

Remuneration report

2024



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1. Introduction

1.1 Background

This remuneration report (the “**Report**”) is prepared by the Board of Directors of Hexagon Composites ASA (the “**Company**”) in accordance with the Norwegian Public Limited Liability Companies Act (the “**Companies Act**”) Section 6-16 b with regulations, in addition to the Company’s Guidelines for remuneration of executive management as approved by the General Meeting on 17 April 2024.

This Report is prepared for the purpose of addressing the Hexagon Group of companies’ performance in 2024 and how this relates to the remuneration of the Executives of Hexagon (“Hexagon Executives”). The basic structure of the remuneration policy in the Group remained the same in 2024 remained the same as in the Group in the prior years. Numbers in parenthesis in this document refers to previous fiscal year.

1.2 Highlights summary

For the financial performance, 2019 and 2020 addresses the group structure and remuneration policies before the spin-off and listing of Hexagon Purus in 2020. Hexagon Purus was deconsolidated from Hexagon Group on 29 June 2023. Subsequently, Hexagon Purus was classified as discontinued operations and historical financial figures for Hexagon Group was re-presented in 2022 and 2023 for comparability of continuing operations.

On 3 June 2024, Hexagon sold its LPG composite cylinder business, Hexagon Ragasco, to Worthington Enterprises. Historical financial figures for the Hexagon Group have been re-presented for comparability of continuing operations. Following the sale of Hexagon Ragasco, continuing operations comprise the operating segments Hexagon Agility and Hexagon Digital Wave.

Furthermore, on 29 May 2024, Hexagon acquired a non-controlling 49% stake in Worthington Enterprises’ Sustainability Energy Solutions (SES) business, a leading European supplier of high-pressure cylinders and systems for storage and distribution of compressed natural gas, hydrogen and industrial gases. The investment in SES has been accounted for by using the equity method from 29 May 2024.

Unless otherwise specifically described, this report refers to, for comparability purposes, performance of the continuing operations, meaning that in practice Hexagon Ragasco and Hexagon Purus are omitted from the numbers.

1.3 The executive team (Hexagon Executives)

The Report contains information regarding remuneration to previous, present and future leading personnel of the Company ("**Executives**") for the financial year of 2024 in line with the applicable requirements. As Executives, we are including any individuals defined to be part of the Group Management (internally referred to as the "**the Executive Team**") or the Board of Directors in the fiscal year 2024, and thereby also have received remuneration from the Group during the fiscal year 2024.

In the light of the structural changes to the Group in the last years and the re-presentation of financial performance into continuing operations, Hexagon Executives in this report are defined as the Executives in charge of the continuing operations (unless otherwise stated).

The Executive Team consist of the Group's Chief Executive Officer ("CEO"), Chief Finance Officer ("CFO"), Chief Operating Officer ("COO"), Chief Commercial Officer ("CCO"), Chief Legal Officer ("CLO") and the Chief Development Officer ("CDO"), who are all considered "leading personnel" under the Companies Act. These Executives also hold the responsibility for the business areas of the Group.

On 3 December 2024, Hexagon announced the appointment of Dr. Phillip Schramm as Chief Executive Officer, effective 7 January 2025. As the new CEO did not receive any remuneration from the Group in 2025, remuneration to the new CEO is not included in this report. Remuneration to the previous CEO, Jon Erik Engeset, is however included in full.

Following the separation of Hexagon Purus and Hexagon Ragasco from the Hexagon Group, none from the management of these segments are defined as Executives in Hexagon Group in the context of this report.

1.4 Highlights summary

The Remuneration Policy balances our short-term and long-term performance, taking into consideration our business strategy, our vision of Clean Air Everywhere, and our aim to deliver value for shareholders. In 2022, we saw the introduction of the biggest climate investment programs the world has ever seen – REPower EU and The US Inflation Reduction Act – aimed at bringing down costs of renewable energy, boosting energy supply, and substantially reducing greenhouse gas emissions. These programs are complemented by the Green Deal Industrial Plan and the U.S. National Blueprint for Transportation Decarbonization, specific initiatives to speed up the deployment of clean energy. Hexagon's technology agnostic approach to solutions for the mobility and infrastructure segments has positioned us to play a role in driving this energy transformation. Demand for our products and services continues to be on the rise, and Hexagon retains its global leadership in the type 4 pressure vessel and related alternative fuel solutions space.

Accordingly, annual incentive payments to the Hexagon Executives, based on Hexagon and Business Area target EBITDA and individual performance objectives including ESG related objectives, were paid. Business fundamentals, growth and results in the three-year period ending 2024 was satisfactory even with significant disruptive impacts on global supply chains, affecting our customers, suppliers and our operational activities. From 2022 and into 2023, the war in Ukraine has added uncertainty to the general business environment.

Despite these impacts leading to delays in chassis availability, semiconductors, and volatile input prices, Hexagon and its individual business areas navigated the significant market turbulence.

Hexagon's portfolio of (renewable) natural gas (RNG/CNG), and digital solutions, position the company as a global leading clean technology provider and we see leading OEMs, fleets and other market players adapting to meet ambitious sustainability targets. Renewable Natural Gas (RNG) represents the fuel alternative with the highest CO₂ mitigating potential in the transportation sector in this decade, and it is expected to drive strong growth in Hexagon Agility.

