

Agilyx Remuneration Policy

2023

Annual Remuneration Report

April 19, 2024

Introduction

Pursuant to section 16-6a of the Norwegian Public Limited Companies Act (PLCA), the Board of Directors (Board) of Agilyx ASA (Company) is required to prepare a policy with procedures and guidelines for remuneration and other benefits to the Chief Executive Officer and the other members of Agilyx’s Executive Management. Additionally, this document includes the reporting of 2023 Remuneration data within the below context.

1. Remuneration Policy
2. Remuneration of Executive Management, 2023
3. Financial Performance of Agilyx Group, 2023
4. Remuneration of the Board of Directors, 2023
5. Terms for Terminations and Deviations from the Policy, 2023



1. Remuneration Policy

The Remuneration Policy for Agilyx’s Executive and Management members was proposed by the Board of Directors and approved by the Annual General meeting (AGM) in 2022. The approved policy remains valid until the AGM adopts a new policy, until any material changes to the policy occur or until the expiration of the four-year limit as identified in the PLCA, Section 16-6a (5). The Board continues to review the competitiveness of its remuneration and reserves the option to update and modify the Remuneration Policy as needed to remain competitive. The policy guidelines are published on the Agilyx website at Agilyx.com. This Remuneration Report has been set up in compliance with the guidelines approved in 2022, and applicable legislation.

The purpose of the remuneration policy is to provide a strong framework for executive remuneration that contributes to achieve Agilyx ASAs (“Company”) business strategy, long-term interest and ensure the company is run sustainably, for continuous creation of long-term shareholder value. The key elements of the group strategy are long-term growth for the Company, cost performance and sustainability. The policy is in line with recognized principles of corporate governance, and the

remuneration principles shall be transparent, understandable, and meet general acceptance internally in the Company, among the Company's shareholders and with the public. The remuneration principles for variable compensation are linked to the Company goals, and as such supports the Company strategy, long term-interest, and financial sustainability. The aim of the remuneration offered to the Executive Management set out in the Guidelines is to attract executives with the experience and competence required by the Company, retain employees with important expertise and leadership qualities, and motivate the management through incentives to contribute in the long-term to reach the Company's business goals. The terms aim to be balanced in relation to experience, responsibilities, and performance. The total compensation offered to Executive Management shall be competitive, both nationally and internationally.

The Company's Executive Management includes:

- the CEO
- Group Management Team
- Senior members of the corporate staff

The policy also applies to Employee members of the Board.

The Board is responsible for paying remuneration and other benefits in accordance with the Remuneration Policy adopted by the AGM. The Board is directly responsible for the determination of the CEO's salary and other benefits, in accordance with the latest AGM Guidelines. The CEO is, in consultation with the Chair of the Board, responsible for the determination of the salary and other benefits for the Company's other Executive Management, in accordance with the latest AGM Guidelines.

This remuneration policy (the "**Policy**") has been established in accordance with the Norwegian Public Limited Liability Companies Act Section 6-16a and related regulations for remuneration of the Executives and Senior Management of Agilyx ASA ("**Agilyx**" the "**Company**") and its subsidiaries (including on the date of adoption, Agilyx Corporation, Agilyx GmbH, Agilyx ApS, and Agilyx, together with the Company the "**Agilyx Group**"). This Policy was recommended by the Company's Board of Directors ("**Board**") to the General Meeting of the Company ("**General Meeting**") and subsequently approved on May 19, 2023. This Policy is reviewed at least annually as more detailed below and (subject to any changes as part of the annual review) applies for a period of four (4) years.

The Company has to the best of its ability considered salary and employment conditions for Executives and Senior Management of the Company when preparing the Policy, by including information on Executive's and Senior Management's total income, forms of

remuneration and other pay components to form the Board's basis for evaluating whether the Company's pay practices, guidelines and limitations set forth in the Policy are adequate and reasonable.

