

DLT ASA REMUNERATION POLICY

ANNUAL GENERAL MEETING – 25TH OF JUNE 2021

1 INTRODUCTION

1.1 About this Policy

The overall aim of this remuneration policy for the Board of Directors and the executive management team (the "**Policy**") is to provide a framework for remuneration at DLT ASA ("**DLT**" or the "**Company**", and together with its consolidated subsidiaries, the "**Group**"), as well as specific guidelines for incentive pay, based on an understandable and comprehensive overview of the remuneration provided by the Company.

DLT aims to secure remuneration principles that reflects best market practices, with appropriate flexibility to secure and retain top level human resources in the Company. This Policy describes the general remuneration policy of the Company, including an outline of incentive arrangements (short and long-term).

The main objective of the remuneration policy is to allow DLT to attract and retain talented employees in a competitive market. A priority is to align management and other leading employees' interests with those of the shareholders either directly through shares or other share-based incentives in conjunction with a base salary and short-term incentive arrangement. The Board of Directors believe the use of share-based incentives both motivates and retains employees, two key factors for the future growth of the Company.

The Policy and the remuneration guidelines herein shall apply to; (i) Board of Directors (the "**Board Employees**"), and (ii) the CEO of the Company and the senior management team of the Company (jointly, the "**Executive Management Team**"), and is subject to approval by the general meeting of the Company upon its first adoption, and later upon any material changes or at least every four years. This Policy shall, subject to approval by the general meeting, become effective immediately following the annual general meeting of the Company in 2021.

This Policy has been prepared in accordance with Section 6-16a of the Norwegian Public Limited Companies Act, and the Norwegian Regulation on guidelines and report for executive personnel (Nw: *Forskrift om retningslinjer og rapport om godtgjørelse for ledende personer*).

1.2 Preparation and implementation of this Policy

The Board work collectively as the Company's remuneration committee. The Board is responsible for preparing this Policy with regards to remuneration guidelines for the Executive Management Team. Further, the Board is responsible for implementing and evaluating the remuneration and other terms and conditions of appointment for the Executive Management Team pursuant to this Policy.

The Board of Directors are responsible for determining all parts of the CEO's compensations, and the CEO, together with any other parties he/she chose to delegate to, is responsible for determining the compensation for other leading employees/management.

The Nomination Committee is responsible for preparing this Policy with regards to remuneration guidelines for the Board Employees. Further, the Nomination Committee is responsible for implementing and evaluating the remuneration of the Board Employees members pursuant to this Policy.

The Board acts independently of the Executive Management and The Nomination Committee acts independently of the Board, and no conflicts of interest should arise. No members of the Executive Management Team are present at Board meeting when the remuneration of the Executive Management Team is discussed. Further, no members of the Board are present at Nomination Committee meetings the proposals for remuneration of the Board members are discussed.

The Board is responsible for proposing the Policy for adoption at the Company's general meeting from time to time.

2 REMUNERATION POLICY: THE BOARD OF DIRECTORS

2.1 Process

Pursuant to Article 7 of the Company's Articles of Association, the Company shall have a Nomination Committee consisting of three members, as decided by the general meeting. The members of the Nomination Committee shall be elected so that the broader shareholders' interests are ensured.

Pursuant to the Articles of Association, the Nomination Committee shall, inter alia, give the general meeting its recommendation regarding the remuneration of the Board members. The proposed levels of remuneration to the Board members shall be reviewed at least annually, in connection with the annual general meeting. The proposals for remuneration of the Board members are presented to the general meeting for approval before they come into effect. The remuneration of the Board members is approved as a separate item on the agenda of the annual general meetings of the Company.

2.2 Guidelines

The Board of Directors, including Board Employees are to be compensated for their dedication of time and effort, their experience and risk they are exposed to as being on the Board of Directors in a publicly listed company.

Fixed fee

The Chairman and each member of the Board of Directors receives a fixed annual fee, which amount may be paid monthly. The general guidelines for the remuneration given to the Board of Directors is to offer a competitive fixed fee, together with the possibility to participate in the Company's Long-term incentive arrangement (as described in section 4.3)

Within the framework of this document, the Nomination Committee (Norsk: *Valgkomité*) is responsible to set forth a suggested remuneration of the Board of Directors.

