

REMUNE- RATION REPORT

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Remuneration Report

Letter from the Chairman of the Nomination & Remuneration Committee



Dr Beat Oberlin
Chairman of the Nomination &
Remuneration Committee

Dear shareholders,

It is my pleasure, in my position as Chairman of the Nomination & Remuneration Committee and on behalf of the Committee members and the Board of Directors (the "Board"), to present our Remuneration Report 2023.

The Remuneration Report provides information on the remuneration of the Board and the Executive Management of Swissquote Group Holding Ltd (the "Company") and, where applicable, its consolidated subsidiaries (together, "Swissquote" or the "Group"). It describes Swissquote's remuneration policy and the structure of the remuneration of the members of the Board and of the Executive Management. It further reports on the nature and amount of the remuneration accrued during the period under review.

Under the revised Swiss Code of Obligations (the "CO"), the Company must establish a remuneration report each year in addition to its Annual Report and other reports. The Remuneration Report contains the information required by the CO and Section 5 of the Annex to the SIX Swiss Exchange Directive on Information relating to Corporate Governance. As required by the CO, Section 4 of the Remuneration Report was audited by the Company's auditors, PricewaterhouseCoopers Ltd; a copy of the audit report is enclosed.

In 2023, we continued the intense dialogue with our shareholders and had the opportunity to discuss topics such as corporate governance, remuneration and sustainability. We noted that our shareholders appreciated the Company's response to the comments made previously, in particular regarding two topics: the disclosure of the metrics of the objectives set to the Executive Management and the rebalancing of the Executive Management's remuneration towards the longer term via the partial payment of the bonus in shares blocked for three years. Shareholders equally appreciated the Board's decision to put in place a new board and committee fee structure. We reviewed and evaluated all the points raised by our shareholders as they help us improve the Company's disclosure practice. We greatly appreciated the time and active participation of our shareholders and are looking forward to maintaining this valuable dialogue in the future.

We make every effort to meet the expectations of our shareholders and I am happy to share herein the corresponding key developments.

Generalities

In 2023, Swissquote achieved the best results of its history, with an operating income amounting to CHF 530.9 million and an operating profit of CHF 255.4 million. The roll-out of our strategy, the dedication of our employees and a favourable interest environment contributed to this record year, despite challenging market conditions (including low volatility) and geopolitical uncertainties due to the conflicts in Eastern Europe and the Middle East.

Remuneration Report

Executive Management's short-term incentive plan

In the Remuneration Report 2022, we announced that Swissquote would disclose the metrics of the Executive Management's objectives for 2023 onwards and that a portion of the Executive Management's annual bonus under the short-term incentive plan ("STIP") would be paid out in blocked shares instead of a 100% cash bonus.

Since the Remuneration Report 2021, we have disclosed the full list of objectives set to the Executive Management, their weight and achievement levels. In 2022, we added explanations about the alignment of the objectives with the Company's strategy and, more specifically, with the ESG Materiality Matrix available in the Sustainability Report. The Remuneration Report 2023 contains the metrics that are used to determine the achievement per objective as well as a description of the level of achievement. With this additional disclosure, we apply the best practice observed among large cap companies and meet one of the most important STIP-related expectations of our shareholders.

Additionally, as of 2023, 33% of the annual bonus of the Executive Management members is paid out in shares blocked for three years. This change strengthens the alignment of the interests of Executive Management members with those of our shareholders and rebalances the Executive Management's remuneration towards the longer term. Like for the stock option plan (see next section), particular attention was paid to the situation of members of the Executive Management who are large shareholders of the Company. The latter will not be entitled to receive (blocked) shares as part of their annual bonus in order to avoid an increase of their shareholding due to their remuneration. Such members will continue to receive the entire annual bonus in cash.

Furthermore, as it was indicated in the invitation to the General Meeting in 2023, the Board has increased, with effect as from 2023, the target award from 25% to 45% and the cap for the annual bonus from 65% to 100%. This was decided in light of the market levels observed and the challenging objectives set every year to the Executive Management. We trust that our shareholders will be able to ascertain the stretching nature of the Executive Management's objectives thanks to the additional transparency over their metrics.

