



Minutes kept at the Annual General Meeting of **Yubico AB**, reg. no 559278-6668, on May 5, 2026, 10:00 – 11:00 CEST, in Stockholm, Sweden.

**1 OPENING OF THE ANNUAL GENERAL MEETING (AGENDA ITEM 1)**

The chairman of the board of directors, Patrik Tigerschiöld, welcomed the shareholders and others present and declared the Annual General Meeting open.

**2 ELECTION OF CHAIRMAN OF THE ANNUAL GENERAL MEETING (AGENDA ITEM 2)**

The meeting resolved to elect Patrik Tigerschiöld as chairman of the meeting in accordance with the nomination committee's proposal. The chairman informed the meeting that Henrik Lejdebom, General Counsel of Yubico, had been asked to keep the minutes.

The meeting decided that invited guests, e.g., employees and shareholders who had not registered to be able to exercise voting rights, were welcome to attend the meeting, but without the right to comment or participate in the meeting's resolutions.

**3 PREPARATION AND APPROVAL OF THE VOTING LIST (AGENDA ITEM 3)**

The meeting resolved to approve the list of registered and present shareholders and proxies with any assistants and received postal votes drawn up by Computershare AB on behalf of the company, [Appendix 1](#), as the voting list at the Annual General Meeting.

The chairman informed that a number of shareholders in advance of the meeting had submitted special instructions for voting, that postal votes had been cast and that a compilation of the voting instructions and postal votes were available if any shareholder wished to see such compilation.

**4 ELECTION OF ONE OR TWO PERSONS TO, IN ADDITION TO THE CHAIRMAN, APPROVE THE MINUTES OF THE ANNUAL GENERAL MEETING (AGENDA ITEM 4)**

The meeting elected Patricia Hedelius, representing AMF Pension & Funds, to approve the minutes jointly with the chairman.

**5 DETERMINATION AS TO WHETHER THE ANNUAL GENERAL MEETING HAS BEEN DULY CONVENED (AGENDA ITEM 5)**

The meeting resolved to approve the notice procedure and declared the meeting duly convened.

**6 APPROVAL OF THE AGENDA (AGENDA ITEM 6)**

The meeting approved the proposed agenda of the meeting, which had been included in the notice to attend the meeting.

The annual report, the auditor's report, the consolidated financial statements and the audit report on the consolidated financial statements for the financial year 2025 and the nomination committee's statements as well as other documents to the meeting, that had been made available to the shareholders in accordance with the Swedish Companies Act and the Swedish Corporate Governance Code, were presented.

**7 PRESENTATION BY THE CEO (AGENDA ITEM 7)**

The CEO, Jerrod Chong, presented and reported on the company's and the group's operations during 2025 and the first quarter of 2026.

The CEO answered questions regarding, inter alia, AI partnerships, Yubico's order bookings and revenue model, market expansion, and the company's growth. The chairman of the board of directors answered a question from the shareholders regarding the performance condition in the proposed long-term incentive program.

**8 PRESENTATION OF THE ANNUAL REPORT AND THE AUDITOR'S REPORT AND THE CONSOLIDATED FINANCIAL STATEMENTS AND THE AUDIT REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (AGENDA ITEM 8)**

The chairman reported that the annual report and the auditor's report and the consolidated financial statements and the audit report on the consolidated financial statements for the financial year 2025 had been presented at the meeting.

The company's auditor in charge, Patrik Adolfson, Öhrlings PricewaterhouseCoopers AB, presented the conclusions in the auditor's report.

**9 A) – RESOLUTION ON APPROVAL OF THE INCOME STATEMENT AND BALANCE SHEET, AND THE CONSOLIDATED INCOME STATEMENT AND CONSOLIDATED BALANCE SHEET (AGENDA ITEM 9A)**

The meeting resolved to adopt the balance sheet and the consolidated balance sheet as of December 31, 2025, and the income statement and the consolidated income statement for the financial year 2025.

**B) – RESOLUTION ON DISTRIBUTION OF THE COMPANY'S EARNINGS IN ACCORDANCE WITH THE ADOPTED BALANCE SHEET (AGENDA ITEM 9B)**

The meeting resolved, in accordance with the board of directors' proposal, that no dividend will be paid for the financial year 2025 and that the balance of SEK 1,249,266,121, should be carried forward.

**C) – RESOLUTION ON DISCHARGE FROM LIABILITY FOR THE DIRECTORS OF THE BOARD AND THE CEO FOR THE FINANCIAL YEAR 2025 (AGENDA ITEM 9C)**

The meeting resolved to discharge the directors of the board and the CEO from liability for the management of the company's business during the financial year 2025.