The remuneration outlined in this report complies in full with Hexagon's approved Remuneration Guidelines. The company has not claimed back any paid remuneration to Executives during the year. In 2023, to further increase our commitment to Environmental, Social and Governance (ESG) objectives, we established and set the weighting of ESG measures in the Performance Objectives within the short-term incentive scheme to at least 20 per cent. This continued in 2024. Please refer to our Sustainability statement for further details on ESG within Hexagon.

Following the deconsolidation of Hexagon Purus effective 29 June 2023 and the sale of Hexagon Ragasco on 3 June 2024, continuing operations of the Group comprise the operating segments Hexagon Agility and Hexagon Digital Wave.

1.5 Overview of performance indicators past three financial years

(NOK million)

Performance indicators (Hexagon continuing operations)	2024	2023	2022
Revenue (NOK million)	4 877	4 526	3 612
Revenue growth (%)	8%	25%	33%
EBITDA (NOK million)	637	366	224
EBITDA Margin (%)	13%	8%	6%
EBIT (NOK million)	370	146	19
EBIT Margin (%)	8%	3%	1%

For the full year 2024, Hexagon Group reported revenues of NOK 4 877 (4 526), a growth of 8% largely attributable to Hexagon Agility’s Mobile Pipeline distribution business which had a record year. EBITDA for the Group totalled NOK 637 (366) million, representing an EBITDA margin of 13% – a significant improvement from last year’s EBITDA margin of 8%. Improved performance in the heavy-duty fuel systems business coupled with record-high performance and volume effects in the Mobile Pipeline distribution business explain the improvement in operating profitability year over year.

Hexagon Agility

For the full year 2024, Hexagon Agility reported revenues of NOK 4 716 (4 321) million. Revenues from the fuel systems business were particularly soft in the first half of 2024, while activity picked up significantly in the second half, with revenues for the year ending at NOK 2 545 million – on par with revenues in 2023 of NOK 2 513 million. Revenues from the Mobile Pipeline distribution business were increasingly strong throughout the whole of 2024 as a result of increased demand for transportation of renewable natural gas (RNG). Revenues in this business grew to an all-time high of NOK 2 170 (1 807) million.

Hexagon Agility delivered an EBITDA for 2024 of NOK 662 (381) million, resulting in an EBITDA margin of 14%, compared to 9% last year. Outstanding performance and volume effects in the Mobile Pipeline business coupled with improved margins in the fuel systems business explain the improvement in Hexagon Agility’s EBITDA performance.

Digital Wave

For the full year 2024, Hexagon Digital Wave reported revenues of NOK 179 (179) million and an EBITDA of NOK 14 (8) million, resulting in an EBITDA margin of 8% (4%). While the MAE (Modal Acoustic Emission) requalification business had a positive development, the UE (Ultrasonic Examination) machine business experienced some challenges in the volumes due to key customers holding back on capex spending in 2024.

2. Total remuneration for Executives

2.1 Purpose and general principles for executives’ remuneration

As a leading international company within its industries, Hexagon and the Group must offer salaries and other compensation that ensure to recruit and retain Executives. The Group has presence in a number of locations on several continents, and as such competes for relevant senior management talent worldwide. The components and total package of remuneration strive to support Hexagons’ competitiveness as an employer in all locations, and especially in the US.

Remuneration for Executives has been adapted to comply with established local practice and mandatory rules in the jurisdiction of their employment, taking into account, to the extent possible, the overall purpose of the remuneration policy.

2.2 Elements of Executive remuneration

Remuneration includes all benefits a person receives by virtue of their position as an Executive in Hexagon. This includes, in principle:

- a. fixed salary,
- b. bonuses,
- c. allotment of shares, warrants, options and other forms of remuneration related to shares or the development of the share price in the company,
- d. pension schemes, early retirement schemes and
- e. all forms of other variable elements in the remuneration, or special benefits that are in addition to the fixed salary.

2.2.1 Fixed salary

The fixed salary allows Hexagon to attract and recruit senior executives that are necessary for the long-term profitability and sustainability of Hexagon.

It is Hexagon’s policy that base salaries shall reflect the individual Executive’s position and degree of responsibility. The size of the fixed cash salary shall be in line with market conditions, be competitive with comparable businesses within the industry at the relevant location and shall take into account

inter alia the scope and responsibility associated with the position, as well as the skills, experience, and performance of each Executive. The fixed cash salaries have no maximum levels.

In 2024, Executives have had changes in their base payment from no increase up to 11% (between 5% and 11%), excluding effects from currency translation. Where there are higher increases, or substantial decrease, this arises from change in positions either in 2023 or 2024.

2.2.2 Bonuses (variable cash salary)

Variable cash salary for Executives in 2024 was based on a set of predetermined and measurable performance criteria, reflecting the key drivers for pursuing Hexagon’s business strategy, long-term interests, and sustainable business practices. The performance criteria consisted of performance indicators both for Hexagon’s and business areas’ overall and for individuals’ performance. In 2024, variable cash salaries were based 50%-70% on financial parameters (revenue and EBITDA), and 30%-50% on operational and ESG-related parameters. See sections 2.3 and 2.4 for more details.

