

## DECLARATION OF COMPLIANCE

**DECLARATION MADE BY THE ADMINISTRATIVE BOARD OF SERVICWARE SE PURSUANT TO ARTICLE 9, PARA. 1, LIT. C (II) OF THE SE REGULATION IN CONJUNCTION WITH SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (AKTIENGESETZ) REGARDING THE COMPANY'S COMPLIANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE ("DEUTSCHER CORPORATE GOVERNANCE KODEX").**

### I.

As a European stock corporation (Societas Europaea -SE), the Company has a one-tier management and controlling structure.

The Administrative Board manages the Company, determines the basic principles of its activities, monitors its implementation and has the further tasks and powers resulting from Section 22 SEAG. The Managing Directors conduct the business of the Company by implementing the principles and guidelines set out by the Administrative Board.

Serviceware SE relates the Code regulations that apply to the Supervisory Board to the Administrative Board and those relating to the Executive Board to the Managing Directors.

### II.

Serviceware SE identifies with the objectives of the Code to foster a responsible and transparent corporate management style and control directed toward achieving a sustained increase in shareholder value. Consequently, the Company implements nearly all recommendations set forth in the German Corporate Governance Code and adheres to them in its daily work.

Since the last declaration of compliance was submitted, on 27 June 2022, Serviceware SE has complied with the recommendations of the Government Commission "German Corporate Governance Code" in the version dated 16 December 2019, which was published in the Federal Gazette (Bundesanzeiger) on 20 March 2020, and the Code recommendations in the version dated 28 April 2022, which were published in the Federal Gazette (Bundesanzeiger) on 27 June 2022, with the following exceptions, and will continue to do so in the future:

#### **Recommendation A.2:**

According to recommendation A.2 (recommendation A.1 in the version dated 16 December 2019), the Managing Directors should respect diversity when filling managerial positions in the enterprise. The Managing Directors are currently facing challenging conditions in the labour market, which especially complicate the desired increase in the proportion of women at management level within the Group. The Managing Directors, however, intend to take these criteria into consideration.

**Recommendation A.4:**

According to recommendation A.4 (recommendation A.2 in the version dated 16 December 2019), the Managing Directors should set up a Compliance Management System and employees should be given the opportunity to provide protected information about violations of the law in the Company in an appropriate manner. In our opinion, the establishment of a whistleblower system is not appropriate due to the small number of employees and the one-tier hierarchical structure of the Company. In the event of indications of legal violations within the Company, employees have the option of contacting the Managing Directors or the Administrative Board directly and in confidence.

**Recommendation A.5:**

According to recommendation A.5, the management report should describe the main features of the entire internal controlling system and the risk management system and a statement should be made on the adequacy and effectiveness of these systems. The management report meets the legal requirements and describes the key features of the internal controlling system and the risk management system. However, no statement was made on the adequacy and effectiveness of these systems, as the Administrative Board, in its controlling function, did not find any objections regarding adequacy and effectiveness.

**Recommendation B.1:**

According to recommendation B.1., when appointing the Managing Directors, the Administrative Board should respect diversity. The Administrative Board intend to take diversity into account when appointing the Managing Directors in the future. Due to the number of Managing Directors and the difficult conditions in the labour market, no targets are currently set with regard to the proportion of women and therefore an increase in this proportion is complicated.

**Recommendation B.2:**

According to recommendation B.2., the Administrative Board and the Managing Directors should undertake long-term succession planning and describe the process in the corporate governance statement. Due to the age structure and the long-term management structure, the Company does not currently deem long-term succession planning necessary.

**Recommendations B.5 und C.2:**

An age limit should be set for Managing Directors (recommendation B.5) and Administrative Board members (recommendation C.2) and stated in the corporate governance declaration. An age limit and control limit for Managing Directors and Administrative Board members have not been set. The Company believes that this is not necessary with regard to age and remaining term of office.

**Recommendation C.1:**

The Administrative Board should name concrete goals and develop a competency profile for the whole board. For this the Administrative Board should respect diversity. The competency profile of the Administrative Board should also include expertise for the company's most significant sustainability issues. Proposals from the Administrative Board to the shareholders' meeting should take these goals into account and at the same time strive to complete the competency profile for the whole board. The implementation status should be disclosed in the form of a qualification matrix in the corporate governance statement. Due to its historical composition and the continuity of the members so far, the Administrative Board has not developed a competency profile for the whole board and intends for the same reason to continue without it for the time being. However, as soon as personnel changes in the composition of the Administrative Board become conceivable, a competency profile should be developed, taking fully into account the above requirements, and then should be disclosed in the form of a qualification matrix in the corporate governance statement.