It was noted that the members of the board of directors and the CEO did not participate in the resolution as far as they were concerned.

**10 PRESENTATION OF THE REMUNERATION REPORT FOR APPROVAL (AGENDA ITEM 10)**

The meeting resolved, in accordance with the board of directors' proposal, to approve the report regarding remuneration to the CEO and the board of directors for the financial year 2025.

**11 PRESENTATION OF THE NOMINATION COMMITTEE'S PROPOSALS AND WORK (AGENDA ITEM 11)**

Patricia Hedelius, representative of the nomination committee, presented the nomination committee's work and proposals for resolutions regarding number of directors of the board, number of auditors, remuneration to the directors of the board, remuneration to auditor, election of directors of the board, election of chairman of the board of directors, and election of auditor.

**12 DETERMINATION OF NUMBER OF DIRECTORS OF THE BOARD AND AUDITORS (AGENDA ITEM 12)**

The meeting resolved, in accordance with the nomination committee's proposal, that the board of directors, for the period until the end of the next Annual General Meeting, shall consist of six directors.

The meeting resolved, in accordance with the nomination committee's proposal, that the company shall have one registered audit firm as auditor.

**13 DETERMINATION OF REMUNERATION TO THE DIRECTORS OF THE BOARD AND AUDITOR (AGENDA ITEM 13)**

The meeting resolved, in accordance with the nomination committee's proposal, that remuneration of SEK 1,075,000 (unchanged) shall be paid to the chairman of the board of directors and SEK 575,000 (unchanged) shall be paid to each other director. Further, it is proposed that for work in the audit committee, an annual remuneration of SEK 250,000 (unchanged) shall be paid to the chairman of the audit committee and SEK 125,000 (unchanged) to member of the audit committee. In addition, it is proposed that for work in the remuneration committee, an annual remuneration of SEK 125,000 (unchanged) shall be paid to the chairman of the remuneration committee, and SEK 63,000 (unchanged) to member of the remuneration committee. No remuneration shall be paid to board member who is employed by the company.

The meeting resolved in accordance with the nomination committee's proposal that remuneration to the auditor shall be paid in accordance with approved invoices.

**14 ELECTION OF DIRECTORS AND CHAIRMAN OF THE BOARD OF DIRECTORS (AGENDA ITEM 14)**

The chairman provided information on the assignments that the proposed directors have in other companies.

The meeting resolved, in accordance with the nomination committee's proposals, to re-elect Patrik Tigerschiöld, Jaya Baloo, Stina Ehrensvärd, Gösta Johannesson, Paul Madera and Eola Änggård Runsten as directors.

The meeting also resolved, in accordance with the nomination committee's proposal, to re-elect Patrik Tigerschiöld as chairman of the board of directors.

**15 ELECTION OF AUDITOR (AGENDA ITEM 15)**

The meeting resolved in accordance with the nomination committee's proposal, and in accordance with the audit committee's recommendation, to elect the registered audit firm Öhrlings PricewaterhouseCoopers AB as auditor for the period until the end of the next Annual General Meeting. It was noted that Öhrlings PricewaterhouseCoopers AB had informed that Patrik Adolfson will continue as auditor in charge.

**16 RESOLUTION ON THE ADOPTION OF GUIDELINES FOR REMUNERATION TO SENIOR EXECUTIVES (AGENDA ITEM 16)**

The meeting resolved, in accordance with the board of directors' proposal, to adopt new guidelines for remuneration to senior executives, as set out in [Appendix 2](#).

**17 RESOLUTION ON A LONG-TERM INCENTIVE PROGRAM 2026, INCLUDING RESOLUTION ON (A) PERFORMANCE STOCK UNIT PROGRAM, (B) HEDGING MEASURES IN THE FORM OF NEWLY ISSUED CLASS C SHARES, AND (C) HEDGING MEASURES BY ENTERING INTO A SHARE SWAP AGREEMENT WITH A THIRD PARTY (AGENDA ITEM 17)**

The meeting resolved, in accordance with the board of directors' proposal, to adopt a long-term incentive program 2026, with hedging measures in the form of newly issued class C shares, as set out in [Appendix 3](#).

It was noted that the resolution was supported by shareholders representing at least nine-tenths of both the votes cast and the shares represented at the meeting.

**18 RESOLUTION ON AUTHORIZATION FOR THE BOARD OF DIRECTORS TO RESOLVE TO REPURCHASE AND TRANSFER OWN SHARES (AGENDA ITEM 18)**

The meeting resolved, in accordance with the board of directors' proposal, on authorization for the board of directors to resolve to repurchase and transfer own shares, as set out in [Appendix 4](#).

