

# Remuneration report 2025

This remuneration report is prepared in accordance with the Finnish Corporate Governance Code 2025 effective as of 1 January 2025 (available at [www.cgfinland.fi](http://www.cgfinland.fi)) and within the limits of Exel Composites' Remuneration Policy presented to the Annual General Meeting on 26 March 2025. The Remuneration Policy is available on the company's website at [www.exelcomposites.com](http://www.exelcomposites.com)

## Introduction

Exel Composites' remuneration principles are developed to promote the company's strategy, the competitiveness and long-term financial success of the company and to contribute to the development of the company's shareholder value. The company's remuneration schemes aim to increase the long-term commitment of Exel leadership and the whole personnel to promote the interests of the company and its shareholders as well as to motivate and reward key individuals in the achievement of strategic targets. At Exel Composites, the remuneration of employees is based on the company's strategic targets. Remuneration is an entity that comprises of several different components. In addition to monetary salary paid to all, the employee may be part of a short-term incentive plan or of different incentive or performance rewards.

The Board of Directors monitors and evaluates the Group's remuneration schemes, including the materialization of the remuneration policy and the competitiveness of the remuneration schemes and how the materialized remuneration supports the achievement of the company's strategic targets and long-term financial success. To ensure a competitive and appropriate remuneration, the remuneration components are compared to the practices of comparable companies.

Remuneration Policy and the Remuneration Report 2024 presented to the Annual General Meeting 2025 were adopted through advisory voting. The remuneration of the company's Board of Directors as well as President and CEO has followed Exel Composites' Remuneration Policy during the financial year 2025. No deviations to the Remuneration Policy were made in the report. The company did not exercise its rights to recover or cancel paid or unpaid incentives in 2025. The Remuneration Report 2025 will be presented to Exel Composites' Annual General Meeting 2026 for an advisory vote.

## Development of Group remuneration

EUR thousand	2025	2024	2023	2022	2021
Remuneration of the Board of Directors	220	216	238	247	180
Remuneration of the President and CEO	389	341	286	328	471
Remuneration of the company's employees on average 1)	56	56	51	53	49
Revenue	103,194	99,614	96,815	136,988	134,365
Adjusted operating profit	3,628	1,704	-2,446	8,029	6,029
Total shareholder return, % 2)	61.1	-89.0	-50.4	-30.7	12.2

1) Personnel expenses divided by the number of employees on average.

2) 1 January - 31 December, dividends re-invested.

## Remuneration of the Board of Directors in 2025

The AGM held in 2025 confirmed the following compensation for Board members for the year 2025:

- **Chairman:** Annual remuneration of EUR 45,000 (previous year EUR 45,000) and additionally EUR 1,500 (1,500) for attendance at each Board and committee meeting and for each similar all-day Board assignment.
- **Board member:** Annual remuneration of EUR 21,000 (21,000) and additionally EUR 1,000 (1,000) for attendance at each Board and committee meeting and for each similar all-day Board assignment.
- For each committee meeting, the meeting fee for the committee chairman is EUR 1,500.

Travel expenses and other out-of-pocket expenses arising from the Board work will be compensated in accordance with the Company's established practice and travel rules.

According to a decision of the AGM held in 2025, 60% of the yearly remuneration was paid in cash and 40% in Exel Composites Plc shares, which were acquired directly for and on behalf of the members of the Board of Directors from the stock exchange market in amounts corresponding to EUR 18,000 (18,000) for the Chairman and EUR 8,400 (8,400) for each of the other members. Should the term, for any reason, of any member of the Board of Directors terminate before the next Annual General Meeting, the member of the Board of Directors shall return to the Company the remuneration or equivalent amount in cash for the period corresponding to the term of office following the termination of membership.

Exel Composites has no such incentive program by which the Company rewards the Board members with shares or option rights. The Board members are neither entitled to a short-term performance-based bonus.

