



Compensation report

Letter to shareholders

Dear shareholders,

As the new Chair of the Nomination and Compensation Committee (NCC), I am pleased to present SoftwareOne's 2024 Compensation Report on behalf of the NCC and the Board of Directors (BoD).

Our 2024 Compensation Report outlines SoftwareOne's overall compensation policy, principles, and framework and discloses the compensation awarded to members of both the BoD and the Executive Board (EB) for the 2024 financial year. It is compiled in accordance with the relevant sections of the Swiss Code of Obligations (Swiss CO), particularly Article 734 et seq., applicable to Swiss listed companies, the Directive on Information related to Corporate Governance of SIX Swiss Exchange, as well as the Swiss Code of Best Practice for Corporate Governance.

At the 2024 Annual General Meeting (AGM) the shareholders' approval rate of the 2023 Compensation Report stood at a disappointing 66.54%, for the maximum aggregate compensation amount for the EB at a moderate 72.21%, and for the maximum aggregate compensation amount for the BoD at 84.78%, revealing a need for realignment with shareholders' expectations. As a result, we have carefully analysed the factors behind these outcomes and taken steps to address them by adjusting compensation levels for new members appointed to the EB, by refining our compensation approach and by placing a strong focus on enhancing transparency in compensation decisions and related matters moving forward.

During the 2024 financial year, we navigated a dynamic and challenging landscape across both our business operations and market conditions. While group revenue growth and the adj. EBITDA margin aligned with the latest guidance, they did not meet the targets set for both the 2024 STI (cash bonus) and LTI (Long-Term Incentive) granted in 2022 (performance period ending in 2024). Additionally, our share price declined significantly, impacting rTSR performance. These outcomes were reflected in the performance-based variable compensation awarded to the EB. Following its evaluation, the NCC concluded that both the 2024 STI (cash bonus) and the LTI vesting level (granted in 2022 for the performance period 2022 to 2024) provided a reasonable reflection of the company's performance. Accordingly, no discretionary adjustments were made in measuring performance results or determining variable compensation amounts.

In parallel, the year saw significant changes at the leadership level. Following the outcome of the 2024 AGM, the size of the BoD was reduced from eight to five members, which subsequently led to a consolidation of its committees into the Audit Committee, NCC, and Transaction Committee. To account for the increased workload and responsibilities resulting from this change, Committee Chair fees were adjusted accordingly (for details, see section [Board of Directors compensation](#)). In the second half of the year, we welcomed our new CEO, Raphael Erb, and the new President of Software and Cloud, Oliver Berchtold.

Further, the NCC continued supporting the BoD in regular nomination and compensation matters such as determining individual compensation amounts, setting performance targets, assessing performance achievements for the variable compensation programmes, preparing compensation report and "say-on-pay" proposals, as well as succession planning for both the EB and the BoD.

The AGM provides a key opportunity for shareholder input. At the 2025 AGM, shareholders will vote on the maximum aggregate compensation amounts for the BoD and the EB, as well as providing feedback on this Compensation Report. We encourage you to review the AGM invitation for further details.

On behalf of the NCC, I would like to thank you for your trust and engagement. Your feedback plays a vital role in shaping a compensation framework that balances shareholder interests with SoftwareOne's long-term objectives. We remain committed to fostering open dialogue and ensuring that our compensation practices align with the company's strategic priorities.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrea Sieber', with a large, sweeping flourish at the end.

Andrea Sieber

Chair of the Nomination and
Compensation Committee

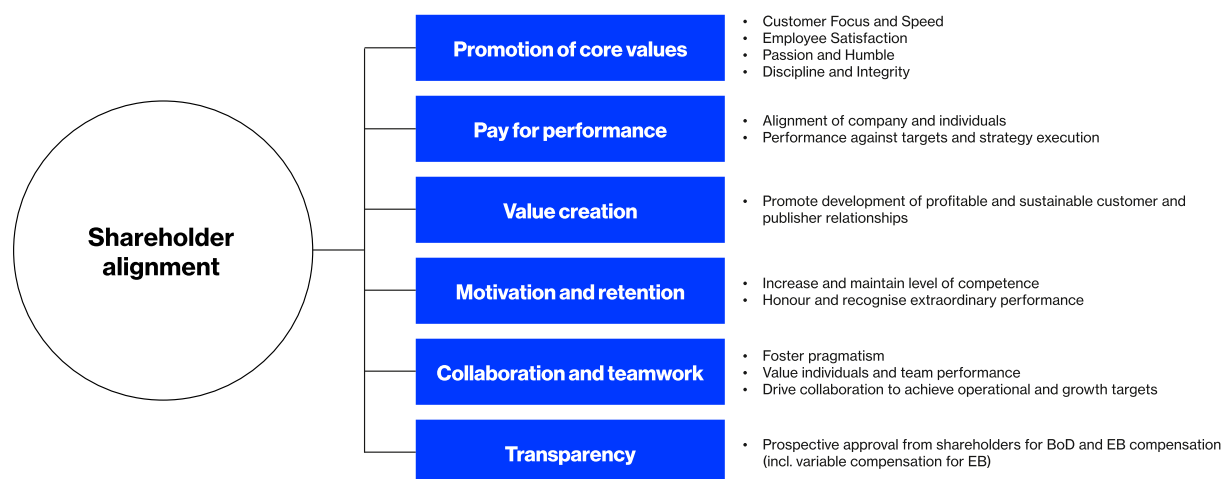
Our report at a glance

In line with previous years, the NCC sincerely appreciates shareholders’ feedback received on our compensation principles, approaches and design and is actively committed to engaging in a continuous improvement process. Based on these valuable inputs and taking into consideration general trends in Switzerland and globally, the NCC prioritised the following enhancements in this year’s Compensation Report:

- **Benchmarking:** All information regarding benchmarking activities for both the Board of Directors and the Executive Board were grouped into one chapter and the level of detail regarding peer group composition, benchmarking process, and resulting adaptations to the compensation levels and structures was increased.
- **Short-Term Incentive (STI) plan:** Considering the recent organisational updates and strategic realignments, the metrics driving the STI were updated. This goes along with a more transparent disclosure and description of the underlying process to determine the appropriate ambition level of these metrics.
- **Long-Term Incentive (LTI) plan:** Similarly to the STI, the metrics under the LTI also underwent a thorough review aimed at alignment with our strategic priorities going forward. They were updated accordingly and, from now on, are measured over the full three-year performance period. Furthermore, the level of information provided regarding the target-setting approach was increased. Additionally, given the first vesting of our LTI since our listing in 2019, we included information regarding the actual underlying performance and resulting vesting outcomes in this report.