It was noted that the resolution was supported by shareholders representing at least two thirds of both the votes cast and the shares represented at the meeting.

**19 RESOLUTION ON AUTHORIZATION FOR THE BOARD OF DIRECTORS TO RESOLVE TO ISSUE NEW SHARES (AGENDA ITEM 19)**

The meeting resolved, in accordance with the board of directors' proposal, on authorization for the board of directors to resolve to issue new shares, as set out in [Appendix 5](#).

It was noted that the resolution was supported by shareholders representing at least two thirds of both the votes cast and the shares represented at the meeting.

**20 CLOSING OF THE MEETING (AGENDA ITEM 20)**

The chairman declared the Annual General Meeting closed.

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At the minutes:

Approved:

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Henrik Lejdeborn

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Patrik Tigerschiöld

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Patricia Hedelius

### **Resolution on the adoption of guidelines for remuneration to senior executives (item 16)**

The board of directors proposes that the Annual General Meeting resolves on guidelines for remuneration to senior executives in accordance with the below.

The guidelines shall cover salary and other remuneration to Yubico's senior executives and shall apply to remuneration agreed, and to changes made to remuneration already agreed, after the guidelines have been adopted by the Annual General Meeting on May 5, 2026. The guidelines do not apply to remuneration decided by the general meeting.

The board of directors shall have the right to decide to deviate temporarily, in whole or in part, from the guidelines if there are special reasons for doing so in an individual case and a deviation is necessary to meet the long-term interests and sustainability of the company or to ensure the financial viability of the company. Any such deviation shall be disclosed in the remuneration report to the next Annual General Meeting.

#### *Guidelines that promote the company's business strategy, long-term interests, and sustainability*

Yubico's strategy is available at the company's website, <https://investors.yubico.com/en/>. A successful implementation of the company's strategy and the safeguarding of the company's long-term interests, including its sustainability and gender equality, requires that the company can recruit and retain qualified employees. This applies in particular with regard to the fact that the company has a significant part of its operations in the US. The company shall therefore apply market based and competitive remuneration levels and terms of employment in order to be able to recruit and retain a management team with high competence and a capacity to achieve set goals. The types of remuneration shall motivate senior executives to do their utmost to safeguard the shareholders' interests. They should also be simple, long-term and measurable.

#### *Types of remuneration etc.*

The remuneration and other terms of employment to senior executives shall be in line with market conditions. The total remuneration may consist of basic salary, variable remuneration, pensions and various other benefits.

#### Fixed basic salary

The fixed salary for senior executives shall be in line with market practice and based on competence, responsibility and performance.

#### Variable remuneration

Variable remuneration may be paid to senior executives where the board considers that it encourages the right behaviors and does not jeopardize long-term value creation. The variable remuneration should reward target-related performance. An outcome shall be related to the fulfilment of the company's financial targets and other measurable targets that support long-term shareholder value. The targets set out should mainly be common to senior executives but may also relate to individual performance to a limited extent. The measurement period for variable remuneration shall, as a rule, be based on performance over a period of approximately twelve months. Variable remuneration to the CEO and other senior executives may amount to up to 100 percent of the fixed basic salary and shall be non-pensionable. Nevertheless, variable remuneration may, as an exception and determined on an individual basis, amount to up to 200 percent of the fixed basic salary in relation to senior executives,

including the CEO, where this is deemed necessary with regards to local market practice, if the senior executive's remuneration is to a significant extent commission-based, or based on the responsibilities and tasks of the senior executive.

#### Share or share price related incentive programs

The general meeting shall, regardless of the guidelines, be able to decide on share and share price related incentive programs for senior executives. An incentive program shall aim to improve the participants' commitment to the company's development and be implemented on market terms. Information regarding the company's outstanding share and share price related incentive programs is available at the company's website <https://investors.yubico.com/en/>.

#### Pension and other benefits

The terms and conditions of senior executives' pensions must be based on defined contribution pension solutions.

The non-monetary benefits of senior executives must facilitate the work performance of senior executives and correspond to what can be considered reasonable in relation to market practice in the market where each senior executive is active. Premiums and other costs related to such benefits may in total amount to a maximum of ten percent of the fixed annual cash salary.

#### *Notice period and severance pay*

Upon termination of the employment, the notice period may not exceed twelve months. Fixed cash salary during the notice period and severance pay may not, in aggregate, exceed an amount corresponding to the fixed cash salary for eighteen months for the CEO and twelve months for other senior executives. In the event of termination by the executive the notice period may not exceed six months with no right to severance pay.

