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REPORT**

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# Corporate Governance Report

## Introduction

Swissquote Group Holding Ltd (the "Company") and its subsidiaries (together, the "Group") form an international financial services group that applies a wide range of standards relating to corporate governance, including the SIX Swiss Exchange's Directive on Information relating to Corporate Governance and FINMA Circular 2017/1 "Corporate governance – banks". This Corporate Governance Report informs shareholders, prospective investors as well as the larger public on the Group's policies in matters of corporate governance, which is at the heart of a proper business conduct and a central part of the Group's internal organisation.

## Key elements of 2021

In 2021, the Company intensified and further structured its dialogue with shareholders, especially in relation to corporate governance matters. The Board of Directors (the "Board") reviewed and evaluated all the points raised and, in particular, decided to improve disclosure on a number of aspects, such as with respect to the Board's succession planning (see Section 3.6), ESG governance (see Section 3.10) and the re-election of the Company's external auditors (see Section 8). The Board plans to maintain and further expand the exchange with the shareholders, the time and active participation of whom were highly appreciated.

Concerning the composition of the Board and the Executive Management of the Company, Michael Ploog, who used to be a member of the Executive Management since 1999, was elected as a member of the Board at the annual general meeting ("AGM") of 6 May 2021. Moreover, Paolo Buzzi, co-founder of the Company, became Deputy CEO while Alexandru Craciun joined the Executive Management as Chief Technology Officer.

Furthermore, the Group now comprises Yuh Ltd, the neo-bank joint venture launched in 2021 by Swissquote Bank Ltd and PostFinance AG, as well as Swissquote Tech Hub Bucharest S.R.L., a new technology company incorporated early 2022 in Romania that provides software development services to the Group.

In 2021 like in 2020, the COVID-19 pandemic (the "Pandemic") did not have any significant negative impact on the Group's corporate governance. Home office continued to be widely used as more than 90% of the employees regularly worked from home. Same as in 2020, the meetings of the Board and of its committees were primarily held via videoconference. At the 2021 AGM, in compliance with the extraordinary measures adopted by the Federal Council in response to the Pandemic, shareholders were not allowed to attend the meeting in person and were instead given the possibility to give written or electronic voting instructions to the Company's independent proxy.

## Outlook for the 2022 AGM

The format of the 2022 AGM was regularly discussed by the Board. In the middle of January 2022, the Board decided that, due to the continuing Pandemic and in order to ensure the safety of the shareholders, the 2022 AGM would be held in the same format as the 2021 and 2020 AGM. After the Federal Council decided, on 16 February 2022, to lift the majority of measures in place to contain the Pandemic, the Board assessed whether an AGM in a more standard format could eventually be organised. After weighting the positives (especially the in-person exchanges with the shareholders) and the negatives (in particular the still prevailing uncertainties such as in relation to the potential emergence of a new variant and the lack of time to properly organise a traditional AGM), the Board resolved to confirm its initial decision made in January 2022. As a result, pursuant to Art. 27 of the Federal Council's Ordinance Nr. 3 on the Measures to Combat the Coronavirus, shareholders will not be allowed to attend the meeting personally, but will instead be given the possibility to give written or electronic voting instructions to the Company's independent proxy. To compensate for the absence of in-person exchanges, the Board will ensure that shareholders are offered possibilities to ask questions in an easy fashion and will receive answers in an appropriate format.

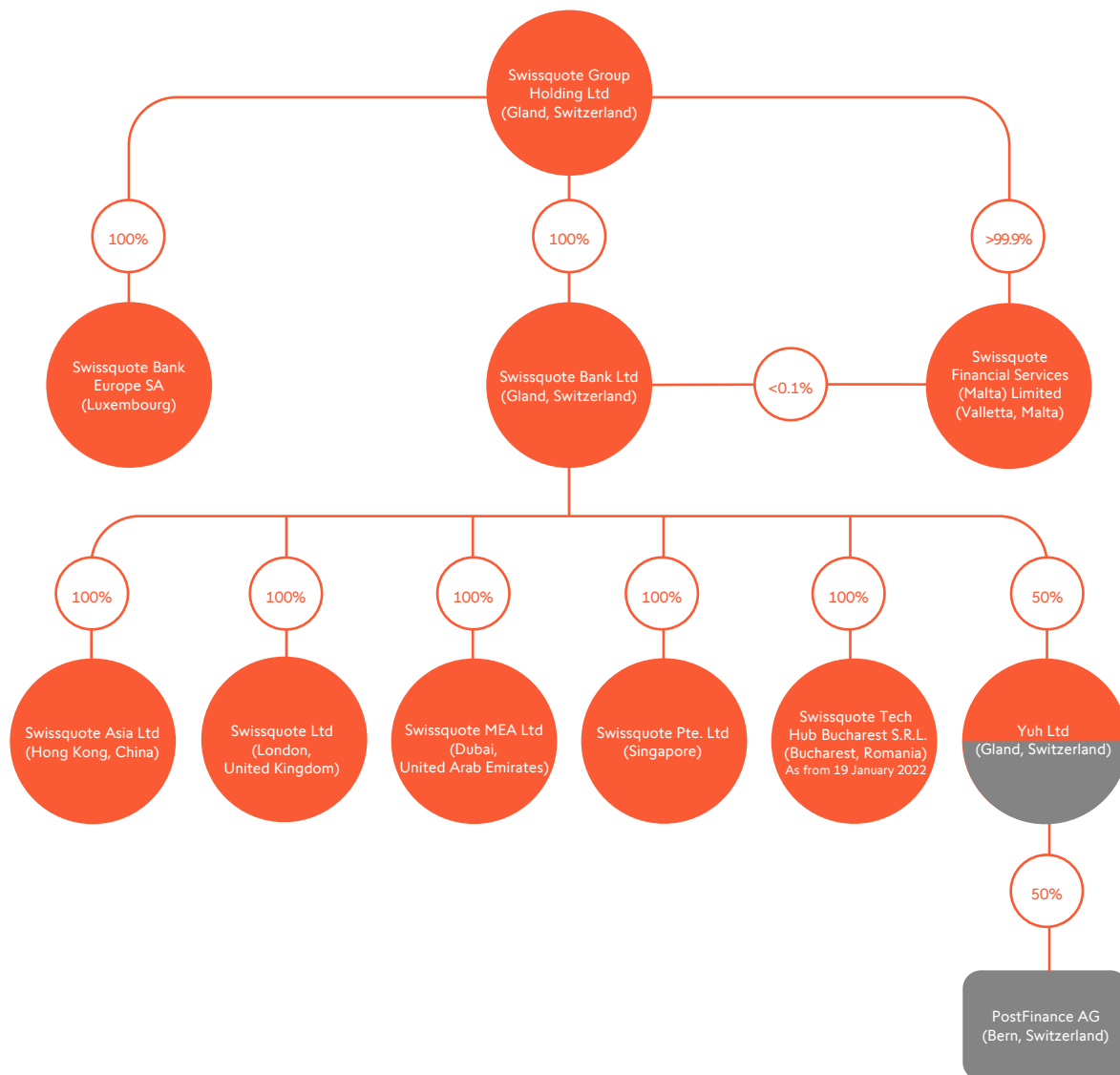
# Corporate Governance Report

## 1 Group structure and shareholders

### 1.1 Group structure

The structure of the Group is designed to support the Group's operations within an efficient regulatory and tax framework.

The Group comprises the following active companies as at 31 December 2021:



# Corporate Governance Report

## 1.1 Group structure (continued)

The Company is the listed entity of the Group. It was incorporated on 12 August 1999 and has its registered office in Gland, Switzerland. Its shares have been listed on SIX Swiss Exchange since 29 May 2000 with the symbol SQN, the security number 1067586 and the ISIN number CH0010675863. As at 31 December 2021, the market capitalisation of the Company amounted to approximately CHF 3 billion. Details on the Company's capital are provided in Section 2.

Swissquote Bank Ltd was incorporated on 24 November 2000 and is a bank under the supervision of the Swiss Financial Market Supervisory Authority FINMA (FINMA). The main office of Swissquote Bank Ltd is located in Gland, Switzerland, with a branch in Zurich and representative offices in Dubai and Hong Kong. The share capital of Swissquote Bank Ltd amounts to CHF 42,000,000 (7,000,000 registered shares with a nominal value of CHF 6).

Swissquote Bank Europe SA has been a limited company incorporated in Luxembourg since 13 November 2000. Swissquote Bank Europe SA is a bank under the supervision of the Commission de Surveillance du Secteur Financier (CSSF). The share capital of Swissquote Bank Europe SA amounts to EUR 32,000,000 (32,000 registered shares without a nominal value).

Swissquote Financial Services (Malta) Limited has been a limited company incorporated in Malta since 19 October 2012. Swissquote Financial Services (Malta) Limited is an investment services company that operates as custodian for European investment funds and broker under both a Category 4a licence and a Category 2 licence from the Malta Financial Services Authority (MFSA). The share capital of Swissquote Financial Services (Malta) Limited amounts to EUR 1,100,000, divided into 1,099,999 ordinary class A shares with a nominal value of EUR 1 (held by the Company) and 1 ordinary class B share with a nominal value of EUR 1 (held by Swissquote Bank Ltd).

Swissquote Asia Ltd has been a limited company incorporated in Hong Kong since 16 January 2012. Swissquote Asia Ltd is a licensed corporation under the supervision of the Securities and Futures Commission (SFC), from which it was granted a Type 3 licence (Leverage Foreign Exchange Trading). The share capital of Swissquote Asia Ltd amounts to HKD 5,500,000 (5,500,000 registered shares with a nominal value of HKD 1).

Swissquote Ltd has been a limited company incorporated in London since 19 July 2011. Swissquote Ltd is an investment company that provides online trading services under the supervision of the Financial Conduct Authority (FCA). The share capital of Swissquote Ltd amounts to GBP 4,260,100 (4,260,100 ordinary shares with a nominal value of GBP 1).

Swissquote MEA Ltd has been a limited company incorporated in the Dubai International Financial Center (DIFC) since 14 June 2012. Swissquote MEA Ltd is an investment firm under both a Category 3A licence and a Category 4 licence granted by the Dubai Financial Services Authority (DFSA). The share capital of Swissquote MEA Ltd amounts to USD 500,000 (500 registered shares with a nominal value of USD 1,000).

Swissquote Pte. Ltd has been a limited company incorporated in Singapore since 26 February 2019. Swissquote Pte. Ltd is a financial services company under the supervision of the Monetary Authority of Singapore (MAS), from which it was granted a Capital Markets Service (CMS) licence. The share capital of Swissquote Pte. Ltd was first increased on 26 April 2021 from SGD 5,500,000 to SGD 6,000,000 and then on 1 December 2021 to SGD 6,500,000 (6,500 – previously 5,500 registered shares with a nominal value of SGD 1,000).

Swissquote Tech Hub Bucharest S.R.L. has been a limited company incorporated in Romania since 19 January 2022. Swissquote Tech Hub Bucharest S.R.L. is active in computer programming, consultancy and related activities; as such, it provides software development services to the Group. The share capital of Swissquote Tech Hub Bucharest S.R.L. amounts to RON 45,000 (4,500 shares with a nominal value of RON 10).

Yuh Ltd has been a limited company incorporated in Switzerland since 7 April 2021. It is a joint venture of Swissquote Bank Ltd and PostFinance AG. Yuh Ltd engages in the management of IT and technology projects as well as related activities, including the creation and operation of applications for mobile phones and other devices. Yuh Ltd does not offer financial services and does not carry out any regulated activity. The share capital of Yuh Ltd amounts to CHF 1,000,000 (1,000,000 registered shares with a nominal value of CHF 1).

For information on the exact registered addresses of each entity of the Group, reference is made to the last pages of the Annual Report.

# Corporate Governance Report

## 1.2 Significant shareholders

Under the Swiss Financial Market Infrastructure Act (FMIA), any person holding shares in a company listed in Switzerland is required to notify the concerned company and the stock exchange, if the holding reaches, falls below or exceeds the following thresholds: 3%, 5%, 10%, 15%, 20%, 33<sup>1/3</sup>%, 50%, or 66<sup>2/3</sup>% of the voting rights.

