



SSH Communications Security
Remuneration Policy for
Governing Bodies

Content

1. Introduction.....	3
2. Description of the Decision-Making Process Related to Remuneration	3
2.1 Preparation and Approval.....	3
2.2 Monitoring.....	4
2.3 Implementation.....	4
2.4 Conflicts of interest.....	5
3. Description of the Remuneration of the Board of Directors.....	5
4. Description of the Remuneration of CEO.....	5
4.1 The Components of Remuneration.....	5
4.2 Grounds for Determining Variable Remuneration Components.....	6
4.3 Key Terms Applicable to the Service Contract of CEO	6
4.4 Terms for Deferral and Possible Clawback of Remuneration	7
5. Deviations from and Amendments to the Remuneration Policy.....	7
5.1 Deviations from the Remuneration Policy.....	7
5.2 Amendments to the Remuneration Policy.....	7

1. Introduction

This is SSH Communication Security's (hereinafter "SSH" or "Company") remuneration policy, which complies with legislation and the Finnish Corporate Governance Code 2020. This policy sets out the principles for remuneration of the Board of Directors and the Chief Executive Officer ("CEO"). This Policy shall also be applied to any Deputy CEO, should such Deputy CEO be appointed.

According to the applicable regulations, this Remuneration Policy is presented in AGM 2024 and is intended to be valid until the AGM 2028. Remuneration Report is presented to the Annual General Meeting annually. All remuneration intends to promote SSH's business strategy, long-term financial success and positive development of shareholder value while it is fair, competitive, enhances commitment and supports SSH's general objectives.

Remuneration of personnel is based on a total remuneration, which includes both variable and fixed components as well as normal personnel benefits. Entire personnel are subject to a performance-based remuneration scheme.

In addition, personnel is mainly part of a long-term remuneration scheme, such as a share- or stock option based remuneration scheme. In the remuneration policy, the terms and conditions of employment of other employees with respect to remuneration, have been taken into account in such a way that the CEO's remuneration is partly based on the same variable components than other employees. The aim of variable remuneration is to steer the CEO and the personnel towards the same objectives.

Although the Board of Directors is not covered by the same overall remuneration as the personnel, the purpose of the remuneration of the board is also to steer activities towards the same long-term objectives of SSH.

The remuneration of the personnel, the CEO and the Board of Directors is regularly evaluated against the general market practices for persons acting in equivalent positions. Due to the relatively small size of the company and number of Board Members, SSH has no separate Remuneration Committees. However, the Board of Directors may later establish a remuneration committee to prepare matters pertaining to the remuneration of the CEO and the rest of the management team as well as the remuneration principles observed by the company. The remuneration committee would then also prepare the remuneration policy and remuneration.

2. Description of the Decision-Making Process Related to Remuneration

2.1 Preparation and Approval

The remuneration policy and any substantial changes to it are prepared by the Board of Directors or individual Board members, to which the preparation of remuneration matters is addressed to. Board may use external experts in this preparation in its discretion.

The Board of Directors reviews and presents to the General Meeting the remuneration policy and any substantial changes to it and thereafter whenever necessary, but at least every four (4) years. Remuneration Policy was presented for the first time in AGM 2020. The General Meeting makes an advisory resolution on the remuneration policy, expressing whether it supports the presented policy. The shareholders cannot propose changes to the remuneration policy.

If a majority of the Annual General Meeting opposes the presented remuneration policy, a revised policy must be presented no later than at the next Annual General Meeting. In such a case, the decision on remuneration of the Board of Directors and the CEO, shall be based on the remuneration policy presented to the Annual General Meeting until the revised remuneration policy has been considered at the next General Meeting.

2.2 Monitoring

The Board of Directors or individual Board members, to which the preparation of remuneration matters is addressed to, monitor the implementation of the remuneration policy and where necessary presents measures for ensuring its proper implementation. To enable shareholders to evaluate the implementation of the remuneration policy, the Board annually presents to the Annual General Meeting a remuneration report. The Annual General Meeting decides on the approval of the remuneration report, decision being advisory.

2.3 Implementation

Remuneration decisions are made by the operating body that has appointed the remuneration recipient. On basis of a proposal presented to it, the Annual General Meeting annually decides on the remuneration of the members of the Board. This proposal is prepared by the major shareholders together with the Chairman of the Board and with the assistance of other persons if so chosen. This Remuneration Policy will be taken into account in the preparation of the proposal.

From 2020 onwards, the decision on the remuneration of Board Members and CEO is based on the remuneration policy presented to the Annual General Meeting, which policy is attached to the notice of AGM.

The Board of Directors decides on the remuneration of the CEO in accordance with the remuneration policy.

Decisions concerning distribution of shares, options, or other special rights entitling to shares shall be made by the Board pursuant to the authorization from the Annual General Meeting. When shares, options, or other special rights entitling one to shares are issued to the Board members or to the CEO as part of their remuneration, this takes place within the limits of the remuneration policy.

2.4 Conflicts of interest

Issues on conflicts of interest regarding remuneration will be taken into account. Conflicts of interest are prevented by ensuring that remuneration recipients cannot be involved in decisions regarding their own remuneration.

The Annual General Meeting always decides on the remuneration of the Board of Directors.

The remuneration and the key terms of employment of the CEO is prepared and decided by the Board of Directors. The CEO is not involved in the preparation or decision-making process regarding his or her remuneration.

3. Description of the Remuneration of the Board of Directors

The Annual General Meeting annually decides on the remuneration of the Board of Directors.