#### *Salary and conditions of employment*

In the preparation of the board of directors' proposal for these guidelines for remuneration, the salary and conditions of employment for the company's employees have been taken into account by including information on the employees' total remuneration, the components of the remuneration and the increase pace of the remuneration over time as part of the remuneration committee's and the board of directors' basis for resolution when evaluating the reasonableness of the guidelines and the limitations resulting from them.

#### *Remuneration to the board, in addition to board fees decided by the general meeting*

Members of the board shall in special cases be able to receive fees and other compensation for work performed on behalf of the company, alongside the work of the board. Remuneration in line with market conditions shall be able to be paid for such services, subject to approval by the board. These guidelines shall be applied on such remuneration.

#### *The decision process*

The board has established a remuneration committee. The committee's tasks include preparing the board's decision to propose guidelines for remuneration to senior executives as well as any deviation from the guidelines. The board shall prepare a proposal for new guidelines at least every fourth year and present the proposal for resolution by the Annual General Meeting. The guidelines shall be in force until new guidelines have been adopted by the general meeting. The remuneration committee shall also

monitor and evaluate programs for variable remuneration to the executive management, the application of the guidelines for remuneration to senior executives as well as the current remuneration structures and compensation levels in the company. The members of the remuneration committee are independent from the company and its executive management. In the board's work regarding remuneration related matters, the CEO or other members of the executive management are not present in so far the questions concern their own remuneration.

*Description of changes to the guidelines etc.*

The board has not received any comments from shareholders on the existing guidelines for remuneration to senior executives. The board has made a general review of the guidelines and the board's proposal for guidelines for remuneration to senior executives includes certain amendments to the existing guidelines. The updated guidelines include a possibility for variable remuneration to senior executives of up to 100 percent of the fixed basic salary, or, in exceptional cases, up to 200 percent of the fixed base salary.

**Resolution on a long-term incentive program 2026, including resolution on (A) a performance stock unit program, (B) hedging measures in the form of newly issued class C shares, and (C) hedging measures by entering into a share swap agreement with a third party (item 17)**

*Background and reasons*

Yubico has a significant footprint in the United States and Canada and approximately two-thirds of the total number of employees of the Yubico group are located in the United States and Canada, whereas approximately one-third are located in the rest of the world, including in Sweden. During 2025, the Americas region represented approximately 68 percent of Yubico's net sales, while the rest of the world represented approximately 32 percent.

The board of directors considers it to be in the best interest of the company and its shareholders to implement a long-term incentive program ("**LTI 2026**") based on performance stock units ("**PSUs**") for senior executives, key personnel and other employees<sup>1</sup> in the group, in accordance with this proposal. LTI 2026 follows the same overall structure as the long-term incentive program 2025 adopted at the Annual General Meeting on 13 May 2025, but with one financial performance condition based on the annualized total shareholder return (as described below). The structure of LTI 2026 will allow to take into account market conditions in the key geographies where Yubico operates, while accommodating the company's wish to have a single and simple incentive program. LTI 2026 is proposed to include up to approximately 610 senior executives, key personnel and other employees<sup>1</sup> within the company group.

The proposal has been based on the assessment of the board of directors that it is important, and in the interest of all shareholders, to create even greater participation in the group's development by senior executives, key personnel and other employees of the group. The board of directors also considers it important to be able to attract talent over time, to encourage continued employment and maintain a high employee retention level.

In view of the above, the board of directors proposes that the Annual General Meeting resolves to implement LTI 2026 in accordance with items (A)–(C) below.

**A. Performance stock unit program**

LTI 2026 comprises two different series:

Series 1 of LTI 2026 comprises PSUs which may be awarded to employees of the company group in the United States and Canada.

Series 2 of LTI 2026 comprises PSUs which may be awarded employees of the company group in the rest of the world, including Sweden.

The terms for the two different series are the same in all material aspects, except for what is set out in item 5 below.

The following terms shall apply to LTI 2026:

1. The maximum number of PSUs that may be awarded is 1,300,000. Each PSU shall entitle the holder to receive one share in the company, subject to a performance condition (as described below) and continued employment within the company group. Accordingly, the maximum

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<sup>1</sup> Including consultants if specifically approved by the board of directors as set out under "*Administration of LTI 2026*" below.

number of shares available to the participants under LTI 2026 shall be 1,300,000 (subject to recalculation in accordance with the terms of LTI 2026). On the basis of the geographical distribution of the participants, seniority levels, growth per region and other factors, the company expects that approximately 75 percent of the PSUs will be awarded under Series 1 and approximately 25 percent under Series 2. The Acting CEO of the company will be awarded PSUs under Series 1.