Compensation policy and principles

Our compensation policy focuses on aligning the interests of our senior leaders with those of our shareholders as well as on attracting, motivating, and retaining the best talent in a highly competitive global environment. Consequently, the compensation principles applied across SoftwareOne are geared towards the following:



Compensation governance

The compensation governance at SoftwareOne comprises three key bodies: the NCC, which advises the BoD in terms of compensation-related matters, the BoD, which ultimately approves compensation-related matters, and the shareholders of SoftwareOne, who vote on total compensation and the compensation report at the AGM.

The [Articles of Incorporation](#), the [Organisational Regulations](#) and the [NCC Charter](#) outline and define the roles and responsibilities of these bodies. The Articles of Incorporation of SoftwareOne contain compensation governance provisions regarding:

- Approval (binding and prospective) of compensation by the shareholders at the AGM, Art. 7 and 19
- Powers and duties of the NCC, Art. 15
- General principles of compensation, Art. 18
- Additional amount for the EB, Art. 20

The general division of duties, responsibilities and powers between these three key bodies of the compensation governance (NCC, BoD and AGM) are presented in the table below, in line with Art. 7 and Art. 19 of the Articles of Incorporation.

	CEO	NCC	BoD	AGM
Election of NCC members				A
Compensation strategy and guidelines		P	A	
Compensation principles (Articles of Incorporation)		P	A (subject to AGM approval)	A (binding vote, in case of changes)
Key terms of compensation frameworks for the BoD and EB		P	A	
Total compensation for the BoD		P	A (subject to AGM approval)	A (binding vote)
Total compensation for the EB		P	A (subject to AGM approval)	A (binding vote)
Individual total compensation for the CEO		P	A	
Individual total compensation for the other members of the EB	P	R	A	
Employment and termination agreements for the CEO		P	A	
Employment and termination agreements for other members of the EB	P	R	A	
Compensation Report		P	A	A (consultative)

A: Approve
P: Propose
R: Review

Role of the shareholders at the AGM

The BoD submits three separate compensation-related resolutions for shareholder approval at the AGM (Art. 7 and Art. 19):

- Vote I: Consultative vote for the Compensation Report of the previous financial year
- Vote II: Binding vote on the maximum aggregate amount of compensation of the BoD for the term of office from the current to the next AGM
- Vote III: Binding vote on the maximum aggregate amount of compensation of the EB for the following financial year

The graph below illustrates these compensation-related resolutions for shareholder approval at the 2025 AGM and illustrates their impact on the respective financial year:

Overview of say-on-pay votes at AGM 2025

Financial Year	2024				2025				2026				2027			
Quarter	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
Compensation report vote (Consultative)	2024 Compensation Report															
BoD vote (Binding)					Maximum aggregate amount for the term AGM 2025 – AGM 2026											
EB vote (Binding)									Maximum aggregate amount for FY 2026							

Role and activities of the Nomination and Compensation Committee

The NCC is composed of at least three members of the BoD (Art. 15), who are elected individually at the AGM by the shareholders on an annual basis pursuant to Swiss law and SoftwareOne’s Articles of Incorporation. The NCC has the duties of supervision and governance of SoftwareOne’s compensation frameworks and philosophy, compensation of the EB as well as the performance evaluation of EB members. The NCC regularly invites the CEO and may invite other members of the Executive Board 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 or appropriate. However, 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 respective person. The Chair of the Board or the Chair of the NCC may not be present when the NCC reviews the compensation of the respective person. The Chair of the NCC ensures that the BoD is kept informed in a timely and adequate manner during the term of office regarding the NCC’s area of responsibility. Please refer to the [Corporate Governance Report](#) section for further details on NCC composition, duties, election and NCC members.

Information regarding external mandates for all Board and Executive Board members is provided later in this report. The Chair of the NCC convenes NCC meetings as often as required by SoftwareOne's business, but at least three times a year. During 2024, the NCC held eleven meetings covering the following agenda items as illustrated in the table below:

Agenda item during 2024		February	March	April	May	June	August	October	November	December
Compensation governance and policy	Preparation of AGM invitation including maximum amount of compensation for the BoD and EB	x	x							
	Review BoD and EB composition and succession				x	x	x	x	x	x
	Review of external Partners							x		
BoD compensation framework	Review of BoD compensation levels and framework			x				x		
EB compensation framework	Review of STI performance and payouts for FY 2023 and target setting for FY 2024 for the EB	x	x							
	Target setting for LTI grant in FY 2024 for the EB	x	x							
	Review of STI and LTI framework							x		x
Communication	2023 Compensation and Governance Report	x								
	Analysis of compensation voting results at the AGM and review of proxy advisor reports							x		

Two meetings took place in February and two in December.

Regular compensation benchmarking for Executive Board and Board of Directors

To evaluate SoftwareOne's positioning in the market and overall competitiveness, the NCC regularly conducts market benchmarks to assess the compensation structure and level for both the BoD and the EB. The peer selection process is based on the company's services and products, geographical relevance, size and scope.

Peer group and benchmarking

Information on peer company compensation is an important point of reference to assess the market competitiveness of the compensation awarded to members of the EB. The NCC believes that benchmarking against a consistent and relevant set of peer companies that are similar to SoftwareOne in scope, products and services offered, and geographical presence enables the company to set pay levels towards the middle of the respective market range. The peer group is adjusted when the Company updates its strategic direction or business model. This reinforces the talent attraction, motivation and retention efforts needed to support the company's long-term success.

