

## **Fingerprint Cards AB**

### **Remuneration report 2022**

#### Introduction

This report describes how the guidelines for remuneration of senior executives of Fingerprint Cards AB, adopted at the 2020 Annual General Meeting (AGM), were implemented in 2022. The report also provides information on remuneration paid to the Chief Executive Officer (CEO). The report has been prepared in accordance with the Swedish Companies Act and the *Rules on Remuneration of the Board and Executive Management and on Incentive Plans* issued by the Swedish Corporate Governance Board.

Further information on remuneration of senior executives is available in Note 8 (Employees, personnel costs and remuneration of senior executives and Board members) on pages 72-74 of the 2022 Annual Report. Information on the Remuneration Committee's work in 2022 is presented in the Corporate Governance Report available on pages 45-50 of the 2022 Annual Report.

Remuneration of the Board of Directors is not covered by this report. Such remuneration is resolved annually by the AGM and disclosed in Note 8 on page 74 of the 2022 Annual Report.

#### The company's development in 2022

The CEO summarizes the company's overall performance in his statement on pages 6-7 of the 2022 Annual Report.

#### The company's remuneration guidelines: scope, purpose and deviations

A prerequisite for sustainable and successful implementation of the company's business strategy and achievement of its long-term interests is that the company is able to attract, engage, develop and retain qualified employees. The company's remuneration guidelines are designed to ensure that the company can offer executives competitive total remuneration.

According to the guidelines adopted by the 2020 AGM, Fingerprint Cards shall offer remuneration to senior executives comprising fixed salary, variable remuneration, pension and customary insurance cover. The remuneration shall be market based, and variable remuneration shall be based on predetermined goals. Any variable remuneration paid to senior executives may be based on both corporate parameters (such as revenue, operating profit and liquidity) and individual targets. The total remuneration shall, when considered overall, entail a sound balance between, on the one hand, the company's interest in motivating and rewarding executive management and, on the other hand, maintaining the company's cost effectiveness. No share-based or share-price-based incentive programs are currently under way in the company.

The guidelines are presented on pages 59-61 of the 2022 Annual Report. During 2022, the company complied with the applicable AGM-adopted remuneration guidelines. The auditor's report regarding the company's compliance with the guidelines is available on <https://www.fingerprints.com/agm2023>. No remuneration was reclaimed during the year.

**Table I – Total remuneration of the Chief Executive Officer for 2022 (KSEK)**

Name of executive (position)	Period	1 Fixed salary and benefits		2 Variable remuneration		3 Extraordinary items	4 Pension Cost <sup>3</sup>	5 Severance Pay <sup>4</sup>	6 Total Remuneration <sup>5</sup>	7 Proportion of fixed and variable remuneration (%) <sup>6</sup>
		Basic Salary	Other Benefits <sup>1</sup>	One-year	Multi-year <sup>2</sup>					
Ted Hansson (CEO)	221103-221231	550					33		583	100% / 0%
Christian Fredrikson (CEO)	220101-221102	5 628	3 732	-			1 334	11 057	21 751	100% / 0%

All remuneration pertains to remuneration received from Fingerprint Cards AB, Fingerprint Cards Asia and Fingerprint Cards Switzerland AS. No additional remuneration was received from any other company in the Group. The remuneration refers to what the respective CEO has received during his time as CEO in the company.

- <sup>1)</sup> Consists of insurance cover, housing allowance and cost of living allowance in Switzerland.
- <sup>2)</sup> The Chief Executive Officer did not receive any shares or long-term incentives during the year. The company does not have any ongoing share-based incentive program.
- <sup>3)</sup> Pertains to premium payments to an occupational defined contribution pension scheme in 2022.
- <sup>4)</sup> Pertains to severance pay according to agreement for leaving CEO.
- <sup>5)</sup> Fixed salary, benefits and pension cost. This amount does not include the company's payroll taxes on salary and benefits.
- <sup>6)</sup> Fixed remuneration Christian Fredriksson: 9,360 kSEK; Variable remuneration 0 kSEK. Fixed remuneration Ted Hansson: 550 kSek; Variable remuneration 0 kSek. Pension costs not included.

#### Share-based remuneration

There is no ongoing long-term share-based incentive program in the company. None of the company's employees, senior executives or Board members were awarded stock options or shares during the year.

#### Application of performance criteria, variable cash remuneration

The performance criteria for the CEO's variable remuneration were selected to realize the company's strategy and to promote the company's long-term interests. When choosing performance criteria, the strategic targets and short and long-term business priorities for the year were taken into account.

Comparative information concerning changes in remuneration and company performance

**Table 2 – Change of remuneration and company performance over the last five reported fiscal years (RFY) (KSEK)**

Since this document constitutes the third remuneration report prepared by Fingerprint Cards AB, the table below **only includes information concerning the 2020, 2021 and 2022 fiscal years.**

	RFY 2020	RFY 2021	RFY 2022
Remuneration of the CEO	10,20	11,92	26,27
Consolidated Operating Result	-365,8	-7,60	-631,0
Average remuneration based on the number of full/time employees <sup>1</sup> of the Parent Company	0,9	0,8	1,0

1) Excluding members of the group management. The remuneration consists of base salary, other benefits, variable salary and pension costs, which is the same remuneration of the CEO as in Table I. Total remuneration has been divided by the average number of full time employees in the parent company, excluding the members of group management, to calculate the average remuneration.