

Corporate Governance Report



Introduction

Corporate Governance at SoftwareOne is the manifestation of a deeply engrained belief that long-term value creation can only be achieved with improvements of decision-making processes, transparency, and the implementation of management systems. Together these are all designed to ensure compliance with all laws and regulations. Corporate Governance at SoftwareOne reflects the desire to improve the functioning of the organisation and to continuously introduce new best practices.

The corporate governance framework of SoftwareONE Holding AG and SoftwareOne Group (collectively, SoftwareOne) 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 aligns with current market practices.

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

- SoftwareOne's [Articles of Incorporation](#), defining the legal and organisational framework
- SoftwareOne's [Organisational Regulations](#) (OrgR), defining the governance framework of SoftwareOne and the group, including the responsibilities and authorities of the BoD, Chairman, Lead Independent Director (LID), Board committees, the CEO and other individual Executive Board (EB) members, as well as relevant reporting procedures.
- SoftwareOne's charters of the Board committees on [audit](#) and on [nomination and compensation](#), which outline the duties and responsibilities of each of these committees.
- SoftwareOne's codes of conduct (CoCs), which outline the compliance framework and set out the basic ethical and legal principles and policies the company applies globally to [employees and Board members](#) as well as [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 29](#) 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).

As at 31 December 2022, SoftwareOne held 3,516,831 shares (corresponding to 2.22% of the company's total share capital) in treasury. The market capitalisation of SoftwareOne as at 31 December 2022 amounted to CHF 2.0 billion.

The holding is organised into 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.

The group is organised into the two business lines Software & Cloud and Solutions & Services (from 1 January 2023 renamed to Software & Cloud Marketplace and Software & Cloud Services, respectively, and collectively Software & Cloud Solutions).

Shareholders

The disclosure notifications of significant shareholders and groups of shareholders holding 3% or more of the voting rights as at 31 December 2022:

Shareholder/group of shareholders	Shares held	% of voting rights
Dr. Daniel Marc von Stockar- Scherer-Castell, Naxxar, Malta 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 %
UBS Fund Management ³⁾	8,022,013	5.05 %
Pictet Asset Management SA ⁴⁾	5,154,610	3.25 %

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. 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 12 March 2022.

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

Individual notifications that were published during the year under review are available on the [SIX Exchange Regulation webpage](#).

Between 31 December 2022 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 2022, amounted to CHF 1,585,814.60, divided into 158,581,460 fully paid-in registered shares with a nominal value of CHF 0.01 each.

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](#).

Authorised and conditional capital

As at 31 December 2022 and in the prior three years, the company has no authorised 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

On 10 October 2019, SoftwareOne's Extraordinary General Meeting of shareholders (EGM) resolved to split one existing registered share with a nominal value of CHF 0.10 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 CHF 1,585,814.60, divided into 158,581,460 fully paid-in registered shares with a nominal value of CHF 0.01 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 Aol 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. It is primarily intended to 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 2022, SoftwareOne has issued neither participation certificates nor profit sharing certificates.

Limitations on convertible bonds and options

As at 31 December 2022, 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 2022, the BoD consisted of eight 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 ¹⁾	Swiss	1958	2013	Yes	Economics and information technology	Founder SoftwareOne
Jean-Pierre Saad ¹⁾	Belgian	1980	2015	No	Engineering, computer and communications	Technology and telecom investments, KKR
Marie-Pierre Rogers	Spanish	1960	2019	No	Business	Former Board Practice Leader, Spencer Stuart Switzerland
Timo Ihmuotila	Finnish	1966	2019	No	Economics and finance	CFO, ABB Ltd
José Alberto Duarte	Portuguese	1968	2019	No	Accounting, management, marketing	CEO, Infovista
Isabelle Romy	Swiss	1965	2021	No	Law	Attorney, University Professor
Adam Warby	British	1960	2021	No	Mechanical engineering	Founder and CEO, Avanade
Jim Freeman ²⁾	American	1972	2022	No	Computer science and literature	Chief Business and Product Officer, Zalando

1) Did not stand for re-election at the AGM on 5 May 2022.

2) Elected by the AGM held on 5 May 2022.

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.

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 Law (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 & Operations at Citibank, CEO and member of the Board of CPGMarket.com from 2000 to 2006. member of the Board La Virgen from 2014 to 2017. Advisor to AELER Technologies.

Former leader Spencer Stuart's Swiss and EMEA Supply Chain Board Practice leader and a member of the firm's global Industrial and Technology, Media & Telecommunications practices between 2011 and 2022. 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.

