy rates, major cities



Property holdings, listed property companies



Listed property companies with a property value over SEK 10 Bn

1 Balder	8 Atrium Ljungberg	15 Platzer
2 Castellum	9 SBB	16 Intea
3 Fabega	10 Hufvudstaden	17 NP3
4 Wallenstam	11 Catena	18 Cibus
5 Sagax	12 Nyfosa	19 Logistea
6 Wihlborgs	13 FastPartner	20 Stendörren
7 Corem	14 Diös	21 SLP

Local presence

Strong local presence in the Nordic region

Castellum’s ambition is to be a market leader in attractive growth cities in the Nordic region. Operations are carried out using own property management in the local markets.

Local know-how and proximity to tenants are crucial for meeting their needs and ensuring efficient property management. Through the associated company Entra ASA, Castellum additionally owns one third of Entra’s property portfolio, which consists of high-quality commercial properties located primarily in central Oslo. Additional information on Entra is presented in Note 15 on pages 156–157, or on Entra’s web site, www.entra.no.

Region

Stockholm

Encompasses Greater Stockholm with properties from Upplands Väsby in the north to Södertälje in the south, and also Östersund. This is Castellum’s largest region in terms of value, with an aggregate property value of approximately SEK 42.1 Bn, of which 66 per cent pertains to Offices and 15 per cent to public sector properties. 96 per cent of this property value is located in Stockholm.

	2024	2023
Proportion of the property value, %	31	32
Number of properties	113	127
Area, thousand sq. m.	1,092	1,185
Value of properties, SEK M	42,097	43,819
Rental value, SEK M	2,783	2,858
Net operating income, SEK M	1,863	1,868
Net investments, SEK M	–1,505	–320
Net leasing, SEK M	14	–35
Employees	86	83

Region

West

Encompasses Gothenburg, Kungälv and Borås, with an aggregate property value of approximately SEK 26.7 Bn, of which 49 per cent pertains to Offices and 31 per cent to Warehouse/Light industry. 92 per cent of this property value is located in Gothenburg.

	2024	2023
Proportion of the property value, %	20	19
Number of properties	204	209
Area, thousand sq. m.	1,280	1,306
Value of properties, SEK M	26,721	26,531
Rental value, SEK M	2,006	1,929
Net operating income, SEK M	1,314	1,265
Net investments, SEK M	400	379
Net leasing, SEK M	–8	–15
Employees	82	80

Region

Central

Encompasses Örebro, Linköping, Norrköping, Jönköping and Växjö, with an aggregate property value of approximately SEK 23.1 Bn, of which 46 per cent pertains to Offices and 36 per cent to public sector properties. 36 per cent of this property value is located in Örebro.

	2024	2023
Proportion of the property value, %	17	17
Number of properties	143	148
Area, thousand sq. m.	1,037	1,091
Value of properties, SEK M	23,083	22,836
Rental value, SEK M	1,947	1,885
Net operating income, SEK M	1,251	1,198
Net investments, SEK M	163	–861
Net leasing, SEK M	13	42
Employees	89	85

Region

Mälardalen

Encompasses Västerås and Uppsala, with an aggregate property value of approximately SEK 15.4 Bn, of which 59 per cent pertains to Offices and 22 per cent to Warehouse/Light industry. 70 per cent of this property value is located in Västerås.

	2024	2023
Proportion of the property value, %	11	11
Number of properties	76	84
Area, thousand sq. m.	803	822
Value of properties, SEK M	15,430	15,664
Rental value, SEK M	1,370	1,333
Net operating income, SEK M	876	813
Net investments, SEK M	–56	208
Net leasing, SEK M	20	–2
Employees	51	46

Region

Öresund

Encompasses Malmö, Helsingborg, Lund and Copenhagen, with an aggregate property value of approximately 21.8 Bn, of which 63 per cent pertains to offices and 16 per cent to public sector properties. 74 per cent of this property value is located in Malmö, Helsingborg and Lund, with the remaining 26 per cent in Copenhagen.

	2024	2023
Proportion of the property value, %	16	16
Number of properties	116	121
Area, thousand sq. m.	848	860
Value of properties, SEK M	21,843	21,760
Rental value, SEK M	1,664	1,625
Net operating income, SEK M	1,049	1,100
Net investments, SEK M	212	–1,180
Net leasing, SEK M	–13	–27
Employees	62	59

Finland

Encompasses the property portfolio in Helsinki, Espoo, Lahti, Tampere, Turku and Vantaa with a total property value of approximately SEK 6.5 Bn, of which 96 per cent pertains to Offices and the remainder to developments and land. 42 per cent of these properties are located in Helsinki.

	2024	2023
Proportion of the property value, %	5	5
Number of properties	20	20
Area, thousand sq. m.	222	221
Value of properties, SEK M	6,537	6,942
Rental value, SEK M	823	801
Net operating income, SEK M ¹	388	353
Net investments, SEK M	152	314
Net leasing, SEK M	–13	–29
Employees	11	11

1. Excluding estimated indemnity of SEK 65 M (—).



Tenants

A stable and diversified customer base in the Nordic business community

One of Castellum's strengths is the company's diversified customer base, which is a cross-section of the private and public sectors. The tenants represent many different industries, geographies and sizes of customer, which spreads the risks in the contract portfolio.

Castellum's properties are located in robust growth markets in the Nordic region. A presence in several Nordic countries facilitates the company's growth strategy while its financing opportunities can be expanded and the risk spread increased.

The company's geographic presence is determined by the growth potential of the localities. A growing population, several new business establishments and a higher gross regional product favours the demand for commercial premises, thus generating higher rental levels and conditions for a healthy occupancy rate.

Castellum has approximately 7,500 commercial leases and 500 residential leases. The single largest lease accounts for approximately 1.3 per cent of the company's total rental income, while the corresponding figure for the single largest tenant is 2.5 per cent. 25 per cent of the income comes from the public sector, which creates additional cash flow stability.

Office segment is the largest

Castellum operates primarily in the office, public sector property, and warehouse/light industry segments. The office segment comprises the largest

exposure by value (60 per cent) followed by public sector properties (17 per cent) and warehouse/light industry (14 per cent). Retail is around 5 per cent. The remaining 4 per cent is developments and land.

Efficient, sustainable logistics

In warehouse/light industry, tenants are provided assistance in creating the most efficient and sustainable premises for their operations. This encompasses everything from large central warehouses to smaller business premises for light industry, as well as locations close to cities for "last mile" deliveries.

Coworking

Coworking is the most flexible offering in the office segment and is provided by Castellum itself. The concept focuses on flexibility, a sense of community, networking, a high level of service and other added values.

Through its coworking concept, Castellum is expanding its customer offering and can provide businesses and government agencies of all sizes with service and flexibility above and beyond the traditional office.

Proximity to tenants

Castellum has a strong local presence, with its own employees in all the localities where the company operates. This creates close relationships with its tenants and facilitates rapid, efficient decision-

making paths. As one of the largest property owners in the local market, Castellum partners with municipalities and engages in local networks such as corporate associations. Through these initiatives, Castellum is taking an active role in community building and promoting attractive work environments for its tenants.

Castellum endeavours to maintain close dialogue with its tenants, and conducts customer surveys on a regular basis. A more comprehensive survey, the Customer Satisfaction Index (CSI), is conducted every year using outside expertise. In the 2024 survey, Castellum received a CSI score of 74 (71) from the approximately 1,700 tenants who responded.

Green leases

In line with the company's sustainability profile, both new and existing tenants are offered the opportunity to sign green leases. This collaboration agreement is aimed at reducing the total environmental footprint of the premises. A green appendix, produced by the Swedish Property Federation with a focus on reducing the burden on the environment, is added to the regular lease. The appendix contains guidelines on, for example, energy consumption, selection of materials and waste management. At present, Castellum has 989 green leases (740) covering 1,204,547 square metres (1,059,028), corresponding to 27 per cent of the rental value.





Malski, Lahtis

Report on work life of the future

For the fifth consecutive year, Castellum has studied what office workers expect from their workplaces, which is presented in the Work Life of the Future report. A majority of office workers in the Nordic region spent most of their working time in their shared workplaces in the past year, but most also stated that working remotely is part of the new normal after the coronavirus pandemic.

There is much to indicate that working remotely will remain to some extent, but as a supplement rather than a competitor to the shared office. Young people are generally more positively disposed towards the office, as are managers. The report shows that the occurrence of working remotely is closely linked with commuting times, and is more common in the large cities than smaller localities.

Offices are increasingly sophisticated

Castellum’s mission is to create workplaces where people and enterprises thrive. The company is assuming an increasingly advisory role, focusing on supporting tenants in creating work environments that meet their specific needs and wishes. Following the pandemic, the physical office has been valued as an even more important vessel of culture: a place for social interaction, innovation and community that goes far beyond being a workplace for individuals to perform their tasks. This creates a solid basis for investing in office environments that provide added value for both individuals and organisations. By promoting knowledge sharing, relationship building and networking, these environments contribute to attracting and retaining both current and future employees.

Castellum’s tenants

A diversified customer portfolio

The 10 largest tenants, 2024	Contract value, SEK M	Share of total contract value, %
The Swedish Police Authority	240	2.5
AFRY	201	2.1
ABB	159	1.7
The Swedish Social Insurance Agency	158	1.7
Swedish National Courts Administration	139	1.5
Handelsbanken	133	1.4
Northvolt	128	1.4
Region Stockholm	89	0.9
The Swedish Migration Board	86	0.9
Hedin	80	0.8
Total – 10 largest tenants	1,413	14.9

Work Life of the Future

Work Life of the Future is a report that Castellum produces every year about office workers’ expectations of their workplaces.

Read more at www.castellum.se/framtidens-arbetsliv/

Property portfolio

Strategic divestments for long-term growth

During the year, Castellum continued refining the geography of its portfolio by divesting properties that were either individual objects in the portfolio or had not been prioritised strategically. These divestments were in line with the company's strategy of focusing on offices and logistics while simultaneously strengthening the balance sheet.

After divesting 41 properties, three re-allotments and one property acquisition during the year, Castellum owns a total of 672 (709) properties with a carrying amount of SEK 136 Bn. The sales totalled SEK 3.2 Bn. The rental value at 31 December 2024 was SEK 10.6 Bn (10.4), while the aggregate leasable area was 5,282,000 square metres (5,485,000).

The property portfolio is concentrated in Nordic growth cities, and situated in city centre locations as well as business districts with good public transportation and a developed service offering. Through its associated company Entra, Castellum is also exposed to robust growth regions in Norway, primarily in central Oslo.

Strategy for growth in the Nordic region

Castellum's strategy is to expand in localities in the Nordic region with the strongest growth. The operational, financial and market advantages of accompanying the company's larger tenants into the Nordic region are significant, as is spreading the

risks and being able to choose the most attractive regions for the company's growth in the stable economies that comprise the Nordic countries.

The total value of Castellum's property holdings in Sweden is SEK 123.4 Bn; in Denmark SEK 5.8 Bn; in Finland SEK 6.5 Bn and in Norway (via the associated company Entra ASA) SEK 19.5 Bn (Castellum's share).

Castellum's property portfolio consists largely of offices (60 per cent), followed by public sector properties (17 per cent), warehouse/light industry (14 per cent), and retail (5 per cent). The remaining 4 per cent is developments and land. Castellum is focusing on growth in offices and warehouse/light industry and on reducing its holdings in retail. Castellum's ambition is to develop existing properties and shift them upward in the value chain.

Conditions for increased pace of investment

Castellum invests in and develops its asset portfolio through property acquisitions and building rights as well as through new construction, extensions and reconstructions of properties.

After a sharp slow-down to project operations in the preceding year, the company gradually increased the pace of development in its portfolio in 2024.

During the year, a total of SEK 2,569 M (3,746) was invested in properties, of which SEK 67 M (336) pertained to acquisitions and 2,502 M (3,410) to new construction, extensions and reconstructions.



Rotterdam 1, Stockholm

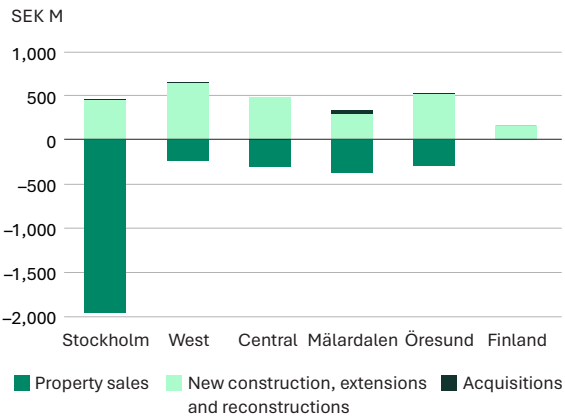


Sellerin 3, Lund

Changes in the property portfolio

SEK M	Carrying amount, SEK M	Number
Property portfolio on 1 January 2024	137,552	709
+ Acquisitions	67	1
+ New construction, extensions and reconstructions	2,502	—
– Sales	–3,302	–41
+/- Reallotments	—	3
+/- Unrealised changes in value	–1,528	—
+/- Currency translation	420	—
Property portfolio on 31 December 2024	135,711	672

Investments and sales by region



Divestments amounted to SEK –3,203 M (–5,206), whereby net investments amounted to SEK –634 M (–1,460).

Sustainability certification of properties

All properties in Castellum’s portfolio will be subject to environmental inventory, and by 31 December 2024 this had been completed for 93 per cent of the like-for-like portfolio. The purpose of the inventory is to identify, and subsequently mitigate, risks to health and the environment. The remaining 7 per cent of the portfolio is to be inventoried within the next few years. The inventory will be updated every ten years in order to create properties that are as sustainable as possible.

Castellum also certifies its property portfolio for sustainability, both new constructions and reconstructions of existing properties. The purpose is to reduce its environmental and climate impact, optimise operations, reduce risks in the portfolio and increase customer satisfaction. The certification initiatives are also intended to create attractive premises with improved work environments that promote health and wellness for Castellum’s tenants. The goal is for 50 per cent of the property portfolio to be certified for sustainability by 2025, which was achieved back in 2023. A new goal was adopted in 2024 for 75 per cent of the portfolio to be sustainability-certified by 2030.

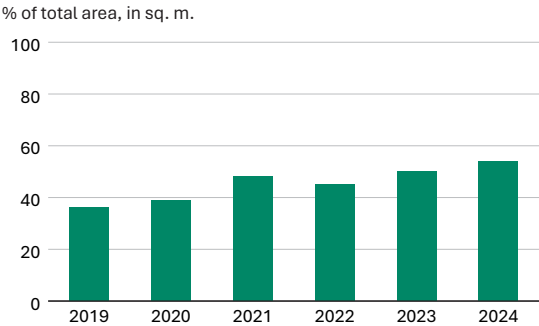
In 2024, 54 per cent of the total area qualified for certification, corresponding to 281 certified properties (263). In conjunction with an acquisition, the

Castellum’s sustainability-certified properties¹

SEK M	Completed properties		Ongoing projects	
	Number	Thou-sand sq. m.	Number	Thou-sand sq. m.
EU GreenBuilding	27	177	0	0
Miljöbyggnad	63	722	7	46
BREEAM	112	1,031	6	61
LEED	83	1,050	16	333
WELL	2	18	4	63
NollCO ₂	2	22	0	0
Sustainability-certified properties²	281	2,869	33	504

1. Certifications can refer to property, land or part of property.
2. Some buildings have more than one certification, and to avoid double counting only one certification per building is counted; the table therefore does not sum up to the total.

Share of sustainability-certified properties

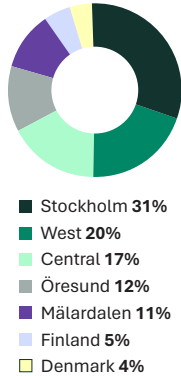


acquired properties are analysed based on energy consumption and environmental risks. In general, the level of environmental risks in Castellum’s property portfolio is deemed to be low.

Property portfolio on 31 December 2024

	31 December 2024				January–December 2024						
	Number	Area, thousand sq. m.	Property value, SEK M	In SEK/sq. m.	Rental value, SEK M	In SEK/sq. m.	Economic occupancy rate, %	Income, SEK M	Property costs, SEK M	In SEK/sq. m.	Net operating income, SEK M
Offices											
Stockholm	52	639	27,923	43,686	1,889	2,955	89.0	1,648	370	579	1,278
West	80	474	13,152	27,776	971	2,051	91.0	860	210	444	649
Central	69	502	10,638	21,208	978	1,950	91.0	879	222	442	658
Mälardalen	28	366	9,147	24,977	766	2,091	93.0	706	181	493	525
Öresund	35	283	8,834	31,240	692	2,445	91.0	607	152	536	455
Denmark	12	125	4,956	39,569	342	2,732	87.0	298	89	713	209
Finland	18	204	6,307	30,855	761	3,723	88.0	665	245	1,198	420
Total Office	294	2,593	80,957	31,222	6,399	2,468	90.0	5,663	1,469	566	4,194
Public sector properties											
Stockholm	8	142	6,152	43,269	380	2,673	97.0	365	61	428	304
West	17	143	3,298	23,165	268	1,885	97.0	259	52	367	206
Central	27	275	8,382	30,510	604	2,196	92.0	556	105	381	451
Mälardalen	8	60	1,623	27,076	128	2,137	97.0	124	21	357	103
Öresund	6	68	2,813	41,123	182	2,664	92.0	168	30	432	139
Denmark	1	12	668	54,737	40	3,294	98.0	39	7	558	32
Total Public sector properties	67	700	22,936	32,774	1,602	2,290	94.7	1,511	276	394	1,235
Warehouse/Light industry											
Stockholm	29	182	3,554	19,544	266	1,461	89.0	233	45	247	188
West	82	600	8,182	13,641	665	1,109	93.0	603	127	212	476
Central	17	121	1,493	12,352	141	1,166	91.0	127	25	206	102
Mälardalen	25	306	3,333	10,901	390	1,274	95.0	363	115	378	248
Öresund	39	265	2,957	11,128	268	1,009	91.0	243	55	206	188
Denmark	1	17	163	9,368	14	829	94.0	14	5	314	8
Finland	1	—	75	—	9	—	89.0	8	1	—	7
Total Warehouse/Light industry	194	1,491	19,757	13,247	1,753	1,175	92.6	1,591	373	251	1,217
Retail											
Stockholm	11	74	1,903	25,720	144	1,952	96.0	135	18	240	117
West	10	44	1,099	24,753	84	1,880	98.0	80	12	285	68
Central	18	105	1,627	15,526	163	1,552	93.0	149	34	324	115
Mälardalen	8	39	707	18,392	60	1,563	97.0	56	12	317	44
Öresund	15	68	1,291	19,003	121	1,781	96.0	108	25	365	84
Total Retail	62	330	6,627	20,108	572	1,735	95.6	528	101	308	428
Total investment properties	617	5,114	130,277	25,475	10,326	2,019	91.5	9,293	2,219	434	7,074
Lease and property administration costs									552	108	–552
Total after lease and property administration costs	617	5,114	130,277	25,475	10,326	2,019	91.5	9,293	2,771	542	6,522
Projects	21	168	4,578	—	235	—	—	116	47	—	69
Undeveloped land	34	—	856	—	32	—	—	31	12	—	19
Total	672	5,282	135,711		10,593			9,440	2,830		6,610

Property value by region



The difference between the reported net operating income of SEK 6,610 M reported and the net operating income of SEK 6,786 M in the consolidated statement of comprehensive income is attributable to the deduction of the net operating income of SEK 102 M for properties divested, and the SEK 4 M upward adjustment of the net operating income on properties acquired/completed during the year as if they had been owned or been completed during the entire year, and other non-property related items of SEK 5 M as well as other income of SEK 65 M.

Development portfolio

Projects yield growth and create value

During the year, Castellum increased the pace of its project operations. Ongoing projects are proceeding as planned, while several new initiatives have been started. There has been a particular focus on developing the project pipeline, with a number of larger business opportunities with good yield potential being identified.

Castellum has an ongoing development portfolio that encompasses larger projects totalling approximately SEK 2 Bn, with SEK 1 Bn remaining to be invested. The average occupancy rate totalled 94 per cent, and the duration was 14 years. The rental value for ongoing projects amounted to SEK 167 M, or SEK 241 M including projects decided on but not commenced.

The company continually invests in its existing property portfolio and develops new properties to raise the quality in its portfolio, which leads to a more sustainable and index-linked asset portfolio. Investments in and development of the company's own development portfolio will take place by securing land allocation agreements and acquiring building rights for new constructions as well as extending and reconstructing existing holdings. Historically, new construction, extensions and reconstructions have resulted in higher yields than investments through acquisitions.

New market conditions

After having dialled back investments in its own development portfolio during 2023, Castellum gradually intensified the pace in 2024. The company has focused on completing ongoing projects and starting up a smaller number of carefully selected new projects, including for the Swedish Police in the Bågaren 5 property in Norrköping, a new logistics facility for AA logistics in the Finnslätten district of Västerås, and a conversion of the Gladan 6 property in the Västra Kungsholmen district of Stockholm.

Project pipeline

Castellum has major potential in its development portfolio, which with progress in detailed development plans will permit the start of projects corresponding to approximately 820,000 square metres in the next five years. These future projects include significant opportunities at Nordic Hub Säve in Gothenburg and the Hagastaden district of Stockholm.

Increased earnings with completed projects

Projects completed during the year will generate SEK 123 M in annual rental value. The average economic occupancy rate in completed projects during the year was 73 per cent.

Projects completed in the first quarter included the Götaland 5 property (Werket) in Jönköping,

Hisingen Police Building,
Backa 20:6, Gothenburg



Bågaren 5, Norrköping



which offers coworking spaces, traditional offices and various services including a gym and a restaurant. At the same time, the Tistlarna 9 modern warehouse and logistics facility in Malmö has been completed. During the second quarter, part of the Finnslätten 1 combined office and industrial property in Västerås was completed, as was the modern Bollbro 15 office building in Helsingborg. Towards the end of the year, a reconstruction of the Tullen 8 property in Örebro for Region Örebro was also completed.

Sustainable new construction and reconstruction

New production of buildings accounts for the majority of the industry's emissions. Castellum reduces its emissions from project development by making smart choices in terms of materials, re-use and fossil-free energy supply, such as solar PV plants and energy storage. One of Castellum's interim targets for achieving net-zero carbon emissions by 2030 is – by 2025 at the latest – halving the emissions from new office and logistics property constructions compared with a reference project. Castellum's framework programme for projects ensures that the company complies with the EU Taxonomy in order to be considered a green investment.

Newly produced office and retail properties must, as a minimum, have Miljöbyggnad level Gold sustainability certification. For construction of new logistics properties, Miljöbyggnad level Silver or above applies. For projects outside Sweden, BREEAM Excellent or LEED Gold is the minimum. Sustainability certifications are integrated into the

project from the start, and create added value for both Castellum and its tenants. For Castellum, sustainability value is created, and tenants can work in premises with a lower environmental and climate impact. New offices are being built with requirements of at least 40 per cent better energy performance compared with construction regulations. For new logistics properties, the corresponding figure is 30 per cent.

Werket is an innovative re-use project, with the former government building in solid brick being modernised and opened up to its surroundings. Instead of being demolished, the majority of the building has been preserved and the existing interior has been highlighted and given a new appearance. The building was awarded the Jönköping Municipality urban construction prize as well as a diploma in the "Good Building Preservation" [God byggnadsvård] class for its innovative re-use. This prize is awarded for buildings and environments that, in different ways, contribute to developing the urban environment.

The Aspholmen area in Örebro is currently a business district, but the plan is for it to be developed by Örebro Municipality and property owners into a neighbourhood with housing, workplaces, shops and parks by 2045. For two years, Castellum has been involved in creating a vibrant and sustainable district with well-planned green spaces and an emphasis on biodiversity in proximity to the company's properties in the area. To date, the project has included planting trees and flowery meadows, installing beehives and designing green corridors to promote recreation.



Erskine & friends, Stockholm

Larger projects

Ongoing projects

Castellum has an ongoing development portfolio that encompasses larger projects totalling approximately SEK 2 Bn, with SEK 1 Bn remaining to be invested. The average occupancy rate was 94 per cent. Five larger projects were completed during the year, with a total rental value of SEK 123 M and an average occupancy rate of 73 per cent.

Projects decided but not started	Category	Investment type	Location	Project start	Area, sq. m.	Rental value, SEK M	Occupancy rate, %	Total investment, SEK M	Of which invested, SEK M	Remaining to invest, SEK M
Rotterdam 1	O	R	Stockholm	Q1 2025	17,100	74	100	300	3	297
Total projects not started, >SEK 50 M					17,100	74	100	300	3	297

Ongoing projects	Category	Investment type	Location	Completed	Area, sq. m.	Rental value, SEK M	Occupancy rate, %	Total investment, SEK M	Of which invested, SEK M	Remaining to invest, SEK M
Tusenskönan 2	OTH	N	Mölnadal	Q1 2025	10,600	27	100	337	292	45
Litografen 1	Re	N	Örebro	Q3 2025	3,500	6	100	69	10	59
Amperen 1	Lo	N	Västerås	Q3 2025	37,200	29	100	382	251	131
Backa 20:6	P	N	Göteborg	Q4 2025	9,000	43	100	507	330	177
Gladan 6	O	R	Stockholm	Q4 2025	3,900	16	11	165	39	126
Bågaren 5	P	R	Norrköping	Q4 2025	6,400	17	100	105	32	73
Repslagaren 24	O	R	Örebro	Q4 2025	4,700	11	100	66	22	44
Gullbergsvass 1:15	H	R	Göteborg	Q1 2026	4,500	18	100	98	5	93
Total ongoing projects, >SEK 50 M					79,800	167	91	1,729	981	748

Developments completed or fully/partly occupied	Category	Investment type	Location	Completed	Area, sq. m.	Rental value, SEK M	Occupancy rate, %	Total investment, SEK M	Of which invested, SEK M	Remaining to invest, SEK M
Tullen 8	P	R	Örebro	Q4 2024	8,200	17	100	106	92	14
Finnslätten 1 (part)	O/I	R	Västerås	Q2 2024	21,000	28	72	189	189	0
Bollbro 15	P	R	Helsingborg	Q2 2024	5,000	9	100	140	140	0
Tistlarna 9	Lo	N	Malmö	Q1 2024	11,300	13	97	205	205	0
Götaland 5 (Werket)	O	R	Jönköping	Q1 2024	22,000	56	55	344	232	112
Total completed projects >SEK 50 M					67,500	123	73	984	858	126
Sum total projects, >SEK 50 M					164,400	364	87	3,013	1,842	1,171

Category: O=Office, W=Warehouse, Lo=Logistics, P=Public sector, I=Industry, Re=Retail, H=Hotel, OTH=Other
Investment type: N=New construction, R=Reconstruction

Project pipeline

Castellum has major potential in its development portfolio, which with progress in detailed development plans will permit the start of projects corresponding to approximately 820,000 square metres in the next five years. These future projects include significant opportunities at Nordic Hub Säve in Gothenburg and the Hagastaden district of Stockholm.

Future potential development projects over the next five years, 20 largest by area

Future potential projects	Location	Type	Category	Detailed development plan	Leasable area, sq. m.
Nordic Hub Säve ¹	Gothenburg	N	W	Ongoing	215,000
Läkaren 10	Stockholm	R	O	In effect	35,700
Charkuteristen 1, 5, 6, 7, 8	Stockholm	T	O	Ongoing	28,000
Gullbergsvass 703:44 ²	Gothenburg	N	O	Ongoing	24,500
Mimer 5	Västerås	R	O	In effect	23,000
Sunnanå 8:51	Malmö	N	Lo	In effect	22,300
Smärgelskivan 3	Helsingborg	N	Lo	In effect	21,100
Infinity	Stockholm	N	O	In effect	20,200
Helsinki Kirjurinkatu 3	Helsinki	R	O	In effect	17,200
Palombohult ²	Örebro	N	Lo	In effect	15,100
Flahult	Jönköping	N	Lo	In effect	15,000
Kv. Druvan	Linköping	N	O	In effect	14,900
Hedenstorp ²	Jönköping	N	Lo	In effect	14,000
Flintan 4	Lund	N	Lo	In effect	14,000
Karl 15	Helsingborg	R	O	Not started	13,400
Gaslyktan 11	Gothenburg	R	O	In effect	13,000
Trucken 6	Borås	N	W	In effect	12,800
Brunna Örnäs 1:28	Upplands Bro	N	Lo	In effect	12,700
Brunna Örnäs 1:29	Upplands Bro	N	Lo	In effect	12,700
Höjdpunkten Stage 1	Lund	N	O	Ongoing	11,500
Total					556,100

Category: O=Office, W=Warehouse, Lo=Logistics, P=Public sector, I=Industry, Re=Retail, H=Hotel, OTH=Other
Investment type: N=New construction, E=Extension, R=Reconstruction

1. Total area linked to Säve is approximately 600,000 square metres, of which 215,000 square metres is felt could be started within 5 years.
2. Land allocation agreement or reservation.

Future potential development projects over the next five years, by location and category

Location	Category	Leasable area, sq. m.		
		Detailed develop-ment plan exists	Change to detailed devel-opment plan required	Total
Borås	W	12,800	—	12,800
Gothenburg	I	5,900	—	5,900
Gothenburg	O	25,100	24,500	49,600
Gothenburg	W	—	215,000	215,000
Gothenburg	P	—	8,800	8,800
Helsingborg	O	1,600	13,400	15,000
Helsingborg	Lo	21,100	—	21,100
Helsinki	O	17,200	—	17,200
Jönköping	O	4,500	2,000	6,500
Jönköping	Lo	29,000	—	29,000
Jönköping	OTH	7,700	—	7,700
Linköping	O	39,500	—	39,500
Lund	Re	3,000	—	3,000
Lund	O	5,500	23,000	28,500
Lund	Lo	14,000	—	14,000
Malmö	O	7,400	7,500	14,900
Malmö	Lo	31,900	—	31,900
Norrköping	O	11,600	—	11,600
Stockholm	Re	3,900	—	3,900
Stockholm	O	82,100	42,600	124,700
Stockholm	OTH	5,300	—	5,300
Turku	O	—	7,000	7,000
Upplands Bro	Lo	33,100	—	33,100
Uppsala	O	18,700	—	18,700
Västerås	I	19,600	—	19,600
Västerås	O	33,600	—	33,600
Västerås	OTH	11,700	—	11,700
Örebro	O	7,100	4,200	11,300
Örebro	Lo	15,100	—	15,100
Örebro	OTH	3,100	—	3,100
Total		471,100	348,000	819,100

Transactions

Geographic refinement for increased portfolio quality

Properties were divested for approximately SEK 3.2 Bn during the year, which enabled further geographic refinement of the portfolio while strengthening the company's balance sheet.

In May 2024, ten properties were divested at a value of approximately SEK 934 M. These properties consisted primarily of smaller properties in non-priority sub-markets such as Tyresö, Sollentuna, Partille and Mölndal, and/or segments such as retail.

In September, Castellum sold four properties at a sale price of approximately SEK 361 M. With that, the company left the Edsberg sub-area in Sollentuna for the purpose of focusing further on and increasing efficiency in property management.

Reduced exposure to retail

In April 2024, Castellum sold the Visiret 2 property in the Smista district of southern Stockholm. The sale price was approximately SEK 347 M.

In December 2024, four properties in the Smista district of southern Stockholm were sold for a total of approximately SEK 280 M. These divestments resulted in reduced exposure to the retail segment.

Summary of transactions and acquisitions for the year

Summing up the transactions for the year, Castellum divested 41 properties for SEK 3.2 Bn, which can be compared with 48 properties in 2023 for a total of SEK 5.2 Bn. The divestments were in line with the carrying amounts. Property acquisitions in 2024 totalled SEK 67 M, compared to SEK 336 M in the preceding year.



5

Directors' Report

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Castellum's Annual Report
The statutory Annual Report, which contains the Directors' Report and financial statements, is found on pages 32–168 and 173. Castellum's statutory Sustainability Report under the Swedish Annual Accounts Act is found on pages 4–13, 25, 28, 41–46, 47–107, 110–113 and 115–120. The cross-references to the various sustainability reporting frameworks that Castellum applies are on pages 100–105.



Operations, financing and risk management

Operations and earnings

The operation in brief

The Board of Directors and the CEO of Castellum Aktiebolag (publ) ("Castellum"), Corporate ID No. 556475-5550, hereby submit the Annual Report and consolidated financial statements for financial year 2024. The company has its registered office in Gothenburg, but with two head offices located at Östra Hamngatan 16 in Gothenburg and at Hangövägen 20 in Stockholm. The Annual Report and consolidated financial statements will be proposed for adoption at the Annual General Meeting on 7 May 2025.

Castellum is one of the largest listed property companies in the Nordic region that develops flexible workplaces and smart logistics solutions. As of 31 December 2024, the property value totalled approximately SEK 155 Bn, including the ownership share of the Norwegian associated company Entra.

Castellum is active in attractive Nordic growth cities, and its business model is built on investing in and developing commercial premises managed by a decentralised and customer-centric organisation. The company works continually to develop its offering so that it can meet the rapid changes in its business environment. The business strategy takes its starting point in a rapidly changing business environment, where the objective is to consistently meet tenants' needs while being an urban developer with a long-term perspective. This is how Castellum is creating the sustainable cities of the future.



Important events during the year

- The Board of Directors of Castellum has decided to revise its financial targets and dividend policy. Return on equity will total at least 10 per cent per year over a business cycle. The dividend will total at least 25 per cent of income from property management, unless the company's financial position justifies otherwise.
- Moody's confirmed Castellum's credit rating of Baa3 and adjusted the outlook from stable to positive.
- In November, Castellum signed a 15-year lease with television channel TV4 for approximately 16,000 square metres. Completion of the property is scheduled for autumn 2026, after which it will be ready for occupancy. The total investment volume is approximately SEK 300 M and the total rental value amounts to approximately SEK 1 Bn.
- Under its EMTN programme, Castellum issued an unsecured bond loan of EUR 500 M in the European capital market. The maturity is 6.25 years and the annual coupon rate amounts to 4.125 per cent. Castellum has also repurchased bonds at a nominal amount of EUR 186 M.

The Castellum share is listed on Nasdaq Stockholm Large Cap and is classified as green under the Green Equity Designation.

Income from property management, SEK M

4,819 (4,373)

Market capitalisation, SEK Bn

59.4

Group net income

Income from property management

Income from property management increased to SEK 4,819 M (4,373), corresponding to SEK 9.78 per share (9.69). The increase in income from property management pertains primarily to lower costs related to both direct property costs and costs for administration and financing. Castellum's participations in associated companies Entra and Halvorsång contributed SEK 429 M (445) to income from property management.

Segment information

SEK M	Income		Net operating income	
	2024	2023	2024	2023
Stockholm	2,541	2,543	1,863	1,868
West	1,835	1,829	1,314	1,265
Central	1,752	1,759	1,251	1,198
Mälardalen	1,299	1,254	876	813
Öresund	1,505	1,563	1,049	1,100
Finland	683	671	388	353
Coworking	265	266	-20	-31
Group elimination	-96	-79	—	—
Total	9,784	9,806	6,721	6,566
Other income, Finland	65	—	65	—
Total	9,849	9,806	6,786	6,566

Income

Income totalled SEK 9,849 M (9,806), of which SEK 65 M (—) pertained to estimated indemnity. Completed property sales meant lower income of SEK 345 M at the same time as completed projects made a positive contribution of SEK 146 M to income. In the like-for-like portfolio, rental income increased SEK 199 M, corresponding to 2.3 per cent, excluding currency effects. The change in the like-for-like portfolio is driven mainly by indexation, but was offset by higher vacancies and discounts. Other rental income and termination of contracts totalled SEK 45 M (88). In some cases, Castellum has limitations on its leases that preclude full indexation, at the same time as indexation in Denmark and Finland was lower than in Sweden. The increase in income in the Swedish like-for-like portfolio was 3.0 per cent. The economic occupancy rate was 91.5 per cent (92.1).

Development of income

SEK M	2024	2023	Change, %
Like-for-like portfolio	8,851	8,652	2.3
Development properties	600	454	
Transactions	168	513	
Coworking	265	266	
Group elimination	-96	-79	
Currency adjustment ¹	-4	—	
Rental and service income	9,784	9,806	
Other income, Finland	65	—	
Income	9,849	9,806	0.4

1. The current year, restated with the exchange rate of the comparative year.

Net leasing

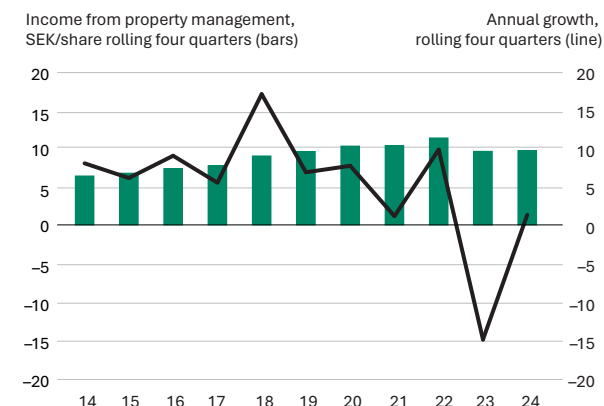
Gross leasing (i.e. the annual value of total leases) during the year was SEK 609 M (612). Notices of termination amounted to SEK -596 M (-679), of which SEK -39 M (59) were bankruptcies and SEK -33 M (-23) were notices of termination with more than 18 months left of contract. Net leasing for the period thus totalled SEK 13 M (-67). Renegotiations corresponding to annual rent of SEK 452 M were conducted during the year, with an average change in rent of -1.0 per cent. Leases valued at SEK 1,706 M were extended with no changes to terms.

SEK M	Region						Total
	Stock-holm	West	Central	Mälardalen	Öresund	Finland	
New leasings							
Existing properties	135	104	93	80	78	29	519
Investments	66	18	6	—	—	—	90
Total	201	122	99	80	78	29	609
Terminated							
Existing properties	-183	-121	-77	-51	-88	-37	-557
Bankruptcies	-4	-9	-9	-9	-4	-4	-39
Total	-187	-130	-86	-60	-92	-41	-596
Net leasing	14	-8	13	20	-14	-12	13
<i>In 2023</i>	<i>-35</i>	<i>-15</i>	<i>42</i>	<i>-2</i>	<i>-28</i>	<i>-29</i>	<i>-67</i>

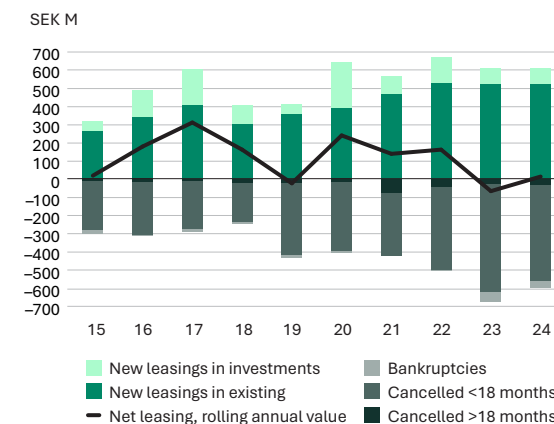
Costs

Direct property costs totalled SEK 2,322 M (2,456). Costs in the like-for-like portfolio decreased SEK 54 M,

Income from property management per share



Net leasing



Property costs

SEK/sq. m.	Offices	Public sector properties	Warehouse/ Light industry	Retail	2024 Total	2023 Total
Operating costs	331	229	193	176	268	275
Maintenance costs	78	52	31	45	58	58
Property tax	157	113	27	87	108	107
Property costs	566	394	251	308	434	440
Property administration	—	—	—	—	108	107
Total	566	394	251	308	542	547

corresponding to 2.5 per cent, excluding currency effects. Property administration excluding coworking amounted to SEK 552 M (566), corresponding to SEK 108 per square metre (107). Direct property costs excluding non-recurring costs of SEK 55 M that were recognised in the fourth quarter of 2023 thus remain unchanged. Electricity costs decreased but were offset by higher costs for heating, water, snow removal and maintenance. Central administrative costs decreased to SEK 241 M (403). All together, administrative costs thus decreased by SEK 176 M, of which SEK 143 M is attributable to non-recurring costs recognised in 2023. Excluding non-recurring costs, administrative costs decreased SEK 33 M, corresponding to 4.0 per cent, as a result of a general cost review.

Cost trends

SEK M	2024	2023	Change, %
Like-for-like portfolio	2,131	2,185	–2.5
Development properties	156	131	
Transactions	36	140	
Currency adjustment ¹	–1	—	
Direct property costs	2,322	2,456	–5.5
Property administration	552	566	
Coworking	285	297	
Group elimination	–96	–79	
Total lease and property administration costs	741	784	
Central administration costs	241	403	
Total costs	3,304	3,643	–9.3

1. The current year, restated with the exchange rate of the comparative year.

Income from associated companies and joint ventures

Income from associated companies and joint ventures consists of Castellum’s share of Entra ASA’s and Halvorsäng Fastighets AB’s earnings. Castellum’s share of the associated companies’ income from property management, which totalled SEK 429 M (445) for the year, is included in the line item “of which income from property management”.

As of the balance sheet date, a need for impairment totalling SEK 299 M had been identified owing to a lower net reinstatement value for Entra. The impact for the year on holdings in Entra from changes in currency rates is recognised in other comprehensive income.

Net financial items

Net financial items totalled SEK –2,155 M (–2,235). The improvement over the preceding year was attributable mainly to a lower debt volume. The average closing interest rate for the loan portfolio, including interest-rate and currency hedging with lengthy durations, amounted to 3.2 per cent (3.0) on the balance sheet date. The average interest rate provides a snapshot of the latest fixed-interest period for the derivative and loan portfolios on the balance sheet date and excludes certain items in net financial items such as the accrual of borrowing overheads, other financial costs, currency hedging with short maturities and, in some cases, currency effects. In the fourth quarter, SEK 19 M attributable to currency hedging with short durations related to Entra – which were not included in the average inter-

est rate – was expensed. In addition to this, non-recurring costs of SEK 14 M related to refinancing and early redemption of bank credits, as well as renewal of bonds, were expensed.

Changes in value

Properties

During the year, Castellum recognised unrealised changes in value of SEK –1,528 M (–14,325), driven primarily by cash flow-related changes during the year. The average exit yield for Castellum’s portfolio totalled 5.63 per cent at the end of the year, corresponding to an increase of 1 basis point from the year-earlier date.

Castellum’s property sales completed during the year resulted in a realised change in value of SEK –99 M. The net sales price amounted to SEK 3,203 M less deferred tax and overheads of SEK –147 M. Total underlying property value in the sales was thus SEK 3,350 M, a difference of SEK 48 M compared with the latest assessment of SEK 3,302 M.

Change in values on properties

SEK M	2024	2023
Cash flow	–1,190	–2,936
Project gains/building rights	592	–920
Yield requirement	–930	–10,469
Unrealised changes in value	–1,528	–14,325
%	–1.1	–9.3
Sales	–99	–209
Total	–1,627	–14,534
%	–1.2	–9.5

Derivatives

Castellum holds both interest-rate and currency derivatives, which are impacted primarily by market interest rates and exchange rate fluctuations. In net income for the year, the derivatives generated a change in value of SEK 451 M (–1,235), which includes both realised and unrealised changes in value. Changes in value resulting from hedging relationships totalled SEK 126 M (1,059) and are recognised in other comprehensive income. The positive changes in value are attributable to the rise in interest rates on longer maturities during the year as well as changes in currency exchange rates.

Goodwill

Changes in goodwill totalled SEK –188 M (–474), of which SEK –82 M (–156) was attributable to divestments, SEK –106 M (–293) was attributable to negative value trends on properties and SEK — M (–25) was attributable to United Spaces.

Tax

Castellum’s operations are subject to several different taxes: income tax, property tax, employee taxes, VAT, stamp duties and energy taxes. Political decisions such as changes in corporate taxation, tax legislation or interpretations thereof may lead to Castellum’s tax situation increasing or decreasing. Castellum’s strategy regarding tax management is regulated in a tax policy, which is available on the company’s web site. This policy is to be revised on a regular basis and adopted by the Board at least once

a year. The Chief Financial Officer of Castellum is the document owner and bears responsibility for the policy. Any breach of the tax policy is to be reported to the company’s Compliance function, also serving as the Group’s Chief Legal Officer, who will in turn inform the CEO.

Castellum endeavours to pay the correct taxes in every country where it conducts operations. The company continually monitors changes to laws and legal praxis so that taxes are managed in accordance with applicable laws and regulations. This requires Castellum to conduct its operations responsibly in relation to both society and the company’s stakeholders.

Since 2016, Castellum has had a Code of Conduct that is based on the company’s values and the principles of the UN Global Compact. In the Code, Castellum clarifies its positions on issues such as business conduct and information – which is highly relevant to the company’s views on taxes.

Tax management will be evaluated as an integral part of the company’s business decisions and general risk management. This evaluation will also take risks to brand and reputation into consideration.

Castellum’s contact with the tax authorities in the respective countries will be marked by openness and transparency. The company will openly describe the principles that govern its tax governance and the tax that is to be paid for its stakeholders. In cases where regulations are unclear or ambiguous, the spirit of the law will be interpreted and Castellum will be proactive and transparent through open requests, applica-

Prospects for 2025

Stability in the Group’s core business is expected to remain good in 2025. However, low CPI indexing in combination with a somewhat cautious rental market will likely lead to relatively weak income performance. The volume of larger projects that will be completed during the year is also limited, but will increase over time. A capital market that is once again functional, in combination with increased willingness among banks to lend, should positively impact the loan margins. At the same time, underlying interest rates are expected to remain somewhat higher than in previous forecasts.

tions for preliminary decisions or alternately in dialogue with the tax authority.

Total income tax for the year was SEK –404 M (3,016), of which SEK –172 M (–12) pertained to current tax. Applying a nominal tax rate of 20.6 per cent to income before tax, theoretical tax amounts to SEK –569 M. The difference of SEK 165 M is due primarily to effects from properties sold. Employers in Sweden pay 31.42 per cent in social security contributions based on salary and a payroll tax of 24.26 per cent on pension contributions. In 2024, Castellum paid SEK 135 M (140) in social security contributions and payroll taxes.

Proposed appropriation of profits

The following funds (in SEK) are at the Annual General Meeting’s disposal:

Retained earnings	47,553,327,780
Net income for the year	1,222,528,514
Total	48,775,856,294

The Board of Directors propose that the profits be appropriated as follows:

Dividend to shareholders, SEK 2.48 per share	1,221,266,202
Carried forward	47,554,590,092
Total	48,775,856,294

The company has 492,601,452 registered shares, of which 155,403 shares are currently treasury shares not entitled to a dividend.

Parent Company net income

The Parent Company is Castellum Aktiebolag (publ). The object of the Parent Company’s operations is to own and manage shares in the operating subsidiaries and to be responsible for issues relating to the stock market, such as Group reporting and stock market information, and related to the credit market in the form of borrowing and financial risk management. Income before tax for the year totalled SEK 1,318 M (–2,129). The Parent Company’s assets totalled SEK 110,884 M (102,647). The debt/equity ratio was 44 per cent (47).

Operations, financing and risk management

Financing

The chosen capital structure is pivotal for the financial returns and risk exposure anticipated by owners. Among the factors influencing the choice are business risk and tax situation, as well as the risks and costs associated with increased borrowing. Back when Castellum was listed, it had already established that the company would have a low level of financial risk, which was reinforced during the year and is expressed today in the formulation that the long-term loan-to-value ratio should not permanently exceed 40 per cent and that the interest coverage ratio should be at least 3. As of 31

December 2024, Castellum’s assets amounted to SEK 158 Bn and the loan-to-value ratio was 36 per cent, while the interest coverage ratio during the year was 3.3.

Financial policy and monitoring

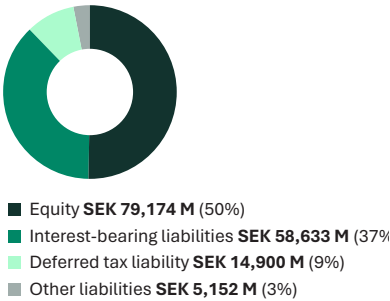
Castellum’s financial activities are conducted in accordance with the financial policy established by the Board, and in such a way that ensures the need for long- and short-term financing and liquidity is fulfilled. Moreover, the aim is to achieve low, stable net interest costs, after taking established risk man-

dates into account. Trends in the financial markets have a great impact on Castellum. Reflecting and supporting the goals and conditions of business operations are of importance to finance operations. Using the financial policy, the Group can control and manage financial risks and ensure risk management through close control and monitoring. The financial risks are monitored and reported quarterly to the Board of Directors. The Board also reviews its financial policy annually.

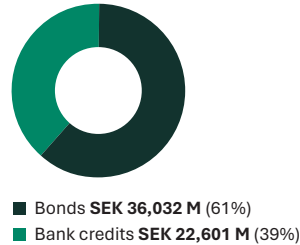
Castellum regularly follows up and monitors future financing needs based on assumptions about

	Policy	Commitment	Outcome
Loan-to-value ratio	Not to permanently exceed 40 per cent	Not exceeding 65%	35,6%
Interest coverage ratio	>3	>1.5	3.3
The share of secured borrowing/total assets		Not exceeding 45%	14%
Funding risk			
– average debt maturity excluding unutilised credits, years	At least 2 years		4.4 years
– maturing within 1 year	No more than 30 per cent of loans outstanding and unutilised credit agreements		10%
– liquidity reserve	Liquidity reserve corresponding to 12 months’ impending loan maturities		Achieved
Interest rate risk			
– average interest duration	1.5–4.5 years		3.6 years
– maturing within 6 months	Not more than 50 per cent		27%
Credit and counterparty risk			
– rating restriction	Credit institutions with high ratings, at least S&P BBB+		Achieved
Currency risk			
– net exposure in foreign currency	Maximum 10 per cent of the balance sheet total		Achieved

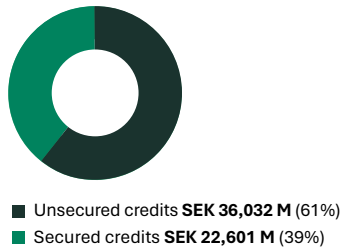
Financing, 31 December 2024



Allocation of interest-bearing liabilities, 31 December 2024



Secured and unsecured credits, 31 December 2024



earnings, net investment volume, property value growth and maturity profile of the existing debt portfolio, covenants in credit agreements and interest-rate risk exposure. Furthermore, the Group carries out sensitivity analyses to understand how changes in the asset portfolio – as well as movements in market interest rates and property values – affect the balance sheet and earnings.

Interest rate risk

By definition, interest rate risk refers to a potentially negative impact on the income statement and balance sheet caused by a change in market interest rates. To limit fluctuations in net interest costs, Castellum will feature a mix of fixed interest rate durations on loans and interest rate derivatives. The choice of interest-rate profiles should take the Group’s Business Plan, as well as anticipated inflows and outflows, into account.

Interest costs are the single largest cost item and have a major impact on growth in income from property management. These are partly affected by changes in market interest rates, and partly by the margin required by creditors as compensation for lending money. The short-term market interest rate is primarily controlled by the Riksbank, whereas the long-term market interest rate is affected by other factors such as expectations of future growth and

inflation. The credit margin is controlled both by supply and demand for credit and by regulations in the credit and capital markets. Conditions in both the interest and credit markets can change rapidly.

Rising market interest rates are normally considered a result of economic growth and rising inflation, which in turn are also presumed to result in increased demand for commercial premises, thereby leading to increased rents and/or reduced vacancy rates. Falling market interest rates are normally assumed to have opposite causes and effects. Given this reasoning, rising or falling market interest rates are thus met by rising or falling rental income, over time. Changes in credit margins may occur regardless of prevailing economic conditions; recently, they have been affected by factors such as uncertainty concerning the geopolitical situation, inflation, and interest-rate trends. Changes in market interest rates and credit margins affect net financial items. How quickly – and by how much – largely depends on the chosen fixed interest rate and the duration of credit margins.

To ensure low and stable net interest, Castellum has chosen to restrict the proportion of fixed maturities due within six months at a maximum 50 per cent of net debt; the average fixed interest term will be between 1.5 and 4.5 years. The interest coverage ratio is a financial key ratio that describes a compa-

ny’s risk level and resilience to fluctuations in net interest.

Castellum’s strategy includes an interest coverage ratio of at least 3. For 2024, the interest coverage ratio was 3.3 (3.0). The average fixed interest term at 31 December 2024 was 3.6 years (3.3), while the share of maturities due within 6 months was 27 per cent. The average debt maturity structure for utilised borrowing facilities at year-end was 4.4 years (4.2). At the end of the year, the net debt to EBITDA ratio was 9 (10).

Net interest for 2024 amounted to SEK –2,083 M (–2,162) with an average interest rate of 3.2 per cent (3.0).

Funding risk

Funding risk refers to the risk that financing is not available or is very unfavourable at a given time. It is by far the Group’s largest funding risk. The Group’s assets – primarily commercial properties – should be seen as long-term investments, which thereby comply with demands for a long-term approach to financing the asset portfolio. However, pricing in the credit market should also be taken into account.

Castellum should have sufficient, and competitive, financing so the Group’s activities can be conducted in a suitable and cost-efficient manner. The funding risk is managed through advance planning,

an appropriate debt maturity structure, balanced loan pricing, diversification of financing sources and maturities, and a reasonable liquidity reserve.

At the end of the year, Castellum held credit agreements totalling SEK 82,621 M (86,859) of which SEK 73,533 M (81,372) was long-term and SEK 9,088 M (5,487) was short-term. Of the utilised borrowing facilities at the end of the year, SEK 50,300 M (57,134) was long-term and SEK 8,333 M (4,537) short-term.

After deduction of cash of SEK 2,400 M (2,088), interest-bearing liabilities were SEK 56,233 M (59,583), of which SEK 36,032 M (35,783) were bonds outstanding and the remainder were bank credits.

During the year, several of the credit facilities in banks were renegotiated on market terms. Agreements on new bank facilities have also been signed, for which new securities have been pledged. During the year, Castellum carried out share issues totalling SEK 9.2 Bn in the Swedish and European bond markets.

The covenants in credit agreements stipulate primarily that the Group may not have a loan-to-value ratio exceeding 65 per cent and that the interest coverage ratio may not fall below 1.5. To some extent, there are also covenants on the share of secured borrowing and debt/equity ratio requirements. At year-end, Castellum had fulfilled all covenants.

Credit and counterparty risk

Credit and counterparty risk is the risk that a counterparty cannot fulfil its commitments, such as liquidity supply or payment. In financial operations, credit and counterparty risk arises primarily in connection with long-term credit agreements, derivative contracts and the investment of cash and cash equivalents. Castellum limits this risk by requiring high credit ratings from its counterparties, which are currently all major Nordic banks.

Currency risk

Currency risk refers to a negative impact on the income statement, balance sheet and cash flow due to changes in exchange rates. At year-end, Castellum owned properties in Denmark and Finland totalling SEK 12,325 M (12,681) and shares in the Norwegian company Entra, which has loans in foreign currencies – meaning that the Group is exposed to currency risk. The currency risk primarily occurs when income statements and balance sheets in foreign currency are translated into SEK. Currency risks should be limited, primarily via matching of assets in foreign currencies with debts in the same currencies, and secondarily via deriva-

tives. Permissible currency exposure under the financial policy is net exposure corresponding to 10 per cent of the balance sheet total.