Remuneration Governance

The purpose of the Policy is to provide transparent governance regarding the Agilyx Group's remuneration strategy and established to attract and retain Executives and Senior Management necessary to sustain a strong and growing performance-oriented culture, enabling the entire Agilyx Group to accomplish its business strategies, long-term interests, and financial capacity:

- Provide a Safe, Healthy and Ethical Workplace
- Mission-driven Business Development
- State-of-the-Art Technological Innovation
- Engaged Partner and Member Networks
- Strong Financial Performance
- High-performance Operations
- Reliable Shareholder Value

To successfully accomplish these strategies, the Compensation Committee believes that a significant portion of the remuneration package should be linked to both Agilyx Group and individual performance while ensuring that an appropriate balance is struck between fixed and variable pay, short-term variable pay and the delivery of long-term variable rewards in options.

The remuneration design shall align the interests of the Executives and Senior Management with those of the Company's investors by rewarding such aligned performance in meeting the Agilyx Group's business strategy and goals. Remuneration packages will be designed to be competitive to market compensation as compared to similar organizations without a negative perception nor damage to the Agilyx Group's/Company's reputation.

Remuneration Policy Periodic Review

The Compensation Committee will review this Policy at least annually to ensure that these policies neither encourage nor reward inappropriate operational risk-taking that may be to the detriment of investors' interests and that this Remuneration Policy is, therefore, compatible with the Company's goals and general risk policies. The Compensation Committee recommended the Policy to the Board, who in turn recommended the Policy to the General Meeting. The General Meeting is satisfied that the Policy's structure is appropriate for its purposes.

Consideration of employment conditions elsewhere in the Company

Whilst the Company does not formally consult with employees on matters of executive remuneration, it does consider the general basic salary increase for the broader employee population when determining the annual salary review for the Executives and Senior Management. The Compensation Committee is also made aware of employment conditions within the Agilyx Group, including a general overview of variable pay plan outcomes. The Board, however, is the decision-making body for the Plan and any other options plans. The Compensation Committee also considers environmental, social and governance issues, and risk when reviewing executive pay structure.

Consideration of investors' views

The Compensation Committee considers investor feedback received each year. This feedback is then considered as part of an annual review of this Remuneration Policy. In addition, the Compensation Committee seeks to proactively engage directly with major investors and their representative bodies and takes their views seriously.

2. Remuneration, Executive Management, 2023

Agilyx's remuneration scheme is linked with the Company strategy, goals, long-term interest and structured for financial sustainability, as outlined in the Remuneration guideline.

The Company offers remuneration and benefits to the Executive Management consisting of components including fixed salary, annual cash bonus, long-term share option scheme, pension contribution and benefits in kind.

Total Remuneration

The Compensation Committee recommends the remuneration of the CEO for the Board for approval. Additionally, the Compensation Committee provides the approval for remuneration of the CEO's direct reports based on the recommendation of the CEO and Vice President, Human Resource. Details of compensation are contained in the Company's Annual and Half Year Report and are published in the Company's annual Remuneration Report.

