

ANNUAL REPORT 2021

CORPORATE GOVERNANCE REPORT



Introduction

The corporate governance framework of SoftwareONE Holding AG and SoftwareONE group (collectively, SoftwareONE) is closely aligned with SoftwareONE's business strategy and follows the rules contained in the Directive Corporate Governance (DCG) of the SIX Swiss Exchange, the Swiss Code of Best Practice for Corporate Governance of économie suisse (Swiss Code) and current market practices that go beyond the scope of the DCG and the Swiss Code of Obligations.

The Board of Directors (BoD) is responsible for the ultimate direction of the company and overall oversight, while the Executive Board (EB) is responsible for managing operations. SoftwareONE's corporate governance principles and procedures are defined as follows:

- SoftwareONE's **Articles of Incorporation**, defining the legal and organizational framework
- SoftwareONE's **Organizational Regulations** (OrgR), revised on 14 July 2021, defining the governance framework of SoftwareONE and the group, including the responsibilities and authorities of the BoD, Chairman, Vice-Chairman, Lead Independent Director (LID), Board committees, the CEO and other individual EB members, as well as relevant reporting procedures. The role of Vice-Chairman and Lead Independent Director can be combined and be performed by the same Board Member.
- SoftwareONE's charters of the Board committees on **audit** and on **nomination and compensation**, outline the duties and responsibilities of each of these committees.
- SoftwareONE's codes of conduct (CoCs), both revised in November 2021, outline the compliance framework and set out the basic ethical and legal principles and policies the company applies globally for **employees and Board members** as well as for **business partners**. Reinforcing the effectiveness of the CoCs is the group-wide integrity line (softwareone.integrityline.org) that provides a reporting channel for suspected wrongdoings.

Group Structure and Shareholders

Operational group structure of SoftwareONE Holding AG

The operating business of SoftwareONE is conducted through SoftwareONE Holding AG's subsidiaries (operating legal entities). Detailed information on group companies is provided in [Note 30](#) to the group financial statements. SoftwareONE Holding AG, the group's ultimate parent company, is incorporated and domiciled in Switzerland with registered offices at Riedenmatt 4, 6370 Stans. The company is listed on the SIX Swiss Exchange under the ticker symbol 'SWON' (Swiss security number: 49645150, International Security Identification Number 'ISIN': CH0496451508) and reports in accordance with the International Financial Reporting Standard (IFRS).

The holding is organized along a two-tier structure with the BoD setting the strategic direction of SoftwareONE, appointing and overseeing key executives, approving major transactions and investments and ensuring proper financial reporting and controls. The structure of the BoD and the EB is discussed in more detail in sections [Board of Directors](#) and [Executive Board](#). The operational management is delegated to the EB, which was expanded in 2021 to five members, the CEO, CFO, COO, President of Sales and President of Services. The group is organized along the two business lines Software & Cloud and Solutions & Services.

Shareholders

The disclosure notifications of significant shareholders and groups of shareholders holding 3% or more of the voting rights as at 31 December 2021:

Shareholder/group of shareholders	Shares held	% of voting rights
Dr. Daniel Marc von Stockar- Scherer-Castell, Hergiswil, Switzerland ¹⁾	17,505,107	11.05 %
B. Curti Holding AG ¹⁾²⁾	16,031,853	10.10 %
René Rudolf Gilli, Emmetten, Switzerland ¹⁾	12,449,637	7.85 %
Pictet Asset Management SA ³⁾	5,154,610	3.25 %
UBS Fund Management ⁴⁾	4,806,309	3.00 %

1) Messrs Curti, von Stockar-Scherer-Castell and Gilli have entered into a shareholder agreement and form a group for purposes of Swiss disclosure rules and regulations, controlling 29% of voting rights (prior year: 28.95%). The representative of this group of shareholders is Dr. Beat Curti, Erlenbach, Switzerland.

2) B. Curti Holding AG, Sarnen, Switzerland, is the direct shareholder of the shares which are indirectly controlled by Dr. Beat Alex Curti, Erlenbach, Switzerland.

3) Based on the disclosure notification published on 2 November 2019.

4) Based on the disclosure notification published on 25 June 2020.

Individual notifications that were published during the year under review are available on the [SIX Exchange Regulation webpage](#). Between 31 December 2021 and the publication of this report, the company has not issued any new notification and no disclosure has been made in accordance with the requirements of the Financial Market Infrastructure Act (FMIA).

Cross-shareholdings

As at the date of publication of this Annual Report, the company is not aware of cross-shareholdings exceeding 5% of the capital or voting rights.

Capital Structure

Issued capital

The share capital of SoftwareONE Holding AG, registered in the commercial register of the canton of Nidwalden as at 31 December 2021, amounted to CHF1,585,814.60, divided into 158,581,460 fully paid-in registered shares with a nominal value of CHF0.01 each.

As at 31 December 2021, SoftwareONE held 3,724,465 shares (corresponding to 2.35% of the company's total share capital) in treasury. The market capitalization of SoftwareONE as at 31 December 2021 amounted to CHF3.13 billion.

Each share carries one vote at the general meetings of SoftwareONE. The shares rank *pari passu* with each other in all respects, including entitlement to dividends, to a share in the liquidation proceeds in case of liquidation of the company and to pre-emptive rights.

An overview of SoftwareONE's share price information can be found [here](#).

Authorized and conditional capital

As at 31 December 2021 and in the prior three years, the company has no authorized share capital or conditional share capital.

Changes in capital

Date	Nominal share capital	Registered shares	Event
10 October 2019	CHF 1,585,814.60	158,581,460	Share split 1:10
31 January 2019	CHF 1,585,814.60	15,858,146	Capital increase: CHF 231,528.90 (contribution in kind of Comparex)
17 November 2015	CHF 1,354,285.70	13,542,857	Capital increase: CHF 169,285.70
28 June 2013	CHF 1,185,000.00	11,850,000	Incorporation

SoftwareONE was incorporated and registered in the commercial register of the canton of Nidwalden on 28 June 2013, with a share capital of CHF 1,185,000.00, divided into 11,850,000 registered shares with a nominal value of CHF 0.10 each. The company's initial share capital was paid up by way (i) of a contribution in kind of 1,184,950 registered shares with a nominal value of CHF 1.00 each in SoftwareONE AG and (ii) by way of a cash contribution of CHF4,430.40.

On 17 November 2015, SoftwareONE's share capital was increased by CHF 169,285.70 to CHF 1,354,285.70 by issuing 1,692,857 registered shares with a nominal value of CHF0.10 each. On 31 January 2019, SoftwareONE's share capital was increased by CHF231,528.90 to CHF1,585,814.60 by issuing 2,315,289 registered shares with a nominal value of CHF 0.10 each against contribution in kind of all registered shares of COMPAREX AG ('COMPAREX').

On 10 October 2019, SoftwareONE's Extraordinary General Meeting of shareholders (EGM) resolved to split one existing registered share with a nominal value of CHF0.10 each into 10 registered shares with a nominal value of CHF 0.01 each. Thus, as at 11 October 2019 (date of registration of the split of the ordinary share capital in the commercial register of the canton of Nidwalden), SoftwareONE had a nominal share capital of CHF1,585,814.60, divided into 158,581,460 fully paid-in registered shares with a nominal value of CHF0.01 each.

Duty to make an offer

Prior to SoftwareONE's listing on the SIX Swiss Exchange in October 2019, its shareholders decided to increase the mandatory offer threshold to make a public takeover offer pursuant to Art. 135 FMIA by way of an opting-up clause in its AoI from the standard 33⅓% to the level of 49% of the voting rights.

The opting-up provision is the result of the particular shareholder structure of SoftwareONE at the time of the IPO. It is intended to grant the company sufficient flexibility in its initial phase as a public company and shall limit the risk of unintentionally triggering a mandatory bid offer by the founding shareholders because of a corporate transaction.

Participation and dividend-right certificates

As at 31 December 2021, SoftwareONE has issued neither participation certificates nor profit sharing certificates.

Limitations on convertible bonds and options

As at 31 December 2021, neither SoftwareONE nor any of its subsidiaries have issued any bonds, convertible bonds, similar debt instruments or option rights that are convertible into equity securities of the company.

Board of Directors

Composition of the Board of Directors

The **Nomination and Compensation Committee** (NCC) strives to achieve a BoD composition with appropriate professional backgrounds and experience as well as diversity among the members of the BoD, including gender diversity and excluding age or tenure limitations.

