



## Decisions taken by the Annual General Meeting of Fingerprint Cards AB (Publ) 2017

### **Adoption**

The AGM of Fingerprint Cards AB (publ) held on April 20, 2017 adopted the financial statements submitted for 2016.

### **Dividend**

The AGM resolved that no dividend be paid.

### **Discharge from liability**

The AGM discharged the members of the Board and the President from personal liability for the 2016 fiscal year.

### **Determination of the number of Board members**

The AGM resolved that the Board of Directors comprise nine (9) regular members.

### **Board fees**

The AGM resolved to pay the Board of Directors fees totaling SEK 4,050,000, of which SEK 850,000 to the Chairman of the Board and SEK 400,000 to each other Board member.

Fees for work on committees will be payable in an amount of SEK 460,000, to be distributed as follows: **Audit Committee:** SEK 150,000 to the Chairman and SEK 75,000 to each other member.

**Remuneration Committee:** SEK 80,000 to the Chairman and SEK 40,000 to each other member.

If tax-related prerequisites for invoicing exist, and on condition that it is cost-neutral for the Company, the invoicing of director fees from the member's own company will be permissible. If a Board member invoices his/her director fee via a company, the fee will be increased by an amount corresponding to social security contributions and statutory VAT.

### **Election of Board members, Chairman of the Board and auditor**

The AGM reelected Jan Wäreby, Urban Fagerstedt, Michael Hallén, Åsa Hedin, Tomas Mikaelsson and Carl-Johan von Plomgren and Alexander Kotsinas, Ann-Sofie Nordh and Dimitrij Titov as new Members of the Board. Jan Wäreby was reelected as Chairman of the Board.

Board members are presented on the company's website:

<https://corporate.fingerprints.com/en/corporate-governance/the-board-of-directors/>

### **Election of auditor**

KPMG was reelected to audit the company until the next annual general meeting in 2018. KPMG AB has appointed Joakim Thilstedt as auditor in charge.

### **Election of members of the Nomination Committee**

The AGM resolved that the company is to have a Nomination Committee comprising four (4) members. During the year, the Chairman of the Board is to convene a meeting of the three (3) largest shareholders of the Company in terms of voting power and ask them to each appoint one representative who, in addition to the Chairman of the Board, will constitute members of the Nomination Committee. Should one of the three largest shareholders choose to waive their right to appoint a representative of the Nomination Committee, the shareholder who is next in line in terms of size is to be given an opportunity to appoint a member of the Nomination



Committee. The Nomination Committee may also decide, if this is regarded as appropriate, to appoint an additional representative of a group of major shareholders as a co-opted member of the Nomination Committee. The Chairman of the Board is to convene the first meeting of the Nomination Committee. The member representing the largest shareholder in terms of voting power is to be appointed Chairman of the Nomination Committee. The term of office of those appointed to the Nomination Committee extends until such time as a new Nomination Committee is appointed. The composition of the Nomination Committee is to be disclosed no later than six months before the AGM.

The Nomination Committee is to be constituted based on the largest shareholders in terms of voting power registered for the holder or known in some other manner as per the last banking day in August. If one or several of the shareholder/s who has/have appointed members of the Nomination Committee no longer belong to the three largest shareholders, their representative/s is/are to step down, whereupon the/those shareholder/s who has/have been added to three largest shareholders will be entitled to appoint a new representative. However, marginal changes that have occurred in the number of voting rights need not be taken into account, assuming that no special circumstances prevail.

If a member steps down from the Nomination Committee before its work has been completed, the Nomination Committee is to urge the shareholder who appointed such a member to appoint a new representative to the Nomination Committee without undue delay. Should this shareholder refrain from appointing a new representative, the right to appoint a new member of the Nomination Committee will accrue to the next largest shareholder in terms of voting power who is not represented on the Nomination Committee. Any changes to the composition of the Nomination Committee must be disclosed as soon as they occur. The Nomination Committee is to draft proposals on the following issues for resolution by the 2018 AGM proposal concerning Chairman of the Meeting, Members of the Board, Chairman of the Board, auditor, remuneration of Board members, remuneration of the auditor and guidelines for appointing the Nomination Committee.

#### **Guidelines for remuneration of senior executives and guidelines for appointing the Nomination Committee**

The AGM resolved that The Remuneration Committee, which is appointed from among Board members, is to prepare guidelines in respect of pay and other employment terms for the President and senior executives and present the Board with proposals in respect of these issues. The Board decides on pay and other remuneration of the President. The President is to determine the salary and other remuneration payable to other senior executives in accordance with the Board's guiding principles. The term "other senior executives" refers to the individuals who, in addition to the President, constitute the Executive Management Group. The basic remuneration levels are to be market-based.

Remuneration comprises a fixed basic salary, variable remuneration calculated according to predetermined targets, other benefits, pension and financial instruments in the form of performance shares. The distribution between fixed salary and variable remuneration is to be proportionate to the executive's responsibilities and authorities. The variable remuneration payable to the President and other senior executives may not exceed 100% of their fixed annual salary, with the exception of a sign-on bonus.



