

Transparency Act Statement 2024

1 Introduction and background

The Norwegian Transparency Act was entered into force on 1 July 2022. The act places stricter requirements on companies' transparency and work with basic human rights¹ and decent working conditions², also called social sustainability. In addition to focusing on internal processes, the Transparency Act requires companies to be observant of the same topics in the supply chain³ and by business partners⁴, and requires companies to comply with the OECD Guidelines for Multinational Enterprises. Moreover, the act calls for public availability of information regarding how businesses deal with any negative consequences relating to basic human rights and decent working conditions. This statement constitutes Hexagon Group's fulfillment of its obligations under the Transparency Act for the financial year 2024.

¹ Basic or fundamental human rights is meant to refer to the internationally recognized human rights that follow from, among other things, the UN Convention on Economic, Social and Cultural Rights from 1966, the UN Convention on Civil and Political Rights from 1966 and the ILO's core conventions on fundamental rights and principles in working life.

² Decent working conditions is meant to refer to work that safeguard basic human rights in addition to health, environment and safety in the workplace, and that provides a living wage.

³ Supply chain is meant to refer to anyone in the chain of suppliers and subcontractors who supply or produce goods, services or other input factors that are included in a company's provision of services or production of goods from the raw material stage to the finished product.

⁴ Business partner is meant to refer to anyone who supplies goods or services directly to the business, but who is not part of the supply chain.

1.1 Contact details

Any questions related to this Transparency Act Statement from the Hexagon Group, can be directed to:

Ashley Remillard,
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1.2 Reporting requirements

Hexagon Composites ASA is the Norwegian parent company in the Hexagon Group and headquartered in Ålesund, Norway. We are listed on Oslo Børs under the ticker HEX. This Transparency Act Statement covers the whole of the Hexagon Group as consolidated at the end of 2024 with its international operations.

The following key numbers are relevant for the assessment of reporting requirements:

Amounts in NOK million	2024	2023
Sales revenues	4 877	4 526
Total assets	7 077	6 428
Number of employees	1 033	1 022

Historical sales revenues and number of employees for the Group have been re-presented due to the classification of Hexagon Ragasco as discontinued operations following the deconsolidation effective as of 3 June 2024.

The Hexagon Group, with its parent company and subsidiaries, is above the threshold values for being obliged to report under the Transparency Act §2 and §3.

2 About Hexagon Group

Hexagon is a world leader in composite cylinder technology, enabling the safe delivery of clean energy. From our headquarters in Ålesund, Norway, we manage international offices, production sites, and engineering hubs in 10 locations across Europe, Asia and North America.

Hexagon Group has a [global Executive Team](#) headed by CEO Philipp Schramm. [The Board of Directors](#) is chaired by Knut Flakk.

2.1 Organization and business areas

Hexagon is comprised of two business areas, 100% owned by Hexagon Composites ASA. Hexagon Ragasco was deconsolidated from Hexagon Group as from 3 June 2024. Hexagon Ragasco (now: Ragasco) will be publishing its own Transparency Act Statement for 2024.

2.1.1 Hexagon Agility

Hexagon Agility is a global leader of (renewable) natural gas fuel systems and gas distribution modules for the transportation and gas industry.

The company has three major business units. The first is Commercial Vehicles, which delivers

high-pressure biogas and natural gas cylinders as part of complete fuel systems for medium and heavy-duty vehicles. The Mobile Pipeline business provides distribution solutions for the gas industry, while the FleetCare business provides services and maintenance solutions.