2. PSUs may be awarded to current employees of the company group. The board of directors shall have the right to decide that also a person who becomes an employee with the company group after the day of the Annual General Meeting but before 31 December 2026, may be invited to participate in LTI 2026 and be awarded PSUs, if deemed favorable for the company.
3. The intention is to launch LTI 2026 and award the PSUs shortly after the Annual General Meeting. The PSUs will vest with one-third on each of three yearly Vesting Dates (as defined below) occurring on the publication date of the company's interim report for the first quarter during 2027, 2028 and 2029, provided that the participant is still employed with the company group (with certain limited exemptions, such as if the participant's employment is terminated as a result of pension or long-term illness) on the applicable Vesting Date, and that the performance condition has been satisfied during the relevant performance period preceding such Vesting Date, as set out below.
4. Vesting of PSUs shall be conditional upon the level of fulfillment of a financial performance condition relating to the annualized total shareholder return on the Company's share ("TSR") meeting or exceeding certain levels during certain vesting periods or as an average during the full term of LTI 2026, in accordance with the below.

The *start value* for the TSR shall be the volume-weighted average share price during the five (5) days of trading following the day of: publication of the Company's interim report for the first quarter 2026 (first year), publication of the Company's interim report for the first quarter 2027 (second year) and publication of the Company's interim report for the first quarter 2028 (third year) and the *end value* shall be the volume-weighted average share price during the five (5) days of trading following the day of: publication of the Company's interim report for the first quarter 2027 (first year) (the last day of such five trading days-period is referred to as the "**Vesting Date 2027**"), publication of the Company's interim report for the first quarter 2028 (second year) (the last day of such five trading days-period is referred to as the "**Vesting Date 2028**") and publication of the Company's interim report for the first quarter 2029 (third year) (the last day of such five trading days-period is referred to as the "**Vesting Date 2029**"). Each of the Vesting Date 2027, the Vesting Date 2028 and the Vesting Date 2029 shall be referred to as a "**Vesting Date**" and each approximate one-year period ending on a Vesting Date as described above shall be referred to as a "**Vesting Period**".

- If the annualized TSR during a Vesting Period represents less than an increase of 9 percent, no PSUs that are subject to vesting during such Vesting Period will vest.
- If the annualized TSR during a Vesting Period equals an increase of 9 percent but is lower than 15 percent, the PSUs that are subject to vesting during such Vesting Period will vest on a linear basis, starting at 20 percent vesting at 9 percent and reaching 100 percent vesting at the end point of 15 percent.

- If the annualized TSR during a Vesting Period equals or exceeds an increase of 15 percent of the volume-weighted average share price during a Vesting Period, 100 percent of the PSUs that are subject to vesting during such Vesting Period will vest.
  - In addition, if the average annualized TSR measured during the full term of LTI 2026, using the five (5) days of trading following the day of publication of the Company's interim report for the first quarter 2026 as the start value and the five (5) days of trading following the day of publication of the Company's interim report for the first quarter 2029 as the end value, is higher than the annualized TSR during a Vesting Period, such average annualized TSR may instead be applied during that Vesting Period to the benefit of a participant who is still employed with the Company group and any PSUs that did not vest at a previous Vesting Date may be subject to subsequent vesting ("**Catch-Up**"). Accordingly, Catch-Up will only be possible if the previous year(s) vesting is less than 100 percent and only available for participants who are still employed with the Company group at the Vesting Date 2029. The maximum number of vested PSUs will not exceed 100 percent of the total number of PSUs awarded.
5. Each vested PSU of Series 1 will entitle the holder to receive pay-out of one share in the company subject to the terms of LTI 2026 as soon as practicable after each Vesting Date. Each vested PSU of Series 2 will entitle the holder to receive pay-out of one share in the company subject to the terms of LTI 2026 as soon as practicable after the Vesting Date in 2029. Any PSUs that have not been vested at the Vesting Dates (and that are not subject to Catch-Up) will lapse and be deemed forfeited without consideration.
  6. The board of directors shall be entitled to recalculate the maximum number of shares (per PSU and in total) in the event of intervening rights issues, bonus issues, share splits, reverse share splits, or similar events, with the aim to achieve the same economic intention of the awards for the participants.
  7. In the event of a change in control of the company meaning a party, or several parties acting in concert, acquiring shares representing more than 90 percent of the votes in the company or a direct or indirect sale, transfer or other disposal of all or substantially all of the business and assets, any unvested PSUs shall vest pro rata to time and performance achieved at the board of directors' discretion through the change in control and be settled in accordance with the terms of LTI 2026.
  8. The PSUs will have no voting rights, the number of PSUs will not be increased and no cash will be paid as dividend equivalent for vested PSUs.
  9. The maximum number of shares in Yubico which may be allocated under LTI 2026 shall be limited to 1,300,000, which represents approximately 1.5 percent of all shares and votes in Yubico. The maximum dilution due to LTI 2026 is approximately 1.5 percent (approximately 1.7 percent including class C shares issued in accordance with item (B) below to cover cash flow effects of the payment of future social security costs attributable to PSUs) of the current total number of outstanding shares and votes in Yubico upon full vesting and pay-out under LTI 2026. The program is expected to result in certain costs, mainly related to accounting (IFRS2), salary costs and social security costs. If 100 percent of the PSUs in LTI 2026 will be vested, the salary costs (IFRS2), which is a non-cash item, for the PSUs are estimated to amount to approximately SEK 33.7 million during the term of LTI 2026, based on the closing price of