According to the information received by the Company and pursuant to Section 1.2 of the Annex to the SIX Swiss Exchange Directive on Information relating to Corporate Governance, the shareholders with an interest in the Company above 3% as at 31 December 2021 are as follows:

	2021		
	Shares	Options	Total
Marc Bürki	11.53%	0.10%	11.63%
Paolo Buzzi	10.48%	0.05%	10.53%
PostFinance AG	5.00%	–	5.00%
ACE Convictions Ltd	3.53%	–	3.53%

For further information on stock options, reference is made to the Remuneration Report.

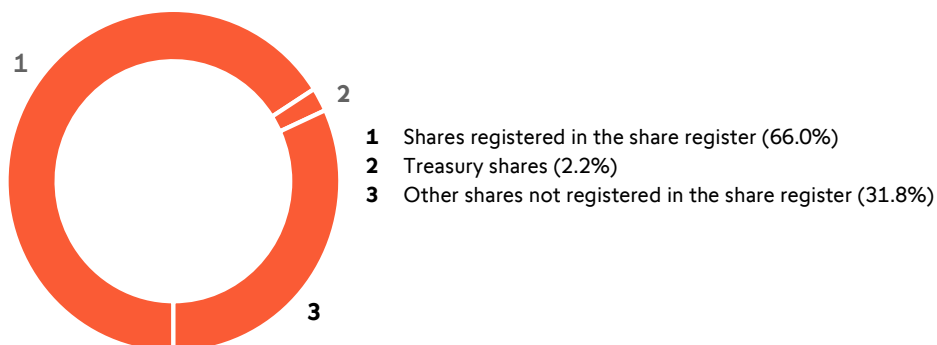
The full list of disclosures of shareholdings made in accordance with Art. 120 FMIA is available on the website of SIX Swiss Exchange using the following link:

<https://www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html>.

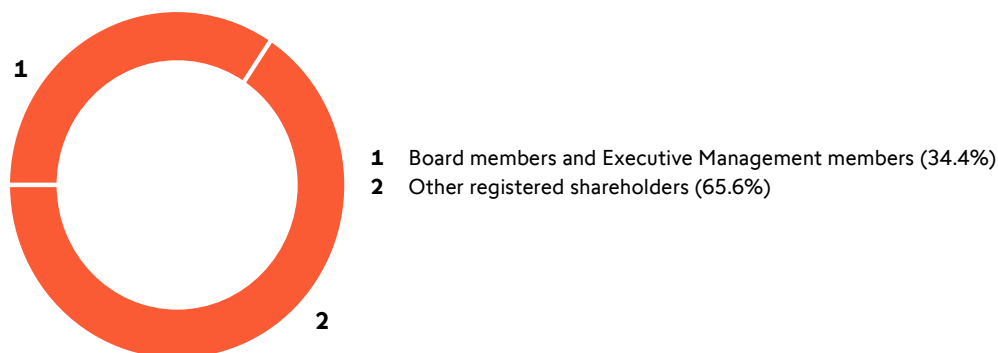
# Corporate Governance Report

## 1.2 Significant shareholders (continued)

As at 31 December 2021, the issued share capital of the Company consisted of 15,328,170 ordinary registered shares with a nominal value of CHF 0.20 each. The shares registered in the share register amounted to 10,110,312 and the Company owned 343,227 treasury shares. The distribution of the shareholdings in the Company as of 31 December 2021 is reflected below:



Furthermore, the registered shareholders as at 31 December 2021 are broken down as follows:



## 1.3 Cross-shareholdings

There are no cross-shareholdings.

# Corporate Governance Report

## 2 Capital structure

### 2.1 Capital

Under Swiss company law, the general meeting of shareholders (the “General Meeting”) has to approve any change in the total number of shares, whether with respect to the ordinary share capital or with respect to the creation of conditional capital or authorised capital.

As at 31 December 2021, the stated share capital of the Company amounted to CHF 3,065,634 (15,328,170 registered shares with a nominal value of CHF 0.20 each). The share capital is fully paid-up. The Company itself owned 343,227 treasury shares. In addition, as at 31 December 2021, the Company had a conditional capital of 960,000 shares with a nominal value of CHF 0.20 each (representing 6.3% of the Company’s stated share capital) and an authorised capital of 1,500,000 shares with a nominal value of CHF 0.20 each (representing 9.8% of the Company’s stated share capital). The shares that could be issued out of the conditional capital and authorised capital represented in aggregate 16.1% of the Company’s share capital.

Under the regulations of SIX Swiss Exchange, individual shareholdings that exceed 5% (save for, inter alia, certain investment funds) are deemed to be permanent investments and must therefore be disregarded for the calculation of the shares’ free float. As at 31 December 2021, the free float determined pursuant to the regulations of SIX Swiss Exchange represented 73.1% of the Company’s issued shares (2020: 71.5%).

### 2.2 Conditional and authorised capital in particular

In this section and in the remainder of the Corporate Governance Report, the Articles of Incorporation of the Company, last amended on 6 May 2021 and applicable as at 31 December 2021, available at <https://en.swissquote.com/company/investors#articles-incorporation> in the French original version together with an English free translation, shall be referred to as the “Aol”.

Art. 4<sup>bis</sup> of the Aol on the utilisation of the conditional capital provides that the Board is authorised to increase the share capital of the Company by a maximum of CHF 192,000 by issuing no more than 960,000 new registered shares with a nominal value of CHF 0.20 each. The capital increase may be carried out through the exercise of options granted by the Board to certain employees of the Company and its group companies by a maximum of CHF 150,000 through the issuance of a maximum of 750,000 new registered shares with a nominal value of CHF 0.20 each. The capital increase may also be carried out through the exercise of options granted by the Board in connection with the acquisition of a business undertaking, parts of a business undertaking or acquisition of participations in a business undertaking by a maximum of CHF 42,000 through the issuance of a maximum of 210,000 new registered shares with a nominal value of CHF 0.20 each.

In order to align the Company’s authorised capital with best market practice and in light of the Group’s sound financial position, the General Meeting approved on 6 May 2021 the motion to reduce from CHF 400,000 to CHF 300,000 the maximum amount of authorised capital. Therefore, Art. 4<sup>ter</sup> of the Aol governing the utilisation of the authorised capital provides that the Board is authorised until 6 May 2023 to increase the share capital of the Company by a maximum of CHF 300,000 by issuing no more than 1,500,000 new registered shares with a nominal value of CHF 0.20 each. The Board determines the amount of the issue, the point in time at which the shares confer a dividend entitlement, the method of payment in full for contributions and the subscription procedure. An increase in tranches or a partial increase is permissible. In accordance with the modalities laid down by the Board, the amount of the increase must be fully paid-up. The restrictions on the transferability of registered shares set forth in the Aol also apply to the new shares.

For further information on the conditional and authorised capital, reference is made to the Aol.



# Corporate Governance Report

## 2.3 Changes in capital

The following table summarises the changes in capital that took place within the last three financial years:

	Ordinary shares issued	Unissued shares		Total shares issued and unissued
		Conditional capital	Authorised capital	
<b>NUMBER OF SHARES</b>				
<b>As at 1 January 2019</b>	<b>15,328,170</b>	<b>960,000</b>	<b>2,000,000</b>	<b>18,288,170</b>
Exercise of employees' stock options	-	-	-	-
Increase/(decrease) in capital	-	-	-	-
<b>As at 31 December 2019</b>	<b>15,328,170</b>	<b>960,000</b>	<b>2,000,000</b>	<b>18,288,170</b>
<b>As at 1 January 2020</b>	<b>15,328,170</b>	<b>960,000</b>	<b>2,000,000</b>	<b>18,288,170</b>
Exercise of employees' stock options	-	-	-	-
Increase/(decrease) in capital	-	-	-	-
<b>As at 31 December 2020</b>	<b>15,328,170</b>	<b>960,000</b>	<b>2,000,000</b>	<b>18,288,170</b>
<b>As at 1 January 2021</b>	<b>15,328,170</b>	<b>960,000</b>	<b>2,000,000</b>	<b>18,288,170</b>
Exercise of employees' stock options	-	-	-	-
Increase/(decrease) in capital	-	-	(500,000)	(500,000)
<b>As at 31 December 2021</b>	<b>15,328,170</b>	<b>960,000</b>	<b>1,500,000</b>	<b>17,788,170</b>

# Corporate Governance Report

## 2.4 Shares and participation certificates

Pursuant to Art. 5 of the Aol, the Company may issue its registered shares in the form of single certificates, global certificates or uncertified securities. As at 31 December 2021, the share capital consisted of 15,328,170 registered shares with a nominal value of CHF 0.20 each. The share capital of the Company is fully paid-up. The dividend entitlement depends on the share's nominal value. Each of the Company's registered shares carries one voting right at the General Meeting. Upon request, acquirers of registered shares will be entered in the share register as shareholders with voting rights if they expressly declare that they acquired the registered shares in their own name and for their own account. More information is provided in Sections 2.6 and 6.

The Company does not issue any participation certificates.

## 2.5 Dividend-right certificates

The Company does not issue any dividend-right certificates.

## 2.6 Limitations on transferability and nominee registrations

In accordance with Art. 685a CO and Art. 7 Para. 1 of the Aol, the transfer of registered shares is subject to the approval of the Board. Upon request, acquirers of registered shares will be entered in the share register as shareholders with voting rights if they expressly declare that they have acquired the registered shares in their own name and for their own account. If this requirement is not satisfied, the person in question will be entered in the share register as a shareholder without voting rights. In accordance with Art. 7 Para. 2 of the Aol, the Company may reject a request for entry into the share register within 20 days.

The Aol do not contemplate any explicit exception to the principle according to which only persons who declare holding their shares in their own name and for their own account can be registered as shareholders with voting rights. There is consequently no explicit exemption allowing nominee shareholders to be registered with voting rights and no such exceptions were granted in 2021.

Pursuant to Art. 14 Para. 1 of the Aol, decisions related to the restrictions on the transferability of registered shares can only be made by the General Meeting and require a qualified majority vote (two thirds of the votes represented and an absolute majority of the nominal values of the shares represented).

## 2.7 Convertible bonds and options

The Company does not issue any bonds, convertible bonds or warrants.

Information on the Group's stock option plan is provided in the Remuneration Report.

# Corporate Governance Report

## 3 Board of Directors

The Board has the ultimate responsibility for the strategy and the management of the Company and for the supervision of the Executive Management. Art. 16 Para. 1 of the Aol provides that the Board must be composed of at least five members and not more than nine members. At the AGM of 6 May 2021, the General Meeting newly elected Michael Ploog and all five incumbent members of the Board were re-

elected. As a result, as at 31 December 2021, the Board consisted of six members, all non-executive. All Board members are considered independent, except Michael Ploog, owing to his service as Chief Financial Officer of the Company from 1999 to 2019 and as Chief Investment Officer of the Company from 2019 to 2021.