Chart 2.1: Proportional Share of Fixed and Variable Remuneration

2023 Proportional Share of Fixed and Variable Remuneration												
<i>Note: Conversion rates used for USD amounts: CHF-0.8985, DKK-6.89019, GBP-0.80437</i>												
Last Name	First Name	Position	1.1 Fixed: Base Annual Salary	1.2 Fixed: Benefits in kind	1.3 Fixed: Pension Expense*	2.1 Variable: One-Year Bonus	2.2 Variable: Multi-Year	3.1 Variable: Extraordinary Items	Explanation of Extraordinary Items	4.1 Total Remuneration	5.1 Proportion	
											Fixed	Variable
Stedman	Tim	CEO	\$ 455,079	\$ 39,905	\$ 41,673	\$ 113,913		\$ 55,080	Early 2023 Bonus Payment due to departure	\$ 705,650	76%	24%
Hacker	Isabel	General Counsel	\$ 346,132	\$ 33,233	\$ 36,246	\$ 32,488	\$ -	\$ 59,543	Early 2023 Bonus Payment due to departure	\$ 507,643	82%	18%
Barranco	Mark	SVP Engineering & Execution	\$ 283,662	\$ 12,875	\$ 8,461	\$ 28,366	\$ -	\$ -	N/A	\$ 333,365	91%	9%
Main	Russ	CFO	\$ 278,100	\$ 13,895	\$ 9,024	\$ 146,240	\$ -	\$ -	N/A	\$ 447,259	67%	33%
Faulkner	Chris	Chief Technology Officer	\$ 255,852	\$ 19,964	\$ 6,759	\$ 25,585	\$ -	\$ -	N/A	\$ 308,161	92%	8%
Ringier	Kate	VP, Communication and Gov't Affairs	\$ 206,917	\$ 19,142	\$ 22,935	\$ 21,981	\$ -	\$ 20,564	Early 2023 Bonus Payment due to departure	\$ 291,540	85%	15%
Larsen	Carsten	CCO	\$ 319,155	\$ -	\$ 31,600	\$ 54,715	\$ -	\$ -	N/A	\$ 405,470	87%	13%
Hamlet	Stephen	VP, Human Resources	\$ 197,950	\$ 19,964	\$ 6,502	\$ 19,795	\$ -	\$ -	N/A	\$ 244,212	92%	8%
Bryant	Louise	VP-Investor Relations & Sustainability	\$ 236,894	\$ 17,902	\$ 30,837	\$ 47,379	\$ -	\$ -	N/A	\$ 333,012	86%	14%

*Pension or 401(k) Co. match (US)

Remuneration Explanation

The sections below describe how the overall remuneration is paid in accordance with the company's remuneration guidelines, including how the remuneration contributes to the company's long-term strategy and results as well as how the performance criteria have been applied.

2023 Annual Salary

The 2023 salary for executives and management aims to support the Company's ability to attract and retain leaders that will contribute in the long-term to reach the Company's business goals. The salary of each executive and management team member was assessed in consideration of current trends in local labor markets, the results achieved, and individual performance and contributions to the development of the Company. Ongoing continuous improvement in this process will include the development of a market-based compensation evaluation process and a standardized performance management system with the aim to utilize an objective and globally consistent salary benchmark and methodology.

2023 Annual bonus

The annual bonus program is based on pre-defined and measurable targets, linked with Agilyx's strategy and goals for long-term growth, cost performance and sustainability. The annual bonus program is cash-based and payment under the bonus program is calculated for each individual based on actual achievement of the set targets. The bonus consists of both company targets and individual targets. In 2023, the group targets were related to earnings, financial performance, individual contributions in meeting company goals and departmental initiative targets as well as an increased focus on environmental, health and safety and continuous improvements in multiple areas. The group targets were partially achieved.

Annual Changes to Total Remuneration

The below chart displays the annual changes to the Agilyx total remuneration.

Chart 2.2: Change in Remuneration for Executive Management and Non-executive Workforce

3-Year (as Public Company) Change in Remuneration for Executive Management and Non-executive Workforce								
Year			2021		2022		2023	
Last Name	First Name	Position	Total Annual Remuneration*	% Change from Prior Year	Total Annual Remuneration*	% Change from Prior Year	Total Annual Remuneration*	% Change from Prior Year
Stedman	Tim	CEO	N/A	N/A	\$ 428,000	N/A	\$ 561,600	31%
Hacker	Isabel	General Counsel	N/A	N/A	\$ 321,000	N/A	\$ 357,371	11%
Barranco	Mark	SVP Engineering & Execution	\$ 262,650	N/A	\$ 299,421	14%	\$ 312,028	4%
Main	Russ	CFO	\$ 295,000	N/A	\$ 297,500	1%	\$ 424,340	43%
Faulkner	Chris	CTO	\$ 270,000	N/A	\$ 270,066	0%	\$ 281,437	4%
Larsen	Carsten	CCO	N/A	N/A	\$ 279,000	N/A	\$ 321,782	15%
Ringier	Kate	VP, Communication and Gov't Affairs	N/A	N/A	N/A	N/A	\$ 241,791	N/A
Bryant	Louise	VP, Investor Relations & Sustainability	N/A	N/A	N/A	N/A	\$ 219,300	N/A
Hamlet	Stephen	VP, Human Resources	N/A	N/A	\$ 185,000	N/A	\$ 217,745	18%