Secured interest-bearing liabilities

Long-term bank facilities are mainly secured with collateral comprising the company’s property holdings. Issued MTNs, commercial paper and certain short-term bank loans – such as overdraft credits – are unsecured. Of interest-bearing liabilities totalling SEK 58,633 M (61,671), SEK 22,601 M (25,101) was secured against property deeds and SEK 36,032 M (36,570) was unsecured, which means that around 39 per cent (41) of loans outstanding were secured. Castellum’s share of unsecured assets at the end of the year was 50 per cent (47). Secured borrowing in relation to total assets was 14 per cent (16).

Derivatives

Interest rate derivatives

Under the IFRS 9 accounting standard, derivatives are subject to market valuation. For interest rate derivatives, this means that a surplus or a deficit occurs if the contracted interest rate varies from

Credit maturity structure, 31 December 2024

Credit agreements	Bank	Bonds	Commercial paper	Total interest-bearing liabilities	Share, %	Unutilised credits	Total available credit facilities
2025	—	8,238	—	8,238	14	850	9,088
2026	899	6,541	—	7,440	13	11,483	18,923
2027	2,529	3,948	—	6,477	11	10,155	16,632
2028	6,390	1,579	—	7,969	13	1,500	9,469
2029	2,683	10,017	—	12,700	22	—	12,700
>2029	10,100	5,709	—	15,809	27	—	15,809
Total	22,601	36,032	—	58,633	100	23,988	82,621

Interest rate maturity structure, 31 December 2024

Maturity date	SEK M	Share, %	Average interest rate, %	Average fixed interest rate term, years
0–1 year	17,728	30	6.1 ¹	0.3
1–2 years	5,758	10	1.5	1.7
2–3 years	3,399	6	4.1	2.7
3–4 years	4,779	8	1.5	3.9
4–5 years	11,231	19	1.2	4.7
>5 years	15,738	27	2.4	7.4
Total	58,633	100	3.2	3.6

1. Includes the margin for the entire variable portion of the debt portfolio. The average interest rate for variable liabilities amounts to 4.4 per cent.

the current market rate. Castellum recognises this change in value in profit or loss. By extending the fixed interest term, the interest rate risk in terms of cash flow is limited, whereas the risk for accounting-based changes in value is higher. It is worth noting that loans with long-term fixed interest rates that are less flexible, but can – from an interest rate risk perspective – primarily be compared with extension via interest rate derivatives, are normally not subject to market valuation under applicable accounting standards. The positive changes in value are attributable to the rise in interest rates with longer durations during the year.

Currency derivatives

Castellum’s need for financing in DKK, EUR or NOK can be achieved through borrowing in local currencies and by using currency derivatives. The exposure is the same, but in accordance with the accounting standards in IFRS 9, derivatives are subject to market valuation, which means that a surplus or deficit arises if the stipulated exchange rate differs

from the current exchange rate. Castellum applies hedge accounting under IFRS 9, which means that the effective portion of the change in value is reported in other comprehensive income. The positive changes in value are attributable to changes in currency exchange rates.

Financial facilities

Financial facilities	Frame/facility type	Utilised, 31 December 2024
MTNs	25,000	12,405
EMTNs	3,000 ¹	23,627
Commercial paper	10,000	—
Bank credits including overdrafts	46,589	22,601

1. EMTN programmes of EUR 3,000 M.

Secured borrowing, %

	31 Dec 2024
Share of secured borrowing/property value	17
The share of secured borrowing/total assets	14
Share of secured credits utilised	39

Operations, financing and risk management

Risks and risk management

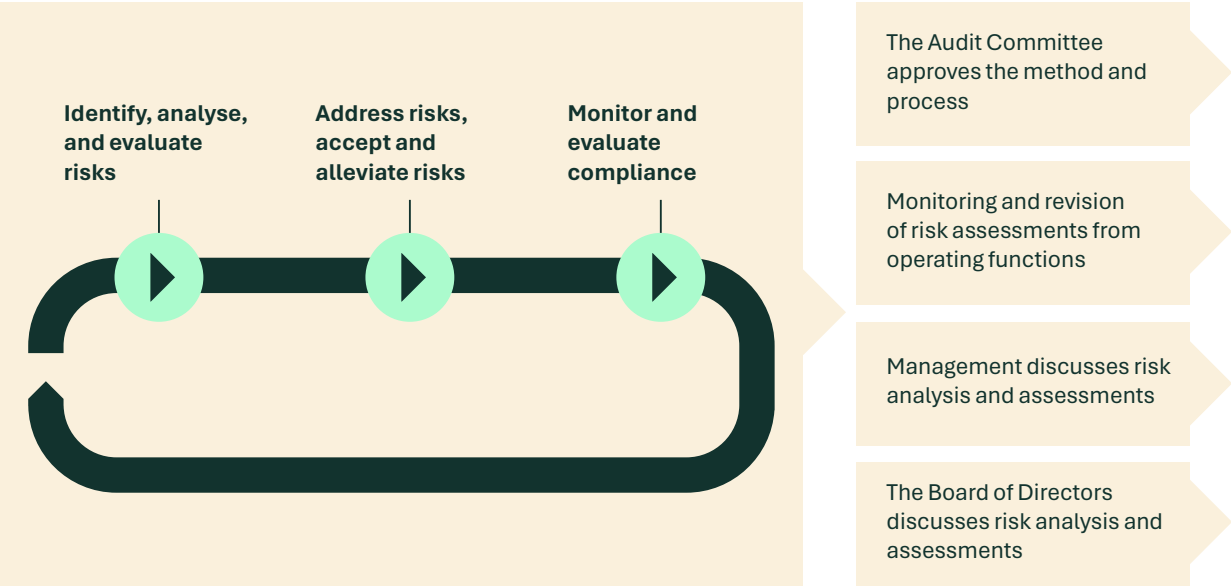
Castellum works continually, in a structured manner, to identify and monitor financial and operational risks that the operations encounter. The Group’s risk management is based on careful analyses and documentation for decisions, for the purpose of mitigating and limiting consequences.

Risks and risk management

Castellum defines risk as an uncertainty factor that may affect the company’s ability to achieve the objectives it has set. Risk management aims to create a balance between the desire to limit the company’s risks and achieve the company’s objectives. In order to assess the effect of identified risks, an annual internal risk survey is conducted in which each risk is assessed based on both impact and likelihood. This process determines if the risks should be further monitored, if actions need to be taken or if they can be handled through standard review and management. All the risks are then consolidated, and the result is Castellum’s overall risk assessment, which is reported on the following pages. The risks are analysed primarily from a five-year perspective.

To facilitate risk management, Castellum has chosen to classify risks into the following categories:

- Business environment risks – risks due to the influence of external factors and events.
- Operational risks – risks associated with routine administration of Castellum’s operations and risks associated with laws and regulations.
- Financial risks – risks attributable to Castellum’s financing.
- Sustainability risks – risks associated with the environment, climate and social responsibility.



Market and business risks

Risk level assessment

Low

Moderate

High

Change in assessment of risk group since previous year

Lower

Unchanged

Higher

Risk	Risk description	Management	Castellum's assessment
Macroeconomic factors	Macroeconomic risks – such as an economic downturn that leads to increased unemployment, reduced growth, weaker profitability for companies and difficulties in obtaining financing – could result in reduced demand for premises, falling market rents, increased vacancy rates, higher financing costs and changed yield requirements, which in turn could have a negative impact on the market value of the properties.	Castellum monitors developments in the business environment, assessing the potential macroeconomic impact on both customer offering and financial position. A strong balance sheet with a properly composed financing structure counteracts interest cost and refinancing risks, and a well-composed lease portfolio reduces the risk of both significant falls in rent and vacancies. Business intelligence is continually gathered, with market trends being monitored and adjustments made to adapt the company’s offering to its customers’ needs and demands as well as to be a competitive operator in the property industry.	<div></div>
Crises	A crisis is a difficult-to-manage incident beyond Castellum’s control that has a serious impact on or disrupts operations, causes danger to life or health, damage to property or the environment, or damage to confidence in Castellum or its reputation. In the event of a crisis, there is also the risk that insurance coverage will be insufficient, or that the crisis is of such nature that the insurance does not apply.	All properties are insured for their full value in order to minimise the risk of major economic impacts caused by unforeseeable property damage. Furthermore, Castellum partners with a broad network of contacts and industry organisations to widen the scope of its business intelligence. Castellum has internal crisis management groups and crisis plans in every region and at Group level, which are activated as needed and in conjunction with regular crisis exercises. The crisis management groups lead the work when a crisis arises. The crisis plans include escalation criteria for when the Group-wide crisis plan is to be activated. They include a section on crisis communication, with a clear allocation of responsibilities and checklists.	<div></div>

Operational risks



Risk	Risk description	Management	Castellum's assessment
IT and information security	Hacking, ransomware attacks or similar incidents can have serious impacts, for example, in the form of loss or destruction of data, leaks of confidential information or the spread of disinformation. Insufficient information security could lead to personal data breaches.	Castellum is continually engaged in preventive security efforts concerning IT security, firewalls, virus protection, hacking tests and systems that minimise risks associated with IT security in the operations. There is an IT continuity plan that specifies actions the company is to take in the event of unforeseen incidents. Routine training courses on information security and personal data processing are also offered. Castellum also has a data protection officer who works with issues linked to the GDPR.	<div>▲</div>
Rental income and vacancy risk	Castellum's income is impacted by rental levels, occupancy rates and its tenants' ability to pay. Both the rental level and the occupancy rate are impacted by developments in the business cycle and demand for premises, which means that the risk increases for companies in vulnerable industries.	Castellum has a diversified lease portfolio with a spread across notice periods, industries, tenant size and geographic location and that is concentrated in growth markets where a large proportion comprises public sector and/or state-owned tenants. Leases with at least a three-year term are, either in part or in whole, subject to indexation. The risk of customer loss is limited, since Castellum always conducts credit checks before new leases are signed and routinely monitors its tenants' creditworthiness. Furthermore, Castellum strives for long-term customer relationships and reduces the risk of vacancies by working closely with tenants in order to understand their needs. Castellum takes a long-term approach to renegotiating leases.	<div>◁ ▷</div>
Employees	Castellum depends on committed employees with the right skills for creating competitive operations and growth. There is a risk that Castellum will not succeed in retaining qualified personnel, which could result in a shortage of competence, and that some positions cannot be immediately replaced, which would impact operations and the ability to implement strategies over the short term.	Castellum works actively with the Castellum Experience employee survey to investigate employee well-being. Additionally, Castellum complies with collective bargaining agreements and offers competitive, market-based remuneration as well as competence and leadership development. Castellum has a succession plan to ensure that key functions are not eliminated if key individuals leave the company or go on sick leave. To avoid the risk of issues such as victimisation, incidents and so on, there are several local Safety Committees that monitor compliance with Castellum's work environment handbook, local safety officers that employees can turn to regarding work environment issues, and a whistleblower function that is managed by an external party in order to safeguard anonymity. Employees undergo mandatory training in occupational health and safety at the start of employment.	<div>◁ ▷</div>
Operating and maintenance costs	Castellum's operating and maintenance costs comprise primarily rate-based costs such as electricity and heating, and price trends of purchased goods and services Increased operating costs that are not offset through rental income, or increased costs owing to backlogs in maintenance, repairs or damage can impact the market values of the properties and lead to higher insurance premiums.	In pace with the properties becoming increasingly connected online, the possibility of remotely monitoring operations and detecting and addressing potential functional errors at an earlier stage increases. Castellum engages in preventive actions in the form of self-checks, risk inspections, electricity audits and incident reporting in order to reduce the risk of damage to property, people and the environment. Castellum is works in accordance with thoroughly prepared guidelines for electricity trading. The guidelines are intended to minimise risk and ensure a more even cost trend, as well as minimise uncontrolled changes in the price of electricity for Castellum and its tenants. Castellum has a central purchasing function to ensure that purchases are procured in a structured manner, and that framework agreements are signed with suppliers.	<div>◁ ▷</div>

Operational risks



Risk	Risk description	Management	Castellum's assessment
Market values of the properties	The market values of our properties are impacted by a number of factors such as market offering, rental level, yield requirement, general business cycle trends, interest rates, and inflation as well as property-specific circumstances such as operating costs, vacancies, technical standard, property damage or changes in legal requirements. There is a risk that changes in any of these factors could negatively impact property values, or that erroneous assessments are made in the valuation of individual properties.	Castellum recognises its investment properties at fair value. Routine actions are taken to limit the risk of property-specific incidents negatively impacting the market value through, for example, active administration, full-value insurance and diversification in the composition of the asset portfolio. Experienced evaluators routinely monitor the market and conduct sensitivity analyses to prevent the inherent uncertainty in market assessments in conjunction with property valuations. Internal property valuations are carried out on the property portfolio in conjunction with quarterly reports and external property valuations of portions of the property portfolio are carried out in conjunction with the reports for the second and fourth quarters. Refer to Note 10 Investment properties.	<div> <div></div> </div>
Regulatory compliance	Castellum is a listed property company with operations in Sweden, Denmark and Finland, and indirectly in Norway through an associated company. The inability to comply with laws and regulations in force at any given time – which includes, for example, regulations for listed companies, environmental legislation and tax legislation – can lead to financial losses, unforeseen costs, sanctions, delisting or loss of reputation among tenants and shareholders. Regulations can also be open to interpretation, meaning that current regulators and Castellum may have different opinions.	Castellum has employees in different specialist fields, such as sustainability, tax and legal, in order to manage issues of varying complexity and to identify political decisions and proposed changes to regulations at an early stage. In addition, there is also an Insider Committee to ensure that inside information is handled correctly. Annual internal audits are conducted based on such factors as applicable environmental legislation and tax legislation, as well as regular training courses for all employees in IT security, the GDPR and sustainability. Moreover, Castellum works with external specialists to reduce the risk of violation of regulations. Castellum has also appointed an external data protection officer.	<div> <div></div> </div>
Projects	New construction, extensions and reconstructions of properties are associated with risks in the form of investments proving to be unprofitable, delays or shortcomings in project implementation or incidents of personal injury, which could lead to increased costs and damage to Castellum’s brand.	Internal processes and high levels of competence in the project organisation ensure that high quality in both project implementation and products is maintained. Castellum carefully evaluates suppliers and contractors and imposes clear requirements for standards, safety, work environment and sustainability. Profitability and risks are routinely monitored over the course of the project.	<div> <div></div> </div>
Composition of the asset portfolio	Castellum’s ownership or acquisition of properties in the wrong sub-market, city or location, or properties that are not future-proof on the basis of tenant preferences, climate or environmental requirements, government agency requirements or flexibility in use and contractual terms could result in an increase in vacancies or costs, or a decrease in the value of properties.	Castellum annually reviews existing property portfolio as well as its composition regarding such aspects as country, town and micro-location. Following this, annual risk assessments are also conducted on the property portfolio based on the type, size, condition and standard of the property. Prior to a potential acquisition, a risk assessment is conducted as above that also includes an evaluation of the property pertaining to factors such as yield, future vacancies and climate risks.	<div> <div></div> </div>

Financial risks



Risk	Risk description	Management	Castellum's assessment
Funding risk	Insufficient financing could lead to Castellum not being sufficiently competitive, and being unable to conduct the Group's operations in a suitable and cost-efficient manner. There is also a risk that Castellum is given less favourable terms in conjunction with renegotiating loans, known as refinancing risk. This risk could also arise in the event Castellum's credit rating is impaired. The inability to comply with covenants could lead to credits immediately falling due for payment.	Funding risk and refinancing risk are managed through advance planning, an appropriate debt maturity structure, balanced loan pricing, diversification of financing sources and maturities. Castellum is also actively engaged in providing its operation with a reasonable liquidity reserve in a proactive manner. Castellum has a cautious and well-designed financial policy that is routinely monitored and addresses both our covenants placed by credit institutions and the requirements from independent issuers of credit ratings.	<>
Interest rate risk	By definition, interest rate risk refers to a potentially negative impact on the income statement and balance sheet caused by a change in market interest rates.	To limit fluctuations in net interest costs, Castellum feature a mix of fixed interest rate durations on loans and interest rate derivatives.	<>
Credit and counterparty risk	Credit and counterparty risk is the risk that the counterparty cannot fulfil its commitments, such as liquidity supply or payment. In financial operations, credit and counterparty risk arises primarily in connection with long-term credit agreements, derivative contracts and the investment of cash and cash equivalents.	Castellum limits this risk by requiring high credit ratings from its counterparties, which are currently all major Nordic banks.	<>
Currency risk	Currency risk refers to a negative impact on the income statement, balance sheet and cash flow due to changes in exchange rates. Currency risk can be divided into translation exposure and transaction exposure.	Castellum's currency risks are to be limited, primarily through natural hedges, by net exposure not exceeding amounts corresponding to 10 per cent of the balance sheet total.	<>

Sustainability risks



Risk	Risk description	Management	Castellum's assessment
Climate change	Climate change implies a risk of property damage caused by changing weather conditions, higher average temperatures, higher water levels and changes in the physical environment that impact properties. This could mean a risk of increased operating costs, unforeseen costs and a greater need for investments in properties.	Castellum works to ensure that both operations and the property portfolio have the conditions to manage a changing climate. All investments are reviewed from a climate perspective in order to assess a property's sensitivity to climate change and the risk of damage to and impact on operating and maintenance costs. Using climate scenario analyses that are reviewed annually, Castellum can identify financial and operational risks and opportunities attributable to climate change that impacts the company over both the short and long term. Routine analyses are conducted in order to identify necessary actions for properties that are exposed to physical climate risks. Refer to Climate change – impacts, risks and opportunities, pages 69–70, and Climate change – anticipated financial effects, page 77.	<>
Operational environmental risks	Operational environmental risks mean risks associated with the direct impact of the properties on the environment such as use of resources, energy consumption, water use, waste management and risk of emissions during renovation or maintenance. These risks can arise in conjunction with poor maintenance of properties, leaks of hazardous substances, inadequate handling of building materials or incorrect waste management, all of which could lead to negative environmental impacts, increased costs and sanctions.	Castellum's Sustainability Policy, with the appurtenant appendix, defines how the company's operations are to be conducted sustainably. Castellum certifies its portfolio for sustainability, sets requirements for efficient resource management, reduces energy consumption and increases the proportion of renewable energy. The company conducts inventories of the existing portfolio and during property acquisitions, in order to identify and address environmental and health risks. Read more about our efforts on page 25 and the Sustainability Report on pages 48–107.	<>
Business conduct, reputation and brand	In the construction and property industry, there are risks pertaining to work environment, corruption and human rights. These risks can be found not only within Castellum but also among hired suppliers and partners. Irregularities or unethical business behaviour could damage Castellum's brand, which in turn could lead to financial impacts and loss of confidence.	Castellum has good ongoing internal control, and clear purchasing and procurement procedures, clear requirements and continual monitoring are essential activities for managing risks in the supply chain. The Code of Conduct for suppliers is attached in conjunction with procurements and new contracts with suppliers. All employees are trained regularly in the internal Code of Conduct as well as other policy documents and guidelines on subjects including purchasing, business conduct and anti-corruption. Castellum informs and is routinely in dialogue with suppliers and other partners regarding requirements for compliance with the Code of Conduct for suppliers, and conducts systematic risk analyses of suppliers. In the event of suspected irregularities, there is a whistleblower function on Castellum's web site that is managed by an external party so as to ensure anonymity.	<>

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General disclosures

Preparation of Sustainability Report

General basis for preparation of sustainability reports

Castellum’s 2024 Sustainability Report covers the period from 1 January to 31 December 2024. The Sustainability Report includes all wholly owned Group companies and has the same scope as the financial Annual Report. It is published annually and is prepared in accordance with the Swedish Annual Accounts Act, the GRI Standards 2021, the most recent recommendations of the European Public Real Estate Association (EPRA) and the fourth version of the EPRA Sustainability Best Practices Recommendations (sBPR) from 2024. Sustainability disclosures are submitted for all of the EPRA’s sBPR performance measures. The Sustainability Report has been subject to limited assurance by Deloitte in accordance with ISAE 3000 (revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

The structure and content of this year’s Sustainability Report has been revised to align it with the statutory requirements of the Corporate Sustainability Reporting Directive (CSRD) in its current form. In 2025, Castellum will analyse the effects of the European Commission’s Omnibus Proposal on the company’s sustainability reporting. There were no significant changes in the company or in the supply chain in 2024. Castellum’s upstream and downstream value chain were taken into account

during the implementation of the double materiality assessment, which forms the basis for the sustainability-related disclosures presented in the Sustainability Report. For each material sustainability matter, Castellum describes impacts, risks and opportunities as well as actions and results.

Disclosures in relation to specific circumstances

Unless otherwise stated, the time horizon in the Sustainability Report is retrospective. In general, Castellum applies short-, medium- or long-term time horizons. Short-term refers to the reporting period, medium-term refers to the reporting period up to five years and long-term refers to more than five years.

Castellum’s aim is to include all material sustainability matters in the Sustainability Report, and no sustainability matters have been deliberately



Castellum is a signatory to the UN Global Compact, which is an initiative to coordinate matters of human rights, labour law and responsibility concerning environmental topics and anti-corruption. The Global Compact contains ten principles.



For questions about the Sustainability Report, contact:
Filip Elland
Chief Sustainability Officer
filip.elland@castellum.se

External laws, guidelines and initiatives for sustainability practices

Castellum has based its 2024 Sustainability Report on a number of external laws, guidelines and external initiatives that govern sustainability activities and reporting.

External laws and guidelines

- The Swedish Work Environment Act
- Building Regulations from the National Board of Housing, Building and Planning
- Discrimination Act
- EU Taxonomy Regulation
- UN Convention on the Rights of the Child
- UN Guiding Principles on Business and Human Rights
- GDPR
- The Swedish Environmental Code

- The Swedish Companies Act
- Whistleblowing Act
- The Swedish Annual Accounting Act

External initiatives

- EPRA sBPR
- UN Sustainable Development Goals
- UN Global Compact
- GRI Standards
- Sustainability certifications
 - EU GreenBuilding
 - Miljöbyggnad
 - BREEAM

- LEED
- WELL
- NollCO₂
- ISO 14001
- Local sustainability programmes and climate adaptation plans
- OECD Guidelines for Multinational Enterprises
- Paris Agreement
- Science Based Targets (SBTi)
- Sweden’s road map to Fossil-Free Sweden
- TCFD

excluded in the 2024 report. In Castellum’s climate reporting, the value chain in the form of other indirect emissions (Scope 3) is included. Castellum reports not only absolute consumption data for its entire property portfolio, but also disclosure in the like-for-like portfolio. The properties that have been included in the portfolio for at least 24 months, excluding development properties, are included in the like-for-like portfolio under EPRA’s definition. With like-for-like, changes in the size and composi-

tion of the asset portfolio are taken into account. Some disclosures in the Sustainability Report have been adapted to meet EPRA requirements.

Castellum limits its reporting to the properties where the company has 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 the company has the possibility of directly influencing.

General disclosures, cont.

Properties where the tenant is responsible for agreements regarding energy and water deliveries and waste removal have been excluded. In cases where the tenant is responsible for the agreement, Castellum does not have access to that type of data. Castellum is actively engaged in improving access to the relevant data. This creates conditions for proper, efficient technical management in the company's properties. At present, Castellum has good access to measurement data for nearly its entire portfolio. The size of the share of properties that are included in the respective disclosures is indicated where applicable. The share of potential objects to report under absolute figures for the respective years includes objects sold during the year in question, excluding land. Some measurement data for energy and water is missing. 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. In total, Castellum owned 672 (709) properties at the end of 2024.

Unless otherwise indicated, all data and all disclosures reported have been measured and assured.

Castellum reports sustainability disclosures separated into the following building types: offices, logistics, retail, public buildings, and light industry. Since Castellum owns properties primarily in Sweden and a lesser share in Denmark and Finland, reporting the statistics by geographical division is not relevant. Castellum's own offices are reported separately on page 74.

Where applicable, Castellum comments on specific delimitations and accounting policies. These comments can be found adjacent to the respective tables, with goals and results presented in the Sustainability Report.



Lautatarhankatu 6, Helsinki

Governance

The role of the administrative, management and supervisory bodies

Sustainability governance

Castellum’s sustainability governance is to ensure efficient sustainability initiatives that will result in the company delivering on its sustainability strategy and achieve its sustainability goals. On the basis of legislation and voluntary frameworks, suitable governance has been designed that will promote sustainable development.

General governance

Key starting points for the overall governance of Castellum’s sustainability initiatives are the Sustainability Policy, the sustainability strategy, and the ambition of achieving the company’s own long-term sustainability goals by 2030 and of promoting the UN Sustainable Development Goals and the Paris Agreement. Other starting points for sustainability governance are the requirements on the company set in legislation, reporting frameworks and standards.

Board of Directors

Castellum’s Board of Directors is ultimately responsible for the company’s sustainability and is responsible for adopting the Sustainability Policy and Code of Conduct. The Board and Executive Management adopt the annual sustainability strategy with the appurtenant goals, and adopt the double materiality assessment when it is updated. The Board and Executive Management are also responsible for continuously monitoring sustainability initiatives.

The Board and CEO together approve Castellum’s Sustainability Report on an annual basis, in conjunction with the adoption of the Annual Report. The Board manages any issues related to the Sustainability Report through the Audit Committee. The Board has initiated a sustainability working group, which includes representatives from the Board and Executive Management together with the Chief Sustainability Officer. During the year, the group worked on the double materiality assessment, the development of climate-related goals and evaluation of suppliers.

The Board approved the results of the double materiality assessment as part of its annual strategy process. Significant complaints, deviations and actions linked to Castellum’s sustainability initiatives and Code of Conduct are reported to the Board if and when such incidents occur.

For information about Castellum’s Board of Directors, refer to the Corporate Governance Report on pages 109–124.

Executive Management

The Chief Executive Officer of Castellum bears strategic responsibility for the company’s sustainability initiatives. This responsibility includes identifying and managing climate-related impacts, risks and opportunities. The Chief Sustainability Officer pursues and develops sustainability and climate initiatives for the Group, and reports directly to the CEO on a routine basis. The Chief Sustainability Officer informs Executive Management of the results of the sustainability initiatives at least four times a year, or when the need arises. Executive Management annually approves the Sustainability Report, and the double materiality assessment when it is updated. The operational

responsibility for climate initiatives is delegated to the Chief Sustainability Officer and the sustainability function, which conducts sustainability work integrated throughout the operations. The Chief Sustainability Officer and the other employees in the Sustainability function are responsible for supervising climate-related impacts, risks and opportunities, monitoring compliance with the company’s Sustainability Policy, realising the sustainability strategy, and achieving the sustainability goals. For more information on Castellum’s Executive Management, refer to pages 116–124.

Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies

The Board is regularly informed about the sustainability matters that are relevant to Castellum. Every year, the Board studies an analysis in which risks linked to sustainability, the climate, human rights, actions and internal controls are identified and mapped. The Board also receives information about risk management, internal control and financial reporting from the company’s risk and compliance function, as well as from the auditors through the Audit Committee.

As part of the annual strategy update process, the Board considers the impacts, risks and opportunities of the material sustainability matters.

Castellum’s Sustainability Policy provides guidelines for how sustainability initiatives in the Group should promote sustainable development. The sustainability initiatives must be broken down into specific measurable goals as well as being an integral and natural part of operations and based on partici-

pation and commitment. Sustainability matters and their impact on the asset portfolio are an integral part of the decision-making process for acquisitions.

The Policy divides sustainability into three dimensions: ecological, social, and financial sustainability. It also discusses how the UN Sustainable Development Goals are integrated into the sustainability strategy. The Policy covers all of Castellum’s employees and the Board of Directors, as well as suppliers and partners. Executive Management and administrative management are responsible for monitoring that these sustainability initiatives are being carried out in accordance with the Policy.

In 2024, the Board and Executive Management addressed the following sustainability matters, focusing on impacts, risks and opportunities:

- Climate change
- Pollution
- Water
- Biodiversity
- Circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Consumers and end-users
- Business conduct
- Local community engagement
- Certified buildings
- Urban development

Sustainability initiatives

Sustainability should permeate the operations as a whole – both the ownership, administration and development of the asset portfolio and the relationships with tenants, employees, suppliers and

Governance, cont.

financiers. Operational sustainability initiatives are 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 that ensures compliance with legislation. In the operations, Castellum’s Chief Sustainability Officer leads a sustainability team. The group is made up of specialist roles and sustainability officers representing the regions. Alongside the sustainability initiatives of the regions, these representatives are also responsible for various fields of expertise in sustainability. 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. Employees who have questions regarding the company’s policies and Codes of Conduct can contact Castellum’s Chief Sustainability Officer.

To ensure and maintain systematic environmental initiatives, the Swedish and Danish operations – corresponding to 95 per cent of the operation – are certified under ISO 14001. Through recurring internal and external ISO audits, the company can learn lessons that result in updated policies and procedures for the purpose of addressing risks and discrepancies. The aim of the sustainability initiatives is to act, monitor, document, evaluate, and improve.

Castellum’s sustainability initiatives are built on committed and skilled employees, as well as routine training in sustainability matters. Efforts to identify and manage the impact of the operations on people and the environment, as well as the financial consequences of sustainability-related risks and

opportunities, are delegated to Castellum’s sustainability team. All employees undergo mandatory online sustainability training. The training, which is part of the introduction for new employees, is divided into four different areas and focuses on sustainable development, sustainability initiatives, and the Code of Conduct as well as gender equality and diversity. The company also conducts ‘nanolearning’, which is intended to continually train employees in various sustainability-related areas and issues. Additionally, targeted training courses are held for various functions within the company, as well as internal webinars to enhance sustainability know-how among employees.

Integration of sustainability-related performance in incentive schemes

Castellum applies variable remuneration to senior executives and other employees. The intent of variable remuneration is to promote long-term value creation and effective sustainability initiatives such as energy savings in the properties. 50 per cent of bonuses for other employees comprises Group-wide targets and 50 per cent are individual targets. Of the Group-wide share, 30 per cent of the bonus is linked to Castellum’s sustainability goal of annual energy optimisation of 2.5 per cent of its properties. Senior executives also have variable remuneration linked to the sustainability goal of annual energy optimisation of 2.5 per cent.

The variable remuneration shall be linked to pre-determined and measurable criteria. The principles for senior executives are prepared by the People Committee and adopted by the general meeting.

The CEO determines the variable remuneration for other employees following an evaluation with the Head of People and Culture and the Chief Operating Officer. For more information on variable remuneration, refer to pages 117–118 and Note 9.

Risk management and internal controls over sustainability reporting

Castellum has developed a systematic and documented process for the company’s sustainability reporting. Risks and controls related to sustainability reporting have been identified and are regularly assessed. The results are reported to and discussed annually with the Board and Executive Management.

The control environment for sustainability reporting comprises similar processes and procedures as for financial reporting, which are then systematically monitored by the relevant departments and roles at Castellum. Internal controls are based on established policies, guidelines and procedures. Compliance with these is routinely followed up by the sustainability function through manual checks. Castellum continuously updates processes, procedures and controls so as to minimise the risks of inaccuracies in the sustainability reporting.

The company’s controller and compliance officer – who is also the Chief Legal Officer – are jointly responsible for ensuring a good control environment.

Strategy

Strategy, business model and value chain

Castellum is one of the Nordic region’s leading property owners and invests in and develops commercial properties managed by a decentralised and customer-centric organisation. The largest market is Sweden, followed by Finland and Denmark. Castellum is to be the natural choice as one of the Nordic region’s foremost, and most sustainable, property managers and developers of office and logistics properties. The company combines traditional property management, project and transaction activities. Castellum’s customers are the company’s tenants, who reflect a broad diversity of sectors and industries. This promotes strong diversification and risk spread in the lease portfolio.

Castellum is to be an attractive and leading employer, with a culture of productivity and resource efficiency. The company is working towards clear sustainability goals over both the short and long term to actively promote sustainable development.

Employees 2024¹

Sweden	Denmark	Finland
540	13	11

1. Pertains to employees as of 31 December 2024

Strategy, cont.

Strategy and sustainability-related goals

By 2030, Castellum is to be entirely climate neutral and have net-zero GHG emissions throughout its value chain.

Castellum’s sustainability strategy, “The sustainable city 2030”, consists of three areas of focus: Future-proofed assets, Sustainable workplaces and Sound business. The sustainable city, which contains 23 measurable goals and is based on the double materiality assessment, is a part of the business strategy as well as the business and value-creation models.

The majority of the goals are monitored on a quarterly basis and are reported both internally and externally. A small number of goals are monitored on an annual basis. The climate-related goals are science-based and validated by the SBTi. Since the company’s climate goals were set before 2020, they fall under a restatement clause, which means that in 2025 Castellum will review its climate goals and formulate new ones in accordance with the new SBTi standard for buildings. Under the current goals, by 2030 Castellum must achieve climate neutrality for its GHG emissions in Scope 1, 2 and 3, which contribute to global warming. The company will also preserve and develop existing buildings and structures to minimise the use of new materials and

products. Regarding the energy supply of the buildings, the company will prioritise the most cost-effective solutions with the lowest climate impact.

In 2024, Castellum adopted new sustainability-related goals linked to the monitoring of critical suppliers, green leases, Net Promoter Score, and updated targets in the 100 on Solar programme and building certifications.

The objective of Castellum’s sustainability strategy is to ensure that the company, by contributing to sustainable development in selected focus areas, is a relevant and successful company, not just for today, but well into the future. The strategy has been developed through analysis, dialogue and discussion, and is based on the following, among other factors:

- The UN Sustainable Development Goals for 2030.
- The Paris Agreement.
- Sweden’s road map to Fossil-Free Sweden.
- Local and global challenges and opportunities.
- Identified climate risks and opportunities.
- Priorities voiced by tenants, employees and other stakeholders.
- Castellum’s ability to create shareholder value.
- The company’s possibilities for making a real difference.

UN Sustainable Development Goals

The ten Sustainable Development Goals that have the strongest links with Castellum’s business operations are integrated into the sustainability strategy. These goals were identified in a process that analysed all of the goals and targets.

UN Sustainable Development Goals

Future-proofed assets

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

15 LIFE ON LAND

Sustainable workplaces

Sound business

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

8 DECENT WORK AND ECONOMIC GROWTH

16 PEACE AND JUSTICE: STRONG INSTITUTIONS

Strategy, cont.

Sustainability goals

The Sustainable City 2030 strategy is based on the results of the double materiality assessment.

The sustainability strategy was developed during the year and adjusted to align better with the results of the double materiality assessment and the material sustainability matters that it has identified. Furthermore, the sustainability strategy has a clear connection to Castellum’s business strategy. The aim of the sustainability strategy is to pursue efforts to achieve the goal of climate neutrality by 2030.



Future-proofed assets

Ongoing goals

- 1% water conservation per year¹
- 2.5% energy efficiency enhancements per year
- Net positive increase of ecosystem services in larger projects
- Re-use in all projects

Goal 2025

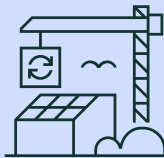
- 11% decrease in energy consumption compared with 2021
- 70% of Castellum’s properties must have an energy performance lower than 100 kWh/sq. m. per year

Goal 2030

- Net-zero carbon emissions, validated by the SBTi. Achieved using the following road maps:
 - Net-zero in the property management road map
 - Net-zero in the project development road map
 - Net-zero in the customer journey road map
- 100% non-fossil fuel energy
- 200 solar PV systems in “100 on Solar”
- Re-use and renewable materials must be significant elements in all projects
- 75% of the portfolio is to be sustainability certified

Long-term goals

- 100% of Castellum’s properties must have an energy performance lower than 50 kWh/sq. m. per year.
- No properties are to be subject to serious climate risks



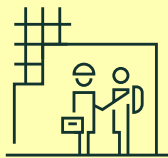
Sustainable workplaces

Ongoing goals

- Green annexes in all new leases, barring any specific reasons
- <2% short-term sick leave
- <3% long-term sick leave
- Increased share of anonymised recruitments
- 10% of Castellum’s employees on an annual basis will comprise interns from training programmes and interns who are outside the labour market
- Castellum’s Net Promoter Score index is to be higher than external benchmarks

Goal 2025

- 40 to 60% equality among all occupational categories
- 20% of Castellum’s employees will have international backgrounds



Sound business

Long-term goals

- Major and critical suppliers undergo screening of material business and sustainability risks
- No employment injuries and work-related injuries among employees and suppliers

1. In the like-for-like portfolio.

Strategy, cont.

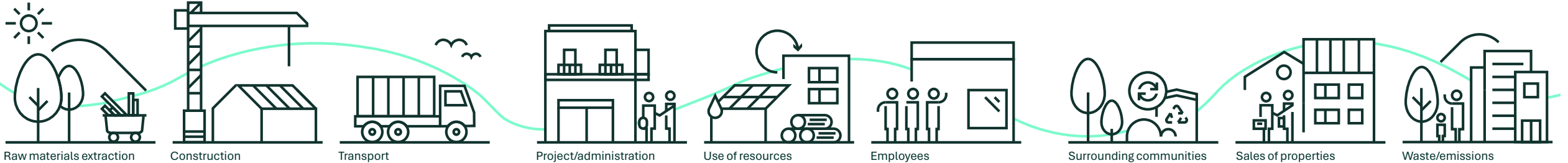
Castellum creates sustainable values

The construction and property industry is one of the sectors with high carbon emissions, both in Sweden and globally. Reducing these emissions is necessary for achieving the UN’s Sustainable Development Goals. Castellum takes responsibility for using resources efficiently and pursuing operations with a low climate footprint. The focus is on actively promoting the transition toward a more sustainable society and creating positive sustainability values that benefit the company, its stakeholders, and society as a whole.

Resources used in the operation	Business model	Values created for stakeholders	Impact on society
<p>Castellum uses many different input goods and resources in order to pursue its operations, including:</p> <ul style="list-style-type: none">– 672 properties at a value of SEK 136 Bn and an area of 5.3 million square metres– More than 500 employees– A strong brand– Approximately 6,400 suppliers and contractors– 7,500 commercial leases– 989 green leases– Energy, water and materials	<p>Castellum invests in and develops commercial premises that are managed by a decentralised organisation. The company combines traditional property management, project and transaction activities through:</p> <ul style="list-style-type: none">– Property management– Project development– Transactions <p>Castellum focuses on cash flow and pursues all its operations at low financial risk.</p>	<p>Satisfied tenants in sustainable environments</p> <ul style="list-style-type: none">– CSI: 74– 54 per cent sustainability-certified properties– 116 solar PV systems installed, corresponding to 21,165 kW– 1,453 charging stations <p>106,200 shareholders</p> <ul style="list-style-type: none">– 14 per cent total return on average per year since 1997– 42 per cent of sales (turnover) is EU Taxonomy-aligned– Green share, Nasdaq Green Equity Designation <p>Committed employees who are developing</p> <ul style="list-style-type: none">– More than 14,000 training hours completed– Low level of sick leave (2.6 per cent)– Good gender equality (43 per cent women / 57 per cent men) <p>Robust, long-standing supplier relations</p> <ul style="list-style-type: none">– Code of Conduct for suppliers, which covers all suppliers– SEK 211 M in energy optimisation projects– Goods and services purchased: SEK 4,675 M	<p>Reduced environmental and climate impact</p> <p>Castellum uses natural resources efficiently, and reduces resource use and carbon emissions to create a sustainable asset portfolio:</p> <ul style="list-style-type: none">– 84 per cent reduction in Scope 1 and Scope 2 carbon emissions since 2007– 33 per cent reduction in energy consumption since 2007– Increased share of circular materials, and positive contribution to biodiversity <p>Favourable societal impact</p> <ul style="list-style-type: none">– Develops sustainable properties that promote positive urban development– Productive employees and tenants with a sense of health and wellness– Through WELL Portfolio, Castellum has a positive influence over 16,000 of its tenants’ employees in terms of their health and wellness <p>Valuable financial impact</p> <p>Castellum is a profitable company that contributes financially to various stakeholders:</p> <ul style="list-style-type: none">– SEK 611 M in salary and remuneration to employees– SEK 4,675 M to suppliers and contractors– SEK 578 M in property tax, SEK 172 M in income tax and SEK 15 M in contributions to local communities

Strategy, cont.

Castellum’s value chain



Upstream

Several activities take place upstream in Castellum’s value chain, from raw materials extraction to construction and purchase of properties. Upstream there are approximately 6,400 suppliers and contractors, as well as their sub-suppliers.

- Land
 - Raw materials extraction and materials
 - Raw materials extraction
 - Manufacture of materials
 - Transportation
 - Construction
 - Construction waste
- Energy
 - Electricity
 - Heating
 - Cooling
 - Water
 - Suppliers
 - Subcontractors
 - Contractors
 - Other
 - Purchase of properties
 - Financing

Own operations

Castellum owns, manages and develops properties, as well as pursuing projects in new construction, renovation and tenant adaptation. The operations also include construction of solar PV systems. The company has over 500 employees.

- Projects
 - New construction
 - Renovation
 - Tenant adaptation
 - Property management
 - Leasing
 - New construction
 - Operating and maintenance
 - Energy production
- Property development
 - Industry operations, research and development
 - Own offices
 - Castellum’s employees

Downstream

Castellum’s tenants and their employees can be found downstream in the value chain. The majority of the company’s properties comprise office and logistics properties. Castellum is active in the communities that surround the locations where the company operates. Sale and divestment of properties are also included downstream in the value chain.

- Tenants
 - Employees
 - Waste and emissions
 - Sales of properties
 - Divestment
 - Waste and emissions
 - Surrounding communities

Strategy, cont.

Interests and views of stakeholders

Castellum maintains an ongoing dialogue with the company’s stakeholders in order to better understand their needs, requirements and expectations of Castellum, as well as the significant impacts that the operations have or could potentially have on the external environment and specific stakeholder groups.

The outcome of the stakeholder dialogue is considered and integrated into Castellum’s strategy and business model. The company’s long-term goals of being entirely climate neutral and having net-zero GHG emissions throughout the value chain, as well as other measurable goals, are all the result of an ongoing dialogue closely linked to the business strategy and the business and value-creation model.

Dialogue is held in various situations and through various channels. Generally, this can be online or via questionnaires, e-mails, meetings and consultations. Castellum regularly addresses the results of these dialogues, for example, in continual two-way communication with tenants, employees, partners, suppliers and various social stakeholders, as well as at Board meetings, Executive Management meetings and meetings with shareholders.

To ensure that the dialogues are meaningful and that all stakeholder groups are included, the company works with social programmes. These programmes, which include more than 180 different initiatives, are built largely on dialogues with and analysis of the needs of various stakeholder groups. Tenants and their employees play a key role here. In addition

to the routine dialogues, Castellum regularly holds interviews with selected stakeholders who are experts in sustainability in the property industry or are considered as having a major impact on – or are impacted by – Castellum’s operations. The insights from these groups are continuously analysed against the results of the company’s double materiality assessment, the sustainability strategy and the business and value-creation model. A more in-depth, targeted stakeholder dialogue was also conducted with lenders, tenants and employees in 2024. This stakeholder dialogue confirmed that the findings of the double materiality assessment and the sustainability goals are aligned with stakeholder expectations. The insights from the stakeholders are being used in continued efforts to develop the double materiality assessment and Castellum’s sustainability goals. The results from the stakeholder dialogue were presented to the Board and Executive Management and to the stakeholders participating in each group.

Castellum ensures that the Board and Executive Management are continuously updated on the results of the ongoing stakeholder dialogues. Reports are routinely presented to the Board’s and Executive Management’s sustainability working group.

Castellum’s key stakeholders

Castellum has an impact on, and is impacted by, various stakeholder groups. The stakeholders who have been identified as the most central to Castellum’s operations are:

- Customers, tenants and their employees
- Owners
- Lenders
- Suppliers
- Employees
- Local communities

Material impacts, risks and opportunities and their interaction with strategy and business model

From its double materiality assessment, Castellum has identified a number of sustainability matters whereby the company, in its own operations or in other parts of the value chain, has a material impact on people and the environment, or where risks and opportunities linked to sustainability matters have a significant impact on the company’s financial position.

Refer to General disclosures on page 52 for information on how the material sustainability matters are related to Castellum’s sustainability strategy and integrated into the business model.

Refer to General disclosures on page 58 for information on the approach that forms the foundation of the double materiality assessment and any changes that have occurred since the preceding year.

Strategy, cont.

Material sustainability matters

Description		Impacts in the value chain	Actual/ Potential impact	Positive / negative impact	Financial risk	Financial opportunity
Environment						
Climate change - Adaptation - Limitation - Energy	The construction of buildings and property management account for high GHG emissions and energy consumption.	Upstream (suppliers), Own operations, Downstream (tenants)	Actual	Negative	Yes	No
	Certified buildings: By working actively with certifications and green buildings according to the Taxonomy Regulation, requirements are set for energy efficiency in the properties, ventilation, indoor/outdoor environments, water consumption and much more.	Upstream (suppliers), Own operations, Downstream (tenants)	Actual	Positive	No	No
Biodiversity and ecosystems	Biodiversity involves protecting and promoting biodiversity and ecosystem services. When new properties are constructed, areas that were previously accessible to living organisms are replaced with buildings. Castellum has the greatest impact in the construction of logistics properties, since this land had previously been more available to promote biodiversity.	Upstream (suppliers), Own operations	Actual	Negative	No	No
Circular economy - Resource inflows - Resource outflows - Waste	Circular economy means extending the life cycle of products and materials through re-use, recycling and repair. Castellum uses materials in new construction and reconstruction of properties, which means that natural resources are used.	Upstream (suppliers), Own operations, Downstream (tenants)	Actual	Negative	No	No

Description		Impacts in the value chain	Actual/ Potential impact	Positive / negative impact	Financial risk	Financial opportunity
Social						
Own workforce - Occupational health and safety - Gender equality and diversity - Discrimination and harassment	Own workforce means Castellum’s employees. There is a risk of work-related injuries and ill health in the construction and property industry. Castellum also has an impact on its employees through its focus on gender equality and diversity, as well as through its programmes for skills development.	Own operations	Actual	Negative	Yes	No
Workers in the value chain - Occupational health and safety - Human rights	Workers in the value chain relates to working conditions for workers in the value chain. Castellum has a potential impact through the approximately 6,400 suppliers that the company works with. There is a risk that Castellum works with suppliers that have inferior working conditions for their employees.	Upstream (suppliers)	Potential	Negative	Yes	No
Consumers and end-users – Tenant information security – Access to information - Local community engagement - Certified and healthy buildings - Urban development	Consumers and end-users partly relates to the health and safety of tenants in the buildings. Castellum works actively to offer safe and healthy properties. Castellum manages the privacy of its tenants. Shortcomings in information security and data breaches could lead to the dissemination of personal data or sensitive information in contravention of the GDPR. Urban development: Castellum works to improve local communities and the environments in and around its properties.	Downstream (tenants)	Potential	Negative	Yes	No
		Upstream (suppliers), Own operations, Downstream (tenants)	Actual	Positive	No	No
Governance						
Business conduct	The construction and property industry involves major purchases, which entails the risk of corruption. There is also a risk of breaches of anti-monopoly legislation and anti-competitive activities.	Upstream (suppliers), Own operations, Downstream (tenants)	Actual	Negative	No	No

Impact, risk and opportunity management

Description of the processes to identify and assess material impacts, risks and opportunities

Castellum routinely conducts materiality assessments to identify, prioritise and establish the company's material sustainability matters. To adapt the materiality assessment to forthcoming legislation and reporting requirements, Castellum started work in 2023 on a double materiality assessment in accordance with the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS). The double materiality assessment was completed in 2024 and forms the basis of the company's sustainability strategy, sustainability goals and sustainability reporting. Castellum's analysis of sustainability-related risks and opportunities is also based on the double materiality assessment. The results can also be linked to the company's strategy and business model.

The double materiality assessment was carried out in five steps:

1. Mapping and identifying potentially material sustainability matters.
2. Assessment of impacts, risks and opportunities.
3. Stakeholder dialogue.
4. Review, prioritisation and adjustments.
5. Validation and adoption of sustainability matters.

The assessment is based on Castellum's various sustainability matters, business intelligence, and industry analyses, and is intended to assess what significant impact the different matters have on people and the environment. The assessment also takes the impact of changes in the business environment on the company and its various sustainability matters into consideration, and also looks at how these in turn impact Castellum financially over both the short and long term. The financial and climate risk assessments are part of Castellum's TCFD reporting. Key input to the materiality assessment was also taken from the routine dialogues with various stakeholder groups, and from discussions with external and internal experts.

Mapping and identifying potentially material sustainability matters

Potentially material sustainability matters were identified based on previous materiality assessments, business intelligence, and industry analyses, and the sustainability matters and sub-matters listed in the ESRS. The matters were discussed with key people at Castellum and external experts, and all matters that could potentially be considered material sustainability matters were included in the ongoing assessment.

Assessment of impacts, risks and opportunities

The method for assessing impacts, risks and opportunities was based on the actual/potential and positive/negative impacts. Actual positive impacts were assessed on the basis of their scope and scale. Actual negative impacts were assessed on the basis of severity, which in turn was based on scale, scope and irremediable character.

Potential positive impacts were assessed on the basis of their scale, scope and likelihood. Potential negative impacts were assessed on the basis of likelihood and severity, which in turn was based on scale, scope and irremediable character.

Financial materiality was assessed on the basis of the potential size of the risk or opportunity, and the likelihood.

The impacts, risks and opportunities cover the short-, medium- and long-time horizons, and are related to different parts of the value chain. The materiality assessment was limited to Castellum's own operations and the areas where Castellum (direct impact) or the company's business relationships (indirect impact) have a major impact, or to areas where the business environment has a major impact on Castellum's operations (direct impact). Many of Castellum's sustainability matters have a major impact throughout the company's value chain; for example, on tenants, suppliers, and in the communities in which the company operates.

Stakeholder dialogue

As a basis for the materiality assessment, dialogues were conducted with Castellum's stakeholders to map and adapt the most important sustainability matters. The stakeholders who have been identified as the most central to Castellum's operations are: tenants and their employees, owners, lenders, suppliers, employees and the local community. Important issues to be identified at these dialogues were the sustainability matters that stakeholders consider to be important in relation to Castellum, as well as the significant impact of its operations on people and the environment.

Review, prioritisation and adjustments

The results of the assessment were validated and embedded by carrying out an iterative process. The company's risk and compliance function aligned the double materiality assessment with the risk mapping. The double materiality assessment resulted in a number material sustainability matters, which are described on page 57. The Board and Executive Management approved the final double materiality assessment as part of the annual strategy process.

Environmental disclosures

Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

Reporting under the EU Taxonomy Regulation

The EU Taxonomy Regulation, (EU) 2020/852, constitutes a framework and shared system for determining which economic activities can be classified as environmentally sustainable. The Regulation is intended to steer capital streams through investors

and the market towards more environmentally sustainable investments. The Taxonomy is thus a tool for enabling the green transition and achieving the EU's six environmental objectives for fulfilling the Paris Agreement.

To be Taxonomy-aligned, the economic activity must make a substantial contribution to one environmental objective and must meet the minimum social safeguards. Moreover, the activity must do no significant harm (DSNH) to any of the other environmental objectives.

Castellum's most material contribution is to the first environmental objective, climate change mitigation (CCM), and the company thus reports alignment only with this objective. Castellum's assessment of alignment, meaning how the company complies with the technical screening criteria and does no significant harm to the other environmental objectives, is presented in the tables on pages 62–64. In addition, it describes how Castellum manages minimum social safeguards.

Castellum's focus on sustainability, energy optimisation of buildings, and efficient operation has a positive impact on the portion of Castellum's properties that are Taxonomy-aligned. This means that the specific properties contribute to one of the environmental objectives and that the operations act in accordance with the minimum social safeguards of the Taxonomy Regulation while doing no significant harm to any of the other environmental objectives.

Reporting practices

The proportion of the operation that is environmentally sustainable under the EU Taxonomy Regulation

The Taxonomy Regulation has the following environmental objectives

- 1. Climate change mitigation (CCM)
- 2. Climate change adaptation (CCA)
- 3. Sustainable use and protection of water and marine resources (WTR)
- 4. Transition to a circular economy (CE)
- 5. Pollution prevention and control (PPC)
- 6. Protection and restoration of biodiversity and ecosystems (BIO).

Assessment of conformity with the Regulation

Castellum is a large public interest entity with more than 500 employees and has thus been subject to the EU Taxonomy Regulation since the disclosure requirements were introduced in 2021. A new feature for 2024 is that Taxonomy alignment must also be reported for environmental objectives 3-6. As a construction and property company, Castellum's entire operation is eligible under environmental objectives 1, 2 and 4.

The following economic activities relate to Castellum:

- Construction of new buildings (CCM/CCA 7.1/CE 3.2)
- Renovation of existing buildings (CCM/CCA 7.2/CE 3.2)
- Installation, maintenance and repair of energy efficiency equipment (CCM/CCA 7.3)
- Acquisition and ownership of buildings (CCM/CCA 7.7)

Reporting under the EU Taxonomy Regulation, cont.

must be reported as three financial key metrics: turnover, capital expenditure (CapEx) and operating expenditure (OpEx). The operation must identify how large a share of these key metrics are Taxonomy-aligned through substantial contribution to one of the environmental objectives and confirm that they meet the minimum social safeguards of the Taxonomy Regulation while at the same time doing no significant harm to any of the other environmental objectives.

For the economic activity to be classified as new construction and renovation, respectively, the investment must exceed SEK 50 M, which corresponds to Castellum’s definition of a major project.

The Taxonomy reporting has been checked to avoid double counting. The risk of double counting decreases because the company only reports on alignment with the first environmental objective, climate change mitigation.

Turnover

Reporting of total turnover corresponds to the Group’s income from the consolidated statement of comprehensive income, Note 2. This item includes rental income, service income and coworking income.

Capital expenditure (CapEx)

Reporting of total capital expenditure pertains to additions to tangible assets during the year before depreciation, appreciation and depreciation and excluding changes in fair value. Moreover, tangible assets originating from acquisitions are included. Refer to Note 10 New construction, extensions and

reconstructions and Acquisitions. In addition, equipment that constitutes a capital expenditure is also covered; refer to Note 11.

Operating expenditure (OpEx)

Reporting of operating expenditure encompasses the Group’s direct costs pertaining, for example, to daily maintenance and those required for ensuring the continued and practical function of the asset such as routine operating costs, building renovations that are not capitalised as capital expenditure, short-term leases, and maintenance and reparations. Costs for energy consumption are excluded from operating costs. Refer to Note 4 and Operating costs and Maintenance expenses.

Contextual information

Castellum’s primary contribution is to Climate change mitigation (CCM) and to the economic activity under 7.7 Acquisition and ownership of buildings. The economic activities under 7.1 Construction of new buildings and 7.7 Acquisition and ownership of buildings are the primary economic activities in Castellum’s operations, as well as the ones that generate the most turnover, OpEx and CapEx. Compared to CCM 7.1 and CCM 7.7, CCM 7.2 and CCM 7.3 do not generate significant turnover, operating expenditure or capital expenditure. Under the first environmental objective, Climate change mitigation (CCM), Castellum is thus of the opinion that the economic activities 7.1 Construction of new buildings and 7.7 Acquisition and ownership of buildings are of greatest significance. Castellum believes that interpretations of the DNSH criteria and follow-up

are insufficient for assessing compliance and contribution to the environmental objective for a circular economy (CE).

The company believes that CCM 7.7 Acquisition and ownership of buildings is the economic activity that is significant, and that there is sufficient external documentation to assess whether the technical screening criteria have been met. The assessment of Castellum’s alignment with the Taxonomy may expand going forward, in pace with the development of relevant and reliable documentation.

