

THE NOMINATION COMMITTEE'S PROPOSAL TO THE ANNUAL GENERAL MEETING, REPORT ON ITS WORK AND STATEMENT REGARDING PROPOSAL FOR BOARD OF DIRECTORS AND AUDITOR

The nomination committee's proposal to the Annual General Meeting

Yubico's nomination committee, consisting of Carsten Browall, appointed by Bure Equity AB, Patricia Hedelius, appointed by AMF Tjänstepension och Fonder, Stina Ehrensvärd, who represents herself, and Patrik Tigerschiöld, chairman of the board in Yubico AB, shall prepare proposals to the next Annual General Meeting regarding:

- Chairman of the Annual General Meeting.
- Number of members of the board of directors.
- Members of the board of directors to be elected by the Annual General Meeting.
- Chairman of the board of directors.
- Remuneration to the members of the board of directors elected by the Annual General Meeting distributed between the chairman, any deputy chairman, other members of the board of directors, and for work on the committees.
- Remuneration to the auditors, and, where applicable, the deputy auditor.
- Election of auditor.
- Rules for the nomination committee.

The nomination committee proposes the following to the Annual General Meeting

- Patrik Tigerschiöld is proposed as chairman of the Annual General Meeting.
- The board of directors is proposed to consist of seven members.
- The nomination committee proposes re-election of the board members Patrik Tigerschiöld, Stina Ehrensvärd, Gösta Johannesson, Paul Madera, Eola Änggård Runsten and Ramanujam Shriram. Jaya Baloo is proposed as new board member. Information on the members proposed for re-election is available in the annual report and on the company's website <https://investors.yubico.com/en/>.
- Patrik Tigerschiöld is proposed for re-election as chairman of the board.
- Remuneration of SEK 860,000 (previously SEK 500,000) is proposed to be paid to the chairman of the board of directors and SEK 460,000 (previously SEK 250,000) to each other director elected by the general meeting. Further, it is proposed that for work in the audit committee, an annual remuneration of SEK 200,000 (previously SEK 100,000) shall be paid to the chairman of the committee and SEK 100,000 to member of the audit committee. For work in the remuneration committee, it is proposed that an annual remuneration of SEK 100,000 be paid to the chairman of the committee and SEK 50,000 to member of the remuneration committee. No remuneration shall be paid to board member who is employed by the company. The total proposed remuneration amounts to SEK 3,610,000.
- In accordance with the audit committee's recommendation, it is proposed that the registered auditing company, Öhrlings PricewaterhouseCoopers AB ("PwC"), shall be re-elected as auditor until the end of the next Annual General Meeting. PwC has informed that Magnus Svensson Henryson will be appointed as the auditor in charge.
- Remuneration to the auditor is proposed to be paid in accordance with approved invoices.
- Changes are proposed in the instructions for the nomination committee. The main changes are that the number of represented owners is increased from three to four, clarification of instructions

in case of major ownership changes and that the chairman of the board is not a member of the nomination committee. For the complete proposal, see the notice to the Annual General Meeting.

The nomination committee's report on its work

The nomination committee has had the assignment to prepare the proposals to the Annual General Meeting as set out above. Information has been held available on the company's website about how shareholders have been able to submit proposals to the nomination committee.

The nomination committee has held four recorded meetings and has had continuous contacts in between meetings, including joint interviews with potential board candidates. The nomination committee has taken part of the result of the evaluation of the board of directors, had contacts with current board members and taken part of the audit committee's recommendation as regards the election of auditor.

In its work, the nomination committee has strived for gender balance on the board. The composition of the proposed board reaches the ambition of 40 percent representation of the least represented gender previously expressed by the Swedish Corporate Governance Board. In addition, the nomination committee has taken into account that the board shall exhibit diversity and breadth of qualifications, experience and background. The nomination committee has in its proposal for election of the board of directors applied rule 4.1 of the Swedish Corporate Governance Code as its diversity policy.

Statement regarding the nomination committee's proposal for the board of directors

The nomination committee's interviews and evaluation of the board and its work have indicated that the work of the board is well-functioning. In its efforts to further develop the diversity of competences and experiences on the board of directors, in order to reflect Yubico's strategic priorities and direction, the nomination committee has identified and proposes a new candidate for the board of directors, Jaya Baloo. The nomination committee's assessment is therefore that there is reason to propose that the board shall consist of seven board members elected by the meeting and that all current board members shall be proposed for re-election.

It is the nomination committee's assessment that the proposed new board member Jaya Baloo has extensive international experience and relevant expertise based on the industry in which Yubico operates.

Jaya Baloo was born in 1973. *Education:* DR. H.C., University of Twente, Netherlands and International Relations, Tufts University, Boston, USA. *Work experience:* Jaya Baloo is the CSO of Rapid7 and has been working in the field of information security with a focus on secure network architecture for over 20 years. She is the former CISO of Avast, and prior to that was CISO at KPN, the largest telecommunications carrier in the Netherlands and was the former Vice Chair of the EU Quantum flagship. *Significant assignments:* Jaya serves on boards of the NL's National Cyber Security Centre, TIIN Capital and the NOS. She is also on the faculty at Singularity University. *Own and related parties' holdings in Yubico:* 0 shares. Jaya Baloo is assessed to be independent in relation to the company and the company's management and in relation to major shareholders in Yubico.

The nomination committee considers that the proposed board has an appropriate composition and satisfies the requirements that will be placed on the board in the future as a result of Yubico's continued development and future direction. In assessing the independence of the proposed board members, the nomination committee has found that the proposed board of directors meets the requirements for independence as set out in the Swedish Corporate Governance Code.

Statement regarding the nomination committee's proposal for auditor

The audit committee has recommended re-election of PwC as auditor. The nomination committee shares the audit committee's assessment and therefore proposes that the Annual General Meeting, for the period until the next Annual General Meeting, appoints PwC as the company's auditor in accordance with the audit committee's recommendation.
