

The Election Committee's proposal regarding resolutions at the Annual General Meeting 2019

At the Annual General Meeting of Castellum AB (publ) held on March 22, 2018 it was resolved to establish an Election Committee, in preparation for the Annual General Meeting to be held in 2019, in order to fulfil the tasks set out in the Swedish Corporate Governance Code and in order to make a proposal in respect of a procedure for establishing a new Election Committee. The Election Committee has been established and consists of the following shareholder representatives and the Chairman of the Board of Directors:

- Johan Strandberg (Chairman), appointed by SEB Fonder
- The lawyer Patrik Essehorn, appointed by Rutger Arnhult through companies
- Vincent Fokke, appointed by Stichting Pensioenfonds ABP
- Charlotte Strömberg, the Chairman of the Board of Directors

The Election Committee's proposal to the Annual General Meeting

1. The lawyer Sven Unger is proposed to be appointed as Chairman at the Annual General Meeting.
2. The number of Board members is proposed to be seven and the number of auditors is proposed to be one with no deputy auditor.
3. Remuneration to the members of the Board of Directors is proposed to be the following (2018 remuneration within brackets).
 - The Chairman of the Board of Directors: SEK 985,000 (SEK 850,000).
 - Each of the other members of the Board of Directors: SEK 410,000 (SEK 370,000).
 - Member of the Remuneration Committee, including the Chairman: SEK 50,000 (SEK 50,000).
 - Chairman of the Audit and Finance Committee: SEK 150,000 (SEK 150,000).
 - Each of the other members of the Audit and Finance Committee: SEK 75,000 (SEK 75,000).

The proposed Board remuneration, including remuneration for committee work, accordingly amounts to SEK 3,895,000 (SEK 3,520,000), provided that the number of committee members remains unchanged. The Board remuneration shall be at such level that Castellum can attract and retain Board members with the right qualifications and experience. The work of the Board of Directors in Castellum is characterised by a high activity level and requires considerable effort and great commitment, inter alia, due to the transformation process within Castellum. Further, the Election Committee has compared the Board remuneration in Castellum with the Board remuneration paid to Board members in other comparable companies and has, considering the above, found that an increase of the Board remuneration is warranted.

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4. The proposed Board members are:
 - (a) Charlotte Strömberg (Chairman)
 - (b) Per Berggren
 - (c) Anna-Karin Hatt
 - (d) Christer Jacobson
 - (e) Christina Karlsson Kazeem
 - (f) Nina Linander
 - (g) Johan Skoglund

All current members of the Board are accordingly proposed for re-election.

5. In accordance with the Audit and Finance Committee's recommendation, Deloitte is proposed for re-election as auditor in Castellum until the end of the Annual General Meeting 2020. If the Annual General Meeting resolves to elect Deloitte as auditor, Deloitte has announced that Hans Warén will continue as the main responsible auditor at Deloitte.
6. It is proposed that the auditor's fee shall be paid as per approved accounts.
7. It is proposed that the Annual General Meeting resolves to establish a new Election Committee in Castellum in preparation for the Annual General Meeting to be held in 2020 as follows.

The Chairman of the Board of Directors will be instructed to contact the four largest ownership registered or otherwise known shareholders as per the last share trading day in August 2019 and invite them to each appoint one member of the Election Committee. If such a shareholder should not wish to appoint a member, the fifth largest ownership registered or otherwise known shareholder should be consulted and so on. A member of the Election Committee shall, before the assignment is accepted, carefully consider whether any conflict of interest exists. The members appointed shall, together with the Chairman of the Board of Directors (being responsible for the summoning procedure), constitute the Election Committee.

The names of the members of the Election Committee shall be announced no later than six months prior to the next Annual General Meeting. The Election Committee shall appoint a Chairman amongst its members. The members of the Election Committee are subject to a confidentiality obligation concerning the company's business and this obligation shall, at the company's request, be confirmed by the members through the signing of a confidentiality undertaking.

The Election Committee shall fulfil the tasks set out in the Swedish Corporate Governance Code and shall propose a procedure for establishing a new Election Committee.