Swissquote achieved record financial results in 2023 despite the continued challenging macroeconomic and geopolitical environment and, therefore, the financial objectives set to the Executive Management were over-achieved. However, not all the other objectives have been fully achieved. As a result, the general level of achievement was assessed by the Board to be slightly above the target, at 103.5%. The details can be found in Sections 4.2 and 6 of the Remuneration Report.

Executive Management's long-term incentive plan

In 2023, the Board reassessed once again the Executive Management's long-term incentive plan ("LTIP"), which consists of a stock option plan. Based on the comments received from shareholders and its own review, the Board confirmed its conclusion that, for a growth company like ours, such stock option plan with a three-year cliff vesting constitutes an appropriate incentive for contributing towards a continued positive development of Swissquote's value. This is in our view especially true as long as the strike price of the stock options is higher than the market value of the underlying at the time of the grant, which has been our constant practice. In 2023, the strike price of the stock options granted to all eligible employees (including the members of the Executive Management) was 11.9% above the market price of the Company's shares at the time of grant.

The Board furthermore decided to amend the LTIP applicable to the CEO, who is also a major shareholder in the Company. A limited number of investors had noted that the possibility for the CEO to exercise stock options in shares enabled him to further increase his shareholding in the Company. After further reconsidering this comment, the Board decided that, with respect to grants from 2024 onwards, any member of the Executive Management who is a large shareholder of the Company (>3%), such as currently the CEO, would be limited to exercising the stock options in cash only.

In conclusion, the Board is confident that the Executive Management's LTIP is an adequate tool to foster further long-term growth and align the interests of the Executive Management members with those of the shareholders. The Board will continue to regularly review the Executive Management's LTIP in light of the comments received from the shareholders and, hence, does not exclude further changes to the Executive Management's LTIP in the future.

Remuneration Report

Various

After having introduced a committee chair fee structure in 2021, the Board introduced a full board and committee fee structure in 2023. The new board and committee fee structure ensures more clarity in the setting of the Board member's remuneration. Board members all receive a standard base fee for their membership complemented by additional fees for Chair roles or committee participation. In that regard, the fixed remuneration of the Board members slightly increased to take into account Swissquote's growth, the increasing complexity of Swissquote's activities as well as the continuous expansion and strengthening of the Swiss and international regulation and external requirements. As a result, the workload (including in terms of preparation of the Board and committee meetings) and the liability risks have increased. These circumstances explain the above-mentioned increase.

To continue demonstrating the alignment of Executive Management pay with the wider workforce and in the interest of best practice standards, we have extended the information on the CEO pay-ratio prepared in line with the GRI Standards, which now cover three years. We trust that such information confirms that the CEO's pay is sound and sensible. More information can be found in Sections 4.2 and 7.1 of the Remuneration Report.

In 2023, the Nomination & Remuneration Committee continued to make sure that Board and Executive Management remuneration is fully aligned with Swissquote's strategy and the long-term interests of our shareholders and strictly complies with the applicable laws and regulations. I am confident that Swissquote's remuneration policy fosters long-term value creation, appropriately rewards results while maintaining an appropriate risk and compliance framework and enables to attract and retain talent. In that context and in view of the improvements made on an ongoing basis by Swissquote, I respectfully ask our shareholders to approve our Remuneration Report 2023 at the annual general meeting on 8 May 2024.

On behalf of the Nomination & Remuneration Committee and of the Board, I would like to thank our shareholders for the constructive and open dialogue in 2023. We value the exchanges with our shareholders and would appreciate any feedback on our Remuneration Report and, more generally, on the contents of our Annual Report.

Yours faithfully,



Beat Oberlin

Remuneration Report

Summary

Board remuneration structure

	Fixed remuneration	Contributions and benefits	Fixed indemnity
VEHICLE	<ul style="list-style-type: none"> – 80% cash, paid quarterly – 20% shares (blocked for 3 years) 	<ul style="list-style-type: none"> – Pensions and social insurances 	<ul style="list-style-type: none"> – Cash
PURPOSE	<ul style="list-style-type: none"> – Pay for the day-to-day duties performed and responsibilities taken on – Align interests of Board members with shareholders' interests 	<ul style="list-style-type: none"> – Protect against risks 	<ul style="list-style-type: none"> – Cover out-of-pocket expenses
KEY FACTORS	<ul style="list-style-type: none"> – Role as Chair of the Board, Chair of a committee or member of a committee (board and committee fee structure) – Market levels observed 	<ul style="list-style-type: none"> – Age and remuneration – Only to the extent required by law 	<ul style="list-style-type: none"> – Country of domicile