During the reporting period, the following members formed part of the BoD. As at 31 December 2021, the BoD consisted of nine members:

Name	Nationality	Born	First elected	Significant shareholder	Education	Background
Daniel von Stockar Chairman	Swiss	1961	2013	Yes	Economics	Entrepreneur, Founder SoftwareONE
Peter Kurer Lead Independent Director	Swiss	1949	2013	No	Law	Former Chairman of Sunrise and UBS
René Gilli	Swiss	1958	2013	Yes	Economics and information technology	Founder SoftwareONE
Jean-Pierre Saad	Belgian	1980	2015	No	Engineering, computer and communications	Technology and telecom investments, KKR
Marie-Pierre Rogers	Spanish	1960	2019	No	Business	Leader Board Practice, Spencer Stuart Switzerland
Timo Ihamuotila	Finnish	1966	2019	No	Economics and finance	CFO, ABB Ltd
José Alberto Duarte	Portuguese	1968	2019	No	Accounting, manage- ment, marketing	CEO, Infovista
Isabelle Romy	Swiss	1965	2021 ¹⁾	No	Law	Attorney, University Profes- sor
Adam Warby	United Kingdom	1960	2021 ¹⁾	No	Mechanical engineering	Founder and CEO, Avanade

1) These BoD members were elected by the EGM held on 20 May 2021.

Individual Board members

Daniel von Stockar (founding shareholder)

Role (non-executive)

Chairman of the Board of Directors and member of the **Nomination and Compensation Committee** and member of the ad hoc ESG Committee

First elected

2013

Nationality

Swiss

Professional experience and external appointments

Owner and Chairman of the Board of Directors of von Stockar Immobilien AG and Chairman of the Board of Directors of Pro Domi AG.

Education

Master's degree in economics from the University of Zurich in 1990, and doctorate in 1995.

René Gilli (founding shareholder)

Role (non-executive)

Member of the Board of Directors and member of the ad hoc ESG Committee

First elected

2013

Nationality

Swiss

Professional experience and external appointments

Currently Chairman of the Board of Directors of Alivant AG.

Education

Degree in economics and information technology from the Lucerne University of Applied Sciences and Art.

Peter Kurer

**Role
(non-executive)**

Lead Independent Director and member of the **Nomination and Compensation Committee**

First elected

2013

Nationality

Swiss

Professional experience and external appointments

From 1991 to 2001, Partner at Homburger, Zurich, Switzerland. From 2001 to 2008, General Counsel and member of the group Executive Board of UBS AG, Zurich, Switzerland, and from 2008 to 2009, Non-Executive Chairman of the Board of Directors of UBS AG, Zurich, Switzerland. Chairman of the Board of Directors of Swiss listed Sunrise Communications Group AG from 2016 to 2020. Currently non-executive Partner of BLR & Partners AG, Thalwil, Switzerland and non-executive Chairman of the Board of Directors of Kein&Aber AG, Zurich, Switzerland.

From 2010 to 2019, Chairman of the Advisory Board (which is not a supreme governing body) of Spencer Stuart & Associates B.V., Zurich Branch, Switzerland. Since 2012, member of the Swiss Advisory Board (also not a supreme governing body) of Accenture AG, Zurich, Switzerland.

Education

Law degree (lic. iur.) from the University of Zurich, a PhD in Law (Dr. iur.) from the University of Zurich and a Master of Laws (LLM) from the University of Chicago.

Marie-Pierre Rogers

**Role
(non-executive)**

Chairwoman of the **Nomination and Compensation Committee**

First elected

2019

Nationality

Spanish

Professional experience and external appointments

Previously, executive career in Supply Chain and Transportation with DHL, FedEx and IATA, as well as in Technology at Citibank and CEO and Member of the Board of CPGMarket.com from 2000 to 2006. Member of the Board La Virgen from 2014 to 2017.

Currently leading Spencer Stuart's Board Practice in Switzerland and a member of the firm's global Industrial and Technology, Media & Telecommunications practices. She focuses on non-executive and C-level roles in the technology and industrial spaces.

Education

MBA from the University of Chicago Booth School of Business.

Jean-Pierre Saad

**Role
(non-executive)**

Member of the **Audit Committee**

First elected

2015

Currently, a Partner at KKR and member of European Private Equity platform at KKR where he leads the TMT activities. He is a member of the European Private Equity Investment Committee, Portfolio Management Committee and KKR's Tech Growth Equity Investment Committee. Currently member of the Board of Directors of Cegid, Devoteam, Masmovil and Exact.

Previously a member of the Board of Directors of United Group B.V. and NXP Semiconductors N.V. Prior to joining KKR in 2008, he worked in the TMT team at Lehman Brothers in London.

Education

Grande Ecole degree from HEC Paris and an Engineering degree with high distinction in Computer and Communications from the American University of Beirut.

Timo Ihamuotila

**Role
(non-executive)**

Chairman of the **Audit Committee**

First elected

2019

Nationality

Finnish

Professional experience and external appointments

Held various positions at Nokia Corporation and worked for Citibank plc. From April 2013 to April 2017, Member of the Board of Uponor Corporation and Chairman of the Audit Committee of Uponor Corporation. From 2011 to 2015, Member of the Board of the Finland Chamber of Commerce.

Currently serving as Chief Financial Officer and Member of the Group Executive Committee of ABB Ltd, Switzerland.

Education

Master of Science in economics and a licentiate of science in finance from the Helsinki School of Economics.

José Alberto Duarte

Role (non-executive)

Member of the [Audit Committee](#)

First elected

2019

Nationality

Portuguese

Professional experience and external appointments

Extensive background in leading publicly listed and privately held global technology companies with a particular focus on high growth and transformation. Started his career at Unilever Portugal and Accenture (previously Andersen Consulting). Worked at SAP for approximately 20 years, holding various positions within the SAP organization. CEO of Infinitas Learning and CEO of Unit4. From January 2015 to August 2017, non-executive director positions at Bureau Van Dijk and from December 2012 to June 2017, at TechEdge. From October 2016 to January 2019, active Non-Executive Director at Infovista. From January 2019 to June 2021, Non-Executive Director at Gelato.

Since January 2019, Chief Executive Officer of Infovista and Chairman of the Advisory Board of ProAlpha. Since October 2019, Non-Executive Director of Expereo.

Education

Degree in accounting and management from the Instituto Superior de Contabilidade e Administração de Lisboa and post-graduate education in global leadership at INSEAD and sales and marketing at ISTE.

Adam Warby

Role (non-executive)

Member of the [Nomination and Compensation Committee](#)

First elected

2021

Nationality

United Kingdom

Professional experience and external appointments

Previously CEO and founding member of Avanade, Inc. from 2008 to 2019. Various management roles at Microsoft, the most recent as General Manager Midwest in the US, from 1991 to 2000.

Currently Chairman of Junior Achievement Europe, Chairman of Heidrick & Struggles International, Inc., member of the Board of SimCorp A/S as well as senior technology advisor to KKR.

Education

Bachelor of Science in Mechanical Engineering from Imperial College London.

Isabelle Romy

Role (non-executive)

Member of the [Audit Committee](#) and Chairwoman of the ad hoc Board ESG Committee

First elected

2021

Nationality

Swiss

Professional experience and external appointments

Previously Partner at two large law firms in Zurich, Member of the Board of Directors of UBS Group AG and of UBS AG (member of the audit committee and of the GNC) from 2012 to 2020, member of the ethical commission at the EPFL from 1999 until 2007, deputy judge at the Swiss Federal Supreme Court from 2003 to 2008 and member of the Swiss Committee for UNICEF from 2015 to 2020.

Currently Partner at Kellerhals Carrard, Vice-Chairperson of the Sanction Commission of SIX Swiss Exchange and Chairperson of the Board of Central Real Estate Holding Ltd. and Rhystadt Ltd.

Education

Law degree (lic. iur) from the University of Lausanne, PhD in Law (Dr. iur) from the University of Lausanne, Switzerland and Professor of the University of Fribourg and the EPFL, Switzerland. Admitted to the Zurich and Swiss Bar Association.