Performance indicators for 2024 are further adjusted for by Executive’s Individual Performance Objectives (“IPO”) from 0-100% principally through other non-financial performance parameters, mainly:

- ESG targets
- Strategic objectives
- Functional / Business area goals
- Personnel development and welfare goals

The performance achievement was applied to fixed percentages of base salary which vary from 50% to 75%. The design of the above is to ensure the most capable execution of defined business strategies, short and long-term, while ensuring Hexagon’s going concern. Determination of the extent to which the criteria for variable cash salary are satisfied is determined upon expiry of the relevant measurement period by measuring criteria against actual performance. Bonus payments to the Executives have been endorsed by the Board’s remuneration committee.

In 2021, the CEO of Hexagon, Jon Erik Engeset, was awarded a bonus arrangement dependent upon the share price development of Hexagon Purus ASA, due Hexagon Purus’ significant influence on shareholder value for the Hexagon Group. The bonus arrangement was for the purpose of calculating quarterly fair values converted to a given number of cash settlement options in Hexagon Purus ASA. This bonus arrangement matured in July 2024 “out of the money” without any variable cash payments made. For accounting purposes, the bonus arrangement represented a reversal of previously expensed amount of NOK 1.0 million in 2024 (NOK 2.4 million reversed 2023) due to the negative share price development of Hexagon Purus ASA.

2.2.3 Remuneration related to shares
This section covers, in principle, allotment of shares, warrants, options and other forms of remuneration related to shares or the development of the share price in the company.

Share-based incentive programs
Share-based payments, settled in shares or cash, are used as part of the Hexagon’s incentive schemes. In the view of the Board of Directors, attractive share-based long-term incentive programs form an important part of the total compensation for Executives and are necessary to allow Hexagon to retain and hire the talent it needs for further growth.

The Executives have a long-term share-based incentive plan with a retention period of employment of three years. Performance Share Unit (PSU) plans for Executives are issued with differing tiers of target face value ranging from USD 100 000 to USD 300 000. The range of values is reviewed periodically to ensure market competitiveness.

The PSU schemes are based on performance in a defined measurement period. Depending on performance in relation to target figures, the number of instruments each person potentially may receive is calculated. The exact number of instruments is a function of the value award for an individual, translated to NOK, divided by the share price at the allotment date, and multiplied by the performance achievement during the performance period. After the measurement period there will be a defined service period before shares may be released.

Conditional and performance-based PSUs have been granted to Executives, which entitle these to potentially receive a number of shares after three years. The rights under PSUs granted in April 2020 with performance period in 2020 and 2021 were vested and released in March 2023. The rights under PSUs granted in April 2021 were contingent on achieving specific targets for Group revenue and EBITDA in 2021 and 2022 were vested and released in March 2024. The rights under PSUs granted in May 2022 are contingent on achieving specific targets for Group revenue and EBIT in 2022 and 2023 and will vest in the first half of 2025. The rights under PSUs granted in February 2023 are contingent on achieving specific targets for Group revenue, EBIT and total shareholder return in 2025 and will vest in the first half of 2026. The rights under PSUs granted in February 2024 are contingent on achieving specific targets for Group revenue, EBIT and total shareholder return in 2026 and will vest in the first half of 2027.

The exact number of instruments will continue to be a function of the value award for an individual, divided by the share price at the allotment date, and multiplied by the performance achievement during the performance period. After the measurement period there will be a defined service period before shares may be released.

See section 3 for details on Executive share-based instruments for 2024.

2.2.4 Pension schemes
Executives’ pension arrangements follow the arrangements established for Hexagon’s employees. Pension benefits were based on local practices and applicable law.

2.2.5 Other variable elements of remuneration
Other benefits shall be based on market terms and shall facilitate the duties of Executives and typically include cover of broadband access, phone, financial media and relevant professional subscriptions, modest wellness allowance and membership of company health insurances. Hexagon aims to have sufficiently competitive salary and incentive programs to minimize additional non-financial benefits, and such shall generally be offered only to the extent they are in line with generally accepted customs locally.

Where relevant, severance payments, sign-on bonuses and similar benefits are included in the overview below as extraordinary items.

The table in Section 2.3 Remuneration of Executives from the Company below contains an overview of the total remuneration received by the Executives, only remuneration earned on the basis of the Executives’ role as a leading person is included. Criteria for remuneration that was granted/awarded/due but not yet materialized, during the reported financial year is given in sections 3 and 5 primarily.

The table in Section 2.4 Remuneration of Executives from the Group below contains an overview of the total remuneration, which the Executives have received from other companies within the group of companies to which the Company belongs (the “Group”).

The table in Section 2.5 below contains an overview of the total remuneration received by the members of the Board of Directors in the parent company of the Group.

2.3 Remuneration of Executives from the Company

This section contains information on the remuneration of the Executives being past, present and future members of the Executive Team in Hexagon Composites ASA.

