GUIDELINES FOR REMUNERATION OF EXECUTIVE PERSONNEL
CAVENDISH HYDROGEN ASA

Approved by the extraordinary general meeting on 15 May 2024,
effective from the first day of trading of the Company's shares on Oslo Børs

1 INTRODUCTION

1.1 General

In accordance with Section 6-16 a of the Norwegian Public Limited Liability Companies Act and ancillary regulations, the board of directors (the "**Board**") of Cavendish Hydrogen ASA (the "**Company**", and together with its subsidiaries, the "**Group**") has prepared these guidelines to provide the framework for the remuneration of the Company's executive personnel (the "**Guidelines**"). The term "executive personnel" includes members of the Company's executive management team (the "**Executive Management**") and certain other key employees of the Group.

The Guidelines were approved by the Company's extraordinary general meeting on 15 May 2024. In accordance with the Norwegian Public Limited Liability Companies Act Section 6-16 a (5), cf. Section 5-6 (3), the Guidelines shall be reviewed and approved by the Company's annual general meeting at least every fourth year and upon any material change, see section 3 below. The Guidelines and the result of the voting and date of the general meeting shall be published on the Company's website once they have been approved by the general meeting.

The Board shall prior to the annual general meeting each year prepare an annual report on remuneration to executive personnel for the preceding financial year in accordance with the Norwegian Public Limited Liability Companies Act Section 6-16 b and ancillary regulations (the "**Remuneration Report**"). The Remuneration Report shall be subject to an advisory vote by the annual general meeting and shall be made available on the Company's website.

1.2 Process for development of the Guidelines and role of the remuneration committee

The Board has established a remuneration committee (the "**Remuneration Committee**"), with effect from the first day of trading of the Company's shares on Oslo Børs (the "**Listing**"). Going forward, the Remuneration Committee is intended to have a preparatory function in relation to the Board when it comes to evaluating and recommending principles and strategy for remuneration and other terms of employment of executive personnel, and to assist with any future revisions of these Guidelines. The Remuneration Committee's duties and responsibilities are governed by separate instructions adopted by the Board.

The Remuneration Committee shall assess and make recommendations to the Board on the total remuneration of the CEO, for the Board's approval. The same applies to any subsequent adjustments to the remuneration. The performance and remuneration of the CEO shall be evaluated annually.

Remuneration of other members of the Executive Management and other executive personnel, including any subsequent adjustments, shall be prepared by the CEO and resolved upon by either the Board or the Remuneration Committee. In order to reduce the risk of any conflict of interest, no executive personnel shall participate in the preparation or resolution regarding remuneration-related matters which they are directly affected by.

1.3 Purpose and alignment with the Company's business strategy

The Company operates in a highly competitive market globally, with many current and potential competitors within hydrogen fueling products and services. Given the anticipated increase in fuel cell electric vehicles (FCEVs), driven by the strong emphasis on eco-friendly mobility solutions, the competition in the hydrogen fueling sector is expected to intensify in the coming years. Consequently, the Board deems it vital that the Company is able to attract, develop and retain motivated executive personnel with relevant competence, expertise, and advanced leadership skills within the industry in all its locations worldwide, including but not limited to Denmark, California (US), South Korea and Austria. These Guidelines aim to support the Company's competitiveness as an employer in all locations.

These Guidelines constitute the framework for which remuneration to executive personnel may be decided by the Board or the Remuneration Committee during the period for which the Guidelines are in force. The Company's remuneration principles are designed to ensure responsible and sustainable remuneration practices that support the Company's business strategy, long-term interests, and sustainable business practices. The remuneration shall be on market terms, be competitive and well balanced, and reflect the performance and responsibilities of the individual executive personnel. Principles for incentives and performance are designed to be aligned with the interests of the Company's shareholders, with an aim to increase shareholder value, and to ensure the most capable execution of defined business strategies while ensuring the Company's going concern.