Compensation of the Board of Directors

The shareholders' meeting shall approve annually and separately the proposals of the BoD in relation to the maximum aggregate compensation of the BoD for the period until the next ordinary shareholders' meeting. The compensation of the members of the BoD consists of an annual base fee and an additional compensation awarded for duties pursued in BoD committees as Chairpersons or ordinary members. In line with Art. 18 of SoftwareONE's AoI and to ensure the independence of the members of the BoD in executing their supervision duties, the compensation of the members of the BoD is in the form of a fixed amount (that is, no performance-related variable compensation component in place). Moreover, based on peer group and benchmarking as mentioned in the [compensation report](#), it is in accordance with best market practice standards.

Effective from the 2020 AGM, the BoD's total compensation is paid out 60% in cash and 40% in SoftwareONE shares. The shares allocated as part of the members of the BoD's total compensation are blocked for a period of three years. Through the introduction of a share element, the long-term focus of the BoD in performing its duties is further strengthened and the interest further aligned with that of SoftwareONE's shareholders. More details on compensation and post-employment benefits of the BoD can be found in the [compensation report](#).

The members of the BoD may only be granted loans and credits up to a maximum amount of CHF 1,000,000, at market-based conditions and in compliance with the applicable rules of abstention.

Rules in the articles of association regarding compensation

Reference is made to the AoI and the [compensation report](#) regarding the additional amount for the compensation of members of the EB appointed after the vote of the AGM on compensation as well as to loans, credits and pension benefits of Board members and members of the EB, which follow the rules in the articles of association concerning the principles on performance-related compensation and on the allocation of equity securities, conversion and option rights.

Duties and responsibilities of the Board of Directors

The legal foundation of the BoD's responsibilities is provided by Art. 716a of the Swiss Code of Obligations.

The BoD has a supervisory role and takes strategy, finance and personnel decisions in accordance with the law, the [AoI](#) and the [OrgR](#). It also supports, advises and encourages management. The overall guiding principle for the BoD is full accountability to all shareholders and stakeholders of SoftwareONE and a style marked by a culture of openness and mutual respect.

The BoD meets at least six times per year (four quarterly report meetings, a strategy off-site, and a medium-term planning and budgeting meeting) and meetings are held in person but can also be held via telephone or video conference or by means of other electronic media. Owing to the COVID-19 situation, of the six ordinary BoD meetings that were held in 2021, all but the one on 15 September were held by video conference. The strategy meeting includes cultural aspects, including how to drive cultural change to foster overall good corporate governance. Further focus is placed on company performance and integrity as well as on how to accelerate integration in relation to external growth such as mergers and acquisitions. In addition, a call with the BoD members is held to approve the motions of the [Audit Committee \(AC\)](#) for the year-end reporting. Extraordinary meetings are held if and when urgent decisions are required.

Environmental, Social & Corporate Governance (ESG)

To realize the ambitions harbored by the BoD for a sustainable future of SoftwareONE, the BoD launched an ESG initiative in 2021 which is ongoing and which requires the creation of a structure to ensure that the voices within the company are heard and considered. To assist the BoD with preparation work and the channeling of information, the BoD created an ad hoc ESG Committee that is chaired by Isabelle Romy, who is uniquely suited to guide the project. The ad hoc ESG Committee has mandated the CEO to drive this initiative, relying considerably on his passion and deep-rooted commitment to the cause. With the support of an ESG Steering Group consisting of the EB, the Chief Human Resources Officer, the Chief Marketing Officer and flanked by several working groups comprising employees who have exposure to or who are already heavily involved in sustainable projects, the CEO is managing the sustainability journey for the company. The details are further contained in the [Sustainability Section of the Annual Report](#).

In parallel to the ESG journey, SoftwareONE continues to invest in its Academy, through ONE Impact and with a range of initiatives, such as ONE Tree Planted, Harmony Day and various local community support schemes. SoftwareONE is proud to support these causes with the passion and backing of its employees.

Interaction with shareholders and stakeholders

A key mandate of the BoD is to build and maintain an ongoing dialogue with its shareholders and other stakeholders. Engagement discussions with investors and proxy advisors outside financial and strategy matters such as governance, compensation and corporate social responsibility are steered by the Chairperson of the BoD, supported by the Lead Independent Director and the Chairperson of the [Nomination and Compensation Committee](#).

Specific Board activities during the reporting period

During the 2021 financial year, six ordinary meetings of the BoD were held, with an average length of 6.5 hours. The average attendance at BoD meetings in 2021 was 100% (for individual attendances, see section [Availability and External mandates](#) below).

In addition to the regular meeting agenda items, in 2021 the BoD specifically focused on topics such as:

- Strategy review and implementation, in particular concerning specific growth areas, industry verticals and M&A;
- The InterGrupo integration;
- Aligning with the Microsoft roadmap;
- Driving the services portfolio;
- Customer trends, structural industry changes, new technologies and innovation;
- Global talent management and succession planning, including in relation to the EB and the BoD;
- BoD assessment;
- Navigating the challenges of the global pandemic;
- Reviewing ESG strategies and projects;
- Audit Committee and Nomination and Compensation Committee matters.

Board of Directors' internal organization

The BoD has delegated certain responsibilities, including the preparation and execution of resolutions, to two committees. In addition, to ensure that it is part of the dialogue on ambitions and is able to lend full support, the BoD has introduced an ad hoc ESG Committee. The responsibility for the duties and powers assigned to these committees is retained by the BoD.

The BoD has established the following two standing committees:

- [Audit Committee \(AC\)](#);
- [Nomination and Compensation Committee \(NCC\)](#).

Each standing committee consists of an independent Chairperson and at least two other members of the BoD. The NCC consists of four members which are elected annually by the General Meeting of shareholders. The duties and authorities of the committees are set forth in the [Audit Committee Charter](#) and the [Nomination and Compensation Committee Charter](#), respectively, as well as in [SoftwareONE's OrgR](#). The committees' operating principles are aligned with and complementary to those applicable for the overall BoD.

BoD committees are structured non-redundantly and working topics are clearly assigned and handled by only one committee. The BoD Chairperson coordinates committee work in case of potential overlaps. All materials used in BoD committee meetings are made available to all BoD members, who are invited to contact the committee Chairperson, the BoD Chairperson or the CEO with any clarifying questions (exceptions may apply to materials of the NCC).

There are no overlaps of directors between the two committees and both committees are chaired by an independent member of the BoD.

The BoD has established the additional key positions of Vice-Chairperson and Lead Independent Director, whose duties and competencies are described in the sections Vice-Chairperson of the Board of Directors and Lead Independent Director of the OrgR. The functions of the Vice-Chairperson and the Lead Independent Director can be combined and be performed by the same BoD Member. The Vice-Chairperson or Independent Lead Director will chair the Board and any general meeting in the absence of the Chairperson.

Chairperson of the Board of Directors

The Chairperson is entrusted with leading and managing the BoD and is responsible for establishing an appropriate structure and governance system that enables the BoD to render its duties efficiently and in the best interests of the company. The Chairperson encourages alternative views and constructive dissent, leveraging individual insights of BoD members while keeping the focus on the agenda topics and driving aligned decision-making.

The Chairperson further represents the opinions and views of the BoD towards SoftwareONE's internal and external stakeholders. In exercising these duties, the Chairperson is guided by SoftwareONE's conflict of interest policies and, if needed, will be supported by the Lead Independent Director.

In cooperation with the CEO, the Chairperson ensures that the information flows on all aspects of the company which are relevant for the meeting preparation, deliberations and decision-making are made available to all members of the BoD. In case of an emergency, when immediate action is required to safeguard the interests of the company, and where a regular BoD resolution cannot be reasonably passed in due time, the Chairperson, has the power, together with the CEO or any other appropriate member of the BoD or the EB, to make all decisions and actions which otherwise would be reserved for the BoD. If the Chairperson is absent, this entitlement falls to the Vice-Chairperson or the Lead Independent Director. The Chairperson shall promptly inform all members of the BoD of such decisions and actions and they shall be confirmed and properly recorded in the minutes at the next meeting of the BoD.

The power and duties of the BoD Chairperson are set out in Section 3.8 of the [OrgR](#).

Vice-Chairperson of the Board of Directors

The OrgR revised in 2021 stipulates that the role of the Lead Independent Director (LID) and that of the Vice-Chairperson can be combined and performed by the same BoD Member. Throughout 2021, the LID assumed the role of the Vice-Chairperson.

If the Chairperson is temporarily unable or unavailable to exercise the function, the LID either assumes the Chairperson's duties him or herself or delegates them within the BoD or to suitable company representatives.