# Corporate Governance Report

## 3.1 Members of the Board of Directors

### Dr Markus Dennler



(1956 / Swiss national / domiciled in Switzerland / non-executive / independent)

Chairman of the Board of Swissquote Group Holding Ltd since May 2019

(member since March 2005)

Chairman of the Board of Swissquote Bank Ltd since May 2019

(member since March 2005)

#### Educational Background

1982	Licentiate in Law, University of Zurich, Switzerland
1984	Doctorate in Law, University of Zurich, Switzerland
1986	Attorney at Law, admitted to the Bar of Zurich, Switzerland
1989	International Bankers School, New York, USA
1997	Advanced Management Program, Harvard Business School, Boston, USA

#### Professional Experience

1986–1994	Various assignments, Credit Suisse, Switzerland
1994–1996	Delegate to the Board of Directors, CS Columna, Switzerland
1997–1998	CEO, Columna Winterthur, Switzerland
1998–2000	Member of the Corporate Executive Board and Head of Individual and Group Life Division, Winterthur Insurance, Switzerland
2000–2003	Member of the Executive Board of CSFS and Responsible for the Operational Global Life & Pensions Business, Credit Suisse, Switzerland

#### Previous Board Mandates

2005–2006	Chairman, Batigroup, Switzerland
2005–2007	Chairman (since 2006), Converium, Switzerland
2006–2013	Member of the Board, Petroplus, Switzerland
2006–2015	Chairman (since 2011), Implenia, Switzerland
2007–2010	Member of the Board, Jelmoli, Switzerland

#### Current Mandates in Non-Listed Companies

Since 2006	Chairman (since 2012), Allianz Suisse Versicherungs-Gesellschaft AG and Allianz Suisse Lebensversicherungs-Gesellschaft AG, Switzerland
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#### Current Mandates in Associations, Charitable Organisations, Foundations, Trusts or Occupational Pension Foundations

Since 2003	Honorary Councillor (since 2016), British Swiss Chamber of Commerce, Switzerland
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# Corporate Governance Report

## Dr Monica Dell'Anna



(1971 / Swiss and Italian national / domiciled in Switzerland / non-executive / independent)

Member of the Board of Swissquote Group Holding Ltd since May 2018

Member of the Board of Swissquote Bank Ltd since May 2018

Member of the Audit & Risk Committee

Member of the Nomination & Remuneration Committee

### Educational Background

- 1996 Degree (M. Sc. equivalent) in Telecommunications Engineering, University of Pisa, Italy
- 2000 PhD in Telecommunication Engineering, King's College London, United Kingdom
- 2002 McKinsey Mini-MBA in Finance, Strategy and Marketing (Faculty from INSEAD/Kellogg/Harvard), France

### Professional Experience

- 1997–2001 Research and later Senior Research Associate, King's College London, United Kingdom
- 2002–2003 Consultant, McKinsey and Company, United Kingdom
- 2003–2013 Various executive positions, last as Head of Fiber Business and New IT, Member of the Executive Board of Network and IT, Swisscom (Switzerland) Ltd, Switzerland
- 2013–2015 Head of Market and Member of the Executive Board, BKW Ltd, Switzerland
- 2016–2019 Head of Products (until December 2018 Head of Business Media) and Member of the Group Executive Board, NZZ-Mediengruppe Ltd, Switzerland
- 2020–2021 CEO, The Adecco Group Switzerland and Austria, Switzerland

### Previous Board Mandates

- 2013–2015 Member of the Board, BKW Italia Ltd, Italy
- 2013–2015 Member of the Board, Youtility Ltd, Switzerland
- 2013–2015 Chairwoman of the Board, cc energie, Switzerland
- 2014–2015 Member of the Board, Gasverbund Mittelland (GVM), Switzerland
- 2016–2019 Chairwoman of the Board, following companies of the NZZ-Mediengruppe Ltd, all in Switzerland: Architonic Ltd (Member of the Board until 2017), Spoundation Motion Picture Ltd, Zurich Film Festival Ltd, NZZ Konferenzen Ltd, Moneyhouse Deutschland Ltd, Swiss Economic Forum (SEF) Ltd, NZZ Fachmedien Ltd and Moneyhouse Ltd (since 2017)

### Current Mandates in Non-Listed Companies

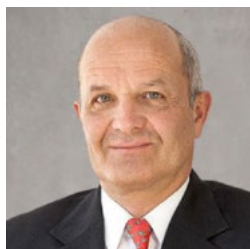
- Since 2022 Chairwoman of the Board, B Capital Partners AG, Switzerland

### Current Mandates in Associations, Charitable Organisations, Foundations, Trusts or Occupational Pension Foundations

- Since 2021 Member of the Board, Italian Chamber of Commerce for Switzerland

# Corporate Governance Report

## Martin Naville



(1959 / Swiss national / domiciled in Switzerland / non-executive / independent)

Member of the Board of Swissquote Group Holding Ltd since April 2007

Vice Chairman of the Board of Swissquote Bank Ltd since May 2019

(member since April 2007)

Member of the Audit & Risk Committee

Member of the Nomination & Remuneration Committee

### Educational Background

1979–1984 Master of the Laws, University Zurich, Switzerland

### Professional Experience

1985–1988 Assistant Treasurer, J.P. Morgan Bank, Zurich, Switzerland/New York, USA

1988–1990 Consultant, The Boston Consulting Group, Munich, Germany

1990–1992 Project Leader, The Boston Consulting Group, Zurich, Switzerland

1992–1995 Manager, The Boston Consulting Group, New York, USA

1995–2004 Partner and Director, The Boston Consulting Group, Zurich, Switzerland

Since 2004 CEO, Swiss-American Chamber of Commerce, Zurich, Switzerland

### Current Mandates in Non-Listed Companies

Since 2002 Chairman (since 2004), Zoo Zurich Inc., Switzerland

# Corporate Governance Report

## Dr Beat Oberlin



(1955 / Swiss national / domiciled in Switzerland / non-executive / independent)

Member of the Board of Swissquote Group Holding Ltd since May 2016

Member of the Board of Swissquote Bank Ltd since May 2016

Chairman of the Nomination & Remuneration Committee

### Educational Background

1979	Licentiate in Law, University of Basel, Switzerland
1982	Attorney at Law and notary, admitted to the Bar of Basel, Switzerland
1989	Doctorate in Law, University of Basel, Switzerland
1999	Stanford Business School, Stanford CA, Senior Executive, USA

### Professional Experience

1982–1994	Various assignments, SBG, Switzerland
1994–2004	Head of Retail and Head of Corporate Clients, Chief of Staff, Head of Market and Sales Management, Business Banking, UBS, Switzerland
2004	Designated CEO, Basellandschaftliche Kantonalbank, Switzerland
2005–2016	CEO, Basellandschaftliche Kantonalbank, Switzerland

### Previous Mandates

2005–2016	Member of the Board, Association of Swiss Cantonal Banks, Switzerland
2005–2016	Member of the Board, Basel Bank Association, Switzerland
2013–2019	Member of the panel of experts appointed by the Federal Council for the “Advancement of Financial Center Strategy” and its successor “Advisory Board for the Future of the Financial Center”, Switzerland

### Current Mandates in Non-Listed Companies

Since 2011	Vice President of the Board (since 2018), St. Clara Spital Group, Switzerland
Since 2020	Chairman of the Board, urb-x AG, Switzerland

### Current Mandates in Associations, Charitable Organisations, Foundations, Trusts or Occupational Pension Foundations

Since 2018	Chairman of the Board (since 2020), University of Basel, Switzerland
Since 2022	Vice Chairman of the Board, Thomi-Hopf-Stiftung, Switzerland

Note: On 30 June 2021, Swissquote Bank Ltd announced that the Luzerner Kantonalbank would be its exclusive distribution partner for mortgages as from 1 January 2022. At the same time, the cooperation between Swissquote Bank Ltd and the Basellandschaftliche Kantonalbank, which started in 2011, ended as of 31 December 2021. As reflected above, Beat Oberlin used to be the CEO of the Basellandschaftliche Kantonalbank until 2016.

# Corporate Governance Report

## Jean-Christophe Pernollet



(1966 / French national / domiciled in Switzerland / non-executive / independent)

Member of the Board of Swissquote Group Holding Ltd since May 2015

Member of the Board of Swissquote Bank Ltd since November 2014

Chairman of the Audit & Risk Committee

### Educational Background

1986	Bachelor of Science in Economics and Politics, Institut d'Etudes Politiques, Grenoble, France
1986	Institute of European Studies, Hull, United Kingdom
1990	Master in Management, EDHEC Business School, Lille, France
2002	Senior Executive Program, Columbia Business School, New York, USA
2021	Corporate Director Certificate, Harvard Business School, USA

### Professional Experience

1990–1993	Audit, Deloitte & Touche, Paris, France
1993–2010	PricewaterhouseCoopers: 1993–1997 Audit, Geneva, Switzerland 1997–1999 Senior Manager (since 1998), Audit, New York, USA 1999–2010 Partner and Business Unit Leader (since 2001), Audit, Geneva, Switzerland
2010–2012	Chief Financial Officer, EFG International Ltd, Geneva and Zurich, Switzerland
Since 2012	Edmond de Rothschild, Switzerland: 2012–2015 Group Chief Financial Officer, then Chief Audit Executive Since 2015 Group Chief Risk Officer

### Previous Mandates

2010–2012	Member of the Audit & Risk Committee, EFG Private Bank Ltd, London, United Kingdom
2013–2014	Member of the Board, Edmond de Rothschild (Europe), Luxembourg
2015–2021	Member of the Board and Chairman of the Audit & Risk Committee, Edmond de Rothschild Asset Management (Switzerland) Ltd

### Current Mandates in Listed Companies

Since 2015	Chairman of the Board, Edmond de Rothschild Real Estate SICAV <sup>1</sup>
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### Current Mandates in Non-Listed Companies

Since 2021	Member of the Board and Chairman of the Audit & Risk Committee, Edmond de Rothschild (Israel) Ltd
Since 2021	Member of the Board and Chairman of the Audit & Risk Committee, Edmond de Rothschild (United Kingdom) Ltd

### Current Mandates in Associations, Charitable Organisations, Foundations, Trusts or Occupational Pension Foundations

Since 2015	Chairman of the Board, Edmond de Rothschild Pension Fund
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<sup>1</sup> This mandate results from Mr Pernollet's executive position at Edmond de Rothschild.



## Michael Ploog



(1960 / Swiss national / domiciled in Switzerland / non-executive / non-independent)

Member of the Board of Swissquote Group Holding Ltd since May 2021

Member of the Board of Swissquote Bank Ltd since May 2021

### Educational Background

- 1980–1983 Bachelor of Science in Management, Faculty of Business and Economics (HEC), University of Lausanne, Switzerland  
1986–1990 Swiss Certified Public Accountant, Swiss Association of Certified Experts for Auditing, Taxes and Fiduciary (EXPERTsuisse), Switzerland

### Professional Experience

- 1983–1985 Chair of Financial and Cost Accounting, Graduate Teaching Assistant, University of Lausanne, Switzerland  
1986–1998 Senior Manager (since 1992), Deloitte  
1986–1994 Audit and Assurance Services, Geneva, Switzerland  
1994–1996 Corporate Finance, London, United Kingdom  
1996–1998 Management Advisory Services, Lausanne, Switzerland  
1998–1999 Senior Manager, Transaction Services Group & Corporate Finance, PricewaterhouseCoopers, Lausanne, Switzerland  
1999–2019 Chief Financial Officer, Swissquote Group Holding Ltd, Gland, Switzerland  
2000–2019 Chief Financial Officer, Swissquote Bank Ltd, Gland, Switzerland  
2019–2021 Chief Investment Officer, Swissquote Group Holding Ltd/Swissquote Bank Ltd, Gland, Switzerland

### Previous Mandates

- 2012–2020 Vice Chairman of the Board, Swissquote MEA Ltd, Dubai, UAE  
1999–2021 Member of the Board, Swissquote Trade Ltd, Gland, Switzerland  
2010–2021 Chairman, Foundation Swissquote 3rd Pillar, Gland, Switzerland  
2012–2021 Member of the Council, FIT – Foundation for Technological Innovation, Lausanne, Switzerland

# Corporate Governance Report

## 3.2 Other activities and vested interests

None of the Board members undertakes activities, holds mandates or has vested interests (as defined in the SIX Swiss Exchange regulations) other than the ones described in Section 3.1. In particular, they did not hold any official functions or political posts in 2021. With the exception of the positions and roles described in Section 3.1, they have no significant business connections with the Company or any of its subsidiaries.

## 3.3 Number of permitted activities

Pursuant to Art. 16<sup>bis</sup> of the Aol, no member of the Board may exercise more than nine additional mandates in other companies, a maximum of four of which may be in listed

companies. Mandates exercised at the request of the Company or companies which it controls are not subject to these restrictions and are limited to ten mandates. Moreover, no member of the Board may exercise more than ten mandates in relation to associations, charitable organisations, foundations trusts and occupational pension foundations.