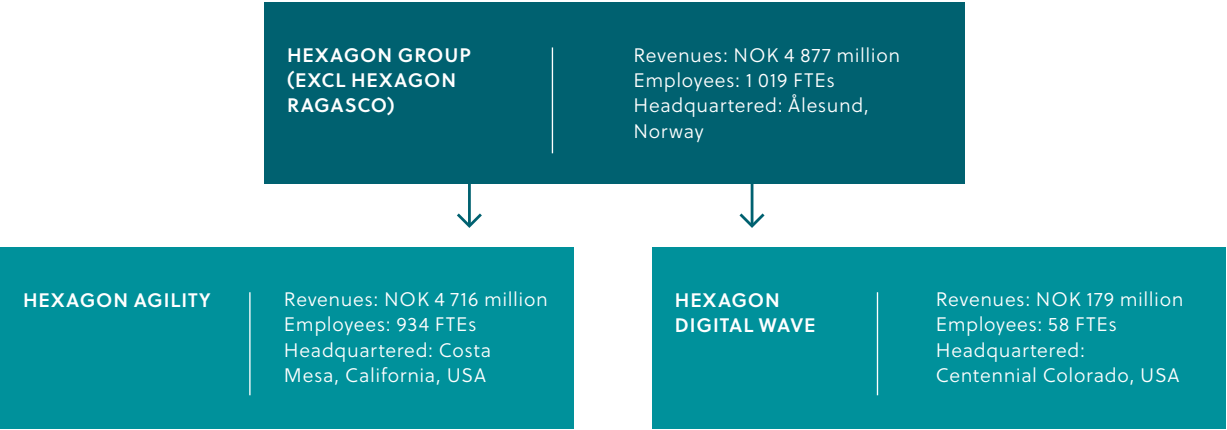
All solutions are available for immediate deployment.

Hexagon Agility has 934 employees and offices and production sites in the USA, Canada, Norway, Germany and Latin America, as well as global customer support.

2.1.2 Hexagon Digital Wave

Hexagon Digital Wave is the global leader in innovative cylinder testing and monitoring technology, offering solutions that reduce downtime and inspection costs, while improving inspection accuracy.

With applications worldwide, Hexagon Digital Wave serves government entities, academic institutes, and private clients in the compressed gas and pressure vessel industries.



Hexagon Digital Wave is located in Centennial, Colorado with 58 employees.

2.1.3 Corporate functions

Hexagon’s corporate functions add up to 27 employees located in Norway (Ålesund and Oslo) and in the USA (Lincoln, NE; Costa Mesa, CA and remote work).

2.2 Internal policies and guidelines

According to the Transparency Act, the business is obliged to embed accountability for basic

human rights and decent working conditions in the company’s guidelines.¹

In general terms, Hexagon fulfills its corporate responsibilities by developing and running its operations profitably and in a manner that conforms with fundamental ethical values and respect for individual people, society and the environment as a whole. Hexagon is strongly committed to ensuring the people, workers, and communities that support our entire supply chain are treated with dignity and respect. To Hexagon, the

¹ The Transparency Act, §4, subsection 1, letter a.

protection of human rights across our operations and value chain are a moral and business priority.

Hexagon respects internationally recognized human rights as set out in the International Bill of Human Rights and the ILO Core Conventions. Our approach to human rights is guided by the UN Guiding Principles on Business and Human Rights and is consolidated in our Policy on Human Rights and Working Conditions. We have policies that state a clear prohibition against child labor and forced labor, discrimination and outline our respect for the right to collective bargaining.

The following guidelines are particularly relevant for the purpose:

- Hexagon's Code of Conduct
- Environment, Health and Safety Policy
- Policy on Human Rights and Working Conditions
- Diversity and Inclusion Policy
- Supplier Code of Conduct
- Supplier Management Policy
- Anti-Corruption Policy and Guidelines
- Whistleblowing Policy

All policies and guidelines can be found on www.hexagongroup.com. The policies apply to all branches of our organization.

The policies have been approved by the Hexagon Composites' Board of Directors and/or our Executive Team and our Governance Team, as appropriate. We communicate the policies internally and externally and update them regularly as needed.

Within Hexagon, human rights and decent working conditions are the responsibility of the "Governance Team", a team headed by our legal group and with representatives from all business areas. The Governance Team is responsible for governance-based policies. We perform periodic group-wide risk assessments that consider relevant human rights risks. Where any high-risk areas are identified, relevant action items are accordingly established to mitigate the risk.

2.3 Extracts from internal policies

The Hexagon Policy on Human Rights and Working Conditions applies to all:

- Hexagon employees worldwide
- Suppliers and participants within our supply chain
- Anyone doing business for or with Hexagon and others acting on Hexagon's behalf
- All locations where Hexagon conducts business.

2.3.1 Child labor or forced labor

Hexagon does not tolerate the use of child labor or forced or involuntary labor of any kind from any partner, supplier or third party at any level of its supply chain. Hexagon does not engage in or tolerate human trafficking or any form of physical or mental coercion, including threatened restrictions on movement, confiscation of identity documents and/or passports, withholding of wages, abusive working conditions, debt bondage or any other kind of exploitation or abuse.