Lead Independent Director

The BoD assigns such powers and duties to the Lead Independent Director (LID) as it deems necessary (see Section 3.10 of the [OrgR](#)).

The LID has the right and duty to call meetings of the independent BoD members if they deem it necessary, but in particular, when the independent decision-making process seems to be compromised. The LID further acts as the point of contact for BoD members and investors if they have concerns with respect to the independent decision-making process.

The BoD further provides the independent BoD members under the lead of the LID with financial resources to mandate external advice if this is deemed necessary by the LID to foster independent decision-making of the BoD.

Moreover, the LID supports the Chairperson in governance and strategy-related investor engagements. At the request of shareholders, the LID would conduct these engagements without the Chairperson.

Availability and statutory provisions regarding external mandates

SoftwareONE's Aol provide that the company's BoD is composed of at least three and not more than 12 members, including the Chairperson of the BoD.

No member of the BoD may hold more than four additional mandates in listed companies and more than six mandates in non-listed companies.

Mandates within the meaning of this provision shall mean mandates in the supreme managing or administrative body of a legal entity, which is required to be entered in the commercial register or a corresponding register abroad. Mandates in different legal entities under common control or owned by the same beneficial owner shall be deemed to constitute a single mandate.

The following mandates are not subject to these limitations:

- 1) Mandates in companies which are controlled by the company or which control the company;
- 2) Mandates held at the request of the company or companies controlled by it. No member of the BoD or of the EB may hold more than 10 such mandates;
- 3) Mandates in associations, charitable organizations, foundations, trusts and employee welfare foundations. No member of the BoD or of the EB may hold more than six such mandates.

All members of the BoD remained within the statutory maximum numbers of outside mandates in listed and non-listed companies and organizations. The following table shows the availability and outside mandates of the members of the BoD:

Name	Board meetings	Audit Committee meetings	Nomination and Compensation Committee meetings	External mandates (listed non-listed) ¹⁾	
Daniel von Stockar	6/6		6 / 6	0	2
Peter Kurer	6/6		6 / 6	0	1
René Gilli	6/6			0	1
Jean-Pierre Saad	6/6	4/4		0	5
Marie-Pierre Rogers	6/6		6/6	0	0
Timo Ihamuotila	6/6	4/4		1	0
José Alberto Duarte	6/6	4/4		1	2
Isabelle Romy	6/6 ²⁾	4/4 ²⁾		0	1
Adam Warby	6/6 ²⁾		5/6 ²⁾	1	2
Average meeting length	6:30h	2:30h	2:30h		

1) Maximum number allowed in listed companies is four, and is six for non-listed companies.

2) Attendance as a guest in the meetings that preceded the election at the AGM

Board of Directors' independence assessment

The BoD generally defines the independence of its members within the meaning of the provisions of the Swiss Code. Accordingly, all non-executive members of the BoD who have never been a member of the EB (of the company or any direct or indirect subsidiary of the company), or who were members thereof more than three years ago, and who have no or comparatively minor business relations with the company (or any direct or indirect subsidiary of the company), are considered independent. Consequently, all members of the BoD are non-executive and considered independent according to the Swiss Code.

The BoD is committed to ensuring an independent decision-making process and is aware that BoD members representing large shareholders, even if they are the company's founders who continue to contribute to its prosperous development, may be considered non-independent. Consequently, the BoD appointed a Lead Independent Director with far-reaching competencies as well as independent Chairpersons to the **Nomination and Compensation Committee** and the **Audit Committee**. Through their casting votes, these two Chairpersons ensure the independent decision-making of both committees.

Independent decision-making/conflict management

The CEO, CFO and, as directed by the CEO, other EB members are required to attend meetings of the BoD to provide detailed information on the current state of the business and offer their views on strategic questions. EB members have no voting rights and will leave the room in case discussions and/or decisions concern the EB or their own position. A private meeting with BoD members will only be held before or at the end of each Board meeting.

In 2021, the CEO, CFO and other EB members participated in all six of the six meetings of the BoD. The CEO informs the members of the BoD in a monthly letter about SoftwareONE's business performance and about material events affecting the company. During BoD meetings, each director may request and receive information from other directors, the CEO, the EB and other persons present on all affairs relating to SoftwareONE or its subsidiaries.

In each regular BoD meeting, the Chairpersons of the **AC**, the **NCC** and most recently the Chairperson ad hoc ESG Committee will provide the BoD with an update of the committees' work.

In case information or, to the extent where it is necessary to perform their duties, examination of the business records is requested by a member of the BoD outside of a meeting, such a request must be addressed to the Secretary of the BoD and be approved by the Chairperson of the BoD. If the request concerns a potential conflict of interest for the Chairperson, it shall be addressed to the BoD for decision.

The BoD has the power to mandate external advisors if an outside view is deemed necessary for an independent decision-making of the BoD. Third parties (for example legal counsels, auditors or financial and other advisors) are admitted to BoD meetings on an exceptional basis if proposed by a BoD member or by the CEO and approved by the Chairperson. In 2021, the BoD invited external experts to two of its meetings, the AC to four of its meetings and the NCC to three of its meetings.

The agenda-setting for the BoD annual cycle and for individual meetings is the remit of the Chairperson. In case the Chairperson is considered non-independent, the agenda-setting will be conducted together with the Lead Independent Director, who must approve the set agenda. Meeting minutes reflect the deliberations and decisions taken by the BoD including, if requested, dissenting opinions of and votes cast by members of the BoD. The Board secretary will make available to the members of the BoD a copy of the minutes once they have been signed. Members of the BoD may examine the minutes of any meeting at any time.

Audit Committee

Key responsibilities and duties

The AC is composed of at least three members of the BoD. As at 31 December 2021, the AC was composed of four members. The members of the AC and the Chairperson are appointed annually by the BoD, which aims to appoint non-executive and independent (within the meaning of the Swiss Code) members of the BoD. The Chairperson of the AC must be an independent BoD member other than the Chairperson of the BoD. The members, including the Chairperson of the AC, should be experienced in financial and accounting matters. The term of office of the AC members ends at the closing of the next Annual General Meeting. Re-appointments are possible. The AC meets whenever required by the business, and at least four times per year.

The AC supports the BoD in the fulfilment of its duties as per Art. 716a CO in the areas of financial controls (supervision of internal and external auditing, monitoring of financial reporting), supervision of persons entrusted with the management of the group (assessing the effectiveness of internal and external control systems), risk management processes and oversight of key non-financial processes (corporate social responsibility and compliance). Its duties and responsibilities are set out in the **AC Charter**.

Audit Committee activities in the reporting period

In 2021, the AC held four meetings by video conference, taking place in March, June, August and December, with an average duration of 2:30h. The committee focused on a number of key areas, including but not limited to the activities described below. Specifically, the AC:

- Discussed the coverage of the group audit;
- Evaluated the liquidity reserves;
- Discussed the impact of COVID-19 on liquidity and the business portfolio;
- Reviewed the risk map and internal and external audit plans;
- Reviewed the draft 2020 annual report and the draft 2021 half year report;
- Reviewed internal policies, including the treasury policy.

The AC sets the audit plan for a period of several years as well as the scope of the internal and external audits and approves the guidelines for the work of the Internal Audit department as well as for the company's compliance and supply chain organization. It reviews and approves the internal and external audit plans, changes to the plans, activities, scope and budget as well as accounting policies. The AC approves both the fees for the external auditors as well as the salary of the Head of Internal Audit. The AC challenges the

appropriateness of risk-based estimates and judgements as well as the methods used to account for unusual transactions. Furthermore, the AC defines the organizational structure of the Internal Audit function and sets and reviews the qualifications of the Internal Audit organization as deemed appropriate. The AC may hold meetings with representatives of the internal and external auditors without the presence of management. Such meetings must take place at least once per year with the external auditor. In 2021, the AC held one meeting with the internal auditors and four meetings with the external auditors.

Furthermore, it is the AC's responsibility to assess the performance of the internal and external auditors as well as their cooperation with one another.

In consultation with management and the external and internal auditors, the AC discusses the integrity of SoftwareONE's financial reporting processes, management controls, compliance management and the functionality of internal controls, reviews significant financial risk exposures and the steps taken by management to monitor, control and report such exposures.

The Head of Internal Audit and the Group General Counsel have a direct reporting line to the AC in case of significant compliance issues with the potential for major financial or reputational damage, including issues concerning management. The AC has direct access to the Internal Audit department and may obtain all information required by it within the group as well as question the employees concerned. The AC will ensure that it receives regular information from both the internal and the external auditors. The AC has the overriding supervision of internal and external auditing.