## 3.4 Summary of external mandates

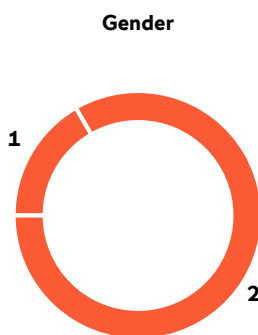
The table below summarises the mandates that each Board member was assuming in superior governing or administrative bodies of legal entities outside of the Group as at 31 December 2021 (unless otherwise indicated in the table):

<b>BOARD MEMBERS</b>	<b>Current mandates in listed companies</b>	<b>Current mandates in non-listed companies</b>	<b>Current mandates in associations, charitable organisations, foundations, trusts and occupational pension foundations</b>
Markus Dennler, Chairman	None	- Chairman Allianz Suisse Versicherungs-Gesellschaft AG - Chairman Allianz Suisse Lebensversicherungs-Gesellschaft AG	- Honorary Councillor, British Swiss Chamber of Commerce
Monica Dell'Anna	None	- Chairwoman, B Capital Partners (as from February 2022)	- Member of the Board, Italian Chamber of Commerce for Switzerland
Martin Naville	None	- Chairman, Zoo Zurich Inc.	- CEO, Swiss-American Chamber of Commerce
Beat Oberlin	None	- Vice President of the Board, St. Clara Spital Group - Chairman of the Board, urb-x AG	- Chairman of the Board, University of Basel - Vice Chairman of the Board, Thomi-Hopf-Stiftung
Jean-Christophe Pernellet	- Chairman of the Board, Edmond de Rothschild Real Estate SICAV	- Group Chief Risk Officer, Edmond de Rothschild (including various mandates in the same group)	- Chairman of the Board, Edmond de Rothschild Pension Fund
Michael Ploog	None	None	None
<b>Maximum permitted mandates</b>	<b>4</b>	<b>9</b>	<b>10</b>

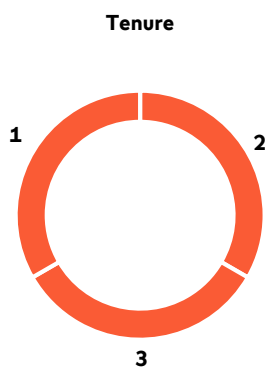
# Corporate Governance Report

## 3.5 Diversity and skills

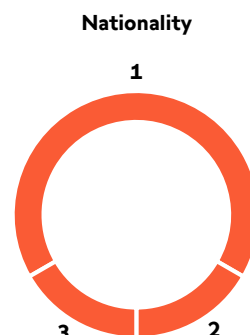
The charts below present the composition of the Board by gender, tenure, nationality and skills:



- 1 Female (16.7%)
- 2 Male (83.3%)

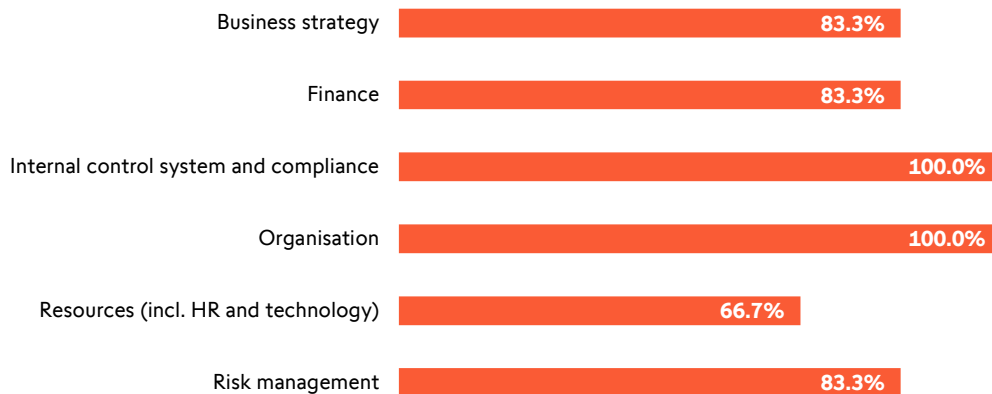


- 1 0-5 years (33.3%)
- 2 5-10 years (33.3%)
- 3 10+ years (33.3%)



- 1 Swiss (66.6%)
- 2 Swiss and Italian (16.7%)
- 3 French (16.7%)

### Skills



# Corporate Governance Report

## 3.6 Succession planning

The Nomination & Remuneration Committee regularly reviews the Board's composition and succession planning and makes its corresponding recommendations to the Board. When doing so, all the relevant elements such as the skills

and qualifications available within the Board as well as diversity and independence aspects are taken into consideration. During the year, the Nomination & Remuneration Committee has identified key elements for the future composition and adopted the following timeline:



## Milestones

### 3.7 Elections and terms of office

On 6 May 2021, the General Meeting approved the amendment of Art. 16 Para. 1 of the Aol increasing the minimum number of members of the Board from three to five and establishing a maximum number of members, set at nine. Pursuant to Art. 16 Para. 2 of the Aol, the members of the Board are elected individually for a term of office that finishes at the end of the next AGM. Re-election is permitted. New members of the Board appointed during a term of office can only be elected to serve until the end of that term. In accordance with Art. 9 Para. 2 Ciph. 2 of the Aol, the Chair is elected at the AGM until the end of the following AGM.

The Board acts at the same time as the Board of Directors of Swissquote Bank Ltd. Since Swiss banking laws and regulations impose a strict separation between the Board of Directors and the Executive Management (i.e. no executive members are permitted to sit on the Board), the Board has always been composed of non-executive members.

The time of the first election of the current Board members is mentioned in Section 3.1.

# Corporate Governance Report

## 3.8 Internal organisational structure

### 3.8.1 Generalities

The operation of an international financial services group comprising a bank in Switzerland and a bank in Luxembourg as well as investment firms located in major financial places requires, inter alia, a proper organisation and an efficient consolidated supervision by the Company.

The organisation and responsibilities of the Group entities are mainly set out in the Policy on the consolidated supervision, which in particular aims to ensure that:

- The Group is duly organised and has a proper structure and governance, including a cohesive set of by-laws, policies and regulations;
- The Group has an appropriate internal control system and the Group entities comply with the regulations applicable to them;
- The risks implied by the activities of the Group, including legal and reputation risks, are adequately identified, mitigated and monitored;
- The Board members, the Executive Management members and other key persons in the Group provide assurance of proper business conduct;
- The applicable regulations on the fight against money laundering and terrorist financing are duly complied with throughout the Group;
- The applicable regulations on the establishment of financial statements as well as on capital adequacy, liquidity, risk diversifications, risk positions and other relevant quantitative parameters are duly complied with throughout the Group; and
- The level of competence for making decisions in the Company (including according to levels of financial materiality) is set forth in the Organisation Regulations (available at <https://en.swissquote.com/company/investors#articles-incorporation> in the French original version) and other internal regulations and is summarised in the Regulation relating to responsibilities and financial powers.

After each AGM, where all Board members and the Chair are elected, the Board appoints its Secretary. The Board may form one or several advisory committees, which consist of members of the Board. The committees' function is to make recommendations to the Board on specific matters. In 2021, there were two such committees at the level of the Group: the Audit & Risk Committee and the Nomination & Remuneration Committee. Such committees must report to the Board on a regular basis, but at least once per quarter for the Audit & Risk Committee and twice a year for the Nomination & Remuneration Committee. The Board has also delegated some of its powers to its Chair.

The Board meets as often as required, but at least four times a year. The Board and its committees plan and coordinate their activities in accordance with a yearly planning schedule that covers all matters requiring the Board's attention and thus ensures that the Board's activity is compliant with applicable laws and regulations.

In 2021, the Board met nine times (one physical strategy meeting and eight (video-)conference calls), out of which one meeting was the so-called Annual Conference on Risks (see Section 3.12). Meetings, either physical or via (video-)conference calls, lasted in average for three hours. All Board members attended all Board meetings in 2021. The Executive Management was present at all meetings, except where there was a review of their personal situation. On various occasions, decisions were taken by means of circular resolutions and ratified at the next Board meeting.

# Corporate Governance Report

## 3.8.2 Functions of the Board of Directors

The Board acts as the ultimate direction of the Company and has the power to decide on all matters that are not vested in the General Meeting or in any other body by law or pursuant to the Aol or the Organisation Regulations. It is the Board's responsibility to perform, inter alia, the following functions:

- Assure the overall supervision of the Company, define the strategy and general policy of the Company, set the objectives of the Company and issue the corresponding instructions;
- Determine the organisation of the Company by approving the Organisation Regulations and the Company's organisation chart;
- Appoint the members of the Board's committees, other than those of the Nomination & Remuneration Committee (which are appointed by the AGM) and appoint their respective chairs;
- Appoint and dismiss the persons entrusted with the management and representation; decide on any signatory to be entered in the Commercial Register;
- Supervise the persons entrusted with the management and representation to ensure in particular that they comply with the law, the Aol, the internal regulations and the instructions given;
- Decide on the creation or closure of subsidiaries, branches, agencies or representative offices in Switzerland or abroad;
- Ensure that an appropriate internal control system is maintained, adapted to the size, complexity, structure and risk profile of the Company;
- Examine the reports established by the Executive Management;
- To the extent permitted by segregation of duties requirements, assist the Executive Management in all cases where it is necessary;
- Approve the Policy on the consolidated supervision;
- Prepare the Annual Report, the Corporate Governance Report, the Remuneration Report and the Sustainability Report for the past financial year;
- Submit these reports to the General Meeting, together with its proposals for the appropriation of retained earnings, its proposals for the election of the Board, the Nomination and Remuneration Committee, the independent proxy, the election of the auditors, its proposals for the maximum aggregate remuneration of the Board and of the Executive Management and any other proposals;
- Convene the General Meeting and implement its decisions, either directly or through the Executive Management;
- Determine the principles of accounting and financial control, as well as the financial plan;
- Approve the annual financial statements and regular interim financial reporting prior to their disclosure and after clearance by the Audit & Risk Committee;
- Decide on the acquisition, commitment and disposal of any permanent holdings;
- Approve the Group budget, any revisions during the year, and the capital and liquidity planning;
- Decide, within the framework of the General Meeting's resolutions, on the remuneration of the Board and the Executive Management;
- Supervise the achievement of the Group's objectives in terms of sustainability, gender diversity and wage fairness;
- Inform the competent authority in the event of overindebtedness;
- Analyse, authorise and periodically monitor the development of projects of importance to the Company; and
- Approve those matters for which the Executive Management has to seek approval by the Board, in particular through the approval of internal regulations.

The Board's approval is also required for specific transactions that do not fall under the ordinary business activities and/or which financially exceed defined thresholds.

Board members may not act alone on behalf of the Company and may not give instructions on their own, except where the Aol, the internal regulations or a resolution of the Board provide otherwise.

## 3.8.3 Functions delegated to the Chair

The Chair performs, inter alia, the following functions:

- Chair the meetings of the Board and the General Meeting;
- Ensure that all relevant matters are duly part of the Board meeting agenda and subject to an appropriate follow-up. Relevant matters include strategy, business, financial risk and compliance matters as well as environmental, social and governance matters; and
- Represent the Board vis-à-vis the public at large, public officials and the shareholders.

# Corporate Governance Report

## 3.8.4 Rules governing decisions

The majority of members shall be present for the Board to be quorate. Resolutions of the Board are passed by a majority of the votes cast by the members present. In the event of a tie, the Chair has the casting vote. For decisions that are taken in relation to a capital increase (ordinary, conditional or authorised increase), including the related modifications of the Aol, the quorum is also achieved when a single member of the Board is present.

For further information on quorums and decisions, reference is made to the Aol (in particular Art. 17) and to Art. 6 of the Organisation Regulations.

## 3.8.5 Audit & Risk Committee

As at 31 December 2021, Jean-Christophe Pernellet (Chairman), Monica Dell'Anna and Martin Naville are members of the Audit & Risk Committee.

Based on best market practices, we highlight the fact that the Chairman of the Audit & Risk Committee, Mr Pernellet, has an extensive audit and accounting expertise, which is in particular demonstrated by his past position of Audit Partner at PricewaterhouseCoopers (Switzerland) and Lead Bank Auditor accredited by FINMA for more than 10 years and his past and current executive positions at Edmond de Rothschild (Switzerland).

The Audit & Risk Committee's primary function is to assist the Board in fulfilling its oversight responsibilities defined by law, the Aol, internal regulations or otherwise with respect to financial reporting and risk management. The Audit & Risk Committee has no decision-making powers. It only acts in an advisory or preparatory capacity.