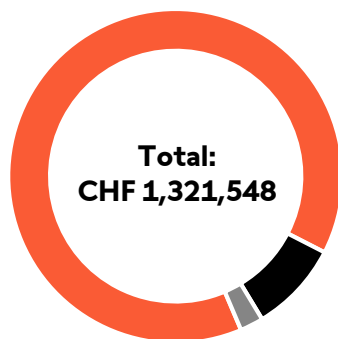
Remuneration Report

Executive Management remuneration structure

	Fixed remuneration	Short-term incentive plan (STIP)	Long-term incentive plan (LTIP)	Contributions and benefits	Fixed indemnity
VEHICLE	<ul style="list-style-type: none"> Monthly cash 	<ul style="list-style-type: none"> Annual bonus 67% cash and 33% shares (blocked for 3 years) Exception: 100% in cash for Executive Management members holding 3% or more of the Company's shares 	<ul style="list-style-type: none"> Annual grant of stock options enabling the exercise in shares or in cash ("exersale") Exception: from 2024 onwards, stock options only enabling the exercise in cash ("exersale") for Executive Management members holding 3% or more of the Company's shares 	<ul style="list-style-type: none"> Pensions and social insurances 	<ul style="list-style-type: none"> Cash
PURPOSE	<ul style="list-style-type: none"> Provide an adequate level of income for the day-to-day job, considering relevant duties and responsibilities Attract and retain talent 	<ul style="list-style-type: none"> Reward the performance Align the interests of Executive Management members with shareholders' interests Attract and retain talent 	<ul style="list-style-type: none"> Align interests of Executive Management members with shareholders' interests Share long-term success Attract and retain talent 	<ul style="list-style-type: none"> Protect against risks Attract and retain talent 	<ul style="list-style-type: none"> Cover out-of-pocket expenses
KEY FACTORS	<ul style="list-style-type: none"> Function and responsibilities Level of expertise and experience Market levels observed Horizontal and vertical alignment within the Group 	<ul style="list-style-type: none"> Level of achievement of objectives set to the Executive Management as a whole (no individual objectives) 	<ul style="list-style-type: none"> Company's success as reflected by the positive evolution of the Company's share price (strike price higher than market price at the time of the grant) 	<ul style="list-style-type: none"> Level of management, age and remuneration Market levels observed 	<ul style="list-style-type: none"> Position Applicable local tax rules
LIMITS AND ADDITIONAL RULES (IN ADDITION TO THE MAXIMUM AMOUNT APPROVED BY THE GENERAL MEETING)	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Part of the company-wide bonus system Minimum bonus: 0% (achievement below 80%) Target bonus (100% achievement): 45% of the fixed remuneration Maximum bonus (achievement at 135% or above): 100% of the fixed remuneration 	<ul style="list-style-type: none"> Terms fully aligned with those applicable to all eligible employees (exception for Executive Management members holding 3% or more of the Company's shares) Maximum 35% of the fixed remuneration Maximum 25% of the grant to all eligible employees Three-year cliff vesting <p>Note: The Company aims that existing shareholders' ownership is not being diluted as a result of the stock option plan. Since 2007, the Company has preferred covering the exercise of stock options with shares held in treasury rather than using the conditional capital.</p>	<ul style="list-style-type: none"> In terms of pension fund contributions, full alignment with the rest of the Management working in Switzerland In terms of social insurance contributions, full alignment with employees working in Switzerland Applying corresponding laws and regulations, amount unlikely to exceed 20% of the fixed remuneration (excluding mandatory social insurance contributions resulting from the exercise of stock options granted in previous years, which may significantly vary from one year to the other) 	<ul style="list-style-type: none"> Maximum 7% of the fixed remuneration

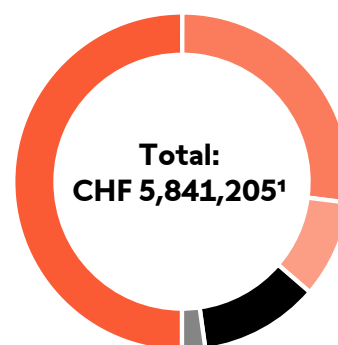
Remuneration Report

2023 Board remuneration



- Fixed remuneration: CHF 1,207,303
- Contributions and benefits: CHF 91,031
- Other remuneration: CHF 23,214

