



 **EMBLA MEDICAL**®

# REMUNERATION REPORT

2025



# Remuneration Report

This Remuneration Report outlines the remuneration of the Board of Directors and Executive Management in 2025. The remuneration is based on the Remuneration Policy, which was approved at the Annual General Meeting on 12 March 2025.

## Governance

The Board established a Remuneration Committee in 2022, which is composed of the Chair of the Board and the Chair of the Audit Committee. According to the Remuneration Committee's terms of reference, its main objective is to prepare recommendations to the Board in relation to the Remuneration Policy and remuneration for the Board, the President and CEO and other members of the Executive Management.

## Remuneration Principles

Embla Medical has a competitive compensation structure in place to retain employees, encourage individual performance, and reach objectives that are in the interest of the shareholders. The Embla Medical compensation philosophy is to attract, motivate and retain talented employees and offer remuneration that reflects the market value of the job, considering the job's complexity and responsibilities.

Embla Medical aims to attract and retain exceptional employees for the long-term. To the extent possible, the remuneration of managers and other employees shall be harmonized and fair, considering their responsibilities, local trends, performance and other relevant factors.

Pay programs, practices, and pay targets are comparable within the industries and geographies where Embla Medical competes for talent. Remuneration consists of a fixed salary, pension contribution, bonuses, other benefits and share based incentives, which are reviewed regularly against external benchmarks.

## Overall Group Performance 2025

Growth in 2025 was driven by Prosthetics & Neuro Orthotics, mainly with a strong performance in EMEA and supported by recently launched innovation. Full year sales amounted to USD 929 million, organic growth was 6% and the EBITDA margin was 20%.

The remuneration to the Board of Directors, the President and CEO and the Executive Management is based on, and fully in line with, the Embla Medical Remuneration Policy. Furthermore, when taking the overall group performance in 2025 into account, the Board of Directors considers the remuneration to be fair.

## Remuneration of the Board of Directors

The Board of Directors fee is approved annually at the Annual General Meeting. The Board of Directors' remuneration is a fixed board fee and is not based on incentives. The Chair receives a fee that is 3 times the base board fee and the Vice Chair receives a fee that is 2 times the base board fee. Members of the Audit Committee receive an additional base fee and the Audit Committee chair receives a fee that is 2 times the additional base fee. There are no fees for members of the Remuneration and Nomination Committee. Members of the Board of Directors do not receive short or long-term incentives.

The Board of Directors will propose to the Annual General Meeting 2026 an approximately 3% increase of the base fee in Board remuneration for 2026.



## Annual Fees to the Board of Directors

USD'000	Board	Audit Committee
Member	38,000 (Base Fee)	7,500 (Base Fee)
Vice Chair	76,000 (2x Base Fee)	N/A
Chair	114,000 (3x Base Fee)	15,000 (2x Base Fee)

## Remuneration Paid to Individual Members of the Board of Directors

USD'000	2025			2024			2023		
	Board Member Fee	Audit Committee Fee	Total	Board Member Fee	Audit Committee Fee	Total	Board Member Fee	Audit Committee Fee	Total
Niels Jacobsen, Chair of the Board	114	0	114	111	0	111	108	0	108
Svafa Grönfeldt, Vice Chair	76	0	76	74	0	74	72	0	72
Arne Boye Nielsen	38	15	53	37	15	52	36	14	50
Alberto Esquenazi	38	8	46	37	7	44	36	7	43
Caroline Vagner Rosenstand	38	8	46	37	7	44	-	-	-
Tina Abild Olesen	38	0	38	37	0	37	-	-	-

## Remuneration of the President and CEO and the Executive Management

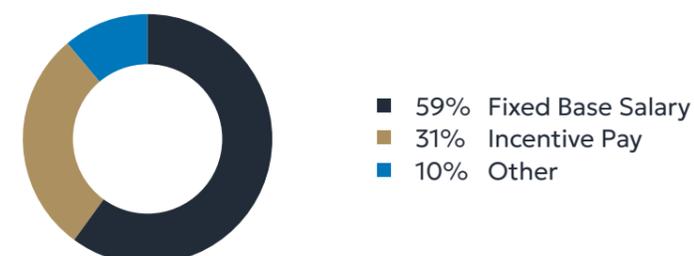
The remuneration for the President and CEO and the Executive Management comprises of a fixed salary, bonus for short-term performance, performance share units (from 2024) and share options (until 2024, vesting 2027) for long-term performance, pension contribution and other benefits, such as car, phone, internet connection, etc.

The objective is to compose a remuneration package that attracts, retains and engages qualified members of the Executive Management to drive the Embla Medical strategy in a sustainable way.