In terms of financial reporting, the oversight responsibilities of the Audit & Risk Committee include, inter alia, the following:

- Monitor and assess the overall integrity of the annual and half-yearly financial statements (standalone and consolidated) and disclosures of the financial condition, results of operations and cash flows;
  - Discuss the financial statements and the quality of the underlying accounting processes with the Chief Financial Officer, the lead audit partner and, where applicable, the person responsible for the internal auditor;
  - Monitor the adequacy of the financial accounting, financial planning and reporting processes and the effectiveness of internal controls over financial reporting;
  - Monitor processes designed to ensure compliance by the Group and its entities in all significant respects with legal and regulatory requirements, including disclosure controls and procedures, and the impact (or potential impact) of developments related thereto;
  - Make recommendations to the Board as to the application of accounting standards;
  - Review (prior to such transactions) significant accounting and reporting matters related to material one-off transactions such as the acquisition or disposal of an enterprise and/or a merger;
  - Inform the Board of the result of the above-mentioned tasks and make a recommendation as to whether the financial statements should be approved by the Board and, where applicable, submitted to the General Meeting;
  - Monitor and assess the qualifications, independence and performance of the auditors and their interactions with the internal auditor;
  - Assess the risk analysis, the audit strategy and the risk-oriented financial audit plan, the audit rhythm and all reports from external auditors and supervise the actions taken by the Management following the audit results; and
  - Assist the Board in fulfilling its responsibilities relating to financial reporting.
- In terms of risk management, the oversight responsibilities of the Audit & Risk Committee include, inter alia, the following:
- Assess, at least annually, the internal control systems of the Group and of Swissquote Bank Ltd, including the risk management framework (in particular the risk appetite and the risk tolerance), make corresponding recommendations to the Board and ensure that necessary changes are made;
  - Monitor (i) the organisation's risk profile (its ongoing and potential risks of various types), (ii) its consistency/compliance with the risk management framework (in particular the risk appetite and the risk tolerance) and (iii) the implementation of risk strategies;
  - Oversee that the Executive Management has identified and assessed all the significant risks that the Group and its entities face and has established a risk management infrastructure (including effective processes) capable of addressing those risks;
  - Oversee, in conjunction with the Board and, where applicable, other Board-level committees, risks, such as strategic, credit, market, liquidity, operational and reputational risks (including from a sustainability perspective);
  - Assess the Group's and Swissquote Bank Ltd's capital and liquidity planning and report to the Board;
  - Monitor and assess the qualifications, independence and performance of the internal auditor.

# Corporate Governance Report

## 3.8.5 Audit & Risk Committee (continued)

- Assess, take note of or approve (as applicable) the internal auditor’s risk assessment, audit plans (for the Group and Swissquote Bank Ltd) and all their reports (for Swissquote Bank Ltd and the other Group entities) and supervise the actions taken by the Management following the audit results;
- Assess, take note of or approve (as applicable) the risk analysis, the audit strategy and the risk-oriented regulatory audit plan, the audit rhythm and all reports from the auditors and supervise the actions taken by the Management following the audit results;
- Make recommendations to the Board as to the nomination (respectively appointment), renewal or dismissal of the auditors and of the internal auditor;
- Make recommendations to the Board as to amendments to the “Règlement sur la Révision interne”; and

- Assist the Board in fulfilling its responsibilities relating to risk management, including those resulting from the application of the “Règlement sur la gestion des risques” and other relevant internal regulations.

The Audit & Risk Committee meets at least once per quarter. In 2021, it met six times via (video-)conference calls. The meetings lasted on average for two hours and thirty minutes. In 2021, Jean-Christophe Pernellet, Monica Dell’Anna and the other Board members attended all meetings, while Martin Naville attended five meetings. Members of the Executive Management were invited to all the meetings. The auditors were present at all the meetings and the internal auditor was present at all the meetings. No external counsels attended the meetings.



# Corporate Governance Report

## 3.8.6 Nomination & Remuneration Committee

As at 31 December 2021, Beat Oberlin (Chairman), Monica Dell'Anna and Martin Naville are members of the Nomination & Remuneration Committee.

The Nomination & Remuneration Committee meets at least twice a year. In 2021, it met six times via (video-)conference calls. The meetings lasted on average 45 minutes. In 2021, Beat Oberlin, Monica Dell'Anna and the other Board members, except Martin Naville, attended all meetings. Martin Naville attended five meetings. Members of the Executive Management were invited to all the meetings, except where there was a review

of their personal situation. No external counsels attended the meetings.

Further details on the Nomination & Remuneration Committee are provided in the Remuneration Report.

## 3.9 Board and committee meetings

The table below summarises the number of meetings that the Board and each of its committees held in the course of 2021, as well as the Board (or committee) members having attended such meetings:

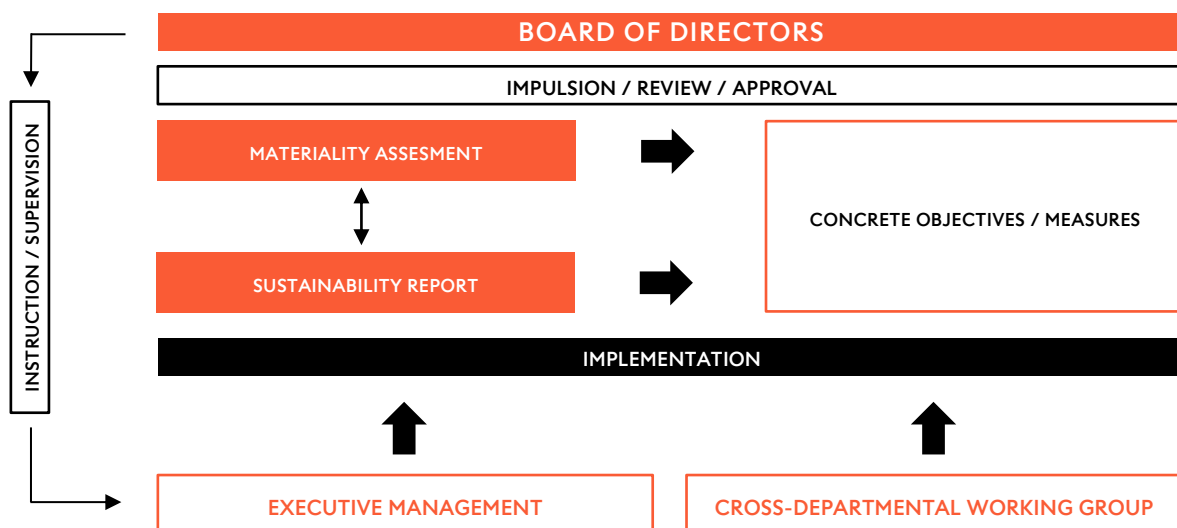
NUMBER OF BOARD AND COMMITTEE MEETINGS AND ATTENDANCE	Board of Directors	Audit & Risk Committee	Nomination & Remuneration Committee
Markus Dennler, Chairman	9		
Monica Dell'Anna	9	6	6
Martin Naville	9	5	5
Beat Oberlin	9		6
Jean-Christophe Pernellet	9	6	
<b>2021</b>	<b>9</b>	<b>6</b>	<b>6</b>

The above table only reflects the participation in a committee of a Board member when the latter is a member of such committee. Board members that are not members of a committee participate as guests in all or most meetings of such committee.

## 3.10 Environmental, social and governance responsibility

The following chart describes how environmental, social and governance ("ESG") matters are handled within the Company

and highlights, in particular, the key role of the Board, especially in terms of oversight. More information about ESG matters is available in the Sustainability Report:



# Corporate Governance Report

## 3.1.1 Definition of areas of responsibility

In accordance with Art. 20 of the Aol, the Board may delegate all or part of its duties to the Executive Management. The latter is responsible for the implementation of the business strategies approved by the Board and for the compliance of the operations with the risk management policies approved by the Board. Furthermore, the Executive Management ensures the maintenance and development of a corporate framework in line with the corporate values approved by the Board, in particular as stated in the Code of Conduct (available at <https://en.swissquote.com/company/investors#articles-incorporation> in the English original version).

The Executive Management in particular has the responsibility to perform the following functions:

- Execute the strategy approved by the Board;
- Review and prepare the items to be treated by the Board;
- Execute the decisions and instructions of the Board;
- Assign powers to other bodies or employees if permitted by the Organisation Regulations and within the limits of these regulations;
- Ensure that the Company's internal organisation meets its operational and development needs;
- Establish the regulations required by the Company's activity and submit them to the Board for approval;

- Establish the organisation chart of the Company and submit it to the Board for approval;
- Hire the Company's employees and set their employment conditions according to the guidelines issued by the Board;
- Establish a list of authorised signatories for the Company and submit it to the Board for approval;
- Supervise accounting, financial control and financial planning;
- Establish the Group's budget and submit it to the Board for approval;
- Report regularly to the Board;
- Prepare the Company's annual financial statements, any consolidated or interim financial statements, and the Annual Report for approval by the Board; and
- Ensure compliance with capital adequacy, liquidity and risk diversification requirements at Group level and monitor the related developments.

The delegation process to the Management is documented in the internal regulations and the Board has an overview of the delegation process through the summary provided in the Regulation relating to responsibilities and financial powers. The following functions and entities report to the concerned Executive Management members:

### MEMBERS OF THE EXECUTIVE MANAGEMENT AS OF 1 JANUARY 2022

	Functions and Group entities
Marc Bürki, CEO	Dubai / Hong Kong / Luxembourg / Singapore
Paolo Buzzi, Deputy CEO	Supervision of key projects
Yvan Cardenas, CFO	Assets & Liabilities Management & Treasury / Finance / Forex Dealing / Institutional Desk HQ / Quantitative Asset Management / Securities Trading
Gilles Chantrier, CRO	Controlling & Risk
Alexandru Craciun, CTO	Software Engineering Infrastructure / Software Engineering Platforms / Software Engineering Tech Drive & Talent
Jan De Schepper, CSO	Customer Care / Institutional Business Zurich / Investment Products / London / Marketing / Product Management / Retail Business Zurich / Retail Sales HQ
Lino Finini, COO	Business Operations / Facility Management / IT & Security / IT Operations & Support / Malta
Morgan Lavanchy, CLO	Client Administration / Compliance / Legal

The Executive Management is further assisted by committees consisting of members of the Management that carry out coordination and reporting functions and make

recommendations to the Executive Management. At least one member of the Executive Management sits in each committee.

# Corporate Governance Report

## 3.12 Information and control instruments vis-à-vis the Executive Management

The Group operates a comprehensive management information system that provides the Executive Management with all data required to manage and control the business and to report relevant information to the Board.

The Board periodically reviews the nature of the reporting prepared by the Executive Management and the frequency of the respective reports. The reporting may be summarised as follows:

- Quarter 1 and 3 reporting in particular includes (1) the CEO Report, which inter alia provides an update on key financial figures, business activities, important projects, key operational matters and investor relations, (2) the Financial Report, which reports on the key financial matters (including budgets and capital management matters), together with condensed consolidated interim financial statements (established for internal purposes only), (3) the Risk Report, which informs on risk-related matters and (4) the Legal & Compliance Report and the Laws & Regulations Report, which reports on legal, compliance and regulatory matters;
- Half-yearly reporting covers the same scope as the quarter 1 and 3 reporting, except that a condensed special purpose interim financial information of Swissquote Bank Ltd is provided in addition to the condensed consolidated interim financial statements. Both documents are reviewed by the auditors and the latter serves as basis for the half-year press release; and
- Yearly reporting covers the same scope as the half-year reporting and includes the audited consolidated and statutory financial statements for both the Company and Swissquote Bank Ltd.

Once a year, the Board organises the so-called Annual Conference on Risks, a conference dedicated to an in-depth review of the risks, internal control systems and risk management processes. The Executive Management and the respective heads of IT & Security and Assets & Liabilities Management & Treasury provide the Board with their own risk assessment and their recommendations with respect to the enhancement of the internal control systems and risk management processes.

Ad hoc reporting is addressed to the Board when required by the circumstances or upon request of the Board. Further, the Executive Management must immediately report to the Board material matters outside the ordinary course of business.

The Board and its committees may invite the Executive Management in corpore or some of its members to some or all of their meetings.

The function of internal auditor, reporting directly and independently to the Board, is outsourced to BDO SA, Geneva, which is a member of the Institute of Internal Auditing Switzerland. The duties of the internal auditor are governed by the Ordinance on Banks and Savings Banks, FINMA Circular 2017/1 “Corporate governance – banks” and the applicable internal regulations. The internal auditor analyses the compliance of business activities with legal and regulatory requirements and applicable internal regulations. The internal auditor carries out the audit plan approved by the Board and reports its findings and recommendations in writing. It also executes ad hoc missions and investigations upon request of the Board. The internal auditor provides the Board with a specific half-year summary report that reviews, inter alia, the progress made by the Company in implementing the recommendations made in earlier reports and includes information with respect to the execution of the audit plan. The internal auditor participates in the Annual Conference on Risks and provides the Board with its own assessment of the risks, internal control systems and risk management processes. The Board formally takes note of the reports of the internal auditor and reviews the conclusions and comments made by the Audit & Risk Committee, which examines the reports in detail.

