

SSH Communications Security Corporation

TERMS AND CONDITIONS OF OPTION RIGHTS SCHEME I/2015

At its meeting on February 4, 2015, the Board of Directors of SSH Communications Security (hereafter referred to as the “Company”) decided on the basis of the authorization it received from the Annual General Meeting on March 20, 2014 to grant incentive option rights to employees of SSH Communications Security Corporation and its subsidiaries and persons working in the Company’s subcontractors’ projects relating to the Company under the following terms and conditions:

I TERMS AND CONDITIONS OF OPTION RIGHTS

This Option Rights Scheme shall cover the issue of a maximum aggregate of 2 000 000 option rights that provide an entitlement to subscribe for a maximum of 2 000 000 new or treasury shares of the Company. The Board of Directors shall decide whether subscribers are issued new or treasury shares. The option rights issued are divided into the following series of options:

Code	Number of options	Subscription price, €	Share subscription period
I/2015A	660 000	3.45€	15.3.2018-30.5.2020
I/2015B	660 000	3.45€	15.3.2019-30.5.2020
I/2015C	680 000	3.45€	13.3.2020-30.5.2020

The option rights shall be offered free of charge to Company employees as decided by the Board of Directors and selected persons working for the Company’s subcontractors in projects carried out on behalf of the Company as decided by the Board of Directors (hereafter collectively referred to as “Employees”). Decisions on all measures relating to the issue of option rights shall be made by the Board of Directors. The Board of Directors may also decide upon the redistribution of any option rights returned to the Company at a later date.

The weighty financial reason for the issue of the options is to provide incentives for and achieve the commitment of Employees.

The subscription price has been determined on the basis of the market price of the Company’s shares on the date of the decision concerning the option rights issue.

Option rights and any option certificates provided thereon may not be transferred to a third party or pledged without the Company’s consent. Decisions on the granting of consent shall be made by the Company’s Board of Directors. This prohibition of transfer shall not apply to transfers taking place by succession or will.

In the event that the employment relationship of an option right holder with the Company or its subcontractor is terminated, or the tasks of an Employee working for a subcontractor end in a project relating to the Company, or an Employee begins to work part-time for less than 120 hours per month before the commencement of the subscription period for some or all of the option rights, the option rights subscriber or his or her successor in title shall, without delay and free of charge, offer to the Company or a party authorized by the Company all such option rights concerning which the share subscription period had not commenced on the date the notice of termination or summary termination of the employment relationship was given. The Board of Directors may, however, for

special reasons decide in such cases that the option right holder may keep all or some of his or her option rights falling under the offer obligation. The Company may, irrespective of whether or not the option rights subscriber or his or her successor in title has offered the option rights to the Company, unilaterally announce in writing that the option right has been lost due to the termination of the Employee's employment relationship or the ending of tasks relating to the Company of an Employee working for a subcontractor. Should the option rights have been transferred to the book-entry system, the Company shall, irrespective of whether or not it has been offered the option rights, have the right to request and be granted the transfer of all of the option rights falling under the offer obligation from the option right holder's book-entry account to a book-entry account designated by the Company without the option right holder's consent. Furthermore, the Company shall have the right to register transfer restrictions or other corresponding restrictions in the option right holder's book-entry account without his or her consent. The Company's Board of Directors shall further have the right to decide whether it will pass the option rights returned to the Company to third parties or whether it will invalidate the option rights returned.

Option rights may be issued under the book-entry system. Decisions on any incorporation in the book-entry system as well as the related procedure and schedule shall be made by the Board of Directors. Should the option rights be incorporated in the book-entry system, the subscribers shall, without delay in advance thereof, open a book-entry account and related bank account.

In the event that the Company decides upon a share issue against payment or issues new option rights or special rights entitling to shares before the share subscription, the rights of the option right holders shall be the same as or equal to those of shareholders. Equality shall be achieved in a manner decided by the Board of Directors by changing either the number or the subscription prices of the shares available for subscription, or both.

If a share issue or issue of option rights or other special rights giving entitlement to shares is carried out in a manner deviating from the shareholders' pre-emptive right to subscribe for shares, the measure shall not affect the right to subscribe for shares arising from the option rights.

If the Company prior to the share subscription organizes a share issue without payment, the terms of subscription shall be amended in a manner decided by the Board of Directors so that the proportion of the share capital of the shares subscribed pursuant to the option rights remains unchanged. Should the new number of shares that can be subscribed for with one option right be a fraction, the fractional component shall be taken into consideration by reducing the subscription price.

In the event that the Company distributes dividends or assets from reserves of unrestricted equity, the subscription price of shares subscribed for under the option right shall be reduced by an amount of unrestricted equity to be distributed decided prior to the share subscription on the date of each repayment of principal.

Should the Company reduce its share capital by distributing it to shareholders, the subscription price of shares subscribed for under the option right shall be reduced by the amount of share capital decided prior to the share subscription on the date of the repayment of capital.

Any acquisition or redemption of the Company's own shares or acquisition or redemption of other special rights entitling to shares carried out by the Company shall not have an impact on the option right holders' status. Should the Company, however, decide to acquire or redeem its own shares from all shareholders, an equal offer shall be made to the option right holders.