2023 Executive Management remuneration



- Fixed remuneration in cash: CHF 2,922,501
- Short-term incentive plan (STIP): CHF 1,575,228 (53.9%²)
- Long-term incentive plan (LTIP): CHF 544,460 (18.6%²)
- Contributions and benefits: CHF 669,416 (22.9%²)
- Other remuneration: CHF 129,600 (4.4%²)

¹ The maximum total remuneration approved at the AGM 2022 for the financial year 2023 is CHF 8,000,000.

² Compared with fixed remuneration.

Remuneration Report

1 Remuneration policy

The Group's remuneration policy is an important part of its governance framework. Its ultimate purpose is to encourage the delivery of sustainable growth and performance to shareholders, create a favourable environment for the development of employees and promote responsible and ethical behaviour vis-à-vis the Group and the community. The remuneration policy is further designed to attract and retain the most qualified employees, reward achievements as well as long-term performance, with due care to the Group's success and stage of development, and align the interests of the Board and the Executive Management with those of shareholders. Wage fairness and sustainability are also important parts of the Group's remuneration policy, as further addressed in the Sustainability Report.

2 Organisation and powers

2.1 Nomination & Remuneration Committee

In compliance with Art. 20^{bis} Para. 3 of the Articles of Association (the "AoA"), available at <https://www.swissquote.com/en/group/investor-relations#corporate-documents> in the French original version together with an English free translation, the Remuneration Committee has responsibilities in the field of succession planning and nominations, and is therefore named the "Nomination & Remuneration Committee" or "NRC". The current size of the Board justifies that nomination and remuneration subjects be treated by the same committee. The NRC is governed by Art. 20^{bis} of the AoA, the Organisation Regulations (available at <https://www.swissquote.com/en/group/investor-relations#corporate-documents> in the French original version) and the Charter of the NRC, according to which the NRC is composed of at least three members of the Board. The Chair of the NRC and the majority of its members must be independent. The general meeting of shareholders (the "General Meeting") individually elects the members of the NRC, whose term of office expires at the end of the annual general meeting (the "AGM") that follows their election. Members of the NRC can be re-elected indefinitely.

At the AGM that was held on 10 May 2023, Demetra Kalogerou did not stand for re-election as member of the NRC, Paolo Buzzi was newly elected as member of the NRC and Beat Oberlin and Monica Dell'Anna were re-elected as members of the NRC. The Board then re-elected Beat Oberlin as the Chair of the NRC.

As per the Charter of the NRC, the NRC meets at least twice a year. In 2023, the NRC met seven times; three meetings were held via (video-)conference calls. The meetings lasted on average one hour. In 2023, Beat Oberlin and Monica Dell'Anna attended all seven meetings. Demetra Kalogerou attended the first four meetings until the expiry of her term. Paolo Buzzi was elected as a new member of the NRC at the AGM of 10 May 2023 and subsequently attended the remaining three meetings. The other Board members attended all NRC meetings as guests, except for Esther Finidori, who attended all meetings held after her election. Members of the Executive Management were invited to all meetings, except when their personal situation was discussed. No external advisors attended the meetings. More generally, in 2023, the Company did not consult with external advisors with respect to the structuring of remuneration, share ownership or any related matters.

The Chair of the NRC reports on the activities of the Committee at the following Board meeting or earlier when the circumstances so require. The minutes of the meetings of the NRC are provided to all Board members.

In accordance with the Organisation Regulations and the Charter of the NRC, the NRC does not have a decision-making authority. It advises and makes proposals to the Board on remuneration matters as well as on questions of succession planning, training and need for external support. For further considerations on succession planning, reference is made to Section 3.7 of the Corporate Governance Report. The NRC has in particular the following powers and duties:

Generally:

- Assist the Board in fulfilling its oversight responsibilities defined by law, the AoA, internal regulations or otherwise with respect to nomination and remunerations matters, from a standalone and consolidated perspective; and
- Coordinate with the Board and, to the extent necessary, with other governing bodies of the Group in order to ensure a cohesive approach to nomination and remuneration matters.