Castellum focuses on sustainability in all new production. However, the company chooses not to report that proportion of new construction that is aligned with the EU Taxonomy Regulation since interpretations of the DNSH criteria are absent. Castellum continues to monitor until there are sufficient interpretations of the criteria and works to ensure that new construction can be included as part of the capital expenditure in the future. The company therefore feels that the possibilities for assessing alignment with the EU Taxonomy Regulation are insufficient. Once these interpretations are in place and the company can include new production in the assessment, the company’s alignment with the Taxonomy is expected to increase. Castellum records the capital expenditure for projects where there is a turnover, hence a CapEx plan is not applicable. Completed projects are reported under CCM 7.7 if they meet the threshold for either CCM 7.1 or CCM 7.7.

Castellum was actively engaged in pursuing efforts to produce national guidelines and threshold values, and submitted feedback to the Swedish gov-

ernment and the EU regarding the Taxonomy Regulation. This took place within the scope of the Swedish Property Federation’s Task Force on the EU Taxonomy Regulation and the EPRA Sustainability Committee. In December 2021, the Swedish Property Federation’s Task Force presented the first threshold values for the economic activities concerned. These were updated in December 2022 and it was decided in November 2024 that these threshold values will apply until new energy requirements and energy classes are introduced by the Swedish authorities.

CCM 7.7 Acquisition and ownership of buildings is to be considered as aligned with the EU Taxonomy Regulation through the first environmental objective. If the economic activity is to be aligned with the Taxonomy Regulation, the property must be among the top 15 per cent of the most energy-efficient property portfolio in its respective building category, or alternately hold an energy performance certificate with a rating of A.

Top 15% threshold value for most energy-efficient buildings constructed prior to 31 December 2020

Building category	kWh/sq. m. under BBR 29, primary energy performance
Premises categories	
Offices and administration	80
Store and warehouse premises for food	75

Economic activity: 7.7 Acquisition and ownership of buildings

Environmental objective 1. Climate change mitigation

Technical screening criteria	Assessment of Castellum’s alignment
<div>1. For buildings built before 31 December 2020, the building has at least an Energy Performance Certificate (EPC) class A. As an alternative, the building is within the top 15 per cent of the national or regional building stock expressed as operational Primary Energy Demand (PED).</div> <div>2. For buildings constructed after 31 December 2020, the building meets the criteria stated in Section 7.1 or 7.7.</div> <div>3. If the building is large and that is not used for residential purposes, it is operated efficiently through monitoring and assessment of its energy performance.</div>	<div>1. Those properties of Castellum’s that fall within the limits for the top 15 per cent of properties in primary energy numbers, according to the interpretation and threshold values of the Swedish Property Federation, are considered as fulfilling the technical screening criteria.</div> <div>2. Those properties of Castellum’s that obtained construction permits after 31 December 2020 must comply with the technical screening criteria in Chapters 7.1 Construction of new buildings or 7.7 Acquisition and ownership of buildings.</div> <div>3. Castellum has a well-functioning energy management system, and is systematically engaged with energy consumption in its properties. Energy consumption, including performance, is routinely monitored and assessed.</div>
DNSH criteria	Assessment of Castellum’s alignment
<div><i>Environmental objective 2. Climate change adaptation</i></div> <div>The operation fulfils the criteria stated in Appendix A to the Commission’s delegated act (EU) 2021/2139 of 4 June 2021, Generic criteria for DNSH to Climate change adaptation.</div>	<div>In 2022, Castellum had independent experts conduct a climate risk assessment of the entire portfolio at the property level for the purpose of assessing and identifying which properties were exposed to physical climate-related risks. The analysis was conducted in accordance with Appendix A and Table II, Classification of climate-related hazards. The vulnerability of the properties was assessed based on a changed climate. The physical climate risks that are material to the operation have been identified using a robust climate risk and vulnerability analysis. The latest scientific discoveries and methods were taken into account. The analysis identified the following risks as the most relevant for assessment:</div> <div>– Flooding from oceans</div> <div>– Flooding from lakes and watercourses</div> <div>– Flooding from torrential rains</div> <div>– Heat stress</div> <div>– Ground stability (landslides and erosion)</div> <div>– Snowfall</div> <div>By assessing the properties according to risk level, the company can determine which of them should be prioritised. Efforts continued in 2023 on the action plans for the properties identified: the properties were assessed more thoroughly, and relevant investments and initiatives that will be implemented to adapt the properties to a changed climate and increase their resilience will be defined.¹</div>

1. The property portfolio has been assessed according to the Low–Moderate–High climate risk scale.

DNSH criteria	Assessment of Castellum’s alignment
<div><i>Environmental objective 3. Sustainable use and protection of water and marine resources</i></div> <div>Not applicable.</div>	Not applicable
<div><i>Environmental objective 4. Transition to a circular economy</i></div> <div>Not applicable.</div>	Not applicable
<div><i>Environmental objective 5. Pollution prevention and control</i></div> <div>Not applicable.</div>	Not applicable
<div><i>Environmental objective 6. Protection and restoration of biodiversity and ecosystems</i></div> <div>Not applicable.</div>	Not applicable
Minimum social safeguards	Assessment of Castellum’s alignment
<div>The minimum social safeguards must be procedures that are implemented so as to ensure that the economic operations are carried out in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.</div>	<div>Castellum is a responsible community developer that intends to be part of promoting sustainable development. The operations will be pursued in a responsible manner in relation to society and its stakeholders. Castellum regards the precautionary principle, as well as society’s laws and ordinances, as a minimum standard. The company has signed the Global Compact and complies with the UN Guiding Principles on Business and Human Rights as well as the OECD Guidelines for Multinational Enterprises, including the International Labor Organization (ILO) declaration on fundamental principles and rights at work, the ILO eight fundamental conventions and the International Convention on Human Rights.</div> <div>Using well-established and governing documents and procedures, the company will ensure that no violations of human rights and children’s rights occur in its operations. Castellum’s Code of Conduct is based on Castellum’s values, 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 applies to all employees and clarifies Castellum’s position on human rights, working conditions, business conduct and anti-corruption.</div> <div>The risk of a negative impact in the supply chain is reduced and prevented by setting the same stringent ethical requirements on suppliers and partners as on all employees in the Group. Castellum’s Code of Conduct for suppliers is applied in all business relationships. Castellum assesses the actual and potential consequences for and risks to human rights in the operations of the company’s business partners and as part of the due diligence process before new business relationships are initiated.</div>

Turnover Financial year 2024				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)							Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year 2023	Category enabling activity	Category transitional activity			
Economic activities	Code	Turnover	Proportion of turnover, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards						
		SEK m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
A. TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1 Environmentally sustainable activities (Taxonomy-aligned)																						
Acquisition and ownership of buildings	CCM 7.7	4,032	42%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	34%	-	-			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		4,032	42%	42%	0%	0%	0%	0%	0%	-	Y	-	-	-	-	Y	34%					
Of which Enabling		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	E				
Of which Transitional		0	0%	-						-	-	-	-	-	-	-	0%		T			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						
				EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL													
Construction of new buildings	CCM 7.1	55	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											2%		
Renovation of existing buildings	CCM 7.2	317	3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											2%		
Acquisition and ownership of buildings	CCM 7.7	5,100	54%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											61%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		5,472	58%	58%	0%	0%	0%	0%	0%											66%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		9,504	100%	100%	0%	0%	0%	0%	0%											100%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
Turnover of Taxonomy-non-eligible activities		0	0%																			
Total		9,504	100%																			

	Proportion of turnover/total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	42%	58%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

CapEx Financial year 2024				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)						Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx, year 2023	Category enabling activity	Category transitional activity
	Code	CapEx	Proportion of CapEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				
Economic activities		SEK m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM 7.7	657	25%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	22%	-	-
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		657	25%	25%	0%	0%	0%	0%	0%	-	Y	-	-	-	-	Y	22%		
Of which Enabling		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0%		
Of which Transitional		0	0%	-						-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																			
				EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL										
Construction of new buildings	CCM 7.1	396	15%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Renovation of existing buildings	CCM 7.2	282	15%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Acquisition and ownership of buildings	CCM 7.7	1,253	48%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,931	75%	75%	0%	0%	0%	0%	0%										
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		2,588	100%	100%	0%	0%	0%	0%	0%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		0	0%																
Total		2,588	100%																

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	22%	75%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

OpEx Financial year 2024				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)						Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) OpEx, year 2023	Category enabling activity	Category transitional activity		
	Code	OpEx	Proportion of OpEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity						
Economic activities		OpEx																			
		SEK m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y J; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T		
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
Acquisition and ownership of buildings	CCM 7.7	376	39%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	31%	-	-		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		376	39%	39%	0%	0%	0%	0%	0%	-	Y	-	-	-	-	Y	31%				
Of which, enabling		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0%			E	
Of which, transitional		0	0%	-						-	-	-	-	-	-	-	0%		T		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																					
				EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL	EL; N/ EL												
Construction of new buildings	CCM 7.1	10	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											1%	
Renovation of existing buildings	CCM 7.2	39	4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											3%	
Acquisition and ownership of buildings	CCM 7.7	548	56%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											65%	
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		597	61%	61%	0%	0%	0%	0%	0%											69%	
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		973	100%	100%	0%	0%	0%	0%	0%											100%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
OpEx of Taxonomy-non-eligible activities		0	0%																		
Total		973	100%																		

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	39%	61%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Taxonomy: Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Climate change

Castellum’s asset portfolio will promote the mitigation of global climate change. The company’s operations impact the climate through GHG emissions and the use of energy, water and natural resources. The operations also give rise to waste. Castellum’s

environmental and climate activities promote enhanced efficiency of energy consumption, efficient and responsible use of natural resources, and reduced GHG emissions and waste volumes.

Material sustainability matters

Sustainability matter	Impacts in the value chain	Actual/ potential impact	Positive /negative impact	Financial risk	Financial opportunity
Climate change: – Adaptation – Mitigation – Energy	Upstream (suppliers), Own operations, Downstream (tenants)	Actual	Negative / Positive	Yes	No

Governance

Integration of sustainability-related performance in incentive schemes

For information on how various climate-related goals are linked to the company’s variable remuneration, refer to page 51.

Strategy

Transition plan for climate change mitigation
Castellum is committed to achieving net-zero carbon emissions by 2030, a goal validated by the Science Based Targets initiative (SBTi). The company has designed transition plans relevant to the three areas where Castellum has the greatest potential to mitigate the climate impact of its operations and achieve this long-term goal. The transition plans are also part of the company’s strategy and financial planning.

The three transition plans have been approved by Castellum’s Board and Executive Management. The company’s Chief Sustainability Officer reports on the results of the work to achieve the climate targets to the Board and Executive Management every year. Castellum’s Executive Management, including the CEO, is ultimately responsible for governance and a strategy that supports the realisation of the transition plans and achievement of the climate goal. The operational responsibility for the transition plans is delegated to Castellum’s sustainability team, which implements, develops and monitors the transition plans.

The property management transition plan focuses on reducing direct and indirect emissions (Scope 1 and Scope 2). The project development transition plan contains goals for the annual reduction of other indirect emissions (Scope 3, parts of Category 1 –

Purchased goods and services and category 2 – Capital goods). The customer journey transition plan includes activities and goals related to the tenants (Scope 3, category 5 – Waste generated in operations, and 13 – Downstream leased assets, meaning assets leased by the reporting company, which is the lessor).

The three transition plans are important tools for achieving the long-term climate goal. The transition plans are aligned with the Paris Agreement and are in line with the ambition of limiting global warming to 1.5 °C. According to the SBTi, a maximum of 10 per cent of emissions may be compensated, which means that at least 90 per cent of the climate impact needs to be reduced in order for Castellum to achieve its climate goal. In 2025, Castellum intends to evaluate and update its climate goals in line with the SBTi’s mandatory requirement for review every five years. If the goals are updated they must also be revalidated.

Castellum estimates that investments of approximately SEK 80 M are required to handle the financial effects linked to the material climate risks. These are consequences related to high water flows in the properties considered to be at relatively high risk in the climate risk assessment carried out in 2023. In 2024, Castellum invested in a climate risk assessment tool to be able to perform ongoing analyses of

Strategy, cont.

the existing portfolio, quantify impacts and follow up on existing risks and actions. The company further processes the findings from the in-depth climate risk assessments and the proposed actions received in order to adapt these properties under the framework of planned maintenance and future investments. Prior to every investment decision, climate risks are examined and analysed based on an established process. Always taking climate risks into account in conjunction with investments reduces the likelihood of negative financial consequences.

Castellum’s transition plans for net-zero carbon emissions

Administration road map

Key figures refer to kilo-grammes of carbon dioxide emissions (Scope 1 and 2) per square metre for the total asset portfolio.

The objective for the Property management road plan 2022–2030, in kg CO₂eq per sq. m.



Road map: Project development

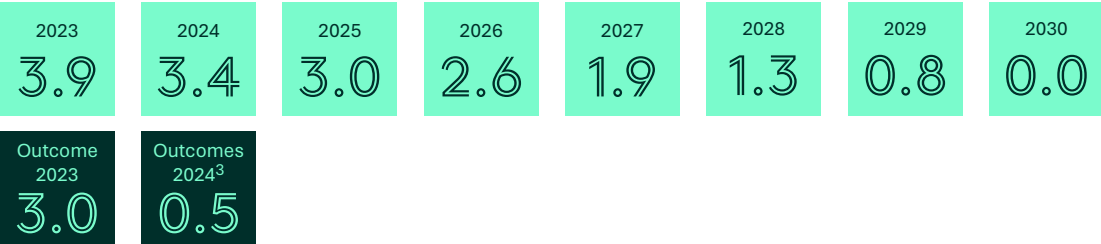
Key figures refer to savings in kilogrammes of carbon dioxide emissions per square metre for the project development portfolio¹.

2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Begin measuring new construction projects	15% reduction in emissions from new construction, offices		30% less emissions, new construction. Begin measuring reconstruction projects	40% less emissions, new construction.	50% less emissions	60, 70, 80 and 90% less emissions, respectively ²				All projects are to be climate neutral

Customer journey road map

Key figures refer to kilogrammes of carbon dioxide emissions (customer-related, Scope 3) per square metre for the total asset portfolio³.

The objective for the Customer journey road plan 2023–2030, in kg CO₂eq per sq. m.



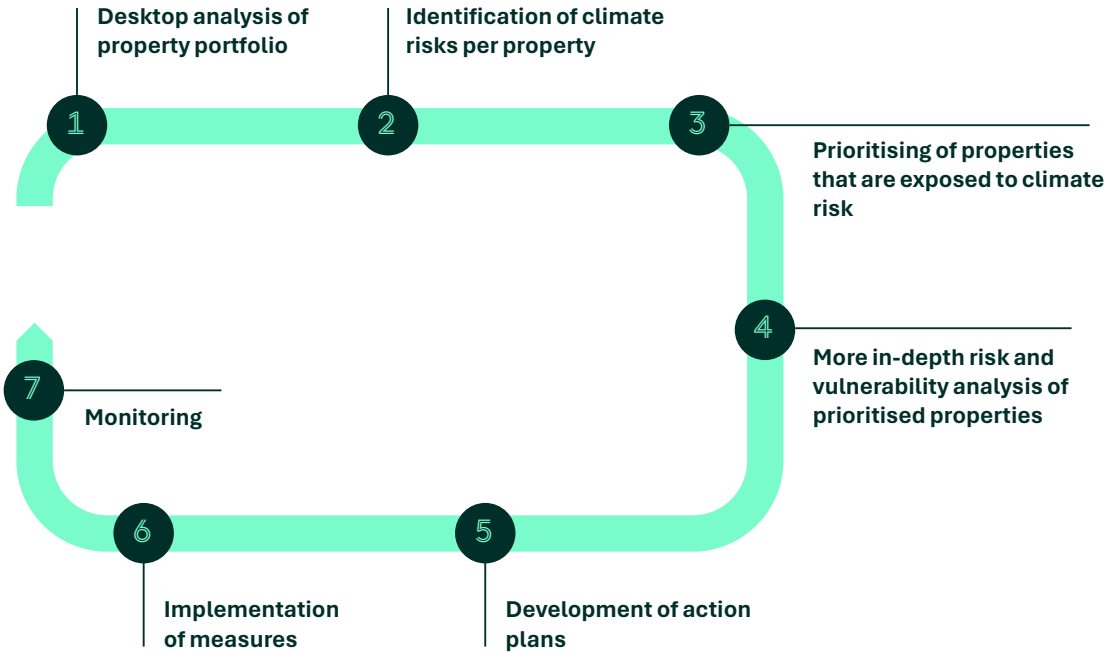
1. For 2021–2024, reduction goals only pertain to new construction. The project's carbon dioxide emissions (kg CO₂eq per sq. m.) for A1–A5 (material, production, transportation) are calculated and compared with estimated carbon dioxide emissions for a reference building (Reference value). The reference value is unique to each project, and is produced using the SGBC method developed for NollCO₂. The first intermediate objective in 2021–2022 pertained only to new production of office buildings with a total investment volume greater than SEK 50 M. Beginning in 2023, climate calculations will be made for all new construction. Climate calculations will also be made for reconstructions and tenant adaptations over 1,000 square metres, and the five largest climate items will be switched out. As of 2024, all reconstructions and tenant adaptations are covered regardless of size.

2. The objectives for 2026–2029 are preliminary and provide an indication of orientation with current knowledge; they can be adjusted and will be adopted at a later point in time.

3. The emissions factors have been updated for 2024 in accordance with the Carbon Risk Real Estate Monitor (CRREM) emissions factors recommended by SBTi. This is a step in aligning with the new SBTi standards for buildings.

Strategy, cont.

Working process for climate adaptation



Material impacts, risks and opportunities and their interaction with strategy and business model

In 2023, in-depth climate risk assessments were conducted by external independent experts for the properties that were considered to have a relatively higher risk based on the previous climate risk assessments from 2022. The properties that were included in the analyses comprised 7 per cent of the property value. In 2024, Castellum purchased a new climate risk assessment tool for its asset portfolio. For more information, refer to page 77.

Castellum’s operations have a negative impact on the climate through their use of energy and emissions of greenhouse gases. The company is actively engaged in reducing its climate impact through enhancing energy efficiency, tightening requirements in construction projects and measures to mitigate global climate change.

Castellum material impacts, risks and opportunities linked to the climate and the company’s strategy and business model are:

Climate change adaptation

Castellum sees climate change on a global level, which means increased risks such as rising sea levels, higher average temperatures, and increased risk of landslides and erosion. It is believed these climate risks will increase in both frequency and intensity over the long term, which constitutes a potential threat to the operations and the company’s properties.

Climate change mitigation

Castellum’s more material impact is linked to the climate impact that construction, use and management of the properties gives rise to. Castellum is carrying out a number of actions to mitigate climate change in line with the Paris Agreement.

Energy

Castellum’s energy consumption results in GHG emissions. The company is carrying out a number of activities and actions to limit energy consumption in its properties. Castellum has initiated several internal projects with actions aimed at further optimising energy consumption.

For more information on impacts, risks and opportunities, refer to pages 69–70.



Jeppe 1, Helsingborg

Impact, risk and opportunity management

Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Castellum uses climate scenarios to identify financial and operational risks and opportunities linked to climate change that impact the company over both the short and long term. The purpose is to ensure that both operations and the property portfolio have the conditions to manage the consequences of climate change. In 2019, an analysis was conducted to evaluate risks and opportunities based on two different climate scenarios linked to how the world might look in the year 2050. The two climate scenarios used were developed by the UN Intergovernmental Panel on Climate Change (IPCC):

- Fulfilling the Paris Agreement
- On the beaten path

“Fulfilling the Paris Agreement” is a scenario in which the increase in global warming is limited to 1.5–2 °C. “On the beaten path” is a “business as usual” scenario in which the world has failed to make any changes and greenhouse gas emissions continue to increase at the current rate. Both scenarios entail risks for Castellum, but opportunities as well. What is important for the company is its ability to be resilient and adapt its operations based on changed climate conditions both locally and nationally.

Every year, Castellum conducts a survey of all the company’s risks based on the perspectives of likelihood, impact, priority and development for a period

of up to ten years. For climate risks, Castellum has a more long-term perspective, with an analysis based on climate scenarios up through 2100. As regards climate risks, both physical and transition risks resulting from a changed climate are assessed. Ahead of investments in new production, the climate risks are evaluated for a building during its technical service life, with emphasis on precipitation, extreme weather and flood risks. The intermediate IPCC scenario, which involves emissions increasing up until 2040 and then tapering off, is also used here. Ahead of investment decisions, the investment is assessed from a sustainability perspective, in which climate change is an important issue.

For information on the overall process to identify and assess material climate-related impacts, risks and opportunities, refer to page 58.

The resistance of properties to climate change

Castellum is investigating the possibilities of evaluating the exposure of its property portfolio to climate change through participation in the EU-financed Carbon Risk Real Estate Monitor (CRREM) research project. This project will define science-based measures to reduce carbon emissions in commercial properties and housing in the property sector for the purpose of achieving the Paris Agreement.

Impact, risk and opportunity management, cont.

The world in 2050



Impact, risk and opportunity management, cont.

Policies related to climate change mitigation and adaptation

Castellum’s commitment to reduce the climate impact of its operations and archive net-zero carbon emissions are governed by the company’s Sustainability Policy and Code of Conduct. The Sustainability Policy stipulates how the Group’s climate initiatives are to be carried out. The Code of Conduct clarifies, for example, that there must be procedures in place to measure and monitor the Group’s environmental impact and improve the company’s sustainability performance. The Sustainability Policy encompasses all employees in the Castellum Group’s companies, the Board of Directors and all parts of Castellum’s operations, including acquisitions, property management, sales, new construction and demolition of buildings, development of existing properties, suppliers and partners.

Castellum’s Sustainability Policy stipulates the following as regards the climate:

- Natural resources are be used 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.
- In conjunction with acquisitions and company transactions, due diligence is performed on the environment to identify ecological risks and opportunities.
- Climate risks and opportunities are taken into account in conjunction with all investments and for the entire asset portfolio.
- When choosing an energy supply for our properties, the most cost-efficient solution with the least climate impact will be selected.

- The proportion of sustainability certified buildings must increase, materials with low climate impact from a life-cycle perspective must be selected and promoted, and hazardous toxins must be minimised.
- Non-fossil fuel powered vehicles are to be chosen.

Actions and resources in relation to climate change policies

Castellum’s operations are conducted in the Scandinavian countries. The value chain includes suppliers and contractors, the company’s own operations, relationships with authorities and collaborations on industry initiatives, customers, tenants and other users of the company’s properties. To reduce the company’s GHG emissions, Castellum works to enhance energy efficiency and increase the proportion of renewable energy. Moreover, the company will be involved in the climate plans and policies of its tenants and of government agencies, it will display leadership and, to the greatest extent possible, will inspire the industry to reduce its climate impact.

Castellum’s GHG emissions are generated primarily in property management and in conjunction with project development. GHG emissions continued to decrease, and in 2024 Castellum’s total emissions decreased by 31 per cent compared to 2023, driven by reduced energy consumption, an increased proportion of fossil-free energy, climate requirements in projects and reduced investment volumes. In 2024, Castellum updated its goal stipulating that 75 per cent of the portfolio is to be sustainability-certified by 2030. By engaging

Sustainability requirements for construction projects

The following requirements are set in all construction projects:

- The Swedish Work Environment Act
- Code of Conduct
- Sustainability Policy
- Environmental management system
- Waste plan and maximum waste volumes
- Environmental plan
- Climate calculations and climate-efficient substitutions
- Construction materials that meet environmental and health requirements under Byggsvarubedomningen
- PEFC or FSC-certified wood raw material
- Investigate minimising new construction and reconstruction by utilising existing buildings, floor plans and structures
- Re-used materials are to be used in projects. Re-use, materials with recycled content and renewable/bio-based materials are be chosen
- New materials are to be selected and planned so that they can be re-used at a later date
- Energy-efficient choices of products
- Low-flow water fittings
- Energy-efficient and environmentally sound construction site using fossil-free vehicles and machinery

Sustainability programmes for new construction and reconstruction

Additional requirements are set for all new construction and major reconstruction projects:

- Miljöbyggnad level Gold¹
- Compliance with the EU Taxonomy Regulation
- Investigate NollCO₂ climate certification
- Investigate WELL health certification
- Climate requirements under Road map: Project development (page 67)
- 40 per cent lower primary energy consumption compared to BBR requirements²
- Choice of renewable energy
- Install solar panels and investigate energy storage
- Climate risk assessment and adaptation measures
- Good indoor climate and well-planned anti-humidity measures
- Restoring and increasing volume of ecosystem services
- Social sustainability in projects
- Bicycle parking and changing rooms
- EV charging stations
- Contractors are to create jobs for people struggling to enter the job market in the project
- Investigate possibility of outdoor offices
- Inviting stairwells

1. Newly produced office and retail premises must, as a minimum, have Miljöbyggnad level Gold sustainability certification. For projects outside Sweden, BREEAM Excellent/ LEED Gold is the minimum. For construction of new logistics buildings, Miljöbyggnad level Silver applies.
2. Applies to new construction of offices. 30 per cent lower for logistics buildings and energy requirements according to the EU Taxonomy for major reconstruction projects.

Impact, risk and opportunity management, cont.

external assistance, the company has analysed and quantified the risk of climate-related catastrophes in the existing asset portfolio. For more information, refer to page 77.

Castellum carried out many activities in 2024 to achieve the company’s long-term goal of net-zero emissions. SEK 211 M (381) was invested during the year in energy conservation projects. The company also sets requirements for climate impact reduction in both larger and smaller projects.

One example is a tenant adaptation in Stockholm, where Castellum used heating, ventilation and air conditioning (HVAC) ducts manufactured from fossil-free steel. This steel, produced by SSAB using HYBRIT® technology, helps significantly reduce the project’s climate footprint. HVAC systems make up a large part of the climate footprint of reconstruction projects, which is why this is an important step in Castellum’s long-term endeavours to reduce the climate impact of construction projects. In the same tenant adaptation, Castellum promoted the circular use of resources by sending flooring textiles for re-use. This initiative allowed 60 per cent of the flooring material to be reused by other companies, resulting in a saving of 3 metric tons of carbon dioxide equivalents.

In 2024, Castellum also installed a battery energy storage system at one of the company’s properties in Helsingborg. The system has an output of 430 kW and a capacity of 430 kWh. This means that self-generated electricity can be supplied to the local grid in the event of bottlenecks. A key aim of this initiative is to make buildings active components of the energy system.

Goals and results

Targets related to climate change mitigation and adaptation

Castellum’s climate goals are science-based and have been validated by SBTi. The goals will be re-formulated in 2025; read more on page 52. The climate goal means that Castellum has undertaken to achieve net-zero carbon emissions in Scope 1, 2 and 3 by 2030. Accordingly, the company must reduce its emissions by 90 per cent in relation to 2017. The remaining 10 per cent of emissions can be neutralised by carbon capture. Starting in 2025, Castellum also commits to install no new fossil fuel equipment that are owned or financially controlled by the company in its building portfolios from 2025.

The overall climate goal will be achieved using the three transition plans for property management, project development and the customer journey. The majority of the other goals in Future-proofed assets are monitored on a quarterly basis and are reported both internally and externally. A small number of goals are only monitored on an annual basis. Castellum will also work to eliminate all climate risks, which means that measures are being planned for integration into long-term maintenance and future investments for existing properties. Risk analyses are carried out before new construction projects start to future-proof the property against any climate change in the future.

Castellum also has recurring medium- and long-term goals linked to energy consumption. The company must routinely be 2.5 per cent more energy efficient per year. By 2025, energy consumption will decrease by 11 per cent compared with 2021. By 2030, Castellum’s energy consumption will be entirely fossil-free: 200 solar PV systems will be

GHG emissions and energy intensity

	Base year 2017	2024	Goal 2030
GHG emissions (ktCO ₂ eq) – Scope 1 & 2	6.4	1.0	0.0
	Base year 2021	2024	Goal 2025
Energy intensity in portfolio	101	91	90

installed and 75 per cent of the property area will have sustainability certification. Over the long term, all of the company’s properties must have an energy performance lower than 50 kWh/sq. m. per year.

Castellum reports and monitors its GHG emissions in accordance with the Greenhouse Gas (GHG) Protocol. 2017 was chosen as the base year for Castellum’s goal of net-zero carbon emissions by 2030. The reason is that this was the first year when a complete Scope 3 inventory could be carried out. From 2025, the base year and the target value for GHG emissions will be updated every five years in accordance with the SBTi framework. For Scope 1 and 2, and for business travel, there is comparable data back to 2007. The Conversion Factors table on page 76 shows the activities, assumptions and conversion factors forming the basis for reporting Castellum’s energy consumption and GHG emissions during 2024. In 2021, the database with emissions factors for Scope 3 emissions that are calculated based on the spend for the current period was replaced with a newer Exiobase 3 database. This database offers updated emissions factors that better reflect the economic activities and has improved sector granularity. As of 2022, inflation adjustments are also applied in the calcu-

lation of spend-based emissions estimates. Figures before 2022 were not adjusted for inflation.

The GHG emission reduction goals are stated both as percentage reduction in absolute value and in intensity value per square metre in Castellum’s three transition plans, refer to page 67.

Energy consumption and mix

Energy consumption contributes to Castellum’s climate impact. Castellum works with a well-prepared energy strategy that is intended to minimise risk and obtain smoother cost performance, as well as minimise uncontrolled changes in the price of electricity for Castellum and the tenants.

The company routinely monitors and analyses the energy consumption of its properties. Various measures are taken and prioritised based on these analyses. In energy savings projects, the operational efficiency of properties is enhanced on a daily basis. These initiatives have resulted in a reduction of energy for heating, cooling and electricity by 33 per cent since 2007.

Castellum uses 99 per cent renewable energy. By using new technology, Castellum is part of driving development forward. The company offers solar PV systems and charging stations at its properties to promote sustainable development and the use of

Goals and results, cont.

renewable energy. Ten new solar PV systems were installed during the year. This means that in total the company has installed 116 systems since 2020.

On a full-year basis, these generate 21.2 GWh, which corresponds to approximately 21 per cent (17) of Castellum’s total electricity requirement in 2024. Castellum’s solar PV systems generated 13.7 MWh (8.3) in 2024.

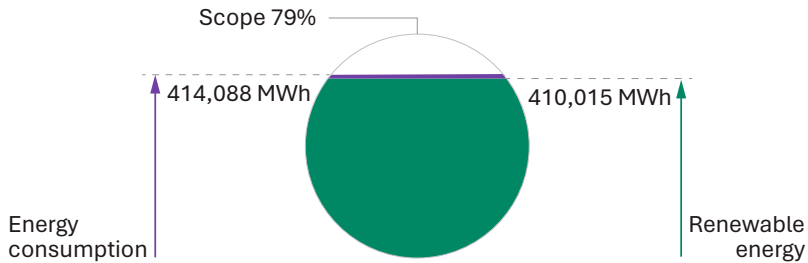
In 2024, Castellum achieved 100 per cent green district heating contracts in Finland, which – it is expected – will have reduced the market-based Scope 2 emissions.

During the year, Castellum remained involved in expanding the company’s portal for monitoring properties online, to check metrics for operations, alarms, elevators and entries. The aim is to bring about savings in both energy and time, which creates customer benefits in the form of better services through preventive measures. At the end of 2024, 415 properties (427), representing 62 per cent (58) of the area, are connected to the portal.

Castellum’s reporting includes the energy that the company purchases for its properties, as well as for that portion of its tenants’ own electricity consumption that Castellum purchases. Reporting of the energy that Castellum purchased is based on actual metered consumption. The same applies for tenants’ electricity consumption. Castellum also reports on self-generated electricity produced from solar PV systems. Absolute energy consumption is indicated in metric tons of CO₂eq, and intensity in kilogrammes per square metre. A conversion factor of 3.6 was used to convert from kWh to gigajoules (GJ).

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

Energy overview



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

Energy source	Absolute energy consumption (MWh)			Renewable share, %		
	2024	2023	2022	2024	2023	2022
Building electricity	93,957	104,931	106,489	100	100	100
Electricity, geothermal and cooling	4,744	5,373	4,562	100	100	100
Electricity, direct	1,395	1,307	1,090	100	100	100
1. Total electricity consumption (Elec-Abs)	100,096	111,611	112,141	100	100	100
Biogas	1,031	834	1,569	100	100	100
Total consumption of renewable fuels	1,031	834	1,569	100	100	100
Natural gas	197	76	186	0	0	0
Oil	262	246	481	0	0	0
Total consumption of non-renewable fuels	459	322	667	0	0	0
2. Total fuels purchased by landlord (Fuels-Abs)	1,490	1,156	2,236	69	72	70
District heating	282,162	315,291	307,984	99	94	93
District cooling	30,341	30,105	33,738	100	100	100
3. Total consumption of district heating and cooling (DH&C-Abs)	312,503	345,396	341,722	99	95	94
Total energy consumption (1+2+3)	414,089	458,163	456,099	99	96	95
Total energy consumption (normalised)	425,830	455,606	472,129	—	—	—
Energy intensity, buildings (Energy-Int)	91	98	96	—	—	—
Energy intensity, buildings (normalised)	93	97	99	—	—	—

Scope of the reporting	2024	2023	2022
Properties covered by disclosures on electricity consumption	532/672	556/709	527/749
Properties covered by disclosures on district heating and district cooling	498/560	533/590	547/560
Properties covered by disclosures on fuels	12/12	13/13	13/13

Goals and results, cont.

Energy consumption outside the organisation (GRI 302-2)

	2024	2023	change, %
Electricity (MWh) ¹	97,521	101,724	−4
Scope of the disclosures on tenants' electricity ²	240/672	244/709	—

1. The consumption pertains to electricity for tenant operations.
2. The scope is limited by the fact that Castellum does not own the measurement data in cases where the tenants themselves have contracts for electricity for their operations.

EPC distribution of portfolio¹

EPC rating	Property value (SEK M)	Proportion of the property value (%)	Proportion of the area (%)
A	6,495	5	5
B	30,869	23	19
C	34,016	25	23
D	28,484	21	25
E	22,856	17	18
F	6,234	4	6
G	2,419	2	2
Older certificate without rating ²	57	0	0
Uncertified properties ³	4,280	3	2

1. The preliminary threshold values for MEPS, presented by the National Board of Housing, Building and Planning were analysed in October 2024 so as to interpret which buildings need to be upgraded in accordance with the EPBD. The results show that only 0.6% of Castellum's properties fall below the proposed thresholds for 2030, and 2.7% for 2033.
2. Old certificate without EPC rating
3. Primarily buildings that are exempt from EPC requirements, and new production that has not yet been certified

Energy consumption (delivered by property owner) divided by property type, comparison, like-for-like (Elec-LfL, DH&C-LfL, Fuels-LfL, Energy-Int)

	Measurement unit	Offices			Warehouse/Light industry			Retail			Public sector properties			Castellum total		
		2024	2023	change, %	2024	2023	change, %	2024	2023	change, %	2024	2023	change, %	2024	2023	change, %
Total electricity consumption (Elec-LfL)	MWh	62,628	67,397	−7	12,050	12,915	−7	4,308	4,616	−7	16,514	18,211	−9	95,500	103,139	−7
Scope of the disclosures on electricity consumption	sq. m.	259/284	—	—	122/184	—	—	37/60	—	—	53/66	—	—	471/594	—	—
Total district heating and cooling (DH&C-LfL)	MWh	174,498	184,690	−6	68,188	74,579	−9	13,859	15,080	−8	42,995	45,364	−5	299,540	319,714	−6
Scope of the disclosures on district heating and district cooling	sq. m.	247/257	—	—	131/142	—	—	40/41	—	—	55/58	—	—	473/498	—	—
Total fuels (Fuels-LfL)	MWh	688	869	−21	692	907	−24	109	125	−13	0	0	0	1,489	1,901	−22
Scope of the disclosures on fuel	sq. m.	4/4	—	—	7/7	—	—	1/1	—	—	0/0	—	—	12/12	—	—
Total energy consumption	MWh	237,815	252,957	−6	80,930	88,400	−8	18,276	19,821	−8	59,508	63,576	−6	396,529	424,754	−7
Energy consumption (normalised)	MWh	243,710	251,535	−3	84,225	88,214	−5	18,830	19,711	−4	60,977	62,867	−3	407,742	422,327	−3
Energy intensity, buildings (Energy-Int)	kWh/sq. m. per year	104	111	−6	66	72	−8	83	90	−8	97	104	−7	92	98	−6
Energy intensity, buildings (normalised)	kWh/sq. m. per year	107	110	−3	69	72	−4	85	89	−4	99	103	−4	94	98	−4

Energy consumption and emissions for Castellum's own operations (GRI 305-1, GRI 305-2, GRI 305-4)

	Measurement unit	Indicator	Outcome (Abs, Int)		
			2024	2023	2022
Total consumption, electricity	MWh		2,949	3,153	3,359
Portion of electricity from renewable sources	%		100	100	100
Total consumption, district heating and cooling	MWh		3,241	3,755	3,882
Portion of district heating and cooling from renewable sources	%		98	99	95
Total consumption, fuels	MWh		0	0	0
Proportion of fuel from renewable sources	%		—	—	—
Energy intensity (normalised)	kWh/sq. m. per year		134	149	148
Scope of disclosures on emissions from own offices	No. of buildings included		38/38	40/40	35/35
Share of energy consumption and GHG estimated in the portfolio	%		0	0	0
Scope 1	Metric tons CO ₂ eq	Direct	0	0	23
Scope 2 (market-based)	Metric tons CO ₂ eq	Indirect	120	192	53
Scope 2 (location-based)	Metric tons CO ₂ eq	Indirect	179	283	60
Scope 1 & 2 emissions (market-based)	Kg CO ₂ eq/sq. m., year	GHG	2.6	0.3	1.6
Scope 1 & 2 emissions (location-based)	Kg CO ₂ eq/sq. m., year	GHG	3.9	6.1	1.7

The total area of Castellum's own offices was measured at 29,291 square metres in 2024. This includes United Space's offices.

Goals and results, cont.

Gross Scopes 1, 2, 3 and Total GHG emissions

GHG emissions

Of the GHG emissions that Castellum gives rise to, 1 per cent (0) are direct (Scope 1) and 9 per cent (12) are indirect emissions (Scope 2). These emissions derive from the use of oil, natural gas, fuel for the operation’s vehicles, refrigerant leakage, and the use of electricity and energy in the company’s own operations. Castellum is engaged in phasing out the use of fossil fuels, including by reducing the number of oil furnaces. There were 2 (2) furnaces still in use at the end of 2024. Castellum also has a property that uses natural gas. The remaining 90 per cent (88) is other indirect emis-sions (Scope 3) that originate from the consumption of materials, construction processes, business travel, work commutes, transportation, waste, tenants’ energy consumption and other energy-related emis-sions not covered under Scope 1 and 2.

Even though there are challenges throughout the value chain of the construction and property industry linked to the ability to produce concrete measures for reducing these emissions, measures in this area are a condition for Castellum being able to achieve its goal of net-zero carbon emissions. The GHG emissions that Castellum causes through heating its properties using district heating represents a large portion of the com-pany’s emissions in Scope 1 and 2: 86 per cent (97). The emissions are directly linked to district heating pro-ducers’ fuel mix. During the year, Castellum engaged in dialogue with the district heating suppliers with the highest GHG emissions per kWh in order to influence them to reduce their emissions. The transition to green district heating with renewable fuels is ongoing and at the end of the year amounted to 50 per cent (45) of Castellum’s district heating suppliers.

Complete inventory of GHG emissions (GRI 305-1, 305-2, 305-3, 305-4, 305-5, GHG-Dir-Abs, GHG-Indir-Abs [market-based], GHG-Indir-Abs [location-based])

	2024		2023		2022		2021		2020		Calculation method ¹
	Absolute emissions	Intensity	Absolute emissions	Intensity	Absolute emissions	Intensity	Absolute emissions	Intensity	Absolute emissions	Intensity	
Scope 1²											
Direct emissions (GHG-Dir-Abs) ³	639	0.1	292	0.1	550	0.1	322	0.1	284	0.1	Fuel-based
Biogenic emissions (GHG-Dir-Abs)	203	0.0	164	0.0	309	0.1	342	0.1	339	0.1	Fuel-based
Scope 2^{2, 3}											
Market-based method (GHG-Indir-Abs)	4,946	0.9	10,260	1.8	12,756	2.2	5,403	1.4	3,991	0.9	Fuel-based
Location-based method (GHG-Indir-Abs)	20,516	3.9	29,675	5.4	31,091	5.5	16,418	4.3	18,128	4.1	Fuel-based
Scope 1+2 (market-based method)	5,585	1.0	10,553	1.9	13,306	2.3	5,725	1.5	4,275	1.0	
Scope 1+2 (location-based method)	21,155	4.0	29,967	5.5	31,641	5.6	16,740	4.4	18,412	4.2	
Scope 3⁴											
1. Purchased goods and services	32,408	6.1	54,265	9.9	77,773	13.7	71,130	18.5	274,307	61.8	Spend-based
2. Capital goods ⁵	10,281	2.0	—	—	—	—	—	—	—	—	Average-data
3. Fuel- and energy-related activities ⁶	5,626	1.1	4,101	0.8	3,596	0.6	3,452	0.9	—	—	Fuel-based
4. Upstream transportation and distribution	5	0.0	6	0.0	525	0.1	465	0.1	227	0.1	Spend-based
5. Waste generated in operations	211	0.0	236	0.0	2,090	0.4	2,043	0.5	2,717	0.6	Spend-based
6. Business travel ⁷	590	0.1	540	0.1	64	0.0	35	0.0	49	0	Spend-based
7. Employee commuting	279	0.1	269	0.1	203	0.0	169	0.0	160	0	Average-data
8. Upstream leased assets	0	0.0	0	0.0	0	0.0	20	0.0	88	0	Spend-based
13. Downstream leased assets ²	2,660	0.5	16,280	3.0	22,104	3.9	8,860	2.3	12,627	2.9	Average-data
Biogenic emissions	—	—	—	—	—	—	—	—	—	—	
Scope 3	52,060	9.9	75,697	13.8	106,355	18.7	86,174	22.4	290,175	65.4	
Scope 1+2+3 (market-based method)	57,645	10.9	86,250	15.7	119,661	21.0	91,899	23.9	294,450	66.4	
Scope 1+2+3 (location-based method)	73,215	13.9	105,665	19.3	137,996	24.3	102,914	26.8	308,587	69.6	

Absolute emissions are indicated in metric tons of CO₂eq, and intensity in kg CO₂eq per square metre. No material GHG emissions have been excluded. 2017 is set as the base year for Castellum’s Science Based Target, since this was the first year that Castellum measured the Group’s entire emissions in Scope 3. Castellum’s total GHG emissions during base year 2017 totalled 332,061 metric tons of CO₂eq, of which 1,122 metric tons in Scope 1, 6,133 metric tons in Scope 2, and 324,806 metric tons in Scope 3. Measurements of emissions from Scope 1 and 2 from 2007 onward are available. In 2007, the emissions in Scope 1 and Scope 2 totalled 6.4 kg CO₂eq per sq. m.

1. According to GHG Protocol Corporate Value Chain Standard.
2. The emissions factors have been updated for 2024 in accordance with the Carbon Risk Real Estate Monitor (CRREM) emissions factors recommended by SBTi. This is a step in aligning with the new SBTi standards for buildings. Historical figures may be restated in 2025.
3. In addition to fuel consumption in properties and refrigerants, also includes emissions from Castellum’s own vehicles of 57 metric tonnes of CO₂eq in 2024 compared with 90 metric tonnes of CO₂eq in 2023. No trading in greenhouse gases took place in 2024.
4. The following Scope 3 emissions are not considered relevant for Castellum (approved by SBTi): 9. Downstream transportation and distribution, 10. Processing of sold products, 11. Use of sold products, 12. End-of-life treatment of sold products, 14. Franchises, 15. Investments.
5. For 2024, Castellum presented its emissions reporting in greater detail by separately reporting Scope 3 emissions for large new construction projects (SEK >50 M) in Category 2: Capital goods. Previously, these emissions were included in the reporting for Category 1: Purchased goods and services.
6. Castellum began calculating emissions for fuel- and energy-related activities in 2021.
7. Castellum estimates hotel stays using the cost method, and the remaining business travel is estimated using the distance method.

Goals and results, cont.

Scope	Activity	Activity data	Conversion factor
Scope 1	Oil consumption at properties where the tenant does not have separate metering or billing of actual consumption.	Internal collection of statistics relating to consumption at properties heated by oil.	Heating oil: 0.285 metric tons CO ₂ eq/MWh Source: Department for Energy Security and Net Zero, Department for Business, Energy & Industrial Strategy
Scope 1	Natural gas consumption at properties where the tenant does not have separate metering or billing of actual consumption.	Internal collection of statistics relating to consumption at properties heated by natural gas.	Natural gas: 0.203 metric tons CO ₂ eq/MWh Source: Department for Energy Security and Net Zero, Department for Business, Energy & Industrial Strategy
Scope 1	Business travel with company vehicles.	Travel with company vehicles is based on meter readings. GHG emissions are based on distance covered and on combined-cycle fuel consumption for each vehicle.	Gasoline: 0.0002375 metric tons CO ₂ eq/km Diesel: 0.0002798 metric tons CO ₂ eq/km Biofuel: 0.000197 metric tons CO ₂ eq/km CNG: 0.0000505 metric tons CO ₂ eq/km Source: GHG Protocol, GWP 2014 IPCC Fifth Assessment Report
Scope 1	Refrigerants.	Refrigerant emission data is collected from the mandatory refrigerant report of each respective property.	Statistics from Svenska Kyl & Värmepumps-föreningen. The data is reported in connection with the Fluorinated Greenhouse Gas regulation, EU/517/2014, and appurtenant Swedish legislation, which is declared based on applicable practices.
Scope 2	Consumption of electricity in properties where the tenant does not have separate measurement or invoicing of actual consumption.	Internal collection of statistics for properties where Castellum is responsible for electricity consumption.	Origin-labelled renewable electricity: 0 g CO ₂ eq/MWh Production mix: Sweden: 0.00567 metric tons CO ₂ eq/MWh Denmark: 0.14252 metric tons CO ₂ eq/MWh Finland: 0.09532 metric tons CO ₂ eq/MWh Source: CRREM
Scope 2	Consumption of district heating and district cooling in properties where the tenant does not have separate measurement or invoicing of actual consumption.	Internal collection of statistics for properties where Castellum is responsible for district heating and district cooling. District heating consumption is adjusted based on SMHI degree days and vacancy rate.	Statistics from respective district heating providers. ¹
Scope 2	Business travel with company vehicles.	Travel with company vehicles is based on meter readings. GHG emissions are based on distance covered and on combined-cycle fuel consumption for each vehicle.	Electric hybrid: 0.00005 metric tons CO ₂ eq/km Electric car: 0 metric tons CO ₂ eq/km Source: GHG Protocol, GWP 2014 IPCC Fifth Assessment Report

1. Since the district heating suppliers' conversion factor for the preceding year (2024) was only calculated in 2025, the conversion factor for 2023 is used for emissions linked to traditional district heating.

Scope	Activity	Activity data	Conversion factor
Scope 3	Capital goods.	Calculated from the share of the total investments made during the year.	Climate estimate for the projects in kg CO ₂ eq for A1–A5 in accordance with NollCO ₂ 's methodology Source: Sweden Green Building Council
Scope 3	Business travel, taxi.	The majority of the data from suppliers and manual retrieval.	0.000147 metric tons CO ₂ eq/km Source: GHG Protocol, GWP 2014 IPCC Fifth Assessment Report
Scope 3	Business travel, air.	The majority of the data from suppliers and manual retrieval.	Nordic region: 0.000171 metric tons CO ₂ eq/km Europe: 0.000092 metric tons CO ₂ eq/km World: 0.000083 metric tons CO ₂ eq/km Source: GHG Protocol, GWP 2014 IPCC Fifth Assessment Report
Scope 3	Business travel, train.	The majority of the data from suppliers.	0.00000042 metric tons CO ₂ eq/km Source: SJ
Scope 3	Business travel, private vehicles.	Internal monitoring of kilometres driven on business with private vehicles.	0.000147 metric tons CO ₂ eq/km Source: GHG Protocol, GWP 2014 IPCC Fifth Assessment Report
Scope 3	Waste.	Calculated using waste statistics that are enumerated to be combined with emissions factors from 2023 from the UK Department for Environment, Food and Rural Affairs (Defra).	Emission factors per waste type Source: Defra
Scope 3	Employee commuting.	Employee commuting in kilometres is estimated based on data from Transport Analysis combined with emission factors from Naturvårdsverket, the Swedish Environmental Protection Agency.	Source: Naturvårdsverket and Transport Analysis
Scope 3	Downstream leased assets.	Calculated from a template of tenants' energy consumption.	Production mix: Sweden: 0.00567 metric tons CO ₂ eq/MWh Denmark: 0.14252 metric tons CO ₂ eq/MWh Finland: 0.09532 metric tons CO ₂ eq/MWh Source: CRREM
Scope 3	Fuel- and energy-related activities.	Calculated using actual monitoring of energy consumption combined with emissions factors from 2022 from the UK Department for Environment, Food and Rural Affairs (Defra).	Country-specific emissions factors Source: Defra
Scope 3	Other GHG emissions.	The carbon footprint is calculated based on how much is spent on suppliers from various industry sectors (e.g. transportation, travel, consultants, etc.). Emissions are then calculated using sector data from Exiobase 3 in accordance with the recommendations of the Greenhouse Gas Protocol for a Scope 3 screening.	Source: Exiobase 3

Goals and results, cont.

Total greenhouse gas emissions by property type, like-for-like (GHG-Dir-LfL, GHG-Int; GRI 305-1, GRI 305-2, GRI 305-4)

GHG intensity per net revenue	Offices			Warehouse/Light industry			Retail		
	2024	2023	change, %	2024	2023	change, %	2024	2023	change, %
Scope 1, Direct emissions (GHG-Dir-LfL)	495	314	+58	119	64	+86	0	12	−100
Scope 2, Indirect emissions (market-based method)	2,736	4,414	−38	1,386	1,400	−1	196	215	−9
Scope 2, Indirect emissions (location-based method)	11,661	17,962	−35	4,354	4,795	−9	862	1,101	−22
Total GHG emissions (location-based) per net revenue (GHG-Int) (tCO ₂ eq/monetary unit)	1.3	1.9	−32	1.1	1.0	+10	0.6	0.7	−14
Total GHG emissions (market-based) per net revenue (GHG-Int) (tCO ₂ eq/monetary unit)	4.9	7.4	−33	3.2	3.4	0	2.7	3.5	−23

GHG intensity per net revenue, cont.	Public sector properties			Castellum total		
	2024	2023	change, %	2024	2023	change, %
Scope 1, Direct emissions (GHG-Dir-LfL)	15	41	−63	628	431	+46
Scope 2, Indirect emissions (market-based method)	399	390	+2	4,717	6,419	−27
Scope 2, Indirect emissions (location-based method)	2,520	2,754	8	19,397	26,612	−27
Total GHG emissions (location-based) per net revenue (GHG-Int) (tCO ₂ eq/monetary unit)	0.6	0.6	0	1.1	1.4	−22
Total GHG emissions (market-based) per net revenue (GHG-Int) (tCO ₂ eq/monetary unit)	3.8	4.2	−9	4.1	5.5	−26

The table shows emissions from property management, meaning emissions from fuel and refrigerants in Scope 1 and emissions from energy consumption in Scope 2. GHG intensity is divided by Castellum’s property area for the respective property categories. Castellum’s total Scope 3 emissions are found on page 75.

Energy produced (GRI 302-1, Elec-Abs)

	Absolute energy (MWh)			
	2024	Change 2023–2024, %	2023	2022
Electricity produced from own solar PV systems	13,679	+65	8,293	7,339
Production of self-generated solar electricity, used on-site	6,421	+47	4,357	4,306
Production of self-generated solar electricity, sold	7,258	+84	3,936	3,033
Scope of the disclosures on self-generated solar electricity produced	98/98	—	89/89	64/64

Fossil-free

	2024	2023	2022
Share of non-fossil energy, %	99	99	95
Fossil fuel-free vehicles, %	99	98	96
No. of charging posts for electric vehicles	1,453	1,189	922
Number of solar PV systems installed	116	106	76

Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

A climate risk assessment was conducted with assistance from external independent experts, which shows that the climate risks have a relatively low financial impact on Castellum’s asset portfolio. The assessment shows that there currently a 10 per cent probability of costs that will total nearly SEK 14 M per year, corresponding to approximately SEK 3 per square metre. There is an 0.5 per cent probability that costs will total SEK 1,300 M per year, corresponding to approximately SEK 240 per square metre. An average per year is estimated to be SEK 35 M, corresponding to a cost of SEK 7 per square metre. These costs are mainly related to flooding.

The climate risk assessment shows that in RCP 4.5, the scenario with a lesser temperature increase, there is a 10 per cent probability that the climate-related risks in

2100 will total SEK 15 M per year. There is a 0.5 per cent probability that the costs for climate-related risks in 2100 will be SEK 1,300 M. In RCP 8.5, a scenario with a greater temperature increase, there is a 10 per cent probability that climate-related risks in 2100 will cost a total of SEK 18 M per year. There is a 0.5 per cent probability that the costs for climate-related risks in 2100 will be SEK 1,400 M. The results show that no properties are deemed to be at risk of permanent flooding in 2100. The overall opinion on the climate risk assessment is that resilience levels are relatively high, regardless of the climate scenario. This is in line with the study that is published annually by the Notre Dame Global Adoption Initiative (ND-Gain), which assesses the vulnerability of different countries to climate change. Their study found that the Nordic countries of Sweden, Denmark, Finland and Norway are considered best equipped to deal with a changing climate.

The risks that Castellum sees in these assessments are linked primarily to temporary climate-related damage that leads to temporary loss of rental income and damage to properties that needs to be repaired. This can occur in the property or in infrastructure that impacts the property in various ways. It is therefore important that climate change adaptation not only encompasses buildings but also their surroundings.

Sensitivity analysis for climate-related catastrophes

Castellum	Cost (SEK M)
10-year event today	14
200-year event today	1,300

Sensitivity analysis: Increased energy prices

Castellum	Increased operating costs (SEK M)
If energy prices increase by 10 per cent	74

Biodiversity and ecosystems

Castellum will take responsibility for promoting and preserving biodiversity. The objective is for all major projects to result in a net positive increase in ecosystem services. Castellum is reducing the risk of

negative impact by setting internal requirements and utilising work tools to strengthen biodiversity.

Material sustainability matters

Sustainability matter	Impacts in the value chain	Actual/ potential impact	Positive /nega- tive impact	Financial risk	Financial opportunity
Biodiversity and ecosystems	Upstream (suppliers), Own operations	Actual	Negative	No	No

Strategy

Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Castellum’s commitment to strengthening biodiversity has been embedded in the company’s Sustainability Policy and Code of Conduct. Castellum will focus on and develop its initiatives around biodiversity. The company will also re-examine whether a transition plan for biodiversity should be adopted in the future. Since the company’s impact on biodiversity is currently deemed to be limited, Castellum has not prepared a transition plan.

Material impacts, risks and opportunities and their interaction with strategy and business model

Castellum’s material impacts, risks and opportunities associated with biodiversity and the company’s strategy and business model are:

Biodiversity and ecosystems

Castellum’s operations are governed by detailed development plans, laws, and regulations. The protection of species is addressed in Swedish law, and the site is surveyed from an environmental perspective before detailed development plans are adopted and construction permits are received. Construction permits are not received if biodiversity is threatened. The majority of Castellum’s properties are located in environments that are not protected from the perspective of biodiversity, or do not have a high biodiversity value.

