

## STATEMENT ON REMUNERATION OF EXECUTIVE MANAGEMENT

### 1. Overview

This statement to the Annual General Meeting in Cxense ASA ("Cxense" or "the Company") on 8 May 2019 has been prepared by the board of directors of Cxense (the "Board") in accordance with Section 6-16a of the Norwegian Public Limited Companies Act (the "PLCA"). The statement contains guidelines and main principles for the Company's remuneration of the executive management. The statement also outlines the implementation and effects of the policies in effect in 2018.

### 2. Advisory guidelines for remuneration of executive management

*Note: The guidelines in this section set out the principles for executive remuneration at large. These guidelines are subject to a separate vote at the Annual General Meeting, which result is advisory (non-binding) to the Board.*

In order to attract and retain the leadership competence that Cxense needs, the remuneration of managers, and all other employees, shall be competitive and comprise a basic salary including standard benefits, which salary may be supplemented by performance-based cash bonus and incentive share options. All parts of the remuneration shall reflect the responsibility and performance over time of the respective manager. Bonus payments are contingent on efforts and contribution to achievement of business and/or operational objectives.

The basic salary is evaluated and adjusted annually.

Managers do not receive any additional compensation for serving as board members of subsidiaries in the group. For the avoidance of doubt, travel and other out-of-pocket expenses in connection with such duty is refunded per normal expense refund practices.

The Board determines the salary and other remuneration to the CEO. There is a maximum amount of cash incentive remuneration per calendar year for a performance dependent bonus. It follows from the nature of the share incentive program resolved by the Annual General Meeting that the limit does not apply to the possible gain on subscription rights and share options granted. The Board has adopted a policy for the CEO's remuneration of the employees.

No so-called "golden parachutes" are in effect, and post-employment pay will only apply in case the Company invokes contractual non-competition clauses.

### 3. Binding guidelines for share-based remuneration to executive management

*Note: The guidelines in this section set out the principles for share-based executive remuneration. These guidelines are subject to a separate vote at the annual general meeting, which result is binding for the Board.*

In 2014, the Company established a subscription rights program by resolution from the Company's Annual General Meeting, which has been renewed for one-year periods each year up until the Company's Annual General Meeting in 2018, where it was replaced by a share option program. These subscription rights and share option plans have been identical for senior managers as for all employees.

The Board of Directors has proposed to the Annual General Meeting to be held on 9 May 2019 that the Company's share option program continues where grants of options shall be based on position, results and competitive considerations. The purpose of the share option program is to strengthen the Company by providing to employees, management and consultants additional performance incentive.

All former subscription rights programs will remain valid until expired pursuant to the terms applicable to such subscription rights and, thus, the subscription rights program shall be gradually phased out. However, employees and/or contractors with subscription rights may be offered share options to replace their holding of subscription rights.

The exercise price of share options issued under the share option program shall as a minimum be the average closing price of the Cxense share as reported by Oslo Børs over the ten trading days immediately preceding the date of the grant. Unless resolved otherwise by the Board, 25% of each grant of share options shall vest each 12 months after the date of the grant and expire at the five-year anniversary at the date of the grant. The Board of Directors shall aim to ensure that the aggregate number of outstanding subscription rights and share options in the Company does not exceed 10% of the number of outstanding shares in the Company at any given date.

#### **4. Implementation and effect of the policies on remuneration to executive management in 2018**

The bonus plan works to motivate senior managers to achieve the Company's operational and business objectives in the annual planning cycle. The share-based incentive plan with vesting over several years, works to align the interests of executive management with shareholders' interests also in the long term.

Salary, pension and any paid bonuses including pertinent employer's tax is expensed simultaneously with the paid or earned remuneration. The earned compensation of each senior manager in 2018 is reported in the note information to the annual financial statements for 2018.

For the shareholders an actual or possible exercise will represent a dilution. At the end of 2018, the number of outstanding subscription rights and share options to management amounted to 310,000, corresponding to 3.41 % per cent of the share capital.

Oslo 9 April 2019

The Board of Directors of Cxense ASA