The last assessment of the competitiveness of the Executive Board compensation and compensation for non-executive BoD members in Switzerland was in 2023, and the next regular assessment will be scheduled in due course.

Board of Directors compensation

Following the outcome of the 2024 AGM, the size of the BoD was reduced from eight to five members, which subsequently led to a consolidation of its committees into the Audit Committee, NCC, and a newly established Transaction Committee, where on the other hand the role of Vice Chair was eliminated and the Innovation and ESG Committees were dissolved by shifting these topics to the entire BoD.

This restructuring necessitated a reallocation of roles and responsibilities among the board members, increasing their overall remit and accountability. To reflect the expanded scope of duties and increased workload, the Chair Committee fees were increased from CHF 40,000 to CHF 80,000, ensuring alignment with the enhanced demands of the redefined governance structure.

Elements of compensation

The compensation of the members of the BoD consists of an annual base fee and an additional compensation awarded for duties carried out in BoD committees as chairpersons or ordinary members. In line with Art. 18 of SoftwareOne's Articles of Incorporation and to ensure the independence of the members of the BoD in executing their supervision duties, the compensation of the members of the BoD does not include any variable performance-linked element and 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 in 2020, 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.

The following table illustrates the annual base fees for the BoD memberships and the additional compensation for duties in committees.

Audited Annual base fee for BoD membership for non-executive Directors from 18 April 2024 in CHF	Annual committee fees						
	Audit Committee		Nomination and Compensation Committee		Transaction Committee		
	Chairperson	Member	Chairperson	Member	Chairperson	Member	
Chairperson	400,000		Not entitled				
Ordinary member	120,000	80,000	20,000	80,000	20,000	80,000	20,000

Audited Annual base fee for BoD membership for non-executive Directors until 18 April 2024 in CHF	Annual committee fees								
	Audit Committee		Nomination and Compensation Committee		Innovation Committee		ESG Committee		
	Chairperson	Member	Chairperson	Member	Chairperson	Member	Chairperson	Member	
Chairperson	400,000		Not entitled						
Vice Chairperson	180,000	40,000	20,000	40,000	20,000	20,000	10,000	20,000	10,000
Ordinary member	120,000	40,000	20,000	40,000	20,000	20,000	10,000	20,000	10,000

In line with best market practice standards, the members of the BoD do not receive lump-sum expenses, but are reimbursed for expenses at cost. There are no pension contribution payments made to any member of the BoD.

Compensation awarded to the Board of Directors in 2024

The following table outlines the total compensation awarded to the BoD in 2024.

Audited Members of the BoD from 18 April 2024 in CHF	Board	Audit Committee	NCC	Transaction Committee ⁶⁾	IC ⁷⁾	ESGC ⁷⁾	Settled in cash	Settled in shares ⁸⁾	Social security contributions ⁹⁾	Total compensation FY 2024	Total compensation FY 2023
Daniel von Stockar ¹⁾	Chairperson ⁵⁾	Member		Member			120,000	160,000	14,974	294,974	154,372
René Gilli	Member		Member				42,000	56,000	3,901	101,901	-
Andrea Sieber	Member		Chairperson	Member			66,000	88,000	8,423	162,423	-
Jörg Riboni	Member	Chairperson		Member			66,000	88,000	6,820	160,820	-
Till Spillmann	Member	Member	Member	Chairperson			72,000	96,000	9,097	177,097	-
Total							366,000	488,000	43,215	897,215	154,372

Audited Members of the BoD until 18 April 2024 in CHF	Board	Audit Committee	NCC	Transaction Committee ⁶⁾	IC ⁷⁾	ESGC ⁷⁾	Settled in cash	Settled in shares ⁸⁾	Social security contributions ⁹⁾	Total compensation FY 2024	Total compensation FY 2023
Adam Warby	Chairperson ⁵⁾		Member				120,000	-	5,543	125,543	345,851
Marie-Pierre Rogers ²⁾	Vice Chairperson		Chairperson				72,000	-	3,543	75,543	232,491
José Alberto Duarte	Member		Member			Member	45,000	-	-	45,000	147,000
Timo Ihamuotila	Member	Chairperson					48,000	-	2,415	50,415	172,739
Isabelle Romy ³⁾	Member	Member				Chairperson	51,000	-	2,566	53,566	173,673
James Freeman	Member	Member			Chairperson		47,250	-	-	47,250	152,252
Elizabeth Theopille	Member	Member			Member		45,000	-	2,264	47,264	113,228
Peter Kurer ⁴⁾	Vice Chairperson									-	54,055
Total							428,250	-	16,331	444,581	1,391,289

TOTAL							794,250	488,000	59,546	1,341,796	1,545,661
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1) Daniel von Stockar recused himself from BoD activities from end of June 2023 until 18 April 2024. No shares were awarded in 2023.

2) Marie-Pierre Rogers received a one-time fee of CHF 20'000 for her extraordinary additional efforts for the NCC in 2022 and 2023.

3) Isabelle Romy received a one-time fee of CHF 10'000 for her extraordinary additional efforts for the ESGC in 2022 and 2023.

4) Peter Kurer retired from the BoD effective 4 May 2023. No shares were awarded in 2023.

5) Includes compensation for Chairperson of the BoD only. No additional fees paid for the role as member of committees.

6) Transaction Committee was established 18 April 2024.

7) Innovation Committee and ESG Committee were discontinued 18 April 2024.

8) Represents gross amounts settled in blocked shares prior to any deductions such as employee social security and income withholding tax for the fiscal year 2023. The number of blocked shares is determined by dividing each BoD member's individual share compensation amount (40% of annual fee) for one term of office by the closing price of SoftwareOne's share price on the allocation date rounded down. Residual amounts are paid in cash.

9) Employer-paid social security contributions.