Impact, risk and opportunity management

Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

Refer to page 58 for a description of the processes to identify and assess material impacts, risks and opportunities for biodiversity and ecosystems.

Policies related to biodiversity and ecosystems

Castellum’s Sustainability Policy stipulates that the company is to take responsibility for and assist in promoting greater biodiversity among Swedish species. The Code of Conduct directs the company to endeavour to enhance biodiversity, promote functional ecosystem services and limit the use and spread of environmentally hazardous products. For more information on the Sustainability Policy and Code of Conduct, refer to page 120.

Actions and resources related to biodiversity and ecosystems

For new construction, Castellum ensures a net-positive increase in the site’s ecosystem services in order to utilise and maintain the resources provided by nature. The sustainability team has sent information to the property management department on invasive species and how to deal with them. Castellum ensures action is taken by establishing requirements in projects. Castellum has developed a tool that is adapted to the company’s planning operations to ensure that the impact is net positive.

In 2024, Castellum continued to implement ecosystem services to support biodiversity. The company has decided to make long-term and sustainable changes to several properties. Enriching areas with trees, flower bulbs, hedges, meadows, sedum and biotope roofs and placing beehives creates an environment in which pollinating insects such as bees and butterflies thrive and increase biodiversity. The trees planted are mainly native species suited to the Scandinavian climate and that produce flowers, fruit and berries for as long as possible into the season. With these activities, Castellum promotes both its own operations and ecosystem services.

Goals and results

Targets related to biodiversity and ecosystems

Castellum values biodiversity and acts to preserve and increase ecosystem services in Sweden. Accordingly, Castellum is working towards the goal of achieving a net positive increase in ecosystem services in the company’s major projects. The reason is that Castellum values biodiversity and aspires to preserve and increase ecosystem services in Sweden. The goal is a recurring one and covers the company’s own operations.

Resource use and circular economy

The construction and property industry generates approximately 30 per cent of all waste in Sweden. These volumes of waste must be reduced, and the proportion of waste that is re-used and recycled must increase in order to promote the sustainable use of resources. By using natural resources efficiently and working with circular flows of materials, Castellum aims to reduce the negative impact on

the environment. In property management, and as part of new construction and reconstruction, the company uses resources in the form of materials. Waste is generated in the company's own operations, through tenants' operations and in conjunction with new construction and reconstructions. Castellum focuses on re-use and on striving to build and manage properties from a circular perspective.

Material sustainability matters

Sustainability matter	Impacts in the value chain	Actual/ potential impact	Positive /nega- tive impact	Financial risk	Financial opportunity
Resource use and cir- cular economy: – Resource inflows – Resource outflows – Waste	Upstream (suppliers), Own operations, Downstream (tenants)	Actual	Negative	No	No

Impact, risk and opportunity management

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

Refer to page 58 for a description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities.

Policies related to resource use and circular economy

Castellum's commitments linked to resource use and circular economy are addressed in the company's Sustainability Policy and Code of Conduct. The Sustainability Policy and Code of Conduct stipulate that Castellum must build and manage from a life-cycle perspective and promote circular models, and that re-use is to be a significant portion of all projects over time. The Code of Conduct also con-

siders that the company must not jeopardize the planet's limits, and that waste must be managed responsibly.

Castellum's Sustainability Policy stipulates the following as regards the company's work on resource use and circular economy:

- Conditions for responsible waste management are to be created by minimising waste, guarding against pollutants and regarding waste as a resource for re-use and recycling.
- Build and manage from a life-cycle perspective, and promote circular models. Over time, re-use is to become a significant part of all projects.
- Maintain and develop existing buildings and structures to minimise the supply of new materials and products.

For more information on the Sustainability Policy and Code of Conduct, refer to page 120.

Actions and resources related to resource use and circular economy

Sustainable materials and properties

Castellum's ambition is to avoid materials that have a negative impact on the environment. Castellum applies the Byggvarubedomningen industry association tool, and prepares a log book in all projects to ensure that the materials meet a given standard. The property portfolio is subject to environmental inventory so that Castellum can gain awareness of and implement measures if environmentally hazardous materials are identified.

To promote the circular economy, Castellum certifies all new construction and larger reconstructions. In Sweden, office buildings and retail premises are to be certified under Miljöbyggnad level Gold. In certain cases, the Silver level may apply but this requires an separate investigation. Newly produced logistics buildings are to be certified under Miljöbyggnad, level Silver. In Denmark and Finland, office and retail premises are to be certified under BREEAM, level Excellent, or under LEED, level Gold. LEED O+M, minimum level Gold, will be applied in the new certification of existing properties.

Waste

Castellum creates conditions for responsible waste management by minimising and preventing pollutants and by regarding the waste as a resource for re-use and recycling. Castellum works systematically to reduce the amount of waste sent to landfills and incineration and to increase the proportion of recycled waste. That is why the company provides waste sorting for most of the properties that Castellum manages. Furthermore, requirements for contractors are set as regards both waste-related goals and waste management in conjunction with projects. With new construction, there are requirements for the preparation of waste plans. Requirements that are set under the EU Taxonomy Regulation have been integrated into the framework programme and into the sustainability requirements for

Impact, risk and opportunity management, cont.

smaller projects. Waste that is generated in Castellum’s own offices is to be sorted.

To reduce waste, access to data is vital. Castellum works continuously to increase the amount of available data and has signed framework agreements with two waste contractors that can provide comprehensive waste data. Castellum calculates key intensity metrics through division by the total floor area of the buildings, which is the most widely accepted method in the property industry for comparing resource use.

Re-use

Castellum will promote circular flows of materials and apply re-use in all projects, which is a vital component in achieving the goal of net-zero emissions by 2030. During the year, new procedures for re-use were implemented. The procedures were put into

Re-Use Hierarchy



concrete form with the Re-Use Hierarchy, which is to be applied in all projects. It consists of five different steps, and means that Castellum firstly will preserve the material on site and only as a last resort let it go to waste.

In 2024, Castellum continued its efforts on skills development and training in re-use. The courses focused on different areas in re-use, and the training initiatives are intended to increase employee know-how so that they can work more efficiently with re-use in their respective projects.

In 2024, Castellum continued to develop sustainable construction through investments in re-use hubs. Partnerships with Kålltorps Bygg, Vasakronan and Platzzer were established in 2023. Kålltorps Bygg opened a re-use hub Kålltorps REbygg in Gothenburg, which offers a total solution for circular construction operations by offering services in re-use inventory, disassembly, warehousing, reconditioning and quality review of materials. Castellum’s efforts in this area were highlighted in 2024 when the company was named Re-user of the Year in Gothenburg. Efforts to establish further partnerships and re-use hubs are continuing.

As an additional part of its efforts in re-use, Castellum works with CCBuild, which is the public sector construction industry’s shared arena for circular construction and property management. Castellum has been part of CCBuild since it began, and has since continued its efforts with CCBuild as a tool for re-use inventory.

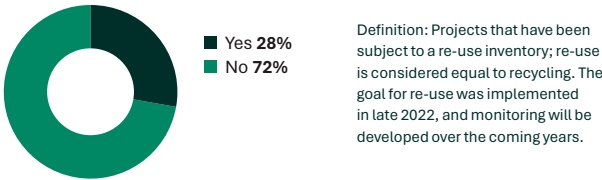
Goals and results

Targets related to resource use and circular economy

To ensure that Castellum works efficiently with resources and circularity, the company has formulated a recurring long-term goal linked to re-use in line with the Sustainability Policy. This goal means that re-use will be a part of all projects. By 2030, re-use and renewable materials will be a significant element of all Castellum’s projects. This goal is absolute and is measured as a percentage of projects that implement these principles. The objectives encompass Castellum and also include explicit requirements for suppliers and contractors.

To ensure the efficient use of resources in accordance with the Sustainability Policy, Castellum has also set a goal for sustainability certifications. The recurring goal is that all new production and all major reconstructions will be certified for sustainability. The company also has a medium-term goal that 75 per cent of the portfolio will be certified for sustainability by 2030. This goal is absolute and is measured as a percentage of sustainability-certified properties. Data is collected every quarter as part of the follow-up of large projects. At the end of 2024, the proportion of sustainability-certified properties was 54 per cent (50).

Share of projects with re-use



Sustainability-certified properties (excluding land)

	Offices	Warehouse/ Light industry	Retail	Public sector properties	Projects	Castellum total	Proportion of portfolio, %
Sales (Turnover), SEK M	4,074	751	270	1,133	82	6,310	66
Operational expenditure (OpEx), SEK M	408	70	20	68	5	571	59
Capital expenditure (CapEx), SEK M	760	48	137	252	90	1,287	51
Property value, SEK M	60,262	10,201	3,517	17,980	1,371	93,331	69
Leasable area, sq. m.	1,577,472	649,625	144,300	466,609	30,820	2,868,826	54
Number of properties	149	67	24	39	2	281	42

Sales (Turnover), operating expenditure (OpEx) and capital expenditure (CapEx) follow the same definitions as Castellum’s reporting under the EU Taxonomy Regulation, which is presented on pages 59–65.

Impact, risk and opportunity management, cont.

Number of sustainability certifications (Cert-Tot)¹

	Castellum														
	Miljöbyggnad		EU GreenBuilding		LEED		BREEAM		WELL		NollCO ₂		Total number of certifications		
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	change, %
Number of certified buildings (Cert-Tot) ²	61	60	27	35	83	52	110	114	2	2	2	2	287	263	+7
Certified area (in thousands sq. m., Cert-Tot) ²	622	663	177	261	1,050	850	1,019	1,020	18	18	22	21	2,869	2,749	+4
Certified area, share of total (Cert-Tot) ² , %	12	12	3	5	20	15	19	19	0	0	0	0	54	50	+8

1. Certifications pertain to property or part of property.
2. Some buildings have more than one certification, and to avoid double counting only one certification per building is counted; the table does not sum them up in the total. WELL and NollCO₂ have only been used as supplementary certifications.

Resource inflows

Castellum uses several different types of resources and materials in new construction and reconstruction, which has an actual negative impact on natural resources.

Use of recycled materials

Castellum is engaged in increasing the use of recycled materials in new construction and reconstruction.

Resource outflows

Waste

Waste is generated in the company’s own operations, through tenants’ operations and in conjunction with new construction and reconstructions.

Castellum reports the waste that the company’s tenants generate. Waste data is obtained on 423 properties (420), corresponding to 77 per cent (67) of total area. This is actual data obtained from suppliers. Castellum does not own or report on waste data in cases where the tenant is the subscriber. Nor is waste from construction reported. Among the reasons for this are that Castellum does not have access to complete measurement data for all properties, and waste contractors are unable to provide waste measurement data of sufficient quality.

Distribution of sustainability certifications in the portfolio

Certification	Proportion of the property value (%)	Proportion of the area (%)
Miljöbyggnad new production, level Gold	3.3	1.5
Miljöbyggnad new production, level Silver	7.0	7.3
Miljöbyggnad new production, level Bronze	1.3	1.6
Miljöbyggnad existing, level Silver	2.8	1.0
Miljöbyggnad existing, level Bronze	0.2	0.1
EU GreenBuilding	2.5	3.3
LEED New construction Platinum	1.4	0.8
LEED New construction Gold	6.8	3.3
LEED O+M Gold	13.9	12.7
LEED O+M Silver	1.9	2.8
BREEAM New construction Outstanding	3.1	1.0
BREEAM New construction Excellent	1.4	0.5
BREEAM New construction Very Good	0.1	0.1
BREEAM In-use Excellent	3.2	1.8
BREEAM In-use Very Good	10.8	7.8
BREAAM In-use Good	7.8	7.7
BREEAM In-use Pass	0.2	0.3
WELL Platinum	0.2	0.1
WELL Gold	0.4	0.2
NollCO ₂	0.5	0.4
Sustainability certification absent	31.2	45.7

Goals and results, cont.

Total waste by property type (Waste-LfL)

		Like-for-like (LfL) comparison								
		Offices			Warehouse/Light industry			Retail		
		Measurement unit	2024	2023	change, %	2024	2023	change, %	2024	2023
Hazardous waste (Waste-LfL)	Metric tons	39	37	+5	5	5	0	2	1	+100
Landfill (Waste-LfL)	Metric tons	0	0	0	0	0	0	0	0	0
Recycling (Waste-LfL)	Metric tons	38	35	+9	2	4	−50	2	1	+100
Incineration (Waste-LfL)	Metric tons	1	0	+100	3	2	+33	0	0	0
Non-hazardous waste (Waste-LfL)	Metric tons	4,957	4,396	+13	569	470	+21	423	311	
Landfill (Waste-LfL)	Metric tons	1	14	+93	0	0	0	1	0	+100
Recycling (Waste-LfL)	Metric tons	2,288	2,021	+13	233	152	+53	202	145	+39
Incineration (Waste-LfL)	Metric tons	2,668	2,359	+13	336	318	+6	220	166	+33
Total	Metric tons	4,996	4,433	+135	574	475	+21	425	312	+36
Scope of the disclosures on waste		242/284	—	—	81/184	—	—	24/60	—	—

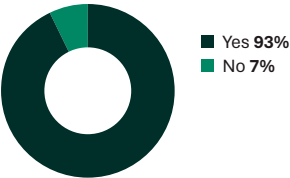
		Like-for-like (LfL) comparison					
		Public sector properties			Castellum total		
cont.	Measurement unit	2024	2023	change, %	2024	2023	change, %
Hazardous waste (Waste-LfL)	Metric tons	8	8	0	54	51	+6
Landfill (Waste-LfL)	Metric tons	0	0	0	0	0	0
Recycling (Waste-LfL)	Metric tons	4	3	+33	46	43	+7
Incineration (Waste-LfL)	Metric tons	4	6	−100	8	8	0
Non-hazardous waste (Waste-LfL)	Metric tons	1,031	1,068	−3	6,980	6,243	+12
Landfill (Waste-LfL)	Metric tons	0	29	−100	2	43	−95
Recycling (Waste-LfL)	Metric tons	490	465	+5	3,211	2,783	+15
Incineration (Waste-LfL)	Metric tons	542	574	−6	3,766	3,417	+10
Total	Metric tons	1,039	1,076	−3	7,034	6,294	+12
Scope of the disclosures on waste		51/66	—	—	398/594	—	—

The table pertains to waste generated by tenants. Construction waste is not included. The scope shows the number of properties in the organisation that are included in the data reported for this indicator. Combustible waste in Sweden is used primarily as fuel for energy extraction.

Total waste (GRI 306-3, 306-4, 306-5; Waste-Abs)

	Total (abs) in metric tons		
	2024	2023	2022
Hazardous waste (Waste-Abs)	56	68	61
Landfill (Waste-Abs)	0	0	0
Recycling (Waste-Abs)	48	54	47
Incineration (Waste-Abs)	8	14	14
Non-hazardous waste (Waste-Abs)	7,142	6,322	4,985
Landfill (Waste-Abs)	2	47	11
Recycling (Waste-Abs)	3,276	2,910	2,025
Incineration (Waste-Abs)	3,864	3,365	2,949
Total	7,198	6,391	5,046
Scope of the disclosures on waste	423/672	420/709	370/749

Proportion of properties that are environmentally certified



Social disclosures

Own workforce

Castellum is to be a good employer, partner, landlord and customer. The company is to engage with the community and contribute to urban development that promotes inclusion and provides healthy, productive urban environments.

All of Castellum’s employees are to have a high sense of wellness. The ambition is to have a healthy and safe workplace that is accident-free and has a sound working environment. It is the responsibility of the company to ensure that no employee suffers physical or mental injury or illness as a result of their

work. The company also works proactively and in a structured manner to strengthen employee health, prevent risks and avoid work-related injuries and accidents.

Castellum is to be characterised by gender equality, diversity and equal rights for all. Employees will reflect the composition of society, and both gender distribution and remuneration will be equitable. To further enhance gender equality in areas where there is still an imbalance, the company has concrete guidelines and action plans in place.

Material sustainability matters

Sustainability matter	Impacts in the value chain	Actual/potential impact	Positive /negative impact	Financial risk	Financial opportunity
Own workforce: - Gender equality and diversity - Discrimination and harassment - Occupational health and safety	Own operations	Actual	Negative	Yes	No

Strategy

Interests and views of stakeholders

Castellum maintains an ongoing dialogue with the company’s employees so that their interests, views and rights to influence Castellum’s strategy and business model are heard. For a more in-depth description of how Castellum takes account of the interests and views of stakeholders, refer to General disclosures on page 56.

Material impacts, risks and opportunities and their interaction with strategy and business model

For a further description of Castellum’s negative and positive impacts on its own employees, refer to General disclosures on page 57.

Castellum’s material impacts, risks and opportunities associated with own workforce and the company’s strategy and business model are:

Own workforce

Gender equality and diversity

Gender equality, diversity and equal rights for all are to characterise Castellum’s operations. Regardless of gender, gender identity, gender expression, ethnicity, religion or other expression of faith, physical abilities, sexual orientation and age, everyone is of

equal worth and must be treated equally. Accordingly, Castellum works systematically with guidelines and concrete action plans to promote a more equal and inclusive company.

Discrimination and harassment

Castellum takes a clear position on discrimination, harassment, and sexual harassment. This is clearly laid out in the Code of Conduct, Castellum’s Work Environment Policy and the Diversity and Equality Plan.

Occupational health and safety

There is a risk of work-related injuries and ill health throughout the construction and property sector. The majority of Castellum’s work-related injuries affecting its own employees are not serious in nature and do not lead to absence but are usually minor injuries. However, mental illness can have far-reaching or permanent implications for the individual, and rehabilitation and recovery can be a protracted process. Castellum works continuously according to its work environment handbook and its Safety Committees conduct follow-ups in order to limit risks.

Impact, risk and opportunity management

Policies related to own workforce

Castellum's commitments with regard to its employees are governed by the company's Code of Conduct, Sustainability Policy, Work Environment Handbook and Work Environment Policy as well as other procedures and checks that concern the company's employees.

Work environment handbook

The work environment handbook is based on 17 different areas and addresses, for example, Work Environment Policy, allocation of work environment responsibilities, reporting and administration of overtime, instructions for coordination responsibilities, insourced and outsourced personnel, legislation and the regulations of the Swedish Work Environment Authority. The work environment handbook also contains guidelines on:

- Risk assessment
- Instructions for the work environment
- Action plans
- Safety rounds
- Incidents, accidents, ill-health and work-related illness
- Introduction of new employees, linked to awareness of the work environment
- First aid and crisis support
- Victimisation
- Alcohol and drugs
- Occupational health care linked to occupational health and safety, work accommodations and rehabilitation.

The work environment handbook indicates which function is responsible for implementation in their respective areas.

Work environment policy

The purpose of the Work Environment Policy is to create conditions for a proper, safe work environment without accidents and ill-health. The policy stipulates that Castellum is to be an attractive workplace free of victimisation and discrimination, where all employees are to feel that they are included. The policy also states that it must be a workplace with a good physical and mental work environment. The Work Environment Policy clarifies how the work environment is to be monitored, and stipulates that Castellum take its statutory responsibility for occupational health and safety for employees and insourced personnel as well as the responsibility for coordinating contractors in the operations. The Work Environment Policy is adopted by the Board of Directors, and the CEO is responsible for communicating and establishing the policy in the company.

Code of Conduct

The Code of Conduct clarifies Castellum's position regarding human rights, employee influence, work environment, leadership, working conditions, diversity, gender equality, and non-discrimination. It clearly states that the company does not allow child and forced labour, and that all employees in Sweden are covered by collective bargaining agreements.

To ensure that all employees understand the content of the Code of Conduct, it is included in the

company's mandatory sustainability training. The respective Regional Managing Directors and the CEO of the Group are responsible for compliance with the Code of Conduct and training employees in it. Moreover, all employees in the Group are responsible for complying with the Code of Conduct and acting in accordance with it.

Using well-established and governing documents and procedures, the company will ensure that no violations of human rights and children's rights occur in its operations. All employees are covered by Castellum's procedures for occupational health and safety. Identifying and preventing risks to health and safety are the foundation of Castellum's occupational health and safety work. The company conducts an annual risk review and, as needed, a renewed risk assessment for each part of the operations.

Castellum's Sustainability Policy contains guidelines on issues concerning the company's employees. It stipulates that the company must safeguard its employees' rights, wellness and work environment. Moreover, it clarifies that Castellum has zero tolerance of harassment, victimisation and sexual harassment, and that gender equality and diversity are characteristic of the company. For more information about the Code of Conduct, Sustainability Policy and Work Environment Policy, refer to page 120.

Processes for engaging with own workers and workers' representatives about impacts

At Castellum, there are local Safety Committees in which both employer and employee representatives participate. Meetings are held twice a year.

Company safety officers have a key role in occupational health and safety work, and are partners in developing Castellum's work environment. At Castellum, the safety officers have the right to halt work that is deemed to be dangerous or could entail a risk of injury or ill-health. In Castellum's projects, incidents and accidents must also be reported for the purpose of learning from experience and preventing injuries. Castellum has no local trade union representatives, instead workers are represented by safety officers and employees on Safety Committees. If necessary, negotiations take place centrally.

The CEO bears responsibility for the work environment and can allocate this responsibility to another manager who must be familiar with the Swedish Work Environment Act and the work environment rules that apply to the company. The CEO or responsible manager must ensure that occupational health and safety issues are included when necessary among items on the management meeting agenda, which should be at least twice a year. There is a Safety Committee that monitors compliance with Castellum's work environment handbook and ensures that there are safety officers that employees can turn to regarding work environment issues. If an accident occurs, there are also internal procedures and employee support services. Castellum has a procedure and process in place for regular discussions between managers and employees, at which both psychosocial and physical work environment aspects are addressed.

Every quarter, Castellum conducts the Castellum Experience employee survey, which consists of a number of questions to monitor employee engage-

Impact, risk and opportunity management, cont.

ment and identify trends, as well as the need for corrective measures. The measurement for 2024 showed commitment of 8.4 (8.2), which can be compared with the external benchmark of 8.0. The results are divided into three categories: Promoters, Passive and Detractors. The latest measurement for 2024 showed that 65 per cent (60) were Promoters, meaning employees who recommend Castellum as an employer. The response rate in the survey was 89 per cent (94). The survey also follows up on psychosocial work environment issues, and targets linked to the psychosocial work environment are set yearly.

Processes to remediate negative impacts and channels for own workers to raise concerns

Departures from the Code of Conduct and other relevant policies that concern employees must be reported to an immediate supervisor or another representative of the company. Significant departures must be reported to Castellum’s Compliance function, who is also the Group’s Chief Legal Officer, who will inform the company’s Audit Committee.

Employees and external parties have the possibility of reporting irregularities through the company’s whistleblower function, which is available via the Group’s intranet and web site. This service, which facilitates anonymous reporting of breaches of the Code of Conduct, is administered by an external party to ensure anonymity. Incoming cases are forwarded to selected executives in Castellum for management as well as to the chair of the Audit Committee. All reported breaches are handled according to established procedures. The individual making the report will receive a response within seven days, and the goal is to maintain a continuous

dialogue. If necessary, corrective actions will be taken based on the situation identified.

Ensuring wellness, opportunities for development, and a safe work environment for employees is key to the company’s continued progress in a positive direction. Castellum’s workplace-related incidents, near-accidents and accidents are handled according to established procedures. If an employee suffers an occupational injury or gets into an accident, or if some incident occurs at work, the Regional Managing Director, the manager concerned and the Head of People & Culture – as well as the employee – will jointly investigate the causes. This means the risk of ill health and accidents can be prevented. In assessing risks, external occupational health service providers are hired by Castellum. The starting point is that the basis of expertise may be crucial for investigating and assessing the physical and psychological risks that may be linked to the work environment. People & Culture analyses the results of Castellum’s employee survey, in which issues relating to discrimination may be given particular attention.

Routines and working methods may be adjusted as needed in order to minimise risks. The Regional Managing Director of the operation concerned, or alternately the manager concerned, must report serious incidents, accidents, and/or ill-health to the Swedish Work Environment Authority. The Regional Managing Director of the operation concerned is also responsible for reporting work-related injuries to Castellum’s Head of People & Culture. The documentation will be used in the systematic occupational health and safety work so as to prevent future accidents.

Employee Net Promoter Score (eNPS)

	2024	2023	2022
Women	52	43	46
Men	60	54	47
20–29 years	63	64	58
30–50	53	59	51
Over 50 years old	59	59	40

Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those activities

Own workforce

Gender equality and diversity

Equal treatment is a central part of Castellum’s work with diversity and gender equality and is to promote fair employment and working conditions as well as opportunities for development at work. Every quarter, Castellum conducts an employee survey that focuses on issues of gender equality, diversity and inclusion in order to obtain information and input from its employees. During the year, Castellum also focused on increasing understanding of gender equality, diversity and inclusion in the company’s People & Culture function through training targeting company managers. Employees are also trained in Castellum’s Codes of Conduct, which accounts for a significant portion of the mandatory training in sustainability. Castellum must reflect the composition of society. To increase diversity among new employees, Castellum has begun working on an anonymised recruitment process.

Castellum complies with collective bargaining agreements and offers competitive, market-based remuneration as well as competence and leadership development. Castellum has a succession plan to ensure that key functions are not eliminated if key individuals leave the company or go on sick leave. The company also attempts to minimise dependency on individual persons by working on duality in conjunction with critical tasks.

Castellum is carrying out several activities to achieve a positive impact on its own workforce. These activities include competitive salaries, skills development, physical fitness subsidies and health assessments. Employee perceptions of these measures are gauged in the employee survey, which allows Castellum to assess the effectiveness of the activities. Employee surveys and performance and career development reviews address any negative impacts for employees.

Discrimination and harassment

All employees undergo mandatory training in sustainability. It also includes diversity and aims to prevent discrimination and harassment. Employees have the possibility of reporting discrimination and harassment to their immediate supervisor, who in turn will report the occurrence to the Head of People & Culture. If discriminatory behaviour or harassment is identified, Castellum has a defined escalation procedure in place that relates to reporting of incidents and corrective or disciplinary action.

The procedure includes the following steps:
■ Assess the risks of discrimination, including harassment and sexual harassment, and survey the disciplinary measures taken.

Impact, risk and opportunity management, cont.

- Analyse causes of risks and obstacles.
- Correct, and implement measures to prevent discrimination and promote equal rights and opportunities.
- Monitor and analyse incidents in accordance with Castellum’s guidelines.

Occupational health and safety

Castellum has a statutory responsibility for the occupational health and safety of all its own employees and for insourced personnel who work in the operations. All employees are covered by Castellum’s procedures for occupational health and safety. Castellum conducts activities in a structured manner to live up to its ambition that no employee should suffer physical or mental injury or illness as a result of their work. The purpose is to proactively boost employee health, prevent risks, and avoid work-related injuries and accidents. Taking employees’ perspectives into account is important in preventive work. Castellum’s employees have substantial opportunities to influence the company’s work environment and health initiatives. This includes participation in risk assessments, Safety Committees and physical fitness groups.

Occupational health and safety work is based on the work environment handbook, which clarifies how the responsibilities for occupational health and safety are allocated. The respective Regional Managing Directors are responsible for occupational health and safety work, and delegate this responsibility further on into the operations. One or more

managers, supervisors or other employees are thus tasked with preventing risks at work and achieving a satisfactory work environment. It is also defined in Castellum’s work environment handbook. 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.

Castellum offers its employees regular health check-ups. 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 in Sweden 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 a work environment check-up at regular intervals. To provide inspiration, Castellum regularly invites employees to participate in various health-promoting activities, and these are conducted throughout the company. Every employee also has access to a physical fitness subsidy of SEK 5,000 per year.

Occupational health care services assess the physical and psychological risks linked to the work environment. If necessary, they propose actions and take part in conducting various risk analyses.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities Castellum has both recurring goals and medium-term goals linked to its own workforce. These goals were developed on the basis of the UN Sustainable Development Goals, which form the foundation for all of Castellum’s sustainability goals, and encompass its own operations linked to its own workforce.

- **Gender equality and diversity:** By 2025, Castellum must have achieved gender equality in all its occupational categories, and ensure that 20 per cent of its employees have an international background.
- **Sick leave:** The annual objective is for short-term sick leave to be less than 2 per cent and long-term sick leave less than 3 per cent.
- **Work environment:** Castellum is to have no employment injuries or work-related illnesses.
- **Recruitment:** The proportion of anonymised recruitment is to steadily increase to promote fairness and objectivity in the selection process.

Castellum’s community engagement objective is for 10 per cent of its employees to be interns. The company will also create job opportunities in projects for young people and the long-term unemployed.

Characteristics of the undertaking’s employees All employee data is based on actual data. The information has been compiled and assured by Castellum’s People & Culture department. Castellum reports data concerning all employees in the areas of employment, training, gender equality, diversity, employee turnover, and more. The company reports the number of employees as the head count at 31 December. The data is not broken down by geography since the number of employees in Castellum’s operations in Finland and Denmark, respectively, is limited. These employees are included in the statistics for Sweden.

Gender	Number of employees (head count)
Men	318
Women	244
Other	0
Not reported	0
Total number of employees	562

Form and type of employment, head count (GRI 2-7)

	Woman	Man	Total
Number of employees (FTEs)	230	315	545
Number of permanent employees (FTEs)	226	309	535
Number of temporary employees (FTEs)	4	6	10
Number of full-time employees (FTEs)	222	314	536
Number of part-time employees (FTEs)	8	1	9

Goals and results, cont.

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

	2024		2023		2022	
	Number of people	Proportion of women, %	Number of people	Proportion of women, %	Number of people	Proportion of women, %
Employee turnover ¹						
New employees during the year ²						
Under 30 years old	4	24	8	62	17	53
30–50	16	49	33	58	34	53
Over 50 years old	9	52	9	30	12	41
Total new employees	29	47	50	53	63	51
Proportion of new employees, %	5%	3%	10%	5%	12%	6%
Employees who left during the year						
Under 30 years old	2	52	5	37	5	31
30–50	14	40	21	34	38	72
Over 50 years old	13	40	12	42	20	51
Total number of leavers	29	41	38	37	63	62
Proportion of leavers, %	5%	2%	7%	3%	12%	7%
Proportion of leavers on own initiative ³ , %	66%	44%	87%	36%	79%	66%

The average cost for external new recruitment in 2024 totalled SEK 50,749 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 per cent up through 31 December is counted as 0.35 FTE (employed for 50 per cent of the year at 70 per cent employment).
2. Of the new hires during the year, 44 per cent had an international background.
3. Proportion of leavers on own initiative in relation to total number of leavers.

Characteristics of non-employees in the undertaking’s own workforce

Castellum hires consultants as required. The most common type of non-employees are consultants working in roles within IT and accounting. In 2024, Castellum hired 17 consultants.

Collective bargaining coverage and social dialogue

All employees in Sweden are covered by collective bargaining agreements. The proportion of employees in the company with collective bargaining agreements in 2024 was 96 per cent. At present, employees in Finland and Denmark do not have collective bargaining agreements, instead their terms of employment comply with the labour legislation and insurance systems of their respective countries. Castellum complies with Swedish legislation and does not register employees who are members of a trade union.

Diversity (GRI 405-1, Diversity-Emp)

	2024		2023		2022		2021	
	Number of people	Proportion of women, %	Number of people	Proportion of women, %	Number of people	Proportion of women, %	Number of people	Proportion of women, %
Demographic structure, personnel								
Board of Directors	6	50	6	48	5	20	7	44
Under 30 years old	0	0	0	0	0	—	0	—
30–50	0	0	0	0	0	—	0	—
Over 50 years old	6	50	6	48	5	20	7	44
Executive management	12	33	13	37	12	54	8	50
Under 30 years old	0	0	0	0	0	—	0	—
30–50	7	57	8	53	7	62	6	47
Over 50 years old	5	0	5	12	5	42	2	58
Other employees, including management	533	42	546	42	534	42	427	43
Under 30 years old	46	40	51	47	45	46	37	50
30–50	304	47	310	46	302	46	237	49
Over 50 years old	183	35	185	33	187	33	153	31

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.

Diversity metrics

Diversity, %

	2024	2023
Proportion of employees with international backgrounds	14	12

Diversity data for Castellum is calculated for all employees as of 2024 and is based on the Statistics Sweden definition of international background.

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

Age distribution	Women	Men	Total
Number of employees, excluding Board	226	307	533
Under 30 years old	19	28	47
30–50	144	160	304
Over 50 years old	63	119	182

Goals and results, cont.

Social protection

All Castellum employees are covered by the social protection offered by society, including sick pay, unemployment benefit, employment injury compensation, general pension and childcare allowance. In addition, Castellum supplements parental leave with a pay top-up that provides approximately 90 per cent of the regular salary. Since 2021, Castellum’s employees in Denmark and Finland are offered the same parental leave benefits as employees in Sweden. For more information about parental leave, refer to page 89.

Castellum provides a comprehensive insurance package and other benefits that further enhance the social protection for employees. Through collective bargaining agreements, employees are also covered by unemployment benefits provided by the collective agreement foundation TRR Trygghetsrådet. In addition, health insurance and pension advice are offered to support employee well-being and security.

Persons with disabilities

Castellum complies with Swedish law, the General Data Protection Regulation (GDPR) and does not report on employees with disabilities.

Training and skills development metrics

All employees are offered quarterly performance and career development reviews in order to set and monitor individual goals, identify any need for competence development and, as needed, to conduct dialogue around how to best develop a motivating work situation, engagement, and well-being.

Castellum does not break down training hours by occupational category, as the company does not

have access to this information. This is an area that may be developed in the years ahead, supported by a Group-wide HR system. The average yearly cost for training per employee totals SEK 18,000 for women and SEK 17,000 for men, with an average of SEK 17,500 for all employees in 2024.

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

	2024			2023		
	Women	Men	Total	Women	Men	Total
Performance reviews conducted (Emp-Dev)	95	96	96	90	90	90

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.

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

Training, hours	Women	Men	Total
Average number of employees during the year (FTE)	230	315	545
Average number of training hours during the year	6,080	7,827	13,907
Under 30 years old	355	840	1,195
30–50	4,346	4,337	8,683
Over 50 years old	1,379	2,650	4,029
Average hours per employee/year	26	25	26

Leadership development, hours	Women	Men	Total
Number of participating employees	50	59	109
Number of hours	737	694	1,431

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 totalled SEK 18,000 for women and SEK 17,000 for men, with an average cost of SEK 17,500 for all employees during 2024.

Health and safety metrics

All employees are encompassed by Castellum’s systematic occupational health and safety work. For more information about the occupational health and safety work, refer to page 86.

In 2024, the number of work-related fatalities for own employees amounted to 0. In 2024, the number

of workplace-related incidents, including work-related ill health amounted to 34, where the total recordable injury frequency rate (TRIFR) was 3.6. The number of work days lost due to workplace-related incidents, work-related fatalities and work-related ill health, as well as fatalities due to work-related ill health amounted to 3,610 in 2024.

Sick leave, employees

%	2024			2023		
	Women	Men	Total	Women	Men	Total
Absenteeism, Castellum	2.9	2.4	2.6	3.3	1.9	2.4
Of which short-term sick leave	1.2	1.2	1.2	1.1	1.0	1.0
Of which long-term sick leave (counted after day 15)	1.7	1.2	1.4	2.2	0.9	1.4

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

	2024		2023 ²		2022 ²	
	Employees	Contractor	Employees	Contractor	Employees	Contractor
Number of work-related fatalities (H&S-Emp) ¹	0	0	0	0	0	0
Number of employment injuries leading to absence (LTI)	1	2	1	0	1	8
<i>Injury frequency rate per 1,000,000 hours (LTIFR)</i>	0.9	0.4	0.9	0	0.9	0.9
Number of employment injuries with serious consequences ³	0	0	0	0	0	3
<i>Injury frequency rate per 1,000,000 hours</i>	0	0	0	0	0	0.5
Total number of recorded employment injuries	4	12	4	6	5	26
<i>Injury frequency rate per 1,000,000 hours (TRIFR, H&S-Emp)</i>	3.6	2.1	3.5	0.7	4.5	2.5
Number of recorded workplace injuries ⁴ (H&S-Comp)	18	not measured	9	not measured	10	not measured
Short-term sick leave in relation to total hours worked (H&S-Emp), %	1.2	not measured	1.0	not measured	1.3	not measured
Long-term sick leave in relation to total hours worked (work days lost, employees; H&S-Emp), %	1.4	not measured	1.4	not measured	1.6	not measured
Total sick leave in relation to total hours worked (absence, employees; H&S-Emp), %	2.6	not measured	2.4	not measured	2.9	not measured
Total number of hours worked	1,106,922	5,610,160	1,157,409	8,513,103	1,090,318	10 500 714⁵

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

1. No fatalities have occurred, which is why fatalities were not divided up according to workplace illness or workplace accidents, nor is any fatality rate reported.
2. The comparison figures for 2022 and 2023 have been restated on the basis of 1,000,000 hours, previously 200,000 hours
3. Serious injuries with more than 6 months of recovery, excluding fatalities.
4. Castellum’s interpretation of GRI’s “Work-related ill health”.
5. The number of hours worked for suppliers is based on an assumption that 60 per cent comprises labour costs at an hourly price of SEK 500.

Goals and results, cont.

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

	Like-for-like (LfL) comparison														
	Offices			Logistics			Retail			Public sector properties			Castellum total		
	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
Health and safety evaluations (H&S-Asset)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Work-life balance metrics

In an equitable workplace, the possibility of combining professional life with parenthood is a key issue and Castellum therefore facilitates this beyond the statutory Swedish rights to parental leave. Castellum offers employees a pay supplement over a maximum of 180 days of parental leave that pays approximately 90 per cent of the regular salary. Since 2021, Castellum’s employees in Denmark and Finland have been offered the same benefits for parental leave as those in Sweden. In 2024, the proportion of women who went on parental leave was 65 per cent of the total leave from work, and the proportion of men who went on parental leave was 35 per cent of all total leave.

Remuneration metrics (pay gap and total remuneration)

Castellum’s diversity and gender equality initiatives aim to promote equal treatment on issues concerning conditions of employment, working conditions and opportunities for personal development in the workplace. The remuneration offered by the company should be competitive and on market terms, and is based on collective bargaining, work

responsibilities and the performance of the individual employee. Performance evaluations are conducted on a regular basis in relation to clearly established individual goals.

These individual goals are an important tool in the efforts around equitable and competitive salaries. To ensure equitable salaries, the pay scale is surveyed and revised on an annual basis, with Castellum using external pay statistics. The aim is that equal work tasks will result in equal pay. Action is taken immediately if deviations occur due to gender.

For 2024, the difference between the average salary of female and male employees is indicated as a percentage of the average salary for male employees. Among employees in 2024, the pay gap between male and female employees was –1 per cent.

in 2024, the annual total remuneration ratio of the highest paid employee was 6. This figure is to be compared with the median value of the total remuneration for all employees (excluding the highest annual remuneration), which is 0.6.

Gender pay ratio, average (GRI 2-21, 405-2; Diversity-Pay)

	2024				2023			
	Women, base salary	Men, base salary	Women, total remuneration	Men, total remuneration	Women, base salary	Men, base salary	Women, total remuneration	Men, total remuneration
%								
Executive Management excluding CEO (Diversity-Pay)	86	117	82	122	71	142	86	117
Managers (Diversity-Pay)	92	109	90	111	99	101	97	103
Employees (Diversity-Pay)	101	99	101	99	103	97	103	97

Gender pay ratio, median (GRI 2-21, Diversity-Pay)

	2024				2023			
	Women, base salary	Men, base salary	Women, total remuneration	Men, total remuneration	Women, base salary	Men, base salary	Women, total remuneration	Men, total remuneration
%								
Executive Management excluding CEO	85	118	77	130	83	120	81	123
Executives	98	102	96	104	103	97	91	110
Employees	107	94	105	95	107	94	105	95

Pay ratio, highest paid relative to median (GRI 2-21, Diversity-Pay)

	2024	2023
Total remuneration to CEO (highest paid), SEK M	6.0	5.1
Median annual total remuneration for all employees (excluding highest annual remuneration), SEK M	0.6	0.6
Relation between highest paid and median (excluding highest annual remuneration)	4.8	4.4
Median salary increase, all employees (excluding highest annual remuneration), %	3.1	3.9
Salary increase, CEO, 2023–2024, %	9.8	2.5

No restatement to FTE has been made. All remuneration (i.e. fixed and variable) has been included. The company’s CEO has the highest level of remuneration. The names are indicated in the company’s remuneration report.

Workers in the value chain

Castellum’s operations are to have a positive impact on workers in the value chain. Accordingly, the health, safety and human rights of workers in the value chain are important areas. Castellum works with approximately 6,400 suppliers in total, and managing relationships with them in a responsible manner is of decisive importance. If Castellum were to cooperate with suppliers that offer their employees inferior working conditions and this is not detected in an audit, there is a potential risk that the company’s operations would negatively impact workers in the value chain.

Value chain transparency decreases when the distance to suppliers increases. To strengthen transparency, Castellum works actively with the company’s tier 1 suppliers and endeavours to ensure that all major and business-critical suppliers are screened to detect material business and sustainability risks. The Code of Conduct for suppliers is a tool to ensure compliance with requirements related to human rights, gender equality, working conditions and ethical conduct. Castellum’s ambition is that no incidents that impact workers negatively should occur among suppliers in the value chain.

Material sustainability matters

Sustainability matter	Impacts in the value chain	Actual/ potential impact	Positive /nega- tive impact	Financial risk	Financial opportunity
Workers in the value chain – Occupational health and safety – Human rights	Upstream (suppliers)	Potential	Negative	Yes	No

Strategy

Interests and views of stakeholders

Castellum maintains an ongoing dialogue with suppliers and business partners so that the interests, views and rights of their employees are heard. For more information on how the interests and views of stakeholders are taken into account, see General disclosures on page 56.

Material impacts, risks and opportunities and their interaction with strategy and business model

Castellum’s material impacts, risks and opportunities associated with workers in the value chain and the company’s strategy and business model are:

Workers in the value chain

Occupational health and safety

There is a risk of work-related injuries and ill health throughout the property sector. Through the Code of Conduct for suppliers, requirements contained in procurement documentation and instructions, Castellum ensures that suppliers are also in compliance with the company’s health and safety requirements. The financial impact on the company is considered to be limited.

Human rights

There is a risk of human rights violations in the value chain. Castellum has zero tolerance for such violations and is actively engaged in preventing them. Using risk analyses and its Code of Conduct for suppliers, Castellum imposes requirements for respect for and compliance with human rights in the supply chain. The financial impact on the company is considered to be limited.

Impact, risk and opportunity management

Policies related to value chain workers

Code of Conduct for suppliers

Castellum has drafted a Code of Conduct and contractual arrangements for suppliers that establish how suppliers are to act in connection with work performed on behalf of Castellum. The starting point is that all of Castellum’s suppliers must comply with the Code of Conduct for suppliers and this applies to all workers in the value chain. The Code of Conduct for suppliers and the contractual arrangements clarify that suppliers must promote sustainable development by taking responsibility for issues such as human rights, working conditions, the environment, business conduct and anti-corruption. This applies both to our own operations and to our relationships with other partners.

The Code of Conduct for suppliers is based on the ten principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights. The focus is on the issues that Castellum has identified as the most relevant in relation to the operations’ various suppliers, which are health and safety, human rights, working conditions and equal rights. The headers in the Code of Conduct are based on the four main areas of the UN Global Compact: human rights, labour, environment and anti-corruption.

Impact, risk and opportunity management, cont.

The respective directors and project managers are responsible for compliance with the Code of Conduct for suppliers and for providing information about it. The Code of Conduct for suppliers is available on Castellum’s web site. For more information about Castellum’s work to ensure compliance with the Code of Conduct for suppliers, refer to page 120.

Human rights

Castellum exercises zero tolerance toward violations of human rights and children’s rights, as stated in the Code of Conduct for suppliers. The company is engaged in preventing violations of human rights and children’s rights through evaluations that contain risk analyses, reviews and a well-developed Code of Conduct for suppliers. The company does not permit child labour or forced labour in the operations that suppliers conduct on behalf of Castellum. The company complies with existing international standards such as the UN Global Compact, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. In 2024, zero non-compliances were reported with regard to human rights.

The risk of human rights violations forms a component of the company’s annual risk analysis. Over the coming years, Castellum will develop the process for analysing the business to ensure that no violations of human rights occur in the value chain.

Processes for engaging with value chain workers about impacts

Castellum includes the perspective of value chain workers in activities and decision-making to address and reduce actual negative impacts.

The majority of the contact with workers in the value chain is through the company’s project managers, project teams and business developers who regularly conduct on-site visits to contractors’ facilities.

Processes to remediate negative impacts and channels for value chain workers to raise concerns

In the event workers in the value chain identify potential irregularities, these can be reported via Castellum’s whistleblower function or to their immediate supervisor, who in turn will report to Castellum and the respective Regional Managing Director. Reported cases are investigated by the responsible manager and the CEO and, if necessary, by the Chief Legal Officer. The whistleblower function can be accessed by all workers in the value chain and can be found on Castellum’s web site. For more information about the whistleblower function, refer to page 120.

Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

Measures linked to workers in the value chain
Before business relationships are initiated, Castellum conducts due diligence, which includes the evaluation of actual and potential human rights risks and impacts. The evaluation encompasses – but is not limited to – own employees, women, children, indigenous populations, migrant workers, outside contract workforce and local communities.

Castellum also conducts systematic risk analyses of the company’s suppliers. The purpose is to iden-

tify suppliers with a high risk of derogations from the company’s Code of Conduct and to implement measures as needed. Castellum has not identified any high-risk suppliers, which can be ascribed to the fact that a majority of the suppliers are local operators in Sweden, Finland and Denmark, where sustainability practices are generally well developed. During the year, no derogations from the Code of Conduct were identified.

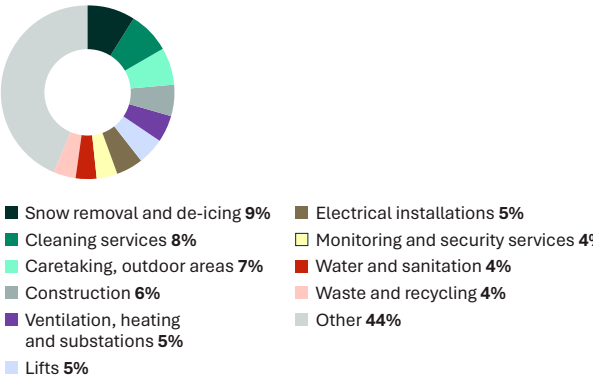
For major purchases and procurements, the ambition is to monitor suppliers and contractors in accordance with Group-wide requirements. In turn, how the supplier is monitored and examined is determined by the supplier classification. This could take place through audits, inspections, questionnaires or on-site visits. In procurements, the supplier must affirm that they have systematic sustainability programmes in place as well as health and safety management programmes. As a part of enhancing efficiency and imposing clear requirements in the supplier chain, Castellum signed 25 central framework agreements with suppliers. In 2024, Castellum purchased goods and services for a total of SEK 4,675 M (7,094) from a total of 6,440 (5,589) suppliers, of which the largest suppliers with a purchase volume of more than SEK 10 M accounted for 60 per cent (72) of the total purchase volume.

If the supplier is not sufficiently compliant with the Code of Conduct or sustainability and health and safety requirements, the agreement can be cancelled. In 2024, zero central supplier agreements were cancelled as a result of derogations linked with these requirements.

Occupational health and safety

Castellum partners with its suppliers to prevent risk by imposing requirements and expectations as well as dialogue and monitoring. The company sets explicit requirements for the work environment and assumes its statutory responsibility for coordinating contractors who are engaged in operations. In their capacity as employers, hired contractors have formal responsibility for investigating and implementing measures in conjunction with employment injuries. As a property developer, however, Castellum has to learn from incidents that occur and enact measures in conjunction with planning and designing projects. Through its Code of Conduct for suppliers, clear requirements stipulated in procurement documentation and supplier instructions, Castellum monitors supplier and contractor compliance with the company’s health and safety requirements.

Suppliers in property management 2024 (Share of total purchase volume in property management) ¹



1. In 2024, Castellum improved follow-up on purchases by purchasing category in its property management. In 2025, Castellum intends to carry out a similar measure for purchasing in projects.

Consumers and end-users

Castellum is to offer healthy, sustainable and high-quality properties and contribute to the local communities where the company operates and to urban development. To ensure that the properties maintain a high standard, recognised sustainability certification systems are used. Castellum promotes

health and well-being and is to offer its tenants and their employees safe and secure workplaces. In 2024, Castellum continued to offer tenants green leases. The aim is to establish environmentally sustainable tenancies.

Material impacts, risks and opportunities and their interaction with strategy and business model

Castellum’s material impacts, risks and opportunities associated with tenants and the company’s strategy and business model are:

Consumers and end-users

Castellum manages a limited amount of sensitive data, and a security incident could impact both Castellum and its tenants as well as their employees if information is unintentionally leaked. Although the amount of sensitive and private data processed by the company in accordance with the GDPR and with links to tenants is limited, there is a potential risk of a negative impact. Such an incident could result in operational challenges and impact confidence in the company, which could have consequences for the business.

Local community engagement

Castellum contributes on an ongoing basis to the local communities where it owns properties. Castellum develops social programmes encompassing, for example, city networks, sustainability networks and corporate associations where the company cooperates with tenants, municipalities and other partners. Activities mainly consist of measures to strengthen the local community and improve the environment in and around the properties. At present, these social programmes encompass all of Castellum’s properties. In the event of

flaws in Castellum’s work, there is a potential risk of negative impacts on tenants, their employees and other groups visiting the properties. The potential consequences could be that Castellum owns properties in areas where it is considered too risky to work or live. Such a scenario could have a negative impact on both the valuation of the properties in question and the company’s income.

Certified and healthy buildings

Castellum is to offer safe, secure and healthy properties. As a property owner, it is Castellum’s responsibility to promote health and safety for tenants and their employees. The company works with the WELL certification system, which focuses on health and well-being, to provide healthy buildings that make a positive contribution to the work environment of tenants. Buildings that are healthy and certified in accordance with sustainability standards contribute positively to the valuation of the buildings and potentially also to income generation, although the financial impact is deemed to be limited.

Urban development

Castellum aims to help reduce social exclusion and inequality, thereby influencing urban development in the areas where the company owns properties. Castellum’s efforts to strengthen the local community are also expected to have a positive impact on the company’s tenants and their employees. The financial impact on the company is considered to be limited.

Material sustainability matters

Sustainability matter	Impacts in the value chain	Actual/ potential impact	Positive /nega- tive impact	Financial risk	Financial opportunity
Consumers and end-users: – Tenant information security – Access to information	Downstream	Potential	Negative	Yes	No
Local community engagement	Downstream	Potential	Negative	Yes	No
Certified and healthy buildings	Downstream	Actual	Positive	No	No
Urban development	Downstream	Actual	Positive	No	No

Strategy

Interests and views of stakeholders

Castellum conducts ongoing dialogue with tenants, their employees and other users of the company’s properties, mainly through its property management organisation. The aim is to better understand stakeholder needs, requirements and expectations and,

based on these insights, to adapt the company’s strategy and business model to better meet market and tenant needs. For more information on how the interests and views of tenants are taken into account, see General disclosures on page 56.

Impact, risk and opportunity management

Policies related to consumers and end-users

Castellum’s Sustainability Policy and Code of Conduct state that the company must offer safe and healthy environments for people in and around its properties. To a large extent, this relates to tenants, their employees and other people visiting the properties. The documents also state that Castellum is to create good conditions for tenants to pursue active sustainability initiatives themselves.

External guidelines that underpin the Sustainability Policy and Code of Conduct and that are relevant to customers, tenants and their employees are the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the UN Convention on the Rights of the Child, the UN Sustainable Development Goals, the OECD Guidelines for Multinational Enterprises, and the ILO Core Conventions.

Processes for engaging with consumers and end-users about impacts

Castellum maintains an ongoing dialogue with tenants and their employees – mainly through its property management organisation – to capture both positive and negative impacts linked to users of the buildings. Tenants can receive answers to frequently asked questions, report faults and get in touch with the person in charge at all hours of the day. Faults can be reported by phone and online. Contact details for commercial property managers, technical property managers and assistant property managers are available in the buildings and on the web site. The main contact persons of tenants also have direct contact with Castellum’s property managers. Property management aims to meet all

tenants at least once a year to proactively address current and future needs. The frequency of contact is adapted to the wishes and business needs of the tenants. For larger tenants – with operations in several regions, for example – Castellum has Key Account Managers who are responsible for ensuring clear and efficient communication channels. Moreover, Castellum conducts a comprehensive survey – the Customer Satisfaction Index (CSI) – on an annual basis with the assistance of an external party. Castellum aims to be a responsive landlord that helps its tenants become more sustainable. In this year’s CSI survey, Castellum received a score of 74 (71). Just over 1,700 (1,600) tenants responded, representing a response rate of 58 per cent (55).

The commercial manager of each property, the CEO and the Chief Operating Officer are ultimately responsible for following up and ensuring that contacts with tenants are appropriate and that requested actions are taken within the established timeframes. Insights gained from the dialogue with tenants also play an important role for developing Castellum’s business operations. The effectiveness of tenant dialogue is monitored in the annual CSI survey.

As a property owner, Castellum is responsible for adapting buildings for accessibility in accordance with the Planning and Building Act (SFS 2010:900). Each Regional Managing Director is responsible for ensuring that Castellum’s properties are adapted for accessibility.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Tenants are always free to contact Castellum’s property management organisation to report incidents with negative impacts on tenants and their employees. Information about available channels can be found on Castellum’s web site and in each of Castellum’s properties. For technical issues, fault reports are handled efficiently via the tenant services section of the web site, where they are forwarded to facility technicians for prompt repair.

Identified violations, irregularities and other complaints can also be reported via Castellum’s whistleblower function. The whistleblower function is available to all external stakeholders and can be found on the company’s web site.

In its capacity as a property owner, Castellum has undertaken to rectify all reported deviations within established timeframes. Whistleblowing reports are investigated and followed up in accordance with established principles. For more information, refer to page 85.

Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

In 2024, Castellum continued to sign green leases. Since 2023, all new leases are green leases. With a green lease in place, Castellum and the tenants can exchange environmental data and work together to jointly contribute to an environmentally sustainable

tenancy that contributes positively to the health and safety of the tenants’ employees.

Castellum will not use materials in its properties that could have a potentially negative effect on people’s health. To avoid doing so, Castellum applies the Bygghälsöindex industry association assessment and prepares a log book for all new production. Furthermore, all properties must have environmental inventories. If hazardous materials are identified, Castellum takes corrective measures. One tool in the efforts to provide healthy premises is the WELL certification system. WELL focuses on the people who use the properties and is based on seven areas linked to human health and wellness. In the case of new construction, Castellum must always investigate whether it is possible to certify the property under WELL. Two of Castellum’s properties in Malmö are WELL certified – Core Gold and Core Platinum respectively.

For Castellum, community engagement means offering healthy and productive urban environments where people have a high sense of well-being. The company also intends to contribute by facilitating urban development that encourages integration among different social groups. Castellum partners with several different players to develop cities or the areas surrounding its properties. In every city where the company operates, social programmes are developed through stakeholder analyses, with current needs being identified and analysed. Based on these results, local decisions are taken on how Castellum is to get involved. Most often, these efforts concern how Castellum can positively impact the environment and improve the local community as well as the

Impact, risk and opportunity management, cont.

environments in and around the properties. During the year, Castellum conducted 184 different initiatives (141) linked to social programmes.