EUR thousand	Board and committee meetings (attendance/total)	Annual fixed fees	Meeting fees	Other fees	Total fees	Total fees
	2025	2025	2025	2025	2025	2024
<b>Jouni Heinonen</b> Chairman (since 10 May 2023, member since 25 March 2022)	16 / 16	45	24	6	75	71
<b>Helena Nordman-Knutson</b> Member (since 4 April 2017)	12 / 12	21	14	1	36	38
<b>Kirsi Sormunen</b> Member (since 20 March 2020)	12 / 12	21	12	1	34	33
<b>Christian Busdiecker</b> Member (since 26 March 2025)	10 / 10	21	10	1	32	0
<b>Elisabeth Larsson</b> Member (since 26 March 2025)	9 / 10	21	9	1	31	0
<b>Petri Helsky</b> Member (until 26 March 2025)	3 / 3	0	4	4	8	41
<b>Jouko Peussa</b> Member (until 26 March 2025)	2 / 3	0	2	3	5	34
<b>Total</b>		<b>129</b>	<b>74</b>	<b>17</b>	<b>220</b>	<b>216</b>

## Remuneration of the President and CEO in 2025

### PAUL SOHLBERG, PRESIDENT AND CEO

EUR thousand	2025	2024
Fixed annual base salary	278	251
Fringe benefits	15	14
Short-term incentives	Based on 2025 performance (estimate, to be paid in 2026)	Based on 2024 performance (paid in 2025)
total	68	76
% of annual base salary	24	30
% of maximum level	39	48
Long-term incentives		
total	28	0
% of annual base salary	10	0
% of maximum level	-	0
<b>Total</b>	<b>389</b>	<b>341</b>

Proportional share of fixed and variable remuneration components for the President and CEO was 86% and 14% in 2025. The President and CEO is not entitled to a supplementary pension. No signing bonuses or severance packages were included in other benefits. The remuneration of Exel Leadership Team and share ownerships of the President and CEO and Exel Leadership Team members are presented on Exel Composites' website at <https://investors.exelcomposites.com>

## Variable remuneration of the President and CEO

### Earning opportunity and performance measures for short-term incentives

	Weight, %	Achievement, % of maximum level
<b>Based on 2025 performance (estimate, to be paid in 2026)</b>		
Revenue and order intake, EUR million	40	10
Adjusted operating profit, EUR million	40	3
Strategic projects	20	20
<b>Based on 2024 performance (paid in 2025)</b>		
Revenue, EUR million	20	33
Adjusted operating profit, EUR million	20	23
Net debt to adjusted EBITDA	30	48
Strategic projects	30	74
<b>Based on 2023 performance (paid in 2024)</b>		
Adjusted operating profit, EUR million	80	30
Gross margin, EUR million	20	61

Maximum earning opportunity is 60% of annual base salary for the President and CEO.

### Earning opportunity and performance measures for long-term incentives

	Weight, %	Achievement, % of maximum level
<b>Based on 2023-2025 performance (estimate, to be paid in 2026)</b>		
Relative total shareholder return, %	100	0
<b>Based on 2022-2024 performance (paid in 2025)</b>		
Adjusted operating profit, EUR million	75	0
Total shareholder return, %	25	0

Maximum earning opportunity is 200% of annual base salary.

## Short-term and long-term incentive programs

Exel Composites' short-term incentive program covers all employees. President and CEO, Exel Leadership Team and office employees alike are entitled to a short-term incentive in addition to their fixed salary. The performance measures of the short-term incentive are tied to the achievement of annually established goals emphasizing growth and profitability as well as possible individual targets. Production employees are also eligible for short-term incentive compensation. Their short-term incentives are mainly based on factory profitability and production related performance measures.

The Group has long-term incentive programs for President and CEO, Exel Leadership Team and selected key employees of the company. The aim of the programs is to align the interests of the management with those of the company's shareholders and, thus, to promote shareholder value creation, to commit the management to achieving the company's strategic targets and to retain the company's key individuals. The Board of Directors decides on the program and the performance measures annually. According to the rules of the existing programs, the gross value of the LTI Earning of an individual participant at the time of the delivery date will not exceed 200% of the participants' annual base salary. The total length of the earning and vesting periods is at least 3 years.

On 31 December 2025 the Group had three ongoing share-based long-term incentive (LTI) plans (2023–2025) and one plan (2022) for which the planned payout date was in 2025:

### The 2022 plan (earning period 2022–2024)

The 2022 plan was part of a share-based long-term incentive program for the earning period 2022–2024 and was targeted at approximately 20 executives. The President and CEO and the Group Management Team were included in the target group. The performance measures were 75% cumulative adjusted operating profit (EBIT) and 25% total shareholder return (TSR) of the Company's share. The maximum aggregate number of shares to be delivered under the plan was 100,000 shares, corresponding to a maximum notional value of approximately EUR 0.7 million based on the fair value at the measurement date (EUR 6.68 per share). The planned payout date was in 2025; however, the payout was zero. The plan included a one-year lock-up period and the total length of the earning and vesting periods was four years.