Approved versus awarded compensation to the BoD

At the 2023 AGM, shareholders approved a maximum aggregate compensation amount of CHF 1.65 million for the BoD for the compensation period from 2023 AGM to the 2024 AGM. For this period the effective compensation amounted to CHF 1.55 million and is thus within the approved limits.

At the 2024 AGM, shareholders approved a maximum aggregate compensation amount of CHF 1.9 million for the BoD for the compensation period from the 2024 AGM to the 2025 AGM. As this compensation period is not yet complete, a conclusive assessment will be provided in the Compensation Report 2025.

Share ownership

The table below shows the shareholdings of the BoD as of 31 December 2024, including information for the 2023 financial year. This table includes available shares and blocked shares in connection with BoD compensation.

Audited Members of the BoD	Number of directly held shares ⁽¹⁾		Total shareholdings as of 31 December 2024	Total shareholdings as of 31 December 2023
	Available shares	Blocked shares ⁽²⁾		
Daniel von Stockar ⁽³⁾	17,505,107	21,789	17,526,896	17,517,529
René Gilli ⁽⁴⁾	12,452,078	5,406	12,457,484	-
Andrea Sieber ⁽⁵⁾	-	5,152	5,152	-
Jörg Riboni ⁽⁶⁾	-	5,152	5,152	-
Till Spillmann ⁽⁷⁾	84,300	5,620	89,920	-
Adam Warby ⁽⁸⁾	-	-	-	21,773
Marie-Pierre Rogers ⁽⁹⁾	-	-	-	41,372
José Alberto Duarte ⁽¹⁰⁾	-	-	-	13,781
Timo Ihamuotila ⁽¹¹⁾	-	-	-	35,438
Isabelle Romy ⁽¹²⁾	-	-	-	11,481
James Freeman ⁽¹³⁾	-	-	-	8,656
Elizabeth Theopille ⁽¹⁴⁾	-	-	-	4,103
Peter Kurer ⁽¹⁵⁾	-	-	-	311,382
Total	30,041,485	43,119	30,084,604	17,965,515

1) Ordinary registered shares of SoftwareOne Holding AG.

2) At grant, a restriction period of three years is applied.

3) Daniel von Stockar recused himself from BoD activities from end of June 2023 until 18 April 2024.

4) After retiring from BoD effective 5 May 2022, René Gilli re-joined the BoD effective 18 April 2024.

5) Andrea Sieber joined the BoD effective 18 April 2024.

6) Jörg Riboni joined the BoD effective 18 April 2024.

7) Till Spillmann joined the BoD effective 18 April 2024. Shareholdings also include shareholdings from related parties.

8) Adam Warby retired from the BoD effective 18 April 2024.

9) Marie-Pierre Rogers retired from the BoD effective 18 April 2024.

10) José Alberto Duarte retired from the BoD effective 18 April 2024.

11) Timo Ihamuotila retired from the BoD effective 18 April 2024.

12) Isabelle Romy retired from the BoD effective 18 April 2024.

13) James Freeman retired from the BoD effective 18 April 2024.

14) Elizabeth Theopille retired from the BoD effective 18 April 2024.

15) Peter Kurer retired from BoD effective 4 May 2023.

Executive Board compensation

Elements of compensation

The following section outlines SoftwareOne's compensation framework for 2024. It was amended after extensive review by the NCC and its external advisors following the IPO in 2019 and further refined thereafter. We are convinced that a continuous review of this framework by the NCC enables a proper fit to the corporate culture, goals, and strategic ambitions of SoftwareOne in an ongoing volatile environment.

The compensation framework for members of the EB consists of fixed and variable compensation elements. The fixed compensation element comprises a base salary as well as pension and other benefits (e.g. car allowances). The variable compensation element consists of a Short-Term Incentive (STI) plan and a Long-Term Incentive (LTI) plan. The payout or vesting of variable compensation elements is subject to performance, including SoftwareOne share performance, financial and strategic successes, and ESG progress. The EB compensation elements are summarised in the following table:

ELEMENTS OF COMPENSATION	Fixed compensation elements		Variable compensation elements	
	Base salary	Pension and other benefits	Short-Term Incentive plan	Long-Term Incentive plan
Purpose	Attract, retain and reward the roles and responsibilities of respective functions	Participation in pension, insurance care plans and additional benefits in line with local market practice	Motivation and reward for annual objective achievements (company and individual goals)	Participation in the long-term success of SWO and alignment with shareholder interests
Performance period	-	-	One year	Three years
Performance measures	-	-	Revenue growth, EBITDA margin, ESG and strategic goals	Revenue growth, EBITDA margin and relative total shareholder return (TSR)
Payout range	-	-	0 to 200% of target STI	0.0 to 2.0 times number of granted performance share units (PSUs)
Payment	Cash	Contributions to pension and insurance plans Other benefits paid out in cash	Cash	Shares

Fixed compensation elements

Base salary

The base salary for members of the EB is typically paid in cash on a monthly basis unless local laws require otherwise. The base salary amount is defined according to market practice and the responsibility, experience, and achievements of each member.

Pension and other benefits

Pension benefits are provided through SoftwareOne's regular pension plan. As the EB members reside in different international locations, some EB members are employed under a foreign employment contract and receive benefits in line with current local market practice. In addition to pension coverage, other benefits such as health care plans, insurance, car allowances or equivalent contributions are also covered. These allowances are paid together with the EB members' base salary and are in line with the company policy in the local jurisdiction.

Furthermore, new members joining the EB may receive compensation for the loss of their remuneration or for financial disadvantages incurred as a result of changing their jobs. If applicable, such lost compensation is replaced on a like-for-like basis (i.e. no increase in replacement value) and reported in the compensation table for the relevant reporting period under "Other benefits".