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, and member of the Board of Oras Invest Oy.

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](#) and the ad hoc ESG 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). Spent around 20 years working in various positions at SAP. 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. Non-Executive Director at Infovista from October 2016 to January 2019. Non-Executive Director at Gelato. from January 2019 to June 2021.

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.

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-Chairwoman of the Sanction Commission of SIX Swiss Exchange and Chairwoman of the Board of Central Real Estate Holding Ltd. and Rhystadt Ltd. as well as member of the Board of Directors of Banque Pictet & Cie SA.

Education

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

Jim Freeman

Role (non-executive)

Member of the [Audit Committee](#)

First elected

2022

Nationality

American

Professional experience and external appointments

Chief Technology Officer at MaxMedia from 2007 to 2009. Held various general business leadership roles including product and technology at Prime Video, Amazon from 2009 to 2016. SVP Engineering at Zalando in 2016. Returned to Amazon Alexa Communication in 2017. Since 2018 Chief Technology Officer with Zalando and currently Chief Business & Product Officer.

Education

Bachelor of Arts in Comparative Literature from the University of Georgia and a Bachelor of Science in Computer Science from the University of Illinois.

Adam Warby

Role (non-executive)

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

First elected

2021

Nationality

British

Professional experience and external appointments

Founder and retired CEO, 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.

René Gilli

(former member and founding shareholder)

(René Gilli was a member of the Board until 5 May 2022, at which time he did not stand for re-election. Accordingly, information shown below is current as of 5 May 2022 only)

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.

Jean-Pierre Saad

(former member)

(Jean-Pierre Saad was a member of the Board until 5 May 2022, at which time he did not stand for re-election. Accordingly, information shown below is current as from 5 May 2022 only)

Role (non-executive) Member of the [Audit Committee](#)

First elected 2015

Nationality Belgian

Professional experience and external appointments

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. Member of the Board of Directors of Cegid, Devoteam, Masmovil and Exact.

Education

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

External mandates

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 it controls. No member of the BoD or of the EB may hold more than 10 such mandates;
- 3) Mandates in associations, charitable organisations, 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 organisations. The following table shows the attendance at meetings as well as outside mandates of the members of the BoD:

Name	Board meetings	Audit Committee meetings	Nomination and Compensation Committee meetings	External mandates	
				listed ²⁾	non-listed ²⁾
Daniel von Stockar	8/8		6/6	0	2
Peter Kurer	8/8		6/6	0	1
René Gilli ¹⁾	4/8			0	1
Jean-Pierre Saad ¹⁾	2/8	4/4		0	5
Marie-Pierre Rogers	7/8		6/6	0	0
Timo Ihamuotila	8/8	4/4		1	1
José Alberto Duarte	8/8	4/4		1	2
Isabelle Romy	7/8	3/4		0	2
Adam Warby	7/8		5/6	3	0
Jim Freeman ³⁾	4/8 ³⁾	3/4 ³⁾		0	0
Average meeting length	5:50h	3h	3:15h		

1) Did not stand for re-election at the AGM on 5 May 2022.

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

3) Attendance as a guest in the meetings that preceded the election at the AGM. Elected by the AGM held on 5 May 2022.

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 Aol 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 Aol 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.

Environmental, Social & Corporate Governance (ESG)

SoftwareOne launched an ESG initiative in 2021 to realise the BoD's ambitions for a sustainable future.

The ad hoc ESG Committee driving this initiative relies on the passion and commitment of the CEO, with the support of the ESG Team.

Three employee-driven committees were created to focus on the vision, purpose, KPIs and strategy of the company's ESG ambitions, offering accountability and ensuring a people-centric approach to the ESG strategy. These committees comprise employees from all regions and from vastly diverse teams, helping the company reach SoftwareOne employees globally, on a "glocal" basis, and allowing it to gather input from as many different employees as possible.

Lead stakeholders of all departments are instructed to involve colleagues in the ESG processes to support and embed the objectives into the business strategy. With the BoD oversight, senior leadership has full integration, visibility, and accountability over the ESG programme.

The details are further contained in the [Sustainability Section](#) of the Annual Report.

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 or the Chairperson of the [Nomination and Compensation Committee](#), supported by the Chief Legal Officer and the Chief Human Resources Officer or the Head of Group Compensation and Rewards.