Remuneration and employment conditions for other employees of the Company have been taken into account in the preparation of these Guidelines by including information on their total income, forms of remuneration and other salary components in the basis for decision when evaluating whether the Company's remuneration practices, and the guidelines and limitations set out herein, are reasonable. Furthermore, remuneration for executive personnel shall be adapted to comply with established local practice and mandatory rules in the jurisdiction of their employment, taking into account the overall purpose of these Guidelines.

2 COMPONENTS IN REMUNERATION OF EXECUTIVE PERSONNEL

2.1 General

As for other employees of the Company, members of the Executive Management and other executive personnel are offered standard employment contracts with terms and conditions consistent with industry standard. The remuneration for members of the Executive Management and other executive personnel consists of a fixed base salary, employee pension and insurance coverage, benefits in kind, a variable salary element and participation in incentive programs to be implemented in connection with the Listing, as further described in section 2.3 below. The mix between remuneration incentives is set to support optimal value creation for the Company's shareholders.

2.2 Fixed annual base salary

Providing a fair and competitive base cash salary as part of the total remuneration package is key for the continued success and continuity of executive personnel, and allows the Company to attract and recruit executive personnel that are necessary for the long-term profitability and sustainability of the Company.

Fixed base salaries shall reflect the individual's position and degree of responsibility. The size of the fixed base salary shall reflect market rates and local labour conditions at the relevant location. The salary shall be competitive with comparable businesses within the industry 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 base salaries have no specific maximum levels.

The level of fixed annual salary for the Executive Management shall be reviewed on a regular basis, using inter alia relevant benchmark data applicable to the relevant role.

2.3 Variable remuneration

In connection with the Listing, or shortly thereafter, the Company intends to implement the below listed incentive programs for employees of the Group, including executive personnel. It is noted that up until the time of Listing, members of the Executive Management and executive personnel are part of short-term share option programs in Nel ASA. From the time of Listing, share options granted to such individuals will lapse without compensation.

The Company's business is subject to various regulations related to corporate social responsibility, including environmental impact, and adherence to such regulations is essential for providing the Group with a sustainable business going forward. Consequently, in addition to the targets described below, to be further detailed by the Board in connection with the implementation of the incentive programs, the Board may set targets linked to environment, social and governance initiatives of the Company, if deemed appropriate.

2.3.1 Annual bonus program

An annual bonus program for members of the Executive Management and other executive personnel, based on achievements related to quantitative key performance indicators ("**KPIs**") to be set by the Board. The KPIs will balance short-term financial targets based on the Company's financial results (including revenue growth and EBITDA), operational targets (such as order intake and new product development progress), with strategic initiatives intended to support the long-term development of the Group, for instance related to new product development and geographical expansion.

2.3.2 Short-term incentive program

A short-term incentive program ("**STIP**") for all ordinary employees of the Group, based on yearly performance of each individual and of the Group. The purpose of the STIP will be to incentivize performance, ensure the commitment of employees at all levels of the Group, and promote alignment of interests to the Company's strategy and direction.

The STIP will be a cash-based variable compensation based on certain financial targets (such as revenue growth and EBITDA) and non-financial targets (such as order intake and new product development progress) to be further detailed by the Board. Payments under the STIP are subject to a minimum acceptable level of financial performance of the Group as determined by the Board.

The following will apply from and including the year ending 31 December 2024:

- The CEO's maximum achievable bonus under the STIP will be 35% of his base salary;
- the CFO's maximum achievable bonus under the STIP will be 30% of his base salary;
- rest of the CEO direct reports will be between 20 and 25% of their base salary; and
- the maximum achievable bonus under the STIP for certain other key personnel will be 10% of their base salary.

2.3.3 Long-term incentive program

A long-term incentive program ("**LTIP**") in the form of restricted stock units ("**RSUs**") for members of the Executive Management and certain other executive personnel of the Group. The purpose of the LTIP will be to incentivize performance, ensure the commitment and retention of the Executive Management and other executive personnel, and promote alignment of interests with those of the Company's shareholders.