Variable compensation elements

Short-Term Incentive (STI) plan

The STI rewards the overall company performance and the EB members' individual contribution to the success of SoftwareOne in line with the compensation principle of pay-for-performance. The plan is determined by the achievement of financial goals (weighted at 70%) and strategic goals (weighted at 30%). Financial goals are determined on the basis of revenue growth and EBITDA margin. Strategic goals comprise objectives in the areas of ESG including disclosure and reporting (e.g. ESG Report, Carbon Disclosure Report), CO₂ reductions (e.g. travel-related), gender diversity (e.g. increase in female leadership representation, "Women Academy"), and succession planning (e.g. people review and succession planning for the Extended Executive Board (EEB)) as well as strategic ambitions to drive business growth and operational excellence. The latter are determined for each EB member and address their individual functional duties and responsibilities.

The table below illustrates the details on the STI performance metrics in terms of definition, weighting, and payout range for the CEO and the other EB members:

Performance considerations	Weighting	Measurement level	Metric	Performance achievement
Financial goals	70%	Group success	Revenue ¹ growth	0-200%
			EBITDA ² margin	
Strategic goals	30%	Individual contribution	ESG	
			Strategic ambitions	

1) For the purposes of the STI, "Revenue" is measured in constant currency and defined as gross sales of services and software minus the cost of purchasing software.
 2) For the purposes of the STI, EBITDA margin means the adjusted EBITDA margin as disclosed in the Annual Report and "EBITDA" is defined as earnings before interest, taxes, depreciation and amortisation.

At the end of the performance period, the NCC proposes and the BoD approves the financial performance achievements and ESG progress against the set group targets. EB members' individual contributions to SoftwareOne's success, as measured by the achievement of strategic goals, are initially evaluated by the CEO, reviewed by the NCC, and approved by the BoD, while the achievement of strategic objectives established for the CEO is evaluated by the NCC and approved by the BoD. Under specific circumstances, the BoD may apply discretion in interpreting the NCC's recommendation regarding the final STI payout.

Relevant performance achievements and the resulting STI payout factor for the 2024 financial year are reported in section [STI 2024](#). The payout of the STI is made entirely in cash.

Long-Term Incentive (LTI) plan

SoftwareOne's compensation framework is completed by an equity-based element which was introduced in 2020. It offers executives and selected senior managers the opportunity to participate in the long-term success of the group. The goal of this plan is to provide eligible participants with attractive, market-aligned rewards to strengthen management's interest alignment with those of shareholders, and to encourage sustainable long-term value creation for shareholders and the company.

At the beginning of each three-year performance period (i.e. at grant date), eligible participants are granted an individual number of performance share units (PSUs) derived by dividing the individual LTI award (in CHF) by the fair value at grant (in CHF). After the conclusion of the three-year performance period, the PSUs vest subject to performance and service conditions.

The performance condition is based on three metrics: revenue growth, EBITDA margin and relative total shareholder return (rTSR). The vesting range is between 0.0 and 2.0 times the PSUs granted at the outset. While low performance in one performance metric can be balanced by a higher performance in another metric, the combined vesting multiple can never exceed 2.0. On the contrary, if performance of all metrics remains below the respective minimum performance thresholds, the resulting combined vesting multiple would be 0.0, and consequently no PSUs would vest.

LTI performance metrics	Revenue growth	EBITDA margin	Relative total shareholder return
Description	Average of SoftwareOne's annual revenue growth during the performance period.	Average of SoftwareOne's annual EBITDA margin during the performance period.	Total shareholder return (TSR) as measured relative to the SPI EXTRA® Index.
Weighting	40%	40%	20%
Performance period	Three consecutive years starting at 1st January of grant year		
Vesting range	0.0 - 2.0 times number of PSUs granted		

To better align LTI outcomes with the shareholder experience, the relative TSR metric has recently been updated to use the SPI Extra Index, replacing the STOXX Global 1800 Industry Technology Index. As a Swiss-based benchmark, the SPI Extra Index more accurately reflects the market environment relevant to the company's predominantly Swiss and European investor base. This adjustment applies retrospectively to all outstanding grants from 2022 onwards, reinforcing the programme's alignment with shareholder expectations across performance periods.

At the beginning of each performance period, the BoD determines the minimum, low threshold, target, high threshold and maximum for each LTI performance metric upon the NCC's recommendation. The latter is supported by the comprehensive evaluation process, which takes into account the current strategic performance aspirations and the general market situation. We deem absolute targets for the revenue growth and EBITDA margin metric to be commercially sensitive and confidential strategic information and hence disclose these on a relative basis to avoid unfair competitive disadvantage for SoftwareOne.

The overall vesting factor is the sum of the weighted vesting factor metrics and is determined at the end of the three-year performance period. The NCC proposes, and the BoD approves, the performance achievement of each metric against the targets originally set as well as the overall vesting factor.

In case of a change of control, the LTI plan will terminate with effect from the date of the change of control unless otherwise decided at the discretion of the BoD.

Risk-alignment under variable compensation plans: clawbacks and forfeitures

Under the STI, in case of termination of employment during the performance period, the payout may be reduced or forfeited depending on the conditions of such termination and subject to the applicable law. Under the LTI, a service condition requires continuous employment of the plan participant until vesting. In case of termination of employment, either no PSUs or a reduced number of PSUs vest, depending on the conditions of such termination and subject to the applicable law.

As of 2021, a clawback provision, which allows for a partial or full recovery of equity allocated to EB members under the Long-Term Incentive plan, was introduced. This applies in specific situations which may cause reputational damage to the group, in case of restatements of previously audited consolidated financial statements for example, or which may otherwise negatively affect the legitimate interests of SoftwareOne. This provision was also expanded in 2023 to cover the Short-Term Incentive Plan.

Compensation mix

In 2024, the total target compensation of the CEO Brian Duffy was split into around 76% variable compensation and 24% fixed compensation. Of the 76% variable target compensation portion, 25% consisted of the target STI and 51% of the target LTI portion. For other EB members the fixed target compensation was on average 35% (30–57%) and the variable compensation 65% (43–70%). The variable target compensation consisted of 25% (20–27%) target STI and 40% (23–44%) target LTI of total target compensation.