(NOK 1 000)		1. Fixed remuneration			2. Variable remuneration		3. Extra-ordinary items	4. Pension expense	5. Total Remuneration	6. Fixed % of remuneration (%)	7. Variable % of remuneration (%)	8. Remuneration of Directors from undertakings of subsidiaries and associates
Name and position	Year	Base salary	Fees	Fringe benefits	One-year variable	Multi-year variable ¹						
Jon Erik Engeset	2024	3 777	-	10	3 561	3 300	-	553	11 201	39%	61%	320
Group President & CEO	2023	3 729	-	12	3 632	3 003	-	191	10 568	37%	63%	437
David Bandle	2024	2 870	-	14	1 513	2 200	-	253	6 850	46%	54%	64
Chief Financial Officer	2023	2 695	-	13	1 531	2 002	-	185	6 426	45%	55%	54
Karen Romer	2024	1 902	-	16	1 004	1 677	-	261	4 860	45%	55%	-
SVP Communications	2023	1 810	-	10	1 024	1 846	-	187	4 877	41%	59%	142
Hans Peter Havdal	2024	3 371	-	12	2 724	1 291	-	243	7 640	47%	53%	-
Chief Operating Officer	2023	2 397	-	9	2 317	333	-	129	5 184	49%	51%	246
Eirik Løhre	2024	1 959	-	1 187	903	831	-	229	5 108	66%	34%	-
Chief Development Officer	2023	1 682	-	8	796	493	-	183	3 162	59%	41%	-

Multi-year variable: more details are disclosed in section 3.

Remuneration of Directors from undertakings of subsidiaries and associates relate to

- Jon Erik Engeset: fee serving as chairman and member of the Board of Hexagon Purus ASA
- David Bandle: fee serving as member of the nomination committee of Hexagon Purus ASA
- Karen Romer: fee serving as member of the Board of Hexagon Purus ASA
- Hans Peter Havdal: fee serving as member of the Board of Hexagon Composites ASA up until February 2023

Other remarks and explanations to the remuneration table above

On 3 December 2024, Hexagon announced the appointment of Dr. Phillip Schramm as Chief Executive Officer, effective 7 January 2025. As no remuneration was paid to the CEO elect in 2024, no disclosures are made in the table above. Remuneration of Jon Erik Engeset, who served as CEO throughout 2024, is included in full.

During 2024, Jon Erik Engeset (CEO) and the Company entered into a self-financed top-hat pension arrangement (available and offered for all employees in the Company) with an annual contribution of NOK 300 000 in addition to the company-wide defined contribution pension scheme. The additional top-hat pension

contribution was financed through a 1:1 reduction in base salary, hence – the top-hat pension arrangement did not represent an increased remuneration.

In September 2024, Eirik Løhre (Chief Development Officer) relocated to the US, with a net-of-tax compensation package including base salary, free housing, free car and other fringe benefits, explaining the higher amount of fringe benefits in 2024 compared to 2023 and compared to the other Executives.

Hans Peter Havdal joined the Executive team in March 2023 as Chief Operating Officer (“COO”) while having left his position as Board member from 16 February 2023. Hence, remuneration for 2024 is not fully comparable with 2023.

Karen Romer, who served as SVP Communications throughout 2024, left the Company effectively from 1 January 2025. The numbers above represent the full remuneration for 2024.

There are no other past or future leading personnel of the Company for the financial year of 2024 to be included in the reporting.

2.4 Remuneration of Executives from the Group

This section contains information on the remuneration of the Executives being past, present and future members of the Executive Team of the Group.

(NOK 1 000)		1. Fixed remuneration			2. Variable remuneration		3. Extra-ordinary items	4. Pension expense	5. Total Remuneration	6. Fixed % of remuneration (%)	7. Variable % of remuneration (%)	8. Remuneration of Directors from undertakings of subsidiaries and associates
Name and position	Year	Base salary	Fees	Fringe benefits	One-year variable	Multi-year variable ¹						
Jon Erik Engeset	2024	3 777	-	10	3 561	3 300	-	553	11 201	39%	61%	320
Group President & CEO	2023	3 729	-	12	3 632	3 003	-	191	10 568	37%	63%	437
David Bandele	2024	2 870	-	14	1 513	2 200	-	253	6 850	46%	54%	64
Chief Financial Officer	2023	2 695	-	13	1 531	2 002	-	185	6 426	45%	55%	54
Hans Peter Havdal	2024	3 371	-	12	2 724	1 291	-	243	7 640	47%	53%	-
Chief Operating Officer	2023	2 397	-	9	2 317	333	-	129	5 184	49%	51%	246
Eric Bippus	2024	4 215	-	309	3 612	2 719	-	222	11 078	43%	57%	-
Chief Commercial Officer	2023	3 786	-	285	1 092	2 346	-	127	7 636	55%	45%	-
Karen Romer	2024	1 902	-	16	1 004	1 677	-	261	4 860	45%	55%	-
SVP Communications	2023	1 810	-	10	1 024	1 846	-	187	4 877	41%	59%	142
George Siedlecki	2024	3 725	-	286	2 017	2 200	-	222	8 450	50%	50%	-
SVP Strategy and M&A	2023	4 004	-	319	2 278	2 002	-	209	8 812	51%	49%	-
Ashley Remillard	2024	2 991	-	342	1 585	1 717	-	219	6 852	52%	48%	-
Chief Legal Officer	2023	2 745	-	342	1 562	1 329	-	197	6 174	53%	47%	-
Rick Rashilla	2024	812	-	71	1 671	296	-	49	2 899	32%	68%	316
SVP Sustainability	2023	3 151	-	283	1 793	1 960	-	182	7 369	49%	51%	300
Eirik Løhre	2024	1 959	-	1 187	903	831	-	229	5 108	66%	34%	-
Chief Development Officer	2023	1 682	-	8	796	493	-	183	3 162	59%	41%	-

The USD/NOK exchange rate has increased year-over-year by 1.7% from 2023 average to 2024 average. This affects the US Executives' remuneration correspondingly.