*Total Annual Remuneration includes only salary and any bonus paid to employee during the course of the year (amounts do not include benefits paid by the company, 401(k) contributions, option grants, etc.). Most year-to-year variances were due to market pay adjustments and or one-off bonuses for key contributions to the business.

Average remuneration on a full-time equivalent non-executive employees (e.g., not including executives listed above)	2021		2022		2023	
# Agilyx Employees as of 12/31 of each year	58	N/A	66	14%	59	-11%
# Cyclyx Employees as of 12/31 of each year	25	N/A	46	84%	51	11%
Average Annual Pay/Employee (not including salaries of executives above)	\$ 147,203	N/A	\$ 92,419	-37%	\$ 115,456	25%

Overview of Remuneration

This Policy declares that the remuneration of Executives and Senior Management will include fixed salary; (cash) bonuses; allocation of options; pension schemes (where applicable); severance arrangements; and/or benefits and other forms of remuneration, or any other special compensation, in each case in addition to the base salary, as further described below:

Salary: The fixed salary determination is based on the competitive market rate of the positions level of responsibility, performance, and contribution to the success of the Agilyx Group over time.

(Cash) Bonuses: Bonuses are a form of variable compensation that is discretionary and based on both the Agilyx Group’s and the individual’s performance, usually during an annual period or for a specific accomplishment. Short-term incentive bonuses are designed to be based on aligned and pre-set goals to be accomplished during a short-term period (usually annually). Recognition bonuses are provided to recognize key accomplishments supporting the strategic goals of the business. Other bonus incentives may be used to encourage employees as part of the recruitment process and/or as participation, retention or other performance measures that align accomplishments with the goals of the business.

The Executive Performance Criteria Matrix delineates the weighting of the company financial goals and individual department goals for each member of executive management. For 2023, The executive management team was required to lead the company through many changes that required a critical balance between a strict focus on cost savings while still resourcing the business to meet legal, contractual, and business commitments. The alignment between remuneration and the business short-term and long-term goals was based on the executive management’s results in balancing efficiency and effectiveness during 2023. The resulting performance criteria were based on a combination of both financial and individual department goals and results accomplished throughout the year to establish a fair and documented measurement of performance. The below chart shows how this criterion was established for each executive management team.

Chart 2.3: Performance Criteria for Executive Management

Performance Criteria For Executives in the reported financial year					Performance Criteria For Executives in the reported financial year				
Name	Title	Performance Criteria	Weighting	Goal	Name	Title	Performance Criteria	Weighting	Goal
Stedman	Financial	Financial Goals	50	100%	Faulkner	Financial	2022 Financial Goals	30	100%
	Business	Overall Business & Operational Goals	50	100%		R&D	Ind. Research&Development Goals	70	100%
Hacker	Financial	2022 Financial Goals	30	100%	Barranco	Financial	2022 Financial Goals	30	100%
	Legal	Ind. Legal and legislative Support Goals	70	100%		Eng./Ops	Ind. Engineering/Ops Goals	70	100%
Ringer	Financial	2022 Financial Goals	30	100%	Hamlet	Financial	2022 Financial Goals	30	100%
	Mar./Comm	Ind. Marketing & Communication Goals	70	100%		HR	Ind. Human Resources Goals	70	100%
Larsen	Financial	2022 Financial Goals	30	100%	Bryant	Financial	2022 Financial Goals	30	100%
	Bus. Dev.	Ind. Business & Development Goals	70	100%		Inv. Relations	Ind. Investor Relations Goals	70	100%
Main	Financial	2022 Financial Goals	30	100%					
	Fin./Acct.	Ind. Finance and Accounting Goals	70	100%					

Executive Management Options Held, Awarded and Expired in 2023

The below chart displays the stock option grants held, awarded, and expired in 2023 for each member of the executive management team.