Compensation awarded to the EB in 2024

The following table outlines details concerning the compensation awarded to the previous CEO Brian Duffy as the highest paid member of the EB and to the other EB members from 1 January to 31 December 2024. The total compensation awarded in 2023 is also listed.

Audited in CHF	Fixed compensation			Variable compensation		Total compensation FY 2024 ⁽⁵⁾	Total compensation FY 2023
	Base salary	Social security contributions	Other payments ⁽³⁾	Realised STI	Awarded LTI grant value ⁽⁴⁾		
Brian Duffy, CEO ⁽¹⁾	950,000	100,667	189,577	255,431	2,850,000	4,345,675	4,725,373
Aggregate amount of EB members excluding Brian Duffy ⁽²⁾	2,897,532	360,389	1,057,675	1,294,698	3,999,450	9,609,745	7,671,157
Total	3,847,532	461,056	1,247,252	1,550,129	6,849,450	13,955,420	12,396,530

1) Brian Duffy was active as the CEO until 31 October 2024 with the employment relationship ending 31 December 2024.

2) Please note that, two are compensated in SGD (average exchange rate in 2024 of CHF 1 to SGD 1.5182 applied), one in USD (average exchange rate in 2024 of CHF 1 to USD 1.1363 applied), one in GBP (average exchange rate in 2024 of CHF 1 to GBP 0.8889 applied) and the other EB members in CHF.

3) Other payments comprise payments related to non-compete agreements and further benefits granted (e.g. insurance, car allowance, pension).

4) For details regarding the grant logic and the calculation of the fair value at grant date refer to the financial notes.

5) Figures include Rohit Nagarajan, Bernd Schlotter, Dieter Schlosser and Neil Lomax. Rohit Nagarajan was active as CRO until 30 June 2024 with the employment relationship ending 30 June 2024. Bernd Schlotter was active as President Software & Cloud until 30 November 2024 with the employment relationship ending 31 May 2025. Neil Lomax was active as President Marketplace until 31 October 2023 with the employment relationship ending 30 June 2024, followed by a non-compete period. Dieter Schlosser was active as the CEO until 31 April 2023 with the employment relationship ending 31 October 2023, followed by a non-compete period.

Approved versus total compensation awarded to the EB

The total compensation for the EB for 2024 of CHF 14.0 million (including social security contributions) is below the total maximum aggregate compensation amount of CHF 16.7 million, which was approved by the AGM in May 2023.

STI 2024: target setting, performance achievement, and payout

At the beginning of the one-year performance period, the NCC proposes, and the BoD approves, the minimum, target, and maximum achievement for the respective performance metrics under the STI. For performance below or at the minimum, 0% is paid out. On-target performance is rewarded with a 100% payout. In case of overperformance, up to 200% can be achieved when meeting the maximum. This means that the payout curves for both financial KPIs are symmetrical.

In the financial year 2024, SoftwareOne faced various challenges in business operations and shifting market conditions and the performance was impacted by persistent economic volatility.

Adjusted revenue growth stood at 2.9% year-over-year in constant currency. While this aligned with the most recent guidance, it fell short of the target performance level for STI 2024, resulting in a degree of performance achievement of 0%. Similarly, the adjusted EBITDA margin decreased by 2.3 percentage points to 22.0%. Despite meeting guidance, this figure also did not reach the performance targets set for STI, leading to a degree of performance achievement of 0% as well.

Our progress regarding ESG initiatives was deemed satisfactory, resulting in a degree of performance achievement of 97%. This reflects SoftwareOne’s continued improvements in areas such as CO₂ reduction and diversity. In view of diversity, we launched several activities to increase female representation in the leadership team and all other levels, including SOAR – a programme to support women returning to the workplace. We also introduced Amplify – an alumni programme – as well as succession planning, where we implemented a structured assessment process for all EB members and their potential successors.

The BoD considered the individual contributions of the EB members to SoftwareOne’s success satisfactory, which are measured against the attainment of strategic goals aimed at driving business growth and operational excellence. This was particularly attributable to their ability to maintain resilience and drive progress, despite a challenging external environment. As a result, the degree of performance achievement ranged between 22% and 100%, depending on individual contributions.

Taking into account these factors, the STI payout for 2024 ranged between 18% and 30%, appropriately reflecting the financial, ESG, and individual performance outcomes in light of the year’s demanding circumstances. For the CRO who left in H1 2024 an abbreviated assessment was carried out, for whom the STI payout factor was set at 100% for 2024.

Performance achievement across STI goals

Performance considerations	Weighting	Measurement level	Metric	Performance achievement
Financial goals	70%	Group success	Revenue growth	Min Target Max 0%
			EBITDA margin	Min Target Max 0%
Strategic goals	30%	Individual contribution	ESG objectives	Min Target Max 97%
			Strategic ambitions	Min Target Max 22–100%
STI Payout factor				Min (0%) Max (200%) 18–30%