### The 2023 plan (earning period 2023–2025)

The 2023 plan is part of a share-based long-term incentive program for the earning period 2023–2025 and is targeted at approximately 20 executives. The President and CEO and the Group Management Team are included in the target group. The performance measure is the relative TSR of Exel Composites' share, where Exel's TSR is compared against the TSR of shares listed on Nasdaq Helsinki. The maximum aggregate number of shares to be delivered under the plan is 140,000 shares, corresponding to a maximum notional value of approximately EUR 0.6 million based on the fair value at the measurement date (EUR 3.95 per share). The potential share reward would have been payable in spring 2026, but based on the performance development as at 31 December 2025 and confirmed by the Board, no payment will occur. The plan includes a one-year lock-up period and the total length of the earning and vesting periods is four years.

### The 2024 plan (earning period 2024–2026)

The Board of Directors of Exel Composites Plc decided on the continuation of the share-based long-term incentive program for the leadership of Exel Composites for the period 2024–2026. The performance target applied to the plan commencing at the beginning of 2024 is the relative total shareholder return (TSR) of the Exel Composites' share, where Exel's TSR is compared to the OMX Helsinki Gross Index (OMXHGI). The plan is targeted at a maximum of 20 persons belonging to the Company's leadership. If the performance targets set for the 2024 plan are fully achieved, the aggregate value of the plan was approximately EUR 0.8 million, corresponding to 360,000 shares based on the average share price of 23 April 2024. After the rights issue of Exel Composites in June 2024, the Board decided to adjust the maximum number of shares to 2,650,000 while maintaining the program value due to the effect of the rights issue on the prevailing number of shares and share price. In 2025, the Board harmonized the terms of the LTI 2024–2026 plan with those of the 2025–2027 plan, including an annual payout and lock-in structure. In 2025, there was a payout under the 2024 plan of EUR 74 thousand for all participants combined.

### The 2025 plan (earning period 2025–2027)

The Board of Directors of Exel Composites Plc decided to initiate a new share-based long-term incentive program 2025–2027 for the leadership of the Company. The performance targets applied to the plan commencing in 2025 are (i) total shareholder return (TSR) of Exel Composites' share and (ii) progress of reducing greenhouse gas emissions. Potential share rewards will be paid annually, provided that the performance targets are achieved and the continuous employment condition is met, and with lock-in applied until spring 2028. The potential reward will be paid partly in listed Exel

Composites shares and partly in cash. The cash proportion is intended to cover taxes and statutory social security contributions arising from the reward to the participant. If the performance targets set for the 2025 plan are fully achieved, the aggregate value of the plan, estimated based on the volume-weighted average share price on the trading day preceding the program allocation, is approximately EUR 0.8 million (including the portion to be paid in cash), corresponding to approximately 2,100,000 shares.

### Valuation and profit and loss impact of share-based incentive plans

In each plan, the fair value of a share at the measurement date is the closing price of the share on the date the Board decided on the plan, adjusted for estimated dividends to be paid during the plan. The profit and loss of 2025 includes EUR 286.5 thousand of costs related to these incentive programs. The profit and loss impact is based on modelled fair value estimates as required by IFRS 2, which was EUR 1.10 per share for the 2023 plan, EUR 0.08 per share for the 2024 plan, and EUR 0.376 per share for the 2025 plan.

The administration of the share-based incentive plan and the acquisition of shares are conducted through an arrangement made with Evli Awards Management Oy (EAM) as per the decision of the Board of Directors on 12 June 2017 and according to the stipulations of the Finnish Companies Act (Chapter 13, Section 10, Subsection 2) relating to financing the purchase of own shares for incentive plans. As part of this arrangement, EAM founded EAM EXL1V Holding Oy, which acquires the shares with Exel's funding and according to the agreement. These shares will be delivered to the employees according to Exel's share plan terms and conditions. The holding company is owned by EAM in legal terms, but according to the agreement Exel has control over the company and acts as the principal, whereas EAM is an agent through the holding company. This control arising from contractual terms means that the holding company is consolidated into the Group's IFRS financial statements as a structured entity.

The Board has decided that any bonus payouts can be made only to a participant who is employed by Exel, has not submitted a resignation, and has not been made redundant on personal grounds at the time of payment.