## Remuneration Elements

Element	Description
Base Salary	Fixed cash base salary.
Short-term cash-based incentive	One-year cash bonus based on specific relevant financial and non-financial targets. Cannot exceed 67% of the base salary.
Long-term cash-based incentive	<p>Long-term incentives for Executive Management at Embla Medical are provided through yearly granted performance share units (PSUs). These PSUs are linked to predefined performance metrics and have a three-year vesting period. Upon vesting, the PSUs convert to Embla Medical shares on a 1:1 ratio. The performance metrics, which include financial, business, and non-financial targets, are aligned with Embla Medical's long-term strategy and sustainability, with financial metrics weighing at least 75%.</p> <p>The metrics and targets are set at the beginning of the year, and performance is assessed at the start of the following year based on published financial reports and other relevant documents. PSUs are granted in the first quarter after the performance year, with their value for the President and CEO ranging from 30% to 90% of their annual fixed salary, and for other executives, from 20% to 60%.</p> <p>The share price used to calculate the number of PSUs is the volume-weighted average share price on Nasdaq Copenhagen during the first five trading days after the publication of Embla Medical's consolidated financial statement for the performance year. The market value of the PSUs will fluctuate during the vesting period based on Embla Medical's share price. Executives must remain employed with the company at the end of the three-year vesting period, subject to certain good leaver provisions. Additionally, executives are required to hold their Embla Medical shares, net of taxes, for two years following vesting to align their interests with those of the shareholders.</p>
Other benefits	Standard benefits such as company car, phone, internet connection etc.

## Composition of the Executive Management Remuneration in 2025



USD'000	Fixed base salary	Cash based incentive	Pension	Other benefits	Share based incentive	Total remuneration
<b>2025</b>						
<b>Executive Management:</b>						
Sveinn Sölvason, President and CEO <sup>(i)</sup>	745	223	133	24	276	1,400
Executive Management (6.8 FTE's) <sup>(ii)</sup>	2,842	780	368	85	567	4,642
<b>Total</b>	<b>3,587</b>	<b>1,003</b>	<b>500</b>	<b>109</b>	<b>843</b>	<b>6,043</b>

USD'000	Fixed base salary	Cash based incentive	Pension	Other benefits	Share based incentive	Total remuneration
<b>2024</b>						
<b>Executive Management:</b>						
Sveinn Sölvason, President and CEO <sup>(i)</sup>	576	225	128	25	59	1,014
Executive Management (6.6 FTE's) <sup>(ii)</sup>	2,558	814	368	41	418	4,199
<b>Total</b>	<b>3,134</b>	<b>1,040</b>	<b>496</b>	<b>66</b>	<b>477</b>	<b>5,213</b>

In beginning of February Conal Harte was promoted to the Executive Vice President of Patient Care after have led our European Patient care team. André Rocha joined the organization as the Executive Vice President of Research & Development from 1st of April.

(i) Shares owned by Sveinn Sölvason 68,342 (2024: 68,342)

(ii) Shares owned at year end by Executive Management 83,406 (2024: 81,991)

## Long-Term Incentives Issued to the Executive Management

Embla Medical's share option program, approved by the Annual General Meeting in March 2021, expired in March 2024 and will not be renewed. The share option program has been replaced by the PSU program described on page 4.

	Number of shares	Grant year	Exercise year	Exercise price (in DKK)	Share price at grant date (in DKK)	Weighted average remaining contr. life in months
<b>Issued to Executive Management:</b>						
Sveinn Sölvason, President and CEO	140,000	2022 - 2023	2025 - 2026	29.9-34.2	29.2-34.6	1
Executive Management (4 persons)	400,000	2022	2025	28.5-41.7	29.5-44.0	0
Executive Management (3 persons)	180,000	2023	2026	27.9-34.2	27.5-34.6	8
<b>Total</b>	<b>720,000</b>					
<b>PSU/RSU issued to Executive Management:</b>						
Sveinn Sölvason, President and CEO	162,764	2024-2025	2027-2028		30.7-33.3	20
Executive Management (5 persons)	406,936	2024-2025	2027-2028		30.7-33.3	20
<b>Total</b>	<b>569,700</b>					

## Clawback

Embla Medical has the option to reclaim, in whole or in part, any earned, paid or vested variable remuneration payments that have been based on false, misleading, insufficient or incorrect data, or if the recipient acted in bad faith in respect of other matters, which resulted in too high variable remuneration or variable remuneration which would otherwise not have been paid. The option to claw back is valid for up to 12 months after payout or vesting of the variable remuneration.

In 2025, there was no legal or factual basis on which to reclaim incentives for current or former executives.

## Pension and Termination

Pension contributions are paid in accordance with applicable laws and employment agreements. No pension liabilities are undertaken, unless required by law. No special retirement agreements are made, but mutual termination clauses in employment agreements apply. Termination clauses do not exceed twenty-four months.

## Board of Directors Statement on the Remuneration Report

Today the Board of Directors has considered and approved the Remuneration Report of Embla Medical for the Financial Year 2025.

It is the opinion of the Board of Directors that the Remuneration Report is in accordance with the [Remuneration Policy](#).

Reykjavík, 2 February 2026

### Board of Directors

#### Niels Jacobsen

Chair of the Board of Directors

#### Svafa Grönfelt

Vice Chair of the Board of Directors

#### Arne Boye Nielsen

Member of the Board of Directors

#### Alberto Esquenazi

Member of the Board of Directors

#### Caroline Vagner Rosenstand

Member of the Board of Directors

#### Tina Abild Olesen

Member of the Board of Directors



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