

## **The board of directors' of Copperstone Resources AB (publ) proposal on resolution on guidelines for remuneration to senior executives (item 13)**

The board of directors of Copperstone Resources AB (publ), reg. no. 556704-4168 (“**Copperstone**” or the “**Company**”), proposes that the annual general meeting resolves on the following guidelines for remuneration to senior executives. These guidelines for remuneration to senior executives cover the members of the Company’s group management as well as, if applicable, the executive chairman of the board of directors (senior executives). The guidelines shall be applied to remuneration agreed, and amendments to remuneration previously agreed, after adoption of the guidelines by the annual general meeting. The guidelines shall be applied until the general meeting resolves to adopt new guidelines for remuneration to senior executives. The guidelines do not apply to any remuneration resolved by the general meeting.

### **The guidelines’ promotion of the Company’s business strategy, long-term interests and sustainability**

Copperstone is a Swedish company listed on Nasdaq Stockholm, which is scaling up to become a modern and responsible producing mining company through the reopening of the Viscaria mine in Kiruna. In short, the Company’s business strategy is to develop the Viscaria deposit into a copper mine that initially produces approximately 30,000 tons of copper per year, in a sustainable and environmentally friendly manner, with the latest technology and in coexistence with relevant stakeholders, including in the local community, as well as to further explore the Viscaria area to further improve the mine’s future financial conditions. The strategy also includes exploration of the Arvidsjaur project: a potentially significant amount of base and precious metals.

For further information on the Company’s business strategy, please refer to the Company’s annual report and website ([www.copperstone.se](http://www.copperstone.se)).

The board of directors assesses that a successful implementation of the Company’s business strategy and safeguarding of its long-term interests, including its sustainability, requires that the Company is able to recruit and maintain senior executives with high competence and capacity to achieve set targets. This requires that the Company can offer competitive remuneration that motivates senior executives to do their utmost. These guidelines enable that senior executives can be offered a competitive total remuneration.

The Company has implemented long-term share-related incentive programs. The incentive programs have been resolved by the general meeting and are therefore excluded from these guidelines. Some ongoing share-related incentive programs include senior executives and key personnel, and some ongoing share-related incentive programs include board members. The outcomes of these programs are linked to the price development of the Company’s share and thus have a connection to the Company’s business strategy and long-term value creation, including its sustainability. For further information on these programs, please refer to the Company’s website ([www.copperstone.se](http://www.copperstone.se)).

Variable cash remuneration covered by these guidelines shall aim at promoting the Company’s business strategy and long-term interests, including its sustainability.

### **Types of remuneration, etc.**

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, *inter alia*, share-related or share price-related remuneration.

#### *Fixed cash salary*

The Company’s senior executives shall be offered a fixed cash salary. The fixed cash salary shall be determined considering the competence, area of responsibility and performance of the respective senior executive.

### *Variable cash remuneration*

In addition to fixed cash salary, senior executives may be offered variable cash remuneration. Variable cash remuneration covered by these guidelines is intended to promote the Company's business strategy and long-term interests, including its sustainability.

The satisfaction of criteria for payment of variable cash remuneration shall be measured over a period of one or several years, or, if appropriate considering the Company's operations and the relevant criteria, one or several periods of six months. The variable cash remuneration for the CEO, or, if applicable, the executive chairman of the board of directors, may not amount to more than 100 per cent of the total fixed cash salary during the measurement period for such criteria/of the fixed annual cash salary. The variable cash remuneration for other persons covered by these guidelines may not amount to more than 25 per cent of the total fixed cash salary during the measurement period for such criteria/of the fixed annual cash salary.

The variable cash remuneration shall be linked to predetermined and measurable criteria, which may be financial or non-financial. These can also consist of personalised quantitative or qualitative targets. The criteria shall be designed in such manner that they promote the Company's business strategy and long-term interests, including its sustainability, such as by being linked to the business strategy or by being designed so that a higher level of mutual interest is achieved between senior executives and the Company's shareholders.