Castellum takes action to address potential negative impacts on consumers and end-users than are linked to information security and data breaches. This includes having a data protection officer and regular internal training on IT security and GDPR for all employees. The company works proactively to raise awareness among employees. The IT department works continuously on the security of the digital environment, ensuring that systems processing personal data and other sensitive information are identified and, where necessary, are managed in separate registers.

One of the priorities of the property management organisation is to ensure that any negative impacts on tenants, their employees and other people who use Castellum's properties are immediately addressed and that measures are taken to remedy these. Financial risks and opportunities will be managed and realised. The property management organisation ensures that there is at least one annual meeting with tenants at which green leases and other important measures are addressed. The deputy property manager usually sends out information on a weekly basis about what is happening in the properties and surrounding areas. Property management also regularly patrol areas to identify and address potential problems. In 2024, Castellum, the Board, and management did not receive any information on the occurrence of significant incidents that had a negative impact on the health and safety of tenants.



Borgarfjord 5, Stockholm

Governance disclosures

Business conduct

Castellum is to comply with external regulations in the area of corporate governance and other applicable regulations such as tax legislation, money laundering rules, GDPR, marketing legislation and work environment legislation.

Should Castellum fail to comply with legislation, regulations and government agency requirements, there is a risk that the company will be subject to unforeseen costs, sanctions, taxes and fees. There is also a risk that this could damage the company’s reputation as perceived by tenants, shareholders, other investors and partners. Given that the company is a major player in the construction and property industry, there are also risks pertaining to health and safety, corruption and human rights. Such risks may arise within the company and along the value chain among hired suppliers and partners working on assignments for Castellum.

Overall, the risks of non-ethical business conduct, other irregularities and non-compliance with laws and regulations could cause significant damage to Castellum’s business, brand and reputation as a social stakeholder. In turn, this could lead to economic implications, difficulties in securing financing, and loss of confidence in the financial market.

Material sustainability matters

Sustainability matter	Impacts in the value chain	Actual/potential impact	Positive /negative impact	Financial risk	Financial opportunity
Business conduct: – Corruption and bribery – Corporate culture	Upstream (suppliers), Own operations, Downstream (tenants)	Actual	Negative	No	No

Governance

The role of the administrative, supervisory and management bodies

Castellum’s Code of Conduct for suppliers addresses the issues of bribery and corruption and is endorsed by Castellum’s CEO. The Regional Managing Directors are responsible for the Code of Conduct for suppliers and its implementation in each region. For more information on the responsibilities of the Board of Directors and Executive Management, see General disclosures on page 50.

Impact, risk and opportunity management

Description of the processes to identify and assess material impacts, risks and opportunities

Refer to page 58 for a description of the processes to identify and assess material impacts, risks and opportunities pertaining to business conduct.

Corporate culture and business conduct policies

Castellum’s corporate culture governs how the company’s employees are to act towards tenants, the business community, and one another. The company’s Code of Conduct provides key guidance, since the expectations of Castellum and its employees are more far-reaching than the laws and regulations that employees must adhere to.

The Code of Conduct is based on the OECD Guidelines for Multinational Enterprises, the ILO Core Conventions and the UN Guiding Principles on Business and Human Rights. It is also aligned with the requirements of the UN Convention against Corruption. The Code of Conduct is based on the four areas encompassed by the UN Global Compact: human rights, labour, environment and anti-corruption. The Code of Conduct regulates how employees are to act so as not to be exposed to risk in business ethics. Departures from the Code of Conduct must be reported to an immediate supervisor or, if this is impossible, to another representative of Castellum. If critical issues arise or significant deviations occur

Direct economic value generated and distributed (GRI 201-1)

SEK M	2024	2023	2022	2021
Direct economic value generated	9,849	9,806	8,928	6,353
Income	9,849	9,806	8,928	6,353
Economic value distributed	5,944	6,681	7,079	5,410
Operating costs	3,063	3,240	3,089	2,007
Owners	—	624	1,872	1,888
Employees	611	621	560	490
Financiers	2,083	2,168	1,531	845
Taxes	172	12	15	173
Wider society	15	16	12	7
Economic value retained	3,905	3,125	1,849	943

Impact, risk and opportunity management, cont.

with regard to measures linked to Castellum’s sustainability initiatives and Code of Conduct, this is reported to Castellum’s Chief Legal Officer, who in turn informs the company’s Audit Committee.

The functions within Castellum with the greatest exposure to risks associated with bribery and corruption are involved in leasing, contracting, procurement and purchasing activities. The risk is deemed to be relatively low.

Employees and external parties may also report irregularities via the company’s whistleblower function, which can be reached via the company’s web site and intranet. The whistleblower function facilitates anonymous reporting of breaches of the Code of Conduct and is managed by an external party. In accordance with Swedish law, any person who submits a report via the whistleblower function is protected. In 2024, zero incidents were reported to the whistleblower function. No fines or compensation were paid.

All employees are trained in the company’s Code of Conduct and Code of Conduct for suppliers. Training in Castellum’s Codes of Conduct is part of training in business conduct, sustainability and an inclusive culture that is mandatory in connection with onboarding. In addition to this training, nano-learning is conducted annually, which is a short training course focused on anti-corruption, covering risks such as conflict of interest and bribery and how Castellum works to counteract such risks. The Group CEO and the respective Regional Managing Directors are responsible for compliance, the provision of information and training in the Code of Conduct.

Management of relationships with suppliers

Castellum has developed a Code of Conduct and contractual arrangements for suppliers that establish how suppliers are to act in the assignment they perform for Castellum. The Code clearly lays out Castellum’s expectations of its suppliers as regards business conduct, bribery and corruption, as well as sustainability and health and safety requirements. The Code of Conduct and contractual agreements state clearly that Castellum’s suppliers must support sustainable development. They must also assume responsibility for issues related to working conditions, business conduct, anti-corruption, human rights and the environment in their own operations and in their relationships with other partners. The Code of Conduct for suppliers is based on the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the ten principles of the UN Global Compact. The Code of Conduct for suppliers and the Code of Conduct are based on the company’s core values – Business-Focused, Committed and Courageous. The focus is on the issues that Castellum has identified as being most relevant based on the various suppliers of the business. For major purchases and procurements, the ambition is to monitor suppliers and contractors in accordance with Group-wide requirements. In turn, it is the supplier classification that governs how the supplier is monitored and examined, which may take the form of audits, inspections, questionnaires or site visits. In every procurement, the supplier must affirm that they have systematic sustainability programmes as well as health and safety management programmes.

Prevention and detection of corruption and bribery

Castellum has a zero tolerance approach to, and works to prevent, bribery and corruption. The Code of Conduct regulates how employees are to act so as not to be exposed to risk in business ethics. The Group CEO and the respective Regional Managing Directors are responsible for compliance with the Code of Conduct and training employees in it.

The company conducts an annual risk survey that covers corruption and bribery. If necessary, Castellum’s risk and compliance team performs a reassessment and proposes any adjustments to the risk assessment and risk level to Executive Management. The final decision on any changes is taken by the Board of Directors. The largest risks related to bribery and corruption can be found in construction and projects. The Code of Conduct for suppliers is applied in these types of major procurements and agreements. The Code clearly lays out Castellum’s

expectations of its suppliers as regards business conduct, bribery and corruption.

Castellum monitors compliance with the Code of Conduct for suppliers through partnerships, dialogue and checks of selected large and strategically important contractors. The ambition going forward is to monitor all business relationships with suppliers and contractors. If Castellum receives information of supplier non-compliance, the company initiates dialogue and support measures. If, following dialogue and support measures, the supplier continues to demonstrate non-compliance, the cooperation may be terminated. The Code of Conduct for suppliers also has information about the whistleblower function and that people who submit reports are protected against retaliation. The Code of Conduct for suppliers is available on Castellum’s web site. Any cases of bribery and corruption are reported through the whistleblower channel. The Chief Legal Officer reports to the Audit Committee, which in turn reports to the Board.

Tax – report by country, GRI 207-4-a

	2024			2023		
	Sweden	Finland	Denmark	Sweden	Finland	Denmark
Number of employees	521	11	13	524	11	12
Assets excluding cash and cash equivalents	129,593	20,043	5,823	131,343	19,987	5,918
Income	8,726	759	364	8,682	700	424
Of which income from sales to third parties	8,726	759	364	8,682	700	424
Of which income from intra-Group transactions with other tax jurisdictions	0	0	0	0	0	0
Income before tax	3,347	–669	83	–13,713	–468	–427
Current tax	–157	–5	–10	–4	–8	0
Deferred tax	–346	2	112	3,009	19	0
Net income for the year	2,844	–672	185	–10,708	–457	–427

Metrics and targets

Confirmed cases of corruption and bribery

In 2024, one business conduct case was reported to the whistleblower function. The case was investigated and did not give rise to any action. In recent years, neither Castellum nor any representative of the company have been sentenced for any crime that could be linked to a derogation from the company's Code of Conduct, corruption, operations that inhibit competition or violations of anti-trust legislation. Nor was Castellum ordered to pay damages or any fines linked to violations of environmental, work environment, or anti-monopoly legislation in 2024.

In 2024, no supplier agreements were cancelled as a result of derogations (related to the environment, or social or human rights) that can be associated with the Code of Conduct for suppliers, or sustainability and health and safety requirements. There were no convictions, fines or prosecutions for corruption and bribery.

Political influence and lobbying activities

Castellum does not make any financial contributions to or otherwise remunerate political parties or party political organisations for the purpose of influencing legislation.

Payment practices

Castellum applies standardised payment terms for all supplier categories, with payment terms of 30 days after receipt of a correctly issued invoice.

The average time it takes Castellum to pay an invoice is 30 days. This is based on all supplier invoices paid in 2024 and is considered to be representative of the company's total supplier payments during the period in question.

In 2024, 77 per cent of Castellum's payments to suppliers were made within the standard terms set out above. Late payments could lead to legal proceedings. In 2024, Castellum had zero legal proceedings related to late payments.



Lindholmen 28.4, Gothenburg

Other disclosures

Water

Castellum is working to reduce water use by 1 per cent per year in its property portfolio. Environmental surveys and materiality assessments that have been conducted show that the operations have a limited impact on water. The properties are not located in areas that are currently marked by high water stress. However, for Castellum it is important to strive for efficient use of natural resources, thereby reducing water use and managing waste water correctly.

Targets

Castellum has a recurring objective linked to water that involves reducing water use by 1 per cent per year in the like-for-like portfolio.

Policy

Castellum’s properties are connected to the public water systems and use only municipal water. Discharges that occur are handled by the municipal water treatment plants, and wastewater purification is handled in accordance with environmental requirements established by the Swedish Environmental Protection Agency.

Measures for reduced water use

Castellum monitors water use in its properties and takes measures to reduce it. The Taxonomy Regulation sets requirements for the maximum water flow for toilets and taps, which has been incorporated into framework programmes and also into guidelines for smaller projects. Castellum reports only the water consumption of its operations. Tenants with their own water contracts are not included; nor is water used at construction sites in conjunction with new construction. By having water meters in the properties and measuring consumption, Castellum can identify if and when there are discrepancies in water flows that need attention. Castellum also installs low-flow toilets and leak detectors, and monitors tap aerators, which means that Castellum reduces water consumption in conjunction with property management as well as new construction, extensions and reconstructions. The company is also collects rainwater for flushing toilets on a smaller scale.

Measures to develop local communities

To succeed in its efforts to promote more entries into the labour market, Castellum holds stakeholder dialogues and participates in joint projects with other property owners and players. For example, the company also partners with the Jobbsprånget initiative, which provides academic workers who have recently arrived in Sweden with the opportunity to apprentice at companies.

Castellum is actively involved in community associations, schools and universities to offer young people internships and summer jobs. Castellum’s initiatives in sponsorship and support of local associations focuses primarily on promoting young people’s education and health. During the year, Castellum – in partnership with My Dream Now – arranged study visits for young people who do not

feel welcome in working life, took part in a Future Day to inform young people about occupations in the property industry, and offered the company’s employees training as class coaches to inspire young people to various careers and paths of study. Together with the Fryshuset and Barn till ensamma mammor organisations, Castellum has sponsored movie nights and Christmas gift donations. During the year, the company sponsored organisations such as BRIS, the Swedish Childhood Cancer Fund, the Swedish Heart Lung Foundation, Fryshuset, My Dream Now and local sports associations. In total, Castellum donated SEK 14.9 M (15.6) in direct support during 2024 through sponsorships and other initiatives. SEK 10.1 M (9.3) pertained to membership fees for industry organisations and SEK 2.9 M to charities. Moreover, Castellum also contributed around SEK 0.8 M (0.8) in overheads and approximately SEK 0.8 M (0.8) in volunteer work.

Total water consumption (Water-Abs, Water-Int)

	Measurement unit	Castellum outcome, total		
		2024	2023	2022
Municipal water (Water-Abs)	cu. m.	1,162,660	1,157,134	1,205,264
Water intensity, buildings (Water-Int)	cu. m./sq. m., year	0.25	0.24	0.26
Scope of the disclosures on water		542/672	564/709	592/749

Multi-year outlook: energy, carbon emissions and water

	2024		2023		2022		2021		2020		2019	
	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity	Absolute	Intensity
Total energy consumption	414,088	91	458,163	98	456,099	96	291,331	91	279,419	75	316,239	88
Total energy consumption, normalised	425,830	93	455,606	97	472,129	99	294,111	92	326,287	87	340,645	95
1. of which actual heating	285,062	62	317,790	67	312,767	63	213,722	65	193,718	50	223,576	60
2. of which normalised heating	296,804	64	315,232	66	328,797	66	216,502	66	240,586	62	247,983	67
3. of which electricity and cooling	129,026	29	140,374	31	143,332	33	77,609	26	85,701	25	92,662	28
Total CO _{2e} emissions for property management ¹	5,451	1.0	10,552	1.9	13,306	2.3	5,725	1.5	4,275	1.0	6,222	1.5
of which Scope 1	628	0.1	292	0.1	550	0.1	322	0.1	285	0.1	458	0.1
of which Scope 2 (market-based)	4,823	0.9	10,260	1.8	12,756	2.2	5,403	1.4	3,990	0.9	5,764	1.4
Total water consumption	1,162,660	0.25	1,157,134	0.24	1,205,264	0.26	683,540	0.23	874,785	0.25	995,345	0.29

Absolute energy is indicated in MWh and CO₂ is indicated in metric tons. Intensity is indicated in kWh per square metre, and CO₂ is indicated in kg per square metre. Absolute water is indicated cubic metres, and water intensity is indicated in cubic metres per square metre and year. Total energy consumption is the sum of 1 and 3. Total normalised energy consumption is the sum of 2 and 3.

1. This list includes all CO₂ emissions from property management (i.e. Scope 1 and 2).

Total water use by property type (Water-LfL, Water-Int)

	Measurement unit	Like-for-like (LfL) comparison														
		Offices			Warehouse/Light industry			Retail								
		2024	2023	change, %	2024	2023	change, %	2024	2023	change, %	2024	2023	change, %	2024	2023	change, %
Municipal water (Water-LfL)	cu. m.	650,610	646,162	+1	227,527	224,800	+1	46,268	54,199	−15	177,880	178,879	−1	1,102,285	1,104,040	0
Water intensity, buildings (Water-Int)	cu. m./sq. m., year	0.30	0.29	+3	0.17	0.17	0	0.19	0.22	−14	0.27	0.27	0	0.25	0.25	0
Scope of the disclosures on water		260/284	—	—	150/184	—	—	44/60	—	—	62/66	—	—	516/594	—	—

Reporting according to the Task Force on Climate-Related Financial Disclosures (TCFD)

For the fifth time, Castellum has adapted the company’s reporting in accordance with the recommendations in the TCFD framework to describe how we work strategically with climate-related risks and opportunities. In 2021, TCFD published industry-specific recommendations. The table below describes the scope of the reporting and page references are made for the respective areas. Castellum has worked further on scenario analyses linked to climate change, which is reported on pages 69–70 and 77.

Governance	Strategy	Risk management	Indicators & goals
Recommended disclosures	Recommended disclosures	Recommended disclosures	Recommended disclosures
A. The Board’s monitoring of climate-related risks and opportunities Pages 41, 46, 48, 69, 111–114	A. Climate-related risks and opportunities the organisation has identified. Pages 69–70	A. The organisation’s processes for identifying climate-related risks. Pages 41–46, 55–57, 66–77	A. The organization’s indicators for evaluating climate-related risks and opportunities. Pages 9–13, 52–54, 66–77
B. Management’s role regarding assessing and managing climate-related risks and opportunities. Pages 41, 46, 48–52, 66–77	B. Impact from risks and opportunities on the organization’s operations, strategy and financial planning Pages 5–6, 9–13, 66–77, 78–82	B. The organisation’s processes for managing climate-related risks. Pages 41–46, 59–61, 66–77, 78–82	B. Emissions of Scope 1, 2 and 3 under the Greenhouse Gas Protocol. Pages 75–77
	C. Preparation of the organization’s strategy in consideration of various climate-related scenarios. Pages 13, 46, 52, 66–77	C. Integration of the above processes in the organisation’s general risk management. Pages 41–46, 69–70	C. Goals for managing climate-related risks and opportunities. Pages 9–13, 52–54

GRI and EPRA index

Statement of use: Castellum Aktiebolag has reported in accordance with GRI Standards 2021 for the period 1 January-31 December 2023.
GRI 1 used: GRI 1: Foundation 2021

GRI Standard 2021 and EPRA Best Practice Recommendations on Sustainability Reporting						
GRI Standard Title	Disclosure	Reference to EPRA disclosure	Location	Omission		
				Requirements omitted	Reason	Explanation
GRI 2: GENERAL DISCLOSURES 2021						
The organisation and its reporting practices						
	2-1	Organizational details	20–21, 110			
	2-2	Entities included in the organization’s sustainability reporting	48–49			
	2-3	Reporting period, frequency and contact point	48			
	2-4	Restatements of information	75			
	2-5	External assurance	48, 108			
Activities and workers			4, 12, 19–26, 51–52, 90–91			
	2-6	Activities, value chain and other business relationships				
	2-7	Employees	86, 146–147			
	2-8	Workers who are not employees	87	Omissions from 2-8 n/a	Not applicable.	Castellum’s own operations are essentially conducted solely with the company’s own employees. Castellum has a work environment responsibility for suppliers who work on the company’s properties, and reports on absences and injuries for this group. Refer to pages 90–91.
Governance			50, 110–112, 116, 121–124, 147–148			
	2-9	Governance structure and composition	Gov-Board (composition of the highest governance body)			
	2-10	Nomination and selection of the highest governance body	Gov-Select (Nomination and selection of the highest governance body)	111–112, 121–122		
	2-11	Chair of the highest governance body		121, 123		
	2-12	Role of the highest governance body in overseeing the management of impacts		50, 112		
	2-13	Delegation of responsibility for managing impacts		50		
	2-14	Role of the highest governance body in sustainability reporting		50		
	2-15	Conflicts of interest	Gov-Col (Process for managing conflicts of interest)	110–112, 121–122		
	2-16	Communication of critical concerns		50, 95–96		
	2-17	Collective knowledge of the highest governance body		112		
	2-18	Evaluation of the performance of the highest governance body		113		
	2-19	Remuneration policies		116–118, 146–148, Remuneration report		
	2-20	Process to determine remuneration		116–117, Minutes from 2024 General Meeting		
	2-21	Annual total compensation ratio	Diversity-Pay (Gender pay ratio)	89		

GRI Standard 2021 and EPRA Best Practice Recommendations on Sustainability Reporting

				Omission		
GRI Standard Title	Disclosure	Reference to EPRA disclosure	Location	Requirements omitted	Reason	Explanation
Strategy, policies and practices						
	2-22	Statement on sustainable development strategy	5–7			
	2-23	Policy commitments	48, 50–51, 83–84, 90–91			
	2-24	Embedding policy commitments	50–51, 90–91, 95–96			
	2-25	Processes to remediate negative impacts	50–51, 68, 71–72, 85, 91, 93–94			
	2-26	Mechanisms for seeking advice and raising concerns	50–51, 85, 97			
	2-27	Compliance with laws and regulations	96–97			
	2-28	Membership associations	98			
Stakeholder engagement						
	2-29	Approach to stakeholder engagement	56			
	2-30	Collective bargaining agreements	87			
GRI 3: MATERIAL TOPICS 2021						
	3-1	Process to determine material topics	56, 58			
	3-2	List of material topics	56–57			
SPECIFIC DISCLOSURES – GRI 200: Economic topics						
GRI 201: Economic performance 2016			12, 42–45, 48, 50–51, 57, 84, 90–91, 95–96			
	3-3	Management of material topics				
	201-1	Direct economic value generated and distributed	95			
	201-2	Financial implications and other risks and opportunities due to climate change	69, 77	Omission from 201-2 Information missing	Information unavailable.	Castellum does not recognise costs for implemented climate adaptation measures. Data collection systems are currently missing but will be developed in coming years.
GRI 205: Anti-corruption 2016						
	3-3	Management of material topics	44, 46, 49–51, 53, 57, 84–85, 90–91, 95–96			
	205-1	Operations assessed for risks related to corruption	46, 84–85, 91, 95–97			
	205-3	Confirmed incidents of corruption and actions taken	97			
GRI 206: Anti-competitive Behavior 2016						
	3-3	Management of material topics	49–51, 57, 84, 90–91, 95–96			
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	97			
GRI 207: Tax 2019						
	3-3	Management of material topics	36, 44, 57, 95–96, 120, 145–146			
	207-1	Approach to tax	36, 120, 145–146			
	207-2	Tax governance, control, and risk management	36, 120, 145–146			
	207-3	Stakeholder engagement and management of concerns to tax	36, 96, 145–146			
	207-4	Country-by-country reporting	96			

GRI Standard 2021 and EPRA Best Practice Recommendations on Sustainability Reporting

GRI Standard Title	Disclosure	Reference to EPRA disclosure	Location	Omission		
				Requirements omitted	Reason	Explanation
SPECIFIC DISCLOSURES – 300: ENVIRONMENT						
GRI 302: Energy 2016						
	3-3	Management of material topics		12, 48, 50–51, 53, 57, 68–73		
	302-1	Energy consumption within the organization	Elec-Abs (Total electricity consumption) DH&C-Abs (Total district heating & cooling consumption) Fuels-Abs (Total fuel consumption)	73, 77		
	302-2	Energy consumption outside of the organization	Elec-Abs (Total electricity consumption) DH&C-Abs (Total district heating & cooling consumption) Fuels-Abs (Total fuel consumption) Elec-LfL (Like-for-like total electricity consumption) DH&C-LfL (Like-for-like total district heating & cooling consumption) Fuels-LfL (Like-for-like total fuel consumption) Energy-Int (Building energy intensity)	60, 73–74, 77		
	302-3	Energy intensity	Energy-Int (Building energy intensity)	72–74		
	302-4	Reduction of energy consumption		72–73		
GRI 303: Water and Effluents 2018						
	3-3	Management of material topics		12, 48, 50–51, 53, 57, 98		
	303-1	Interactions with water as a shared resource	Water-Abs (Total water consumption) Water-LfL (Like-for-like total water consumption)	98–99		
	303-2	Management of water discharge-related impacts		98		
	303-5	Water consumption	Water-Abs (Total water consumption) Water-LfL (Like-for-like total water consumption) Water-Int (Building water intensity)	98–99		
GRI 304: Biodiversity 2016						
	3-3	Management of material topics		12, 48, 50–51, 53, 57, 78		
	304-2	Significant impacts of activities, products and services on biodiversity		78		
GRI 305: Emissions 2016						
	3-3	Management of material topics		12, 48, 50–51, 53, 57, 66–72, 75		
	305-1	Direct (Scope 1) GHG emissions	GHG-Dir-Abs (Total direct greenhouse gas (GHG) emissions) GHG-Dir-LfL (Like-for-like direct greenhouse gas (GHG) emissions) GHG-Int (Greenhouse gas (GHG) emissions intensity from building energy consumption)	48, 72–77		
	305-2	Indirect (Scope 2) GHG emissions	GHG-Indir-Abs (Total indirect greenhouse gas (GHG)) GHG-Int (Greenhouse gas (GHG) emissions intensity from building energy consumption)	73–77		
	305-3	Other indirect (Scope 3) GHG emissions		73, 75		
	305-4	GHG emissions intensity	GHG-Int (Greenhouse gas (GHG) emissions intensity from building energy consumption)	74–75, 77		
	305-5	Reduction of GHG emissions		75		

GRI Standard 2021 and EPRA Best Practice Recommendations on Sustainability Reporting

				Omission			
GRI Standard Title	Disclosure		Reference to EPRA disclosure	Location	Requirements omitted	Reason	Explanation
GRI 306: Waste 2020							
	3-3	Management of material topics		12, 48, 50–51, 53, 57, 79–81			
	306-1	Waste generation and significant waste-related impacts		79–81			
	306-2	Management of significant waste-related impacts		79–81			
	306-3	Waste generated	Waste-Abs (Total weight of waste by disposal route) Waste-LfL (Like-for-like total weight of waste by disposal route)	82			
	306-4	Waste diverted from disposal	Waste-Abs (Total weight of waste by disposal route) Waste-LfL (Like-for-like total weight of waste by disposal route)	82			
	306-5	Waste directed to disposal	Waste-Abs (Total weight of waste by disposal route) Waste-LfL (Like-for-like total weight of waste by disposal route)	75, 82			
GRI 308: Supplier environmental assessment 2016							
	3-3	Management of material topics		12, 48, 50–51, 53, 57, 90–91			
	308-1	New suppliers that were screened using environmental criteria		91			
SPECIFIC DISCLOSURES – 400: Social							
GRI 401: Employment 2016							
	3-3	Management of material topics		12, 48, 50–51, 53, 57, 83–86			
	401-1	New employee hires and employee turnover	Emp-Turnover (Employee turnover and retention)	87			
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		83, 148			
GRI 403: Occupational Health and Safety 2018							
	3-3	Management of material topics		12, 48, 50–51, 53, 57, 83–86			
	403-1	Occupational health and safety management system		51, 84, 86			
	403-2	Hazard identification, risk assessment, and incident investigation	H&S-Emp (Employee health and safety)	84–86, 88			
	403-3	Occupational health services		84–86			
	403-4	Worker participation, consultation, and communication on occupational health and safety		84–85			
	403-5	Worker training on occupational health and safety		84–85			
	403-6	Promotion of worker health		84–86			
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		84–86			
	403-8	Workers covered by an occupational health and safety management system		86			
	403-9	Work-related injuries	H&S-Emp (Employee health and safety)	84–86, 88			
	403-10	Work-related ill health	H&S-Emp (Employee health and safety)	84–86, 88			

GRI Standard 2021 and EPRA Best Practice Recommendations on Sustainability Reporting						
GRI Standard Title	Disclosure	Reference to EPRA disclosure	Location	Omission		
				Requirements omitted	Reason	Explanation
GRI 404: Training and education 2016						
	3-3	Management of material topics		12, 48, 50–51, 53, 57, 83–86		
	404-1	Average hours of training per year per employee	Emp-Training (Training and development)	88		
	404-2	Programs for upgrading employee skills and transition assistance programs		84, 98		
	404-3	Percentage of employees receiving regular performance and career development reviews	Emp-Dev (Employee performance appraisals)	84, 88		
GRI 405: Diversity and equal opportunity 2016				12, 48, 50–51, 53, 57, 83–86		
	3-3	Management of material topics				
	405-1	Diversity of governance bodies and employees	Diversity-Emp (Employee gender diversity)	87		
	405-2	Ratio of basic salary and remuneration of women to men	Diversity-Pay (Gender pay ratio)	89		
GRI 413: Local communities 2016				12, 50–51, 53, 57, 92–93, 98		
	3-3	Management of material topics				
	413-1	Operations with local community engagement, impact assessments, and development programs	Comty-Eng (Community engagement, impact assessments and development programs)	92–93		
	413-2	Operations with significant actual and potential negative impacts on local communities		93		
GRI 414: Supplier Social Assessment 2016				12, 50–51, 53, 57, 90–91		
	3-3	Management of material topics				
	414-1	New suppliers that were screened using social criteria		91		
	414-2	Negative social impacts in the supply chain and actions taken		90–91, 96		
GRI 416: Customer Health and Safety 2016						
	3-3	Management of material topics		12, 50–51, 53, 57, 92–94		
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	H&S Asset (Asset health and safety assessments) H&S-Comp (Asset health and safety compliance)	88-89, 92-94		
Entity-specific disclosures						
	3-3	Management of material topics		50–51, 57, 92		
	Own disclosure	Certified buildings	Cert-Tot (Type and number of sustainably certified assets)	81		

Sustainability awards

Castellum lauded for sustainability initiatives

Castellum’s owners and investors place a premium on the company’s well-developed sustainability initiatives, as shown by the sustainability awards and external assessments Castellum received during the year.

Dow Jones Sustainability Indices

For the ninth consecutive year, Castellum has been included as the only Nordic property company in the Dow Jones Sustainability Indices (DJSI). The DJSI are based on judgements and ESG ratings from the S&P Global Corporate Sustainability Assessment (S&P CSA), with Castellum receiving top marks. The S&P CSA is a prestigious sustainability survey, and is one of the world’s most comprehensive databases covering the sustainability initiatives and sustainability results of listed companies.

Only four Swedish companies are included in the S&P CSA, in which 13,000 listed companies globally were invited in 2024 and only the best in the respective industries qualified for the index. The purpose of the index is to steer investors towards more sustainable investments.

The Sustainability Yearbook

Castellum is ranked first in Europe and fourth world-wide in the 2025 Sustainability Yearbook, and is the only property company in the Nordic region to be included. The Sustainability Yearbook is produced

by S&P Global, a world leader in credit ratings, benchmarks and analyses in the global capital and raw materials markets. In total, over 7,700 companies in 62 industries were audited.

MSCI ESG Ratings

Castellum has a ranking of AAA (on a scale of AAA to CCC) in the MSCI ESG Ratings assessment.

Industry leader according to GRESB

For the ninth consecutive year, Castellum has ranked as a sector leader in the category of sustainability in project development and has maintained a high ranking in the Office/Industrial category from the Global Real Estate Sustainability Benchmark (GRESB). GRESB is an international sustainability survey that measures and evaluates the sustainability initiatives of property companies and property funds. This year’s study encompassed 2,223 property companies and funds in 80 countries – a large part of the global property market.

EPRA Gold

Each year, the European Public Real Estate Association (EPRA), through the Sustainability Best Practices Recommendations Awards (sBPR Awards), selects the companies that will receive the gold, silver or bronze award for best sustainability reporting. Castellum retains EPRA Gold, which is proof

that Castellum not only keeps its promises in sustainability but also that the company is clear and transparent in its communication on sustainability.

CDP

Castellum reports to the CDP and has the highest rating of A– on a scale of A to D. The CDP is an independent non-profit organisation with the world’s largest collection of information on companies’ climate impacts.

Sustainalytics

Castellum ranks as Region Top-Rated in the Sustainalytics sustainability benchmark, which covers over 15,000 companies across the globe.

Climate targets validated by SBTi

Castellum was the first property company in the Nordic region to have its climate targets validated by the Science Based Targets initiative (SBTi), back in 2018. The company’s climate targets are science-based and in line with the goals of the Paris Agreement to reduce global warming, as well as Sweden’s ambitions of becoming a fossil-free country.



Castellum works with science-based climate targets in line with the Paris Agreement.



Castellum’s rating:
76/100
(the only Nordic property company to be included)



Castellum’s rating:
AAA



Castellum’s rating:
88/100
(global sector leader)



Castellum’s rating:
Gold



Castellum’s rating:
A



Castellum’s rating:
Region Top-Rated

1. THE USE BY Castellum OF ANY MSCI ESG RESEARCH LLC OR ITS AFFILIATES (“MSCI”) DATA, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT, RECOMMENDATION, OR PROMOTION OF CASTELLUM BY MSCI. MSCI SERVICES AND DATA ARE THE PROPERTY OF MSCI OR ITS INFORMATION PROVIDERS, AND ARE PROVIDED ‘AS-IS’ AND WITHOUT WARRANTY. MSCI NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI.

Sustainability certification systems



Miljöbyggnad
A Swedish system that certifies buildings in energy, indoor environment and building materials. It also includes health and safety aspects. The system has three levels – Gold, Silver, and Bronze – and is used for both residential and commercial premises.



NollCO₂
To promote a climate-neutral construction sector in Sweden, the Sweden Green Building Council (SGBC) has produced the NollCO₂ certification. The certification is intended to reduce climate impact during the production phase by at least 30 per cent compared with traditional construction. Throughout its entire life cycle, the building will have a net-zero climate impact.



EU GreenBuilding
Focuses on improving the efficiency of energy consumption. The requirement is to improve efficiency in energy consumption by 25 per cent, or to use 25 per cent less energy compared with new construction requirements in the building regulations (BBR) of the National Board of Housing, Building and Planning. GreenBuilding will be phased out by 2025 and will be recertified under other certifications.



LEED
From the US, and together with BREEAM is the most commonly used sustainability certification system in the world. The system evaluates and rates the overall environmental impact of buildings. The certification has four levels: Certified, Silver, Gold, and Platinum. Using LEED O+M, existing buildings can be certified with a focus on operation and maintenance.



BREEAM
From the UK, and together with LEED is the most commonly used sustainability certification system in the world. The system evaluates and rates the overall environmental impact of buildings. BREEAM In-Use is used to certify existing buildings.



WELL
This certification is based on scientific studies, and the standard was developed by the WELL Building Institute (IWBI), based in New York. WELL certifies the social sustainability of a building, focusing on health and wellness. The WELL standard is founded on ten concepts known to affect health. In addition to certifying individual buildings, companies can join the WELL at scale and get a coherent grasp on health and wellness in a larger number of buildings simultaneously.



Ottar 5, Västerås

Auditor’s Limited Assurance Report on Castellum Aktiebolag’s (publ) Sustainability Report and statement regarding the Statutory Sustainability Report

This is a translation of the Swedish language original. In the events of any differences between this translation and the Swedish original the latter shall prevail.

**To Castellum Aktiebolag (publ),
corporate identity number 556475-5550**

Introduction

We have been engaged by the Board of Directors of Castellum Aktiebolag (publ) to undertake a limited assurance engagement of the Castellum Aktiebolag (publ) Sustainability Report for the year 2024. The Company has defined the scope of the Sustainability Report on page 2 which includes the Statutory Sustainability Report.

Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report including the Statutory Sustainability Report in accordance with the applicable criteria and the Annual Accounts Act according to the previous version applied before 1 July 2024. The criteria are defined on page 48 in the Sustainability Report, and are part of the Sustainability Reporting Guidelines published by GRI (Global Reporting Initiative), which are applicable to the Sustainability Report, as well as the accounting and

calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to express an opinion regarding the Statutory Sustainability Report. Our engagement is limited to historical information presented and does therefore not cover future-oriented information.

We conducted our limited assurance engagement *in accordance with ISAE 3000 (revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. Our examination regarding the Statutory Sustainability Report has been conducted in accordance with FAR’s accounting standard RevR 12 The auditor’s opinion

regarding the Statutory Sustainability Report. A limited assurance engagement and an examination according to RevR 12 is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Castellum Aktiebolag (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed and the examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report, is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

A Statutory Sustainability Report has been prepared.

Deloitte AB
Signature on Swedish original

Harald Jagner
Authorised Public Accountant

A successful journey from Swedish operator to leader in the Nordics

In summing up my 18 years on the Board of Castellum – the last three as Chairman – I can state with pride that we have built a company that has not only grown in size, but has also created significant value for our shareholders despite the tough conditions of the last few years. During this time, we have gone from being a strong operator in the Swedish property market to becoming a leader in commercial properties in the Nordics.

This has been a journey marked by strategic acquisitions, sustainable development and a consistent delivery of a stable returns to our owners despite a market that has undergone major changes. Allow me a moment to look back.

2007–2012: Stable growth and long-term value creation

In my first years on the Board, Castellum was a company with strong local market positions in Sweden. We had a clear strategy for growing organically and through select acquisitions while always maintaining our financial discipline.

At that time, the property market was characterised by high levels of demand for office and logistics properties, and Castellum benefited from a good Swedish economy. With our decentralised property management model, we ensured that we were located close to our tenants – a model that laid the foundation for our success in coming years.

For our shareholders, this period meant a steady return, with annual dividends and a stable performance in share price. This also laid the foundation for

future growth in value through a gradual reduction of our climate footprint and investments in energy optimisation.

2013–2018: Expansion and strategic steps for growth

These are the years when Castellum truly took the step from being a Swedish property company to becoming a player in the Nordics. Two transactions were completed that would fundamentally change the company and create value for our shareholders.

The acquisition of Norrporten in 2016 was one of the largest property transactions in Sweden at the time, which increased Castellum’s property value by over SEK 25 Bn and brought in high-quality properties in locations such as Stockholm and Copenhagen.

Gathering all the subsidiaries under the Castellum brand the following year was a restructuring that provided the company with both synergies and leverage into the future.

Growth in demand for logistics solutions was also robust, and Castellum positioned itself early on to meet the growing boom in e-commerce by developing modern warehouse and logistics properties while divesting several traditional retail venues from its portfolio. Södra Älvsjö Airport was acquired in 2018, with a development area of approximately 3 million square metres – an asset that provided the company with major opportunities for development for a long time to come.

The property industry’s views on sustainability also changed during this period. What had once mostly been a question of energy efficiency, the concepts of “green financing”, “the Paris Agreement” and “net-zero emissions” had now taken a central role. We realised

early on the significance of integrating sustainability into our business model, a strategy that created both economic and societal value.

For our shareholders, these years proved highly favourable. Castellum delivered a strong total return, and the share price rose in pace with the company’s growth through acquisitions and increased rental income.

2019–2024: From national giant to Nordic market leader

The last five years have been one of the most eventful periods in Castellum’s history. The market has undergone major changes, from a long period of low interest rates and a surfeit of capital to a tougher interest-rate and inflationary environment. Despite this, I am convinced that we made some of the most important acquisitions for Castellum’s future growth during these years.

The acquisition of Kungsleden in 2021 made Castellum Sweden’s largest listed commercial property company. This transaction created synergies through both operational efficiency and density in the asset portfolio.

The entry into Finland took place back in 2019, and additional volume was created through the Kiello portfolio, which was acquired in 2021. By expanding into Finland, we have created a better platform for further growth in the capital cities of the Nordic region.

The investment in Entra in 2021 established a position in Norway. By expanding our ownership in the company in early 2025, we are further strengthening our position in the Nordic property market.

Castellum’s Board of Directors has always focused on shareholder value and risk management. Our fine tradition of dividends had to be put on hold during the adaptation to new economic conditions. That is why it is particularly gratifying to propose to the Annual General Meeting that this fine tradition be resumed.

Good future outlooks

Now that I am passing the chairman’s gavel on, I am doing so with great confidence. Castellum has never been better positioned to face the future. With a robust balance sheet, a clear strategy in Nordic growth regions in the office and logistics segments, and assiduous efforts at sustainability and digitisation, I see the company as a natural leader in the Nordic property sector.

To you, the shareholders – my sincerest thanks for your confidence through these years. Castellum is a company that has created value in periods of both high and low business activity, and I am convinced that this journey will continue.

I would also like to thank the Board and the management team for the good collaboration we had over the past years. I am looking forward to following Castellum’s performance from the sidelines, and I am sure that the next chairman will continue to build further on the strong platform we have created together.



Per Berggren
Chairman of the Board

Sustainable and responsible corporate governance

Sound corporate governance is the foundation of a trusting relationship with shareholders and other key stakeholders. It is also a key component in ensuring that the company is run sustainably and responsibly in line with applicable laws, regulations and best practices while it is customised on the basis of Castellum’s specific operations.

Structure for corporate governance

Corporate governance pertains to the decision-making systems through which the owners, directly or indirectly, control the company. This report on Castellum’s corporate governance is presented in accordance with the Swedish Annual Accounts Act and the Swedish Corporate Governance Code (the “Code”).¹ Castellum Aktiebolag (publ) is a Swedish listed company whose share is listed on Nasdaq Stockholm Large Cap. The Company’s Board of Directors has its registered office in Gothenburg, and the object of the company’s business is to acquire, manage, develop and sell real property and securities as well as conduct other business associated therewith – directly or indirectly through wholly or partly owned companies.

Framework for corporate governance

Castellum’s corporate governance is regulated through both external and internal regulations. The external regulations include such laws and ordinances as the Swedish Companies Act and the Swedish Annual Accounts Act, the Code, the

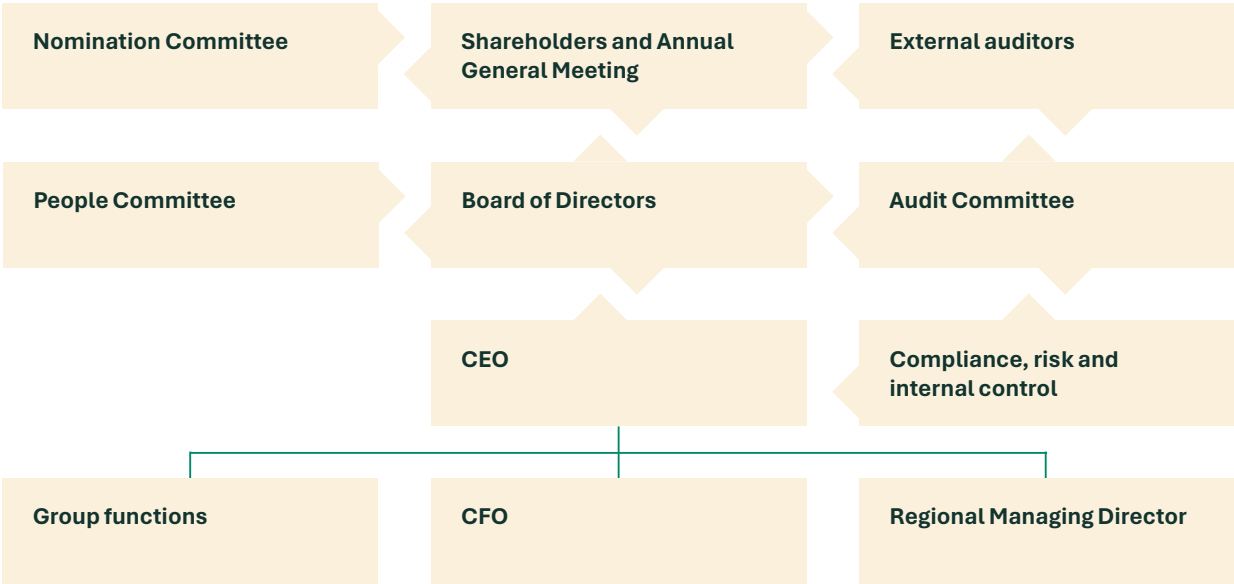
Nasdaq Stockholm Rulebook for Issuers, IFRS standards, EU accounting regulations and the UN Global Compact. The most important internal regulations are Castellum’s Articles of Association and internal governing documents that address such matters as the Board of Directors’ rules of procedure, policies, guidelines and procedures for internal control and risk management.

In all respects, Castellum was in compliance with the Code and Nasdaq’s Rulebook for Issuers as well as best practices on the stock market during the year.

Shareholders and shares

As of 31 December 2024, share capital totalled SEK 246,300,726, distributed across 492,601,452 shares with a quotient value of SEK 0.50 per share. Each share entitles the holder to one vote and carries an equal right to a share in Castellum’s capital.

As of 31 December 2024, 62.5 per cent of the total share capital was owned by Swedish institutions, funds and private individuals, and 37.5 per cent by



foreign investors. The largest owner was Akelius Residential Property AB (publ), which owned 10.52 per cent of the shares outstanding, and was the only registered shareholder with holdings exceeding 10 per cent of the number of votes for all shares in the company. Additional disclosures regarding the

share are reported in the section “The share” and on the company’s web site.

1. The Code is available at www.bolagsstyrning.se.

Annual General Meeting

The Annual General Meeting (the “AGM”) is Castellum’s supreme decision-making body, and it is at the AGM that Castellum’s shareholders have the right to take decisions concerning the company’s affairs. In accordance with Castellum’s Articles of Association, notice to attend the AGM is published in Post- och Inrikes Tidningar and on the company’s web site. Publication of the notice to attend will be announced in Dagens Industri. Castellum’s AGM is to be held in Gothenburg or Stockholm during the first half-year after the end of every financial year. The AGM resolves on such issues as the adoption of the company’s annual report, appropriation of the company’s profits or losses and discharging the Board members and Chief Executive Officer from liability. The AGM also elects Board members and auditors, and resolves on the establishment of a Nomination Committee, fees to the Board of Directors and auditors, and guidelines for determining salaries and other remuneration to the CEO and Executive Management. In accordance with Castellum’s Articles of Association, the Board has the possibility of deciding whether shareholders will exercise their voting rights by post prior to an AGM.

Annual General Meeting 2024

Castellum’s AGM was held on 7 May 2024 in Gothenburg. Shareholders also had the possibility of exercising their voting rights through postal voting. 280,520,034 shares and votes were repre-

sented at the AGM, representing 56.9 per cent of the number of shares and votes. Matters that are customary for an annual general meeting were addressed at the 2024 AGM.

The AGM also resolved to authorise the Board to decide, on one or more occasions, on new issues of shares and/or convertibles corresponding to a maximum of 10 per cent of the company’s share capital at the point in time when the authorisation is first utilised, with or without deviation from the shareholders’ preferential rights. Furthermore, it was resolved to authorise the Board to decide, on one or more occasions, on acquisition and transfer of own shares, with the acquisition limited to a maximum of the number of shares corresponding to 10 per cent of all shares in the company. Treasury shares may be transferred without regard to shareholders’ preferential rights. And finally, the AGM also resolved to implement the 2024/2027 performance share programme and authorised the Board to decide on acquisition and transfer of a maximum of 172,000 shares in Castellum. 132,270 shares may be transferred to the participants in the 2024/2027 performance share programme, and 39,730 shares may be transferred to third parties in order to bring in capital to cover the exposure to social security contributions associated with the allocation of performance shares under the 2024/2027 performance share programme.

Minutes and other documents from the AGM are available on the company’s web site.

Nomination Committee

Castellum’s Nomination Committee is tasked with presenting proposals to the AGM on the number of Board members, the composition of the Board of Directors and proposals for remuneration to the Board. The Nomination Committee will also present proposals for the chairman of the Board and of the AGM, for auditors and their remuneration, and where applicable for changes to the instructions for appointing the Nomination Committee.

The Nomination Committee’s proposals will be announced at the latest in connection with the notice to attend the AGM. Castellum’s shareholders have the possibility of contacting the Nomination Committee with proposals and opinions.

Nomination Committee members

Castellum’s Nomination Committee will comprise the Chairman of the Board and one member appointed by each of the four largest registered shareholders, either by number of votes or otherwise known to be so. The company’s ownership circle changed in 2024, and this table shows the composition of the Nomination Committee before and after the constitution of the Nomination Committee ahead of the AGM of 2025. Ahead of the 2025 Annual General Meeting, the members of the Committee together represent roughly 24.2 per cent of the total number of shares and votes in the company.

2024 Annual General Meeting		2025 Annual General Meeting	
Member	Appointed by owner	Member	Appointed by owner
Helen Fasth Gillstedt (Chair, Nomination Committee)	Handelsbanken Fonder	Helen Fasth Gillstedt (Chair, Nomination Committee)	Handelsbanken Fonder
Kerstin Engström	Akelius Residential Property AB (publ)	Kerstin Engström	Akelius Residential Property AB (publ) and Akelius Apartments Ltd
Richard Torgerson	Nordea Fonder	Johannes Wingborg	Länsförsäkringar Fondförvaltning AB (publ)
Johannes Wingborg	Länsförsäkringar Fondförvaltning AB (publ)	Celia Grip	Swedbank Robur Fonder
Per Berggren (Castellum’s Chairman of the Board)	–	Per Berggren (Castellum’s Chairman of the Board)	–

Board of Directors

The Board of Directors has the overall responsibility for Castellum’s strategy and organisation. Moreover, the Board is responsible for electing the CEO, looking after the interests of the company and its shareholders, and checking compliance with applicable laws, the Articles of Association and the Code.

The Board is also responsible for establishing and monitoring the Group’s overall, long-term strategies and objectives as well as the budget. The Board is responsible for issues regarding investments, capital structure and financing, as well as monitoring the company’s financial circumstances and identifying how sustainability matters impact the company’s risks and business opportunities. Moreover, the Board decides on adopting relevant policies and ensuring long-term value creation for the operations. This includes the company’s Code of Conduct, which summarises the company’s responsibilities and values.

The Board establishes rules of procedure for Board work every year. The rules of procedure describe the work of the Board and the allocation of responsibility between the Board and the CEO. The rules of procedure also indicate which topics are to be addressed at each Board meeting, and provide instructions regarding financial reporting to the Board. The rules of procedure also prescribe that the Board is to have an Audit Committee as well as a

People Committee. The Committees prepare and produce recommendations to the Board on various matters. Members of the Committees are appointed yearly by the Board, and their rules of procedure are included in the Board’s rules of procedure.

Composition of the Board

Under the Articles of Association, Castellum’s Board is to consist of no less than four and no more than eight members. The Articles of Association do not contain any restrictions pertaining to the electability of Board members. The shareholders elect the Board members at the AGM and hold office for the period until the conclusion of the first AGM following their appointment. In 2024, the Board consisted of six members. No Board member is entitled to remuneration upon their assignment coming to an end.

New Board members receive an introduction to the company and its operations and undergo, as needed, the stock exchange’s training programme for board members of listed companies. Subsequently, the Board continually receives information on subjects including changes to regulations, issues that concern operations and the Board’s responsibility in a listed company. The Board works continually to update its collective knowledge in sustainable development and the field of ESG in order to ensure that the Board has the experience and capa-

bilities required to manage and monitor the sustainability-related impacts, risks and opportunities in the operation. Information on the Board members, their tasks outside the Group, and their holdings in Castellum is presented on pages 123–124.

Chairman of the Board

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

Independence of the Board

Under the Code, the majority of the Board members elected by a General Meeting must be independent in relation to the company and company management, and at least two of these must also be independent in relation to the company’s major shareholders. Castellum’s Board in 2024 comprised six members, of which six (100 per cent) were independent in relation to the company and company management, and five (83 per cent) were independent in relation to the company’s major shareholders.

Diversity policy

The Nomination Committee applies Point 4.1 of the Code as a diversity policy in its activities, with the goal of achieving a suitable composition (with regard to the company’s operations, phase of development and circumstances in general) characterised by versatility and breadth as regards the competence, experience and background of the Board members elected by a General Meeting. The composition of Castellum’s current Board of Directors is a suitable one, marked by versatility and breadth as regards the competence and experience of its members in strategically important areas for Castellum. Furthermore, an equitable gender distribution is desirable, as reflected in the fact that 50 per cent of Castellum’s Board members elected by a General Meeting are women and 50 per cent are men.

Information on the background and experience of Board members is presented on pages 121–122.

The activities of the Board in 2024

Castellum’s Board held 18 meetings in 2024, of which one was the Board meeting following election, and five Board meetings were held per capsulam. According to the prevailing rules of procedure, the Board is to hold at least seven scheduled Board meetings per calendar year in addition to the Board meeting following election. The CEO attends the meetings of the Board and the Chief Legal Officer is

the secretary. Other members of Executive Management take part as needed. Each meeting also addresses the issue of potential disqualifications or other conflicts of interest in relation to any of the issues that are to be addressed at the meeting.

The Board has routinely addressed strategic issues pertaining to the company’s operations and orientation, monitoring of previously completed acquisitions and investments, and new investments. One key element of the Board’s work is the quarterly financial statements. The Board also

receives routine reports concerning the company’s financial position. A crucial priority for the Board of Directors during the year was deciding on a revision of the company’s financial targets.

The Board also focused on other strategically important issues such as risk management and the company’s long-term strategy for achieving its sustainability goals. Furthermore, the Board has delved deeper into issues pertaining to the property portfolio, with a focus on its composition, risks and evaluation.

The Board has also held meetings with the auditors without representation from Executive Management.

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

Evaluation of the Board

The Board undergoes an evaluation of the results of its activities, the effectiveness of its working methods and how it can be improved. In 2024, the Chairman of the Board used an external consultant to thoroughly evaluate those activities of the Board and the committees that comply with the guidelines under the Code. The evaluation indicated a high level of engagement an open and constructive Board climate. The evaluation has been presented to the Nomination Committee and was discussed by the Board. The evaluation reviewed aspects such as the role and composition of the Board, the work climate, risk management, strategy and goals, monitoring and check systems, integrity and communication. The evaluation and subsequent Board discussion serve as a basis for the ongoing development of the Board’s work methods and enable the Board to take decisions that are well-informed.

Table of attendance at Board meetings

Board members	Remuneration, SEK thousand	Attendance out of total meetings			
		Board of Directors	People Committee	Audit Committee	Independent
Per Berggren	1,319	18/18	7/7	5/5	Yes
Anna-Karin Celsing	692	18/18		5/5	Yes
Henrik Käll	568	18/18		5/5	Yes
Ann-Louise Lökholtm-Klasson	534	18/18	6/7		Yes
Louise Richnau	689	18/18	7/7		Yes
Pål Ahlsén ¹	568	18/18		4/5	No ¹

1. Not independent in relation to major shareholders.



Öskaret, Stockholm

The activities of the Board of Directors

Board of Directors <ul style="list-style-type: none">– Year-end report– Economic and financial report– Review of business conditions– Decision and case log– Long-term financial strategy– Proposed dividend– STI targets, Executive Management– Follow-up on strategy and sustainability initiatives– External business intelligence		Audit Committee <ul style="list-style-type: none">– Report on the annual accounts– Preparation of year-end report– Report from the company’s auditors– Review of audit assignment– Preparation of Annual Report– Review of any material disputes– Incident reporting– Adopting the Committee’s annual agenda		Audit Committee <ul style="list-style-type: none">– Preparation of interim report– Audit plan– Evaluation of audit work– Procurement of audit– Information on financial reporting process– Report on regulatory compliance– Incident reporting– Individual meeting, compliance		Board of Directors <ul style="list-style-type: none">– Strategy review– External business intelligence– eNPS		Board of Directors <ul style="list-style-type: none">– Q3 interim report– Economic and financial report– Review of business conditions– Decision and case log– Review of the limited assurance report on the Q3 report– Monitoring of investments, project rentals, vacancies		Audit Committee <ul style="list-style-type: none">– Preparation of interim report– Review of the limited assurance report on the interim report– Auditors’ review of the Group’s internal control– Individual meeting, auditor– Reporting on risk management process, checks and risk assessments– Reporting of internal controls– Individual meeting, compliance– Incident reporting		People Committee <ul style="list-style-type: none">– Guidelines for remuneration to senior executives– Preparing outcomes and proposals for new incentive programmes– Remuneration report– Talent management and succession issues– Review of CEO’s evaluation of senior executives– Preparation of CEO evaluation								
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec									
Board of Directors <ul style="list-style-type: none">– Ahead of the Annual General Meeting– Annual Report issues– Review of the auditors’ conclusions from the audit People Committee <ul style="list-style-type: none">– Talent management and succession issues– Sideline occupations for senior executives– Cultural and organisational issues– Review of personnel turnover and sick leave– Review of diversity initiatives			Board of Directors <ul style="list-style-type: none">– Q1 interim report– Economic and financial report– Review of business conditions– Decision and case log– Policy documents adopted– Monitoring of investments, project rentals, vacancies			Board Meeting following election <ul style="list-style-type: none">– Authorised signatory appointed– Composition of the committees decided– Board secretary appointed– Rules of procedure and decision-making procedure adopted People Committee <ul style="list-style-type: none">– Guidelines for remuneration to senior executives– Incentive programmeme– Salary audit			Board of Directors <ul style="list-style-type: none">– Q2 interim report– Economic and financial report– Review of business conditions– Decision and case log			Audit Committee <ul style="list-style-type: none">– Preparation of interim report– Review of additional services performed by the auditor– Review of any material disputes– Incident reporting			Board of Directors <ul style="list-style-type: none">– Setting the budget– eNPS– CSI– Succession issues– Review of risks, determination of risk assessment and mitigation measures– Insurance policies– IT security– Evaluation of the Board– Advanced topics			Audit Committee <ul style="list-style-type: none">– Review of the Group’s tax situation– Report on regulatory compliance– Report on changes in regulations– Evaluation of efficiency of internal controls– Evaluation of need for internal auditor– Evaluation of Committee work– Establishment of the annual plan for compliance and control of operational risks		

People Committee

The Board of Directors has appointed a People Committee that routinely evaluates the terms of remuneration to senior executives in light of current market conditions. The Committee prepares matters in this area for decision by the Board.