Chart 2.4: Options Held, Granted and Expired

2023 Options Held, Granted and Expired in 2023				
Executive Name	Position	Options Held as of 01.01.2023 (instruments)	Options Granted in period	Expired in Period
Tim Stedman	CEO	2,893,900	0	-542,610
Joe Vaillancourt	CEO-Cyclix	1,877,700	100,000	0
Isabel Hacker	General Counsel	250,000	0	-120,625
Kate Ringier	VP, Comms and Investor Relations	293,200	0	-84,750
Russ Main	CFO	1,000,000	0	0
Chris Faulkner	CTO	200,000	0	0
Mark Barranco	VP, Engineering and Execution	400,000	0	0
Carsten Larsen	CCO	500,000	0	0
Stephen Hamlet	VP, Human Resources	40,000	0	0
Louise Bryant	VP, Investor Relations and Sustainability	100,000	0	0

Allocation of Options: Agilyx has established the allocation of options for Executives and Senior Management within the organization. These options are considered to provide a long-term incentive to key individuals that focus on and are allocated based on the individuals level of responsibility, performance, and continued contribution to the success of the Agilyx Group over extended time. All options issued by the Company (“**Options**”) are granted under and in accordance with the Agilyx ASA Stock Incentive Plan dated 4 June 2020 (as amended by resolutions of the Board dated on April 22, and May 19, 2021), (the “**Plan**”). The Plan covers certain employees in mostly senior positions and has the following main terms:

Granted Options are generally vested or earned during a period of three (3) to four (4) years according to a pre-determined schedule. 3-year vesting is either 20%, 30% 50% over the 3-year vesting period or 1/3, 1/3, 1/3 over a 3-year vesting period. 4-year vesting is 25%,25%, 25% & 25% over a 4-year period. Vesting requires continued employment or association with the Group.

Options vested can be exercised at each anniversary year which is each year after the Options are granted and must be exercised at the latest, ten (10) years after the award. The exercise strike price is normally defined by the share closing price at the Oslo Børs at the date when the Options are awarded. The Board is authorized in special cases to waive the requirement for full or partial vesting or determine deviating vesting structures. The Board may consider granting performance-related remuneration in the form of restricted stock units or other similar financial instruments instead of or in addition to share options. Such decision will be made by the Board on a case-by-case basis and will be subject to similar terms as the existing share option program of the Group.

Pensions: Where required by law or in compliance with local regulations, pension schemes may be included as part of the remuneration plan.

Severance Arrangements: The severance arrangement for Executives or Senior Management shall not exceed a period of six (6) months. The CEO severance arrangement shall not exceed an amount equal to twelve (12) months' base salary. Executives and Senior Management (including the CEO) shall not be eligible for severance payment in the event that he or she voluntarily terminates employment.

Benefits and Other Forms of Remuneration: In addition to fixed and variable pay, there may be opportunities to use benefits, identified items of value or other forms of compensation incentives to align or recognize performance. The total value of these benefits and other forms of remuneration shall be modest and only account for a limited portion of the total remuneration package.

The Company's Compensation Committee ("**Compensation Committee**") oversees the total remuneration of the Agilyx Group's Executives and Senior Management. This oversight ensures that remuneration is structured to attract, engage, and retain high caliber Executives and Senior Management with the skills and experience necessary to sustain the development of the Agilyx Group and support the delivery of the Agilyx Group's strategic priorities while taking due account of the market's best practices.

In addition to the Compensation Committee, the Board reviews the Policy and executive remuneration levels to ensure alignment, effectiveness and manage any potential conflicts of interest that may occur during the setting of business goals and remuneration plans.

3. Financial Performance of the Agilyx Group, 2023

The Agilyx financial performance for 2023 is represented in the following financial statements. These financial statements include the Agilyx ASA Parent and Consolidated Income Statement and the Agilyx Parent and Consolidated Balance Sheet.