Multi-year variable: more details are disclosed in section 3.

Remuneration of Directors from undertakings of subsidiaries and associates relate to

Jon Erik Engeset:	fee serving as chairman and member of the Board of Hexagon Purus ASA
David Bandle:	fee serving as member of the nomination committee of Hexagon Purus ASA
Karen Romer:	fee serving as member of the Board of Hexagon Purus ASA
Hans Peter Havdal:	fee serving as member of the Board of Hexagon Composites ASA up until February 2023

Other remarks and explanations to the remuneration table above

On 3 December 2024, Hexagon announced the appointment of Dr. Phillip Schramm as Chief Executive Officer, effective 7 January 2025. As no remuneration was paid to the CEO elect in 2024, no disclosures are made in the table above. Remuneration of Jon Erik Engeset, who served as CEO throughout 2024, is included in full.

During 2024, Jon Erik Engeset (CEO) and the Company entered into a self-financed top-hat pension arrangement (available and offered for all employees in the Company) with an annual contribution of NOK 300 000 in addition to the company-wide defined contribution pension scheme. The additional top-hat pension contribution was financed through a 1:1 reduction in base salary, hence – the top-hat pension arrangement did not represent an increased remuneration.

In September 2024, Eirik Løhre (Chief Development Officer) relocated to the US, with a net-of-tax compensation package including base salary, free housing, free car and other fringe benefits, explaining the higher amount of fringe benefits in 2024 compared to 2023 and compared to the other Executives.

Hans Peter Havdal joined the Executive team in March 2023 as Chief Operating Officer (COO) while having left his position as Board member from 16 February 2023. Hence, remuneration for 2024 is not fully comparable with 2023.

Karen Romer, who served as SVP Communications throughout 2024, left the Company effectively from 1 January 2025. The figures above represent the full remuneration for 2024.

George Siedlecki, who served as SVP Strategy and M&A and President of Hexagon Digital Wave throughout 2024, has effective from 1 January 2025 stepped out of the Executive Team of the Group. The figures above represent the full remuneration for 2024.

Rick Rashilla, previously serving as SVP Sustainability and included in the Executive team in 2023, retired from his position in March 2024. Hence, remuneration for 2024 is not comparable with 2023.

Eric Bippus joined the Executive as Chief Commercial Officer effective from 1 January 2025. Eric Bippus is consequently defined as a future Executive for 2024 reporting purposes. Hence, remuneration is therefore included and disclosed in full for 2023 and 2024.

There are no other past or future leading personnel of the Company for the financial year of 2024 to be included in the reporting

2.5 Remuneration of the Company's Board of Directors

This section contains information on the remuneration of former, existing and future members of the Board of Directors of Hexagon Composites ASA.

(NOK 1 000)											
Name and position	Year	Board fee	Audit committee fee	Remuneration committee fee	Nomination committee fee	Remuneration of Directors from undertakings of subsidiaries and associates	Other (if any)	Total remuneration	6. Fixed % of remuneration (%)	7. Variable % of remuneration (%)	Year over year comparison
Knut Flakk	2024	672						672	100%	-	(6%)
Chair	2023	654				63	-	717	100%	-	
Kristine Landmark	2024	390	45	45				481	100%	-	3%
Deputy Chair	2023	373	49	42				465	100%	-	
Liv Astri Hovem	2024	341	53					393	100%	-	4%
Board member	2023	320	57					377	100%	-	
Katsunori Mori	2024							-	100%	-	N/A
Board member (until May 2024)	2023							-	100%	-	
Takayuki Tsunashima	2024							-	100%	-	N/A
Board member (from May 2024)	2023							-	100%	-	
Liv Dingsør	2024	108						108	100%	-	(66%)
Board member (until May 2024)	2023	320						320	100%	-	
Sam Kiran Gabbita	2024	335		68				403	100%	-	5%
Board member	2023	320		64			-	384	100%	-	
Joachim Magnusson	2024	336					75	411	100%	-	89%
Board member (from June 2023)	2023	217						217	100%	-	
Eva Sagemo	2024	228	40	7				275	100%	-	N/A
Board member (from May 2024)	2023							-	100%	-	
Hans Peter Havdal	2024							-	100%	-	(100%)
Board member (until February 2023)	2023	82						82	100%	-	

Remuneration of Directors from undertakings of subsidiaries and associates relate to

Knut Flakk: fee serving as member of the Board of Hexagon Purus ASA in 2023

Other remarks and explanations to the remuneration table above:

Mr. Takayuki Tsunashima joined the Board of Directors in May 2024. Mr. Takayuki Tsunashima has advised the company that he will waive any board remuneration for the period he serves on the Board of Directors.

