Duell Corporation Remuneration Policy

Introduction

This remuneration policy describes the framework and practices for the remuneration of Duell Corporation's ("Duell") Governing bodies that is Board of Directors and the CEO. What is stated about the CEO will also apply to a possible deputy CEO. The remuneration policy is approved by the Board of Directors and the Board is responsible for the implementation of the policy. The policy is applied until Annual General Meeting (AGM) 2028 unless a revised policy is presented to the General meeting prior that.

The remuneration policy is revised after the Annual General Meeting 2023. The revision describes the proportional shares of the elements of the CEO's overall remuneration and clarifies the grounds for determining variable components of remuneration. The policy is updated regarding the proposal process of the remuneration of the Board and Committee members and Chairs to the Annual General Meeting. Furthermore, in the revision, it is described the authorization to decide on own shares in relation to remuneration instruments. Additionally, the policy has been updated with immaterial changes to clarify the structure of the policy.

Key principles of remuneration

The aim of the remuneration policy is to ensure that remuneration supports Duell in achieving strategic growth targets, profitability, and increased shareholder value in the long term. The remuneration policy is created to align the remuneration and business results, and to attract and retain competent management and Board members. This, in turn, contributes to Duell's financial success, and the implementation of good corporate governance.

Duell pursues to remunerate its governing bodies (the Board of Directors and the CEO) in a way that motivates and commits them to carry out Duell's strategy, pursue Duell's financial targets and to promote shareholders' value creation. Duell's operational environment, success, overall economic development and remuneration practices in the industry build the base for the remuneration level and development. The main principles of remuneration are to focus on the total remuneration and to have performance-based incentives on top of a fixed salary. The total remuneration consists of the following elements:

- Annual base salary and employee benefits in compliance with the local market practices, laws and regulations,
- Incentives programmes
- Other financial benefits.

The principles of the remuneration policy apply to all employees in Duell. The remuneration of employees consists of basic salary and employee benefits in compliance with the local market practices, laws, and regulation, and incentives programmes.

A Remuneration Report is presented annually in the Annual General Meeting. The Remuneration Report details the remuneration paid to the Board of Directors, CEO and deputy CEO if applicable.

Decision-making process

This chapter describes the decision-making processes regarding the Remuneration Policy, and the remuneration of the governing bodies.

Decision-making process of Remuneration Policy

The Board of Directors regularly evaluates the remuneration policy to ensure that the policy is aligned with the Company's growth strategy and respectively rewards the relevant personnel for the achieved results. The Board of Directors and the People & Remuneration Committee monitor the implementation of the remuneration policy and ensure that renumeration complies with the remuneration policy.

The remuneration policy is annually reviewed and assessed by the People & Remuneration Committee. The policy and any material changes to the policy are prepared and proposed by People & Remuneration Committee to the Board of Directors to approve. The Board of Directors presents the Remuneration Policy to the Annual General Meeting every four years or when a revision includes substantial changes. The Board of Directors have the right to make immaterial changes to the policy without presenting them to the general meeting. At the Annual General Meeting, the shareholders decide if they adopt to the remuneration policy presented. The resolution of the Annual General Meeting is advisory. Based on the decision and discussion of the Annual General Meeting, the Board of Directors evaluates the need to change the proposed policy. If the presented remuneration policy is not adopted at the Annual General Meeting, a revised version is presented no later than the next Annual General Meeting. The policy presented to the Annual General Meeting will be applied to the Governing bodies and will be held available on Duell Corporation's websites.

Decision-making process of the remuneration of Board of Directors

The remuneration of the Board of Directors and Committee Members is decided by Annual General Meeting. A proposal of the remuneration is prepared for the Annual General Meeting by large shareholders.

Decision-making process of the remuneration of the CEO

The Board of Directors nominates the CEO, decides the terms of service and the remuneration of the CEO annually in accordance with the principles of the remuneration policy. The People & Remuneration Committee reviews annually the previous financial year's incentives pay-out and prepares the incentive targets for the new financial year of the CEO for the Board of Directors to decide. The incentive metrics and targets may vary from year to year. The CEO is not entitled to be involved in any way in the consideration of CEO's remuneration.

The People & Remuneration Committee regularly evaluates the competitiveness of the CEO's remuneration to ensure it is aligned with Duell's strategy and shareholder interests. In this evaluation, external experts, as well as related external research data, can be utilized to ensure that the CEO's remuneration is competitive compared to typical levels in companies of comparable industry, location, size, and complexity. To promote alignment of interests with shareholders, and alignment of pay and performance, a part of the CEO's total compensation may be paid out in Duell shares. A

General Meeting decides on the Board of Directors' authorizations to decide on repurchase of own shares and the issuance of shares for the use of the company's incentive schemes.

Board of Directors' Remuneration

The remuneration paid to the Board of Directors is decided by the shareholders at Annual General Meeting. The remuneration of Board of Directors is determined on the basis to ensure that the remuneration is aligned with the success and complexity of Duell's business, competitive in relation to the market and that the remuneration reflects the competencies and efforts required from the members of the Board to fulfil their duties. The Annual General Meeting decide upon the fees for the Chair, other members of the Board and Committee Chair and members. Travel expenses for board and committee work are reimbursed in accordance with the Duell employees travel policy.

CEO's Remuneration

CEO's total remuneration

With CEO's total remuneration, Duell targets to direct the realisation of the targets set in the Duell's growth strategy, to reward the CEO for achieving the targets, promote Duell's long-term financial success, and promote shareholder value creation. The total remuneration of the CEO is decided by the Board of Directors according to the Remuneration Policy. As part of the CEO's remuneration, it is possible to offer agreements that differ from the statutory pension benefits for employees.

