

## Remuneration report 2021

### 1. Introduction

This report describes how the guidelines for executive remuneration of Endomines AB, adopted by the annual general meeting 2021, were implemented in 2021. The report also provides information on remuneration to the CEO. The report has been prepared in accordance with the Swedish Companies Act and the Remuneration Rules issued by the Swedish Corporate Governance Board.

Remuneration of the board of directors is not covered by this report. Such remuneration is resolved annually by the annual general meeting. Further information on board of directors and executive remuneration is available in note 5 (Employees and personnel costs) on page 42 in the annual report 2021. Information on the work of the remuneration committee in 2021 is set out in the corporate governance report available on page 22 in the annual report 2021.

#### Key developments 2021

The CEO summarizes the company's overall performance in his statement on page 5 in the annual report 2021.

### 2. The company's remuneration guidelines: scope, purpose and deviations

In accordance with the guidelines for remuneration to senior executives, Endomines shall apply market-based remuneration levels and terms of employment to be able to recruit and retain a management with high competence and capacity to achieve set goals, designed to promote the company's long-term value creation.

The principles and guidelines for the remuneration of the Board of Directors and CEO are set forth in Endomines remuneration policy. The objective of the company's remuneration policy is to encourage and reward management for work that is in line with the company's current strategy and for compliance with the set rules, as well as to motivate them to strive for the success of the Endomines Group. The guidelines are found on page 22 in the annual report 2021. During 2021, the company has complied with the applicable remuneration guidelines adopted by the general meeting. No deviations from the guidelines have been decided and no derogations from the procedure for implementation of the guidelines have been made. No remuneration has been reclaimed.

The Remuneration Committee shall assist the Board of Directors of Endomines with proposals, advice and preparation in matters of remuneration and other terms of employment for the company's management.

The members of the remuneration committee are appointed by the company's board and must be at least two. These shall include the chairman of the board, who shall also chair the committee. The members are elected annually in connection with the statutory Board meeting in connection with the Annual General Meeting. In accordance with the Swedish Code of Corporate Governance, the members of the Remuneration Committee shall be independent in relation to the company and the company management. The committee members must have the necessary knowledge and experience in matters of remuneration to senior executives.

#### Responsibilities of the Remuneration Committee

The Remuneration Committee shall:

- prepare the Board's decisions on issues of remuneration principles, remuneration and other terms of employment for company management;
- monitor and evaluate ongoing and during the year completed programs for variable remuneration for company management; and
- follow and evaluate the application of the guidelines for remuneration to senior executives that the Annual General Meeting decides on in accordance with law, as well as current remuneration structures and remuneration levels in the company.

Remuneration refers to (i) fixed salary and fees, (ii) variable remuneration, which includes share and share price-related incentive programs, (iii) pension provisions, and (iv) other financial benefits.

### 3. Remuneration of the CEO

Remuneration of the Chief Executive Officer (the “CEO”) consists of a base salary, pension, and benefits. There are no outstanding share-based payment programs. The performance measures for the CEO’s variable remuneration have been selected to deliver the company’s strategy and to encourage behaviour which is in the long-term interest of the company. In 2021, the CEO was entitled to Annual Bonus of up to 40% of base salary for the previous fiscal year.

Table 1. Total CEO remuneration 2021 (ksek)

<u>Name of the Director</u>	<u>Fixed remuneration</u>	<u>Variable remuneration</u>	<u>Extra ordinary items</u>	<u>Pension</u>	<u>Total remuneration</u>
Marcus Ahlström*)	1919	243	2	541	2706
Seppo Tuovinen**)	1283	0	139	355	1777
	3202	243	141	896	4483

\*) Interim CEO 01.01.2021-06.10.2021

\*\*\*) Interim CEO 07.10.2021

Table 2. Comparative CEO remuneration over the past 5 years

<u>Name of the Director</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>Total</u>
Seppo Tuovinen	1283	0	0	0	0	1283
Marcus Ahlström	1919	0	0	0	0	1919
Greg Smith	0	1860	385	0	0	2245
Rauno Pitkänen	0	170	0	0	0	170
Saila Miettinen-Lähde	0	0	3484*)	2587	1726	7797
Markus Ekberg	0	0	0	0	657	657
	3202	2030	3869	2587	2383	14 071

\*) includes compensation for termination of employee contract equivalent for 12-months’ salary, including bonus from fiscal year 2018

## 4. Remuneration and company performance

Table 3. Comparison of remuneration and company performance over the last five reported financial years (RFY) (ksek)

	RFY-4 vs RFY-5	RFY-3 vs RFY-4	RFY-2 vs RFY-3	RFY-1 vs RFY-2	RFY vs RFY-1	RFY 2021
CEO compensation	565 (31,1%)	204 (8,6%)	1282 (49,6%)	-1839 (-47,5 %)	-2030 (-100 %)	0
Deputy CEO compensation	0(0%)	0(0%)	254 (-%)*	1256 (494,5%)	1692 (112,1 %)	3202
Group net result	55,7 (44,6%)	31,9 (46%)	-39,3 (-105,1%)	-120,2 (-156,8%)	-64 (-32,5 %)	-261

\*) from November 2019 onwards