Mr. Katsunori Mori left the Board of Directors in May 2024. He also advised the company that he would waive any board remuneration for the period he served on the Board of Directors.

Joachim Magnusson has in 2025 received NOK 75 000 in consulting fee from Hexagon Composites ASA for his role as a Hexagon representative on the Board of Worthington Cylinders Austria GmbH (Sustainable Energy Solutions), an associated company of Hexagon Composites ASA.

Eva Sagemo joined the Board of Directors in May 2024.

Liv Dingsør left the Board of Directors in May 2024.

The reported numbers above are based on remuneration paid out in the financial year 2024 (2023).

There are no other previous or future Board of Directors of the Company for the financial year of 2024 to be included in the reporting.

3. Share based instruments for Executives

The table in the section below contains information on the number of shares or instruments granted or offered to the Executives, and the number of share options granted or offered for the reported financial year. In the table, the main conditions for the exercise of the rights including the exercise price and date and any change thereof appear.

In 2024 the long-term incentive program (LTIP) 2021 , originally launched in 2021, vested and was released in March 2024 to the participating Executives at a performance level between 79% and 95% of target performance.

In 2023 the LTIP 2020, originally launched in 2020, vested and was released in March 2023 to the participating Executives at a performance level between 28% and 58% of target performance.

The LTIP 2022, originally launched in 2022, ended its performance period in 2023. The number of PSUs were fixed in 2024 based on performance achievement between 90% and 155%. The full-service period lasts until an expected vesting and release for the participating Executives during the first half of 2025.

A new program, LTIP 2024, has been launched to participating Executives in February 2024 with a three-year cycle, where the performance period is set to fiscal year 2026. Planned vesting is during the first half of 2027.

Information regarding the reported financial year												
The main condition of the incentive plans							Opening balance	During the year			Closing balance	
(NOK 1 000)	1 Specification on plan	2 Performance period	3 Award date	4 Vesting date	5 End of holding period	7 Strike price of the share	8 Instruments awarded at the beginning of the year	Instruments awarded	Instruments adjusted	10 Instruments vested	11 Instruments subject to a performance condition	12 Instruments awarded and unvested
Name of Director												
Jon Erik Engeset	LTI 2021	01.01.2021 - 31.12.2022	30.04.2021	28.02.2024		-	74 053		-	(74 053)		-
Jon Erik Engeset	LTI 2022	01.01.2022 - 31.12.2023	02.05.2022	31.03.2025		-	118 305		3 608		-	121 913
Jon Erik Engeset	LTI 2023	01.01.2025 - 31.12.2025	17.02.2023	31.03.2026		-	123 686		(1 256)		122 430	122 430
Jon Erik Engeset	LTI 2024	01.01.2026 - 31.12.2026	21.02.2024	31.03.2027		-	-	312 554	(164 607)		147 947	147 947
David Bandele	LTI 2021	01.01.2021 - 31.12.2022	30.04.2021	28.02.2024		-	49 369		-	(49 369)		-
David Bandele	LTI 2022	01.01.2022 - 31.12.2023	02.05.2022	31.03.2025		-	78 870		2 405		-	81 275
David Bandele	LTI 2023	01.01.2025 - 31.12.2025	17.02.2023	31.03.2026		-	82 456		(837)		81 619	81 619
David Bandele	LTI 2024	01.01.2026 - 31.12.2026	21.02.2024	31.03.2027		-		208 370	(109 738)		98 632	98 632
Hans Peter Havdal	LTI 2023	01.01.2025 - 31.12.2025	17.02.2023	31.03.2026		-	103 070		(1 046)		102 024	102 024
Hans Peter Havdal	LTI 2024	01.01.2026 - 31.12.2026	21.02.2024	31.03.2027		-		260 462	(137 172)		123 290	123 290
Eric Bippus	LTI 2021	01.01.2021 - 31.12.2022	30.04.2021	28.02.2024		-	49 369			(49 369)		-
Eric Bippus	LTI 2022	01.01.2022 - 31.12.2023	02.05.2022	31.03.2025		-	98 586		3 007			101 593