The People Committee will consist of at least three Board members who are independent of the company and its executive management. The tasks of the People Committee include preparing recruitments to key roles in Executive Management and succession issues, discussing management by objectives concerning issues of equality and diversity, monitoring and evaluating the application of the guidelines for remuneration to senior executives that the AGM has adopted, and monitoring and evaluating programmes for variable remuneration to Executive Management that are either ongoing or were concluded during the year.

The People Committee is to meet at least three times a year, and met seven times in 2024. Issues that were addressed at the meetings included succession planning for executive management, evaluation of the CEO and executive management, the organisation's employee survey, personnel data, diversity targets, salary reviews for senior executives, evaluation of existing, as well as preparation of proposals for new STI and LTI targets for senior executives. Additionally, the People Committee has prepared a proposal for the remuneration report.

Information on the members of the People Committee can be found on page 121–122.

Audit Committee

The Board of Directors has appointed an Audit Committee that monitors such issues as audits, and prepares matters in these areas for decisions by the Board.

The Audit Committee is to consist of at least three Board members not employed by the company. The tasks of the Audit Committee include monitoring the company's financial reporting, sustainability reporting and risk initiatives, as well as staying routinely informed about the audit of the Annual Report and consolidated accounts during the year. Furthermore, the Audit Committee will meet regularly with the Group's auditors to stay informed about the scope and focus of the audit and to discuss their views of the Group's risks. The Audit Committee will also review and monitor the auditor's impartiality and independence, paying particular attention to whether the auditors provide other services besides auditing (non-audit services), as well as evaluating the audit work and informing the company's Nomination Committee of the results of the evaluation.

The Audit Committee is to hold at least five meetings a year, and the Company's auditors must attend on at least two occasions. On one of these two occasions with the auditors, no one from Executive Management may be present. In 2024, the Committee held five meetings. Issues covered at the meetings included financial reporting including a review of future regulations and their potential impact on Castellum; evaluating the property portfolio; tax; internal control and risk management; the impartiality, independence and work of the auditors; any ongoing legal disputes in Group companies; and incident reporting from the whistleblower service. Operational issues pertaining to the company's preparations ahead of the introduction of the CSRD were also thoroughly examined. In addition, the Audit Committee held individual sessions during the year with compliance and the auditors without the presence of Executive Management, and evaluated the need for an internal auditor.

Information on the members of the Audit Committee can be found on pages 121–122.

Auditor

The auditor is elected by the Annual General Meeting, is an independent reviewer of Castellum's accounting and corporate governance report, sustainability report and report on green MTNs, and also reviews the administration by the Board and the CEO. The Annual General Meeting selected Deloitte as Castellum's auditor for the period until the end of the AGM of 2025. The auditor in charge at Deloitte is authorised public accountant Harald Jagner.



Harald Jagner
Castellum's auditor

CEO and Executive Management

The CEO is responsible for routine administration of the company and managing operations in accordance with the guidelines and instructions of the Board of Directors as well as for providing the Board with information and the necessary documentation for decisions. The CEO leads the work of Executive Management and takes decisions after consulting its members. The CEO is not a member of the Board of Directors, but presents reports at Board meetings and must ensure that Board members are routinely sent the information needed to monitor the Company's and the Group's financial position, earnings, liquidity and development.

At 31 December 2024, Castellum's Executive Management consisted of the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer, the Chief Legal Officer, the Communications Director, the Head of People & Culture, and the Managing Directors in the five regions. In 2024, Executive Management had 16 meetings.

Information on the members of Executive Management is presented on pages 123–124.

Remuneration to senior executives

The current guidelines for remuneration to senior executives were adopted at Castellum's AGM of 2022. The guidelines apply to senior executives in Castellum's Executive Management group.

Under the guidelines, remuneration levels must be market-based and competitive. A fixed salary shall be paid for work performed in a satisfactory manner. Pension terms will be defined-contribution and not exceed 33 per cent of the annual salary. In addition to fixed salary, variable remuneration will be offered that rewards clearly goal-related performances in simple, transparent constructions in accordance with an earnings and share price based incentive programme. Variable remuneration of this kind is intended to promote long-term value creation and sustainability initiatives in the Group.

In 2024, the company followed the applicable remunerations guidelines that were adopted by the 2022 AGM, with the exception that the Board chose to exercise its right in the guidelines to temporarily deviate if there were specific reasons, and decided as part of the recruitment process to give one senior executive a lump sum in conjunction with the start of employment, within the framework of the maximum remuneration in the guidelines. In addition, one senior executive received – as they did in the preceding year – annual remuneration fully corresponding to the STI outcome in accordance with an agreement on remuneration during the first three years of employment, within the framework of the maximum remuneration in the guidelines. For further information regarding remuneration to Executive Management, refer to Note 9.

The Board of Directors' proposal for a resolution to adopt updated guidelines for remuneration to senior executives

The Board of Directors of Castellum Aktiebolag proposes that the Annual General Meeting to be held on 7 May 2025 resolves to approve the following guidelines for determining salary and other remunerations to senior executives in Castellum, to be applicable until further notice. In relation to the current guidelines the proposal mainly entails, in light of the new overall financial targets adopted by Castellum's Board of Directors in May 2024 and the long-term incentive program adopted by the Annual General Meeting 2024, a change of the profit and share price based incentive program resolved by the Board of Directors within the framework of these guidelines.

The guidelines' promotion of Castellum's business strategy, long term interests and sustainability

An overall objective of the operations of Castellum is to create a sound development of share-holder value over time, which shall be achieved by implementing the company's business strategy. In short, the company's business strategy is that Castellum shall create successful and sustainable workplaces in Nordic growth regions by really keeping close to customers, while staying on the cutting edge of innovation and expertise (for more information regarding Castellum's business strategy, please see <https://www.castellum.com/about-castellum/strategy-and-value-creation/>). Castellum shall

uphold such remuneration levels and terms of employment necessary to recruit and maintain a competent Executive Management with capacity to achieve established objectives, implement the business strategy and to safeguard Castellum's long term interest, including its sustainability work. The Board of Directors considers and evaluates the remuneration as a whole, consisting of fixed remuneration, pension terms, variable remuneration and non-monetary benefits. The overall principles in respect of the remuneration to the senior executives in Castellum shall be terms adjusted to the conditions of the market and competitiveness and these guidelines enable to offer the senior executives such remuneration.

Preparation of matters regarding remuneration to senior executives

Castellum has a People Committee which consists of at least two Board members, including the Chairman of the Board. The members of the People Committee shall be independent of the company and the Executive Management. The People Committee appoints one of the members as Chairman of the People Committee. In relation to the Board of Directors, the People Committee shall have a preparatory function in respect of principles for remuneration, remuneration and other terms of employment regarding senior executives. Consequently, the

People Committee shall prepare proposals in respect of guidelines for remuneration to senior executives, which the Board of Directors shall present to, and which shall then be resolved upon by the Annual General Meeting. The People Committee shall also evaluate the application of the guidelines resolved upon by the Annual General Meeting. Further, the People Committee shall, within the scope of the guidelines resolved upon by the Annual General Meeting, prepare proposals regarding remuneration to the CEO and other senior executives. The People Committee shall annually evaluate the CEO's performance. Further, the People Committee shall observe and evaluate programs for variable remuneration to senior executives which are on-going or finished during the year as well as Castellum's current remuneration structure and remuneration levels. Furthermore, the People Committee shall annually prepare a remuneration report which shall be submitted to the Annual General Meeting for approval. The CEO or other senior executives who are part of the Executive Management shall not participate in the People Committee's and the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

The senior executives and kinds of remuneration to which the remuneration guidelines apply

The guidelines apply to senior executives who are part of the Executive Management of Castellum. The guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting 2025.

Fixed remuneration

A fixed salary shall be paid for work performed in a satisfactory manner. The fixed salary shall be based on market level conditions, and shall be determined with regard to competence, area of responsibility and performance.

Pension terms

Senior executives shall be entitled to pension benefits consisting of retirement pension and premium exemption, that shall be premium defined, and health insurance, that shall be benefit defined. Variable remuneration shall not be pension qualifying income, unless required by mandatory collective agreement provisions applicable for the senior executives at the payment date (in which case necessary adjustment shall be made of the variable remuneration so that cost neutrality is achieved for the company). The pension benefits for senior executives shall not exceed 33 per cent of the annual

remuneration (fixed and variable, respectively), including payment for vacation.

Variable remuneration

In addition to the fixed salary, variable remuneration may be offered in order to reward clearly goal-referenced achievements by simple and transparent structures. The variable remuneration shall be linked to predetermined and measurable criteria. Such variable remuneration shall aim to create long term value within the group, by contributing to Castellum's business strategy and long term interests, including its sustainability work, and shall be rewarded within the scope of one profit and share price based incentive program. Total variable remuneration per year may not exceed the fixed annual remuneration.

Profit and share price based incentive program

The profit and share price based incentive program consists of two parts, a one-year remuneration (STI) based on factors linked to Castellum's overall financial targets, sustainability targets and the development of individually determined factors, and, with respect to resolutions previously resolved by the Board of Directors, a three-year remuneration (LTI) based on to what extent established objectives in respect of the development of the share price have been achieved over a three-year period. The program's structure shall be based on the objective to align the interests of the Executive Management

with the interests of the shareholders, by, inter alia, increasing the share of the total remuneration which is connected to the profitability of the group. Hence, the performance targets under the profit and share price based incentive program are clearly linked to Castellum's business strategy and long term interests, including its sustainability work.

The share price based three-year part of the program has been terminated as of 2024. Hence, the guidelines only cover a previously adopted share price based three-year part of the program (LTI 2023–2025).

These guidelines do not apply to any remuneration resolved or approved by the General Meeting.

Profit based remuneration (STI)

The profit based remuneration has a one-year performance and earning period for each financial year. The outcome of the annual profit based remuneration shall be based on predetermined and measurable criteria set by the Board of Directors and linked to Castellum's overall financial targets, sustainability targets as well as on an overall assessment of the development of certain individually determined factors that the Board of Directors decides to give priority to under the current financial year.

The maximum outcome in respect of the annual profit based remuneration for each senior executive amounts to half of the annual fixed salary per financial year, based on each participant's annual fixed salary per the month of July each year. If remunera-

tion is to be paid, payment is made annually as salary after the financial statements for the current financial year are adopted.

Share price based remuneration (LTI)

The share price based remuneration has a three-year performance and earning period. The outcome of the three-year share price based remuneration is based on the total return of the Castellum share in absolute terms during the three-year period, as well as on the total return of the Castellum share in comparison with one or several relevant real estate share indexes during the performance and earning period. In order to receive full variable remuneration under the three-year program, the total return must amount to at least 50% during the relevant period, and the total return must further exceed the development of the indexes, respectively, with at least 5%-points during the relevant period. In the event of an outcome of between 0–50% and 0–5 %-points, respectively, a linear calculation is performed in respect of the outcome and the remuneration to be paid.

The maximum outcome in respect of the share price based remuneration for each senior executive amounts to half of the annual salary per program (three-year period), based on an average of each participant’s annual fixed salary per the month of July for all three years covered by the respective share price based incentive program.

If remuneration is to be paid, payment is made as salary after the end of each measurement period of three financial years. The participants shall undertake to purchase Castellum shares for at least half of the amount of the share price based remuneration received, after deduction for tax.

General regulations

The Board of Directors resolves on the detailed terms of the profit and share price based incentive program within the terms and conditions set out in these guidelines. To which extent the criteria for awarding variable remuneration have been satisfied shall be evaluated when the measurement period has ended. The Board of Directors is responsible for such evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by Castellum. The received remuneration according to the incentive program shall be paid as salary, includes payment for vacation and shall not be pension qualifying income, unless required by mandatory collective agreement provisions applicable for the senior executive at the payment date. In the event that the remuneration to the senior executive is pension qualifying income in accordance with mandatory collective agreement provisions, necessary adjustment shall be made of the remuneration so that cost neutrality is achieved for the company.

Non-monetary benefits

The non-monetary benefits may include, inter alia, medical insurance, phone benefits and company car. For the CEO, premiums and other costs relating to such benefits may amount to not more than 2 per cent of the fixed annual remuneration. For other senior executives, premiums and other costs relating to such benefits may, in total, amount to not more than 5 per cent of the total fixed annual remuneration.

Termination of employment and severance pay

The notice period shall, upon termination by the company, not exceed six months in respect of the CEO, and twelve months in respect of any other senior executive of the company. The notice period shall, upon termination by the CEO or by any other senior executive of the company, be six months. During the notice period full salary will be paid and other benefits will be provided to the employee, with deduction for salary and other remuneration received from another employment or business during the notice period. Such deduction shall not be made in respect of the CEO. A severance pay, corresponding to twelve fixed monthly salaries, shall be paid to the CEO upon termination by the company. Such severance pay shall not be reduced due to other income received by the CEO.

Salary and employment conditions for employees

In the preparation of the Board of Directors’ proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees’ total income, the components of the remuneration and increase and growth rate over time, in the People Committee’s and the Board of Directors’ basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

Deviation from the guidelines for specific reasons in particular cases

The Board of Directors may temporarily resolve to deviate from the guidelines, in whole or in part, if in a specific case there is special cause for the deviation and a deviation is necessary to serve the Castellum’s long term interests, including its sustainability work. As set out above, the People Committee’s tasks include preparing the Board of Directors’ resolutions in remuneration-related matters. This includes any resolutions to deviate from the guidelines.

Shareholder’s views

The Board of Directors has not received any views from the shareholders on the existing guidelines for remuneration to senior executives.

The Board of Directors’ report on internal controls pertaining to financial reporting and sustainability reporting

The Board of Directors is responsible for ensuring efficient internal controls pertaining to financial reporting and sustainability reporting. These efforts are intended to ensure that reporting is reliable, in compliance with relevant legislation, ordinances and standards, and provides a true and fair account of the company’s financial position and sustainability impact.

Castellum has an Internal Controller who, together with the Compliance Manager, is responsible for ensuring a good internal control environment. Castellum’s internal control consists of five components: control environment, risk assessment, control activities, information and communication, and monitoring.

Control environment

Castellum has a centralised financial function and a sustainability team. Together with the company’s policies, these comprise the foundation for a good internal control environment. Decision-making paths, authorities and responsibilities are indicated in the policies on which the internal controls are based. These policies are updated on a regular basis in accordance with applicable legislation, accounting standards, reporting requirements and listing requirements.

Risk assessment

Risk management is built into the processes concerned, and various methods are used to evaluate and mitigate risks in order to achieve the company’s goals as well as to ensure that the risks that the company is exposed to are managed in accordance with Castellum’s policies. The company has a risk and compliance team that focuses on assessing the Group’s risks. Annual reviews are conducted of the

observations based on the internal controls and the risk survey, and the risk management is monitored. For more information on the operation’s risk and risk management, refer to pages 41–46.

Control activities

The risks identified as regards financial reporting and sustainability reporting are managed through the company’s control structure, resulting in a number of control activities. The control activities include monitoring on several levels in the organisation as well as contract control, system audits and reconciling decisions and policies established by the Board.

Castellum’s accounting and Treasury function, as well as its sustainability team, operate centrally and have uniform routines and procedures, which creates conditions for an efficient approach and facilitates a structured review of controls. Clear documentation of controls, along with routine monitoring, safeguards consistent efforts and efficient procedures.

Information and communication

Castellum’s policies are revised at least once a year and are communicated to all staff. Upon the commencement of new employment, new employees are expected to familiarise themselves with these and training courses are routinely held. Executive Management and the Board regularly receive financial information with comments on the financial

results and risks. The Board also receives information about risk management, internal control and financial reporting from the company’s risk and compliance team, as well as from the auditors through the Audit Committee. For distribution of external information there is a communication policy that ensures that the distribution of information is correct and complete.

Monitoring

Through its sustainability team and the Audit Committee, the Board regularly evaluates the information submitted by Executive Management and the auditors. Furthermore, the Company’s auditors report back on observations and their assessment of internal controls directly to the Audit Committee at least twice a year. In addition, the Audit Committee conducts an annual review of the risk assessment that was conducted and the measures agreed on. Monitoring by the Audit 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. Having evaluated the internal control environment and the efficiency of control activities, the Board does not believe that the company needs an internal audit function.

Gothenburg, April 2025

Castellum Aktiebolag (publ)
Board of Directors

Castellum's policies

Financial policy

Establishes overall objectives and guidelines for financial risk and how financial operations are to be conducted. The financial policy also indicates how responsibility for financial operations is allocated, and how risks are to be managed and reported. It also includes instructions for how operational activities are to be pursued.

Code of Conduct

Provides guidelines for conducting operations responsibly, with the aim of all business being characterised by a high level of business ethics and accountability. Governs the Group in relation to employees, contractors, customers, suppliers and other stakeholders. Castellum's Code of Conduct can be found on the company's web site.

Code of Conduct for suppliers

Provides similar guidelines for suppliers as for Group employees as regards conducting operations responsibly with the objective of having all business characterised by a high level of business morals and accountability. Castellum's Code of Conduct for suppliers can be found on the company's web site.

Insider policy

Ensures proper ethical management in relation to the capita market by describing trading and reporting requirements.

Sustainability Policy

Provides guidelines for how sustainability initiatives in the Group are to be pursued. The work must promote

sustainable development and be broken down into specific measurable goals as well as being an integral and natural part of operations and based on participation and commitment.

Communication policy

Ensures that all Group communication is correct and is provided in a professional manner at the right time. The policy covers both internal and external communication.

Crisis management policy

Provides guidelines for how the Group is to act and communicate in a potential crisis.

Tax policy

Ensures a clear framework for tax governance in the Castellum Group as a stage in the company's sustainability initiatives. The tax policy establishes the principles for compliance with taxes in the countries where Castellum operates.

Work environment policy

Ensures that Castellum has a healthy work environment and that the company works together to achieve it. The Castellum Group is actively and preventively engaged on issues concerning the work environment under the laws and ordinances in force.

Related parties policy

Ensures compliance with both laws and regulations regarding related-party transactions, and that confidence in Castellum as well as its reputation in the capital market are maintained. The policy also clarifies

regulations concerning conflicts of interest under the Swedish Companies Act, which are intended for the Board of Directors and CEO.

Personal data policy

Ensures that personal data is processed in accordance with applicable data protection legislation.

Policy regarding the composition of the Board, authorised signatories, powers of attorney and authorisations

Establishes the compositions of the boards of directors in the Group's subsidiaries, how to sign for the company and how proxy forms are to be designed, as well as what applies for attestations.

Whistleblowing

Castellum has a whistleblower service that is available on the company's web site and intranet. The whistleblower service provides both employees and external stakeholders the opportunity to anonymously report any actions or irregularities that entail confirmed or suspected violations of laws and policies. The service is administered by an external partner to ensure anonymity, and incoming cases are sent to selected executives in Castellum for management as well as to the chair of the Audit Committee.

Board of Directors



Per Berggren

Chairman of the Board since 2022 and Board member since 2007. Member of the Audit Committee and People Committee.

Born

1959

Education

Master of Science KTH and economic education, Stockholm University.

Previous positions

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.

Current assignments

Chairman of the Board of Podium Fastigheter AB, Fondamentor AB and Fastighetsloggen Propify AB. Board member of Förvaltnings AB Somsok, Brisas Invest AB, Collegio AB, RetailFast Holding AB, Litsby Förvaltning AB, Förvaltnings AB Skarpång and Tingsvalet Fastighets AB and several of its subsidiaries. Per is also Senior Adviser for Slättö Förvaltning AB.

Shareholding

21,997

Independent in relation to the company and Executive Management

Yes

Independent in relation to the company's major shareholders

Yes

Previous experience

Property industry	●
Project development	●
Technology	●
ESG	●
Financing and stock market	●
Transactions and M&A	●
Reporting	
Risk management	●



Pål Ahlsén

Board member since 2023. Member of the Audit Committee.

1972

Master's degree in economics, Stockholm University.

Lengthy experience from the property sector concerning property management, financing and transactions as well as leadership. Was previously President and CEO, Country Manager Germany and worked in business development at Akelius Residential Property AB (publ).

Chairman of the Board of Akelius Residential Property AB (publ) and alternate Board member of Tobias Frick Fastighet AB.

–

Yes

No

	●
	●
	●
	●
	●
	●
	●
	●



Anna-Karin Celsing

Board member since 2021. Chair of the Audit Committee.

1962

Master of Economics from Stockholm School of Economics.

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.

Board member of AKC Råd AB, Volati AB, Landshypotek Bank AB, OX2 AB, Peas Industries AB, KLOB i Stockholm AB, Svensk Husproduktion AB, the Tim Bergling Foundation, Stiftelsen Orienteatern and Stiftelsen Beckmans Designhögskola.

5,500

Yes

Yes

	●
	●
	●
	●
	●



Henrik Käll

Board member since 2022. Member of the Audit Committee.

1967

Master of Economics, Uppsala University, and studies at HEC.

Lengthy background in banking and finance, in positions including global head of sales and trading at Nordea Markets. Previously also worked in London at the Natixis and Dresdner Kleinwort banks. Board member of Hoist Finance AB.

Chairman of the Board of Fxity AB and Garantum Fondkommission AB, Board member of Bellmer Capital AB and Nordend AB.

3,000

Yes

Yes

	●
	●
	●

Executive Management



Joacim Sjöberg

Employed as President and CEO since 2023.

Born
Education

1964
Master of Laws, Stockholm University.

Previous positions

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 AB, Räckesbutiken Sweden AB, Centro Kakel & Klinker AB, JLL Transaction Services AB and Tendium Holding AB. Board member of JLL Capital Markets AB, G&L Beijer Import och export and Wästbygg. Board member of Valhalla Corporate Advisor AB, KlaraBo Sverige AB, and Entra ASA.

Current assignments

Shareholding

27,492



Sebastian Schlasberg

Employed as Chief Operating Officer since 2023.

1982
Bachelor of Science in Economics and Business Administration, Copenhagen Business School.

Lengthy experience from senior positions in the property industry, including as Head of Asset Management at Scius Partners, Regional Director Stockholm at Corem Property Group, and prior to that analyst at Catella Corporate Finance.

–

2,958



Jens Andersson

Employed as Head of Treasury since 2022 and as Chief Financial Officer since 2023.

1973
Master's in economics, Linköping University and KTH.

Lengthy experience in the banking, property and capital markets. Head of Finance and responsible for the US market at Corem Property Group AB/Klövern AB, and CEO of several of its subsidiaries. Project Manager at Catella Corporate Finance AB, founder and CEO of Vanir AM AB and prior to that First Vice President at Aareal Bank.

Board member of Trummelsborg Förvaltning AB.

16,985



Mats Eriksson

Employed as Managing Director, Region Mälardalen since 2022.

1963
High School Engineer, House & Urban Planning, Rudbecksskolan Örebro.

Regional Director Mälardalen, Kungsleden Fastighets AB; Business Manager Retail, Newsec Asset Management AB; Manager Property Development, Ica Fastigheter AB; Business Area Manager NIAM AB and Property Manager, Siab AB.

–

9,450



Per Gawelin

Employed since 2006, and as Managing Director, Region Central since 2018.

1978
Graduate of upper secondary economics course.

Experience in the property industry and leadership experience as captain and player for Örebro SK Football Club.

Board member of Cleanica AB.

5,287



Kristina Grahn Persson

Employed as Head of People & Culture since 2025.







1973
Executive Master of Business Administration (MBA), Lund University School of Economics and Management; Bachelor's degree, Psychology major. PA programme, Mid Sweden University.

Lengthy experience from executive positions in sustainability and HR from the property industry and property investment funds, including Head of Sustainable Business at Diös Fastigheter, Head of People & Culture at Areim and former recruiting consultant at Manpower Experis.

Board member of SH bygg, sten & anläggning AB with associated subsidiaries.

2,000

Executive Management, cont.

						
	Malin Löveborg Employed as Chief Legal Officer since 2022.	Anna-Karin Nyman Employed as Communications Director since 2018.	Ola Orsmark Employed as Managing Director, Region Öresund since 2014.	Örjan Rystedt Employed as project manager since 2019, and Managing Director, Region West since 2023.	Kristina Sawjani Employed as Chief Investment Officer since 2020.	Sven Stork Employed as Managing Director, Region Stockholm since 2022.
Born	1978	1983	1971	1975	1975	1967
Education	Master of Laws.	Multimedia journalism and gender studies, Karlstad University.	Master of Science in Engineering. Certified Board member.	Master of Science in Engineering, KTH.	Master of Science in Engineering.	Master of Science in Engineering, KTH.
Previous positions	Extensive experience in the property industry, most recently as Chief Legal Officer at Corem Property Group AB/Klövern AB, and prior to that a solicitor at Setterwalls advokatbyrå AB.	Experience from several managerial positions including Communications Director at Jernkontoret, Press Manager at the Ministry of Enterprise and Innovation, Chief of Staff at the Ministry for Rural Affairs, political expert in the Riksdag, journalist, editor and editor-in-chief.	Extensive experience in the property industry, most recently as Business Area Manager at Jernhusen.	Extensive experience from the property sector, including in executive positions at Skanska.	Extensive experience from executive positions in the property industry such as Transaction Manager at AFA Fastigheter, Senior Investment Manager Folksam and consultant at Catella.	Key Account Manager at Newsec Asset Management AB, Asset Manager at Niam AB, project manager at NCC Property Development AB, and Regional Director Stockholm at Kungsleden Fastighets AB.
Current assignments	–	Board member of Byggherrarna.	Board member of IDEON AB. Limited partner in Easy Kommanditbolag and Ofcourse Kommanditbolag.	Board member of Halvorsäng Fastighets AB and Halvorsäng Holding AB.	Board member of M&P Management AB, Sawjani 2019 AB and Sawjani 2022 AB.	Board member of Kista Limitless AB, a cooperative company for urban development in Kista.
Shareholding	2,500	2,478	14,175	2,896	8,858	3,979

The disclosures pertain to conditions as of 28 February 2025. 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.



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Overview and key metrics

Multi-year summary

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Income statement, SEK M										
Income	9,849	9,806	8,928	6,353	6,004	5,821	5,577	5,182	4,533	3,299
Property costs	−3,063	−3,240	−3,089	−2,007	−1,669	−1,708	−1,632	−1,605	−1,497	−1,074
Net operating income	6,786	6,566	5,838	4,346	4,335	4,113	3,945	3,577	3,036	2,225
Central administrative costs	−241	−403	−270	−174	−149	−163	−158	−162	−143	−113
Acquisition and restructuring costs, etc.	—	—	−7	−103	−95	−9	—	−5	−163	—
Income from participations in associated companies and joint ventures	−260	−2,284	−373	1,142	—	—	—	—	3	23
Net interest costs, etc.	−2,083	−2,162	−1,531	−784	−786	−782	−835	−885	−832	−602
Leasing cost/Site leasehold fee	−72	−73	−76	−27	−20	−22	—	—	—	—
Income including associated companies and joint ventures	4,130	1,644	3,581	4,400	3,285	3,137	2,952	2,525	1,901	1,533
Change in values on properties	−1,627	−14,534	−3,537	7,185	3,863	3,918	5,216	4,540	4,085	1,837
Change in value on financial holdings	−5	−9	−57	42	—	—	—	—	—	—
Impairment of goodwill	−188	−474	−440	−194	—	−179	—	—	−373	—
Change in values on derivatives	451	−1,235	2,690	325	−120	−111	152	247	82	216
Revaluation of earnings due to step acquisition	—	—	—	111	—	—	—	—	27	−2
Current tax	−172	−12	−15	−173	−186	−165	−74	−96	−23	−16
Deferred tax	−232	3,028	−472	132	−1,227	−950	−793	−1,340	−727	−687
Net income for the year	2,357	−11,592	1,750	11,828	5,615	5,650	7,453	5,876	4,972	2,881
Other comprehensive income	−52	138	−164	121	−172	45	8	−8	6	−8
Comprehensive income for the year	2,305	−11,454	1,586	11,949	5,443	5,695	7,461	5,868	4,978	2,873
Balance sheet, SEK M										
Investment properties	135,711	137,552	153,563	153,146	103,042	95,168	89,168	81,078	70,757	41,818
Goodwill	4,307	4,495	4,969	5,544	1,673	1,691	1,659	1,659	1,659	—
Participations in associated companies and joint ventures	9,924	10,008	13,286	13,571	2,729	—	—	—	—	526
Derivatives	2,539	1,948	3,214	—	—	—	—	—	—	—
Other assets	2,978	3,245	3,841	4,174	2,311	1,953	1,070	772	5,640	269
Cash and cash equivalents	2,400	2,088	858	1,197	161	173	243	203	257	39
Total assets	157,859	159,336	179,731	177,632	109,916	98,985	92,140	83,712	78,313	42,652
Equity	79,174	77,177	78,983	83,637	48,243	43,777	39,749	33,736	29,234	15,768
Deferred tax liability	14,900	14,810	17,754	17,351	11,376	10,153	9,203	8,405	7,065	4,299
Derivatives	245	596	468	563	1,132	715	716	1,352	1,582	1,117
Interest-bearing liabilities	58,633	61,671	76,849	70,829	45,720	40,826	40,358	38,226	38,467	20,396
Non-interest bearing liabilities	4,907	5,082	5,677	5,252	3,445	3,514	2,114	1,993	1,965	1,072
Total equity and liabilities	157,859	159,336	179,731	177,632	109,916	98,985	92,140	83,712	78,313	42,652

Multi-year summary, cont.

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Property-related key metrics										
Rental value, SEK/sq. m. ¹	2,019	1,927	1,758	1,648	1,538	1,495	1,407	1,341	1,304	1,095
Property costs, SEK/sq. m.	542	547	511	425	369	384	378	364	376	316
Net operating income, SEK/sq. m. ¹	1,275	1,209	1,048	1,008	1,039	1,001	933	853	816	673
Surplus ratio, %	70	69	68	71	74	72	71	69	67	67
Economic occupancy rate, %	91.5	92.1	93.4	93.2	93.1	92.6	93.2	90.9	91.3	90.3
Investments in properties, SEK M	2,569	3,746	5,911	59,946	5,158	6,112	5,292	6,488	31,491	3,553
Leasable area at end of period, 000 square metres	5,282	5,485	5,696	5,853	4,447	4,255	4,283	4,381	4,292	3,392
Number of properties at end of period	672	709	749	762	642	632	647	676	665	597
Property value at the balance sheet date, SEK/sq. m	25,475	25,258	26,737	26,667	23,549	22,363	20,417	18,268	16,558	12,282
Financial key metrics										
Return on total capital, %	2.8	−6.6	0.6	8.6	7.5	8.4	10.6	10.1	11.9	10.0
Return on equity, %	3.0	−14.8	2.2	22.7	13.0	14.5	22.6	20.6	20.1	21.7
Average closing interest rate, %	3.2	3.0	2.6	1.8	1.9	2.0	2.0	2.4	2.7	3.0
Interest coverage ratio, multiple	3.3	3.0	3.9	5.2	5.3	5.0	4.5	3.9	3.5	3.5
Loan-to-value ratio, property, %	41	43	50	45	44	43	45	47	50	49
Data per share										
Share price at end of period, SEK	120.55	143.30	106.06	204.81	175.32	186.49	137.22	116.26	104.92	101.39
Equity, SEK	161	157	202	206	146	135	122	104	90	70
Income from property management, SEK	9.78	9.69	11.45	10.46	10.38	9.67	9.08	7.78	7.40	6.81
Earnings after tax, SEK, before and after dilution	4.79	−25.68	4.44	35.12	17.24	17.37	22.92	18.07	17.81	12.80
Cash flow before changes in working capital, SEK	8.90	9.06	10.24	9.73	9.77	9.65	8.95	7.81	7.55	6.68
Dividend per share, SEK (2024 proposed)	2.48	—	—	6.38	5.80	5.46	5.12	4.45	4.20	3.57
Number of shares outstanding, thousand	492,446	492,601	390,929	405,384	329,852	325,218	325,218	325,218	325,218	225,002
Average number of shares, thousand	492,515	451,377	393,849	336,784	325,727	325,218	325,218	325,218	279,196	225,002
Key metrics according to EPRA										
EPRA EPS (income from property management after nominal tax), SEK	9.32	9.49	11.09	9.73	9.46	8.77	8.11	7.04	6.94	6.58
EPRA LTV (loan-to-value ratio, property), %	49.4	52.1	55.6	51.4	46.0	44.6	46.1	48.5	56.9	50.6
EPRA NRV (long-term net reinstatement value), SEK	157	154	203	211	180	163	148	129	111	94
EPRA NTA (current net tangible assets), SEK	152	149	193	202	172	157	142	122	110	92
EPRA NDV (net disposal value), SEK	131	127	165	166	142	129	117	99	85	70
EPRA vacancy rate, %	8.8	7.9	6.7	7.8	6.8	6.7	6.4	9.2	10.0	10.3

1. Other income of SEK 65 M is excluded from key metrics pertaining to income and net operating income.

Financial key metrics

Castellum presents certain financial key metrics that are not defined in accordance with the IFRS. However, the company believes that these metrics provide useful supplementary information to both investors and Castellum management, as they facilitate evaluation of company performance. It should be noted that, since not all companies calculate financial key metrics in the same manner, these are not always comparable to key metrics used by other companies. These financial key metrics should therefore not be seen as a substitute for key metrics defined according to IFRS. Unless otherwise stated, the table below presents metrics, along with their reconciliation, which are not defined according to IFRS. Furthermore, definitions for these key metrics also appear on page 173.

	2024	2023
Average number of shares, thousand (key metrics related to income statement)	492,515	451,377
Number of shares outstanding, thousand (key metrics related to balance sheet)	492,446	492,601

	2024		2023	
	SEK M	SEK/ share	SEK M	SEK/ share
Income from property management				
Income before tax	2,761	5.61	-14,608	-32.36
Reversed:				
Income from associated companies excluding income from property management	689	1.40	2,729	6.05
Change in values on properties	1,627	3.30	14,534	32.20
Change in values on financial holdings	5	0.01	9	0.02
Impairment of goodwill	188	0.38	474	1.05
Change in values on derivatives	-451	-0.92	1,235	2.74
Income from property management	4,819	9.78	4,373	9.69
EPRA Earnings (Income from property management after tax)				
Income from property management	4,819	9.78	4,373	9.69
Less:				
Current tax, income from property management	-229	-0.47	-90	-0.20
EPRA Earnings/EPRA EPS	4,590	9.32	4,283	9.49

	2024		2023	
	SEK M	SEK/ share	SEK M	SEK/ share
Net asset value				
Equity according to the balance sheet	79,174	161	77,177	157
Reversed:				
Hybrid bonds	-10,161	-21	-10,169	-21
Declared, undistributed dividend	—	—	—	—
Derivatives according to the balance sheet	-2,294	-4	-1,352	-3
Goodwill attributable to deferred tax	-4,307	-9	-4,495	-9
Deferred tax according to the balance sheet	14,900	30	14,810	30
Net reinstatement value (EPRA NRV)	77,312	157	75,971	154
Deduction:				
Estimated real deferred tax	-2,287	-5	-2,337	-5
Net tangible assets (EPRA NTA)	75,025	152	73,634	149
Reversed:				
Derivatives according to above	2,294	4	1,352	3
Remaining part of deferred tax	-12,613	-26	-12,473	-25
Net disposal value (EPRA NDV)	64,706	131	62,513	127

	31 Dec 2024 Group as reported	31 Dec 2024 Castellum's share of associated companies and JV	31 Dec 2024 Total Castellum including associated companies and JV	31 Dec 2023 Total Castellum including associated companies and JV
EPRA LTV				
Interest-bearing liabilities, SEK M	58,633	10,147	68,780	74,540
Hybrid bonds, SEK M	10,161	—	10,161	10,169
Currency portion of market value on hedging for loans in foreign currencies, SEK M	-1,603	—	-1,603	-1,065
Working capital, net (if liabilities greater than receivables), SEK M	2,095	—	2,095	2,035
Cash and cash equivalents, SEK M	-2,400	-252	-2,652	-2,144
Net interest-bearing liabilities, SEK M	66,886	9,895	76,781	83,535
Investment properties, SEK M	135,711	19,546	155,257	160,237
Working capital, net (if receivables greater than liabilities), SEK M	—	35	35	55
Total assets, SEK M	135,711	19,581	155,292	160,292
EPRA LTV, %	49.3	50.5	49.4	52.1

Financial risk

Castellum's strategy is to own, develop and manage properties at low financial risk. This is expressed in a loan-to-value ratio not permanently exceeding 40 per cent and an interest coverage ratio of at least 3. Furthermore, net debt to EBITDA that expresses how many years it takes for a company to repay its interest-bearing loans, is an important financial risk metric.

Interest coverage ratio	2024	2023
Income from property management, SEK M	4,819	4,373
Reversed:		
Net interest items, SEK M	2,083	2,162
Income from property management excluding net interest, SEK M	6,902	6,535
Interest coverage ratio, multiple	3.3	3.0

Loan-to-value ratio	31 Dec 2024	31 Dec 2023
Interest-bearing liabilities, SEK M	58,633	61,671
Cash and cash equivalents, SEK M	-2,400	-2,088
Net interest-bearing liabilities, SEK M	56,233	59,583
Total assets, SEK M	157,859	159,336
Loan-to-value ratio, %	35.6	37.4

Loan-to-value ratio, Property	31 Dec 2024	31 Dec 2023
Net interest-bearing liabilities according to the above, SEK M	56,233	59,583
Investment properties, SEK M	135,711	137,552
Loan-to-value ratio, property, %	41.4	43.3

Net debt to EBITDA	2024	2023
Interest-bearing liabilities, SEK M	58,633	61,671
Cash and cash equivalents, SEK M	-2,400	-2,088
Net interest-bearing liabilities, SEK M	56,233	59,583
Net operating income, SEK M	6,786	6,566
Central administration costs, SEK M	-241	-403
Operating income, SEK M	6,545	6,163
Net debt to EBITDA, multiple	8.6	9.7

Investment

Net investments	2024	2023
Acquisitions, SEK M	67	336
New construction, extensions and reconstructions, SEK M	2,502	3,410
Total investments, SEK M	2,569	3,746
Sale price, SEK M	-3,203	-5,206
Net investment, SEK M	-634	-1,460
Proportion of the property value, %	-0.5	-1.0

Surplus ratio	2024	2023
Net operating income, SEK M	6,786	6,566
Less: Other income, SEK M	-65	—
Reversed:		
Coworking income, SEK M ¹	-245	-257
Coworking costs, SEK M ¹	209	227
Net operating income (NOI) excluding Coworking, SEK M	6,685	6,536
Rental income, SEK M	8,611	8,524
Service income, SEK M	928	1,016
Total rental and service income, SEK M	9,539	9,540
Surplus ratio, %	70.1	68.5

1. Income and costs less Group elimination.

Return on total capital	2024	2023
Income before tax, SEK M	2,761	-14,608
Reversed:		
Net interest items, SEK M	2,083	2,162
Change in values on derivatives, SEK M	-451	1,235
Total	4,393	-11,211
Average total capital, SEK M	158,598	169,534
Return on total capital, %	2.8	-6.6

Return on equity	2024	2023
Net income after tax, SEK M	2,357	-11,592
Average equity, SEK M	78,176	78,080
Return on equity, %	3.0	-14.8

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Consolidated statement of comprehensive income

SEK M	Note	2024	2023
Rental and service income		9,784	9,806
Other income		65	—
Income	2, 3	9,849	9,806
Operating costs	4	–1,426	–1,517
Maintenance costs	4	–318	–349
Property tax	4	–578	–590
Lease and property administration costs	4	–741	–784
Net operating income		6,786	6,566
Central administrative costs	4	–241	–403
Income from participations in associated companies and joint ventures	5	–260	–2,284
<i>Net financial items</i>			
Interest income	6	50	39
Interest costs	6	–2,133	–2,201
Leasing cost/Site leasehold fee	7	–72	–73
Income including associated companies and joint ventures		4,130	1,644
of which income from property management¹		4,819	4,373
<i>Changes in value</i>			
Properties	10	–1,627	–14,534
Financial holdings		–5	–9
Goodwill	14	–188	–474
Derivatives	23	451	–1,235
Income before tax		2,761	–14,608
Current tax	8	–172	–12
Deferred tax	8	–232	3,028
Net income for the year²		2,357	–11,592

SEK M	2024	2023
Other comprehensive income		
Net income for the year	2,357	–11,592
<i>Items that may be reclassified to net income for the year</i>		
Translation difference of currencies, etc.	–178	–921
Change in values on derivatives, currency hedge	126	1,059
Comprehensive income for the year²	2,305	–11,454
Data per share		
Average number of shares, thousand	492,515	451,377
Earnings per share, SEK, before and after dilution	4.79	–25.68

1. For calculation, refer to Financial key metrics, page 128.
2. Of net income for the year, SEK 2,357 M (–11,592) is attributable to the Parent Company’s shareholders. Of comprehensive income for the year, SEK 2,305 M (–11,454) is attributable to the Parent Company’s shareholders.

Consolidated balance sheet

SEK M	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Fixed assets			
Investment properties	10	135,711	137,552
Intangible fixed assets	11	11	18
Tangible fixed assets	12	72	108
Right-of-use assets	13	1,464	1,441
Goodwill	14	4,307	4,495
Participations in associated companies and joint ventures	15	9,924	10,008
Derivatives	23	2,205	1,780
Other fixed assets	16	109	98
Total fixed assets		153,803	155,500
Current assets			
Rent receivables	3	123	95
Derivatives	23	334	168
Other receivables		414	688
Prepaid expenses and accrued income		785	797
Cash and cash equivalents		2,400	2,088
Total current assets		4,056	3,836
TOTAL ASSETS		157,859	159,336

SEK M	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity			
Share capital	17	246	246
Other capital contribution		38,942	38,942
Reserves		–80	–27
Hybrid bonds		10,161	10,169
Retained earnings		29,905	27,847
Total equity attributable to Parent Company shareholders		79,174	77,177
Total equity		79,174	77,177
Liabilities			
<i>Long-term liabilities</i>			
Deferred tax liability	21	14,900	14,810
Other provisions	22	15	26
Derivatives	23	234	498
Long-term interest-bearing liabilities	18, 20	50,300	57,134
Lease liabilities	13	1,364	1,416
<i>Total long-term liabilities</i>		<i>66,813</i>	<i>73,884</i>
<i>Short-term liabilities</i>			
Short-term interest-bearing liabilities	18, 20	8,333	4,537
Accounts payable		315	285
Lease liabilities	13	100	25
Tax liabilities		51	54
Derivatives	23	11	98
Other liabilities		587	625
Accrued expenses and prepaid income	24	2,475	2,651
<i>Total short-term liabilities</i>		<i>11,872</i>	<i>8,275</i>
Total liabilities		78,685	82,159
TOTAL EQUITY AND LIABILITIES		157,859	159,336

Consolidated statement of change in equity

Group, SEK M	Attributable to Parent Company shareholders							
	Number of shares outstanding, thousand	Share capital	Other capital contribution	Currency trans- lation reserve	Currency hedging reserve	Hybrid bond	Retained earnings	Total equity
Equity, 31 Dec 2022	328,401	173	29,027	1,309	-1,475	10,169	39,779	78,983
New issue of shares	164,200	82	10,098	—	—	—	—	10,180
Expenditure for new share issue	—	—	-231	—	—	—	—	-231
Whereof tax effect	—	—	48	—	—	—	—	48
Cancellation of treasury shares	—	-9	—	—	—	—	9	—
Dividend, hybrid bond	—	—	—	—	—	—	-349	-349
Net income 2023	—	—	—	—	—	—	-11,592	-11,592
Other comprehensive income 2023	—	—	—	-921	1,059	—	—	138
Equity, 31 Dec 2023	492,601	246	38,942	388	-416	10,169	27,847	77,177
Repurchase of treasury shares	-155	—	—	—	—	—	-20	-20
Dividend, hybrid bond	—	—	—	—	—	—	-351	-351
Whereof tax effect	—	—	—	—	—	—	72	72
Expenditure for hybrid bond	—	—	—	—	—	-10	—	-10
Whereof tax effect	—	—	—	—	—	2	—	2
Net income 2024	—	—	—	—	—	—	2,357	2,357
Other comprehensive income 2024	—	—	—	-178	126	—	—	-52
Equity, 31 Dec 2024	492,446	246	38,942	210	-290	10,161	29,905	79,174

Income statement for the Parent Company

SEK M	Note	2024	2023
Income	3	260	325
Central administrative costs	4	–385	–459
<i>Financial items</i>			
Income from participations in Group companies	27	1,603	948
Income from participations in associated companies and joint ventures	5	–471	–2,532
Financial income	6	1,804	1,771
Financial costs	6	–2,313	–2,070
Income before changes in value and tax		498	–2,017
<i>Changes in value</i>			
Financial holdings		–5	–9
Derivatives	23	824	–99
Income after changes in value		1,318	–2,125
Appropriations		—	–4
Income before tax		1,318	–2,129
Current tax	8	0	–50
Deferred tax	8	–95	96
Net income for the year		1,223	–2,083

Statement of comprehensive income for the Parent Company

SEK M	2024	2023
Other comprehensive income		
Net income for the year	1,223	–2,083
<i>Items that may be reclassified to net income for the year</i>		
Translation difference of currencies	3	–420
Unrealised change, currency hedge	77	450
Comprehensive income for the year	1,303	–2,053

Balance sheet for the Parent Company

SEK M	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Fixed assets			
Intangible fixed assets	11	11	14
Tangible fixed assets	12	1	25
<i>Financial fixed assets</i>			
Participations in Group companies	28	49,193	46,347
Participations in associated companies and joint ventures	15	9,890	10,008
Derivatives	23	2,205	1,287
Long-term receivables, Group companies	29	46,873	42,503
Other long-term receivables		3	2
<i>Total financial fixed assets</i>		<i>108,164</i>	<i>100,147</i>
Total fixed assets		108,176	100,186
Current assets			
Current receivables, Group companies		452	1,219
Derivatives	23	334	103
Prepaid expenses and accrued income		54	65
Other receivables		110	132
Cash and cash equivalents		1,758	942
Total current assets		2,708	2,461
TOTAL ASSETS		110,884	102,647

SEK M	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity	17		
<i>Restricted equity</i>			
Share capital		246	246
Statutory reserves		20	20
<i>Non-restricted equity</i>			
Fair value reserve		11	–69
Share premium reserve		31,131	31,131
Hybrid bonds		10,161	10,169
Retained earnings		6,250	8,632
Net income for the year		1,223	–2,083
Total equity		49,042	48,046
Untaxed reserves			
		4	4
Liabilities			
<i>Long-term liabilities</i>			
Deferred tax liability	21	133	171
Derivatives	23	234	498
Long-term interest-bearing liabilities	18, 20	32,156	28,659
Long-term interest-bearing liabilities, Group companies	18, 20	15,343	12,709
<i>Total long-term liabilities</i>		<i>47,866</i>	<i>42,037</i>
<i>Short-term liabilities</i>			
Short-term interest-bearing liabilities	18, 20	2,526	3,251
Short-term interest-bearing liabilities, Group companies	18, 20	11,181	8,941
Derivatives	23	11	98
Other short-term liabilities		30	59
Accounts payable		6	4
Accrued expenses and prepaid income	24	218	207
<i>Total short-term liabilities</i>		<i>13,972</i>	<i>12,560</i>
Total liabilities		61,838	54,597
TOTAL EQUITY AND LIABILITIES		110,884	102,647

Change in equity in the Parent Company

Parent Company, SEK	Number of shares outstanding, thousand	Share capital	Statutory reserves	Fair value reserve		Share premium reserve	Hybrid bond	Retained earnings	Total equity
				Currency trans- lation reserve	Currency hedging reserve				
Equity, 31 Dec 2022	328,401	173	20	417	-514	25,026	10,169	5,160	40,451
New issue of shares	164,200	82	—	—	—	10,098	—	—	10,180
Expenditure for new share issue	—	—	—	—	—	-231	—	—	-231
Whereof tax effect	—	—	—	—	—	48	—	—	48
Cancellation of treasury shares	—	-9	—	—	—	-3,809	—	3,818	—
Dividend, hybrid bond	—	—	—	—	—	—	—	-349	-349
Net income 2023	—	—	—	—	—	—	—	-2,083	-2,083
Other comprehensive income 2023	—	—	—	-420	450	—	—	—	30
Equity, 31 Dec 2023	492,601	246	20	-3	-65	31,132	10,169	6,546	48,046
Repurchase of treasury shares	-155	—	—	—	—	—	—	-20	-20
Dividend, hybrid bond	—	—	—	—	—	—	—	-351	-351
Whereof tax effect	—	—	—	—	—	—	—	72	72
Expenditure for hybrid bond	—	—	—	—	—	—	-10	—	-10
Whereof tax effect	—	—	—	—	—	—	2	—	2
Net income 2024	—	—	—	—	—	—	—	1,223	1,223
Other comprehensive income 2024	—	—	—	3	77	—	—	—	80
Equity, 31 Dec 2024	492,446	246	20	—	11	31,131	10,161	7,473	49,042

Cash flow statement

SEK M	Note	Group		Parent Company	
		2024	2023	2024	2023
Operating activities					
Net operating income/revenue (Parent Company)		6,786	6,566	260	325
Central administrative costs		–241	–403	–385	–459
Adjustment for non-cash items		30	61	7	69
Interest received		50	39	1,804	1,550
Interest paid		30	–2,252	–2,293	–2,042
Tax paid		–20	–92	0	–3
Cash flow from operating activities before change in working capital		4,384	4,091	–417	–560
Cash flow from changes in working capital					
Change in current receivables		129	326	773	8,109
Change in current liabilities		–217	396	11	19
Cash flow from operating activities		4,296	4,813	367	7,568
Investment activities					
Investments in new construction, extensions and reconstructions		10	–2,467	–3,368	—
Property acquisitions		–67	–336	—	—
Sales of properties		24	120	—	—
Indirect property sales		30	3,007	4,354	—
Acquisition of other fixed assets, net		–96	–93	–3	–16
Investments in subsidiaries		—	—	—	–22
Dividend received		—	146	1,365	4,146
Investments in associated companies and joint ventures		15	–353	–353	—
Other investments		–2	–23	–2	–10
Cash flow from investment activities		46	800	1,007	4,098

SEK M	Note	Group		Parent Company	
		2024	2023	2024	2023
Financing activities	20				
Preferential rights issue		—	9,997	—	9,997
Repurchase of own shares		–20	—	–20	—
Dividend paid		—	–624	—	–624
Dividend paid, hybrid bond		–351	–349	–351	–349
Expenditure for hybrid bond		–10	—	–10	—
Drawn loans		17,312	16,186	19,953	11,256
Repayment of loans		–20,799	–29,994	–17,196	–27,740
Derivatives		–203	407	–203	535
Change in long-term receivables		—	–3	–2,731	–3,809
Cash flow from financing activities		–4,071	–4,380	–558	–10,734
Cash flow for the year		271	1,233	816	932
Cash and cash equivalents opening balance		2,088	858	942	10
Exchange-rate difference in cash and cash equivalents		41	–3	—	—
Cash and cash equivalents, closing balance	30	2,400	2,088	1,758	942

Accounting policies and Notes

Note 1 Accounting policies

General information

Castellum Aktiebolag (publ) Corporate ID No. 556475-5550 is the Parent Company in the Castellum Group. The registered office of Castellum Aktiebolag (publ) is in Gothenburg, Sweden. The company has two head offices, located at Östra Hamngatan 16 in Gothenburg and at Hangövägen 20 in Stockholm.

The Annual Report and consolidated financial statements of Castellum Aktiebolag (publ) for the financial year ending 31 December 2024 were approved by the Board of Directors and the Chief Executive Officer on 8 April 2025, and will be presented to the Annual General Meeting on 7 May 2025 for adoption. The business activities of the Group are described in the Directors' Report. All figures in SEK M unless stated otherwise. Amounts in brackets refer to the preceding year.

Standards and legislation applied

Castellum's consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU, as well as with statements from the International Financial Reporting Interpretations Committee (IFRIC) as approved by the EU. Furthermore, the consolidated financial statements have been prepared in accordance with Swedish law by application of the Swedish Corporate Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Corporate Groups.

The accounting policies of the Castellum Group that have been deemed significant are presented in the respective notes.

Amended accounting policies for 2024

Changes in IAS 1 have been made pertaining to classification of liabilities as non-current or current. This has not resulted in any material change to Castellum's financial statements. For loans that are subject to covenants, the requirements for disclosures on the covenants have been expanded.

New standards that have not yet been applied

EU-approved new and amended standards, as well as interpretations from the IFRS® Interpretations Committee, are not expected to affect Castellum's net income or financial position to any significant extent. The same applies to Swedish regulations.

IFRS 18 is a new standard for presentation and disclosures in financial statements that replaces IAS 1. IFRS 18 will be applied to financial years that begin on 1 January 2027, and is deemed to have a material impact on the company's design of its annual report and interim reports. The reporting or measurement of items in the financial statements will not be impacted. The purpose of IFRS 18 is to improve comparability in the earnings reporting for similar companies.

Consolidated financial statements

The Group's balance sheet and income statements include all companies where the Parent Company has a direct or indirect controlling interest, which is obtained when Castellum achieves a voting majority. In addition to the Parent Company, the Group comprises the Group companies and their respective sub-groups listed in Note 28. The consolidated financial statements are based upon the accounts prepared for all Group companies as of 31 December.

The consolidated financial statements have been prepared in accordance with the acquisition method.

Foreign currency

The Group's financial statements are presented in Swedish kronor (SEK), which is also the Parent Company's functional currency.

Exchange rate differences on financial assets and liabilities are included in other financial income and costs. Translation differences on loans and other financial instruments denominated in foreign currency, which hedge net assets of foreign subsidiaries and associated

companies, are recognised in other comprehensive income and accumulated in a separate component of equity entitled the translation reserve. Exchange rate effects on fair value and cash flow hedges are included in the line derivatives in profit or loss.

Critical assessments and estimates

Accounts are completed in accordance with the IFRS® Accounting Standards, and generally accepted accounting principles require assessments and assumptions affecting recognised assets, liabilities, income and costs, as well as other information in the year-end report. These assessments and assumptions are based upon historical experience and other factors which are considered reasonable under the prevailing circumstances. Actual outcomes may differ from these assessments if other assumptions are made or other conditions exist. Estimates and assessments are reviewed on a regular basis.

For more information on estimates and assessments, refer to the respective notes.