Chart 3.1: Agilyx ASA Parent and Consolidated Income Statement

Parent		Agilyx AS Parent and Consolidated Statement of comprehensive income For the Period Ended December 31 <i>(Amounts in USD)</i>			Group	
2022	2023	Note	Operating revenue and operating expenses	2022 <i>(restated*)</i>	2023	
-	-	3	Revenues	7,361,747	5,894,701	
-	-	4	Cost of goods and services	7,528,762	5,298,421	
-	-		Gross margin	(167,015)	596,280	
-	-		Research costs	3,528,553	3,102,798	
-	-		Sales and marketing	669,549	1,424,622	

1,941,294	1,735,873		General and administrative	12,040,675	11,829,284
1,941,294	1,735,873	4 & 5	Total operating expenses	16,238,777	16,356,704
(1,941,294)	(1,735,873)		Operating loss	(16,405,792)	(15,760,424)
			Financial income and financial expenses		
-	-	17	Share of loss of equity accounted associates	-	(1,973,061)
-	-	9	Impairment of investment in associate	(2,539,270)	(2,023,078)
1,267,458	3,009,983	14	Fair value gain on financial instruments	1,267,458	3,009,983
-	-		Interest expense	(81,328)	(207,663)
45,866	107,045		Other financial income	48,749	132,203
(159,442)	(224,548)		Other financial expense	(170,985)	(334,552)
1,153,882	2,892,480		Net financial items	(1,475,376)	(1,396,168)
(787,412)	1,156,607		Loss before tax	(17,881,168)	(17,156,592)
-	-		Income tax expense	-	-
(787,412)	1,156,607		Loss from continuing operations	(17,881,168)	(17,156,592)

		Discontinued operation			
-	-	23	Profit (loss) from discontinued operation, net of tax	(5,503,486)	113,279,186
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(787,412)	1,156,607	Profit (loss) for the period		(23,384,654)	96,122,594
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-	-	Other Comprehensive Income - items that will or may be reclassified to profit or loss - Foreign Currency Translation		(101,111)	(122,747)
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(787,412)	1,156,607	Total comprehensive profit (loss) for the period		(23,485,765)	95,999,847
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		Profit (loss) for the period attributable to:			
		Equity holders of the parent		(22,008,657)	97,473,988
		Non-controlling interest		(1,375,997)	(1,351,394)
				(23,384,654)	96,122,594
				<hr/>	
		Total comprehensive profit (loss) for the period attributable to:			
		Equity holders of the parent		(22,109,768)	97,351,241
		Non-controlling interest		(1,375,997)	(1,351,394)
				(23,485,765)	95,999,847
				<hr/>	

Earnings per share - from continuing operations			
22	Earnings per share, basic and diluted	(0.23)	(0.20)
Earnings per share - from continuing and discontinued operations			
22	Earnings per share, basic and diluted	(0.28)	1.12
*	The comparative information has been restated due to the deconsolidation of Cyclyx following a loss of control. See Note 23.		

Chart 3.2: Agilyx Parent and Consolidated Balance Sheet

Agilyx AS Parent and Consolidated Balance Sheet as of December 31 (Amounts in USD)						
2022	2023	Note	ASSETS Non-current assets	Group		
				2022	2023	
-	-	6	Intangible assets	4,002,430	3,586,680	
-	-	7	Property, plant and equipment	1,619,988	1,336,219	
-	-	8	Right of use asset	708,848	284,111	
52,197,722	71,438,516	17	Shares in subsidiaries	-	-	
-	-	17	Investment in associate	-	113,002,939	