Yubico's share as of 25 March 2026. Social security costs are estimated to amount to approximately SEK 9.8 million, assuming a share price increase of 100 percent at the time of pay-out of shares, and SEK 7.5 million assuming a 50 percent share price increase. The salary costs will be recognized during the term of LTI 2026 based on the changes in vesting of the PSUs. The total social security costs during the term of LTI 2026 will depend on the geographical split of the participants, the number of PSUs that will be vested and the value of the benefit that the participant will receive. All calculations above are indicative and only serve to illustrate the costs that LTI 2026 can entail.

10. To secure the delivery of shares to participants in LTI 2026, the board of directors proposes that the Annual General Meeting authorizes the board of directors to resolve to issue class C shares to an external party consulted by the board in advance, and to repurchase the class C shares from the external party. The class C shares will thereafter be held as such during the vesting periods for LTI 2026 and, once required for delivery purposes under LTI 2026, be converted into ordinary shares and transferred to eligible participants in LTI 2026. The board of directors considers this alternative to be the most cost efficient and flexible hedging method. In the event that the proposed hedging measure in accordance with item (B) below is not approved with the required majority, the board of directors instead proposes, as a second option, that the company may hedge its obligations under LTI 2026 by entering into a share swap agreement with a third party, whereby the third party in its own name shall be entitled to acquire and transfer shares (including to the participants), in accordance with item (C) below.
11. LTI 2026 will be governed by Swedish law.

*Allocation principles, etc.*

The participants' right to be allotted PSUs is differentiated between employees with reference to inter alia role and responsibility in the group. The participants have on this basis been divided into three different categories:

**Category A** (not more than 10 persons): Members of the senior management.

**Category B** (not more than 100 persons): Management and employees whose performance has a direct impact on the financial performance of the company.

**Category C** (not more than 500 persons): Other employees.

Category	Maximum number of PSUs for a participant	Maximum total number of PSUs within the category
Category A	200,000	550,000
Category B	20,000	400,000
Category C	5,000	350,000
<b>Total maximum Category A, B and C</b>	N/A	1,300,000

### *Administration of LTI 2026*

The board of directors shall be responsible for the design, interpretation and management of PSUs awarded under LTI 2026 within the framework of the above-mentioned principal terms and conditions. In the event that a participant cannot, after a Vesting Date, receive pay-out of shares from vested PSUs under applicable laws or regulations or at reasonable cost or with reasonable administrative effort by the participant or the company, the board of directors shall have the right to decide to settle the PSUs wholly or partly in cash. The board of directors shall also have the right to decide in its own discretion that shares and/or cash shall be withheld by the company in order to cover or facilitate the payment of applicable taxes. The board of directors may allow consultants to participate in LTI 2026 if the requirements of LTI 2026 can be appropriately applied in relation to such person.

The board of directors also has the right to adjust detailed terms and conditions of PSUs in the event of significant changes within the group or its operational environment that entail that the framework established for PSUs under LTI 2026 is no longer reasonable or appropriate, provided that such changes are not more favorable to the participant than the terms and conditions set forth in this proposal. The board of directors shall review whether the outcome of LTI 2026 is reasonable considering the company's financial results and position and other circumstances, such as social, ethics and compliance factors, and, if not, determine to reduce the allotment under LTI 2026 to a lower level that is deemed appropriate by the board of directors.