In the event that the Company is ordered into liquidation before the share subscription, the option right holders shall be given the opportunity to exercise their share subscription right within the

period of time set by the Board of Directors prior to the commencement of liquidation. In the event that the Company is deregistered prior to the share subscription, the option right holders' rights shall be equal to those of shareholders. In situations referred to in this paragraph, the option right holders' obligation to subscribe for shares under their option rights shall lapse on the completion of the above set period of time.

Should the Company change its number of shares by conducting a share split or a reverse split, the number of shares or options that can be subscribed for under the option right shall be amended correspondingly in a manner whereby the proportion of the share capital of the shares that can be subscribed for on the basis of the option rights shall remain unchanged.

Should the Company decide to merge as the merging company into another company or into a company created in a combination merger, or to demerge, the option right holders shall be granted the right to subscribe for the shares within the period of time set by the Board of Directors prior to the merger or demerger. No subscription right shall exist after that. The same procedure is applicable to cross-border mergers and demergers and cases where the Company's registered office is transferred, following a transformation into a European company or for another purpose, from Finland to another Member State within the European Economic Area. The Board of Directors shall decide upon the impact of any partial demerger on option rights. In the situations described above, the option right holders shall also not have the right to require that the Company redeems their option rights at the fair price.

Should a squeeze-out or sell-out take place in the Company in accordance with Chapter 18 of the Finnish Limited Liability Companies Act, the redeemer shall have the right and the obligation to also redeem the option rights issued at the fair price.

II TERMS AND CONDITIONS OF SHARE SUBSCRIPTION

Each option right shall provide the right to subscribe for one new share or a treasury share of the Company. The Board of Directors decides whether the shares are new shares or treasury shares.

The share's subscription price has been defined above in Section I. The subscription price shall however, in all situations, be at least the nominal value of the share. Payment for shares shall be made on subscription to the bank account designated by the Company. With regard to the subscription price, an amount corresponding to the nominal value shall be credited to the share capital and the remainder to the reserve for unrestricted equity.

Shares that have been subscribed and fully paid for shall be entered without delay into the Trade Register as well as the Company's shareholder register and the subscriber's book-entry account. The right to dividend carried by the shares as well as other shareholders' rights shall commence once the new shareholders and the related increase of share capital have been entered into the Trade Register. Should a share subscriber be issued the Company's treasury shares, the subscriber shall receive the right to dividend and other shareholders' rights as soon as the shares have been subscribed to and paid for.

The Company's share capital may only be increased by a maximum of € 60 000 and the number of shares by a maximum of 2 000 000 new shares as a result of share subscriptions.

Share subscriptions shall take place in the Company's head office or another location that may be specified at a later date. The subscriber shall hand over to the Company any option certificate on the basis of which the subscription takes place or, where the option rights have been incorporated in the book-entry system, the option right exercised in the share subscription shall be withdrawn from the

subscriber's book-entry account.

Decisions on all measures relating to share subscription shall be made by the Company's Board of Directors.

III OTHER MATTERS

These Terms and Conditions of Option Rights shall be governed by Finnish law. Any dispute, controversy or claim arising out of or relating to option rights shall be settled by arbitration by a sole arbitrator in accordance in with the Rules of the Arbitration Institute of the Finland Chamber of Commerce.

The Company's Board of Directors may decide to make such technical amendments and specifications to these terms and conditions that are not to be regarded as material. Decisions on other matters relating to option rights shall be taken by the Board of Directors, which may also impose orders that are binding upon option right holders and change terms and conditions other than material terms and conditions referred to herein. The documents relating to option rights shall be displayed in the Company's head office.

Option rights shall not be regarded as pay or benefits in kind relating to terms and conditions of employment. During their employment relationship with the Company or its subcontractor or following the termination of such employment relationship, option right recipients shall not have any right to receive compensation from the Company on any grounds concerning the option rights.

Option right recipients shall themselves be responsible for any taxes and tax consequences relating to the receipt and exercise of option rights.

The Company may, without consulting option right recipient, take any measures it deems necessary to fulfill its statutory payment or other obligations relating to option rights as well as to promote the administration of the Option Rights Scheme. The Company shall, in order to fulfill its obligations including the withholding obligation, have the right to withhold the necessary proportion of income generated for option right recipients in the context of option right transfers or sale of shares subscribed for under them.

Should an option right holder act in violation of decisions, orders or instructions issued by the Company pursuant to these terms and conditions or in violation of applicable law or official regulations, the Company shall have the right to withdraw, free of charge to the Company or a party authorized by the Company, any option rights not used to subscribe for shares from the option right holder.

The Company may maintain a list of option right holders containing the personal data and address details of option right holders.

All communications relating to these Terms and Conditions of Option Rights from the Company to option right holders may be provided as stock exchange releases, by post or by email to the address provided to the Company.

These Terms and Conditions have been drafted in Finnish and in English. In case of any discrepancies between the Finnish and English versions of these terms, the Finnish version shall prevail.