Interactions with the Executive Board

The AC regularly invites the CEO, the CFO and other members of the EB or, subject to prior notification of the responsible member of the EB, members of the company's management or other key employees to its meetings, as deemed desirable or appropriate. Furthermore, upon invitation by the AC Chairperson or, in their absence, the member of the AC calling a meeting, other executive officers/employees of the company or its subsidiaries shall also participate in meetings of the AC on a consultative basis. Third parties may also be invited to participate in meetings of the AC on a consultative basis. In 2021, SoftwareONE's CFO participated in all four AC meetings.

Risk management

The BoD is responsible for overseeing SoftwareONE's risk management and internal control systems for which the BoD has mandated the AC. The AC monitors the strategic risk management processes and reviews the risk management framework against the company's risk management strategy, providing recommendations and appropriate mitigations. It further assesses the robustness of the company's risk management policies and processes related to the risk management strategy. These systems provide appropriate security against significant inaccuracies and material losses.

Based on its risk management oversight activities, the AC makes proposals to the BoD regarding the company's corporate governance, compliance and corporate responsibility framework and assesses the effectiveness of the internal control system related to key financial processes, forms a view on the situation concerning compliance with applicable standards and guidelines, and develops these further.

Embedded throughout the business, the group risk management function ensures an integrated approach to managing current and emerging threats. Risk management plays a key role in business strategy and planning discussions. At SoftwareONE, the group risk management function falls within the responsibility of the CFO.

Strategic risk management has identified key areas of strategic risks that are constantly monitored by group risk management and the AC. The following key strategic risk categories have been identified:

Strategic business risks, eg:

- Economic crisis;
- Significant losses of the value chain in software & cloud;
- Slow innovation;
- Unsuccessful new service models;
- Slow multivendor model adoption.

Operational risks, eg:

- IT security;
- IT applications;
- Employee "fatigue" due to COVID19;
- Operational excellence issues (scalable and efficient business model).

Financial risks, eg:

- Unhedged market risk;
- Accounts receivable risk;
- Currency fluctuation risk;
- Transfer pricing;
- Tax risks;
- Performance measurement and controlling.

Legal and compliance risks, eg:

- Non-conformity, illegal acts, internal or external fraud;
- Reputational risk;

- Professional liabilities with service business;
- Non-compliance with laws and regulations, including stock market regulations;
- Internal or external fraud.

Risk management is carried out by line management, controlled by the CFO under policies approved by the BoD and is reviewed and supervised by the AC. Strategic risks are identified, evaluated and managed in close co-operation with the group's operating units. The BoD provides written principles for overall strategic risk management, as well as written policies covering specific areas within the risk categories.

IT security, including cyber and data security, is a key risk factor. The company's risk management system covers the processes of the entire application management of all local and global IT systems, and ensures a regular monitoring as well as update of its IT systems and processes to ensure reliability, business continuity and performance.

SoftwareONE is certified to international standards on systems management, including ISO 9001:2008 on quality management systems, ISO 14001:2015 on environmental management systems and ISO 27001:2005 on information security management.

Quality audits are an integral part of SoftwareONE's quality management system and cover the control of the established processes to fulfill all required regulatory industry standards.

The AC periodically monitors the risk assessment of SoftwareONE and assesses the proposed risk mitigation measures proposed by the EB on a semi-annual basis.

Audit of non-financial topics and corporate social responsibility

A key non-financial risk for SoftwareONE concerns reputation with respect to its IT security. Therefore, the assessment of the related processes and reviews are an important ongoing task for Internal Audit. To ensure that the appropriate specialists in Internal Audit are able to conduct their assessments according to the highest and most recent industry standards, SoftwareONE is dedicated to providing relevant training and resources needed by Internal Audit.

SoftwareONE's BoD is committed to a sustainable future, and a material component of an ESG program is the setting of goals and measuring their progress. As part of the ESG journey, SoftwareONE is defining new targets, which it will validate against recognized reporting standards in order to increase transparency and provide consistent reporting.

External audit

a. Mandate external audit

The AC supports the BoD in the nomination of the external auditors to be proposed to the Annual General Meeting for election or re-election. It assesses annually the external auditor's qualifications, effectiveness, past performance and independence, in particular related to any further consulting mandates. In connection with the appointment of the external auditor, the AC further approves the audit program, the annual fees and annually reviews the fee budget and actual audit fees incurred.

b. External auditor

Since its incorporation in 2013, SoftwareONE's statutory external auditors have been Ernst & Young AG (CHE- 491.907.686) ('EY'), Maagplatz 1, 8005 Zurich, Switzerland. The current auditor in charge is Mr Kaspar Streiff, who has been the lead auditor since 2016. In line with the Swiss Code of Obligations and to foster external auditor independence, the lead auditor is replaced every seven years.

The external auditor is elected (or re-elected, as the case may be) at each Annual General Meeting of shareholders for a term of office until the completion of the following Annual General Meeting. Due to replacement requirements, and if re-elected, Mr Streiff would be replaced after the completion of the term of office of 2022.

c. Auditing fees and additional fees

Auditing fees	CHF 1,735,000	83 %
Additional fees (total)	CHF 366,000	17 %
– Tax	CHF 284,000	
– Transaction services	CHF 82,000	
Total fees	CHF 2,101,000	100 %

d. Information instruments pertaining to the external audit

Responsibilities of the external auditor

The external auditor is independent and accountable to the AC, the BoD and ultimately to the shareholders.

Cooperation and flow of information between the auditor and the Audit Committee

The AC liaises closely with the external auditor. In general, the lead auditor participates in the AC meetings as an advisor. In 2021, the external auditors participated in all four meetings of the AC (all conducted via video conferencing). The external auditor provides the AC with regular updates on the audit work, open audit issues and the processing thereof, all audit-related issues as well as with reports on topics requested by the AC. The external auditor has a direct reporting line to the AC and may escalate potential audit issues directly to the Chairperson of the AC. At least once a year, the AC meets the external auditor without management being present.

The AC, together with the BoD, reviews and approves in advance the planned audit services as well as a cap on additional non-audit services provided by the external auditor. It discusses the results of annual audits with the external auditor, including reports on the financial statements, necessary changes to the audit plans and critical accounting issues. It also establishes guidelines for the internal and external audit with the goal of an optimal complementarity of all audit work as important pillars of the various lines of defense.

The external auditor shares with the AC its findings on the adequacy of the financial reporting process and the efficacy of the internal controls. It informs the AC about any differences of opinion between the external auditor and management encountered during the audits, or in connection with the preparation of the financial statements, findings regarding a potential malfunctioning of internal controls or differing views between the external and the internal auditor.

Evaluation of the external auditor

The AC is responsible for recommending an audit firm to the BoD for election at the Annual General Meeting of shareholders. In Switzerland, there is no general legal requirement providing for a periodic mandatory rotation of the external auditor company, but the lead audit person must change every seven years. In order to be able to recommend an audit firm for election by the shareholders and in line with good corporate governance, the AC thoroughly evaluates the credentials of the current external auditor annually and presents its findings to the BoD. EY has a proven record of professionalism and efficiency and fully meets the high standards of SoftwareONE.

Furthermore the AC annually evaluates the performance of the external auditor.

Qualifications

At least once a year, the AC discusses with the external auditor any material issues, inquiries or investigations raised by governmental or professional authorities and steps taken to deal with any such issues.

Independence

At least once per year, the external auditor provides a formal written statement delineating all relationships with the company that might affect its independence. Any disclosed relationships or services that might interfere with the external auditor's objectivity and independence are reviewed by the AC, which then recommends appropriate action to be taken by the BoD.

Performance

This assessment measures the external auditor's performance against a number of criteria, including understanding of SoftwareONE's business; technical knowledge and expertise; comprehensiveness of the audit plans; quality of the working relationship with management and clarity of communication. It is compiled from input of key people involved in the financial reporting process and the observations of the AC members.

Nomination and Compensation Committee

Key responsibilities and duties

As at 31 December 2021, the NCC was composed of four members. The members of the NCC are each elected annually and individually at the shareholders' meeting. Their term of office ends at the closing of the next ordinary shareholders' meeting and re-election is possible. The Chairperson of the NCC is appointed by the BoD. Against the backdrop of the particular shareholder structure and in deviation from the Swiss Code, the proposed Chairperson of the NCC shall in any case be an independent member of the BoD. At least one other member shall be an independent director ensuring an independent majority (with the casting vote of the Chairperson).