LTI 2024–2027: Target setting

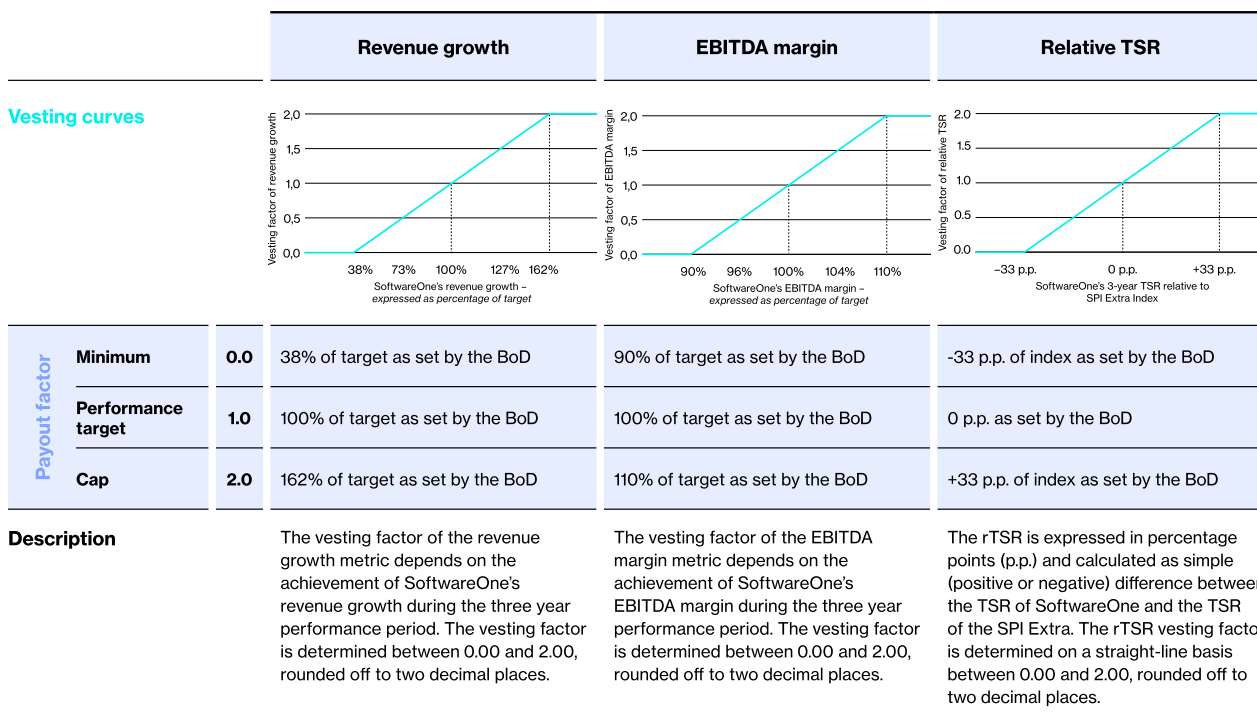
At the beginning of each performance period, the BoD determines the minimum, target, and cap for each LTI performance metric upon the NCC’s recommendation, to be achieved on average over the three-year performance period. The target setting is supported by the comprehensive evaluation process, which takes into account the current strategic performance aspirations and the general market situation.

We deem absolute targets for the revenue growth and EBITDA margin metric to be commercially sensitive and confidential strategic information, especially because the plan is still running until 2027. Therefore, we disclose these on a relative basis to avoid unfair competitive disadvantage for SoftwareOne. To provide some reassurance to our shareholders regarding the ambition included in our target-setting process, we describe our target-setting process in more detail below and provide transparent insights into the target achievements retrospectively.

For our operational metrics revenue growth and EBITDA margin, targets were set based on the strategic plan as well as the guidance provided to our external investors and requiring continuous year-on-year performance improvements. For performance below or at the minimum, 0% is paid out. For the revenue growth metric, the minimum reflects 38% of the target, for the EBITDA margin, the minimum is set at 90% of the target. On-target performance is awarded with a 100% payout. In case of overperformance, up to 200% can be achieved when meeting the cap of 162% of the target for the revenue growth metric and 110% for the EBITDA margin.

For our stock market-linked KPI, relative TSR, the minimum, target and cap have been set to reflect the new benchmark, the SPI Extra Index, introduced this year. The performance thresholds are disclosed in the graph below. The minimum, target and caps for all metrics that are driving the vesting factor for our LTI are symmetrical and calibrated in a way that balances sustainable performance below and above the target and, based on statistical methods, reflects a realistic realisation of performance-based pay.

The following illustration outlines the minimum, target and cap for the respective metrics:



LTI 2021–2024: performance achievement and vesting

For the LTI 2021 that vested in 2024, performance was measured based on achievements during the financial years 2021 to 2023, using two metrics: gross profit and relative TSR. Performance under the gross profit performance metric was at target, leading to a vesting multiple of 1.00. However, due to the significant drop of our share price a vesting multiple of 0.00 was the result for the second LTI metric, relative TSR. Overall, the total weighted vesting factor of the LTI 2021–2024 is 0.75.

Given changes to our Executive Board since the grant in 2021, leading to certain forfeitures of PSUs, the total number of PSUs that vested in 2024 amounts to 196,727.

		Gross Profit		Relative TSR	
Vesting curves					
◆ Actual vesting multiple					
Payout factor	Minimum	0.0	68% of target as set by the BoD	-33 p.p. of index as set by the BoD	
	Performance target	1.0	100% of target as set by the BoD	0 p.p. as set by the BoD	
	Cap	2.0	132% of target as set by the BoD	+33 p.p. of index as set by the BoD	
Description		The vesting factor of the gross profit depends on the achievement of SoftwareOne's gross profit during the second full financial year (i.e., 2022) after the year in which the grant date occurs. The vesting factor is determined on a straight-line basis between 0.00 and 2.00, rounded off to two decimal places.		The rTSR is expressed in percentage points (p.p.) and calculated as simple (positive or negative) difference between the TSR of SoftwareOne and the TSR of the STOXX® Global 1800 Industry Technology index. The rTSR vesting factor is determined on a straight-line basis between 0.00 and 2.00, rounded off to two decimal places.	

Share ownership

In 2021, we introduced ownership requirements for the EB members with a five-year build-up period. The minimum shareholding requirement level was set at 300% and 200% of base salary respectively for the CEO and EB members.

The table below shows the shareholdings of each EB member as at 31 December 2024, considering the number of directly held shares and restricted shares. The total shareholdings as at 31 December 2023 are also listed:

Audited EB members	Total shareholdings as at 31 December 2024	Total shareholdings as at 31 December 2023
Raphael Erb ⁽¹⁾	524,665	-
Rodolfo Savitzky	53,340	53,340
Julia Braun	-	-
Oliver Berchtold ⁽²⁾	197,117	-
Bernd Schlotter ⁽³⁾	-	33,000
Brian Duffy ⁽⁴⁾	-	-
Rohit Nagarajan ⁽⁵⁾	-	-
Neil Lomax ⁽⁶⁾	-	783,963
Total	775,122	870,303

1) Raphael Erb joined the EB effective 01 July 2024 as Chief Revenue Officer and became CEO effective 01 November 2024. Shareholdings include also shareholdings from entities under significant influence.