Specific Board activities during the reporting period

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 other electronic media. In 2022, the BoD held eight ordinary and four extraordinary meetings. Of the eight ordinary BoD meetings, four were held by video conference. The strategy meeting, also held in-person, 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 through 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 when urgent decisions are required.

During the 2022 financial year, eight ordinary meetings of the BoD were held, with an average duration of approximately 5:50 hours. The average attendance at BoD meetings in 2022 was approximately 93% (for individual attendances, see section [Availability and External mandates](#)).

In addition to the regular meeting agenda items, in 2022 the BoD specifically focused on topics such as:

- Strategy review and implementation, in particular concerning specific growth areas, industry verticals and M&A;
- Company target setting and achievement;
- Media release reviews;
- Strategy and five-year business plan;
- 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;
- Reviewing ESG strategies and projects;
- Audit Committee and Nomination and Compensation Committee matters.

Board of Directors' internal organisation

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 [Aol](#) 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 has delegated certain responsibilities, including the preparation and execution of resolutions, to two committees. In addition, it drives the dialogue on general business and lends its full support, as well as also delegating responsibilities to the 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 and the AC each 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 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 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, together with the CEO or any other appropriate member of the BoD or the EB, has the power 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 2022, the LID assumed the role of the Vice-Chairperson.

If the Chairperson is temporarily unable or unavailable to exercise the function, the LID either personally assumes the Chairperson's duties 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, especially 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 carry out these engagements without the Chairperson.

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 of discussions and/or decisions concerning 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 2022, the CEO and the CFO participated in all eight of the 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 the ad hoc ESG Committee will provide the BoD with an update of the committees' work.

In case a member of the BoD requests information or, to the extent where it is necessary to perform their duties, examination of the business records outside of a meeting, such a request must be addressed to the Board Secretary 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 or the Chief Legal Officer and approved by the Chairperson. In 2022, the BoD invited external experts to two of its meetings, the AC to four of its meetings and the NCC to one 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.

Board of Directors renewal and succession

The BoD must 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 analyses the BoD's composition to confirm that its members' qualifications, skills, and experience correspond to the needs of the BoD, subject to an adequate Board size and well-balanced and diverse 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. Regarding 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. In addition, the NCC is mindful of and working towards the representation requirements applicable to the BoD starting on or after 1 January 2026, requiring a minimum 30% representation of each gender.

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 and ESG.

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 guidelines 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 2022 is as follows:

Current Board composition

Board Member		Nationality	CEO	Finance & Risk	M & A	HR	Technology	Innovation	Business Scalability	IT/Managed Services	Governance & Compliance	First Elected	# years since IPO
Daniel von Stockar (M, 1961)	Chairman & Co-Founder, Member NCC	CH	●		●		●		●			2013	3
Jim Freeman (M, 1972)	Board Member, Independent, Member AC	US					●	●	●			2022	<1
Peter Kurer (M, 1949)	Lead Independent Director, Member NCC	CH		●	●	●	●				●	2013	3
Timo Ihmuotila (M, 1966)	Independent, Chair AC	FI		●	●		●					2019	3
Marie-Pierre Rogers (F, 1960)	Independent, Chair NCC	ES	●			●	●					2019	3
José Duarte (M, 1968)	Independent, Member AC	PT	●		●		●		●	●		2019	3
Adam Warby (M, 1960)	Independent, Member NCC	GB	●		●		●	●	●			2021	1
Isabelle Romy (F, 1965)	Independent, Member AC	CH		●	●		●				●	2021	1

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, organisation 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."

Coordinated by the LID, an external assessment of the BoD was performed during the reporting year.

Board of Directors' training and education

Education is an important priority for SoftwareOne's BoD. Newly elected BoD members attend an onboarding programme tailored to their functions to gain a sound understanding of SoftwareOne's organisation, business, culture, and its environment. In addition to this induction programme for new members, refresher programmes are given to all Board members to update and enhance their knowledge of emerging business trends and risks. This is further intended to contribute to building a strong and effective culture in the BoD, which is an important pillar of its effectiveness.

Interaction of the Board of Directors with the Executive Board

In accordance with Art. 16 of the [Aol](#) 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, organisational 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 programme. 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 Aol 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 personally resolve the relevant matter.