**Recommendation C.7:**

According to recommendation C.7, more than half of the members of the shareholder representatives should be independent of the Company and the Managing Directors. As a major shareholder (around 31% of the shares) and Managing Director, Mr. Popp is not independent as suggested in the recommendation C.7 of the "Deutscher Corporate Governance Kodex (DCGK)". In addition, the Company has made an employment contract with Mr. Bollhöfer, so that a total of two out of three members of the Administrative Board are not to be regarded as independent as suggested in the recommendation C.7 of the "Deutscher Corporate Governance Kodex (DCGK)".

**Recommendation C.8:**

The Administrative Board considers Mr. Popp and Mr. Bollhöfer to be independent, also taking into account the criteria from recommendation C.7 of the DCGK. This is because the relevant criteria for the assessment of independence in C.7. do not allow any conclusions to be drawn about the independence of the respective member when viewed in isolation. Also, so far there have been no signs of a lack of independence on the part of Mr. Popp and / or Mr. Bollhöfer.

**Recommendation for the formation of committees according to D.2-D.4**

The Administrative Board should form committees according to recommendations D.2-D.4 (recommendations D.2 – D.5 in the version dated 16 December 2019). The Administrative Board of the Company consists of three people, in accordance with the company statutes. As a committee has to consist of at least two or, in the case of a decision-making committee, three members, the formation of committees would not lead to a more efficient Administrative Board. Committees were therefore not formed and will not be formed, with the exception of the statutory audit committee.

The Chairman of the Administrative Board should not chair the audit committee. Presently, the Chairman of the Administrative Board does chair the audit committee, as the audit committee and the Administrative Board are made up of the same members, and especially since he is

the only member of the audit committee who is undoubtedly independent according to recommendation C.10. Recommendations D.2-D.4 have therefore not been and will not be complied with.

**Recommendation D.6:**

According to recommendation D.6 (recommendation D.7 in the version dated 16 December 2019), the Administrative Board should meet regularly without the Managing Directors. Not least because of the shareholder structure, the Company's Administrative Board meets regularly with the Managing Directors. This enables efficient and targeted corporate management. However, topics that should and / or must be discussed exclusively within the Administrative Board are dealt with in isolation as independent agenda items and without the presence of the respective board members.

**Recommendation F.1:**

According to recommendation F.1., all important new information which has been communicated to financial analysts and similar recipients, should be made available to the shareholders. The Company is sometimes available to analysts for verbal communication. This approach, which is common in the Company's opinion, ultimately promotes information to all shareholders.

**Recommendation F.2:**

According to recommendation F.2, the consolidated financial statements and the group management report should be publicly available within 90 days from the end of the financial year and the interim mandatory financial information within 45 days from the end of the reporting period. The Company publishes its consolidated financial statements and the corresponding group management report in accordance with applicable regulations and in particular in accordance with the post-admission obligations of the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) and, therefore, may not comply with the shorter periods provided for by the Code. The Company does not believe that accelerating the publication of its consolidated financial statements would be in the interest of shareholders, creditors, employees or the public in general.

**Recommendation G.11:**

According to recommendation G.11, the Administrative Board should within reasonable limits have the possibility to remain aware of unusual developments. In justified cases variable remuneration can be withheld or reclaimed (clawback). This has not been the case so far in the Company, as the current employment contracts of the Managing Directors were concluded before the introduction of the relevant recommendation and do not include such a clause. However, it is intended to include such a clawback clause in future employment contracts.

**Recommendation G.14:**

According to recommendation G.14, the employment contracts of the Managing Directors should not include any commitments to benefits due to the premature termination of the employment contract, as a result of a change of control. Up until now, the Company has handled this differently, as some of the current employment contracts of the Managing Directors, which were concluded before the introduction of the relevant recommendation, do contain such a commitment. However, it is intended to avoid the inclusion of such commitments in the case of a change of control, in future employment contracts.

Idstein, January 2023

The Administrative Board