If there are vacancies in the NCC, the BoD may appoint substitute members from among its members for a term of office extending until the closing of the next ordinary shareholders' meeting. The NCC meets whenever required by business, and at least three times per year.

The NCC has the powers and duties of the compensation committee as provided by Swiss law and in particular, the Ordinance against Excessive Compensation in Public Companies, as well as the powers and duties as provided in Art. 15 para. 5 of the [Aol](#) and the [NCC Charter](#). The overall responsibility for the duties and powers assigned to the NCC shall remain with the BoD. The NCC shall regularly report to the BoD on its activities and submit the necessary proposals. Details of the [compensation policies and principles](#) can be found in the Compensation Report 2021.

Nomination and Compensation Committee activities in the reporting period

The NCC held six meetings in 2021, all six by video conference. The average duration of these calls was 2:30h. The committee focused on a number of key areas, including:

- Providing guidance on composition and succession planning of the BoD and the EB;
- A compensation framework including compensation levels and benchmark analysis for the EB and BoD;
- Preparing compensation decisions, including the setting of short-term incentive and long-term incentive targets, short-term incentive pay-outs, long-term incentive grants and salaries for EB members.

The NCC's work on compensation-related matters is described in detail in the [SoftwareONE Compensation Report](#).

Interactions of the committee

The NCC shall regularly invite the CEO and may invite other members of the EB or, subject to prior notification of the responsible member of the EB, members of the company's management to its meetings, as it deems desirable and appropriate to responsibly fulfill its tasks.

The CEO or other members of the EB may not be present when the NCC reviews the compensation or other aspects of the employment of the relevant person. The Chairperson of the BoD or the NCC Chairperson is not present when the NCC reviews their compensation. In 2021, the CEO participated in all six meetings of the NCC. The NCC regularly consults the Chief Human Resources Officer to develop and recommend appropriate actions to the BoD.

In the process of evaluating SoftwareONE's performance against the pre-determined compensation-relevant performance metrics, the NCC generally interacts annually with the Chairperson of the AC to obtain the information on the relevant metrics.

In developing the compensation system for the 2022 financial year, the NCC worked together with external service providers HCM Hostettler & Company (HCM) for the compensation system and Willis Towers Watson (WTW) for a benchmarking review. This was HCM's only business relationship and mandate with SoftwareONE. WTW is a trading customer in the ordinary course of business of SoftwareONE.

Board of Directors renewal and succession

The BoD has to deliver its duties as a mutual decision-making body. Accordingly, the BoD must work as an efficient, effective and aligned team. Succession planning and an active renewal process for the BoD is very relevant to the company. The requirements that prospective BoD candidates must meet in terms of knowledge and experience in various key areas and the industry are constantly changing and subject to increasingly higher demands.

The NCC regularly analyzes the BoD's composition to confirm that its members' qualifications, skills and experience correspond to the BoD's needs, subject to an adequate Board size and well-balanced composition. A majority of the BoD members should be independent according to the criteria laid out in the section entitled "Board of Directors' independence assessment". Directors also need to show significant commitment, integrity and competence in intercultural communication. With regard to its succession planning, the BoD aims to safeguard the stability of its composition while also renewing the BoD in a sensible way.

In line with the required skills and experience as detailed in the section "Board of Directors' skill and experience assessment", the NCC has developed a strategy to gradually, develop the BoD composition to become more independent and proportionately reflect shareholdings.

Board of Directors' skill and experience assessment

To support the Board with its renewal and succession activities, the NCC established a skills and experience assessment that it conducts annually. The following competencies are considered the most relevant for SoftwareONE's Board:

- Experience in the technology, IT, and procurement industries;
- Finance, audit, accounting;
- Capital markets transactions;
- CEO and other executive leadership (CFO, CRO or COO) experience in a publicly listed or non-public company;
- Leadership experience as Chairperson of a Board of Directors or Board of Directors' committee in a publicly listed or non-public company;
- Human resources management, including compensation;
- Leading business operations in a global and rapidly growing business;
- Governance, legal and compliance;
- Risk management.

The NCC reviews these competencies to confirm that the BoD continues to possess the most relevant experience and expertise to perform its duties, ensuring that the leadership of SoftwareONE has the relevant proficiency required for active involvement and supervision of an international listed company and applies these as a guideline when nominating new members.

The NCC updated its strategic skills matrix that focuses on aspects such as Board size, diversity, independence, nationality, committee representation and future skills needed to better understand the priorities for future Board recruitments. In terms of nationality, the Board agreed to preserve a good balance of 'Swissness', while seeking to move away from being chiefly Western European.

The **strategic skills matrix** reflecting the BoD composition as of December 2021 is as follows:

CURRENT BOARD COMPOSITION

BOARD MEMBERS		Nationality	CEO	Finance & Risk	M&A	HR	Technology	Innovation	Business Scalability	IT/Managed Services	Governance & Compliance
Daniel von Stockar (M, 60)	Chairman & Co-Founder, Member NCC	CHE	●		●		●		●		
René Gilli (M, 63)	Founding Shareholder, Member	CHE	●				●	●	●		
Peter Kurer (M, 72)	Lead Independent Director, Member NCC	CHE		●	●	●	●				●
Timo Ihamuotila (M, 55)	Independent, Chair AC	FIN		●	●		●				
Marie-Pierre Rogers (F, 61)	Independent, Chair NCC	ESP	●			●	●				
José Duarte (M, 54)	Independent, Member AC	PRT	●		●		●		●	●	
Jean-Pierre Saad (M, 41)	Member AC	BEL		●	●		●				
Adam Warby (M, 61)	Independent, Member NCC	GBR	●		●		●	●	●	●	
Isabelle Romy (F, 57)	Independent, Member AC	CHE		●			●				●

Board of Directors' performance assessment

The BoD, in collaboration with the NCC, will carry out a regular evaluation of the BoD's and the BoD committees' performance as well as the work of the Chairperson. To this extent, the BoD is committed to an open, transparent and critical boardroom culture, which forms the basis for this annual review of its own performance and effectiveness.

The assessment is intended to review the BoD's as well as the committees' composition, organization and processes, the BoD's responsibilities governed by the OrgR and the committee charters. The committees shall further assess their accomplishments and evaluate their achievements subject to predetermined goals. The outcome of the evaluation will feed into the BoD's succession planning as described in the section "Board of Directors' skill and experience assessment".

Under the lead of the LID, a self-assessment of the BoD was performed towards the end of the reporting period. The LID's report was circulated in the BoD and a review was completed in early 2022.

Board of Directors' training and education

Education is an important priority for SoftwareONE's BoD. Newly elected BoD members attend an onboarding program tailored to their functions to gain a sound understanding of SoftwareONE's organization, business, culture and its environment. In addition to this induction program for new members, refresher programs are given to all Board members, updating and enhancing their knowledge of emerging business trends and risks, which is further intended to contribute to building a strong and effective culture in the BoD, as this is an important pillar of BoD effectiveness.

Interaction of the Board of Directors with the Executive Board

In accordance with Art. 16 of the **AoI** and Art. 11.2 of the **OrgR**, the BoD has delegated the operational management of SoftwareONE and the group based on the OrgR entirely to the EB, within the limits permitted by and subject to the powers and duties remaining with the BoD pursuant to the OrgR.

The EB supports the BoD in fulfilling its duties and prepares proposals for consideration and decision-making by the BoD. These proposals are related to the following key group responsibilities: long-term strategy, business plan resilience, organizational structure, accounting principles, finance, capital markets, risk management including insurance, HR matters, corporate social responsibility, share capital and financing in general as well as for important strategic transactions. BoD resolutions shall result in appropriate feedback and unambiguous instructions to the CEO and other members of management.

The BoD supervises and monitors the performance of the EB through reporting and controlling processes. The CEO and other EB members regularly provide reports and updates to the BoD. These include information on key performance indicators and other relevant financial data, current and forward-looking risks and on developments in important markets, the industry and material events. The Chairperson of the BoD regularly meets with the CEO and other EB members outside of regular BoD meetings and individual BoD members will meet individual EB members with whom they are paired under a structured mentoring program. SoftwareONE has an

information and financial reporting system. The annual targets are reviewed by the EB in detail and are approved by the BoD. SoftwareONE has adopted and implemented a formal approach to risk management and control, described in more detail in the section [Audit Committee](#).