Swissquote Bank Ltd is responsible for performing consolidated supervision functions that cannot be performed at the level of the Company, in particular when the necessary resources or systems are not available in the Company.

In terms of risk management, the Company complies, inter alia, with the requirements of FINMA Circular 2017/1 “Corporate governance – banks” and maintains an extensive risk management framework which addresses risks related to a banking activity (credit risk, market risk, interest risk, operational risk, reputation risk, etc.).

The risk review process is part of the Company’s strategic and organisational framework and, as a result, part of the Company’s day-to-day activities. The Annual Conference on Risks is an important tool of the Board to undergo an in-depth review of the Company’s risks, internal control systems and risk management processes. Based on the findings of the risk review process, the Board makes the necessary decisions, in particular in terms of limits and risk appetite.

# Corporate Governance Report

## 4 Executive Management

### 4.1 Members of the Executive Management

As at 31 December 2021, the Executive Management consisted of eight members:

<b>MEMBERS OF THE EXECUTIVE MANAGEMENT 2021</b>	<b>Nationality</b>	<b>Year of birth</b>	<b>Year of arrival at the Executive Management</b>
Marc Bürki, CEO <sup>1</sup>	Swiss	1961	1999
Paolo Buzzi, Deputy CEO <sup>1</sup>	Swiss	1961	1999
Yvan Cardenas, CFO	Swiss	1980	2019
Gilles Chantrier, CRO	Swiss and French	1972	2017
Alexandru Craciun, CTO	Swiss and Romanian	1975	2021
Jan De Schepper, CSO	Swiss and Belgian	1976	2019
Lino Finini, COO	Swiss and Italian	1965	2019
Morgan Lavanchy, CLO	Swiss	1979	2017

<sup>1</sup> Marc Bürki and Paolo Buzzi are founding shareholders of the Company and are major shareholders as at 31 December 2021.



From left to right: A. Craciun (CTO), G. Chantrier (CRO), P. Buzzi (Deputy CEO), J. De Schepper (CSO), M. Bürki (CEO), L. Finini (COO), Y. Cardenas (CFO) and M. Lavanchy (CLO)

# Corporate Governance Report

## 4.1 Members of the Executive Management (continued)

### Marc Bürki



(1961 / Swiss national / domiciled in Switzerland)

Chief Executive Officer (CEO) of Swissquote Group Holding Ltd and Swissquote Bank Ltd

Founding partner of Swissquote Group Holding Ltd

#### Educational Background

1982–1987 Degree in Electrical Engineering, Swiss Federal Institute of Technology (EPFL), Lausanne, Switzerland

#### Professional Experience

1987–1990 Telecommunication Specialist, European Space Agency, Noordwijk, Netherlands

1990–2002 Co-Managing Director, Marvel Communications Ltd, Geneva, Switzerland

Since 1999 Chief Executive Officer, Swissquote Group Holding Ltd, Gland, Switzerland

Since 2002 Chief Executive Officer, Swissquote Bank Ltd, Gland, Switzerland

#### Current Mandates in Companies that are Controlled by Swissquote Group Holding Ltd

Since 2012 Chairman of the Board, Swissquote MEA Ltd, Dubai, UAE

Since 2014 Chairman of the Board, Swissquote Ltd, London, UK

Since 2014 Chairman of the Board, Swissquote Asia Ltd, Hong Kong

Since 2019 Chairman of the Board, Swissquote Pte. Ltd, Singapore

Since 2019 Chairman of the Board, Swissquote Bank Europe SA, Luxembourg

Since 2021 Chairman of the Board, Yuh Ltd, Gland, Switzerland<sup>1</sup>

#### Current Mandates in Associations, Charitable Organisations, Foundations, Trusts or Occupational Pension Foundations

Since 2016 Member of the Board, ETH Domain, Bern, Switzerland

<sup>1</sup> Marc Bürki was appointed Chairman of the Board of Yuh Ltd at the request of the Company.

# Corporate Governance Report

## Paolo Buzzi



(1961 / Swiss national / domiciled in Switzerland)

Deputy Chief Executive Officer of Swissquote Group Holding Ltd and Swissquote Bank Ltd  
Founding Partner of Swissquote Group Holding Ltd

### Educational Background

1983–1988 Degree in Micro-Engineering, Swiss Federal Institute of Technology (EPFL), Lausanne, Switzerland

### Professional Experience

1988–1990 Software Engineer and New Technology Integration Engineer, Rolm Systems, Santa Clara, USA  
1990–2000 Co-Managing Director, Marvel Communications SA, Geneva, Switzerland  
2000–2004 Chief Executive Officer, Swissquote Info SA, Gland, Switzerland  
1999–2021 Chief Technology Officer, Swissquote Group Holding Ltd, Gland, Switzerland  
2002–2021 Chief Technology Officer, Swissquote Bank Ltd, Gland, Switzerland  
Since 2021 Deputy Chief Executive Officer, Swissquote Group Holding Ltd/Swissquote Bank Ltd, Gland, Switzerland

### Previous Mandates

2012–2020 Member of the Board, Swissquote MEA Ltd, Dubai, UAE

### Current Mandates in Companies that are Controlled by Swissquote Group Holding Ltd

Since 2002 Chairman of the Board, Swissquote Trade Ltd, Gland, Switzerland  
Since 2012 Chairman (2012–March 2015: Vice Chairman), Swissquote Financial Services (Malta) Limited, Valletta, Malta

### Current Mandates in Non-Listed Companies

Since 2019 Member of the Board, NetGuardians, Yverdon-les-Bains, Switzerland

### Current Mandates in Associations, Charitable Organisations, Foundations, Trusts or Occupational Pension Foundations

Since 2016 Member of the Strategic Advisory Board, EPFL, Lausanne, Switzerland

# Corporate Governance Report

## Yvan Cardenas



(1980 / Swiss national / domiciled in Switzerland)

Chief Financial Officer (CFO) of Swissquote Group Holding Ltd and Swissquote Bank Ltd

### Educational Background

- 1999–2003 Bachelor and Master Degree, Hautes Etudes Commerciales (HEC), University of Lausanne and St. Gallen (exchange), Switzerland
- Since 2007 Swiss Certified Public Accountant, Switzerland
- Since 2016 Swiss Certified Tax Expert, Switzerland

### Professional Experience

- 2003–2010 Manager in Audit/Financial Services (since 2008), PricewaterhouseCoopers Ltd, Lausanne, Switzerland
- 2010–2011 Senior Officer, Swissquote Bank Ltd, Switzerland
- 2011–2013 Head Accounting & Reporting, Swissquote Bank Ltd, Gland, Switzerland
- 2014–2018 Head Finance, Reporting & Tax, Swissquote Bank Ltd, Gland, Switzerland
- Since 2019 Chief Financial Officer, Swissquote Group Holding Ltd/Swissquote Bank Ltd, Gland, Switzerland

### Current Mandates in Companies that are Controlled by Swissquote Group Holding Ltd

- Since 2019 Member of the Board, Swissquote Bank Europe SA, Luxembourg
- Since 2020 Finance Officer, Swissquote MEA Ltd, Dubai, UAE

### Current Mandates Associations, Charitable Organisations, Foundations, Trusts or Occupational Pension Foundation

- Since 2016 Member of the Committee, EXPERTsuisse – Section Vaud
- Since 2019 Member of the Tax Commission, Chambre vaudoise du commerce et de l'industrie, Lausanne, Switzerland
- Since 2019 Member of the Board of the Social Insurances Committee AVS/AI/APG/AF, Chambre vaudoise du commerce et de l'industrie, Lausanne, Switzerland

# Corporate Governance Report

## Gilles Chantrier



(1972 / Swiss and French national / domiciled in Switzerland)  
Chief Risk Officer (CRO) of Swissquote Group Holding Ltd and Swissquote Bank Ltd

### Educational Background

1997–2000 Bachelor – BSc in Economics, School of Business Administration (HEG), Lausanne, Switzerland  
2016 Risk Management in Banking, Institut européen d’administration des affaires (INSEAD), Fontainebleau, France

### Professional Experience

1995–1997 Accountant, Infogest SA, Nyon, Switzerland  
2000–2002 Deputy Head Accounting, Swissquote Bank Ltd, Gland, Switzerland  
2002–2003 Head Backoffice, Swissquote Bank Ltd, Gland, Switzerland  
2003–2005 Head Internal Controlling, Swissquote Bank Ltd, Gland, Switzerland  
2005–2013 Head Reporting & Controlling, Swissquote Bank Ltd, Gland, Switzerland  
2014–2016 Head Controlling & Risk, Swissquote Bank Ltd, Gland, Switzerland  
Since 2017 Chief Risk Officer, Swissquote Group Holding Ltd/Swissquote Bank Ltd, Gland, Switzerland

### Current Mandates in Companies that are Controlled by Swissquote Group Holding Ltd

Since 2010 Member of the Board, Foundation Swissquote 3rd Pillar, Gland, Switzerland  
Since 2014 Member of the Board, Swissquote Ltd, United Kingdom  
Since 2014 Member of the Board, Swissquote MEA Ltd, Dubai, UAE  
Since 2014 Member of the Board, Swissquote Asia Ltd, Hong Kong  
Since 2019 Member of the Board, Swissquote Pte. Ltd, Singapore  
Since 2019 Member of the Board, Swissquote Bank Europe SA, Luxembourg



## Alexandru Craciun



(1975 / Swiss and Romanian national / domiciled in Switzerland)

Chief Technology Officer (CTO) of Swissquote Group Holding Ltd and Swissquote Bank Ltd

### Educational Background

1993–1998 Bachelor Degree, Faculty of Automatics and Computer Science, University Polytechnic of Bucharest, Romania

### Professional Experience

1996–2000 Various assignments in different companies

2000–2002 Senior Application Developer, CQS Sàrl, Fribourg, Switzerland

2003–2007 Senior Developer, Swissquote Bank Ltd, Gland, Switzerland

2007–2010 Information Platform Manager and Chief Architect, Swissquote Bank Ltd, Gland, Switzerland

2010–2013 Head of Information Platform and Web Architecture, Swissquote Bank Ltd, Gland, Switzerland

2013–2015 Head of Offshoring, Swissquote Bank Ltd, Gland, Switzerland

2015–2020 Head of Software Engineering, Swissquote Bank Ltd, Gland, Switzerland

Since 2021 Chief Technology Officer, Swissquote Group Holding Ltd/Swissquote Bank Ltd, Gland, Switzerland

## Jan De Schepper



(1976 / Swiss and Belgian national / domiciled in Switzerland)  
Chief Sales & Marketing Officer (CSO) of Swissquote Group Holding Ltd and Swissquote Bank Ltd

### Educational Background

1997–2000 BSc in Business Management, University of Applied Science (FHNW), Olten, Switzerland  
2011–2013 Executive MBA in International Management, University of Geneva, Switzerland

### Professional Experience

2000–2002 Junior Brand Manager, Feldschlösschen Getränke (Carlsberg Group), Rheinfelden, Switzerland  
2002–2003 Brand Manager, Feldschlösschen Getränke (Carlsberg Group), Rheinfelden, Switzerland  
2003–2004 Brand Manager, Bacardi-Martini, Geneva, Switzerland  
2004–2008 Account Director, Saatchi & Saatchi, Geneva, Switzerland  
2008–2015 Marketing Manager, McDonald's Switzerland, Lausanne, Switzerland  
2015–2019 Head Marketing, Swissquote Bank Ltd, Gland, Switzerland  
Since 2019 Chief Sales & Marketing Officer, Swissquote Group Holding Ltd/Swissquote Bank Ltd, Gland, Switzerland

### Current Mandates Associations, Charitable Organisations, Foundations, Trusts or Occupational Pension Foundations

Since 2018 Member of the Board, SWA/ASA – National Advertiser Association, Zurich, Switzerland

# Corporate Governance Report

## Lino Finini



(1965 / Swiss and Italian national / domiciled in Switzerland)

Chief Operating Officer (COO) of Swissquote Group Holding Ltd and Swissquote Bank Ltd

### Educational Background

1987–1988 Computer Science Studies, Lausanne, Switzerland  
2008 Fund Officer FA/IAF, Zurich, Switzerland