2.3.2 Working hours and leave

Hexagon follows all applicable laws regarding working hours and overtime pay and conducts operations in ways that limit overtime to levels that ensure humane and productive working conditions. Hexagon complies with all requirements relating to paid time off, annual leave, sick leave or parental leave, as required by applicable laws.

2.3.3 Wages, benefits and employment security

Hexagon pays all its employees and workers at least the minimum legal wage. Hexagon provides its employees with benefits that comply with applicable laws and any applicable collective bargaining agreements. Information provided to workers and employees regarding wages and benefits is in a form that is easily understandable. Hexagon strives to adopt and promote wage progression structures that enable and promote

career advancement. Hexagon further strives to secure employment for employees, maintain and further improve working conditions for fair and stable long-term employment, and create a workplace of mutual respect and trust. Hexagon is committed to protecting workers against fluctuations in earned income as a result of job loss.

2.3.4 Freedom of association and collective bargaining

Hexagon respects workers' rights relating to freedom of association, collective bargaining, and peaceful assembly across its supply chain. In cases where local laws restrict the right to freedom of association and collective bargaining, Hexagon allows alternative forms of worker representation, association and bargaining, provided, however, that such alternatives comply with the requirements of the covenants and conventions listed above.

2.3.5 Grievance System

Hexagon ensures that workers have an effective mechanism to report grievances to facilitate open communication between management and workers.

Hexagon also ensures through the Supplier Code of Conduct and Supplier Management Policy that suppliers have an effective mechanism to report grievances to facilitate open communication between Hexagon and its supply chain.

The whistle-blower channel is managed by an independent third party, and available in four languages through Hexagon's internal channels and the company's website.

2.3.6 Equal opportunities / Diversity and inclusion

Hexagon shall

- Promote and build a diverse workforce
- Foster a culture of inclusion by respecting the dignity of all people from all backgrounds
- Embrace the benefits of diversity and inclusion so that employees use their unique experiences to create a better and more equitable work environment
- Identify and address systemic barriers that could hinder employees from reaching their full potential
- Conduct our business in accordance with the International Labor Organization (ILO)
- Convention on Discrimination and other internationally recognized standards
- Develop diversity and inclusion training programs
- Define and develop data to measure, track and promote continuous diversity and inclusion improvements
- Encourage all employees to support all Hexagon diversity and inclusion initiatives and goals

2.3.7 Health and safety

Hexagon is dedicated to prioritizing environment, health and safety by developing and maintaining tools and procedures that equal or exceed industry best practices. To ensure that we meet this objective, Hexagon will strive to:

- Develop policies, programs, and procedures to ensure compliance with applicable laws and regulations and drive continuous performance improvement.
- Ensure that employees are properly trained and provided with appropriate safety and emergency equipment.
- Ensure that all work activities are done safely by taking action to eliminate unsafe acts and conditions that endanger our employees' health, safety, or the environment.

3 Targets and progression

According to the Transparency Act, the business is obliged to implement suitable measures to stop, prevent or limit negative consequences based on the company's priorities and assessments made, in addition to monitoring the implementation and results of the measures taken.¹

Hexagon works continuously to assess the risk in its own activities and the use of suppliers and partners. We implement measures to reach the goals we have set ourselves. Since 2023, our focus has been on building a full geographical picture of our supply chain, which we have succeeded in doing. However, the further upstream in the supply chain we go, the more difficult the information is to obtain. In 2024, Hexagon's focus was to understand the social and environmental impacts and improve the reliability of information along the full supply chain. In 2023, our human rights due diligence analysis only assessed our

direct suppliers. In 2024, our human rights due diligence analysis went further down the value chain, assessing key indirect suppliers and raw material sourcing. These efforts enabled us to better perform supply chain mapping and product-specific supply chain tracing. The ultimate long-term goal is to reach full traceability on all of our products. The policies are published on www.hexagongroup.com and the relevant reports released in 2024 as part of Hexagon's annual reporting.

