

The Nomination Committee's proposals and motivated opinion ahead of the 2017 Annual General Meeting of Fingerprint Cards AB (publ)

The Nomination Committee, which comprises Dimitrij Titov, Tommy Trollborg and Johan Carlström, has notified that it will present the following proposals at the Annual General Meeting (AGM) in respect of Items 2 and 10-15 of the proposed agenda included in the official notice:

Item 2 – Election of Chairman for the Meeting

The Nomination Committee proposes that attorney-at-law Axel Calissendorff be appointed Chairman of the AGM.

Item 10 – Determination of the number of Members of the Board

The Nomination Committee proposes that the Board of Directors comprise nine (9) regular members and no deputy members.

Item 11 – Determination of remuneration of Members of the Board

The Nomination Committee proposes that the Board of Directors be paid 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 possibility of invoicing director fees from the member's own company will be provided. 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.

Item 12 – Determination of remuneration of the auditors

Remuneration of auditors is to be paid in accordance with approved invoices.

Item 13 – Election of Board members and Chairman of the Board

The Nomination Committee proposes reelection of Jan Wäreby, Urban Fagerstedt, Michael Hallén, Åsa Hedin, Tomas Mikaelsson, Carl-Johan von Plomgren. It is proposed that Alexander Kotsinas, Ann-Sofie Nordh and Dimitrij Titov be elected as new Members of the Board. It is proposed that Jan Wäreby be reelected as Chairman of the Board. Katarina Bonde and Peter Carlsson have declined reelection. It is noted that Dimitrij Titov has not participated in the Nomination Committee's proposal regarding himself.

Presentation of proposed new Members of the Board

Dimitrij Titov (born 1962)

Employment and other Board assignments

Lawyer and Partner, Advokatfirman Fylgia

Chairman of the Board of the Italian Chamber of Commerce in Sweden, Italienska Handelskammarens Service AB, Din Studio Sverige AB and Phantome de Genolier AB.

Member of the Board of Provinsor Fastigheter AB (publ).

Education

Master of Laws (LL.M.), Stockholm University.

Background

29 years of experience as a business lawyer. Lawyer since 1993 and Partner at Advokatfirman Fylgia since 1995 with main focus on M&A, corporate law and international agreements in the industry.

Chairman of the Nomination Committee of Fingerprint Cards AB (publ) and Mr Green & Co AB (publ).

Dimitrij Titov is dependent in relation to the Company but independent to the Company's major shareholders.

Shareholdings

Holdings in Fingerprint Cards: 0

Alexander Kotsinas (born 1967)

Employment and other Board assignments

Partner at the venture capital firm Nexttobe AB.

Chairman of the Board of Svenska Brandslangsfabriken AB and Allgotech AB.

Member of the Board of Intervacc AB (publ), Oasmia Pharmaceutical AB (publ), Sweden Carnica Group AB, Scint-X AB and Delta Projects AB.

Education

Master of Science Applied Physics, KTH Royal Institute of Technology, Stockholm.

Bachelor of Science Economics, Stockholm School of Economics.

Background

Vice president and CFO Q-Med AB 2008-2011, CFO Life Europe AB 2007, CFO mobile operator Tre (Hi3G Access AB) 2003-2006, vice president Investor AB (publ) 2000-2003 and different positions at Ericsson 1994-2000.

Alexander Kotsinas is independent in relation to the Company and the Company's major shareholders.

Shareholdings

Holdings in Fingerprint Cards: 0

Ann-Sofie Nordh (born 1969)

Employment and other Board assignments

Head of Investor Relations at Sandvik AB (publ).

Education

DIHM Marketing, IHM Business School, Stockholm.

CFO Programme, FEI, Stockholm.

Background

20 years of experience in the financial industry with base in London and Stockholm, including 11 years as an equity analyst with focus on Swedish industrial companies such as Alfred Berg Fondkommission AB (publ) and Nordea Markets. The last three years working at Sandvik AB (publ), including as Head of Sandvik Investor Relations.

Ann-Sofie Nordh is independent in relation to the Company and the Company's major shareholders.

Shareholdings

Holdings in Fingerprint Cards: 0

A detailed description of all the proposed members is available at the Company's website, www.fingerprints.com.

Item 14 – Election of auditors

The Nomination Committee proposes that the Company have a registered firm of accountants as its auditor and that, in accordance with the Audit Committee's recommendation, the registered firm of accountants KPMG AB be reelected as auditor for a term of office of one year up until the end of the 2018 AGM. KPMG AB has announced the intention that Authorized Public Accountant Joakim Thilstedt be appointed Auditor-in-Charge.

Item 15 – Resolution concerning the Nomination Committee

a) *Nomination Committee's proposals*

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
- proposal concerning Members of the Board
- proposal concerning Chairman of the Board
- proposal concerning auditor
- proposal concerning remuneration of Board members
- proposal concerning remuneration of the auditor
- proposal concerning guidelines for appointing the Nomination Committee

The Nomination Committee's opinion regarding its proposal to the Board

In order to assess the demands that will be placed on the Board with regards to the company's operations, phase of development and other circumstances, the Nomination Committee has discussed the size and composition of the Board.

Ahead of the AGM 2017, the Nomination Committee has held four formal meetings and in between held regular contacts concerning different issues of the Nomination Committee as well as held meetings with Board candidates. A board evaluation has been carried out by having members of the Board answer a number of questions about the Board's work. The answers were then compiled and reported by the Chairman of the Board and discussed by the Board. The Nomination Committee has thereafter in order to make correct assessments of the Board's composition, taken part of and together with the Chairman of the Board gone through the board evaluation and the Board's work as well as the Chairman of the Board's statement of the Company's operations, objectives and strategies. The Nomination Committee has also analyzed the competence and experience of the Board members as well as gender balance, and compared to the needs identified. The Nomination Committee considers that the proposed Board has great breadth and holds extensive experience, including from the

business, technology and financial markets, telecom and IT, semiconductor industry and in business law and corporate acquisitions. The Nomination Committee has applied item 4.1 of the Swedish Code of Corporate Governance (the "Code") as the diversity policy and strives continuously to meet the requirements of the Code on versatility, breadth and gender balance of the Board. The Nomination Committee has also had numerous contacts with the Audit Committee regarding the Audit Committee's recommendations on the election of the auditor.