### Professional Experience

1988–1992 Developer, Banque Indosuez, Lausanne, Switzerland  
1992–1996 Associate Director, IT Operations, Banque Indosuez, Lausanne, Switzerland  
1996–2001 Software and Hardware Architect, LaserCom Ltd, Geneva, Switzerland  
2001–2002 Core Banking Specialist, Swissquote Info Ltd, Gland, Switzerland  
2002–2004 Head Banking Applications, Swissquote Bank Ltd, Gland, Switzerland  
2004–2019 Head Back Office & Banking Applications, Swissquote Bank Ltd, Gland, Switzerland  
Since 2019 Chief Operating Officer, Swissquote Group Holding Ltd/Swissquote Bank Ltd, Gland, Switzerland

### Current Mandates in Companies that are Controlled by Swissquote Group Holding Ltd

Since 2015 Member of the Board, Swissquote Financial Services (Malta) Limited, Valletta, Malta

### Current Mandates in Non-Listed Companies

Since 2019 Member of the Board, Groupement Hospitalier de l'Ouest Lémanique (GHOL), Nyon, Switzerland  
Since 2021 Member of the Board, kasko2go Holding AG, Vaduz, Liechtenstein

# Corporate Governance Report

## Morgan Lavanchy



(1979 / Swiss national / domiciled in Switzerland)

Chief Legal Officer (CLO) of Swissquote Group Holding Ltd and Swissquote Bank Ltd

### Educational Background

- 1997–2002 Master of Laws, Law School, University of Neuchâtel, Switzerland
- 2002–2004 Master of Advanced Studies (LL.M.) in Business Law, Law School, Universities of Lausanne and Geneva, Switzerland
- 2011 Certificate DIFC Rules & Regulations, Chartered Institute for Securities & Investment, Dubai, UAE

### Professional Experience

- 2003–2006 Legal Officer, Swissquote Bank Ltd, Gland, Switzerland
- 2006–2016 Head Legal & Compliance, Swissquote Bank Ltd, Gland, Switzerland
- Since 2017 Chief Legal Officer, Swissquote Group Holding Ltd/Swissquote Bank Ltd, Gland, Switzerland

### Current Mandates in Companies that are Controlled by Swissquote Group Holding Ltd

- Since 2010 Secretary, Foundation Swissquote 3rd Pillar, Gland, Switzerland

### Current Mandates in Associations, Charitable Organisations, Foundations, Trusts or Occupational Pension Foundations

- Since 2018 Member of the Executive Committee, Capital Markets and Technology Association, Geneva, Switzerland

# Corporate Governance Report

## 4.2 Other activities and vested interests

None of the members of the Executive Management undertakes activities, holds mandates or has vested interests (as defined in the SIX Swiss Exchange regulations) other than the ones in Section 4.1. In particular, they did not hold any official functions or political posts in 2021.

## 4.3 Number of permitted activities

Pursuant to Art. 16<sup>bis</sup> of the Aol, no member of the Executive Management may exercise more than four additional mandates in other companies, a maximum of one of which may be in a listed company. Mandates exercised at the

request of the Company or companies which it controls are not subject to these restrictions and are limited to ten mandates. Furthermore, no member of the Executive Management may exercise more than eight mandates in relation to associations, charitable organisations, foundations trusts and occupational pension foundations.

## 4.4 Summary of external mandates

The table below summarises the mandates held in superior governing or administrative bodies of legal entities outside of the Group that each Executive Management member was assuming as at 31 December 2021:

<b>MEMBERS OF THE EXECUTIVE MANAGEMENT</b>	<b>Current mandates in listed companies</b>	<b>Current mandates in non-listed companies</b>	<b>Current mandates in associations, charitable organisations, foundations, trusts and occupational pension foundations</b>
Marc Bürki, CEO	None	- Yuh Ltd, Gland, Switzerland (at the request of the Company)	- Member of the Board, ETH Domain, Bern, Switzerland
Paolo Buzzi, Deputy CEO	None	- Member of the Board, Net-Guardians, Yverdon-les-Bains, Switzerland	- Member of the Strategic Advisory Board, EPFL, Lausanne, Switzerland
Yvan Cardenas, CFO	None	None	- Member of the Committee, EXPERTsuisse - Section Vaud - Member of the Tax Commission, Chambre vaudoise du commerce et de l'industrie, Lausanne, Switzerland - Member of the Board of the Social Insurances Committee AVS/AI/APG/AG, Chambre vaudoise du commerce et de l'industrie, Lausanne, Switzerland
Gilles Chantrier, CRO	None	None	None
Alexandru Craciun, CTO	None	None	None
Jan De Schepper, CSO	None	None	- Member of the Board, SWA/ASA - National Advertiser Association, Zurich, Switzerland
Lino Finini, COO	None	- Member of the Board, Groupement Hospitalier de l'Ouest Lémanique (GHOL), Nyon, Switzerland - Member of the Board, kasko2go Holding AG, Vaduz, Liechtenstein	None
Morgan Lavanchy, CLO	None	None	- Member of the Executive Committee, Capital Markets and Technology Association, Geneva, Switzerland
<b>Maximum permitted mandates</b>	<b>1</b>	<b>4</b>	<b>8</b>

## 4.5 Management contracts

The Company has not entered into management contracts with third parties.

# Corporate Governance Report

## 5 Remuneration, shareholding and loans

Details on the remuneration, shareholding and loans are provided in the Remuneration Report.

## 6 Shareholders' participation

### 6.1 Generalities

Shareholders in Swiss corporations limited by shares have extensive protective and participatory rights. Protective rights include the right of inspection and information (Art. 696 and 697 CO), the right to a special audit (Art. 697a CO), the right to call a General Meeting (Art. 699 Para. 3 CO), motion rights (Art. 699 Para. 3 CO), the right to challenge resolutions of the General Meeting (Art. 706 CO) and the right to instigate liability proceedings (Art. 753 ff CO). Participatory rights primarily include the right to participate in General Meetings, the right to express an opinion and voting rights (Art. 694 CO). The Ordinance against Excessive Compensation in Listed Corporations grants additional rights to shareholders, such as with respect to the election of the Company's independent proxy, whose term of office ends at the next AGM. For further information on this ordinance, reference is made to the Remuneration Report.

The General Meeting is the highest body of the Company. It has the following non-transferable powers to:

- Establish and amend the Aol;
- Annually elect the members of the Board, the Chair of the Board, the members of the Remuneration Committee, the independent proxy and the auditors;
- Approve the Annual Report and the consolidated financial statements;
- Approve the annual financial statements and adopt resolutions concerning the allocation of the disposable profit, in particular set the dividend as well as the profit-sharing bonus;
- Discharge the members of the Board;
- Approve the remuneration of the Board and the Executive Management in accordance with Art. 14<sup>bis</sup> of the Aol;
- Resolve on the delisting of the Company; and
- Pass resolutions on all matters reserved to the General Meeting by law or the Aol.

For further information on the General Meeting, reference is made to the Aol (in particular Art. 9, 10 and 11).

### 6.2 Voting rights and representation restrictions

Pursuant to Art. 12 of the Aol, every person duly entered in the share register as a shareholder with voting rights is entitled to exercise the rights attached to the registered shares. Shareholders may have their shares represented at the General Meeting by a legal representative or, with a written power of attorney, by a third party, who is not required to be a shareholder of the Company. The Board shall decide on the requirements regarding powers of attorney and instructions; powers of attorney without qualified electronic signatures may also be recognised. The final decision on the validity of powers of attorney rests with the Chair of the Board.

Pursuant to Art. 7 of the Aol, upon request, acquirers of registered shares will be entered in the share register as shareholders with voting rights if they expressly declare that they have acquired the registered shares in their own name and for their own account. If this requirement is not satisfied, the person in question will be entered in the share register as a shareholder without voting rights. The Aol do not contain any express provisions for granting exceptions to this limitation.

The Aol do not contain any provisions on abolishing voting rights restrictions; the general rules of the Swiss Code of Obligations apply.

Specific rules on the issue of instructions to the Company's independent proxy or on the electronic participation in the General Meeting are set by the Board and communicated to shareholders in the invitation to the General Meeting.

# Corporate Governance Report

## 6.3 Quorums required by the Articles of Incorporation

Where a General Meeting has been convened in accordance with the provisions of the law and the Aol, decisions may be taken, irrespective of the number of shares represented or shareholders present at the General Meeting. Pursuant to Art. 12 of the Aol, the General Meeting is therefore quorate regardless of the number of shares represented.

In accordance with Art. 13 of the Aol, except when the law and/or the Aol provide otherwise, the General Meeting passes resolutions and conducts elections by an absolute majority of the voting rights validly represented. Elections require an absolute majority in the first round, and, if this is not achieved, a relative majority is sufficient in the second round. In the event of a tie, the Chair of the Board has the casting vote. As a rule, votes are cast electronically. If the electronic voting system fails, an open vote shall be held unless one or more shareholders who alone or together represent at least 5% of the voting rights request a secret ballot.

Pursuant to Art. 14 of the Aol, a resolution of the General Meeting adopted by at least two thirds of the votes represented and an absolute majority of the nominal values of the shares represented is required for:

- A change to the Company's purpose;
- The introduction of preferred voting shares;
- The restriction of the transferability of registered shares;
- An authorised or conditional capital increase;
- A capital increase by recourse to equity, against contribution in kind or for the acquisition of assets and the granting of special benefits;
- The restriction or revocation of subscription rights;
- The relocation of the Company's registered office;
- The delisting of the Company; and
- The dissolution of the Company.

## 6.4 Convocation of the General Meetings

The General Meetings are convened by the Board in the normal course of business or otherwise by the auditors or the liquidator.

One or more shareholders of the Company may request the convocation of an extraordinary General Meeting ("EGM") if all of the following conditions are satisfied:

- The shareholder or shareholders together hold at least 5% of the nominal value of the share capital entered in the commercial register on the day the request is received; and
- The shareholder or shareholders submit their request in writing and, at the same time, arrange for shares with a nominal value of at least 5% of the share capital to be blocked by the depository, the latter being required to issue confirmation that said shares have been blocked. The shares shall remain blocked until the day after the General Meeting.

For further information on the convocation of the General Meeting, reference is made to the Aol (in particular Art. 10 and 11).

## 6.5 Inclusion of items on the agenda

Pursuant to Art. 11 of the Aol, no resolutions may be passed on motions relating to agenda items that were not duly announced, except for motions by a shareholder to convene an EGM, to carry out a special audit or to elect an auditor.

One or more shareholders of the Company may request that an item be included on the agenda if all of the following conditions are satisfied:

- The shareholder or shareholders together hold at least 0.5% of the nominal value of the share capital entered in the commercial register on the day the request is received;
- The shareholder or shareholders submit their request in writing and, at the same time, arrange for shares with a nominal value of at least 0.5% of the share capital to be blocked by the depository, the latter being required to issue confirmation that said shares have been blocked. The shares shall remain blocked until the day after the General Meeting; and
- The request is sent by registered letter to the attention of the Board at the registered office of the Company and shall arrive there at least 45 days prior to the General Meeting.

For further information on the agenda, reference is made to the Aol (in particular Art. 11).

# Corporate Governance Report

## 6.6 Entries in the share register

Pursuant to Art. 6 of the Aol, the Company maintains a share register in which the names and addresses, respectively the corporate name and registered office of the owners of the registered shares and any usufructuaries, are entered into. The Board has mandated ShareCommService AG, Europa-Strasse 29, CH-8152 Glattbrugg, to maintain the Company's share register.

In accordance with Art. 7 of the Aol, upon request, acquirers of registered shares will be entered in the share register as shareholders with voting rights if they expressly declare that they have acquired the registered shares in their own name and for their own account. If this requirement is not satisfied, the person in question will be entered in the share register as a shareholder without voting rights. For practical reasons, no new registration is made in the share register for a period up to 20 days before a General Meeting. Shareholders who sell their shares prior to the General Meeting are no longer entitled to exercise their votes.

For further information on entries in the share register, reference is made to the Aol (in particular Art. 6 and 7).

## 7 Changes of control and defence measures

### 7.1 Duty to make an offer

Art. 135 FMIA states that anyone who directly, indirectly or acting in concert with third parties acquires equity securities which, added to the equity securities already owned, exceeds the threshold of 33<sup>1</sup>/<sub>3</sub>% of the voting rights of a target company, whether exercisable or not, must make an offer to acquire all listed equity securities of that company.