3.1 Targets for the next year

While we had no specific human rights concerns raised in 2023 and 2024, we continue to work towards improving our policies and practices to actively mitigate any potential human rights risks we may identify. If any adverse human rights impacts are identified in our own operations or across our business relationships, we remain

committed to transparently communicating these impacts, working to provide appropriate remedies to affected stakeholders, and updating our current policies and procedures to avoid future negative impacts.

In connection with our goal of reaching full traceability of our products, we intend, among other things, to (a) build and grow our sustainable procurement organization, capabilities and resources, (b) continue to enhance and deepen our approach to sustainability due diligence, (c) utilize and improve existing processes and initiatives to further advance our sustainable value chain approach, and (d) leverage external regulatory pressures to raise the priority of sustainable and responsible business conduct with our business partners.

¹ The Transparency Act, §4, subsection 1, letter c. and d.

4 Due Diligence Assessments

According to the Transparency Act, the business is obliged to survey and assess actual and potential negative consequences for basic human rights and decent working conditions that the business has either caused or contributed to, or that are directly linked to the business, products or services through supply chains or business partners.¹

Hexagon has released an annual sustainability report since 2019. For this purpose, we have been working on developing our methodology to also evaluate risks in our supply chain. As part of the CSRD² reporting, being implemented from the 2024-reporting, we are also further developing systems and solutions to collect and analyze information related to our sourcing.

4.1 Due diligence of supply chain and partners, methodology

Hexagon's business relationships are governed by the Supplier Code of Conduct. The Code is available at Hexagon's website (<https://hexagongroup.com/sustainability2/esg-resources>).

Due diligence responsibilities are placed throughout our operational structure, with

ultimate responsibility for human rights due diligence seated in the Governance Team, but with additional human rights due diligence responsibilities placed within each business unit.

The Supplier Code of Conduct includes specific provisions related to human rights and working conditions, working hours and leave, wages and benefits, non-discrimination, fair treatment, and the absence of child and forced labor. The Supplier Code of Conduct is explicitly included in contractual terms and conditions with our business partners. We reserve the right to require suppliers to provide evidence of compliance and, should adverse human rights impacts be identified, and if no other mitigative measures succeed, Hexagon maintains the ability to immediately terminate the business relationship and is committed to notifying relevant authorities of the violation and being involved with necessary remediation processes.

Hexagon is committed to understanding and addressing human rights risks that exist throughout the value chain. Hexagon performs periodic due diligence assessments of its key suppliers to identify and evaluate whether risks to human rights exist and if so, what actions must be taken to address and mitigate such risks. The due diligence methodology involves multiple steps to map human rights risks across the many countries in which Hexagon does business.

For procurement, Hexagon performs a mapping of key human rights and ESG risks in our supply chain together with other qualitative and quantitative assessments of suppliers. Hexagon engages with direct materials suppliers (DM Suppliers) through a third party called EcoVadis. This platform rates the DM Suppliers' sustainability performance and provides tools to help DM Suppliers and Hexagon manage their sustainability risk and compliance. EcoVadis rates a company's sustainability performance based on 21 indicators across four main themes: environment, labor and human rights, ethics, and sustainable procurement. The EcoVadis platform helps Hexagon manage value chain risk and

compliance, meet our corporate sustainability goals, and drive impact at scale by guiding the sustainability performance improvement of our company and our value chain.

In 2024, Hexagon also implemented a screening process for all DM Suppliers through a third-party search engine managed by Dow Jones. This is a modular web-based tool that allows us to conduct due diligence on potential customers, suppliers & connected parties, to ensure there are no red flags relating to anti-money laundering and counter-terrorism financing, sanctions, governance, anti-bribery and corruption and international trade compliance. Prior to engaging with a new business partner, Hexagon utilizes the EcoVadis and Dow Jones tools to identify overall supplier risk and decides whether additional due diligence needs to be undertaken regarding any particularly relevant risk.

Hexagon further performs annual due diligence to understand human rights risks in our value chain. Using reputable human rights indices, Hexagon identifies suppliers located in geographic regions where a likelihood exists of a

¹ The Transparency Act, §4, subsection 1, letter b.