Audit Committee

Key responsibilities and duties

The AC comprises at least three members of the BoD. As at 31 December 2022, the AC comprised four members. The members of the AC and the Chairperson are appointed annually by the BoD, which aims to appoint non-executive and independent (as defined in 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 2022, the AC held four meetings by video conference in February, June, August, and December, with an average duration of approximately three hours. The committee focused on several key areas, including but not limited to the activities described below. Specifically, the AC:

- Discussed the coverage of the group audit;
- Reviewed the risk map, including financing and forex risks, and internal and external audit plans;
- Reviewed the tax strategy and effective tax rate;
- Reviewed the draft 2021 Annual Report and the draft 2022 Half-Year Report as well as the two draft quarterly trading updates in relation to the first and third quarter of 2022, respectively;
- Reviewed internal policies.

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 organisation. 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 the fees for the external auditors. 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 organisational structure of the Internal Audit function and sets and reviews the qualifications of the Internal Audit organisation 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 2022, the AC held two meetings with the internal auditors and four meetings with the external auditors.

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 Chief Legal Officer 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 from it, including direct access to employees. 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 2022, 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. The AC also 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 under 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, e.g.:

- Economic crisis;
- Significant losses of the value chain in software & cloud;
- Slow innovation;
- Unsuccessful new service models;
- Slow multivendor model adoption;
- ESG risks, as reported by the ad hoc ESG Committee.

Operational risks, e.g.:

- IT security;
- IT applications;
- Customer security breaches in cloud consumption;
- Operational excellence issues (scalable and efficient business model).

Financial risks, e.g.:

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

Legal and compliance risks, e.g.:

- 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 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 9001:2015 on quality management systems, ISO 14001:2015 on environmental management systems, and ISO/IEC 27017:2015 for Brazil and India on information security controls for cloud services.

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

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

Audit of non-financial and ESG topics

A key non-financial risk for SoftwareOne is IT security. Therefore, the assessment of performance against an IT security framework is an important ongoing task for Internal Audit. To ensure that the appropriate specialists in Internal Audit can conduct their assessments according to the highest and most recent industry standards, SoftwareOne provides relevant training and resources required by Internal Audit.

A material component of an ESG programme is the definition of new targets and their validation against recognised reporting standards. The SoftwareOne ESG report due to be published in H2 2023 will disclose these targets using recognised reporting standards and will provide increased transparency. The progress against agreed ESG targets will be regularly monitored by Internal Audit.

Nomination and Compensation Committee

Key responsibilities and duties

As at 31 December 2022, the NCC comprised 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. In any case the Chairperson of the NCC shall be an independent member of the BoD and there shall be an independent majority in the NCC (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 2022.

Nomination and Compensation Committee activities in the reporting period

The NCC held six meetings in 2022, all by video conference. The average duration of these calls was approximately 3:15 hours. The committee focused on several key areas, including:

- Providing guidance on composition and succession planning of the BoD and the EB;
- Appointing a new Chief Human Resources Officer;
- 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;
- Succession roadmap and talent competitiveness review;
- External mandates review.

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

Committee interactions

The NCC shall regularly invite the CEO to its meetings 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, as it deems desirable and appropriate to fulfil its tasks responsibly.

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 2022, the CEO participated in five of the 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.

To further develop the compensation system, namely the Short- and Long-Term Incentive schemes reviews, the NCC worked together with external service providers CorpGro and HCM Hostettler & Company (HCM). These were the only business relationships and mandates of SoftwareOne with CorpGro and HCM.

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 2022, 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.

Rodolfo J. Savitzky

Role

Chief Financial Officer

Joined SoftwareOne in
2022

Nationality

Mexican and Swiss

Professional experience and external appointments

Previously held various finance leadership positions at P&G, Novartis and Lonza in Europe and Latin America. Prior to joining SoftwareOne, served as CFO and member of the Group Executive Committee of Lonza from 2016 to 2021.

Currently also Member of the Board of Directors of EUROAPI S.A.

Education

Graduated from Monterey Institute of Technology in Industrial and Systems Engineering and holds an MBA in Finance and Economics from the University of Chicago Booth School of Business.

Alex Alexandrov

(until 31 December 2022)

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, USA 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.

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 sales and business development.

No external appointments.

Education

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

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.

Julia Braun

Role

Chief Human Resources Officer

Joined SoftwareOne in

2022

Nationality

Austrian

Professional experience and external appointments

Previously held various global HR leadership positions in Switzerland and Austria. She served as HR executive at Tupperware Brands, as CHRO at Conzzeta and most recently as Director and Board Member at ISS Switzerland.

No external appointments.

Education

MAS/MSc in Human Resources & Organisational Development from PEF University Vienna and an Executive MBA from the Business School of Lausanne.