The remuneration of the Board of Directors can consist of one or more components. The Directors are paid an annual fee as decided by the Annual General Meeting. Annual fees are paid in monthly installment unless otherwise agreed. Also, reasonable travel expenses may be compensated if so decided. The fees to be paid to Directors can be paid in cash and/or partially or entirely in shares, stock options or other financial instruments. Remuneration of a non-executive director shall be arranged separately from the share- or stock option-based remuneration scheme applicable to the company's managing director, management team, or personnel.

In its decision, the Annual General Meeting may require that the rewards to be paid in cash must be used entirely or partially in order to acquire SSH's shares. The Annual General Meeting can also decide on the grounds for determining other kinds of remuneration.

Remuneration paid in stock options, shares or other financial instruments may be subject to restrictions related to lock-up periods concerning time or board membership or recommendations related to the possession of SSH's shares, such as owning a specific number of SSH shares over a certain period of time.

If a Board member has an employment relationship or a service contract with the company, he or she will be paid a normal salary. The Annual General Meeting will decide on any possible compensation to be paid to him or her for work done as Board member.

4. Description of the Remuneration of CEO

4.1 The Components of Remuneration

The Board of Directors decides of the remuneration and benefits of the CEO. When deciding on the remuneration of the CEO the starting point for the review is total earnings. The total earnings of the

CEO consist of fixed and variable remuneration, the proportions of which are assessed according to the company's business situation at hand.

The CEO's remuneration includes the fixed monthly salary, fringe benefits and annually agreed variable remuneration components, which may include short-term incentives and share- or stock option-based remuneration schemes or other long-term schemes. In addition, insurance coverage and pension schemes may be agreed.

In all variable remuneration schemes, the Board of Directors determines the earning criteria of the scheme and set out the objectives for each criteria. CEO's variable remuneration is partly based on the same variable components than other employees. The Board may grant stock options to the CEO based on the same principles, terms and subscription windows than for other employees.

The aim of the incentive schemes is to combine the objectives of the shareholders and the CEO in order to increase the value of the company. The aim of the long-term incentive scheme is also to commit the CEO to the company by offering him or her a competitive incentive plan.

4.2 Grounds for Determining Variable Remuneration Components

In variable remuneration schemes, the Board determines the earning criteria and sets out the objectives for each criteria and evaluates the actual performance at the end of the earning period. The earning criteria may include objectives to support the company's strategy related to financial targets and development of business or shareholder value.

CEO's short-term incentives may be based on the SSH Group's annual results or other criteria determined by the Board. The earning criteria and the objectives for CEO's short-term incentives are set and evaluated annually. The continuation of CEO's service contract is a condition for the payment of incentives, unless otherwise decided by the Board.

The Board of Directors determines all CEO's long-term incentives and those may include share- or option-based remuneration schemes or similar long-term schemes. In share- and option-based remuneration schemes, the continuation of the service contract may be the sole earning criterion. In share- and option-based remuneration schemes, the earning and restriction periods are normally for several years. However, the Board of Directors may, under special grounds, define shorter periods, a minimum of one year earning and restriction period being minimum.

4.3 Key Terms Applicable to the Service Contract of CEO

A lower retirement age than defined in the applicable legislation on earnings-related pension may be agreed for the CEO. The CEO may also be entitled to a defined contribution supplementary pension as part of his/her overall salary.

The duration of the contract, the applicable notice period, possible severance payment as well as any other termination related clauses are always agreed in the CEO Agreement.

The objective in determining the key terms of service contract of CEO, is to ensure competitive remuneration package conforming to current market practice and to commit the CEO to the company and its future success.

Then current key terms of service contract of CEO are described in the corporate governance statement and/or the remuneration report presented to the Annual General Meeting.

4.4 Terms for Deferral and Possible Clawback of Remuneration

When applying the incentive scheme, if material changes in circumstances beyond the control of the company were to result in significantly detrimental or unreasonable effects on the company, the Board of Directors has the right to reduce remunerations under the incentive schemes or defer the payment to a more favourable date.

The Board of Directors has the right to reduce or cancel remuneration fully or partially if it deems it necessary due to the later amendment of company's financial statements and this affects the amount of the remuneration or if violation of law or the company's ethical guidelines or other unethical actions have taken place so that the earning criteria was initially wrongly set or the fulfillment of such criteria was wrongly evaluated and calculated as basis of paid incentives.

Decisions for the deferral or clawback of remuneration must always be based on the terms of individual remuneration scheme and applicable legislation.

5. Deviations from and Amendments to the Remuneration Policy

5.1 Deviations from the Remuneration Policy

SSH may temporarily deviate from the remuneration policy presented to the Annual General Meeting if such deviation is necessary to ensure its material long-term interests and the current remuneration policy would no longer be appropriate in the changed circumstances. Such situations include for example, changes in the Board of Directors, change of the CEO, material changes in the company's strategy, major restructuring such as a merger, a takeover bid, or an acquisition, as well as changes in taxation or other mandatory regulations.

The deviation may apply to all reward components. The General Meeting decides on deviation in respect of remuneration of the Board of Directors and the Board of Directors decides on deviation in respect of the CEO.

5.2 Amendments to the Remuneration Policy

Substantial changes to the remuneration policy are prepared and presented to the General Meeting in accordance with the decision-making process described above. The company may also make non-material changes without presenting the amended remuneration policy to the General Meeting.

Such changes may include, technical changes to the decision-making process for remuneration or to the terminology concerning remuneration. A change in legislation could also constitute grounds to make changes to the remuneration policy that would not be deemed material.

Board of Directors constantly evaluates the need for changes in the Remuneration Policy and considers the degree to which the drafting of the new remuneration policy is affected by the Annual General Meeting resolution on the previous remuneration policy, or by the statements to remuneration reports presented to Annual General Meeting.