### *Specific motivation*

According to the Remuneration Rules (Rules on Remuneration of the Board and Executive Management and on Incentive Programmes) that are administered by the Stock Market Self-Regulation Committee (Sw. *Aktiemarknadens självregleringskommitté*) it should be specified and motivated why the vesting period or period from the commencement of the agreement until a share may be acquired is less than three years. PSUs of Series 1, which are held by participants in the United States and Canada, may entitle to pay-out of shares under certain conditions already after approximately one year. The reason for having a shorter vesting period and a shorter period than three years until pay-out of shares for these participants is to ensure that the company has a competitive offer as an employer in the United States and Canada and to meet the requirements of international tech talent which is instrumental for the company's future success and development.

### *Preparation of the proposal*

LTI 2026 has been initiated by the board of directors of Yubico. The program has been prepared and reviewed by the board's remuneration committee and processed at board meetings during 2026. Except for the employees who have prepared the proposal in accordance with the instruction from the remuneration committee or the board of directors, no employee that may be a participant in the program has participated in setting the terms of the program.

## **B. Hedging measures in the form of newly issued class C shares**

### **B.1 Introduction**

To be able to implement LTI 2026 in a cost-effective and flexible manner, the board proposes that the company's obligation to deliver shares to the participants in LTI 2026 and the company's cash flow for payment of social security costs attributable to the delivery of such shares, as a preferred alternative, be secured through a directed issue of convertible and redeemable class C shares. These shares may be repurchased and converted into ordinary shares and transferred as follows.

## **B.2 Authorization for the board of directors to resolve on a directed issue of class C shares**

The board of directors shall be authorized to resolve on a directed issue of redeemable and convertible class C shares in the company on the following terms:

- a) The number of class C shares that may be issued may not exceed 1,430,000.
- b) New class C shares shall, with deviation from the shareholders' preferential rights, only be subscribed for by an external party consulted by the board in advance.
- c) The amount to be paid for each new class C share (the subscription price) shall correspond to the quota value of the share at the time of the share subscription. Payment for new class C shares shall be made in cash.
- d) The authorization may be exercised on one or more occasions until the Annual General Meeting 2027.
- e) The new class C shares shall be subject to a reservation in accordance with Chapter 4, Section 6 of the Swedish Companies Act (conversion clause) and Chapter 20, Section 31 of the Swedish Companies Act (redemption clause).

The purpose of the authorization is to secure the company's commitments under LTI 2026 and to cover cash flow effects of the payment of future social security costs attributable to PSUs.

## **B.3 Authorization for the board of directors to resolve on repurchase of class C shares**

The board of directors shall be authorized to resolve on the repurchase of class C shares in the company on the following terms:

- a) Repurchases may take place through a purchase offer addressed to all owners of class C shares in the company.
- b) The number of class C shares that may be repurchased may not exceed 1,430,000.
- c) Repurchases shall be made at a cash price per share of a minimum of 100 percent and a maximum of 110 percent of the quota value that applies at the time of repurchase.
- d) The board shall have the right to determine other terms for the repurchase.
- e) Repurchase shall also be possible for so-called interim shares in respect of class C shares, referred to as Paid Subscribed Shares (BTA) by Euroclear Sweden AB.
- f) The authorization may be exercised on one or more occasions until the Annual General Meeting 2027.

The intention of the authorization is to secure the company's commitments under LTI 2026 and to cover cash flow effects of the payment of future social security costs attributable to PSUs.

## **B.4 Approval of transfer of ordinary shares in the company within the framework of LTI 2026**

The board proposes that the Annual General Meeting approves the transfer of ordinary shares owned by the company under LTI 2026 on the following terms:

- a) A maximum of: (i) 1,300,000 Yubico shares may be transferred free of charge to participants in LTI 2026, and (ii) 130,000 Yubico shares may be transferred, on one or more occasions, at Nasdaq Stockholm for the time until the next Annual General Meeting at a price within the registered price range at any time in order to secure the company's payment of social security cost in terms of cash flow.

- b) The conditions for these transfers, the number of shares in each transaction and the time of transfer must follow the terms and conditions of LTI 2026.
- c) The number of Yubico shares that may be transferred within the framework of LTI 2026 shall be recalculated according to customary principles as a result of bonus issue, split, rights issue and/or other similar events.
- d) The resolution in item a) above regarding the transfer of shares on Nasdaq Stockholm is expected to be proposed as a new resolution at future Annual General Meetings during the term of LTI 2026.

#### **B.5 Reasons for deviation from the shareholders' preferential rights**

The reason for deviating from the shareholders' preferential rights is that the issue of class C shares and thereto relating resolutions in this item (B) is part of implementing and executing LTI 2026, in accordance with the purpose of LTI 2026 described under "*Background and reasons*" in item (A) above.