Difference between Group and Parent Company accounting policies

The Annual Report of the Parent Company has been prepared according to the Annual Accounts Act and by application of the Swedish Corporate Reporting Board's recommendation RFR 2, Accounting for legal entities. RFR 2 states that a legal entity shall apply the same IFRS®/IAS that are applied in the consolidated accounts, with exceptions for and additions of rules and laws mainly according to the Annual Accounts Act, and with consideration to the relationship between accounting and taxation. Differences in accounting policies between the Group and the Parent Company are presented below.

Note 1 cont.

Participations in Group companies and associated companies

Participations in Group companies and associated companies are accounted for in the Parent Company according to the cost method. Transaction costs are capitalised as part of the cost of the shares. Dividends are recognised as income from participations in Group companies and associated companies, respectively. The carrying amount is regularly compared to the consolidated equity of the companies. In the event the carrying amount is lower than the consolidated value of the companies, an impairment is recognised in profit or loss. Previous impairment that is no longer justified is reversed.

Receivables

Receivables consist primarily of receivables from the subsidiaries, which are recognised at acquisition cost. Expected credit reserves are calculated with regard to the subsidiary’s ability to pay, and taking the value of its securities into account.

Shareholders’ contributions

Shareholders’ contributions are recognised by the contributor as an increase in the carrying amount of the participations.

Dividend

Both received and anticipated dividends are recognised as financial income.

Group contributions

Group contributions that have been received from a subsidiary are recognised as financial income. Group contributions that are paid to subsidiaries are recognised as investments in participations in Group companies.

Contingent liabilities

Disclosures for contingent liabilities to the benefit of Group companies are provided in accordance with RFR 2 Accounting for legal entities.

Changes in Swedish regulations

Changes in 2024 had no material impact on Castellum’s accounting.

Note 2 Operating segments

Accounting policy

The Group's operations are organised, governed and reported by geographical region and coworking. Operating segments are consolidated according to the same principles as the Group in its entirety. Income and costs for each operating segment are actual costs, without any allocation of joint costs. The same applies to the assets and liabilities recognised in the note on segments.

Castellum's operating segments

Castellum owns properties primarily in Sweden, but in Denmark and Finland as well. The Group's operating segments consist of the following geographical areas: Stockholm; West (Greater Gothenburg including Borås); Central (Örebro, Linköping, Norrköping, Jönköping, and Växjö); Mälardalen (Uppsala and Västerås); Öresund (Malmö, Lund, Helsingborg, and Copenhagen); Finland; and Coworking. The operating segments are largely identified by geographical field of activity, which is according to how they are followed up and analysed by the highest operational decision-maker in the Group.

Operating segments	Stockholm		West		Central		Mälardalen		Öresund		Finland		Coworking		Group-wide		Total segments	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Rental income	2,286	2,279	1,695	1,658	1,624	1,625	1,190	1,136	1,347	1,376	572	563	221	232	-79	-79	8,856	8,790
Service income	255	264	140	171	128	134	109	118	158	187	111	108	44	34	-17	—	928	1,016
Other income	—	—	—	—	—	—	—	—	—	—	65	—	—	—	—	—	65	—
Income	2,541	2,543	1,835	1,829	1,752	1,759	1,299	1,254	1,505	1,563	748	671	265	266	-96	-79	9,849	9,806
Property costs	-678	-675	-521	-564	-501	-561	-423	-441	-456	-463	-295	-318	-285	-297	96	79	-3,063	-3,240
Net operating income	1,863	1,868	1,314	1,265	1,251	1,198	876	813	1,049	1,100	453	353	-20	-31	0	0	6,786	6,566
Central administration costs	-13	-14	-8	-9	-9	-10	-7	-6	-9	-9	-25	-17	—	—	-170	-338	-241	-403
Income from property management from associated companies and joint ventures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	429	445	429	445
Net interest costs	-516	-682	-447	-385	-547	-454	-115	-252	-161	-146	-312	-258	19	43	-4	-28	-2,083	-2,162
Leases/Site leasehold fees	-45	-40	-7	-6	-1	-1	-1	-1	-5	-4	-4	-4	-7	-6	-2	-11	-72	-73
Income from property management	1,289	1,132	852	865	694	733	753	554	874	941	112	74	-8	6	253	68	4,819	4,373
Impairment of goodwill	-93	-185	-19	-43	-30	-46	-29	-105	-17	-70	—	—	—	-25	—	—	-188	-474
Other income, associated companies and joint ventures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	-689	-2,729	-689	-2,729
Change in values on properties	-213	-5,488	-210	-2,256	84	-1,638	-350	-1,742	-139	-2,610	-799	-800	—	—	—	—	-1,627	-14,534
Change in values on derivatives	—	—	—	—	—	—	—	—	—	—	—	—	—	—	451	-1,235	451	-1,235
Change in value on shares	—	—	—	—	—	—	—	—	—	—	—	—	—	—	-5	-9	-5	-9
Income before tax	983	-4,541	623	-1,434	748	-951	374	-1,293	718	-1,739	-687	-726	-8	-19	10	-3,905	2,761	-14,608
Investment properties	42,097	43,819	26,721	26,531	23,083	22,836	15,430	15,664	21,843	21,760	6,537	6,942	—	—	—	—	135,711	137,552
of which investments this year	439	912	636	730	474	513	461	558	340	719	152	314	—	—	—	—	2,502	3,746

Of the Group's external rental income and investment properties, SEK 308 M (333) and SEK 572 M (563) pertains to rental income from tenants in Denmark and Finland respectively; SEK 5,788 M (5,739) and SEK 6,537 M (6,942) pertains to investment properties located in Denmark and Finland respectively.

Other income pertains to estimated indemnity after major water damage in one of Castellum's properties, with the damage affecting the property value via a negative change in value.

Note 3 Income

Accounting policy

The Group as lessor

Rental income, which from an accounting perspective represents income from operating leases, is invoiced in advance and recognised as a linear allocation in profit or loss, based on the terms in the leases.

Rental and service income

Rental income includes rent plus the index and supplemental charges for property tax and investments, which are allocated over the term of the contract. Larger rental discounts – reduced rent during the move-in period, for example – are allocated across the term of the lease and reduce rental incomes. Service income refers to all other additional charging for extra services such as heating, cooling, waste, water, and so on. The indexation supplement is normally settled once a year, which means that settlement against the October 2024 index

will occur for the majority of leases as of 1 January 2025. Service income is recognised in the period the service was provided and delivered to the tenant. Rental and service income are paid in advance, and prepaid rents are recorded as deferred rental income.

Income from United Spaces, the wholly owned coworking group, consists of membership fees and sales of other services.

Rental value

The Group’s income totalled SEK 9,849 M (9,806), of which SEK 65 M (—) pertains to indemnity. Moreover, the income includes non-recurring remuneration of SEK 52 M (64) as a result of early termination of leases and deductions for rental discounts paid totalling SEK 222 M (193).

Rental value refers to income reported and the estimated market rent of vacant premises, as well as supplementary charges for the

tenant such as heating and property tax. Income in the like-for-like portfolio increased 2.3 per cent (8.9) year-on-year. Income for the year (excluding Group eliminations) also includes SEK 265 M (266) from United Spaces, the wholly owned coworking company. Rental value in SEK per square metre distributed across property category and geographic area, as well as occupancy rate.

Renegotiation

Commercial leases are signed for a fixed period of time, which means that a change in market rents does not have an immediate effect on rental income. Rental levels can only be changed when the lease in question is due for renegotiation. Commercial leases include an index clause, which provides for an upward adjustment of the rent corresponding to a certain percentage of inflation during the previous year.

	Offices		Public sector properties		Warehouse/Light industry		Retail		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Rental value, SEK/sq. m.										
Stockholm	2,955	2,881	2,673	2,310	1,461	1,394	1,952	1,880	2,583	2,452
West	2,051	2,012	1,885	1,594	1,109	1,035	1,880	1,645	1,578	1,485
Central	1,950	1,800	2,196	2,092	1,166	988	1,552	1,492	1,881	1,774
Mälardalen	2,091	1,999	2,137	1,920	1,274	1,167	1,563	1,364	1,744	1,639
Öresund	2,445	2,396	2,664	2,513	829	945	1,781	1,736	1,844	1,770
Denmark	2,732	2,656	3,294	3,153	—	827	—	—	2,562	2,506
Finland	3,723	3,639	—	—	—	—	—	—	3,767	3,683
Total	2,468	2,386	2,290	2,080	1,175	1,097	1,735	1,655	2,019	1,927

	Offices		Public sector properties		Warehouse/Light industry		Retail		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Economic occupancy rate, %										
Stockholm	89.2	89.9	96.7	97.4	89.2	91.2	95.5	96.7	90.6	91.3
West	90.6	90.9	96.9	96.4	93.4	95.1	97.7	96.7	92.7	93.2
Central	90.7	90.7	92.5	93.9	91.2	91.3	93.5	94.2	91.6	92.1
Mälardalen	92.5	92.6	97.4	98.7	95.0	94.9	97.4	95.8	93.9	93.7
Öresund	91.3	91.6	91.7	95.6	91.3	91.2	96.3	95.6	91.8	92.6
Denmark	86.7	90.5	98.1	93.3	94.3	94.2	—	—	88.1	90.8
Finland	87.8	89.3	—	—	89.3	87.5	—	—	87.9	89.2
Total	90.0	90.6	94.7	95.4	92.6	93.5	95.6	95.8	91.5	92.1

Note 3 cont.

The lease maturity structure for Castellum’s portfolio is shown in the table below, where lease value refers to annual value. The most common terms for new leasings include a 3–5 year duration, with a nine-month notice period. The average remaining lease duration in the portfolio is 3.6 years (3.8).

Lease maturity structure	Number of leases	Thousand sq. m.	Contract value, SEK M	Proportion of value, %
Commercial, term				
2025	2,916	897	1,782	19
2026	1,764	938	1,785	19
2027	1,402	910	1,796	19
2028	810	706	1,397	15
2029	257	271	613	6
>2029	373	799	1,852	19
Total	7,522	4,521	9,225	97
Residential	474	34	47	1
Parking spaces and other	6,452	2	206	2
Total	14,448	4,557	9,478	100

Risk exposure and credit risk

Castellum’s lease portfolio features a good risk exposure. The Group has approximately 7,500 commercial leases and approximately 500 residential leases; their distribution in terms of size is presented in the table above, to the right. The single largest lease accounts for 1.3 per cent of the Group’s total rental income, while the corresponding figure for the single largest customer is around 2.5 per cent, which means that Castellum’s exposure to credit risk from a single tenant is very low.

Rent receivables

Rents are invoiced and paid in advance, which means that all of the Group’s rent receivables totalling SEK 123 M (95) fell due for payment. Apart from the rent receivables reported, there is an additional SEK 46 M (51) for which a provision has been made as doubtful.

Lease size, SEK M	Number of leases	Share, %	Contract value, SEK M	Share, %
Commercial				
<0.25	3,280	23	220	2
0.25–0.5	1,039	7	381	4
0.5–1.0	1,239	8	873	9
1.0–3.0	1,278	9	2,200	23
>3.0	686	5	5,552	59
Total	7,522	52	9,226	97
Residential	474	3	47	1
Parking spaces and other	6,452	45	205	2
Total	14,448	100	9,478	100

Future rental income for existing leases, SEK M	Group		Parent Company	
	2024	2023	2024	2023
Contractual rental income, year 1				
Commercial leases	8,606	8,479	—	—
Residential	12	16	—	—
Contractual rental income, year 2	6,754	6,626	—	—
Contractual rental income, year 3	5,072	5,008	—	—
Contractual rental income, year 4	3,202	3,415	—	—
Contractual rental income, year 5	2,253	2,344	—	—
Contractual rental income after more than 5 years	8,651	8,802	—	—
Total	34,550	34,690	—	—

Other income

Other income of SEK 65 M (0) pertains to estimated indemnity after major water damage in one of Castellum’s properties, with the damage affecting the property value via a negative change in value.

Parent Company

The Parent Company performs only Group-wide functions and sales consists mainly of intra-Group services.

Note 4 Costs

Direct property costs totalled SEK 2,322 M (2,456), corresponding to SEK 434 per square metre (440). Property costs for the like-for-like portfolio decreased 2.5 per cent, excluding currency effects. In addition, costs for coworking totalled SEK 285 M (297).

Operating costs

Operating costs include costs such as electricity, heating, water, facilities management, cleaning, insurance, rent losses and property-specific marketing costs. Some of these costs are recharged to the tenants as supplements to rent. For warehouse and light industry properties, however, the tenants are in most cases directly responsible for the majority of operating costs. Operating costs amounted to SEK 1,426 M (1,517) corresponding to SEK 268 per square metre (275). Operating costs are weather dependent and vary between years and seasons. Operating costs include rent losses of SEK 27 M (20), corresponding to 0 per cent of rental income.

Maintenance costs

Maintenance costs are ongoing measures to maintain the property’s standard and technical systems. Maintenance costs totalled SEK 318 M (349), corresponding to SEK 58 per square metre (58).

Property tax

The Group’s property tax was SEK 578 M (590), corresponding to SEK 108 per square metre (107). Property tax is a federal tax based on the property’s tax-assessed value. The tax rate in Sweden was 1.0 per cent of the tax assessment value for office/retail properties and 0.5 per cent for warehouse/light industry. In Denmark and Finland, tax rates vary depending on which municipality the properties are located in. A large part of the property tax will be charged the tenants.

Note 4 cont.

Lease and property administration costs

The Group’s property administration costs were SEK 552 M (566), corresponding to SEK 108 per square metre (107). Lease and property administration costs are indirect costs for routine property management, as well as costs for leasing operations, rent negotiation, leases, rent debiting and collecting as well as project administration costs and costs for depreciation on equipment and installations at the subsidiaries. This also includes coworking costs and Group adjustments, refer to the table below. Of those costs, SEK 257 M (276) pertained to employee benefits and SEK 26 M (49) to depreciation on equipment.

Lease and property administration costs, SEK M	2024	2023
Property administration	552	566
Coworking	285	297
Group elimination	–96	–79
Total lease and property administration costs	741	784

Summary property costs

Property costs per square metre, distributed by property category and type of cost are shown below.

Property costs, SEK/sq. m.	Offices		Public sector properties		Warehouse/Light industry		Retail		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Operating costs	331	344	229	243	193	191	176	164	268	275
Maintenance costs	78	76	52	46	31	35	45	42	58	58
Property tax	157	154	113	109	27	28	87	85	108	107
Direct property costs	566	574	394	398	251	254	308	291	434	440
Property administration							—	—	108	107
Total							308	291	542	547

Central administrative costs

Central administrative costs consist of costs for portfolio management and administration as well as costs for maintaining the Stock Exchange listing. This involves Executive Management, the accounting and finance department, IT, staff, investor relations, annual report, audit fees, depreciation of equipment and facilities, etc. Costs for the Managing Director at the regional level are also included. Of these costs, excluding the incentive programme described below, SEK 201 M (210) pertains to remuneration including taxes to employees and SEK 2 M (8) to depreciation on equipment.

Central administrative costs also include costs relating to earnings and share price based incentive programmes for Executive Management amounting to SEK 13 M (6).

Auditors’ fees

Auditors’ fees, SEK M	Group		Parent Company	
	2024	2023	2024	2023
Audit assignment	11	12	2	2
Audit in addition to the audit assignment	2	1	1	—
Other services	—	1	—	—
Total	13	14	3	2

Of the Group’s total remuneration of SEK 12,722 thousand (14,339), SEK 12,722 thousand (11,645) pertains to remuneration to Deloitte AB and SEK — thousand (2,694) pertains to remuneration to Ernst & Young Aktiebolag.

Note 5 Income from associated companies and joint ventures

Income from associated companies and joint ventures consists of Castellum’s share of Entra’s and Halvorsång’s earnings. It is only Castellum’s share of the associated companies’ income from property management that is included in the line item “of which income from property management” in the consolidated statement of comprehensive income, which totalled SEK 429 M (445) for the year. Of this, SEK 0 M (—) is attributable to Halvorsång.

At the closing of each quarter, Castellum carries out an impairment test on the participations; impairment for 2024 totalled SEK 299 M (451), which was caused by a lower net reinstatement value in the associated companies. Translation differences for the year regarding currency and the effective portion of currency hedging on Castellum’s holding in Entra are recognised in other comprehensive income. For additional information on Entra and Halvorsång, refer to Note 15.

SEK M	Group	
	2024	2023
Income from property management	429	445
Change in values on properties	–447	–2,676
Tax	34	427
Other	23	–29
Castellum’s share of earnings from associated companies and joint ventures	39	–1,833
Impairment	–299	–451
Total impact on net income for the year	–260	–2,284
Translation difference	–177	–847
Currency hedge	113	847
Total impact on comprehensive income for the year	–324	–2,284

Parent Company earnings from associated companies and joint ventures pertains to dividends received from Entra of SEK — M (146) and the revaluation of the participations in associated companies of SEK –471 M (–2,678).

Note 6 Financial income and costs

Accounting policy

Financial income consists of interest income and is recognised in the period it refers to. The effective interest method is applied in calculating financial income.

Financial costs include interest costs (interest and other costs for credits that arise). Financial costs are recognised in the period they are attributable to. Interest costs also include costs for interest rate derivative contracts that are recognised as income in the period they refer to. The portion of the interest cost pertaining to interest rates during the production period for larger new construction, extensions or reconstructions is capitalised. Interest is calculated based on the average funding cost for the Group.

Exchange rate differences are reported net, either as financial income or financial costs.

Interest income and financial income, SEK M	Group		Parent Company	
	2024	2023	2024	2023
Interest income	50	39	26	21
Interest income, subsidiaries	—	—	1,778	1,529
Other financial income	—	—	0	221
Total	50	39	1,804	1,771

Interest income, for both the Group and the Parent Company, is attributable to receivables measured at amortised cost.

Interest costs and financial costs, SEK M	Group		Parent Company	
	2024	2023	2024	2023
Interest costs	2,115	2,191	1,567	1,521
Less: Capitalised interest	–36	–42	—	—
Interest costs, subsidiaries	—	—	574	534
Other financial costs	54	52	172	15
Total	2,133	2,201	2,313	2,070

Net interest for the year was SEK –2,083 M (–2,162). During the year, interest of SEK 36 M (42) was capitalised regarding investments in the asset portfolio, where an average interest rate level of 3.2 per cent (3.0) was used. Of the Group's interest costs, SEK 2,589 M (2,609) pertains to liabilities valued at amortised cost. The corresponding value for the Parent Company is SEK 2,406 M (2,071). The remaining interest costs refer primarily to ongoing interest attributable to Castellum's interest rate and currency derivatives. Other financial costs in the Parent Company are attributable largely to exchange-rate losses on long-term liabilities measured at amortised cost.

Note 7 Leasing cost/Site leasehold fee

Site leasehold fee

Site leasehold fees including leasing fees for 2024 totalled SEK 63 M (65). Site leasehold fees are the annual fees that the owner of a building on land owned by the municipality pays to the municipality. The fee is calculated in such a way that the municipality receives a fair real interest rate based on the estimated market value of the site. The site leasehold fee is spread over time and is mostly renegotiated at intervals of 10 to 20 years. At year-end 2024, Castellum had 81 (86) properties with site leaseholds. Existing site leasehold agreements mature relatively evenly over the next 60 years. Usually, when notice of termination is given for a site leasehold agreement, the property owner (the municipality) is to compensate Castellum for buildings, etc. There are, however, a few agreements where the municipality can demand that the land be restored.

Future contractual site leasehold fees, SEK M	Group		Parent Company	
	2024	2023	2024	2023
Contractual site leasehold fees year 1	55	55	—	—
Contractual site leasehold fees between years 2 and 5	209	198	—	—
Contractual site leasehold fees later than 5 years	1,118	1,101	—	—
Total	1,382	1,354	—	—

In addition, interest costs for leases totalled approximately SEK 7 M (8) attributable to leases in United Spaces, the wholly owned coworking company.

Note 8 Income taxes

Accounting policy

Income tax is divided into current and deferred tax. Income tax is recognised in the income statement except when attributable to transactions recognised directly against equity, as the tax effect is also recognised directly against shareholders’ equity. Current and deferred tax is calculated based on the current tax rate of 20.6 per cent in Sweden. As regards Denmark and Finland, current and deferred tax are calculated at 22 per cent and 20 per cent respectively.

Deferred tax

Deferred tax is recognised on all temporary differences pertaining to assets and liabilities, as well as for the tax loss carry forwards that are estimated could be utilised. An exception is made for deferred tax liabilities attributable to the acquisition date for properties recognised as asset acquisitions. In these cases, no deferred tax is recognised on the temporary differences that existed on the date of acquisition.

Deferred tax is to be recognised using the nominal tax rate without discount, calculated according to the established tax rate. Actual tax is considerably lower, in part due to the possibility of selling properties in a tax-efficient manner, and in part due to the time factor.

Castellum has four items that contain temporary differences: properties, financial instruments, tax loss carry forwards and untaxed reserves. Deferred tax assets related to tax loss carry forwards are recognised when it is likely that future taxable income, which may be utilised to offset tax loss carry forwards, will be available. Deferred tax liability is calculated on the difference between the properties’ carrying amount and their tax base, as well as on financial instruments and untaxed reserves. Changes in deferred tax liability/assets pertaining to the aforementioned items are recognised in profit or loss as deferred tax. The exemption rule in IAS 12 is applied, meaning that deferred tax on temporary differences attributable to the Top-Up Tax Act is not recognised.

Current tax

Current tax corresponds to the tax the company must pay on taxable income for the year, adjusted for any current tax regarding prior periods.

Income tax

Recognised tax for the year was SEK –404 M (3,016), of which SEK –172 M (–12) pertained to current tax and SEK –232 M (3,028) pertained to deferred tax. Current tax is based on taxable income for the year, which is lower than the recognised earnings. This is due primarily to the possibility of tax depreciations on buildings, direct tax deductions for certain property reconstructions that are capitalised in the accounts, tax-free sales of properties and existing tax loss carry forwards. Tax paid arises mainly as a result of existing tax loss carry forwards being locked up and thus can not be freely utilised within the Group.

Castellum recognises deferred tax attributable to derivatives. Deferred tax is also recognised on untaxed reserves and tax loss carry forwards, to the extent that it is assessed to be offset against future taxable income.

Tax calculation for the Group, SEK M	Basis 2024		Basis 2023	
	Current tax	Deferred tax	Current tax	Deferred tax
Income from property management	4,819	—	4,373	—
In associated companies and joint ventures	–429	—	–445	—
Deductions for tax purposes				
depreciation	–2,459	2,459	–2,556	2,556
reconstructions	–1,187	1,187	–1,206	1,206
Capitalised interest	–39	39	–42	42
Hybrid bond	–484	484	–349	—
Non-deductible interest	1,090	—	916	—
Other tax items	–198	145	–255	–307
Taxable income from property management	1,113	4,314	436	3,497
<i>Tax on income from property management</i>	–229	—	–90	—
Divestment of properties	0	–2,060	0	–3,564
Change in values on properties	—	–993	—	–13,775
Change in value on derivatives	39	–453	348	–1,583
Taxable income before tax loss carry forwards	1,152	808	784	–15,425
Tax loss carry forwards, opening balance	–907	907	–1,635	1,635
Tax loss carry forwards, closing balance	588	–588	907	–907
Taxable income	833	1,127	56	–14,697
Tax according to the income statement for the period	–172	–232	–12	3,028

Effective tax

Recognised tax differs from nominal tax since there are recognised income and costs that are not taxable or deductible, or as a result of other types of tax adjustments. The effective tax on the year’s income from property management excluding associated companies, without consideration of tax loss carry forwards, can be calculated to 5 per cent (2).

Note 8 cont.

Tax cost, SEK M	Group		Parent Company	
	2024	2023	2024	2023
Recognised income before tax	2,761	-14,608	1,317	-2,129
Tax according to current tax rate	-569	3,009	-271	439
Tax effects due to:				
Non-deductible income from associated companies and joint ventures	-54	-472	-98	-523
non-taxable change in goodwill	-39	-98	—	—
non-taxable divestment of properties/Group companies	400	702	—	—
hybrid bond	118	72	118	72
non-deductible interest	-225	-189	-160	2
non-deferred tax on all changes in values on properties	-110	-113	—	—
interest transferred to other Group companies	—	—	-62	-48
non-taxable dividend	—	—	281	839
non-deductible impairment of shares	—	—	-44	-791
other tax adjustments	-66	105	0	56
tax from previous years	141	—	141	—
Tax expense recognised	-404	3,016	-95	46

Castellum has no ongoing tax disputes.

News in regulations

Legislation on top-up tax entered force in 2024. It is based on the OECD Pillar Two model rules and the EU Directive ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union. The Group falls under this legislation on top-up tax since its income exceeded EUR 750 M.

Castellum’s companies in Sweden, Denmark and Finland do not expect to pay any significant top-up tax.

Note 9 Personnel and Board of Directors

Accounting policy

Remuneration to employees is recognised in pace with the performance of services in exchange for remuneration. Remuneration under incentive programmes, which in part is settled in cash and paid as non-pensionable salary, and in part comprises performance share rights without consideration is recognised in pace with the achievement of objectives and the term of the programme.

Pensions and other post-employment benefits can be classified as defined-contribution or defined-benefit plans. The majority of the Castellum Group’s pension commitments are defined-contribution plans, fulfilled through regular payments to independent authorities or pension institutions that administer the plans. Obligations regarding payments to defined-contribution plans are recognised as costs when they arise. A small number of employees within the Castellum Group have defined-benefit ITP plans with ongoing payments to Alecta. These plans are recognised as defined-contribution plans, since Alecta does not provide the information needed in order to report the plan as a defined-benefit plan. There are, however, no indications of any significant liabilities exceeding what has been paid to Alecta.

Note 9 cont.

Salaries, remuneration and benefits

Salaries, remuneration, and benefits, SEK M	Group		Parent Company	
	2024	2023	2024	2023
Chairman of the Board	1.3	1.3	1.3	1.3
Other Board members	3.0	2.5	3.0	2.5
Chief Executive Officer and Deputy CEO				
Basic salary (including severance package) ¹	5.3	10.8	5.3	10.8
Variable remuneration ² (only bonuses)	0.6	—	0.6	—
Benefits	0.1	—	0.1	—
Other senior executives				
Group: 11 (13), Parent Company: 6 (8)				
Basic salary	21.6	21.9	11.7	12.0
Variable remuneration ²	4.3	7.7	3.1	3.5
Benefits	1.1	1.0	0.5	0.4
Employees excluding executive management	380.1	377.0	93.9	95.6
Total	417.4	422.2	119.5	126.1
Contractual pensions costs				
Chief Executive Officer and Deputy CEO ¹	1.6	2.0	1.6	2.0
Other senior executives, for Group 11 (13); for Parent Company 6 (8)	6.6	6.5	3.7	3.5
Employees excluding executive management	50.1	50.3	13.0	14.6
Total	58.3	58.8	18.3	20.1
Statutory social security costs incl. payroll tax				
Chairman of the Board	0.4	0.4	0.4	0.4
Other Board members	0.9	0.8	0.9	0.8
Chief Executive Officer and Deputy CEO ¹	2.3	3.9	2.3	3.9
Other senior executives, for Group 11 (13); for Parent Company 6 (8)	10.1	11.2	5.7	5.8
Employees excluding executive management	121.7	123.7	30.8	33.8
Total	135.4	140.0	40.1	44.7
Total	611.1	621.0	177.9	190.9

1. For 2024 pertains to Joacim Sjöberg and for 2023 pertains to Joacim Sjöberg, Rutger Arnhult and Biljana Pehrsson.
2. Pertains to bonuses paid in 2024.

Number of employees	Group		Parent Company	
	2024	2023	2024	2023
Average number of employees	545	547	130	123
of which women	230	227	78	72
of which Finland (of which women)	11 (6)	11 (7)	—	—
of which Denmark (of which women)	13 (4)	12 (2)	—	—

At year-end, the Parent Company had 6 (6) Board members, of whom 3 (3) were women, while the total number of Board members in the Group’s subsidiaries was 20 (20), of whom 6 (6) were women. At year-end, the Group had 12 (12) 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 69 (59), of whom 27 (23) were women.

Remuneration to the Board

The 2024 AGM resolved to pay total remuneration to the Board of Directors, including committee work, of SEK 4,495 thousand (4,145). Board remuneration of SEK 1,150 thousand (1,110) is to be paid to the Chairman of the Board, SEK 665 thousand (0) to the Deputy Chairman and SEK 465 thousand (450) to each of the other Board members. Additional remuneration totalling SEK 820 thousand (785) will also be paid. These amounts apply as of the AGM on 7 May 2024 up until the AGM on 7 May 2025.

Board fees, SEK thousand	2024	2023
Per Berggren	1,335	1,290
Pål Ahlsén	575	405
Anna-Karin Celsing	705	670
Henrik Käll	575	555
Ann-Louise Lökholm-Klasson	540	525
Louise Richnau	765	550
Leiv Synnes	—	116
Total	4,495	4,111

Executive Management

At year-end, Executive Management comprised the President and CEO, Chief Financial Officer, Chief Operating Officer, Chief Investment Officer, Chief Legal Officer, Communications Director and Head of People & Culture of Castellum Aktiebolag, as well as the five Regional Managing Directors.

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 the incentive plan described below. At present, Castellum has one ongoing earnings and share price based incentive programme for 2023–2025, as well as one programme for 2022–2024 that was concluded during the year.

The incentive programme for 2022–2024 comprised two parts: one based on net income for the year and the outcome of individually determined factors for the year in question (“STI”) and a share price portion that is based on the total return for the Castellum share over a three-year period (“LTI”).

- The earnings-based portion was based on a comparison between income from property management per share and on an overall assessment of the performance of individually determined factors that the Board chose to prioritise during the financial year in question. The earnings-based component that was paid out yearly as salary after the financial statements were adopted could total no more than six months’ fixed salary per year.
- The three-year share price based remuneration was based on the total return of the Castellum share in absolute figures, as well as the total return on the Castellum share in comparison to real estate share indexes during the measurement period. Full variable remuneration under the three-year programme required the total return to be at least 50 per cent during the period and the total return had to exceed the index performance by at least 5 percentage points during

Note 9 cont.

the period. For outcomes in the range from 0 to 50 per cent and 0 to 5 percentage points respectively, variable remuneration was paid of between 0 and 25 per cent of the fixed annual salary received as calculated on a linear basis. Share price based remuneration had a three-year performance and vesting period, and the maximum outcome totalled one half of the annual salary for the three-year period. Payment is made in the form of salary, whereupon the executive undertakes to purchase Castellum shares for at least half of the net amount of the remuneration to be paid. Final deductions regarding the 2022–2024 LTI were made in January 2025 with a total outcome of 6.3 per cent, corresponding to a cost of SEK 0.6 M including social security contributions.

The incentive programme for 2023–2025 comprises two components: a one-year earnings-based component (STI) and a three-year share price-based component (LTI). The terms and conditions are the same as in the 2022–2024 incentive programme.

The outcome for STI 2024 was 77 per cent (30), corresponding to a cost of SEK 13 M (5) including social security contributions.

The 2024 AGM resolved to implement a long-term performance share programme for senior executives (LTIP 2024/2027).

- Each participant needs to invest or allocate previously held shares in Castellum corresponding to one month's gross salary (two months' gross salary for the CEO). Each participant is allocated performance share rights, of which 50 per cent are performance share rights of Series A and 50 per cent are performance share rights of Series B, corresponding to a value of six months' gross salary (seven and one-half months' gross salary for the CEO).
- Allocation of performance share rights of Series A – total return on the Castellum in absolute figures – presumes that the total return on the Castellum share in absolute figures amounts to or exceeds ten (10) per cent in the period from 1 January 2024 to 30 April 2027. If the total return amounts to 10 per cent, 25 per cent of the maximum

number of performance shares are allocated. Maximum allocation presumes that the total return during the measurement period amounts to or exceeds 50 per cent.

- Allocation of performance share rights of Series B – total return on the Castellum share compared with the Carnegie Real Estate Return Index (CRERX) – presumes that the total return on the Castellum share exceeds the performance of the CRERX during the measurement period. Maximum allocation presumes that the total return in comparison with the CRERX exceeds 5 percentage points. The estimated allocation will be on a straight-line basis between 0 percentage points and 5 percentage points.

Participants in the programme will be authorised to receive performance shares only if the investment shares are retained during the period from 14 June 2024 to the date of the publication of the interim report for the first quarter of 2027, employment is maintained throughout the period and the lowest levels of the performance targets have been achieved.

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 some 50 employees within the Castellum Group who instead have defined-benefit ITP plans with regular payments to Alecta. Costs for the year for pension insurance policies signed with Alecta totalled SEK 4.1 M (4.1). 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 consolidation level for 2024 was 162 per cent (157). 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 10 Investment properties

Accounting policy

Investment properties are properties held for the purpose of generating rental income, capital appreciation, or a combination of both. All of Castellum’s properties, whether owned or used through site leasehold agreements, are deemed to make up investment properties.

Additional expenditures

Additional expenditures that entail economic benefits for the company, i.e. they increase valuation and can be reliably calculated, are capitalised. Costs for repairs and maintenance are expensed in the period they arise in. For major new construction, extensions and reconstructions, interest expenditure during the construction period is capitalised.

Acquisitions and sales

Acquisitions are consolidated as of the occupancy date, and divestments up until the closing date, if no terms exist that result in handover being transferred to another occasion.

For asset acquisitions, no deferred tax is recorded in the acquisition. Instead, a possible discount reduces the cost of the property. This means that changes in value will be affected by the tax discount obtained in a subsequent valuation.

Business combinations are recognised using the acquisition method.

Valuation

Investment properties, which upon acquisition were recognised at acquisition cost including costs directly attributable to the acquisition, have been recognised at fair value. Fair value was established through an internal valuation model.

Change in value

Change in value is recognised in profit or loss and consists of both unrealised and realised change in value. The unrealised change in value is calculated based on the valuation at the end of the period

compared with the valuation last year, or alternately on the acquisition cost – if the property was acquired during the year – plus additional costs capitalised during the period.

Earnings from sales of properties are recognised as realised changes in value and refer to the differences between the sales price received after deduction of sales costs, the tax discount submitted and carrying amount in the preceding period adjusted for investments made during the period.

Estimates and assessments

Investment properties

For valuation of investment properties, assessments and assumptions can have a significant effect on the income and financial position of the Group. These valuations require estimates and assumptions of future cash flows and determination of the discounting factor (cost of capital). To reflect the uncertainty that exists in the assessments and assumptions, an uncertainty range is normally indicated in property valuations.

Asset acquisitions versus business combinations

Every property acquisition in corporate wrappers is assessed to determine whether it is to be classified as a business combination or an asset acquisition. Acquisitions whose primary purpose is acquiring a company’s property (i.e. where the company’s potential property management and administration are of secondary importance to the acquisition) are classified as an asset acquisition. Other company acquisitions are classified as business combinations.

Fair value

Establishing fair value often requires assumptions and estimates of future events by company management, which in general entails significant assessments and estimates. Changes in the assumptions or estimates that are required to establish the fair value of the assets and liabilities acquired may impact the allocation of the purchase consideration among assets, liabilities and goodwill.

The value of the property portfolio

The internal valuation amounts to SEK 135,711 M (137,552), corresponding to a change in value of –1.1 per cent (–9.3). Fair value distributed by property category and region is shown below. The Parent Company owns no properties.

Schedule of the changes during the year, SEK M	Group	
	2024	2023
Opening balance	137,552	153,563
New construction, extensions and reconstructions	2,502	3,410
<i>of which capitalised interest costs</i>	36	42
Acquisitions	67	336
Sales	–3,302	–5,415
Change in value	–1,528	–14,325
Currency translation	420	–17
Closing balance	135,711	137,552
Schedule of tax assessment value		
Buildings	41,136	42,771
Land	28,629	29,463
Total tax assessment value	69,765	72,234
Income from investment properties	9,508	9,470
Property costs for investment properties	2,322	2,456

Investments during the year

In 2024, Castellum invested a total of SEK 2,569 M (3,746) in properties, of which SEK 67 M (336) pertained to property acquisitions and SEK 2,502 M (3,410) to new construction, extensions and reconstructions. This includes capitalised interest of SEK 36 M (42).

Note 10 cont.

Changes in value

Castellum reported SEK –1,528 M (–14,325) in unrealised changes in value for the year, attributable in part to a marginal 1-point upswing in the average exit yield to 5.63, compared to 5.62 per cent at the start of the year, and in part to negative changes in cash flow. Castellum’s property sales completed during the year resulted in a realised change in value of SEK –99 M (–209). The net sales price amounted to SEK 3,203 M less deferred tax and overheads of SEK –147 M. The underlying property value in the sales was thus SEK 3,350 M, a difference of SEK 48 M compared with the latest assessment of SEK 3,302 M.

The fair value of a property can only be established when it is sold. Property valuations are calculations performed in accordance with accepted principles on the basis of certain assumptions. A summary of the valuation assumptions used is presented in the section “Valuation model”.

Property values by region and category are presented in the table below.

Property value, SEK M, 31 December 2024	Offices	Public sector properties	Ware-house/ Light industry	Retail	Develop-ments and land	Total
Stockholm	27,923	6,152	3,554	1,903	2,565	42,097
West	13,152	3,298	8,182	1,099	990	26,721
Central	10,638	8,382	1,493	1,627	943	23,083
Mälardalen	9,147	1,623	3,333	707	620	15,430
Öresund	8,834	2,813	2,957	1,291	159	16,054
Denmark	4,956	668	163	—	1	5,788
Finland	6,307	—	75	—	155	6,537
Total	80,957	22,936	19,757	6,627	5,434	135,711

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

Change for the year by category, SEK M	Offices		Public sector properties		Warehouse/ Light industry		Retail		Developments and land		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance	85,255	89,974	20,560	20,885	19,681	21,316	7,839	9,413	4,217	11,975	137,552	153,563
Category adjustments	–3,524	5,042	2,307	1,256	769	639	–230	97	678	–7,034	—	—
New construction, extensions and reconstructions	1,116	1,607	325	362	308	689	172	233	581	519	2,502	3,410
Acquisitions	16	—	0	—	0	—	0	—	51	336	67	336
Sales	–403	–2,966	–406	–510	–855	–619	–1,136	–1,068	–502	–252	–3,302	–5,415
Change in value	–1,887	–8,386	127	–1,432	–154	–2,344	–18	–836	404	–1,327	–1,528	–14,325
Currency translation	384	–16	23	–1	8	—	0	—	5	—	420	–17
Closing balance	80,957	85,255	22,936	20,560	19,757	19,681	6,627	7,839	5,434	4,217	135,711	137,552

The table below shows the property portfolio by region. Net operating income pertains to properties that are included in the portfolio as of the balance sheet date. Net operating income for properties sold has been deducted and properties owned/acquired/completed during the period have been included as if they had been owned or completed throughout the year.

Property portfolio by region Region	31 Dec 2024				January–December 2024					
	Number	Area, thousand sq. m.	Property value, SEK M	In SEK/sq. m.	Rental Value, SEK M	In SEK/sq. m.	Economic occupancy rate, %	Property costs, SEK M	In SEK/sq. m.	Net operating income, SEK M
Stockholm	100	1,037	39,532	38,122	2,679	2,583	91.3	494	476	1,887
West	189	1,261	25,731	20,405	1,988	1,577	93.2	401	318	1,399
Central	131	1,003	22,140	22,074	1,886	1,880	92.1	386	385	1,326
Mälardalen	69	771	14,810	19,209	1,344	1,743	93.7	329	427	920
Öresund	109	838	21,682	25,874	1,659	1,980	92.1	363	433	1,115
Finland	19	204	6,382	31,284	770	3,775	89.2	246	1,206	427
Total investment properties	617	5,114	130,277	25,475	10,326	2,019	91.5	2,219	434	7,074
Lease and property administration costs								552	108	–552
Projects	21	168	4,578	—	235	—	—	47	—	69
Undeveloped land	34	—	856	—	32	—	—	12	—	19
Total	672	5,282	135,711		10,593			2,830	542	6,610

The difference between the net operating income of SEK 6,610 M reported above and the net operating income of SEK 6,786 M in the consolidated statement of comprehensive income is attributable to the deduction of the net operating income of SEK 102 M in properties divested, and the SEK 4 M upward adjustment of the net operating income on properties acquired/completed during the year as if they had been owned or been completed during the entire year, as well as other non-property related items of SEK 5 M as well as other income of SEK 65 M.

Note 10 cont.

Significant obligations

Castellum has obligations to complete initiated projects in which the remaining investment volume amounts to around SEK 1 Bn above and beyond the amounts reported in the balance sheet.

Larger ongoing investments

Property	Investment, SEK M	Remaining to invest, SEK M	Completed
Tusenskönan 2	337	45	Q1 2025
Litografen 1	69	59	Q3 2025
Amperen 1	382	131	Q3 2025
Backa 20:6	507	177	Q4 2025
Gladan 6	165	126	Q4 2025
Bägaren 5	105	73	Q4 2025
Repslagaren 24	66	44	Q4 2025
Gullbergsvass 1:15	98	93	Q1 2026

Valuation model

According to accepted theory, the value of an asset is the net present value of future cash flows that the asset is expected to generate. The value of the property portfolio is calculated in a 10 to 20-year cash flow model as the total present value of net operating income minus remaining investments on ongoing projects, during the calculation period of 10 to 20 years, and the present value of the estimated residual value after the cash-flow period. The residual value comprises the present value of all future net operating income after the cash-flow period. The estimated market value of undeveloped land and building rights are added to this. Accordingly, valuation is conducted pursuant to IFRS 13, level 3.

The assessment pertaining to the future earnings and the yield requirement (cost of capital), which are the weightiest value-driving factors in the valuation model, are crucial for the calculated value of the property portfolio. The earnings are based on existing contracts and the most likely lease scenarios in the respective properties, while the yield requirement originates from market transactions on objects of equal value.

Internal valuation

Castellum records its investment properties at fair value and has internally appraised all its properties as of 31 December 2024. The valuation was carried out in a uniform manner in the cash flow model described above. The internal valuation was based on both an individual assessment of each property’s future earnings capacity and its required market yield. The valuations were carried out centrally by Castellum’s valuation team and quality assured through a second opinion from external valuers on roughly 45 per cent of the property value during the fourth quarter.

Valuation assumptions, %	2024		2023	
	Average	Range	Average	Range
Annual inflation	1.91	1.90–2.00	2.00	—
Cost of capital	7.54	5.70–10.15	7.62	5.80–10.25
Exit yield	5.63	3.80–8.25	5.62	3.80–8.25
Long-term vacancy	5.80	0.00–15.00	5.80	1.00–15.00

Assumptions of cash flow

In assessing a property’s future earnings capacity, Castellum took into account an assumed level of inflation of 1 per cent for 2025 and 2 per cent thereafter. Potential changes in rental levels from each contract’s rent and expiry date compared with the estimated current market rent were also taken into account. Changes in occupancy rate and property costs were also taken into account in the property valuation. Achieving the estimated market rent in the respective property often requires tenant adaptations, which was taken into account in the calculations. The cash flow is based on existing contracts and long-term vacancies are estimated individually by property, which become apparent in the calculations in pace with the expiration of the contracts. Included in property costs are operating costs, maintenance, site leasehold fee, property tax, and leasing and property administration. The property costs are based on a combination of outcome, budget, and standard amounts for operation, maintenance and property administration.

Castellum has chosen to focus on the office, public sector property and warehouse/light industry segments, which account for more than 90 per cent of the value of the property portfolio. The rent ranges for these categories are presented below where the categories offices and public sector properties are added together due to similar input data.

Region	Rent range of offices including public sector properties in property valuations for 2024	
	Range, SEK/sq. m.	Average, SEK/sq. m.
Stockholm	300–8,000	2,400
West	300–3,800	1,500
Central	300–4,900	2,000
Mälardalen	800–3,800	2,000
Öresund	200–6,700	2,000
Finland	300–3,800	2,500
Group	200–8,000	2,000

Region	Rent range of warehouse/light industry in property valuations for 2024	
	Range, SEK/sq. m.	Average, SEK/sq. m.
Stockholm	100–3,600	1,300
West	100–3,200	900
Central	100–2,400	900
Mälardalen	200–2,800	1,000
Öresund	200–1,800	800
Finland	1,100–2,600	1,300
Group	100–3,600	1,000

Exit yield and cost of capital

The exit yield is individual to each property and based on comparable transactions in the property market. To be able to assess the market’s exit yield, Castellum monitors completed property transactions. In an inactive market within a certain area or for a certain type of property, Castellum compares the data from transactions completed in a similar area or for a similar type of property. In the absence of

Note 10 cont.

comparable transactions, the assessment is based on trends in the underlying macroeconomic factors such as inflation and risk-free interest rates. The exit yield is thus specific to each property and comprises a complex weighted assessment that includes property category; the town/city in which the property is located; the property location within the town/city with reference to the property category; and whether the property has the right design, is appropriate and makes efficient use of space. Further considerations: the property’s technical standard with regard to such criteria as choice of materials, the quality of installations, furnishing and equipment on the premises and in apartments, sustainability profile and sustainability certification; as well as the nature of the lease agreements with regard to such issues as length, size and number of contracts.

Properties are a real asset with long-term holding periods and a less volatile exit yield than the interest-rate and stock market, something that has been observed over the past three years with the interest rate fluctuating more than the market’s exit yield. In 2024, a Swedish 10-year government bond yield went from approximately 2.1 per cent at the beginning of the year to 2.3 per cent at the end of the year. Compared with 2023, volatility for government bond yields in 2024 was lower. According to Catella, the historical yield gap between a 10-year Swedish government bond and exit yields for offices in the Stockholm central business district (CBD) averaged about 1.9 percentage points between 2000 and 2024. The yield gap stabilised in 2024, and is back near historical levels: around 2 percentage points for offices in the Stockholm CBD. Castellum’s assessment is that the exit yield for offices in the Stockholm CBD at the end of 2024 was approximately 4 per cent.

The exit yield that a potential buyer uses in an acquisition calculation reflects the capital structure of the buyer in question and is not a direct reflection of underlying risk-free interest rates and risk premiums. The exit yield is a long-term yield requirement for the property in question, where the initial investment yield can be both higher and lower depending on the estimated future cash flows from the property.

The property market

The transaction volume in Sweden, according to Newsec, amounted to approximately SEK 140 Bn spread across 342 transactions in 2024, compared to approximately SEK 104 Bn and 328 transactions in 2023. The year finished strongly, with a transaction volume of approximately SEK 50 Bn during the final quarter. Of particular note is that the number of office transactions increased drastically during the year, and according to Newsec, 26 per cent of the transaction volume in 2024 comprised offices. This is a historically strong proportion of offices, which has not been noted since 2016.

The transaction volume in Finland, according to JLL, totalled approximately EUR 1.8 Bn in 2024, compared to approximately EUR 2.3 Bn in 2023. Extremely low volumes for office properties in 2024 should be noted in particular. The transaction volume in Denmark, according to JLL, totalled approximately DKK 52 Bn, compared to approximately DKK 45 Bn in 2023.

Castellum’s assumptions for exit yield and cost of capital

Castellum’s information on local pricing materials, together with the external evaluators’ assessments of the market’s exit yield (refer to the section “External valuation”), as well as dialogue with the players in the market, forms the basis for Castellum’s final assessment regarding the exit yields of the respective properties. The exit yield is thus set in the same way as in previous years, meaning through an aggregate assessment of observable data collected using the methods described above.

Castellum sold 41 properties during the year on a level with the carrying amounts, which is a strong indicator that Castellum’s valuation assumptions are in line with the market.

All future cash flows have their present value calculated using a cost of capital comprising the assumed exit yield plus average inflation during the calculation periods of the respective properties. In certain

cases, Castellum distinguishes between the cost of capital during the cash flow period and the residual value, for example, in cases where the risk in the cash flow is deemed to be lower than the residual value.

Castellum believes that changes in the exit yield are the most significant assumption and that a reasonable range of outcomes over the next year is indicated by the sensitivity analyses presented on the following page.

Exit yields by region and category are presented below.

Exit yield by region, %	2024		2023	
	Average	Range	Average	Range
Stockholm	5.23	4.15–7.50	5.24	4.15–7.50
West	5.73	3.80–7.60	5.72	3.80–7.60
Central	6.01	4.75–8.25	6.02	4.75–8.25
Mälardalen	6.11	4.90–8.25	6.02	4.90–8.00
Öresund	5.41	4.20–8.00	5.44	4.20–8.00
Finland	6.01	5.25–8.00	5.97	5.10–8.00
Total	5.63	3.80–8.25	5.62	3.80–8.25

Exit yield by category, %	2024		2023	
	Average	Range	Average	Range
Offices	5.50	4.10–8.25	5.48	4.10–8.00
Public sector properties	5.34	4.15–8.00	5.35	4.15–7.35
Warehouse/Light industry	6.28	5.00–8.25	6.28	5.00–8.00
Retail	6.41	3.80–7.50	6.31	3.80–7.50
Projects	5.67	4.50–7.00	5.54	4.40–8.25
Total	5.63	3.80–8.25	5.62	3.80–8.25

Note 10 cont.

Example calculation of internal valuation

To illustrate Castellum’s cash flow model, the following example has been prepared. It should be noted that this is a fictitious example that is intended only to exemplify the model. This example should not be regarded as a forecast of the company’s expected earnings.

Evaluation assumption in example, %

Exit yield	5.00
Cost of capital	6.90

Year											Residual value
Inflation assumption	2025 1%	2026 2%	2027 2%	2028 2%	2029 2%	2030 2%	2031 2%	2032 2%	2033 2%	2034 2%	2035 2%
Rental value	1,000	1,010	1,030	1,051	1,072	1,093	1,115	1,137	1,160	1,183	1,207
Rental income	920	939	968	988	1,008	1,028	1,048	1,069	1,091	1,112	1,135
Economic occupancy rate	92%	93%	94%	94%	94%	94%	94%	94%	94%	94%	94%
Property costs	–100	–101	–103	–105	–107	–109	–112	–114	–116	–118	–121
Net operating income	820	838	865	883	901	919	936	955	975	994	1,014
Present value, cash flow	793	758	732	699	667	636	607	579	553	527	20,278
Present value, cash flow, year 1–10	6,600										10,400
Present value, residual value	10,400										
Total	17,000										
Building rights	3,000										
Estimated property value	20,000										

Projects and building rights

Ongoing projects are valued using the same principle, but with reduction for remaining investment. Building rights were measured on the basis of an estimated market value for comparable transactions in combination with building rights calculations.

Uncertainty range and sensitivity analysis

The sensitivity assessments illustrate the sensitivity in Castellum’s property valuations to changes in net operating income, economic occupancy rate and exit yield.

Sensitivity analysis region, impact on value, SEK M	Stockholm	West	Central	Mälardalen	Öresund	Finland	Total
Net operating income +/- 5 percentage points	2,037	1,304	1,143	748	1,081	318	6,631
Economic occupancy rate, +/-1 percentage point	429	157	241	274	228	67	1,396
Exit yield +0.25 percentage points	–1,856	–588	–913	–1,091	–955	–254	–5,657
Exit yield –0.25 percentage points	2,041	638	992	1,190	1,047	276	6,184

Sensitivity analysis, category, impact on value, SEK M	Offices	Public sector properties	Warehouse/Light industry	Retail	Projects	Total
Net operating income +/- 5 percentage points	4,089	931	1,157	314	140	6,631
Economic occupancy rate, +/-1 percentage unit	861	196	244	66	29	1,396
Exit yield +0.25 percentage points	–3,555	–713	–1,035	–236	–118	–5,657
Exit yield –0.25 percentage points	3,892	772	1,136	255	129	6,184

Note 10 cont.

The changes in the various parameters are believed to be reasonable based on historical average outcomes for the Group. However, the sensitivity analysis provides a simplified picture, since one parameter rarely moves by itself; instead, the assumptions made are linked together regarding cash flow and exit yield. The most significant inter-relationship between observable inputs and other unobservable inputs is the relationship between the property’s cash flow risk and the property’s estimated exit yield. A change in contract structure, such as a cancellation or new contract, has an effect on the property’s estimated future cash flows. The change could also have an effect on the market’s estimated willingness to pay as regards the property in question, with lesser or greater risk in the cash flow potentially involving a lower or higher exit yield.

The following table summarizes how changes in various parameters affect the property valuation.

	Effect on valuation	
	+	—
Net operating income	↑	↓
Economic occupancy rate	↑	↓
Yield requirement	↓	↑
Inflation	↑→↓	↑→↓
Risk-free interest rate	↓	↑
Risk premium	↓	↑

Higher levels of inflation lead to higher rental income, higher operating costs and can also impact the exit yield. Higher inflation can thus promote higher, unchanged or lower property values.

External valuation

In order to confirm the valuation, a total of 157 properties, equivalent in value to approximately 45 per cent of the portfolio, were valued externally by Cushman & Wakefield with 31 December 2024 as the valuation date. A total of 219 properties, corresponding in value to approximately 60 per cent of the property portfolio, was externally valuated on an ongoing basis in 2024. The properties were selected on the basis of the largest properties in terms of value to reflect the composition of the property portfolio as a whole in terms of category and geographical location. The external valuations carried out during the year were on par with the internal ones, thus confirming the carrying amount at 31 December 2024.

External independent experts have assessed Castellum’s property portfolio for the risk of natural disasters. Their analysis shows a 10 per cent probability of costs of SEK 14 M per year and a 0.5 per cent probability of costs of SEK 1,300 M per year. Castellum does not regard these costs as material impacts on valuation; instead, this is regulated by factors such as uncertainty and climate risks in the exit yield assigned to the property by the valuer.

Note 11 Intangible fixed assets

Accounting policy

Intangible fixed assets consist primarily of programme rights, developed in-house, which are recognised at cost less any accumulated amortisation and impairment. The residual value is assumed to be non-existent. Amortisation is on a straight-line basis, which means equal amortisation over the period of use – normally five years.

Intangible fixed assets, SEK M	Group		Parent Company	
	2024	2023	2024	2023
Opening cost	20	—	16	—
Purchases	4	8	3	4
Sales/retirement of assets	–13	—	–5	—
Reclassification	19	12	—	12
Closing acquisition cost	30	20	14	16
Opening amortisation	–2	—	–2	—
Sales/retirement of assets	6	—	—	—
Reclassification	–20	—	—	—
Amortisation for the year	–3	–2	–1	–2
Closing amortisation	–19	–2	–3	–2
Carrying amount	11	18	11	14

Note 12 Tangible fixed assets

Accounting policy

Tangible fixed assets consist of equipment recognised at acquisition cost less any accumulated depreciation and impairment. The residual value is assumed to be non-existent. Depreciation is on a straight-line basis, which means equal depreciation over the period of use – normally five years.

Tangible fixed assets, SEK M	Group		Parent Company	
	2024	2023	2024	2023
Opening cost	354	483	73	142
Purchases	18	45	—	16
Reclassification	—	–12	—	–12
Sales/retirement of assets	–63	–162	–22	–73
Closing acquisition cost	309	354	51	73
Opening depreciation	–246	–273	–48	–56
Sales/retirement of assets	37	103	—	14
Depreciation for the year	–28	–76	–2	–6
Closing depreciation	–237	–246	–50	–48
Carrying amount	72	108	1	25

Note 13 Right-of-use assets and lease liabilities

Accounting policy

The Group as lessee

The Group’s leases comprise primarily site leasehold agreements. There are also a few leases pertaining to rental of premises. Moreover, the Group holds a number of leases relating to assets such as staff vehicles and office equipment. These leases are deemed to be immaterial, and the lease fees are thus recognised as a cost on a straight-line basis over the lease period.