The LTIP will comprise an annual award of RSUs vesting over a three years' period, subject to continued employment. For the CEO, the award will be equivalent to 50% of base salary, CFO 40%, for direct reports 25-30% and for less than 5 crucial employees 15%. There will be a bridging as follows:

- 13 months after Listing: One-time cash bonus equivalent to "normal award" of RSUs (so 50% for the CEO)
- 1 month after Listing, granting of two tranches of RSUs:
  - one "normal award" of RSUs vesting over a 24 months' period; and
  - one "normal award" of RSUs vesting over a 36 months' period.

Other than as set out above, there is currently no limitation related to the grant of RSUs. Furthermore, there is no lock-in period related to RSUs following expiry of the vesting period.

2.4 Pension

The Company's overall policy is that pension arrangements shall reflect local practices and applicable law at each location where the Group has employees. Therefore, the Company's pension schemes will vary between jurisdictions.

In compliance with local laws, all employees of the Group are enrolled in defined contribution pension schemes that adhere to the pension requirements by the relevant jurisdiction. The Company's CFO is employed in Norway and is as such included in Group's defined contribution pension schemes in accordance with Norwegian Mandatory Occupational Pension Act, based on a defined contribution covering salary up to 12G.

The Company's CEO is based in Denmark together with the majority of the Group's workforce, where the Group has established a pension scheme providing additional benefits for employees. For the salaried employees in Denmark (not covered by a CBA, as defined below), the Group has currently agreed to pay 2% more than required by law. For the hourly paid employees, and for the salaried employees covered by the CBA, the additional 2% has been regulated by the Collective Bargaining Agreement (the "**CBA**") within the Industry (Industriens Funktionær Overenskomst between DI and CO-Industri and Industriens Overenskomst between DIO I and CO-industri).

The Remuneration Committee shall regularly review whether the Company practice is within market standards for pensions and insurance schemes.

2.5 Other benefits

Members of the Executive Management are eligible for a mobile phone with subscription and broadband connection. Where this corresponds to local practices, the Company may provide car allowance if applicable.

The Company aims to have sufficiently competitive salary and incentive programs to minimize the need for additional non-financial benefits. Any such benefits shall always be based on market terms, local practices and shall facilitate the duties of executive personnel. Non-financial benefits that are not insignificant and which go beyond what is offered to the entire workforce of the Group, shall be reviewed and approved by the Remuneration Committee or the Board.

2.6 Employment contracts, severance pay

Executive personnel, depending on geographic location and applicable laws and practice, will typically have between 3 and 18 months' notice period. The notice period in executive personnel's employment contracts shall not exceed 18 months.

Any severance arrangements shall be connected to confidentiality and anti-competitive clauses in the individual's employment contract, so that they compensate for restrictions in respect of his or her ability to take new employment positions. Income from other sources shall be deducted from such arrangements.

2.7 Claw-back

The Company's policy is to ensure that contractual grounds exist to require any remuneration, whether fixed or variable. Remuneration is subject to claw-back (reclaim after pay-out) provisions, which can be applied in case of erroneous payments or for instance in the event of breach of contractual obligations.

3 DEVIATIONS FROM THE GUIDELINES

The Board may, at its sole discretion or based on a recommendation by the Remuneration Committee, temporarily resolve to deviate from the Guidelines on a case-by-case basis, in whole or in part, if such deviation is deemed necessary to serve and/or safeguard the sustainability or long-term interests of the Company, or to ensure the Company’s financial viability.

When determining whether to deviate from the Guidelines, the Board shall consider all relevant factors, including:

- Amendments to relevant laws, rules, regulations or guidelines;
- changes in the Executive Management;
- changes of the Company's capital structure or ownership, inter alia due to mergers, demergers or acquisitions;
- the need to attract and/or retain executive(s); and
- other events that cause the targets or conditions for remuneration to no longer be appropriate.

The reason for any deviation shall be documented in the minutes from the relevant Board meeting. Deviations shall also be described in the Remuneration Report for each year.

Material changes to the Guidelines shall be presented and explained by the Board and approved by the Company's general meeting.