Pension terms and conditions are to be based on defined-contribution pension schemes. The period of notice from the Company is not to exceed six months. During the period of notice of no longer than six months, full salary and employment benefits are payable. If employment is terminated by the Company, severance pay is payable in an amount corresponding to not more than 12 monthly salaries. Decisions regarding share and share-price-based incentive programs are to be made by the AGM. In certain cases, the Board of Directors is to be entitled to disapply the guidelines if special circumstances prevail.

#### **Adoption of an incentive program**

The AGM resolved to adopt a long-term incentive program (“LTIP 2017”). LTIP 2017 encompass 25 individuals within the Fingerprint Group. Within the framework of LTIP 2017, the participants will be given an opportunity to receive Class B shares free of charge, also known as “Performance Shares,” according to the terms and conditions specified below.

Within the framework of LTIP 2017, the company will allot to participants awards for Performance Shares, whereby the award, assuming that certain terms and conditions are fulfilled, will provide entitlement to the receipt, free of charge, of one Performance Share (“Awards”).

To be able to implement LTIP 2017 cost-effectively and flexibly, the AGM resolved to authorize the Board on one or several occasions up to the 2018 AGM to make decisions on the buyback of at most 812,438 Class B shares on a free-of-charge transfer of at most 618,200 Class B shares to participants in accordance with LTIP 2017 and that it be possible to transfer at most 194,238 Class B shares on Nasdaq Stockholm at a price within the registered span of share prices at the particular time in order to cover any social security contributions due to LTIP 2017.

#### **Motion concerning authorization of the Board to make decisions regarding buybacks and transfers of Class B treasury shares for participants of the program and in the market**

The AGM resolved to authorize the Board, on one or more occasions prior to the 2018 AGM, to decide on the buyback of no more than 812,438 Class B shares. The shares are to be bought back on Nasdaq Stockholm at a price within the registered span of share prices (the share spread) at the particular time, by which is meant the span between the highest price paid and the lowest asked price, and to otherwise observe the regulations pursuant to the Exchange Rules. The reason for buying back the Company’s own shares is to secure delivery of performance shares in accordance with LTIP 2017, and to cover possible social security costs due to LTIP 2017.

The AGM resolved to authorize the Board on one or several occasions up to the next AGM to decide that the Class B shares that the company buys back pursuant to the buyback authorization as described above can be transferred free of charge to the participants of LTIP 2017 in accordance with the decided terms and conditions, to be transferred in order to cover any social security contributions pursuant to LTIP 2017.

Accordingly, the AGM resolved that at most 618,200 Class B shares will be transferable to participants in accordance with the terms and conditions for LTIP 2017, and that at most 194,238 Class B shares will be transferable on Nasdaq Stockholm at a price per share that is within the registered span of share prices at the particular time to cover to cover any social security contributions connected to LTIP 2017. The number of shares that are transferable will be subject to recalculation should a bonus issue, share split and/or similar event occur in the interim period.



### **Resolution to buyback and transfer of Class B treasury shares**

The AGM resolved to authorize the Board on one or several occasions up to the next AGM to make decisions concerning the buyback of a number of Class B shares in Company that at each point in time does not exceed 10% of all of the shares in the Company, taking into account the treasury shares and any shares bought back by the Company according to the resolution of long-term incentive program.

The shares are to be acquired on Nasdaq Stockholm and may only be acquired at a price within the registered span of share prices at the particular time, by which is meant the span between the highest price paid and the lowest asked price.

### **Resolution to reduce the share capital through the cancellation of bought back shares, as well as a bonus issue**

The AGM resolved to reduce the share capital by SEK 416,960 from SEK 12,975,667 to SEK 12,558,707. The reduction in the share capital is to be effected through the cancellation of 10,424,000 Class B shares, which are held in treasury by the Company and that have been bought back since the preceding AGM. The share capital is being reduced for an allocation to unrestricted reserves according to an AGM resolution.

The AGM resolved to increase the Company's share capital through a bonus issue, as follows: Through the bonus issue, SEK 416,960 is to be added to the share capital, without issuing new shares. The purpose of the bonus issue is to restore the share capital following the reduction according to Item 19 A. The Company's share capital is to be increased through a transfer from unrestricted shareholders' equity.

### **Authorization to resolve on the issue of new shares with preferential rights for shareholders**

The AGM resolved to authorize the Board, on one or more occasions until the next AGM, subject to the limits stipulated by the Articles of Association, to make decisions on the issue of a total of not more than 25,000,000 shares, taking into account the stock split and the limits in the Articles of association, with preferential rights for the shareholders, in order to finance and ensure the continued expansion and development of the Company, its market and products.

### **About Fingerprint Cards AB (publ)**

Fingerprint Cards AB (FPC) is a high tech and listed company which develops, produces and markets biometric technology that through the analysis and matching of an individual's unique fingerprint verify the person's identity. A secure and convenient user experience is thus made possible, beyond keys and pins. The FPC technology offers world class advantages and include unique image quality,

extreme robustness, low power consumption and complete biometric systems. With these advantages and in combination with low production costs the technology may be implemented in large volume products as smartphones, tablets and biometric cards where these demands are extremely high. FPC's technology have user cases from a number of applications.

The information was issued for publication on April 23, 2017 at 11:00 CEST.