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

Name	Nationality	Born	Function	Appointment	Education	External mandates	
						listed	non-listed
Dieter Schlosser	German	1966	Chief Executive Officer	2019	Business management	0	0
Rodolfo J. Savitzky	Mexican, Swiss	1962	Chief Financial Officer	2022	Engineering, finance and economics, MBA	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
Julia Braun	Austrian	1973	Chief Human Resources Officer	2022	Human Resources, MBA	0	0

Management changes

The EB was expanded to six members with the addition of Rodolfo Savitzky, replacing Hans Grüter, and Julia Braun.

Rodolfo J. Savitzky who has extensive experience from his various finance leadership positions, joined the company in January 2022. Rodolfo will take responsibility for driving forward the growth and transformation strategy, building on his broad international finance, M&A as well as operational and IT expertise.

Julia Braun joined the company in November 2022 to oversee the areas of human resources, leadership development, talent acquisition and management as well as diversity, equality and inclusion. With more than 20 years' experience across all aspects of human resources in global, people-centric organisations, Julia will drive the company's people strategy to ensure that it continues to attract, develop, and retain high-performing and diverse talent to fuel the growth journey.

Alex Alexandrov, who held the positions of COO, Head of M&A and Strategy, and most recently was responsible for the LATAM region, decided to leave the company at the end of 2022.

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 (see art. 19 of the Aol). 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 considered. 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 organisations.

Management contracts

As at 31 December 2022, the company has not entered into any management contracts with third parties.

Composition of the EB

The NCC is mindful of and working towards the representation requirements applicable to the EB starting on or after 1 January 2023, requiring that there is at least 20% representation of each gender on the EB.

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 below.

Shareholders may personally represent their shares at the shareholders' meeting 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.

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 recognised as shareholders, usufructuaries or nominees. The company only recognises 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 they 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 authorised 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 of the date of the entry, if the registration has been based on 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.

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

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 5 May 2022, Anwaltskanzlei Keller KLG, Zurich, Switzerland, was re-elected as the independent proxy for the term ending at the conclusion of the Annual General Meeting 2023.

Quorums required by the Articles of Incorporation

Except where the law or the Aol provide otherwise, the shareholders' meeting passes its resolutions and holds 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 (SOGG) 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 2022 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 must 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 [Aol](#)).

Changes of control and defence 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 authorised or conditional share capital.

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 reelection. It assesses annually the external auditor's qualifications, effectiveness, past performance, and independence, especially related to any further consulting mandates. In connection with the appointment of the external auditor, the AC further approves the audit programme, 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, and who will be replaced at this Annual General Meeting, in line with the Swiss Code of Obligations. To foster external auditor independence, the lead auditor must be 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.

c. Auditing fees and additional fees

Auditing fees	CHF 1,782,000	83 %
Additional fees (total)	CHF 358,000	17 %
– Tax ¹⁾	CHF 358,000	
Total fees	CHF 2,140,000	100 %

¹⁾ Income tax compliance and transfer pricing.

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 2022, the external auditors participated in all four meetings of the AC (all conducted via video conference). 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 the presence of management.

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 defence.

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 detailing 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 several 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.

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;
- 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 Chief Legal Officer 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 always 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 selling or buying directly or indirectly or in concertation with third parties or otherwise buying or disposing of or entering 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 which require such information to carry out their contractual or statutory duties and which 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, acquisition or divestment), 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 31 December until the lapse of one SIX trading day following the public release of the company's annual results;
- from 31 March until the lapse of one SIX trading day following the public release of the company's first quarter results;
- from 30 June until the lapse of one SIX trading day following the public release of the company's semi-annual results;
- from 30 September until the lapse of one SIX trading day following the public release of the company's third quarter 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 and Annual Report in electronic form within three months of the 31 December balance sheet date. Results for the first half of each financial year are released within three months of the 30 June balance sheet date. The company also provides quarterly trading updates for the first and third quarters of each financial year, covering certain key financial metrics, in electronic form, within two months of 31 March and 30 September balance sheet dates, respectively. SoftwareOne's Annual Report, full-year and half-year results and quarterly trading updates are announced via media releases and media and investor conferences in person or via webcast.

Information and documents pertaining to media releases, media conferences, investor updates and presentations at analyst and investor 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, Neue Winterthurerstrasse 82, 8304 Wallisellen, Switzerland (telephone number: +41 (0) 44 832 41 37 email: investor.relations@softwareone.com).

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