Remuneration Report

2.1 Nomination & Remuneration Committee (continued)

With respect to nomination:

- Review the size and composition of the Board as well as (applying the guidelines for determining Board members' independence) the independence of its members, in order to ensure (i) compliance with the legal and regulatory requirements, (ii) consistency with the Company's corporate governance framework and (iii) compliance with the requirements adopted by the Board, with due care to diversity aspects;
- Define the process to identify and assess candidates as possible new members of the Board and make corresponding recommendations;
- Review the organisation of the Company from a human resources perspective, in particular the size and the composition of the Management, in order to ensure (i) compliance with the legal and regulatory requirements, (ii) consistency with the Company's corporate governance framework and (iii) compliance with the requirements adopted by the Board, with due care to diversity aspects. The Committee shall ensure that an appropriate succession planning for the Management is maintained, both for emergencies and long-term planning;
- Organise the assessment of the individual skills of the Board members' and Executive Management members; and
- Report to the Board on the outcome of its reviews and assessments together with its recommendations, including in terms of training and need for external support.

With respect to remuneration:

- Review the Company's remuneration policy and systems inter alia with due care to (i) the stage of development of the Company, (ii) the industry practice and (iii) the Company's gender fair pay objectives;
- Ensure that the Company's remuneration policy and systems are always compliant with applicable legal and regulatory requirements and the AoA;
- Review the remuneration of the Board members at least once a year in order to ensure that it is appropriate;
- Recommend to the Board for approval and, as the case may be, for proposal to the General Meeting, the form and amount of the remuneration to be paid to the Chair of the Board, other Board members as well as to the Chair and members of each Board Committee, in line with the AoA and the resolutions of the General Meeting;

- Regularly review the employment contracts of the Management and make recommendations to the Board on the remuneration of the Management, including on the short- or long-term incentive plans (e.g. stock options, restricted shares and similar instruments) and on the actual remuneration awarded;
- Prepare the proposals to be submitted to the General Meeting pursuant to Art. 14^{bis} of the AoA (approval of remuneration) or in relation to the amendments to the provisions of the AoA that concern remuneration matters;
- Review and make recommendations to the Board regarding the Remuneration Report;
- Review the proposals made by the Executive Management for the grants to the employees under the short-term and long-term incentive plans; and
- Report to the Board on the outcome of its reviews together with its recommendations.

In addition to its standard activities throughout 2023, the NRC carried out inter alia the following key activities in 2023:

- It organised and led the selection process with respect to the new Board member, Esther Finidori.
- It performed an in-depth review of the Board's remuneration and proposed a new board and committee fee structure.
- It reviewed the composition of the committees and made corresponding proposals to the Board.
- It performed an in-depth review of the principles and rules pertaining to the Executive Management's STIP.
- It monitored the situation in terms of diversity throughout the entire Group.
- It reviewed the most appropriate benchmarks/ratings to assess the Company as an employer, including in terms of fair pay.

Further information on the NRC can be found in the AoA (in particular in Art. 20^{bis}).

Remuneration Report

2.2 Board of Directors

Subject to the prerogatives of the General Meeting and in line with the applicable laws and Art. 14^{bis} of the AoA, the Board is competent to decide on all matters relating to remuneration.

The Board, which is composed of non-executive members only, makes its decisions based on the proposals of the NRC. Unless a Board member requests otherwise, the Board decides in one single vote on the Board members' remuneration. Members of the Executive Management do not attend the part of the Board meeting during which their remuneration is decided upon.

2.3 General Meeting

Binding vote on pay

Art. 9 Para. 2, 14^{bis} Para. 1, 21^{bis} and 21^{ter} of the AoA provide for a prospective vote of the shareholders on the maximum aggregate remuneration of the members of the Board and Executive Management. Under these provisions, upon proposal of the Board, shareholders approve at each AGM the maximum aggregate amount of:

- The remuneration payable to the Board for the period until the following AGM; and
- The remuneration payable to the Executive Management for the following financial year.

At the AGM of 10 May 2023, the following maximum aggregate amounts were approved:

- CHF 1,500,000 for the Board (covering the period running from the AGM of 10 May 2023 to the AGM of 8 May 2024); and
- CHF 8,500,000 for the Executive Management (covering the financial year 2024).

Further information on the binding vote on pay can be found in the AoA, in particular in Art. 14^{bis}.