Should any of those shareholders who have appointed a member of the Election Committee, dispose a significant part of its shares in the company before the Election Committee has fulfilled its task, the member in question must resign, if the Election Committee so decide, and be replaced by a new member appointed by the shareholder who, at the time, is the largest ownership registered or otherwise known shareholder not yet represented in the Election Committee. As an alternative to that

the appointed member should resign and be replaced by a new member as mentioned above, the Election Committee may contact the shareholder who, at the time, is the largest ownership registered or otherwise known shareholder not yet represented in the Election Committee, and invite such a shareholder to appoint one member of the Election Committee. If such a shareholder should not wish to appoint a member, the thereafter largest ownership registered or otherwise known shareholder should be consulted and so on. The total maximum number of members of the Election Committee shall be six. In the event that any of the members of the Election Committee should cease to represent the shareholder having appointed the member before the Election Committee has fulfilled its task, the member in question must resign, if the Election Committee so decide, and be replaced by a new member appointed by the shareholder in question. If the ownership of the company should otherwise be altered significantly before the Election Committee has fulfilled its task, the composition of the Election Committee shall also be altered, if the Election Committee so decide, in accordance with the principles stated above. If such a change of the ownership occurs later than two months prior to the Annual General Meeting, no change of the composition of the Election Committee shall be made. A change in the composition of the Election Committee shall be announced.

The established Election Committee, as described above, shall serve until a new Election Committee commences its service.

No remuneration shall be paid to the members of the Election Committee. At the request of the Election Committee, the company shall provide the Election Committee with resources such as administration services in order to facilitate the work of the Election Committee. Furthermore, the company shall bear reasonable costs, e.g. for external consultants, which the Election Committee considers necessary for the fulfilment of the Election Committee's obligations.

Report on how the Election Committee has performed its tasks

All members of the Election Committee have carefully considered whether there is a conflict of interest to accept the assignment as member of the Election Committee of Castellum. Five recorded meetings have been held by the Election Committee. In addition, the Election Committee has had contact via telephone and email. The Election Committee has received a detailed presentation concerning the results of the evaluation of the Board of Directors and has thereto conducted interviews with members of the Board of Directors. The Election Committee has further taken note of the Audit and Finance Committees' recommendation to the Board of Directors regarding election of auditor.

The Election Committee has considered all tasks stated in the Swedish Corporate Governance Code under the responsibility of the Election Committee. The Election Committee has discussed and considered, inter alia, (i) to what extent the current Board of Directors fulfils the requirements that will be imposed on the Board of Directors as a result of Castellum's business and development phase, (ii) the size of the Board of Directors, (iii) the different areas of competence that are and should be represented on the Board of Directors, (iv) the composition of the Board of Directors with respect to experience, gender and background and succession matters regarding the Board of Directors and potential conflicts of interest in the work of the Board of Directors, (v) remuneration to the members of the Board of Directors, (vi) questions relating to election of auditor and the auditor's fee and (vii) the procedure for establishing a new Election Committee for the Annual General Meeting to be held in 2020. The Election Committee has considered that the gender balance shall be maintained in the Board of Directors and

that the Board shall be characterised by diversity and breadth regarding competence, experience and background. The Election Committee has applied rule 4.1 in the Swedish Corporate Governance Code as diversity policy when preparing the proposal regarding election of members of the Board of Directors.

Finally, the Election Committee has, in order for the company to fulfil its information obligation to the shareholders, informed the company on how the Election Committee has performed its tasks and on the proposals that the Election Committee presents.

Motivated statement in respect of the Election Committee's proposal regarding the Board of Directors

The Election Committee is of the opinion that the existing Board of Directors of Castellum is a well-functioning body and that the Board members, individually and as a group, possess a wide range of competence and experience that is relevant for Castellum's business. The last few years have been characterised by a fast pace of transformation of Castellum, inter alia, in relation to business development, financing matters, restructuring within the group and work to promote efficiency. This work continues. The executive management has also been subject to several changes of personnel. Taking the above into account, the Election Committee considers that maintained continuity within the work of the Board of Directors is of importance. The current Board members state that they are motivated to contribute to the completion of the ongoing transformation process within Castellum, hence, the Election Committee proposes re-election of all current members of the Board of Directors.

The Election Committee considers that the members of the Board of Directors of Castellum are competent and have extensive experience regarding real estate matters in a broad sense, sustainability matters, infrastructure matters and city planning, capital market matters and financing matters, customer service and changed customer behaviour, trend analysis, digitalisation, insight in transformation trends at both private and public players, communication and marketing and regarding board work in general. Therefore, the Election Committee considers that the current Board members together constitute a Board of Directors, which has the versatility and competence, experience and background required with respect to Castellum's business, development phase and other circumstances. The Election Committee's proposal implies that four out of seven Board members of the company will be women.

Further information about the proposed Board members can be found on www.castellum.com.

In order to be able to evaluate the proposed members of the Board of Directors' independence in relation to Castellum and its executive management, as well as to the larger shareholders in Castellum, in accordance with the provisions of the Swedish Corporate Governance Code, the Election Committee has obtained information on the proposed members of the Board of Directors. As a result, the Election Committee has assessed that all of the proposed members of the Board of Directors are to be regarded as independent in relation to Castellum, its executive management and its largest shareholders.

December 5, 2018
The Election Committee in
Castellum AB (publ)