

Guidelines for remuneration to senior executives

Adopted by the Annual General Meeting 2025.

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 shareholder 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 ongoing 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 remuneration 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.