2) Oliver Berchtold joined the EB effective 01 December 2024 as President of Software & Cloud.

3) Bernd Schlotter resigned from the EB effective 30 November 2024.

4) Brian Duffy resigned from the EB effective 31 October 2024.

5) Rohit Nagarajan resigned from the EB effective 30 June 2024.

6) Neil Lomax resigned from the EB effective 31 October 2023.

Further compensation information

Employment agreements

All members of the EB have employment contract agreements with a six- to twelve-month notice period, which are governed by the applicable laws. They are not entitled to severance payments.

Their employment agreements also prohibit the EB members from competing against SoftwareOne for a period of up to 12 months after termination of their employment contract. For the specified non-competitive period, SoftwareOne agrees to pay a compensation to the EB member for their compliance with this non-competitive undertaking to an amount equal to 80% of their last base salary (excluding any ancillary benefits and subject to deduction of any social security and further deductions). This is payable in arrears in monthly instalments, for as long as the EB member complies with the non-competitive agreement. However, SoftwareOne may at any time up to two months prior to the last day of employment, waive the non-competitive obligation whereupon such payments will no longer be due.

Payments to current or former members of the Executive Board

No further payments other than those set out in the compensation table for EB members were made to current or former EB members or “closely related persons”.

Loans to members of the Executive Board

Article 23 of SoftwareOne’s Articles of Incorporation allow for loans and credits of up to CHF 1,000,000 at market-based conditions to be granted to EB members. In 2024, no loans or credits were made to EB members.

External mandates for members of the Board of Directors and the Executive Board

Mandates outside SoftwareOne of the members of the Board of Directors

SoftwareOne's Articles of Incorporation (Aol) provide that the company's BoD is composed of at least three and not more than 12 members, including the Chair 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 are mandates of comparable functions at other companies with an economic purpose. Mandates in different legal entities under common control or owned by the same beneficial owner are 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 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 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 listing shows all external mandates (audited):

Daniel von Stockar

- Current directorships and management positions: Chairman of the Board of Directors of von Stockar Holding AG, von Stockar Immobilien AG, von Stockar Services AG, member of the Board of Directors of oneservice AG
- Previous directorships and management positions last five years: Member of the Board of Directors of Pro Domi AG and member of the Board of Directors of Agilentia AG.

Andrea Sieber

- Current directorships and management positions: (i) Vice-President of the Board of Directors of Allreal Holding AG, (ii) Chair of the Board of Directors of JJF-Gemma Capital AG, (iii) Member of the Board of Directors of Global-e Switzerland AG and Borderfree PayCo Switzerland GmbH (both companies belong to the same group), and (iv) Member of the Board of InErgies Capital AG
- Previous directorships and management positions last five years: Member of the Executive Management of MLL Legal AG.

René Gilli

- Current directorships and management positions: None
- Previous directorships and management positions last five years: (i) Chairman RRB Classics AG, and (ii) Chairman Alivant AG.

Jörg Riboni

- Current directorships and management positions: Chairman of the Board of Directors of Rothorn Group AG, member of the Board of Directors of HERITAGE B B.V. and Glas Trösch Holding AG and Dr. Pirmin Hotz Vermögensverwaltungen AG
- Previous directorships and management positions last five years: Member of the Board of Directors of Aryzta AG, member of the Board of Directors of Hochdorf Holding AG, member of the Board of Directors of Erni Group Holding AG, member of the Board of Directors of Raiffeisenbank Cham-Steinhausen.

Till Spillmann

- Current directorships and management positions: Chairman of the Board of Directors of PMT Management AG Actium Ltd and ImmoMentum AG, and member of the Board of Directors of Argon Management AG and apoTHEKE Gastro AG
- Previous directorships and management positions last five years: Member of the Board of Directors of Niederer Kraft Frey AG, Fraumünster Gastro AG, chairman of the Board of Directors Chronext Group AG and Gebetour AG.

Mandates outside SoftwareOne of the members of the Executive Board

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](#) in the Corporate Governance Report.

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

All members of the EB, save Rodolfo Savitzky, remained within the statutory maximum number of outside mandates in listed and non-listed companies and organisations. Rodolfo Savitzky will reduce the excess mandate within 12 months of his appointment to his second external mandate.

The following listing shows all external mandates (audited):

Raphael Erb

- Current directorships and management positions: None
- Previous directorships and management positions last five years: None.

Rodolfo Savitzky

- Current directorships and management positions: Member of the Board of Directors and of the Audit Committee of EuroAPI S.A. and Member of the Board of Directors and Chairman of the Audit Committee of UCB S.A
- Previous directorships and management positions last five years: CFO of Lonza Group AG and Non-Executive Director and Chairman of the Audit Committee of Unilabs.

Oliver Berchtold

- Current directorships and management positions: Chairman of the Board of Directors of WEB care GmbH
- Previous directorships and management positions last five years: None.

Julia Braun

- Current directorships and management positions: None
- Previous directorships and management positions last five years: Member of the Management Board at ISS Facility Services AG and CHRO at Conzzeta AG.



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To the General Meeting of
SoftwareOne Holding AG, Stans

Zurich, 25 March 2025

Report of the statutory auditor on the audit of the compensation report



Opinion

We have audited the compensation report of SoftwareOne Holding AG (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the information marked "audited" on pages 123 to 125 and page 129, 133 to 135 of the compensation report.

In our opinion, the information pursuant to Art. 734a-734f CO in the compensation report complies with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the compensation report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the information marked "audited" in the compensation report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the compensation report

The Board of Directors is responsible for the preparation of a compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the



preparation of a compensation report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the compensation system and defining individual compensation packages.



Auditor's responsibilities for the audit of the compensation report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd

Rico Fehr
Licensed audit expert
(Auditor in charge)

Michael Setz
Licensed audit expert