² CSRD: Corporate Sustainability Report Directive

possible adverse human rights impact. Hexagon then evaluates each supplier, obtaining sufficient information and/or documentation to ensure that the supplier (and sub-suppliers, as necessary) has taken adequate measures to identify, address and remedy any adverse human rights impacts. Hexagon performs a saliency assessment based on likelihood and severity and formulates action items as necessary to address any suppliers identified as at high risk of human rights violations.

Hexagon has also started further direct engagements with high-impact suppliers to better understand their ESG risks and mitigating activities. This work will continue in 2025. In 2025, we will be implementing a preferred DM Supplier program to further understand and reward suppliers with robust human rights protection measures in place. Hexagon also intends to conduct periodic audits, including site visits and evaluations of our suppliers’ facilities, and quarterly business reviews with our top 20 suppliers.

4.1.1 Country risk assessment

The country risk assessment is based on the ITUC Global Rights Index 2024.¹ The ITUC Global Rights Index indicates a general country risk for workers by rating 149 countries on a scale from 1 to 5+ on the degree of respect for workers’ rights. The ITUC

documents violations of internationally recognized collective labor rights by governments and employers.

The Index gives a rating from 1 to 5+, with these interpretations:

- **Index=1: Sporadic violations of rights**
Collective labor rights are generally guaranteed. Workers can freely associate and defend their rights collectively with the government and/or companies and can improve their working conditions through collective bargaining. Violations against workers are not absent but do not occur on a regular basis.
- **Index=2: Repeated violations of right;**
Countries with a rating of 2 have slightly weaker collective labor rights than those with the rating 1. Certain rights have come under repeated attacks by governments and/or companies and have undermined the struggle for better working conditions.
- **Index=3: Regular violations of rights**
Regular violations of rights; Governments and/or companies are regularly interfering in collective labor rights or are failing to fully guarantee important aspects of these rights. There are deficiencies in laws and/or certain practices which make frequent violations possible.

- **Index=4: Systematic violations of rights**
Workers in countries with the rating 4 have reported systematic violations. The government and/or companies are engaged in serious efforts to crush the collective voice of workers, putting fundamental rights under threat.
- **Index=5: No guarantee of rights**
Countries with the rating of 5 are the worst countries in the world to work in. While the legislation may spell out certain rights, workers have effectively no access to these rights and are therefore exposed to autocratic regimes and unfair labor practices.

- **Index=5+: No guarantee of rights due to the breakdown of the rule of law**
Workers in countries with the rating 5+ have equally limited rights as countries with the rating 5. However, in countries with the rating 5+, this is linked to dysfunctional institutions as a result of internal conflict and/or military occupation. In such cases, the country is assigned the rating of 5+ by default.

Global Right Index 2024	Σ of Hexagon Group		
	# of active suppliers 2024	Spend 2024 (NOK million)	% of spend (NOK million)
5+: No guarantee of rights due to the breakdown of the rule of law	N/A	N/A	N/A
5: No guarantee of rights	< 5	4	< 1%
4: Systematic violations of rights	< 310	1 665	68%
3: Regular violations of rights	< 20	129	5%
2: Repeated violations of rights	< 10	260	11%
1: Sporadic violations of rights	<550	382	16%
No score available	< 5	1	<1%

¹ The GRI 2024 is published here: [2024 ITUC GRI](#)

4.1.2 Overview of suppliers and business partners

For the reporting in 2024, Hexagon limits the mapping to first-tier suppliers and collaboration partners. We are continuously working on improving and further reporting within this area.

Hexagon has had relationships with more than 860 first-tier suppliers and collaboration partners in the reporting year. We are applying a risk-based approach, and therefore we categorize the suppliers using the ITUC Global Rights Index 2024.

This overview gives an impression of where we are actually sourcing from, including these countries’ assumed risk as identified by the Global Rights (GRI) Index. Country risk using this index is an indication of risk. A high-risk score for a specific country, for instance like GRI index 4 for the USA, doesn’t necessarily imply the corresponding risk for our specific supplier. This must be – and are – assessed individually. We are making selections of sourcing categories out of this total sourcing base where we consider the potential risk to be the highest. But with more than 50% of our annual spend in countries where violation of rights is generally frequently observed, we need to focus on the implied risk in our business.

From the due diligence processes actually

performed, we conclude there is a lower actual risk in our supply chain than what could have been the case from the general GRI Index.