Advisory vote on Remuneration Report

Since 2011, it has been the Company's policy to submit the Remuneration Report to an advisory vote of the shareholders. As the Executive Management's variable remuneration is voted on prospectively by the General Meeting, the Remuneration Report 2023 must be submitted to an advisory vote to the General Meeting in accordance with the CO and Art. 14^{bis} of the AoA.

Remuneration Report

3 Remuneration components

3.1 Generalities

As at 31 December 2023, the following remuneration components were available for the level of responsibilities listed below:

	Fixed remuneration		Variable remuneration					Contributions and benefits	Other remuneration
	Cash	Shares	Bonus in cash (short-term)	Bonus in shares (short-term)	Shares (long-term)	Stock options (long-term)			
Board members	Yes	Yes	Not eligible	Not eligible	Not eligible	Not eligible	Eligible	Eligible	
Members of the Executive Management	Yes	Not eligible	Eligible	Eligible ¹	Not eligible	Eligible	Eligible	Eligible	
Other employees	Yes	Not eligible	Eligible	Not eligible	Eligible subject to conditions	Eligible subject to conditions	Eligible	Eligible	

¹ Unless the relevant member of the Executive Management holds 3% or more of the Company's shares, in which case such member may not receive part of their bonus in shares.

Fixed remuneration

Cash component

The fixed remuneration depends on the functions and responsibilities of the concerned individual as well as their level of expertise and experience. Subject to the regime applicable to Board members, it is paid out in cash in monthly instalments, after deduction of any social insurance, pension fund and other contributions.

Share component

Board members receive part of their fixed remuneration in shares. With respect to the valuation and blocking period applicable to the shares, reference is made to Section 4.3 of this Remuneration Report.

Variable remuneration

The current remuneration framework does not allow for any variable remuneration for the Board. Art. 21^{ter} Para. 2 of the AoA sets forth the rules applicable to the variable remuneration of the members of the Executive Management.

Section 3.3 describes the manner in which these rules are applied by the Board.

Remuneration Report

3.1 Generalities (continued)

Employee share plan

The Group offers its eligible employees the opportunity to participate in the long-term success of the Group by purchasing Swissquote shares at a discounted price. The employee share plan aims to reward sustained, long-term performance and align shareholder and employee interests more closely.

Within the framework of the applicable laws, the AoA and the decisions of the General Meeting, the Board will, applying sound judgement, decide every year whether and how many shares will be offered and to whom; no eligible employee has an enforceable right to be granted shares at a discounted price. The Board seeks to keep a sensible relation between the number of shares offered to members of the respective levels of the organisation.

Within the framework of the applicable laws, the AoA and the decisions of the General Meeting, the Board decides on the terms of the employee share plan, including the proceedings and the date of grant of the shares, the price to acquire the shares and the blocking period of the shares and its terms. During the blocking period, the concerned employees are not entitled to sell, donate, pledge or otherwise transfer the shares. In case of change of control, the Board may decide to put an end to any ongoing blocking period.

In 2023, shares were offered for free (no price paid for the acquisition) to all eligible employees. They are blocked for a period of five years as from their attribution.

The members of the Executive Management are not eligible for participating in the employee share plan.

Employee option plan

Since 1999, the Group has been operating a stock option plan in order to encourage long-term participation of eligible employees in the positive development of the Company's stock price.

Subject to applicable laws, the AoA and the decisions of the General Meeting, the Board, applying sound judgement and taking into consideration elements such as those described in Section 7.2, decides every year whether and how many stock options will be offered and to whom as well as on the terms of such stock options. The Board aims to maintain a sensible relation between the number of options granted to members of the respective levels of the organisation. The total number of options granted depends inter alia on the number of eligible employees, the difference between the strike price and the market value and the volatility of the Swissquote share at grant. The decision is made based on the Board's assessment and in accordance with the following principles:

- The value of the stock options granted to the members of the Executive Management in any one year must not exceed 35% of the fixed remuneration paid to such member of the Executive Management in that year;
- The number of stock options granted to the members of the Executive Management must not exceed 25% of the total number of options granted to all eligible employees; and
- The number of stock options granted to each member of the Executive Management must be equal on a full-time basis.