As the board believes that the transfer of own Yubico shares to the participants of LTI 2026 is most cost-effective, it is primarily proposed that hedging measures regarding LTI 2026 are carried out in accordance with this item (B). If the required majority cannot be achieved for the proposal according to this item (B), the Board will enter into a share swap agreement in accordance with item (C) below.

#### **B.6 Majority requirements**

A resolution in accordance with item (A) above (including item (C) below), requires support from a majority of more than half of the votes cast at the Annual General Meeting.

A resolution in accordance with this item (B) is valid only where supported by shareholders representing at least nine tenths of both the votes cast and the shares represented at the Annual General Meeting.

#### **B.7 Authorization for the board of directors to make adjustments**

The board of directors, or a person appointed by the board, shall be authorized to make such minor adjustments to the above resolutions as may be necessary in connection with the registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

#### **C. Hedging measures by entering into a share swap agreement with a third party**

In the event that the required majority cannot be achieved for a resolution under item (B) above, the company shall hedge against the financial exposure that LTI 2026 is expected to entail by entering into a share swap agreement with a third party, whereby the third party shall acquire, and transfer shares included in LTI 2026 in its own name. The relevant number of shares in this context shall correspond to the number of shares proposed under item (B) above.

The board believes that the most cost-effective and flexible method to transfer Yubico shares under LTI 2026 is transferring own shares as described in item (B) above. The cost of hedging by entering into a share swap agreement with a third party is significantly higher and will be based on an interest rate and additional costs associated with the company's borrowing costs given the structure of the share swap derivative and prevailing market conditions at the time of any such agreement.

**Resolution on authorization for the board of directors to resolve to repurchase and transfer own shares (item 18)**

The board of directors proposes that the Annual General Meeting resolves to authorize the board of directors to resolve on repurchase of own shares in accordance with the following conditions:

- Repurchase of shares shall take place on Nasdaq Stockholm.
- Repurchase of shares may take place on one or more occasions for the period until the next Annual General Meeting.
- The number of shares that may be repurchased shall be limited such that Yubico's holding of its own shares, excluding the holding of any own class C shares, does not at any time exceed five (5) percent of all shares in Yubico.
- Repurchase of own shares shall not be conducted at a price that exceeds the higher of the prices of the most recent independent trade and the highest current independent bid on Nasdaq Stockholm. Repurchase may not be conducted at a price below the lowest possible market price. The company may assign a member of the stock exchange to accumulate a certain number of own shares by proprietary trading during a certain time period and on the day of delivery pay for the shares at a price corresponding to the volume-weighted average price based on the total trading during that period of time.
- Payment for the shares shall be made in cash.

The board of directors further proposes that the Annual General Meeting authorizes the board of directors to, on one or several occasions for the period until the next Annual General Meeting, resolve upon transfer of own shares. The number of shares transferred may not exceed the total number of shares held by Yubico at any time. Transfers may be conducted on Nasdaq Stockholm or elsewhere, including a right to resolve on deviations from the shareholders' preferential rights. Transfer of shares on Nasdaq Stockholm shall be made at a price within the price range applicable at any given time. Transfer of shares outside Nasdaq Stockholm shall be made at a price in cash, or in value of property received, that corresponds to the market value of the shares, as determined by the board of directors, at the time of the transfer of the transferred shares in Yubico.

The purpose of the authorization regarding repurchase and transfer of own shares, and the reason for deviation from the shareholders' preferential rights, is to give the board of directors the possibility to use the company's share as means of payment in connection with potential acquisitions, or to use the repurchased shares to finance potential acquisitions, and provide additional flexibility in the board's efforts to deliver long-term shareholder value and total return.

## **APPENDIX 5**

### **Resolution on authorization for the board of directors to resolve to issue new shares (item 19)**

The board of directors proposes that the Annual General Meeting resolves to authorize the board of directors to resolve on a new issue in accordance with the following.

The board of directors shall be authorized to resolve to issue new shares in the company on one or several occasions for the period until the next Annual General Meeting, to the extent that such new issue can be made without amending the articles of association. An issue may be made with or without deviation from the shareholders' preferential rights. Based on the authorization, the board of directors may resolve to issue a number of new shares corresponding to a maximum of ten (10) percent of the total number of outstanding shares in the company at the time of the Annual General Meeting.

The board of directors shall be authorized to resolve to issue shares where payment is made in cash, by contribution in kind or by way of set-off. A cash issue or issue by way of set-off that takes place with deviation from the shareholders' preferential rights shall be in line with market terms.

The purpose of the authorization and the reasons for any deviation from the shareholders' preferential rights are to be able to use the company's share as means of payment in connection with potential acquisitions, or to use the issue of shares to finance potential acquisitions, or enable other investments to meet the company's strategic goals.