4.1.3 Prioritized sourcing categories

The US Governmental Bureau of International Labour Affairs (ILAB) maintains a list of goods and their source countries which it has reason to believe are produced by child labor or forced labor in violation of international standards, as required under the Trafficking Victims Protection Reauthorization Act (TVPPRA) of 2005 and subsequent reauthorizations. The List of Goods Produced by Child Labor or Forced Labor comprises 204 goods from 82 countries and areas, as of 5 September 2024. We are also using this approach as a reference for us to make a risk assessment of Hexagon sourcing categories.

Hexagon is sourcing a wide range of materials and services with the volume concentrated to North America, Europe and Asia. We have chosen to concentrate our assessment on human rights and decent working conditions to the sourcing categories being the most important in volume and amount for the group, and with the assumed highest potential of risk.

The sourcing categories in focus are:

		Assumed risk of violating rights	
		Lower	Higher
Level of importance for the Group	Higher	<ul style="list-style-type: none">• Carbon Fiber• Fiberglass• Plastics/HDPE• Resin• Wire electrical• Paint• Steel	<ul style="list-style-type: none">• Aluminium• Flow components/ valves
	Lower		<ul style="list-style-type: none">• Copper• Brass

When making the risk assessment for different sourcing categories, this is a combination of the assumed risk related to the supplier, and the assumed risk related to the material or process as such. In general, based on our actual due diligence of suppliers, our suppliers’ risk is lower than the assumed risk set forth above.

Our ambition for the periods to come will be to improve our due diligence processes related to tier two and beyond, with the intention to uncover any risks involved.

4.1.4 Stakeholders at risk

As part of our assessment, we are identifying which stakeholders may be exposed to breach of human rights and/or working conditions not being decent. We are assuming the stakeholder groups listed below to be the most relevant.

		Level of influence on rights violations	
		Lower	Higher
Level of interest in violated rights	Higher	<ul style="list-style-type: none">• Children• Women• Minorities• Migrants• Temporary workers	<ul style="list-style-type: none">• Factory / Production workers• Local communities
	Lower		

In our due diligence processes so far, our major focus has been on the potential risk of child labor and any kind of forced labor. This does not come from an assumption that this is the most probable finding, but rather from the severe importance for each child and individual from any such violation of rights. No such cases are identified anywhere in our sourcing chain.

4.1.5 Saliency assessment

Hexagon has performed a saliency assessment to identify any relationships or issues which stand out as particularly important or noticeable. The assessment is based on the factors of likelihood and severity.

- Likelihood is measured by how likely the impact is to occur.
- Severity is measured by a combination of the dimensions:
 - scale (how serious),
 - scope (how many impacted), and
 - irremediability (ease of correction)

From this basis a discretionary overall assessment is made to identify the risk. Action items are formulated as necessary to address any suppliers identified as at a high risk of human rights or working conditions violations. Hexagon will further develop the methodology of the saliency assessment and continue with these due diligence efforts on a regular basis. Hexagon did not identify any suppliers with a high risk of human rights violations.

4.1.6 Business areas

The business areas in Hexagon are sourcing different categories of materials and performing slightly different due diligence processes of their suppliers. Hence, the assessment from a group perspective is separated into segments.

Hexagon Agility – Global Right Index 2024	Country	Sourcing categories	# of active suppliers 2024	% of spend 2024
5: No guarantee of rights	Bahrain	Fiber glas	< 5	< 1%
	China	Fiber glas	< 5	< 1%
	Turkey		< 5	< 1%
4: Systematic violations of rights	USA	Widespread range of sourcing categories	125	72%
	United Kingdom		< 5	< 1%
3: Regular violations of rights	Canada	Widespread range of sourcing categories	10	5%
	Belgium		< 5	< 1%
	Poland		< 5	< 1%
	Switzerland		< 5	< 1%
2: Repeated violations of rights	France	Carbon fiber	< 5	11%
	The Netherlands		< 5	< 1%
	Czech Republic		< 5	< 1%
	New Zealand		< 5	< 1%
1: Sporadic violations of rights	Germany	Widespread range of sourcing categories	324	8%
	Norway		19	< 5%
	Italy		< 10	< 5%
	Austria		< 5	< 1%
	Denmark		< 5	< 1%
No score available	Luxembourg		< 5	< 1%
	Slovenia		< 5	< 1%

4.2 Due diligence in Hexagon Agility

4.2.1 Findings in Hexagon Agility

There are no findings of violations of human rights or decent working conditions within the supply chain of Hexagon Agility.