Ad Hoc

Individual Board members may be required to take on specific ad hoc tasks outside their normal duties assigned by the Board, and such tasks may also be agreed through service agreements with such board member or companies affiliated to Board members. In each such case, the Board shall determine a fixed fee for the work carried out related to those tasks. The fixed fee will be disclosed in the annual remuneration report.

Benefits

Additional fees or benefits may be provided to reflect, for example, accommodation, office, transport and other business-related expenses incurred while carrying out their role.

Incentive plans

The Board may be offered to participate in the Company's Long-term incentive arrangement (as described in section 4.3). If the members of the board are to be offered to participate in the long-term incentive arrangement, this shall be proposed by the Nomination Committee for approval by the general meeting.

3 REMUNERATION POLICY: MANAGEMENT

The overall objective of the remuneration guidelines for the Executive Management is to attract, retain and motivate employees with the skills, qualifications and experience needed to maximize value creation for the Company and its shareholders.

DLT shall offer competitive terms to its Executive Management Team, and consequently, the remuneration of the Executive Management Team shall as far as possible be in line with the market level for remuneration of senior management in comparable companies. However, the remuneration of the Executive Management Team shall not be of a size or nature which is liable to harm the Company's reputation.

To hire and retain key employees in management positions DLT ASA aims to combine a competitive base salary with both short-term and long-term incentive arrangements. The latter is split between a "skin-in-the-game" arrangement with the purchase of shares, and a traditional share option program.

4 TYPES OF REMUNERATION

In this section we go in detail on the different arrangements, ranging from base salary to short-term and long-term incentive arrangements, as well as travel and other expenses. The table at the end sums up which roles in the company are eligible for which remuneration type.

4.1 Base salary

The fixed salary which each member of the Executive Management Team receives is a consequence of existing employment agreements. When entering into employment agreements with persons who are intended to be part of the Executive Management Team, the overall objectives set out above will be taken into account. The fixed salary shall be competitive compared with comparable listed companies. Adjustments of individual fixed salaries will be carried out in accordance with trends in local labour markets, the results achieved, and individual contributions to the development of the Company.

The purpose is to provide fixed remuneration allowing DLT to attract, retain and motivate employees with the skills, qualifications and experience needed to maximize value creation for the Company and its shareholders.

4.2 Short-term incentive

As a general principle, the participants of the Company's short-term incentive arrangement can at a maximum achieve a value equal to 100 % of their base salary. The objectives by which management and key employees are assessed is set by the CEO for a maximum period of one year at a time. The Board assesses the objectives for the CEO.

Generally, the short-term incentive arrangement shall follow this main structure:

- Consist of both quantitative and qualitative goals that the employee in question is able to control/affect.
- The goals should be aligned with the company's overall short- and long-term goals.
- The arrangement should be no longer than on a yearly basis.

4.3 Long-term incentive: Share Option program

The Company has in place a share option program to issue share options to the Board, employees and key personnel in the Company. The Board considers that a Share Option program aligns the interest of option holders with that of the shareholders of the Company. It is the Nomination Committee which will propose, for annual approval by the general meeting, the participation of the Board in the Share Option program. The general meeting will also annually authorize the CEOs participation in the Share Option program. Subject to an authorization from the general meeting to issue additional share options, the Board of Directors may annually issue options to employees and consultants under the Share Option program.

For the year 2021 the Board has suspended the Share Option program and will only seek authorization for share options to be granted to employees who joined the company following the completion of the transaction with Distributed Ledger Technologies LLC on March 24th, 2021.

Under the authorization to issue share options, the Board of Directors are authorized to determine who should be offered share options, the number of share options to be allocated to each individual, as well as the strike price and other conditions for the share options.