The BoD remains entitled to resolve any matters which are not delegated to or reserved for the Annual General Meeting of shareholders or another executive body of the company by law, the AoI or the OrgR. Furthermore, the BoD may, at any time on a case-by-case basis or according to a general reservation of powers provided in the OrgR, intervene in the tasks and powers of a subordinate EB and resolve the relevant matter itself.

Executive Board

Composition of the Executive Board

The CEO and the other members of the EB are appointed and dismissed by the BoD. The BoD is supported by the NCC, which prepares all relevant decisions of the BoD in relation to the nomination of the CEO and the other members of the EB and submits proposals and recommendations to the BoD.

As at 31 December 2021, the EB was composed as follows:

Dieter Schlosser

Role

Chief Executive Officer

Joined SoftwareONE in

2012

Nationality

German

Professional experience and external appointments

Previously held several positions in the IT departments of large companies in the oil and gas, mining, automotive and pharmaceutical sectors.

Joined SoftwareONE in 2012 as Chief Operating Officer.

No external appointments.

Education

Degree in business management from Württembergische Verwaltungs- und Wirtschafts-Akademie e.V.

Hans Grüter

Role

Chief Financial Officer

Joined SoftwareONE in

2014

Nationality

Swiss

Professional experience and external appointments

Previously Chief Financial Officer at COLTENE Holding AG.

Currently also Member of the Board of Directors of Continos AG.

Education

Degree from Wharton School, University of Pennsylvania (2001) and a PhD in Business Administration from the University of Zurich (1990).

Alex Alexandrov

Role
Chief Operating Officer, M&A and Strategy

Joined SoftwareONE in
2017

Nationality
American

Professional experience and external appointments
Previously a managing director at the private equity firm Thomas H. Lee Partners, where he was responsible for new investments and existing portfolios in the area of technology-enabled services.

Also, previously member of the Board of Directors of System One and System Maintenance Services. Member of the Board of Directors of CompuCom Systems, whose software business SoftwareONE acquired in 2015, until December 2016.

Since 2020, member of the Executive Advisory Board of CoveHill Partners.

Education
Graduated from the University of Texas at Austin with a bachelor's degree in economics (with high honors) and a Bachelor of Business Administration in finance (with honors), MBA from Harvard Business School.

Bernd Schlotter

Role
President of Services

Joined SoftwareONE in
2021

Nationality
American

Professional experience and external appointments
Previously held various leadership positions in technology, IT services and consulting companies in the United States and Europe. Most recently served as Managing Director and Senior Partner at Boston Consulting Group's (BCG) Silicon Valley Office & Digital Center supporting clients in digital transformation from strategy to execution.

No external appointments.

Education
Graduated from the University of Stuttgart with a degree in Mechanical Engineering ("Diplom-Ingenieur") and an MBA from the University of California at Berkeley.

The following table provides an overview of SoftwareONE's EB:

Neil Lomax

Role
President of Sales

Joined SoftwareONE in
2008

Nationality
British

Professional experience and external appointments
Previously President of North America and a member of the group's Executive Board for worldwide sales strategy.

Joined SoftwareONE in 2008 and held several positions in the areas of sales and business development.

No external appointments.

Education
Cambridge Judge Business School with an executive education degree in business models for transformative & competitive advantage.

Name	Nationality	Born	Function	Appointment	Education	External mandates (listed non-listed)	
Dieter Schlosser	German	1966	Chief Executive Officer	2019	Business management	0	0
Hans Grüter	Swiss	1959	Chief Financial Officer	2014	PhD in business management	0	1
Alex Alexandrov	American	1979	Chief Operating Officer, M&A and Strategy	2017	Economics, finance, MBA	0	1
Neil Lomax	British	1979	President of Sales	2019	Business administration	0	0
Bernd Schlotter	American	1964	President of Services	2021	Mechanical Engineering, MBA	0	0

Management changes

The EB was expanded to five members with the addition of Bernd Schlotter.

Bernd Schlotter, who brings extensive experience in technology infrastructure, software, IT services and consulting, joined the company in August 2021 as President of Services to accelerate the Company's transformation into a provider of IP-based services and solutions at scale in combination with a strong and recurring software and cloud business.

Hans Grüter, who held the position of CFO and member of the Executive Board since February 2014, retired from his operational responsibilities at the end of 2021 but remains with the company during the early part of 2022 to ensure a seamless transition and hand-over to the new CFO, Rodolfo J. Savitzky.

Compensation of the Executive Board

The shareholders' meeting shall approve annually and separately the proposals of the BoD in relation to the maximum aggregate compensation of the EB for the next business year. More details on compensation and post-employment benefits of the EB can be found in the [compensation report](#).

The members of the EB may only be granted loans and credits up to a maximum amount of CHF 1,000,000, at market-based conditions and in compliance with the applicable rules of abstention.

Responsibilities

The BoD has delegated the operational management of the company entirely to the CEO within the limits permitted by law and subject to the powers and duties remaining with the BoD pursuant to the OrgR.

Within the operational management delegated to the CEO pursuant to [OrgR](#), the CEO is responsible for SoftwareONE's daily business operations and represents the company in these matters, all in accordance with the law, the Aol, the OrgR as well as the strategies, policies and guidelines set by the BoD. The CEO is responsible for the implementation of BoD resolutions and the supervision of all management levels at the company. The CEO acts as the head of the EB.

Within the EB, the CEO is the primary point of contact for the Chairperson and the other members of the BoD. The CEO represents and coordinates the positions of the EB vis-à-vis the BoD. In case of matters requiring approval by the BoD as a matter of law, the Aol or the OrgR, the CEO submits corresponding proposals to the BoD. The CEO provides information to the other members of the EB concerning the resolutions and suggestions of the BoD. The CEO ensures that resolutions are implemented and that suggestions are taken into account. The CEO represents the group, both internally and externally.

Statutory provisions regarding external mandates

According to Art. 21 of the [Aol](#), no member of the EB may hold more than one mandate in a listed company and more than three mandates in non-listed companies. For a description of how SoftwareONE defines mandates and for transitional provisions of newly appointed EB members, please refer to the section [Availability and statutory provisions regarding external mandates](#) above.

Any mandate of a member of the EB in a legal entity outside of SoftwareONE shall be subject to prior approval by the BoD, or the NCC, where delegated.

All members of the EB remained within the statutory maximum number of outside mandates in listed and non-listed companies and organizations.

Management contracts

As at 31 December 2021, the company has not entered into any management contracts with third parties.

Shareholders' Participation Rights

Annual General Meeting participation and voting rights restrictions

At the shareholders' meeting, each share registered in the share register of SoftwareONE shall be entitled to one vote. For information on nominee registration, see section [Transferability, share register, nominee registration and registration limitations](#).

Shareholders may represent their shares at the shareholders' meeting themselves or be represented by (i) a third person who does not need to be a shareholder by means of written proxy or (ii) by the independent proxy.

The BoD determines the requirements for proxies and instructions in accordance with the laws and regulations and may establish corresponding rules, which are discussed in this section.

Independent proxy

According to Art. 10 of the [Aol](#), the shareholders' meeting annually elects an independent proxy. The independent proxy's term of office begins on the day of election and ends at the end of the following ordinary shareholders' meeting. Re-election is possible. If SoftwareONE does not have an independent proxy, the BoD shall appoint the independent proxy for the next shareholders' meeting.

Pursuant to the Ordinance against Excessive Compensation in listed companies and SoftwareONE's [Aol](#), the Annual General Meeting of shareholders elects the independent proxy for a term ending at the conclusion of the next annual shareholders' meeting. Re-election is possible.

At SoftwareONE's AGM of shareholders held on 20 May 2021, Anwaltskanzlei Keller KLG, Zurich, Switzerland, was re-elected as the independent proxy for the term ending at the conclusion of the Annual General Meeting 2022.

Quorums required by the Articles of Incorporation

Except where the law or the [Aol](#) provide otherwise, the shareholders' meeting passes its resolutions and conducts elections by the absolute majority of the votes cast, excluding any abstentions, blank or invalid votes (see Art. 11 of the [Aol](#)).