In 2023, the terms of the options granted to all eligible employees were the following:

- Each option entitles its holder to acquire, upon exercise, one share in the Company;
- The options are subject to a three-year cliff vesting;
- The exercise period is two years;
- Unvested options are forfeited when their holder leaves the Group, save in case of retirement or termination of the employment contract due to injury or permanent disability; and
- 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. The Board may also decide to accelerate the vesting of outstanding options.

In 2023, 149,692 options representing a fair value of CHF 5,821,522 (2022: 184,920 options representing a fair value of CHF 4,528,691) were granted to eligible employees from the middle management to the Executive Management. The size of individual grants depends on the relevant employee's seniority level.

More information on the valuation of stock options is provided in Note 18.2 to the consolidated financial statements (Section VII).

Remuneration Report

3.1 Generalities (continued)

Contributions and benefits

Social insurance contributions are made pursuant to the applicable laws and depend on the level of remuneration. Pension fund contributions and benefits depend on the level of management, age and remuneration.

Other remuneration

The cash component of the fixed remuneration may be supplemented by a fixed indemnity covering estimated out-of-pocket expenses. Out-of-pocket expenses are determined in accordance with applicable local tax rules.

The Group employees enjoy benefits on the consumption of services provided by the Group (such as favourable conditions on their Swissquote trading account) and other benefits of minor importance.

3.2 Elements of the remuneration of the members of the Board of Directors

As reflected in the table introducing Section 3.1 and in accordance with Art. 21^{bis} Para. 1 of the AoA, the remuneration of the Chair of the Board and other Board members comprises the fixed remuneration applicable until the following AGM, contributions and benefits and a fixed indemnity (other remuneration).

Fixed remuneration

Within the framework of the applicable laws, the AoA and the decisions of the General Meeting, the fixed remuneration of the Board members is reviewed annually and, as the case may be, adjusted upon the recommendation of the NRC. The review of the remuneration of the Board takes several factors into consideration, such as the amount of work required and market levels observed in Switzerland based on publicly available information, although no defined benchmark is used.

The remuneration of the Board members is now established on the basis of a new board and committee fee structure ensuring more transparency and clarity in the setting of the Board members' remuneration. Whereas every Board member receives a standard base fee, Board members who take on additional duties and responsibilities receive extra remuneration in proportion to their roles:

(i) the Chair of the Board receives a multiplier of the standard base fee that is set for Board membership, (ii) committee Chairs receive an additional fixed fee (with that of the Chair of the Audit & Risk Committee being higher than the one of the Chair of the Nomination & Remuneration Committee in order to take into account the corresponding additional workload) and (iii) committee members receive an amount in addition to the standard base fee, which is the same for all committee members regardless of the concerned committee.

In accordance with Art. 21^{bis} Para. 2 of the AoA, the Board can decide to have part of the annual fixed remuneration paid in the form of shares. Since 2015, the Board has each year decided that 20% of its fixed remuneration be paid in shares. In such a case, it decides on the conditions of the grants, including the valuation of the relevant shares, and any applicable blocking period. The valuation rules and blocking period applied to the shares granted to the Board members under the Board share plan are described in Section 4.3. The Board share plan is distinct from the employee share plan and does not relate to variable remuneration.

No variable remuneration

Members of the Board are not eligible for any variable remuneration.

Contributions and benefits

Under Swiss law, the Board's remuneration is compulsorily subject to social insurances, hence the contributions made by the Board members (as included in the fixed remuneration) and the Company (as reflected separately in the tables in Section 4.1). In accordance with agreements between the European Union (the "EU") and Switzerland on the coordination of the social security system, social contributions may be paid by the Board members residing in the EU and not by the Company, depending on the circumstances. In any event, Board members do not receive pension fund contributions and benefits, unless required by law.

Other remuneration

The Board members receive a fixed indemnity covering their estimated out-of-pocket expenses, which mainly depend on the country of domicile of the relevant Board member and the applicable local tax rules.

The Board members enjoy the same benefits on the consumption of services provided by the Group as the Group employees (such as favourable conditions on their Swissquote trading account). The aggregate amount of such benefits enjoyed by the Board members is deemed immaterial and is therefore not reported in this Remuneration Report.