-	-		Other non-current assets	89,624	35,802
52,197,722	71,438,516		Total non-current assets	6,420,890	118,245,751
			Current assets		
-	-	10, 17	Accounts receivable	2,443,453	588,878
-	-	10, 18	Inventory	1,687,126	-
-	-		Deferred project costs	-	2,165,727
6,939	6,939		Prepaid expenses and other current assets	367,873	772,997
5,007,823	5,958,889		Cash and cash equivalents	13,671,319	8,527,632
5,014,762	5,965,828		Total current assets	18,169,771	12,055,234
57,212,484	77,404,344		TOTAL ASSETS	24,590,661	130,300,985
			LIABILITIES AND STOCKHOLDERS' EQUITY		
			Equity		
143,040	162,269	16	Share capital	143,040	162,269
53,854,378	73,239,523		Share premium	53,854,378	73,239,523
8,591,495	9,432,289		Additional paid-in capital	8,591,495	9,432,289
62,588,913	82,834,081		Total paid-in equity	62,588,913	82,834,081
(14,288,453)	(13,131,846)		Retained earnings	(56,124,834)	41,349,154
-	-		Foreign currency translation reserve	(101,111)	(223,858)

-	-		Non-controlling interest	696,640	-
48,300,460	69,702,235		Total equity	7,059,608	123,959,377
			LIABILITIES		
			Non-current Liabilities		
-	-	8	Long-term lease liability	465,435	60,441
6,303,189	3,293,206	14	Warrant liability	6,303,189	3,293,206
6,303,189	3,293,206		Total non-current Liabilities	6,768,624	3,353,647
			Current liabilities		
424	403	12	Accounts payable	2,640,756	1,830,507
93,063	78,413	13	Accrued expenses and other current liabilities	1,909,543	924,937
2,515,348	4,330,087	17	Payables to group companies	-	-
-	-	20	Contract liability	5,945,535	-
-	-	8	Current portion lease liability	266,595	232,517
2,608,835	4,408,903		Total current liabilities	10,762,429	2,987,961
8,912,024	7,702,109		TOTAL LIABILITIES	17,531,053	6,341,608
57,212,484	77,404,344		TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	24,590,661	130,300,985

4. Remuneration, Board of Directors, 2023

The Nomination Committee proposes an annual fee for members of the Board of Directors, for approval in the AGM. In 2023 the AGM approved the annual fees from 5/2/22 – 4/30/23. The Annual Board member fee is not linked with any performance indicators. Audit committee members received an additional fee for the audit committee participation. The fees were adjusted as shown in the tables.

Chart 4.1: Current Board of Directors Remuneration (per AGM notices)

2023 - 2024 Board Remuneration (per AGM notices)				
Period: May 26, 2023 to May 16, 2024				
Board of Director	Assigned Committee	Annual Base Fee (NOK)	Committee Chair Fee / Other (NOK)	Total Remuneration (NOK)
Jan Secher	Chair	700,000	300,000	1,000,000
Peter Norris		300,000		300,000
Catherine Keenan	ESG Committee Chair	300,000	70,000	370,000
Martha Crawford	Comp Committee Chair	300,000	70,000	370,000
Carolyn Clarke	Audit Committee Chair	300,000	70,000	370,000
Ranjeet Bhatia		150,000		150,000
Steen Jakobsen		300,000		300,000
Fredrik Sneve	Nom Committee	80,000		80,000
Tor Svelland	Nom Committee	80,000		80,000
Total		2,510,000	510,000	3,020,000

Chart 4.2: Prior Year Board of Directors Remuneration

2022-2023 Board Remuneration (per AGM notices)					
Period: May 12, 2022 to May 26, 2023					
Board of Director	Assigned Committee	Annual Base Fee (NOK)	Committee Chair Fee / Other (NOK)	Cash for Options Granted (2021 AGM)	Total
Peter Norris	Chair	350,000		100,000	450,000
Catherine Keenan		300,000		37,500	337,500
Carolyn Clarke		300,000	50,000		350,000
Steen Jakobsen		300,000			300,000
Ranjeet Bhatia		150,000		50,000	200,000
Fredrik Sneve	Nom Committee	80,000			80,000
Tor Svelland	Nom Committee	80,000			80,000
Total		1,560,000	50,000	187,500	1,797,500