A resolution of the shareholders' meeting passed by at least two thirds of the votes represented at the meeting and the absolute majority of the nominal values of the shares represented at the meeting is required for:

- (i) All resolutions according to Art. 704 of the Swiss Code of Obligations;
- (ii) Resolutions regarding the release or cancellation of transfer restrictions of registered shares;

The Chairperson of the shareholders' meeting determines the voting procedure.

Convocation of the Annual General Meeting of shareholders

The notice of the shareholders' meetings shall be given by publication in the Swiss Official Gazette of Commerce (SOCC) at least 20 calendar days before the date of the meeting. The notice may also be sent by mail or e-mail to the shareholders, usufructuaries and nominees registered in the share register. The notice shall be issued by the BoD, or, if necessary, by the auditors.

The convocation notice shall include the agenda items and the proposals of the BoD as well as of the shareholders who have requested the convocation of a shareholders' meeting or who have requested that a specific item be put on the agenda.

The Annual General Meeting of shareholders for the financial year 2021 was conducted without audience based on Art. 6a of the Swiss Federal Government's ordinances on measures to fight COVID-19. Shareholders could exercise their rights exclusively through the independent proxy and personal attendance was not permitted.

Inclusion of items on the agenda

One or several shareholders that represent at least 3% of the share capital may also request to convene a shareholders' meeting. In this case, the BoD has to convene the meeting within 30 days. Shareholders representing at least 1% of the share capital may request items to be put on the agenda, provided the request is made at least 45 calendar days prior to the general meeting concerned. Convocation requests and requests for inclusion of agenda items need to be submitted to the BoD in written form, indicating the agenda items and proposals (see Art. 8 of the [Aol](#)).

No resolutions may be passed on motions concerning agenda items that have not been duly announced, except for motions to convene an extraordinary shareholders' meeting, to initiate a special audit or to elect auditors upon a shareholders' request.

No prior notice is required to submit motions relating to items already on the agenda and to discuss matters on which no resolution is to be taken.

Entries in the share register

In the invitation to the shareholders' meeting, the BoD shall announce the record date for registration in the share register that is relevant with respect to the right to attend and vote (see Art. 5 of the AoI).

Transferability, share register, nominee registration and registration limitations

SoftwareONE maintains a share register in which the owners, usufructuaries and nominees of registered shares are registered with name, address and nationality (or in case of legal entities, the registered office). In relation to the company, only those shareholders, usufructuaries or nominees registered in the share register are recognized as shareholders, usufructuaries or nominees. The company only recognizes one proxy per share.

Acquirers of shares, upon request and presentation of evidence of the transfer or establishment of the usufruct, are registered as shareholders with voting rights in the share register if they explicitly declare to hold the shares in their own name and for their own account.

Persons who do not expressly declare in the registration application that they hold the shares for their own account (nominees) shall, without further ado, be entered into the share register with voting rights up to a maximum of 3% of the total share capital outstanding. Above this threshold, nominees shall be registered as shareholders with voting rights, provided the respective nominees disclose the names, addresses, nationalities and shareholdings of the persons for which they hold 1% or more of the total share capital outstanding, provided there is compliance with notification duties pursuant to the FMIA, as amended.

The BoD is authorized to conclude agreements with nominees on their duties of notification and to grant exemptions from the regulation described in the paragraph above in individual cases.

SoftwareONE has the right to delete entries in the share register retroactively as of the date of the entry, if the registration has been made on the basis of false information. It may give the relevant shareholder or nominee the opportunity to be heard in advance. The relevant shareholder or nominee is to be informed about the deletion without delay.

The BoD shall implement the necessary directions for maintaining the share register and it may issue corresponding regulations or guidelines. The BoD may delegate such tasks.

No exceptions were granted with respect to entry in the share register and no entries in the share register were deleted retroactively in the year under review.

Changes of Control and Defense Measures

Unvested deferred compensation may vest and employee participation plan rules may be amended upon a change of control of SoftwareONE, that is, if a new external shareholder acquires a major stake in SoftwareONE.

In accordance with Swiss law, the mandates and employment contracts of the members of the BoD and of the EB do not contain any provisions such as severance payments, notice periods of more than 12 months or additional pension fund contributions that would benefit them in a change of control situation.

The BoD or, to the extent it is delegated, the NCC, shall determine granting, vesting, exercising and/or forfeiting conditions. They may provide for a continuation, acceleration or removal of vesting and/or exercising conditions, for payment or granting of compensation based upon assumed target achievement, or for forfeiture, in each case in the event of pre-determined events, such as a change of control or termination of an employment or mandate agreement. The company may source the required shares from treasury shares, purchases on the market or by using authorized or conditional share capital.

Black-out Periods

The SoftwareONE Internal Regulations against Insider Trading, which are published on the company's intranet, apply to all "Affected Persons" and "Insiders". The term "Affected Persons" includes the following:

- members of the Board of Directors;
- members of the Executive Board;
- assistants of members of the Board of Directors or the Executive management Team;
- other key employees;
- members of all management levels at the Company or any subsidiary of the company;
- local controllers of all Group Companies;
- accounting, finance and controlling of the Group;
- employees of Group Companies involved in projects dealing with assignments that may lead to price sensitive information; and
- external consultants.

"Insiders" are defined as all persons in possession of Insider Information, this being any confidential information which, if made public, would possibly have a significant effect on the price of the company's shares, any other securities, derivatives or other financial instruments derived from such securities that are admitted for trading on a trading venue in Switzerland. The General Counsel maintains a list containing the names, dates of birth and addresses of all Insiders, as well as the date on which the relevant Insider became an Insider.

Information is considered and remains "non-public" Insider Information until released to the public by the company in compliance with applicable laws and regulations and the listing rules of the SIX Swiss Exchange (the "Listing Rules"), and until the market has had enough time to absorb and evaluate the information. The SoftwareONE Internal Regulations against Insider Trading specify that any person having knowledge of material information may not attempt to "beat the market" by trading simultaneously with or shortly after the official release of such information. The regulations set out that information is deemed absorbed and evaluated by the market by the time of close of markets on trading day after the information has been publicly released (cooling-off period).

Insiders are prohibited from exploiting Insider Information and must at all times abstain from:

- trading in the Securities, that is the shares of the company, the shares of any listed Group Company and/or other traded securities to which the Insider Information relates. Trading comprises to sell or buy directly or indirectly or in concert with third parties or otherwise buy or dispose of or enter into any transaction (including any kind of equity linked or derivative transactions) having an economic effect similar to that of a sale or a purchase of Securities or other traded securities;
- encouraging or recommending to any other person, including family members, trustees and consultants to trade in the Securities or other traded securities.

Insider Information will not be disclosed to any third party, except parties who require such information to carry out their contractual or statutory duties and who are bound by confidentiality agreements (e.g. third party advisors), as well as parties for whom the disclosure of Insider Information is a prerequisite for the entry into a contract (e.g. due diligence access in the context of a merger or acquisition), in which case such a party must enter into a confidentiality commitment, be informed of the potential price-sensitivity and cautioned not to exploit the information and provided that the company maintains a record of the information that has been disclosed.

As per the SoftwareONE Internal Regulations against Insider Trading neither the company nor any Affected Persons may deal in any Securities for their own account or the account of a related person, including an investment body, during the General Black-out Periods, regardless of whether the company or Affected Person is in possession of Insider Information.

The General Black-out Periods are:

- from December 31 until the lapse of one SIX trading day following the public release of the company's annual results;
- from June 30 until the lapse of one SIX trading day following the public release of the company's semi-annual results.

Affected Persons not involved in the preparation of the financial results or without access to the information are not subject to the General Black-out Periods.

Information Policy

SoftwareONE releases its annual financial results in the form of an Annual Report. Its Annual Report is published in electronic form within three months of the 31 December balance sheet date. In addition, results for the first half of each financial year are released in electronic form within three months of the 30 June balance sheet date. SoftwareONE's Annual Report and half-year results will be announced via media releases and media and investor conferences in person, via video conference or telephone.

Information and documents pertaining to media releases, media conferences, investor updates and presentations at analyst and investor presentation conferences can be downloaded from the company's website at <https://www.softwareone.com> or obtained from the company upon request at SoftwareONE Holding AG, Investor Relations, Bahnhofplatz 1d, 8304 Wallisellen, Switzerland (telephone number: +41 (0) 44 832 41 37 email: investor.relations@softwareone.com).

- Email distribution list (push system);
- Ad hoc messages (pull system);
- Financial Reports;
- Corporate Calendar.