4.3 Due diligence in Hexagon Digital Wave

4.3.1 Findings in Hexagon Digital Wave

There are no findings of violations of human rights or decent working conditions within the supply chain of Digital Wave.

Hexagon Digital Wave – Global Right Index 2024	Country	Sourcing categories	# of active suppliers 2024	% of spend 2024
4: Systematic violations of rights	USA	Wide range of sourcing categories	169	96%
1: Sporadic violations of rights	Germany		< 5	1%
	Norway		< 5	3%

4.4 Due diligence of internal processes

Hexagon has ethical guidelines that lay the foundation for being a reliable supplier, responsible partner and having a good and safe working environment. Hexagon will create results where ethics, people and the environment are clear frameworks for the activity. We operate primarily our business in the United States, Canada, Germany and Norway and all operations are run in accordance with laws, regulations and good business practice in each of the relevant countries.

We have assessed all of our operational sites and have determined that no salient human rights risks exist, and we have concluded that our operational sites provide well above decent working conditions for our workforce.

4.4.1 Methodology for internal due diligence assessment

There are periodic review processes within Hexagon where we focus on health, safety and environmental issues in addition to the traditional financial focus. We strive to report on KPIs related to ESG matters and to put these matters on top of our review agenda.

4.4.2 Findings from the internal due diligence process

There are no identification of violations of human rights or decent working conditions within the operations of Hexagon entities.

5 Measures to stop, prevent or mitigate negative consequences

5.1 Planned measures

According to the Transparency Act, the business is obliged to implement suitable measures to stop, prevent or limit negative consequences based on the company’s priorities and assessments.¹

Hexagon is strongly committed to ensuring the people, workers, and communities that support our entire supply chain are treated with dignity and respect. To Hexagon, the protection of human rights across our operations and value chain is a moral and business priority. To support these principles, Hexagon aims to validate that 100% of all our DM Suppliers utilize the EcoVadis platform and are screened using the Dow Jones search engine.

Information to achieve this target will be gathered through our supplier audit process and therefore relies on 100% of DM Suppliers being audited by the end of 2025. In 2025, we will also focus on establishing both short- and long-term goals to effectively manage the material impacts in the value chain.

¹ The Transparency Act, §4, subsection 1, letter c.
² The Transparency Act §4, subsection 1, letter e.
³ The Transparency Act §4, subsection 1, letter f.

In 2025, we will be implementing a preferred DM Supplier program to reward DM Suppliers that have robust human rights protections measures in place. Hexagon plans to further engage with DM Suppliers to understand the depth of their current policies and procedures. While compliance with the Supplier Code of Conduct is a prerequisite (a threshold requirement), we recognize that some DM Suppliers may not be very sophisticated, and Hexagon wants to partner with them to ensure they develop robust internal procedures to prevent any Supplier Code of Conduct violations. Hexagon also intends to conduct periodic audits, including site visits and evaluations of our suppliers’ facilities, and quarterly business reviews with our top 20 suppliers

5.2 Communication with stakeholders and vulnerable groups

According to the Transparency Act, the business is obliged to communicate with affected stakeholders and rights holders about how negative consequences have been handled.²

Hexagon endeavours to work with impacted stakeholders and communities to ensure human rights impacts are mitigated. During the assessment made for 2024 and for the time being, we have not identified any vulnerable groups within our value chain where a separate stakeholder dialogue would be useful or appropriate.

5.3 Remediation or indemnification

According to the Transparency Act, the business is obliged to ensure or cooperate with the intention of remediation or indemnification where this is required.³

Hexagon is prepared to cease doing business with any supplier where a risk of a human rights violation is identified. Should a situation occur where we identify breach of basic human rights or decent working conditions, we will first initiate a process with the supplier in question to improve, remedy or compensate the situation.

If this does not lead to the necessary common understanding and measures, we are prepared to and will have the contractual basis to terminate the contract.

There are no issues or situations identified where any such action is required.

Omaha (USA), 26 March 2025

The Board of Directors
Hexagon Composites ASA