Generally, the share options shall follow this main structure:

- Tranche structure with monthly vesting, and a maximum vesting of three years on the final tranche, from grant date.
- A five-year expiration date from grant date.
- The strike price to be determined by the Volume Weighted Average price 30 days prior to the grant date.
- The possibility for the Board of Directors to convert the share options to a cash-based incentive (reflecting the intrinsic value of the share option) if the Board of Directors considers that to be reasonable or beneficial for the company.
- Options that are not vested at the time when the option holder's engagement with the Company is terminated (regardless of cause) will expire without compensation.
- If a shareholder becomes owner of more than 90% of the shares in the Company, the option holder has the right to exercise all of the options within a period of 3 months, regardless of whether they are vested or not.
- The Board of Directors may set as a condition for allocation and vesting of options that the option holder continues to provide the services / work for the Company for a certain period in the future.

The Board of Directors may at their discretion offer new key-employees a "sign-on" number of share options to be granted on the date of signing their employee agreement.

The management and more specifically the company's Insider Trading Officer (typically the CFO), will be responsible for planning and arranging exercise windows for current share option holders of vested options.

The share options are a tool to incentivize the option holders to work for long-term value creation for the Company and its shareholders.

Generally, share options which have been allotted, vested or forfeited under previous years share option program can be found in the most recent annual report. Following the annual report for 2020, the extraordinary general meeting on 17 March 2021 approved an expansion of the share option program for 2020 to 4,547,341, and the extraordinary general meeting approved the grant of 4,000,000 share options.

4.4 Long-term Incentive: Employee share purchase program

Using a non-dilutive source of shares, the Company shall arrange the possibility for full-time employees to purchase shares in the company. As a means to do this, the Board of Directors should suggest to the Annual General Meeting to get the power of attorney to repurchase enough shares to fulfil the requirements of such planned purchase opportunity amongst key employees.

Generally, the employee share purchase shall follow this main structure:

- Possibility for full-time employees to purchase shares at a discounted rate ranging between 15-35 % (dependant on lock-up and calculated PUT-discount).
- Employees with current ownership of more than 500.000 shares in the Company are not eligible to participate in the purchase arrangement.
- All shares purchased will be subject to a lock-up period of between one to three years.
- Company loan financing of parts of the purchase amount.

The share purchase program is to be planned and executed by the Insider Trading Officer (typically the CFO), after approval from the Board of Directors.

The Employee share purchase program is a tool to incentivize the employees to work for long-term value creation for the Company, co-aligning them with the shareholders, and should mainly be used towards newer employees with a limited number of shares in the company.

4.5 Other benefits and related

4.5.1 Pension

DLT has a defined contribution pension plan as required by the Norwegian Law.

4.5.2 Insurance

DLT has procured insurance cover for healthcare, travel and other necessary policies for employees.

4.5.3 Severance payment

In general, employees are given a range of 3-12 months of severance payment, dependant on role, experience, and reason for leaving the company.

4.5.4 Termination of employment

The Company may terminate the employment of an executive by giving three to twelve months’ notice. Executives may terminate their employment by giving the company three to six months’ notice.

Upon termination, the employee can request to receive the current vested intrinsic value of his/her participation in the Long-Term Incentive arrangement, paid as cash. The Board of Directors will consider and grant such requests.

4.6 Remuneration eligibility

Remuneration eligibility matrix	Management and key-employees	Board of Directors	Nominee Committee
Base salary	Yes	Yes	Yes
STI	Yes	No	No
LTI: Share options	Yes	Yes	No
LTI: Share purchase	Yes	No	No

5 BOARD DISCRETION TO DEVIATE FROM THIS POLICY

The Board may, to ensure the Company's long-term interests, resolve to temporarily deviate from any sections of this Policy in the following instances;

- Upon change of the CEO and other members of the Executive Management Team;
- Upon changes in the Group structure, organization, ownership and/ or business (for example in relation to mergers, takeovers, demergers, acquisitions etc.);
- Upon material changes in the Company's strategy;
- Upon changes in or amendments to relevant laws, rules or regulations (for example for regulatory, stock exchange control, tax or administrative purposes or to consider changes in legislation or corporate governance requirements or guidance); and
- Upon other exceptional circumstances where the deviation may be required to serve the long-term interests and sustainability of the Company as a whole or to assure its viability.

Any deviation from this Policy shall be reported in the remuneration report for the relevant year. If a deviation has continued so that it cannot be deemed temporary, the Company shall prepare an amended policy to be presented at the next possible general meeting.