The main condition of the incentive plans							Information regarding the reported financial year					
							Opening balance	During the year			Closing balance	
							8 Instruments awarded at the beginning of the year	Instruments awarded	Instruments adjusted	10 Instruments vested	11 Instruments subject to a performance condition	12 Instruments awarded and unvested
(NOK 1 000)	1 Specification on plan	2 Performance period	3 Award date	4 Vesting date	5 End of holding period	7 Strike price of the share						
Name of Director												
Eric Bippus	LTI 2023	01.01.2025 - 31.12.2025	17.02.2023	31.03.2026		-	103 070		(1 046)			102 024
Eric Bippus	LTI 2024	01.01.2026 - 31.12.2026	21.02.2024	31.03.2027		-		260 462	(137 172)		123 290	123 290
Karen Romer	LTI 2021	01.01.2021 - 31.12.2022	30.04.2021	28.02.2024		-	37 028		-	(37 028)		-
Karen Romer	LTI 2022	01.01.2022 - 31.12.2023	02.05.2022	31.03.2025		-	78 870		2 405		-	81 275
Karen Romer	LTI 2023	01.01.2025 - 31.12.2025	17.02.2023	31.03.2026			82 456		(837)		81 619	81 619
George Siedlecki	LTI 2021	01.01.2021 - 31.12.2022	30.04.2021	28.02.2024		-	49 369		-	(49 369)		-
George Siedlecki	LTI 2022	01.01.2022 - 31.12.2023	02.05.2022	31.03.2025		-	78 870		2 405		-	81 275
George Siedlecki	LTI 2023	01.01.2025 - 31.12.2025	17.02.2023	31.03.2026		-	82 456		(837)		81 619	81 619
George Siedlecki	LTI 2024	01.01.2026 - 31.12.2026	21.02.2024	31.03.2027		-		208 370	(109 738)		98 632	98 632
Ashley Remillard	LTI 2021	01.01.2021 - 31.12.2022	30.04.2021	28.02.2024		-	24 684		-	(24 684)		-
Ashley Remillard	LTI 2022	01.01.2022 - 31.12.2023	02.05.2022	31.03.2025			68 642		(28 006)		-	40 636
Ashley Remillard	LTI 2023	01.01.2025 - 31.12.2025	17.02.2023	31.03.2026			82 456		(837)		81 619	81 619
Ashley Remillard	LTI 2024	01.01.2026 - 31.12.2026	21.02.2024	31.03.2027				208 370	(109 738)		98 632	98 632
Rick Rashilla	LTI 2021	01.01.2021 - 31.12.2022	30.04.2021	28.02.2024		-	49 369		-	(49 369)		-
Rick Rashilla	LTI 2022	01.01.2022 - 31.12.2023	02.05.2022	31.03.2025			78 870		(56 008)		-	22 862
Rick Rashilla	LTI 2023	01.01.2025 - 31.12.2025	17.02.2023	31.03.2026			82 456			(82 456)	-	-
Eirik Løhre	RSU 2022	N/A	14.09.2022	14.09.2025			13 502		-			13 502
Eirik Løhre	LTI 2022	01.01.2022 - 31.12.2023	02.05.2022	31.03.2025			9 859		299		-	10 158
Eirik Løhre	LTI 2023	01.01.2025 - 31.12.2025	17.02.2023	31.03.2026			41 226		(417)		40 809	40 809
Eirik Løhre	LTI 2024	01.01.2026 - 31.12.2026	21.02.2024	31.03.2027				104 184	(54 868)		49 316	49 316

4. Any use of the right to reclaim variable remuneration

According to the Company's Remuneration Guidelines, the Company may demand variable cash salary refunded to the same extent it may demand fixed cash salary refunded following expiry of the employment, typically in the event of erroneous payments or breach of contractual obligations.

No right to reclaim variable remuneration has been applied in the year 2024.

5. Compliance with the remuneration policy

Hexagon has applied the remuneration guidelines throughout 2024 as approved by the Annual General Meeting in April 2024. No deviations from the policy were made by the Board of Directors.

No paid remuneration to executives has been claimed back during the year.

Hexagon’s remuneration principles are designed to ensure responsible and sustainable remuneration decisions that support the Hexagon’s business strategy, long-term interests, and sustainable business practices. Salaries and other employment terms support Hexagon’s efforts to retain, develop and recruit skilled Executives with relevant experience and competence. The remuneration is based on market terms, competitive, and reflect

the performance and responsibilities of individual Executives. Principles for incentives and performance are designed to be aligned with the interests of the Hexagon’s shareholders and ensure the most capable execution of defined business strategies, short and long-term, while ensuring the Hexagon’s going concern.

Hexagon firmly believes that performance-based variable cash salaries for Executives have a motivational effect and that their implementation is beneficial for Hexagon and its shareholders in order to execute on Hexagon’s business strategy, as well as support long-term interests and sustainable business practices.

Performance criteria for the annual cash bonus plan (STIP) is presented in the table below.

Performance criteria for annual cash bonus plan

Name and position	Performance Criteria	Relative weighting of performance	Payout thresholds			Achieved performance payout 2024	Achieved performance payout 2023
			Minimum	Target	Maximum		
Jon Erik Engeset, Group President & CEO	EBITDA + operational + ESG criteria	100%	50%	100%	200%	From 75.2% to 110.1%	From 109.2% to 113.8%
David Bandele, Chief Financial Officer	EBITDA + operational + ESG criteria	100%	50%	100%	200%		
Hans Peter Havdal, Chief Operating Officer	EBITDA + operational + ESG criteria	100%	50%	100%	200%		
Eric Bippus, Chief Commercial Officer	EBITDA + operational + ESG criteria	100%	50%	100%	200%		
Karen Romer, SVP Communications	EBITDA + operational + ESG criteria	100%	50%	100%	200%		
George Siedlecki, SVP Strategy and M&A	EBITDA + operational + ESG criteria	100%	50%	100%	200%		
Ashley Remillard, Chief Legal Officer	EBITDA + operational + ESG criteria	100%	50%	100%	200%		
Rick Rashilla, SVP Sustainability	EBITDA + operational + ESG criteria	100%	50%	100%	200%		
Eirik Løhre, Chief Development Officer	EBITDA + operational + ESG criteria	100%	50%	100%	200%		

In addition to the performance criteria and the relative weighting (if more criteria), included in the achieved performance payout for each individual executive are individual objectives which allow a performance score of 0 – 1.00x to be applied to the overall performance criteria. In 2024 these typically included the following non-financial objectives:

- ESG goals
- Strategic goals
- Functional or business area goals
- Personal and personnel development goals

The structure of the annual cash bonus plan for 2024 has been the same as for 2023, but with an increased focus on operational and ESG related items.