For site leasehold agreements, the Group recognises a lease liability and a right-of-use asset based on the assessment that the contracts are eternal.

Right-of-use assets, SEK M	Group	
	2024	2023
Carrying amount at beginning of year	1,441	1,591
New leasings and renegotiated leases	72	110
Leases terminated	–13	–137
Changes in commitments	61	–23
Depreciation	–97	–100
Carrying amount at year-end	1,464	1,441

Lease liabilities, SEK M	2024	2023
Carrying amount at beginning of year	1,441	1,591
New leasings and renegotiated leases	72	110
Leases terminated	–13	–137
Changes in commitments	61	–23
Repayment of lease liability	–97	–100
Carrying amount at year-end	1,464	1,441
Long-term lease liabilities	1,364	1,416
Short-term lease liabilities	100	25

Lease liability maturity structure, SEK M	2024	2023
Falling due for payment within 1 year	100	25
Falling due for payment between 1 and 5 years	239	379
Falling due for payment later than 5 years	1,125	1,037
Total	1,464	1,441

Items affecting earnings attributable to leases, SEK M	2024	2023
Depreciation of leases	–97	–100
Interest costs on lease liabilities	–72	–73
Total costs attributable to leases	–169	–173

Note 14 Goodwill

Accounting policy

Goodwill represents the difference between the cost and the Group's share of the fair value of the acquired Group company's identifiable net assets at the acquisition date. Moreover, goodwill is recognised in conjunction with business combinations, with the difference between contractual tax and nominal deferred tax being recognised as goodwill.

On the acquisition date, goodwill is valued at cost; thereafter, it is valued at cost less any impairment. Goodwill is tested at least once a year regarding the need for any impairment, or when there is an indication that a carrying amount is not recoverable.

Estimates and assessments

When goodwill is impairment tested, a number of material assumptions and assessments are made in order to calculate the value in use of the cash-generating unit, which is deemed to be Castellum's properties. These assumptions and assessments are attributable to expected future discounted cash flows and risk factors. Forecasts for the future cash flows are based on the best possible assessments of future income and costs as well as general market conditions and trends in the industry. Impairment testing of goodwill that is attributable to previous business combinations of asset portfolios is carried out in conjunction with divestment, amended tax legislation, or alternately a downturn in the value of the properties that impacts the temporary difference.

Goodwill

Castellum recognised goodwill of SEK 4,307 M (4,495). A change of SEK –188 M (–474) occurred during the year. Of this, SEK –82 M (–156) was the result of divested properties and SEK –106 M (–318) was attributable to decreases in property values.

Goodwill attributable to Castellum's coworking operation was impaired by SEK — M (–25). The impairment resulted from an analysis of the operation's future cash-generating capacity.

SEK M	Group		Parent Company	
	2024	2023	2024	2023
Opening cost	4,495	4,969	—	—
Sales during the year	–82	–156	—	—
Impairment for the year	–106	–318	—	—
Carrying amount	4,307	4,495	—	—

Note 15 Associated companies and joint ventures

Accounting policy

Associated company means companies in which the Castellum Group has a significant but not controlling interest, which normally pertains to shareholdings in which the value of the votes totals between 20 and 50 per cent, but also pertains to holdings with fewer voting rights if a significant interest can be demonstrated on other grounds.

A joint venture is a company in which the Group, through a partnership agreement, has a shared controlling interest with one or more partners and a right to portions of the company's net assets.

Associated companies and joint ventures are recognised using the equity method.

Estimates and assessments

On every balance sheet date, the carrying amounts of the company's holdings in associated companies are tested to assess whether there are indications of a need for impairment for the investment. The participation is measured at the higher of the value in use and fair value after sales costs. Fair value after sales costs was determined based on the current share price, while value in use was calculated and determined based on EPRA NRV. There are significant assessments regarding the recoverable amount. The impairment is recognised under "Income from associated companies and joint ventures" in profit or loss.

Entra

At the end of the year, Castellum owned 60,710,624 shares (60,710,624) in the Norwegian company Entra ASA, corresponding to 33.3 per cent (33.3) of the voting rights and capital. The fair value of Castellum's holding in Entra amounted to SEK 6,805 M (6,916) at 31 December.

Entra owns and manages modern office properties in central locations in Norway.

Halvorsäng

Castellum and Göteborgs Hamn AB have entered into a joint venture to build a 45,000-square metre logistics facility in Halvorsäng, close to the Skandiahammen port in the Hisingen district of Gothenburg. During the year, Castellum invested SEK 353 M in the jointly owned company.

Note 15 cont.

Associated companies and joint ventures	Corporate ID No.	Registered office	Carrying amount, SEK M		
			Share, %	Group	Parent Company
Entra ASA	999,296,432	Oslo	33.3	9,537	9,537
Halvorsång Fastighets AB	559338-6781	Gothenburg	50.0	387	353

Associated companies and joint ventures, SEK M	Group		Parent Company	
	2024	2023	2024	2023
Opening cost	10,008	13,286	10,008	12,693
Shareholder contributions including transaction expenditure	353	—	353	—
Castellum’s share of earnings from associated companies and joint ventures	39	–1,833	—	—
Dividend received	—	–146	—	—
Impairment	–299	–451	–471	–2,678
Exchange rate change	–177	–848	—	–7
Closing carrying amount	9,924	10,008	9,890	10,008

Condensed income statement, SEK M	2024			2023		
	Entra	Halvors-ång	Castellum’s share	Entra	Halvors-ång	Castellum’s share
Rental income	3,212	—	1,071	3,436	—	1,122
Property costs	–271	–1	–91	–284	—	–93
Net operating income	2,941	–1	980	3,153	—	1,030
Other operating expenses	–192	—	–64	–233	—	–76
Net financial items	–1,495	1	–498	–1,629	—	–532
Earnings after net financial items	1,254	—	418	1,291	—	422
of which, income from property management	1,286	—	429	1,363	—	445
Change in values on properties	–1,472	87	–447	–8,192	—	–2,676
Changes in value on financial instruments	163	—	54	–4	—	–1
Income before tax	–55	–87	25	–6,905	—	–2,255
Tax	129	–18	34	1,293	—	422
Less: Non-controlling interest	–61	—	–20	134	—	—
Net income for the year	13	—	39	–5,478	—	–1,833

Entra’s asset portfolio, 2024	Number of properties	Area, sq. m.	Occupancy rate, %	Contract length, years	Market value¹		Rent, LTM		Net yield, %	Market rent	
					SEK M	SEK M/sq. m.	SEK M	SEK M/sq. m.		SEK M	SEK M/sq. m.
Oslo	47	789,798	94.0	6.2	43,449	55,012	2,254	2,855	4.80	2,631	3,331
Bergen	8	123,485	95.2	4.7	5,363	43,433	304	2,458	5.18	355	2,875
Sandvika	10	132,091	93.1	6.3	4,271	32,327	267	2,022	5.84	272	2,064
Drammen	6	60,933	96.3	7.7	2,027	33,257	129	2,116	5.86	128	2,093
Stavanger	2	54,215	99.5	5.9	1,423	26,241	94	1,745	6.01	104	1,925
Property management portfolio	73	1,160,522	94.3	6.1	56,532	48,712	3,049	2,591	4.99	3,490	3,008
Development portfolio	4	71,536		11.8	2,144	29,971					
Development project	4	98,187		0.5	542	5,525					
Asset portfolio	81	1,330,245		6.3	59,218	44,517					

1. The fair value of the asset portfolio comprises SEK 58,638 M in investment properties, SEK 505 M in contract receivables and SEK 75 M in other receivables.

Condensed balance sheets, SEK M	31 Dec 2024			31 Dec 2023		
	Entra	Halvorsång	Castellum’s share	Entra	Halvorsång	Castellum’s share
Assets						
Investment properties	58,638	539	19,816	67,587	—	22,529
Other fixed assets	2,291	—	764	2,146	—	715
Current assets	1,312	9	442	2,488	—	829
Cash and cash equivalents	256	333	252	169	—	56
Total assets	62,497	881	21,273	72,390	—	24,130
Equity and liabilities						
Equity	24,782	773	8,647	25,225	—	8,408
Deferred tax liability	5,887	18	1,971	6,807	—	2,269
Long-term interest-bearing liabilities	22,735	—	7,578	37,664	—	12,555
Short-term interest-bearing liabilities	7,708	—	2,569	946	—	315
Other liabilities	1,385	90	507	1,748	—	583
Total equity and liabilities	62,497	881	21,273	72,390	—	24,130

Key metrics	31 Dec 2024		31 Dec 2023	
	Entra	Halvorsång	Entra	Halvorsång
Number of properties	81	1	99	—
Property value, SEK M	58,638	539	67,587	—
Leasable area, 000 sq. m.	1,161	45	1,376	—
WAULT, years	6.1	12.0	6.1	—
Economic occupancy rate, %	94.3	95.3	96.3	—
Interest-bearing liabilities, SEK M	30,443	—	38,610	—
Debt maturity, years	3.1	—	3.8	—
Fixed interest term, years	3.5	—	4.2	—
Loan-to-value ratio, %	48.3	—	57.1	—
EPRA NRV, SEK/share	157	—	165	—
Share price, NOK/share	115.60	—	115.40	—

Note 16 Other fixed assets

Other fixed assets consist of holdings in smaller associated companies that are not material to the Group as well as participations in other companies, long-term receivables, and capital insurance.

Note 17 Equity and Net Asset Value

Estimates and assessments

Hybrid bond

Upon initial recognition, it was assessed that the hybrid bond was to be classified as equity and not as a financial liability. The assessment that forms the basis for the classification is that there is no explicit contractual obligation to settle the agreement through the payment of cash or another financial asset. Nor are there any other circumstances indicating that the agreement will be settled in cash or other financial asset. This assessment applies to both nominal amounts and interest payments. Castellum has the right to postpone interest payments indefinitely, provided that the hybrid bond holders are informed within the period of time agreed.

Items in equity

Share capital

The share capital as of 31 December 2024 consisted of 492,601,452 registered A-shares with one vote per share and a quotient value of SEK 0.50 per share. All shares are fully paid.

There are no restrictions regarding dividend or other types of repayment. There is no potential common stock, such as convertibles, or preference shares with preferential rights to accumulated dividend.

Note 17 cont.

At the AGM in May 2024, Castellum’s Board of Directors was authorised to decide on a new share issue with or without derogation of the shareholders’ preferential rights. The AGM resolved to authorise the Board, during the period until the next AGM, to decide, on one or more occasions, on new issues of shares corresponding to a maximum of 10 per cent of the company’s share capital at the point in time when the authorisation is first utilised, with or without deviation from the shareholders’ preferential rights. Furthermore, the AGM resolved to authorise

the Board to decide on acquisition of the company’s own shares corresponding to a maximum of 10 per cent of all shares, and also on transfer of these shares.

To safeguard an incentive programme for senior executives, the company repurchased 155,403 shares during the year at an average price of SEK 129.49, corresponding to 0.03 per cent of the number of registered shares. There are 155,403 treasury shares in total. The number of shares outstanding at 31 December 2024 amounted to 492,446,049.

Development of share capital	Date	Number of shares	Total number of registered shares	Quotient value/share, SEK	Share capital, SEK	Total registered share capital, SEK
Formation A shares	27 Oct 1993	+500	500	100.00	+50,000	50,000
New share issue, A shares	27 Sep 1994	+999,500	1,000,000	100.00	+99,950,000	100,000,000
Share split 50:1	25 Mar 1997	+49,000,000	50,000,000	2.00	—	100,000,000
IPO	23 May 1997	50,000,000	50,000,000	2.00	100,000,000	100,000,000
New share issue, C shares	12 Jul 2000	+7,142,857	57,142,857	2.00	+14,285,714	114,285,714
Redemption, A shares	12 Jul 2000	–6,998,323	50,144,534	2.00	–13,996,646	100,289,068
Redemption, C shares	13 Nov 2000	–7,142,857	43,001,677	2.00	–14,285,714	86,003,354
Share split 4:1	27 Apr 2006	+129,005,031	172,006,708	0.50	—	86,003,354
New issue of shares	14 Jun 2016	+82,000,000	254,006,708	0.50	+41,000,000	127,003,354
Share issue in kind	15 Jun 2016	+19,194,458	273,201,166	0.50	+9,597,229	136,600,583
Share issue in kind	13 Nov 2020	+4,061,745	277,262,911	0.50	+2,030,873	138,631,456
Share issue in kind	10 Nov 2021	+64,835,553	342,098,464	0.50	+32,417,776	171,049,232
Share issue in kind	19 Nov 2021	+3,633,504	345,731,968	0.50	+1,816,752	172,865,984
New issue of shares	7 Jun 2023	+164,200,484	509,932,452	0.50	+82,100,242	254,966,226
Cancellation of treasury shares	7 Jun 2023	–17,331,000	492,601,452	0.50	–8,665,500	246,300,726
Year-end	31 Dec 2024	492,601,452	492,601,452	0.50	246,300,726	246,300,726

Hybrid bond

Castellum issued a hybrid bond in 2021. This hybrid bond is subordinate to all other claimants, and is recognised in equity in accordance with the assessment that was made upon initial recognition.

Note 17 cont.

Financial target and capital structure

Castellum should have a stable capital structure with low financial risk, meaning a loan-to-value ratio not permanently exceeding 40 per cent and an interest coverage ratio of at least 3.

Castellum’s overall financial target is a return on equity of at least 10 per cent per year over a business cycle.

Net asset value

Net asset value can be calculated both long and short term. Long term net reinstatement value (EPRA NRV) is based on the balance sheet, with adjustments for items that will not lead to any short-term payment or that do not belong to owners of ordinary shares. In Castellum’s case, these would include derivatives, goodwill attributable to deferred tax, deferred tax liability, and the hybrid bond as well as non-controlling interest.

Short-term net tangible assets (EPRA NTA) comprises EPRA NRV adjusted for the estimated fair value of deferred tax liability. EPRA NDV is an indication of a disposal value.

Net asset value	SEK M	SEK/share
Equity according to the balance sheet	79,174	161
Reversed:		
Hybrid bonds	–10,161	–21
Derivatives according to the balance sheet	–2,294	–5
Goodwill attributable to deferred tax	–4,307	–9
Deferred tax according to the balance sheet	14,900	30
EPRA NRV (Long-term net reinstatement value)	77,312	157
Less:		
Estimated real liability, deferred tax ¹	–2,287	–5
EPRA NTA (current net tangible assets)	75,025	152
Reversed:		
Derivatives according to above	2,294	5
Deferred tax	–12,613	–26
EPRA NDV (net disposal value)	64,706	131

1. The estimated fair value of the deferred tax liability has been calculated to a tax rate of 3 per cent based on a discount rate of 3 per cent. The properties are expected to be realised indirectly in corporate wrappers over 50 years where the buyer’s tax deduction is 5.15 per cent. Furthermore, it has been assumed that the remaining tax loss carry forwards will be utilised within three years and that derivatives and appropriations will be realised within five years, yielding tax rates of 20 per cent and 19 per cent respectively.

Note 18 Liabilities

During the year, Castellum issued bonds of SEK 9.2 Bn and refinanced bank credits of SEK 17.8 Bn. Castellum Aktiebolag took over as the issuer in the MTN programme of its subsidiary Kungsleden during the year. This takeover increased the Parent Company’s interest-bearing liabilities by SEK 1.6 Bn.

SEK M	Group		Parent Company	
	2024	2023	2024	2023
Non-interest bearing liabilities due within one year of the balance sheet date	3,428	3,615	254	270
Interest bearing liabilities due within one year of the balance sheet date	8,333	4,626	13,707	12,192
between 1–5 years after balance sheet date	34,621	39,928	21,935	31,469
later than five years after the balance sheet date	15,679	17,117	25,564	9,899
Total liabilities excluding deferred tax liability, leases, other provisions and derivatives	62,061	65,286	61,460	53,830

Debt maturity structure for credit agreements, presented in the table below, shows when in time the credit agreements fall due for renegotiation or repayment. The Group’s financial risks are presented on page 45, and other risk management is described on pages 41–46.

Credit agreement maturity structure, SEK M	Bank	Bonds	Commercial paper	Total interest-bearing liabilities	Share, %	Unutilised credits	Total available credit facilities
2025	—	8,238	—	8,238	14	850	9,088
2026	899	6,541	—	7,440	13	11,483	18,923
2027	2,529	3,948	—	6,477	11	10,155	16,632
2028	6,390	1,579	—	7,969	13	1,500	9,469
2029	2,683	10,017	—	12,700	22	—	12,700
>2029	10,100	5,709	—	15,809	27	—	15,809
Total	22,601	36,032	—	58,633	100	23,988	82,621

Interest-rate exposure to market interest rate (all amounts restated in SEK M)	SEK	DKK	EUR	NOK
Interest-bearing liabilities	31,823	3,183	21,340	2,288
Fixed rate loans >6m	2,907	—	15,598	1,706
Interest rate derivatives >6m	22,141	—	—	—
Exposure to market interest rates SEK <6 M	6,775	3,183	5,742	582
Market interest rates	Stibor	Cibor	Euribor	Nibor
Sensitivity analysis – market interest rates				
Effect on interest costs of a +/- 1 percentage point change in the underlying market interest rate	+/-68	+/-32	+/-57	+/-6

Credit agreements/limits, SEK M	Amount	Utilised
Long-term credit agreements in bank	45,739	22,601
Overdraft facility	850	—
Total credit agreements	46,589	22,601
MTN programme (SEK 25,000 M facility)	12,405	12,405
EMTN programme (EUR 3,000 M facility)	23,627	23,627
Commercial paper (SEK 10,000 M facility)	—	—
Total	82,621	58,633

Note 18 cont.

Covenants

Covenants are terms in credit agreements that contain specific limitations or financial key metrics that need to be fulfilled. The covenants that apply in Castellum’s credit agreements with its creditors are shown in the table below.

Key metrics	Threshold values	Outcome
Interest coverage ratio, multiple	>1.5	3.1–3.3 ¹
Loan-to-value ratio, %	<65	36
Loan-to-value ratio, property value, %	<65	41
Share of secured borrowing/total assets, %	<45	14
Debt/equity ratio, %	>25	50

1. The outcome varies depending on the calculation method used by the creditors.

Reports on the covenants are presented to the creditors on a quarterly basis. They encompass all secured credits, which at 31 December 2024 totalled SEK 22,601 M, and unsecured credits issued under our EMTN programme.

Since the headroom to all covenants are good, the risk of long-term liabilities becoming repayable within twelve months of the end of the reporting period is extremely low. The covenants above apply to the Group as a whole.

Note 19 Financial instruments

Accounting policy

Financial instruments recognised in the balance sheet include cash and cash equivalents, rent receivables, financial assets, other receivables excluding loan receivables and interest-rate and currency derivative instruments among assets; and interest-rate and currency derivative instruments, accounts payable, other liabilities and loans among liabilities.

Financial instruments are initially recorded at fair value equivalent to cost plus transaction costs, excepting the category of financial instruments recognised at fair value through the income statement, where transaction costs are instead expensed.

A financial asset is removed from the balance sheet when the rights in the agreement are realised or expire, or when the company no longer exercises control over it. A financial liability is removed from the balance sheet when contractual obligations in the agreement have been paid or otherwise extinguished.

Cash and cash equivalents

Cash and cash equivalents consist of unappropriated bank balances.

Receivables

Financial assets which are not derivatives, that feature fixed or fixable payments and are not quoted on an active market, are recognised as receivables. Financial assets are classified at either amortised cost, fair value through profit or loss or fair value through other comprehensive income, based on the character of the asset’s cash flow and on the business model that covers the asset. All Castellum’s financial

assets that are not derivatives meet the criteria for contractual cash flows and are held in a business model whose purpose is to collect these contractual cash flows. The receivables are thereby recognised at amortised cost. The Group has primarily rent receivables and receivables attributable to properties sold. After individual valuation, receivables were taken up at the amount at which they are expected to be received, which means that they are recognised at cost with allowance for expected credit losses.

The simplified model for credit loss provisions is used for the Group’s receivables with the exception of cash and cash equivalents. This means that expected credit losses are reserved for the remaining term, which is expected to be less than one year for all receivables. Credit provisions are routinely assessed based on historic data as well as current and prospective factors. The Group defines “in default” as receivables that are overdue by more than 90 days; in such cases, an individual assessment and allowance are made. The allowance for cash and cash equivalents is assessed based on the likelihood of default and on prospective factors.

Liabilities

Liabilities refer to credits and operating liabilities such as accounts payable. The credits are recognised in the balance sheet at amortised cost. Accrued unpaid interest is recognised under accrued expenses. Accounts payable and other operating liabilities with short maturities are recognised at nominal value.

Note 19 cont.

2024, SEK M	Financial assets recognised at amortised cost	Financial assets recognised at fair value via profit or loss	Derivatives used in hedge accounting	Financial liabilities recognised at fair value via profit or loss	Financial liabilities recognised at amortised cost
Assets					
Interest rate derivatives	—	893	—	—	—
Currency derivatives	—	1,382	264	—	—
Long-term receivables	12	—	—	—	—
Rent receivables	123	—	—	—	—
Other receivables	309	—	—	—	—
Cash and bank	2,400	—	—	—	—
Total assets	2,844	2,275	264	—	—
Liabilities					
Interest rate derivatives	—	—	—	37	—
Currency derivatives	—	—	208	—	—
Interest-bearing liabilities	—	—	—	—	58,633
Accounts payable	—	—	—	—	315
Other liabilities	—	—	—	—	1,848
Total liabilities	—	—	208	37	60,796
2023, SEK M					
Assets					
Interest rate derivatives	—	1,089	—	—	—
Currency derivatives	—	794	65	—	—
Long-term receivables	11	—	—	—	—
Rent receivables	95	—	—	—	—
Other receivables	243	—	—	—	—
Cash and bank	2,088	—	—	—	—
Total assets	2,437	1,883	65	—	—
Liabilities					
Interest rate derivatives	—	—	—	324	—
Currency derivatives	—	—	272	—	—
Interest-bearing liabilities	—	—	—	—	61,671
Accounts payable	—	—	—	—	285
Other liabilities	—	—	—	—	1,824
Total liabilities	—	—	272	324	63,780

Financial instruments

Financial instruments are recognised at amortised cost less any impairments, which is why fair value is deemed to agree with carrying amount. Long-term interest-bearing liabilities are reported at amortised cost. Fair value of long-term MTNs totalled SEK 29,132 M (29,279), while fair value for short-term bonds totalled SEK 8,231 M (3,713).

Note 20 Reconciliation of liabilities arising from financing activities

Group, SEK M	31 Dec 2023	Cash flow	Non-cash items			31 Dec 2024
			Change in value	Exchange rate changes	Periodisation premium/discount	
Long-term interest-bearing liabilities	57,134	-7,182	—	518	-170	50,300
Short-term interest-bearing liabilities	4,537	3,589	—	196	11	8,333
Derivatives	-1,352	-203	-739	—	—	-2,294
Total liabilities attributable to financing activities	60,319	-3,796	-739	714	-159	56,339

Group, SEK M	31 Dec 2022	Cash flow	Non-cash items			31 Dec 2023
			Change in value	Exchange rate changes	Periodisation premium/discount	
Long-term interest-bearing liabilities	64,616	-7,071	—	-398	-13	57,134
Short-term interest-bearing liabilities	12,233	-7,322	—	-395	21	4,537
Derivatives	-2,746	407	987	—	—	-1,352
Total liabilities attributable to financing activities	74,103	-13,986	987	-793	8	60,319

Parent Company, SEK M	31 Dec 2023	Cash flow	Non-cash items				31 Dec 2024
			Change in value	Exchange rate changes	Periodisation premium/discount	Other	
Long-term interest-bearing liabilities	28,659	1,930	—	155	-168	1,580	32,156
Short-term interest-bearing liabilities	3,251	-726	—	—	1	—	2,526
Long-term interest-bearing liabilities to Group companies	12,709	-165	—	449	15	2,335	15,343
Short-term interest-bearing liabilities to Group companies	8,941	1,718	—	2	—	520	11,181
Derivatives	-794	-203	-1,297	—	—	—	-2,294
Total liabilities attributable to financing activities	52,766	2,554	-1,297	606	-152	4,435	58,912

Parent Company, SEK M	31 Dec 2022	Cash flow	Non-cash items			31 Dec 2023
			Change in value	Exchange rate changes	Periodisation premium/discount	
Long-term interest-bearing liabilities	37,281	-8,320	—	-293	-9	28,659
Short-term interest-bearing liabilities	10,023	-6,399	—	-396	23	3,251
Long-term interest-bearing liabilities to Group companies	12,735	—	—	-37	11	12,709
Short-term interest-bearing liabilities to Group companies	10,708	-1,764	—	-3	—	8,941
Derivatives	-1,855	535	526	—	—	-794
Total liabilities attributable to financing activities	68,892	-15,948	526	-729	25	52,766

Note 21 Deferred tax liability

Deferred tax in the balance sheet

The difference between fair value and taxable residual value for Castellum's properties at 31 December 2024 totalled SEK 80,539 M (80,303), of which SEK 71,371 M (70,662) is the basis for provisions for deferred tax liability.

Tax loss carry forwards consist of prior years' tax losses. The losses, which are not restricted in time, will be rolled over to the following year and used to offset future taxable profits. The remaining tax loss carry forwards, estimated at SEK 588 M (907), are blocked for use in parts of the Group.

Deferred tax liability, SEK M	2024		2023	
	Basis	Tax	Basis	Tax
Tax loss carry forwards	588	121	907	187
Properties	-71,371	-14,726	-70,662	-14,579
Derivatives	-650	-134	-1,389	-286
Untaxed reserves	-781	-161	-641	-132
Closing balance in the balance sheet	-72,214	-14,900	-71,785	-14,810
Opening balance	-71,785	-14,810	-86,185	-17,754
Deferred tax over equity	689	142	-549	-113
Change for the year, according to net income for the year	-1,118	-232	14,949	3,057
Closing balance in the balance sheet	-72,214	-14,900	-71,785	-14,810

Consolidated deferred tax totalled SEK 14,900 M (14,810). An estimated fair value for this can be calculated as an alternative to recognised deferred tax based on applicable reporting standards. The fair value according to this calculation as of 31 December 2024 is estimated at SEK 2,287 M (2,337), see the section on net asset value in Note 17.

Deferred tax in the Parent Company balance sheet

Deferred tax liability in the Parent Company balance sheet at 31 December 2024 totalled SEK 133 M (171) and is attributable to financial instruments.

Note 22 Other provisions

Accounting policy

Provisions are liabilities that are uncertain as regards time of payment or amount. A provision is recognised when there are contractual obligations, court orders or other legal basis that is likely to involve future payments. The amount allocated is routinely assessed. Obligations that fall due in over a year are appraised through discounting.

Other provisions

Other provisions relate to pension provisions as well as rental guarantees issued in conjunction with transactions that have a maximum commitment assessed at SEK 1 M (20).

Note 23 Derivatives

Accounting policy

Derivatives are initially recognised on the trade date at cost in the balance sheet, and subsequently appraised at fair value in the respective reporting periods. Fair value is defined as the price that would be received from the sale of an asset, or the remuneration that would be paid to transfer a liability in a normal transaction between market participants on the valuation date. For derivatives, the fair value is normally established on the basis of applicable customary market quotations by estimating future cash flows via relevant forward curves and discounting with the relevant discount curves for the respective derivatives and currencies.

Changes in value can be realised as well as unrealised, and are reported in profit or loss. In the event derivatives are identified as hedging instruments, the change in value is recognised in other comprehensive income or in earnings, depending on the type of hedging in question. Realised changes in value refer to settled derivative contracts and constitute the difference between the price at the time of settlement and the carrying amount according to the preceding period. Unrealised changes in value refer to the changes in value that arose during the period for the derivative contracts Castellum held at the end of the period. Changes in value are calculated based on valuation at the end of the period, compared to valuation from the previous year, or alternately the cost if the interest rate derivative contract was entered into during the year.

Hedge accounting

Hedge accounting is applied when a financial derivative is included in a documented hedging relationship. To apply hedge accounting, there should at least be a direct link between the hedging instrument and the item being hedged.

Cash-flow hedge

A cash-flow hedge is used to reduce the risk of future variations in cash flows that are due to changes in, for example, interest rates, currencies or raw materials prices. The effective portion of the change in

value on the derivative is recognised in other comprehensive income and accumulated in equity. The inefficient portion is recognised directly in earnings.

Hedging of net investment

Hedging of net investments pertains to hedging that is intended to reduce the currency effect of changes in value on a net investment in operations outside Sweden. The change in value on the hedging instrument is recognised in other comprehensive income and accumulated in equity until the operation outside Sweden is divested.

Hedging of fair value

A fair value hedge is a hedge of exposure to changes in fair value of a recognised asset or liability, or a commitment that has not yet been recognised. This hedge is used to reduce the impact of changes in market prices – for example, changes in interest rates or exchange rate risks – on earnings. Changes in value are recognised in profit or loss.

Group derivatives

Castellum holds interest rate derivatives to manage exposure to fluctuations in the market interest rate in accordance with its adopted financial policy. The interest rate derivatives are also used to achieve the desired interest rate maturity structure. This strategy means that there will be changes in value of the interest rate derivatives portfolio from time to time, primarily as a result of changes in market interest rates. Castellum uses currency interest rate swaps to manage currency and interest rate risk in conjunction with borrowing in the international capital market. The realised and unrealised change in value are recognised directly in profit or loss.

The Group applies hedge accounting for net investments in Denmark and Norway, where hedging instruments comprise currency derivatives and external loans in foreign currencies. The change in value for these hedging instruments is recognised in other comprehensive income up until the date when the hedged item is realised and the accumulated effect is brought over to profit or loss. Furthermore, the Group has currency interest rate swaps that are part of cash-flow

Note 23 cont.

hedges, with the hedged risk pertaining to future cash-flow exposure in conjunction with repayment of bonds and routine interest rate payments. The change in value is recognised in other comprehensive income. Currency interest rate swaps are also used in hedging fair value to safeguard against the risk of future exposure to changes in the recognised liability owing to changes in exchange rate and changes in interest rate. Changes in value are recognised in profit or loss.

Valuation and changes in value

To calculate the fair value of derivatives, market rates for each term and exchange rates as quoted in the market for the closing date are used. Interest rate swaps are valued by discounting future cash flows to present value, while instruments containing options are valued at current repurchase price. When calculating the fair value of derivatives, adjustments are made for counterparty risk in the form of Credit Value Adjustments (CVA) and Debt Value Adjustments (DVA). CVA shows Castellum’s risk of experiencing credit loss in the event of counterparty default, whereas DVA shows the opposite. The adjustment is calculated at the counterparty level based on expected future credit exposure, risk of default and the recovery rate of exposed credits. As of 31 December 2024, the market value of the interest rate and currency derivatives portfolio amounted to SEK 2,294 M (1,352), with fair value being established according to level 2, IFRS 13.

Parent Company

In net income for the year, the derivatives generated a change in value of SEK 824 M (–99), which includes both realised and unrealised changes in value. Changes in value resulting from hedging relationships, with changes in value being reported in other comprehensive income, totalled SEK 80 M (30). The positive changes in value are attributable to the rise in interest rates on longer maturities during the year as well as changes in currency exchange rates. As of 31 December 2024, the market value of the interest rate derivatives portfolio amounted to SEK 856 M (208), and of the currency derivatives portfolio to SEK 1,438 M (586) where fair value is established according to level 2, IFRS 13.

Counterparty risk

In order to limit counterparty risk, Castellum’s derivative contracts are covered by general agreement with derivative contracts (ISDA). This allows Castellum to offset positive and negative market values in the event of default.

Group, SEK M	31 Dec 2024			31 Dec 2023		
	Asset	Liability	Net	Asset	Liability	Net
Interest rate derivatives	893	–37	856	1,089	–324	765
Currency derivatives	1,646	–208	1,438	859	–272	587
Gross value derivatives	2,539	–245	2,294	1,948	–596	1,352
Covered by netting	–194	194	—	–388	388	—
Net value derivatives	2,347	–53	2,294	1,560	–208	1,352

Parent Company, SEK M	31 Dec 2024			31 Dec 2023		
	Asset	Liability	Net	Asset	Liability	Net
Interest rate derivatives	893	–37	856	532	–324	208
Currency derivatives	1,646	–208	1,438	859	–272	587
Gross value derivatives	2,539	–245	2,294	1,391	–596	795
Covered by netting	–194	194	—	–388	388	—
Net value derivatives	2,347	–53	2,294	1,003	–208	795

Future cash flow

Future cash flows attributable to interest rate derivatives consist of interest paid minus interest received as presented below. To calculate the variable part of the interest rate derivative, the STIBOR and CIBOR interest rates – as listed at year-end – have been used throughout the full term of the derivative.

Year	Future cash flow of interest rate derivatives, SEK M		
	Interest to pay	Interest to receive	Net
2025	–590	1,199	609
2026	–572	1,103	531
2027	–518	796	278
2028	–476	698	222
2029	–368	552	184
>2029	–858	1,049	191
Total	–3,382	5,397	2,015

Note 23 cont.

Sensitivity analysis

The table below shows the interest rate derivative portfolio’s nominal net amount and market value and the market value of the portfolio with a change of +/- 1 percentage point in the interest rate. Based on

the date of termination, interest rate derivatives that include an option have been reported in the same time segment as prior to the assumed change in interest rate.

End date	Total nominal amount of derivatives with variable portion, SEK M	Carrying amount, SEK M	Market value, SEK M	Average interest rate, %	Market value, interest rate +1 pp	Market value, interest rate –1 pp
2025	6,110	—	282	–2.31	293	270
2026	2,450	—	72	–1.96	107	36
2027	2,000	—	41	–0.83	92	–11
2028	3,700	—	171	–1.32	292	42
2029	4,838	—	–83	0.38	39	–213
>2029	16,871	—	450	–0.49	1,114	–278
Total	35,969	—	933	–0.89	1,937	–154

Currency derivatives with a market value of SEK 1,362 M (689) are not included in the table above, since a change in the market interest rate has an insignificant effect on the market value.

Currency exposure and sensitivity analysis

Exposure in foreign currency	DKK M	EUR M	NOK M
Fair value, properties	3,759	569	—
Associated companies	—	—	9,835
Interest-bearing liabilities	–2,073	–1,864	–2,450
Exposure excluding derivatives and hybrid bond	1,686	–1,295	7,385
Hybrid bond ¹	—	–1,000	—
Nominal amount, currency derivatives	–533	1,964	–4,536
Net exposure in foreign currency	1,153	–331	2,849

1. Recognised in equity

The table below shows how carrying amounts of some large items in the balance sheet are impacted by a 10 per cent change in the respective exchange rates.

Change in exchange rate +/- 10%, SEK M	Change in		
	DKK	EUR	NOK
Impact on:			
Investment properties	+/–579	+/–654	—
Participations in associated companies	—	—	+/–954
Interest-bearing liabilities	–/+319	–/+2,141	–/+238
Currency derivatives	–/+82	+/–2,256	–/+440
Comprehensive income excluding tax	+/–178	+/–769	+/–276

Note 24 Accrued expenses and prepaid income

SEK M	Group		Parent Company	
	2024	2023	2024	2023
Pre-paid rents	1,777	1,703	—	—
Accrued interest	288	299	180	177
Other	410	649	38	30
Total	2,475	2,651	218	207

Note 25 Pledged assets

SEK M	Group		Parent Company	
	2024	2023	2024	2023
Pledged mortgages	42,075	45,170	—	—
Long-term receivables, Group companies	—	—	31,166	29,507
Total	42,075	45,170	31,166	29,507

Note 26 Contingent liabilities

SEK M	Group		Parent Company	
	2024	2023	2024	2023
Guarantee commitments for Group companies	—	—	23,479	28,068
Total	—	—	23,479	28,068

The amount pertains to the Parent Company’s guarantee commitment for the external credits of its subsidiaries.

Note 27 Income from participations in Group companies

Income from participations in Group companies	Parent Company	
	2024	2023
Impairment of shares and participations, subsidiaries	–214	–3,840
Group contributions received, subsidiaries	452	713
Received dividend, subsidiaries	1,365	4,075
Total	1,603	948

Note 28 Participations in Group companies

Directly owned subsidiaries are listed below. Other companies in the Group are included in each respective subsidiary’s annual report.

Directly owned subsidiaries	Corporate ID No.	Registered office	Share of equity, %	Carrying amount, SEK M
Castellum Stockholm AB	556002-8952	Stockholm	100	4,854
Castellum Mitt AB	556121-9089	Örebro	100	5,507
Castellum Väst AB	556122-3768	Gothenburg	100	3,579
Castellum Öresund AB	556476-7688	Malmö	100	5,191
Castellum Norr AB	556594-3999	Sundsvall	100	1,131
United Spaces Network Offices AB	556668-1069	Stockholm	100	64
Fastighets AB Regeringsgatan	556571-4051	Gothenburg	100	6
Castellum Finland AB	559154-9828	Gothenburg	100	2,810
Castellum Projektutveckling AB	559249-3430	Gothenburg	100	19
Castellum Innovation AB	559110-6538	Gothenburg	100	3
Kungsleden AB	556545-1217	Stockholm	100	23,617
Castellum Mälardalen AB	559292-6678	Västerås	100	2,412
Total				49,193

Principles for consolidation of Group companies are described in the accounting policies, Note 1.

Participations in Group companies, SEK M	Parent Company	
	2024	2023
Opening cost	46,347	47,342
Shareholders’ contributions paid, and Group contributions	3,060	2,825
Reversal of previous impairments	429	2
Impairment	–643	–3,822
Closing cost/carrying amount	49,193	46,347

Note 29 Long-term receivables, Group companies

SEK M	Parent Company	
	2024	2023
Opening cost	42,503	38,923
New borrowing/amortisation from Group companies	4,094	3,583
Currency translation	276	–3
Closing cost/carrying amount	46,873	42,503

Note 30 Additional cash flow disclosures

Accounting policy
The cash flow statement has been prepared according to the indirect method.

Adjustments for non-cash items	Group		Parent Company	
	2024	2023	2024	2023
Depreciation/amortisation and impairment of intangible and tangible fixed assets, and right-of-use assets	128	183	3	8
Change in provisions	–12	–1	2	2
Disposals and impairment of intangible and tangible fixed assets	33	60	5	59
Provisioned for and confirmed bad debts	21	26	—	—
Exchange rate effects and other	–109	6	–3	—
Total	61	274	7	69

Cash and cash equivalents	Group		Parent Company	
	2024	2023	2024	2023
The following sub-components are included in cash and cash equivalents				
Bank balances	2,400	2,088	1,758	942
Total	2,400	2,088	1,758	942

Interest paid	Group		Parent Company	
	2024	2023	2024	2023
Interest paid, of which:	–2,252	–2,293	–2,103	–2,042
Capitalised interest	–36	–42	—	—

Note 30 cont.

	Group	
	2024	2023
Indirect sales of properties		
Sold assets and liabilities		
Investment properties	3,181	5,290
Other fixed assets	—	9
Operating receivables	10	15
Cash and cash equivalents	0	24
Total assets	3,191	5,338
Deferred tax liability	6	4
Loan payables	1,038	1,730
Lease liabilities	—	8
Operating liabilities	71	160
Total provisions and liabilities	1,115	1,902
Purchase consideration received for shares	2,045	3,232
Cash received, repayment of loans	1,038	1,730
Total cash received	3,083	4,962
Less: cash and cash equivalents in divested companies	0	–24
Less: repayment of loans	–76	–584
Sales of properties in corporate wrappers	3,007	4,354

Note 31 Related-party transactions

In 2024, the Group engaged Sweco Sverige AB for consulting services related to property management and property development. Sweco Sverige AB is also a tenant of Castellum. Transactions with Sweco Sverige AB constitute related-party transactions. Sweco Sverige AB is considered a related company to Castellum since Board member Ann-Louise Lökhölm-Klasson is the CEO of Sweco Sverige AB. During the year, the Group purchased consulting services for approximately SEK 11.2 M and Sweco paid rent of approximately SEK 9.0 M to Castellum.

Additionally, Castellum provided a shareholders’ contribution of SEK 353 M to Halvorsäng Fastighets AB, and invoiced the company SEK 0.9 M for services performed pertaining to project management and administration. Halvorsäng Fastighets AB is a joint venture between Castellum Aktiebolag and Göteborgs Hamn AB. The company is therefore deemed to be a related company to Castellum and transactions with the company comprise related-party transactions.

Furthermore, remuneration was paid to Board members and senior executives pertaining to work performed, refer to Note 9. All related-party transactions were concluded at arm’s length.

Note 32 Events after balance sheet date

Castellum acquired additional shares in the Norwegian property company Entra, and triggered a mandatory offer under Norwegian law.

Work on the Infinity office project, with about 20,000 square metres of leasable area in the Hagastaden district of Stockholm, is starting with a remaining investment volume of SEK 1.25 Bn.

Castellum has received a credit rating of BBB from Standard & Poor, which improves the company’s position in the capital market.

For the first time, Castellum was awarded the highest score in the CDP climate ranking.

Castellum’s Nomination Committee proposes that Stefan Ränk be elected as a new Board member. Stefan has extensive and solid experience from the property industry.

Castellum has issued unsecured green bonds totalling SEK 4 Bn as part of its MTN programme.

Northvolt, one of Castellum’s larger tenants, submitted a bankruptcy filing to the district court in mid-March. Northvolt’s annual contract value amounted to SEK 128 M.

Note 33 Proposed appropriation of profits

The following funds are at the Annual General Meeting’s disposal:

Retained earnings	SEK 47,553,327,780
Net income for the year	SEK 1,222,528,514
Total	SEK 48,775,856,294

The Board of Directors propose that the profits be appropriated as follows:

Dividend to shareholders, SEK 2.48 per share	SEK 1,221,266,202
Carried forward	SEK 47,554,590,092
Total	SEK 48,775,856,294

Signing of the Annual Report

As far as we can determine, the annual accounts have been prepared in accordance with generally accepted accounting principles. The annual accounts give a true and fair view of the company’s financial position and results, and the Directors’ Report gives a true and fair overview of the development of the company’s operations, financial position and results, and describes the significant risks and factors of uncertainty facing the company.

The consolidated accounts have been prepared in accordance with the international accounting standards covered in Regulation (EC)

No 1606/2002 of the European Parliament and of the Council of 19 July, 2002 on the application of international accounting standards. The consolidated accounts give a true and fair view of the Group’s financial position and results, and the Directors’ Report for the consolidated accounts give a true and fair overview of the development of the Group’s operations, financial position and results as well as the significant risks and factors of uncertainty facing the companies within the Group.

Gothenburg, 8 April 2025

Per Berggren

Chairman of the Board

Pål Ahlsén

Board member

Anna-Karin Celsing

Board member

Henrik Käll

Board member

Ann-Louise Lökholm-Klasson

Board member

Louise Richnau

Board member

Joacim Sjöberg

Chief Executive Officer

Our Auditor’s Report regarding these annual accounts was submitted on 8 April 2025.

Deloitte AB

Harald Jagner

Authorised Public Accountant

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CASTELLUM ANNUAL REPORT 2024

Auditor’s report

To the general meeting of the shareholders of Castellum Aktiebolag (publ), corporate identity number 556475-5550

This is a translation of the Swedish language original. In the events of any differences between this translation and the Swedish original the latter shall prevail.

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Castellum Aktiebolag (publ) for the financial year 2024, except for the corporate governance statement on pages 109–124 and the statutory sustainability report on pages 41–46, 47–107, 110–113 and 115–120. The annual accounts and consolidated accounts of the company are included on pages 32–168 and 173 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 109–124 and the statutory sustainability report on pages 41–46, 47–107, 110–113 and 115–120. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company’s audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Audi-

tor’s Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key Audit Matter

Investment properties are recognized in the consolidated financial statements at fair value. The carrying amount to fair value amounts to SEK 135,711 million as of December 31, 2024 and is based on an internal valuation of each property for Castellum’s portfolio. In order to ensure the internal valuation, value approximately half of the property portfolio has been valued externally.

The valuations are carried out through an individual assessment for each property of future earning capacity and market return requirements. Changes in value can occur either as a result of macro- and microeconomic or property-specific reasons. The valuations are based on assessments and assumptions that can have a significant impact on the Group’s earnings and financial position.

In terms of valuation of investments in existing investment properties, it is necessary to assess the Group’s project management process, taking

into account in particular the expenditure on investments and any financial commitments related to these projects.

For further information, please refer to the Risks and risk management section on page 41, the Group’s accounting policies as well as estimates and assessment in Note 10.

Our audit procedures

- Our audit covered, but was not limited to, the following procedures:
- We have reviewed the internal valuation process and evaluated the assumptions made and its application in the internal valuation model.
 - We have reviewed the inputs and calculations in the internal valuation model at the property level for a selection of properties for the assessment of completeness and valuation.
 - We have obtained the external valuations and assessed whether the differences versus the internal valuations were within the normal uncertainty range.
 - For investments in existing investment properties, we have reviewed Castellum’s procedures for project management and for a selection of existing investments reviewed capitalization of expenses.
 - We have reviewed relevant disclosure notes to the financial statements.

Other Information than the annual accounts and consolidated accounts
This document also contains other information than the annual accounts and consolidated accounts and is found on 1–31, 172 and 174–175. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor’s report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also

take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to

influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibilities for the audit of the annual accounts and consolidated accounts is located at the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar This description forms part of the auditor's report".

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Castellum Aktiebolag (publ) for the financial year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's

financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support

for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors’ proposed appropriations of the company’s profit or loss we examined the Board of Directors’ reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor’s examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Castellum Aktiebolag (publ) for the financial year 2024-01-01 – 2024-12-31.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR’s recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the *Auditors’ responsibility* section. We are independent of Castellum Aktiebolag (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of The Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is

necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor’s examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 109–124 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR’s auditing standard RevR 16 *The auditor’s examination of the corporate governance statement*. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Deloitte AB, was appointed auditor of Castellum Aktiebolag (publ) by the general meeting of the shareholders on the 2024-05-07 and has been the company’s auditor since the 2017-03-23.

Deloitte AB

Signature on Swedish Original

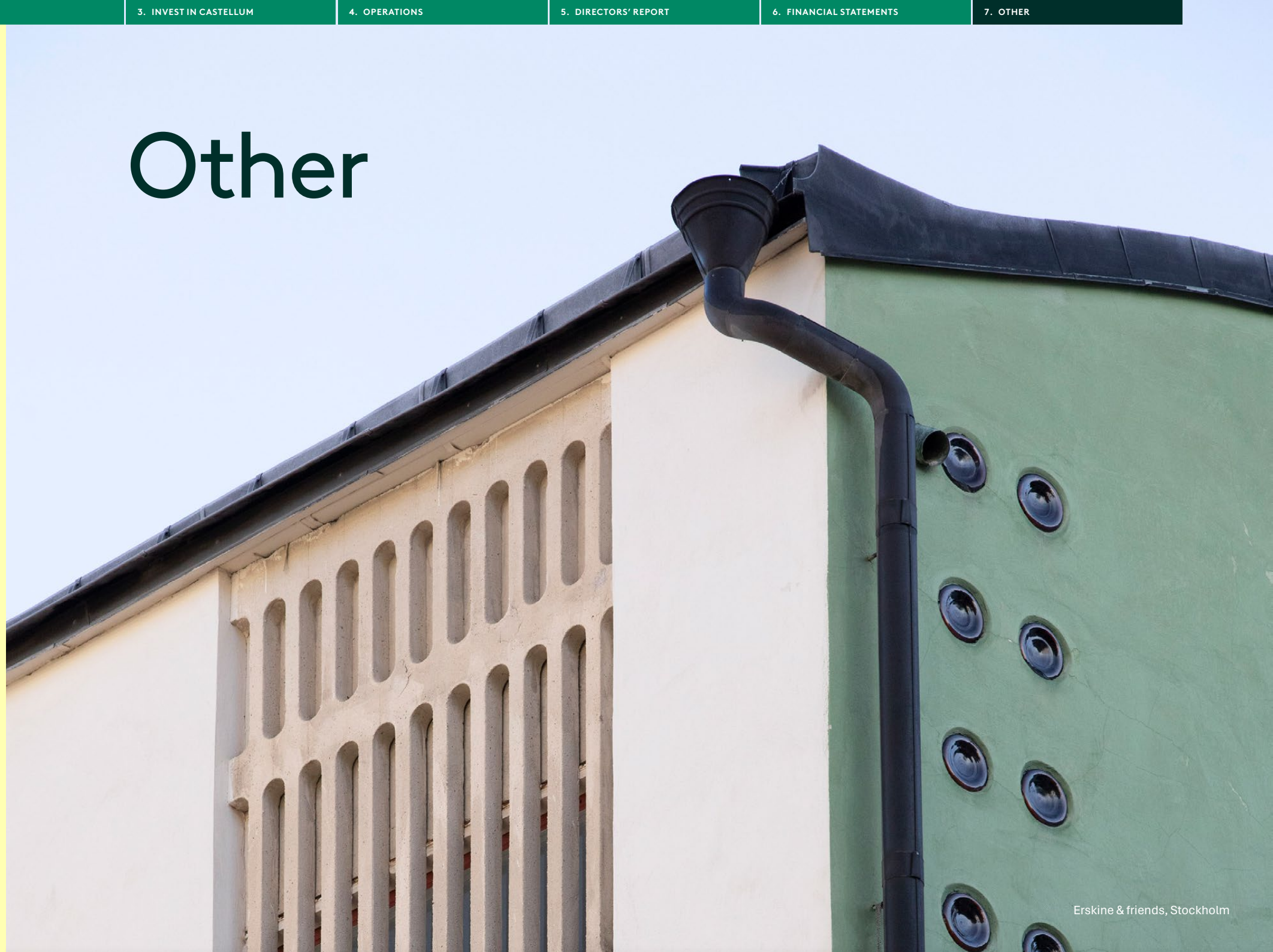
Harald Jagner

Authorised Public Accountant

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Other



Definitions

Alternative key performance indicators

Castellum applies the European Securities and Market Authority (ESMA) guidelines on alternative performance measures. According to these guidelines, an alternative performance measure is a financial measurement of historical or future earnings trends, financial position, financial earnings or cash flows that are not identified or indicated in the applicable rules for financial reporting (IFRS and the Swedish Annual Accounts Act).

Castellum is also a member of the European Public Real Estate Association (EPRA), which is why the financial key metrics EPRA EPS, EPRA LTV, EPRA NRV, EPRA NTA, EPRA NDV, and EPRA vacancy rate are reported.

Dividend yield

Dividend as a percentage of the share price at the end of the period.

Return on equity

Income after tax as a percentage of average equity. In the interim accounts the return has been recalculated on an annual basis, disregarding seasonal variations normally occurring in operations.

Return on total capital

Income before tax with reversed net financial items and changes in values on derivatives during the year as a percentage of average total capital. In the interim accounts the return has been recalculated on an annual

basis, disregarding seasonal variations normally occurring in operations.

Loan-to-value ratio

Interest-bearing liabilities after deduction for cash and cash equivalents as a percentage of total assets.

Loan-to-value ratio, Property

Interest-bearing liabilities after deduction for cash and cash equivalents as a percentage of the properties' fair value.

Economic occupancy rate

Rental income accounted for during the period, less discounts, as a percentage of rental value for properties owned at the end of the period. Properties acquired/completed during the period have been restated as if they had been owned or completed during the whole year, while properties disposed of have been excluded entirely. Development projects and undeveloped land have been excluded.

EPRA EPS – Earnings Per Share

Income from property management adjusted for nominal tax attributable to income from property management, divided by the average number of shares. Taxable income from property management means income from property management less deductions for tax purposes of depreciation and reconstruction.

EPRA LTV – Loan to Value

Interest-bearing liabilities with the addition of hybrid bonds, adjusted for the currency portion of hedging for

loans in foreign currencies, and less cash and cash equivalents. Negative working capital increases interest-bearing liabilities, whereas positive working capital is added to the value of investment properties. Principal associated companies are included in proportion to the share owned.

EPRA NRV – Net Reinstatement Value

Equity as recognised adjusted for hybrid bonds, declared and undistributed dividends, carrying amounts of derivatives, goodwill pertaining to deferred tax and nominal deferred tax.

EPRA NTA – Net Tangible Assets

Equity as recognised adjusted for hybrid bonds, declared and undistributed dividends, carrying amounts of derivatives and goodwill adjusted for the fair value of deferred tax instead of nominal deferred tax.

EPRA NDV – Net Disposal Value

Equity as recognised adjusted for hybrid bonds, declared and undistributed dividends and carrying amounts of goodwill.

EPRA Vacancy rate

The estimated market rent for vacant leases divided by the rental value on an annual basis for the entire asset portfolio excluding properties classified as development properties.

Income from property management

Income before tax adjusted for acquisition costs, impairment of goodwill and changes in value as well

as Castellum's share of associated company earnings excluding income from property management.

Rental income

Rents debited plus supplements such as reimbursement of heating costs and property tax.

Rental value

Rental income with the addition of estimated market rent for vacant premises.

Contract value

Rental and service income on an annual basis for Castellum's leases.

Net leasing

Rental and service income for leases signed during the year for the entire property portfolio, less rental income for leases terminated during the year. All discounts are included for newly signed leases, and are restated at an annual value based on the length of the lease.

Interest coverage ratio

Income from property management after reversal of net financial items, divided of net interest items.

Net debt to EBITDA

Interest-bearing liabilities after deduction for cash and cash equivalents in relation to net operating income less central administrative costs. In the interim accounts, net operating income less central administrative costs have been recalculated on an annual basis, disregarding seasonal variations normally occurring in operations.

Surplus ratio

Net operating income adjusted for coworking as a percentage of rental income and service income.

Other definitions

Number of shares

Registered number of shares – the number of shares registered at a given point in time. Number of shares outstanding – the number of shares registered with a deduction for the company's own repurchased shares at a given point in time. Average number of shares – the weighted average number of shares outstanding during a given period.

Data per share

Calculation of income and cash flow per share uses the average number of shares, and calculation of assets, equity and net asset value per share uses the number of shares outstanding.

Property type

The property's primary rental value with regard to the type of premises. Premises for purposes other than the primary use may therefore be found within a property type. Castellum's property types are: office, public sector properties (customers that are directly or indirectly tax funded), warehouse/ light industry, retail and development projects.

Property costs

This item includes both direct property costs, such as operating costs, maintenance, site leasehold fees and property tax, as well as indirect property costs in the form of lease and property administration costs.

SEK per square metre

Property-related key metrics, expressed in terms of SEK per square metre, are based on properties owned at the end of the period. Properties acquired/ completed during the year have been restated as if they had been owned or completed for the whole year, while properties disposed of have been completely excluded. Development projects and undeveloped land have been excluded. In the interim accounts, key metrics have been recalculated on an annual basis, disregarding seasonal variations normally occurring in operations.

Financial calendar, shareholder information and contact details

Financial calendar

Interim report January–March 2025	6 May 2025
Annual General Meeting 2025	7 May 2025
Half-year report January–June 2025	15 July 2025
Interim report January–September 2025	23 October 2025

Annual General Meeting

The Annual General Meeting (AGM) of shareholders in Castellum Aktiebolag (publ) will be held on Tuesday, 7 May 2025 in Stockholm. More information and instructions on how to register will be provided by the notice to attend the meeting, which will be publicised in a separate press release and will be available through such sources as Castellum’s web site.

Contact details

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or Jens Andersson, CFO, Castellum Aktiebolag, telephone +46 76-855 67 02.


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