Note: On October 24, 2022 Jan Secher became Chair and Martha Crawford joined the Agilyx Board of Directors

Chart 4.3: Shares and Options Held by CEO and Members of the Board of Director

Shares and Options Held by the CEO and Members of the Board of Directors							
Name	Title	Options and Warrants Granted	Expired Options with Terminations or Resignations	Options Held	Shares Owned	Private Placement	Total
Timothy Stedman	CEO	2,893,900	542,610	2,351,290	86,842		86,842
Ranjeet Bhatia	Board Member				92,700	52,314	145,014
Jan Secher	Chair of the Board	100,000				78,472	78,472
Steen Jakobsen	Board Member	75,000					0
Peter Norris	Board Member	75,000			156,645	18,310	174,955
Martha Crawford	Board Member	75,000	53,142	21,858			0
Carolyn Clarke	Board Member	75,000					0
Catherine Keenan	Board Member	75,000					0

Stock Option Plan

The 2020 plan became effective as of 4 June 2020. Prior to this date Agilyx Corp had implemented a 2009 Stock Incentive plan. The 2009 plan was considered null and void after the effective date of the 2020 plan but was replaced with new options in the new plan. Below is the updated stock option report for 2023.

Chart 4.4: Stock Options

STOCK OPTIONS				
Stock option plan	Stock Option Activity			
	Number of shares	Weighted average exercise price	Weighted average contractual term (years)	Aggregate intrinsic value
Balance at January 1, 2022	11,432,624	\$1.17	7.81	33,223,561
Share authorized				
Options granted	1,815,000	2.62		
Options exercised	(769,509)	0.28		8,706,073
Options forfeited/expired	(188,899)	2.30		
Balance at December 31, 2022	12,289,216	\$1.40	7.71	26,343,495
Share authorized				
Options granted	140,000	3.41		
Options exercised	(631,249)	0.19		
Options forfeited/expired	(1,104,814)	1.92		
Balance at December 31, 2023	10,693,153	\$1.47	6.76	12,367,651
Options vested and expected to vest at December 31, 2023	10,693,153	\$1.47	6.76	12,367,651
Options Exercisable	8,590,099	\$1.17	6.61	12,002,536

Chart 4.5: Equity Shares

EQUITY SHARES				
	All employees		Key management personnel	
	2022	2023	2022	2023
Equity-settled				
Option pricing model used	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes
Share price at grant date (weighted average)	\$1.02	\$1.13	\$1.05	\$1.20
Exercise price (weighted average)	\$2.62	\$3.41	\$2.75	\$3.47
Contractual life (weighted average)	6.12	10.99	6.15	11.00
Expected volatility (weighted average)	32%	53%	33%	59%
Expected dividend growth rate	0%	0%	0%	0%
(weighted average)	2.84%	3.08%	2.90%	3.10%



5. Terminations and Deviations

Terminations

The Company has individual agreements on termination payments upon dismissal with the CEO and some members of the Executive Management. As part of the general terms for Termination Payments, the Board may require the individual to immediately step down from the position, and/or assign alternative job content for the duration of the notice period and the Termination Payment period. Termination payments were applied to the following executive during 2023.

Chart 5.1: Terminations of Executive Management

Terminations of Executive Management 2023		
Terminated Executive	Termination Date	Position on Last Day
Tim Stedman	12/31/2023	CEO
Isabel Hacker	12/31/2023	General Counsel
Kate Ringier	11/30/2023	VP, Comms & Govt Affairs

Deviations

The Compensation Committee may propose material changes to the remuneration policy with appropriate dialogue with the Board and the Company's major investors (as appropriate and/or legally permissible) in advance. Moreover, this policy can be deviated if required by regulatory requirements, material changes in the Group structure or ownership, if the CEO is to be changed, or if there are situations where the long-term interests or the viability of the Group require it. Any such material changes or deviations shall be approved in advance by the Board and described in the annual remuneration report produced at the end of the year in accordance with the Norwegian Public Limited Companies Act Section 6-16b.

There were no deviations made during 2023.