Art. 132 Para. 1 and 2 FMIA outlines the Board's obligation, in the event of a public takeover bid, to provide shareholders with the information they need in order to evaluate the offer and also prohibits the Board from taking defensive measures. No significant alteration in the assets or liabilities of the target company is permitted as from the time of the bid, aside from transactions that have already been approved at the General Meeting.

The Aol do not include any opting-out or opting-up clause.

### 7.2 Clauses on changes of control

In accordance with the company-wide Employee Share and Option Plan (applicable to all eligible employees and not only to the members of the Executive Management), in case of change of control, the Board may seek to replace outstanding options by new grants having the equity securities of the acquiring company or another related company as underlying asset, in which case the value of the options granted will be at least equal to the value of the options that they replace. In accordance with the Employee Share and Option Plan, the Board may also decide to accelerate the vesting of outstanding options. Subject to the aforementioned elements, none of the members of the Board, the members of the Executive Management or other employees benefit from change of control clauses.



# Corporate Governance Report

## 8 Auditors

### 8.1 Generalities

The main duties of the auditors are to report to the General Meeting the results of their audits, the objective of which is to verify that the annual financial statements and the proposed appropriation of retained earnings comply with the law and the Aol.

The auditors recommend the approval, with or without qualification, or the rejection of the annual financial statements. Further, when the Company is required to deliver consolidated financial statements, the auditors must report on the compliance with the law and the accounting principles adopted for the consolidation. The auditors must be present at AGMs, unless a unanimous resolution of the shareholders provides otherwise.

The consolidated financial statements and the statutory financial statements of the Company have been audited since 1999 by PricewaterhouseCoopers Ltd, which has been re-elected each year since then. The Board regularly assesses whether PricewaterhouseCoopers Ltd remains the best candidate to act as the Company's auditors and, as a result, should be proposed for re-election or not. Upon recommendation of the Audit & Risk Committee and taken in particular into account the alternative audit firms and the rotation frequency of the lead auditor, the Board has so far positively assessed PricewaterhouseCoopers Ltd in terms of qualifications, independence and performance.

The auditors must meet the highest independence criteria. Except for tax matters, audit-related services, other services that can generally only be provided by the auditors (e.g. reviews of documents filed with FINMA) and services that may be provided by the auditors subject to compliance with certain independence rules, the Group uses consultants who are independent from the auditors.

In addition to their audit opinions, the auditors are requested to provide the Audit & Risk Committee with specific information such as their audit findings, comments on accounting issues and audit fee proposals.

### 8.2 Duration of the mandate and term of office of the lead auditor

The auditors are elected for a one-year term by the General Meeting and are eligible for re-election. They were re-elected on 6 May 2021. The rotation frequency of the lead auditor is maximum seven years and was reached at the 2021 AGM. Since then, Christophe Kratzer has been the lead auditor of the Group. From the 2014 AGM to the 2021 AGM, Beresford Caloia was responsible for the audit of the Group.

### 8.3 Audit fees and additional fees

The total fees charged by the auditors to the Group in 2021 are analysed as follows:

in CHF	2021	2020
Audit fees	1,072,032	992,555
Additional fees:		
Audit-related fees	77,689	–
Tax advice	55,000	65,000
Legal advice	15,471	13,893
<b>Total</b>	<b>1,220,192</b>	<b>1,071,448</b>

Audit fees are agreed upon in advance for the audits of the consolidated and statutory financial statements of the Group companies, as well as for the regulatory audit of Swissquote Bank Ltd. They can be adjusted in the course of the relevant year under special circumstances.

In 2021, audit fees increased mostly due to the growth in the Group's size and complexity, resulting in additional audit procedures.

Audit-related fees cover standard triennial audits in relation to Swissquote Bank Ltd's status of so-called "qualified intermediary" and compliance with FATCA as well as the preparation of an ISAE 3402 report.

Tax-related additional fees mainly cover the assistance provided to the Group when filing local tax returns.

Legal advice fees relate to services provided by PwC Legal (Luxembourg) to Swissquote Bank Europe SA in relation to employment matters.

# Corporate Governance Report

## 8.4 Informational instruments pertaining to the auditors

The auditors closely interact with the Audit & Risk Committee and are invited to its meetings. In 2021, the auditors met six times (via (video-)conference calls) with the Audit & Risk Committee.

Year-round, the auditors issue, inter alia, the following documents:

- Planning report with respect to the audit of the statutory and consolidated financial statements of the Company, respectively of the statutory financial statements of Swissquote Bank Ltd. The document includes information on (i) the auditors' risk analysis, (ii) the audit focus area and the materiality levels, (iii) the audit of the internal control system in connection with the preparation of the financial statements, (iv) the audit activities, team and fees estimate, (v) the perspective on fraud risks and (vi) the developments in accounting standards and other matters;
- Planning report with respect to the regulatory audit, which includes information on (i) the changes in the regulatory environment, (ii) the auditors' risk analysis and the audit strategy pursuant to FINMA Circular 2013/3 on auditing, (iii) the estimated fees and (iv) the timeline of the audit activities;
- Review report with respect to the condensed consolidated interim financial statements and with respect to the condensed special purpose interim financial information of Swissquote Bank Ltd;
- Comprehensive report to the Audit & Risk Committee and to the Board with respect to the statutory and consolidated financial statements of the Company, respectively to the Board of Directors of Swissquote Bank Ltd with respect to the statutory financial statements of Swissquote Bank Ltd. The document includes the auditors' key findings regarding the accounting, the internal control system and the performance and results of the audits;
- Regulatory audit report for the Company and Swissquote Bank Ltd to FINMA, a copy of which is addressed to the Board of Directors;
- Report to the General Meeting of the Company, respectively of Swissquote Bank Ltd, on the results of the audit of the financial statements. The document includes (i) the auditors' opinion as to whether the financial statements should be approved with or without qualification, or rejected, (ii) information on the independence of the auditors, (iii) information on the materiality level and the audit scope, (iv) any key audit matter identified, (v) a confirmation as to whether an internal control system exists or not and (vi) a confirmation as to whether the proposed appropriation of retained earnings complies with the law and the Aol; and
- Report on the Company's Remuneration Report.

The above-mentioned documents are commented on by the auditors during meetings of the Audit & Risk Committee. In particular, the planning of the statutory and consolidated financial audits and the planning of the regulatory audit are discussed at the Annual Conference on Risks, which the members of the Audit & Risk Committee attend.

The Audit & Risk Committee also receives copies of the reports related to Swissquote Bank Ltd's compliance with the provisions of agreements or private regulations (e.g. regulations issued by the SIX Swiss Exchange). This allows the Audit & Risk Committee to assess the work of the auditors performed outside the standard audit services, in particular in terms of conflicts of interest.

Once a year, the Audit & Risk Committee reviews the qualification, independence and performance of the auditors and assesses, inter alia, the level of expertise available, the adequacy of resources and the quality of the planning (in particular the coordination with the internal auditor). The Audit & Risk Committee assesses the auditors' independence on the basis of the auditors' related annual confirmation and on the Audit & Risk Committee's own assessment of the various reports addressed to its attention or of which it received a copy. The Audit & Risk Committee also assesses whether the amount and trend in audit fees appears reasonable. In this respect, changes to audit fees must be justified by the auditors, taking into consideration changes in the scope and/or the complexity of the audits. Based on its annual assessment, the Audit & Risk Committee recommends to the Board to either propose the General Meeting to re-elect the auditors or to start a process for the selection of new auditors.

# Corporate Governance Report

## 9 Information policy

### 9.1 General principles

The Company's information policy aims primarily at promoting confidence, creating a better understanding of the Company's business and developing and maintaining realistic investor expectations.

The Company commits to providing timely and orderly information in accordance with the applicable legal and regulatory requirements, in particular with the provisions of the SIX Swiss Exchange regulations on ad hoc publicity. The Company aims at providing the financial market with consistent, accurate and complete information evenly during profitable or difficult periods and ensures that the investment community has fair access to such information.

It is the Company's policy not to release detailed earnings projections, but it may provide certain guidance and/or outlooks to the investment community for them to assess the Company and its business prospects.

As a general rule, price-sensitive information must be released promptly as soon as the main aspects of such information are established by the Company. However, the Company is permitted under the relevant regulatory provisions to postpone the release of price-sensitive information, if the information concerns a plan or negotiation of the Company and its premature disclosure would prejudice the legitimate interest of the Company. In such a case, the Company will take adequate measures to ensure the effective confidentiality of the information and to prevent insiders from trading on the basis of that information. The Company will adequately inform the investment community in cases where the information previously kept confidential leaks into the market.

The Company will generally avoid releasing price-sensitive information during trading periods of the Company's shares or shortly before opening of trading. If the information is to be released during normal trading hours of the SIX Swiss Exchange (9 a.m. to 5.40 p.m.) or less than 90 minutes before the opening of trading, the competent department (SIX Exchange Regulation) must be informed at least 90 minutes prior to the release of such information. In situations where it cannot be avoided that price-sensitive information be disclosed during trading hours, the Company must consider whether a request for a suspension of trading is appropriate. If price-sensitive information is divulged unintentionally in a selective setting, such as analyst meetings or conference calls, which are not open to the investment community, the Company will publicly disclose such information promptly after it learns of the selective disclosure.

The Company will promptly publish a corrective release if it determines that previously released price-sensitive information was materially incorrect at the time it was disclosed.

As a policy, the Company does not comment on market rumours and speculations.

### 9.2 Reporting and corporate calendar

#### 9.2.1 Annual and interim reporting

Company results are published by media releases shortly after the Board approves them. Such media releases are followed by a media and analyst conference as well as optional call-in conferences. The media releases, the presentations made at call-in and press conferences, Annual Reports (including the respective Corporate Governance Report, Remuneration Report and Sustainability Report) and interim consolidated financial statements are released on the Company website (<https://en.swissquote.com/company>). Annual Reports, including the respective Corporate Governance Report, Remuneration Report and Sustainability Report, are available in print format on request.

#### 9.2.2 Corporate calendar

The dates of the publication of the annual and interim results as well as the dates of the AGM and of EGMs are published on the Company website (<https://en.swissquote.com/company/investors#corporate-calendar>) and in media releases.

The AGM generally takes place in April or May of each year. In 2022, it will be held on 6 May. The Company's half-year report is expected to be published on 10 August 2022.

### 9.3 Communication channels and contact addresses

Media releases (including ad hoc news pursuant to Art. 53 of the SIX Swiss Exchange Listing Rules) and reports as well as other information made public are accessible on <https://en.swissquote.com/company/media/press-releases> in the section "Company". An e-mail service is available for subscription in the same section of the Company website and allows any interested party to automatically receive by e-mail all information made public by the Company.

Contact addresses can be found after the Remuneration Report.

# Corporate Governance Report

## 10 Closed periods

To ensure compliance with the Swiss rules against market abuse and prevent any perception of misuse of price-sensitive information by Board members, Executive Management members or other employees, the Company determines time periods during which they are restricted in their ability to trade the Swissquote share.

Under Swissquote's policy as currently implemented, Board members, Executive Management members and other employees are prohibited from trading the Swissquote share during so-called "closed periods", which are the periods that separate the beginning of an annual or semi-annual reporting period (i.e. 1 January or 1 July) and the publication of the Company's Annual Report, respectively the Company's half-year report. When the Company publishes key financial results for the preceding reporting period before the publication of the Company's Annual Report, the closed period is maintained for Board members, Executive Management members and Senior Management members until the publication of the Company's annual report.

Board members, Executive Management members and other employees are further required to get advance clearance before they trade the Swissquote share during so-called "intermediary periods", which run during about the last eight weeks before the end of the year, respectively the end of the first semester.

Board members, Executive Management members and other employees are free to trade the Swissquote share during periods that are not closed periods or intermediary periods (so-called "free trading periods"), unless they are in possession of price-sensitive information regarding the Group or are otherwise instructed by the Company not to trade the Swissquote share.

Holders of stock options are authorised to exercise such stock options during closed periods and intermediary periods, but are restricted in their ability to trade the Swissquote shares acquired as a result of such exercise during those periods.

Finally, Board members, Executive Management members and other employees are prohibited from trading financial instruments, in which the Swissquote share accounts for 20% or more of the underlying, even during a free trading period. Consequently, any transaction on options, warrants, or CFDs with the Swissquote share as the underlying is forbidden.