

HIDDN SOLUTIONS ASA

THE BOARD OF DIRECTORS' STATEMENT ON REMUNERATION TO SENIOR MANAGEMENT

ANNUAL GENERAL MEETING 2017

*Pursuant to section 6-16a of the Norwegian Public Limited Liability Companies Act, the board of directors of Hiddn Solutions ASA (the "**Company**", together with its subsidiaries the "**Group**") shall prepare a statement regarding remuneration to senior management.*

The statement shall include guidelines for determination of salary and other remuneration, including stating the main principles of the Company's senior management remuneration policy during the coming financial year. The statement shall also include an account of the remuneration policy carried out during the preceding financial year.

1. KEY PRINCIPLES FOR REMUNERATION OF SENIOR MANAGEMENT IN THE COMING FINANCIAL YEAR

1.1 Introductory note

During the first months of 2017, the large part of the Company's senior management, including the CEO, was for hired-in. However, the Company has hired a new CEO, who commenced his position 1 June 2017. The remuneration principles set out herein will be applicable for all own senior management that the Company has hired, or will hire, during 2017.

1.2 Main principles regarding remuneration to senior management

1.2.1 General principles

The main principle applied in determining salary for senior management within the Group shall be that the executives are offered competitive salary terms in line with market levels within the Group's industry, which aim to attract and retain qualified executives that are necessary to fulfil the Group's objectives and go forward with the Group's strategy.

Remuneration to senior management shall also be linked to value creation for shareholders and the Company's earnings and performance, based on quantifiable factors that the senior executives can influence. Such variable remuneration aims to motivate the executives in their work, and may be carried out through individual bonus arrangements and share options as further described below.

1.2.2 Bonus arrangements

The Company has no general bonus arrangement for senior management; however, some of the Group's key employees have specific bonuses based on performance and certain targets. These individual bonus arrangements are described in note 5 to the Group's annual accounts.

The Company may established other individual bonus arrangements with senior executives. As a general rule, such bonuses shall be based on performance measurements that are appropriate and reasonable for the position of the individual senior executive, and shall take into consideration the general principles stated in section 1.2.1 above.

1.2.3 Share-based compensation

Performance based compensation is granted by share options to the senior management of the Company and other key employees within the Group. The share option program provides additional incentives towards creating long-term shareholder value.

The share options vest over a period of three years from the date the options were granted, with one third of the options vesting after each year. Each option vested gives the holder a right to one ordinary share in the Company. The maximum number of options vesting in any year shall not exceed three (3) percent of all shares outstanding in the Company. Notwithstanding the foregoing, the board may determine other option vesting schedules if deemed appropriate.

The strike price of the options will be set at a fair market price at the time of the grant (the "**Subscription price**"), however adjusted for any dividends paid before exercise.

The board determines the expiration date of options granted, however no options may be exercised following the five (5) year anniversary of the date the options were granted. Expired options will lapse without no compensation to the holder.

The options may be settled by the Company in cash. The options have a cap price of three times the Subscription Price. In case the market price of the Company's shares at the time the options are exercised exceeds the cap price, the excess value will be paid to the Company by the option holder.

1.3 Other remuneration to senior management

In addition to fixed salary, senior management may receive other benefits in kind such as telephone, laptop, internet subscriptions and newspaper subscriptions.

The members of senior management participates in the Group's defined contribution pension schemes applicable for all employees within the Group.

The CEO is entitled to six months' severance pay. The board may enter into severance pay arrangements with other senior executives as deemed appropriate, however, always taking into consideration the executives responsibilities and position within the Company or Group.

2. KEY PRINCIPLES FOR REMUNERATION OF SENIOR MANAGEMENT DURING THE PREVIOUS FINANCIAL YEAR

At the Company's 2016 annual general meeting, the statement for remuneration of the Company's senior management for the financial year 2016 was presented and approved. However, as pointed out in the said statement at that point in time, all of the Company's management was hired-in and the 2016 remuneration guidelines would only become applicable in case the Company decided to hire its own senior executives. The Company continued the management-for-hire during all of 2016 and, thus, there were no senior executives to whom the 2016 remuneration guidelines were applicable.

21 June 2017

The board of directors of Hiddn Solutions ASA