When the measurement period for meeting the criteria for payment of variable cash remuneration has ended, it shall be assessed/determined to what extent the criteria have been met. If a criterion for variable cash remuneration is met before the end of the measurement period, the board of directors shall, if deemed reasonable, have the possibility to resolve on partial premature payment of the variable cash remuneration for the relevant criterion. The board of directors is responsible for the assessment as regards variable cash remuneration to the CEO. As regards variable cash remuneration to other senior executives, the CEO is responsible for the assessment. Regarding financial targets, the assessment shall be based on the financial information most recently published by the Company.

### *Pension, etc.*

For the CEO, pension benefits, including health insurance, shall be premium defined. Variable cash remuneration shall not qualify for pension benefits unless otherwise is provided by mandatory collective agreement provisions. The pension premiums for premium defined pension shall not amount to more than 35 per cent of the fixed annual cash salary. The specified limit for pension provision shall not prevent salary sacrifice of cash salary to pension provision according to the Company's policy, as applicable from time to time.

For other senior executives, pension benefits, including health insurance, if applicable, shall be premium defined and follow from collectively agreed defined pension plans, unless the senior executive is subject to defined benefit pension under mandatory collective agreement provisions. Variable cash remuneration shall qualify for pension benefits only to the extent required by mandatory collective agreement provisions applicable to the senior executive. The pension premiums for premium defined pension shall in total correspond to not more than 35 per cent of the fixed annual cash salary. The specified limit for pension provision shall not prevent salary sacrifice of cash salary to pension provision according to the Company's policy, as applicable from time to time.

### *Insurances and other benefits*

Other benefits may include, *inter alia*, life insurance, medical insurance and company cars, to the extent it is deemed to correspond to a share of the fixed annual cash salary in line with market practice.

## **Termination of employment**

The term of notice may not exceed 9 months if notice of termination of employment is made by the Company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the fixed cash salary for 1 year. When notice of termination of employment is made by the senior executive, the term of notice may not exceed 9 months, without any right to severance pay.

In addition, remuneration may be paid for any non-compete undertakings. Such remuneration shall compensate for any loss of income and shall only be paid in so far as the former senior executive is not entitled to severance pay. The remuneration shall amount to not more than 100 per cent of the fixed cash salary at the time of termination of employment, unless otherwise follows from mandatory collective agreement provisions, and be paid during the time under which the non-compete undertaking applies, however not for more than 12 months following the termination of employment.

## **Consideration of current salary and employment conditions for employees**

In the preparation of the board of directors' proposal for these remuneration guidelines, current 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 board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The development of the gap between the remuneration to senior executives and remuneration to other employees will be disclosed in the remuneration report ahead of the next annual general meeting.

## **The decision-making process to determine, review and implement the guidelines**

The board of directors has established a remuneration committee. One of the committee's tasks is to prepare a proposal on guidelines for remuneration to senior executives. When the need for material changes arises, the remuneration committee shall prepare a proposal on new guidelines and present it for a resolution at the annual general meeting, however at least every four years. The guidelines shall apply until new guidelines have been adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for remuneration to senior executives as well as the current remuneration structures and compensation levels in the Company. In order to avoid conflicts of interest, members who participate in the processing of and resolutions regarding remuneration matters to senior executives shall be independent in relation to the Company and its executive management. Members of the executive management or the board of directors do not participate in the remuneration committee's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters. When deemed necessary, external advisors may be engaged in the preparation of remuneration-related matters.

## **Derogation from the guidelines**

The board of directors may resolve to temporarily derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. If such derogation occurs, it shall be disclosed in the remuneration report ahead of the next annual general meeting. As set out above, the remuneration committee's tasks include preparation of the board of directors' resolutions in remuneration-related matters, which includes any resolutions to derogate from the guidelines.

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Kiruna in March 2024  
**Copperstone Resources AB (publ)**  
*The board of directors*