6. Derogations and deviations from policy

There were no derogations or deviations from the remuneration policy or from the procedure for its implementation.

7. Comparative information

This section presents comparative information on the changes of remuneration and changes of company performance.

The table below in this section contains information on the annual change of remuneration of each individual Executive, of the performance of the Company and average remuneration on a full-time equivalent basis of employees of the Company other than Executives over the five most recent financial years.

Executives’ remuneration

Name and position						Information regarding the recent financial year (RFY) (NOK 1 000)
	2020 vs 2019	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023	
Jon Erik Engeset, Group President & CEO	17%	24%	1%	13%	6%	11 201
David Bandele, Chief Financial Officer	18%	4%	(1%)	34%	7%	6 850
Hans Peter Havdal, Chief Operating Officer	N/A	N/A	N/A	N/A	47%	7 640
Eric Bippus, Chief Commercial Officer	N/A	N/A	N/A	N/A	45%	11 078
Karen Romer, SVP Communications	N/A	37%	15%	40%	-	4 860
George Siedlecki, SVP Strategy and M&A	N/A	16%	8%	56%	(4%)	8 540
Ashley Remillard, Chief Legal Officer	N/A	N/A	N/A	54%	11%	6 852
Rick Rashilla, SVP Sustainability	N/A	N/A	(8%)	51%	(61%)	2 899
Eirik Løhre, Chief Development Officer	N/A	N/A	N/A	49%	61%	5 108

For the Executives remunerated in other currencies than NOK, there will be an FX-effect included in the change numbers. The USD/NOK exchange rate has increased year-over-year by 1.7% from 2023 average to 2024 average. This affects the US Executives’ remuneration correspondingly. For Executives joining the Executive Team in 2024, the changes year-over-year may include a change in position.

Group performance

	2020	2021	2022	2023	2024	Information regarding the recent financial year (RFY) - (NOK million)
(NOK million)	Excluding Hexagon Purus Including Hexagon Ragasco	Excluding Hexagon Purus Including Hexagon Ragasco	Excluding Hexagon Purus Including Hexagon Ragasco	Excluding Hexagon Purus Excluding Hexagon Ragasco	Excluding Hexagon Purus Excluding Hexagon Ragasco	
Revenues	3 055	3 278	4 303	4 526	4 877	4 877
EBITDA	328	381	348	366	637	637
EBITDA margin (%)	11%	12%	8%	8%	13%	13%
EBIT	106	171	106	146	370	370
EBIT margin (%)	3%	5%	3%	3%	8%	8%

Average remuneration on a full-time equivalent basis of employees excluding members of the Executive team

(NOK 1 000)	2020 vs 2019	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023	Information regarding the recent financial year (RFY) (NOK 1 000)
Employees of the Company excluding executives	4%	12%	28%	8%	23%	1 944
Employees of the Group excluding executives	2%	(5%)	7%	(3%)	14%	1 012

Employees of the Company excluding Executives had a higher-than-average increase in 2024 due to new appointments and promotions in addition to a general salary increase in the Company at 5.2%.

For the employees remunerated in other currencies than NOK, there will be an FX-effect included in the change numbers.

The total annual compensation of the CEO vs the mean employee compensation

	2021	2022	2023	2024
Annual compensation of the CEO vs mean employee compensation, Company ratio	8.1x	6.4x	6.7x	5.8x
Annual compensation of the CEO vs mean employee compensation, Group ratio	12.3x	10.2x	11.9x	11.1x

The average mean employee remuneration is defined as all employees excluding all members of the Executive Team (not only excluding the CEO).

8. Statement by the board of directors

The Board of Directors has today considered and adopted the Remuneration Report of Hexagon Composites ASA for the financial year 2024. The Remuneration Report has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act. The Remuneration Report will be presented for an advisory vote at the Annual General Meeting in 2025.

Omaha (USA), 26 March 2025

The Board of directors of Hexagon Composites ASA


Knut Flakk
Chair


Kristine Landmark
Deputy chair


Takayuki Tsunashima
Board member


Liv Astri Hovem
Board member


Eva Sagemo
Board member


Sam Gabbita
Board member


Joachim Magnusson
Board member


Philipp Schramm
Chief Executive Officer



Statsautoriserte revisorer
Ernst & Young AS

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Medlemmer av Den norske Revisorforening

To the General Meeting of Hexagon Composites ASA

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON
REMUNERATION REPORT

Opinion

We have performed an assurance engagement to obtain reasonable assurance that Hexagon Composites ASA's report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2024 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

Our independence and quality control

We are independent of the company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. The firm applies International Standard on Quality Management, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information".

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Ålesund, 27 March 2025

ERNST & YOUNG AS

The auditor's report is signed electronically

Ivar-André Norvik

State Authorised Public Accountant (Norway)

A member firm of Ernst & Young Global Limited



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