The CEO's total compensation follows the same principles as the Employees of Duell, and the differing role and responsibilities and general market practices are considered in the CEO's remuneration level. The key components of the CEO's can be divided to fixed and variable elements. Payout amount of any variable remuneration element is in ratio of the received targets and the payout point is after the performance period ends. The total remuneration consists of the following elements:

- Annual base salary, including fixed salary and a car and phone benefit
- Short-term incentive (STI) based on achieving annual targets
- Long-term incentive (LTI) scheme, such as share and/or option programs
- Other financial benefits, such as pension plans, supplementary insurance, or other benefits offered to the personnel

CEO's Fixed remuneration and other financial benefits

Remuneration element	Description
Fixed monthly salary	The purpose of the fixed monthly salary is to provide fixed remuneration that is sufficiently competitive with the external market and reflects Duell's business scale and complexity.

	Fixed monthly salary includes a fixed monthly salary and possibly a phone and car benefit according to Duell car policy. The base monthly salary is subjected to accumulation of annual holiday pay according to the local laws and regulations and principles to the Employees.
Fringe and other benefits	The guiding principles regarding the fringe and other benefits for the CEO is to match them with the benefit policies to the Employees. The fringe benefits may include car, phone, lunch and sports benefits and other general benefits to the Employees. The medical care coverage for the Employees is applied to the CEO.
Pension benefits	Pension benefit includes statutory pension insurances according to the law. Additionally, the Board of Directors may decide to supplement the statutory pension with voluntary pension contributions.

CEO's Variable remuneration

Remuneration element	Share of total remuneration	Description
Short-term incentives (STI)	The maximum earning opportunity of the short-term incentives equals to 100% of the CEO's annual fixed remuneration.	The purpose of the STI is to steer the CEO's performance towards and reward for the achievement of annual financial and operational targets in line with Duell strategy. The STI is set for one financial year at time. Performance is measured by mainly indicators numerical in value for one financial year and the reward is paid after the year ends, based on achieved performance. There shall be no pay out based on a metric, if the threshold for the metric in question is not reached. The STI scheme, metrics, targets and payouts are decided by the Board of Directors.

Long-term incentives (LTI)	The maximum earning opportunity of annual long-term incentives grant is 150% of the CEO's annual fixed remuneration. The maximum earning opportunity is calculated with Duell share price at the time of the grant moment. Share price development after the grant moment will have an increasing or decreasing effect on the realised long-term incentive plan rewards.	The purpose of the LTI is to reward for achievement of strategic and financial targets and shareholder value creation in long-term; to align the CEO's interests with the interests of Duell Group shareholders; and to accumulate the CEO's share ownership in Duell Group, according to the share ownership guidelines. Long-term incentives consist of share-based incentive schemes. The scheme or schemes are decided by the Board of Directors and may be based on rewarding for Duell performance, or encouraging to invest in Duell share, or for recruitment or retention purposes. As a main rule, the remuneration is paid partly in shares and partly in cash. The performance criteria, timeline, and other terms of the LTI are decided by the Board for each grant separately. The criteria for the LTI may include financial criteria, as well as targets tied to Duell Corporation share value development and strategic development targets. The LTI programs have mainly performance periods of a minimum of three years. The purpose of any possible Restrictive Share Plans (RSP) is to supplement other long-term incentives, for example in connection with recruitment and retention, in which case the Board has the option to decide on a shorter than three-year earning period. Remuneration based on long-term incentive plans can form a significant part of the CEO's total remuneration if the growth in the Company's shareholder value is excellent. Share-based incentive schemes may include transfer restrictions in accordance with the Limited Liability Companies Act, recommendations, or contractual obligations to hold a certain number of shares for a certain time.

CEO's service agreement and severance pay

The terms of the CEO's service agreement are decided by the Board of Directors in accordance with the remuneration policy. In the CEO's contract can be agreed a notice period of up to six months and severance pay equivalent to up to twelve months' salary in addition to the pay during the notice period. The severance pay is not to be paid if the CEO's contract ends due to a material breach of contract by the CEO, negligence of the CEO's duty of care, or violation of the key rules or regulations applying to the CEO. When the CEO's contract ends, the CEO will be subject to a non-compete clause.

Deferred incentive payments and clawbacks

The Board of Directors is entitled to increase or decrease the amount of the renumeration under extraordinary circumstances over the period in which the predefined earning criteria were reached or would have been reached. Under extraordinary circumstances, the Board of Directors is entitled to change the level of performance-based incentives included in the short- or long-term schemes and the timing of the payment of the reward. In addition, the Board of Directors may claw back the CEO's variable renumeration in case of misconduct, or on basis of incorrect financial or other data.

Deviations at exceptional circumstances

The remuneration policy allows the Board of Directors to react to an unforeseen situation by temporarily deviating from certain principles defined in the policy. The deviations can be done, after a careful consideration, on the benefit of Duell and its shareholders in the following situations:

- Recruitment of a new CEO
- Significant merger, acquisition, demerger, or another corporate restructuring event
- A significant change in Duell's strategy
- Immediate retention needs arising from external factors
- Changes in legislation, regulation, taxation, or equivalent.

Changes may apply to components of remuneration, key terms applicable to the service agreement and incentive plan structures, instruments and mechanisms, as well as incentive plan timelines, metrics and earning opportunities. The changes must be considered necessary to ensure the development of Duell long-term shareholder value. Any deviation from the Remuneration Policy must be communicated transparently to Duell shareholders no later than at the next remuneration report and the Annual General Meeting.