Remuneration Report

3.3 Elements of the remuneration of the members of the Executive Management and other related aspects

As reflected in the table introducing Section 3.1 and in accordance with Art. 21^{ter} Para. 1 of the AoA, the remuneration of the members of the Executive Management comprises:

- a fixed remuneration, which is cash-based;
- a variable remuneration in the form of:
 - a short-term incentive plan (STIP, annual bonus);
 - a long-term incentive plan (LTIP, stock option plan);
- contributions and benefits; and
- a fixed indemnity covering their estimated out-of-pocket expenses (other remuneration).

Fixed remuneration

The fixed remuneration of the members of the Executive Management is cash-based. Within the framework of the applicable laws, the AoA and the decisions of the General Meeting, the fixed remuneration of the Executive Management members is reviewed annually and, as the case may be, adjusted upon the recommendation of the NRC. The review of the remuneration of the Executive Management takes several factors into consideration, such as the function and responsibilities of the concerned Executive Management members as well as market levels observed in Switzerland based on publicly available information, although no defined benchmark is used (see Section 3.4). The fixed remuneration of the members of the Executive Management (except the CEO) was last reviewed and increased in March 2023, as a result of their ongoing development in their respective positions and the evolution of their responsibilities.

Variable remuneration

Short-term incentive plan (STIP)

The short-term incentive plan consists in an annual performance-based bonus. As previously announced, as from 2023, this bonus is paid in cash (67%) and blocked shares (33%). The blocking period of the shares is three years from the grant.

ACHIEVEMENT OF OBJECTIVES

	Percentage of the fixed remuneration
More than 135%	100%
Between 100 and 135%	45-100%
100% (target)	45%
Between 80 and 100%	0-45%
Less than 80%	0%

Since members of the Executive Management are not set individual objectives and, therefore, all objectives are collective, the percentage of the fixed remuneration that determines the annual bonus is, with respect to a specific year, the same for all members of the Executive Management, including the CEO. The distribution (in terms of percentage) in the table is by purpose not linear. The cap set by the Board at 100% of the fixed remuneration is lower than the cap set in Art. 21^{ter} Para. 2 of the AoA, which allows for a short-term remuneration up to 150% of the fixed remuneration.

As an exception, members of the Executive Management holding a large shareholding in the Company (3% or more) continue to receive their bonus exclusively in cash.

At the beginning of each financial year, upon the recommendation of the NRC, the Board sets a list of quantitative and qualitative objectives for such financial year to the Executive Management as a whole. Members of the Executive Management are not set individual objectives. The Board assesses that collective objectives foster team spirit and avoid silo thinking, which are key elements to a company's success.

Since 2022, the objectives set to the Executive Management have been classified in three categories:

- financial objectives;
- growth objectives; and
- ESG objectives.

Each category of objectives may be associated with one or more objectives, with a weighted target. The number, the nature and the metrics of the objectives may vary from one year to the other and will be disclosed retrospectively in the Remuneration Report. Objectives for 2023 are described in Section 6.

The table below indicates the annual bonus (in percentage of the fixed remuneration) that can be expected in ordinary circumstances depending on the level of achievement of the objectives. As indicated in the invitation to the AGM 2023, the Board has amended, with effect as from 2023, the target award (from 25% to 45%) and the cap set to the annual bonus (from 65% to 100%), in particular in view of the market levels observed and the challenging objectives set every year to the Executive Management.

Unless otherwise indicated or unless that results from the application of the assessment methodology, neither a threshold nor a cap are set at the level of a specific objective. There is however an overall threshold (corresponding to an achievement at 80%) and, as indicated above, an overall cap (corresponding to an achievement at 135%), as reflected in the table below.

Remuneration Report

3.3 Elements of the remuneration of the members of the Executive Management and other related aspects (continued)

Long-term incentive plan (LTIP)

Since 2018, the Executive Management's long-term incentive plan has exclusively consisted of stock options granted under the stock option plan described in Section 3.1 above. Since 2022, the vesting of the options occurs three years after their grant (three-year cliff vesting). Furthermore, as indicated in Section 3.1 above, the value of the stock options granted to the members of the Executive Management in any one year must not exceed 35% of the fixed remuneration paid to such member of the Executive Management in that year. Each member of the Executive Management receives the same number of stock options, at the same terms, except if (as from 2024) the member of the Executive Management holds 3% or more of the Company's shares, in which case the stock options received may only be exercised in cash ("exersale").

The number of stock options granted is determined in accordance with the principles described in Section 3.1. In 2023, the number of options granted to the Executive Management was 14,000 (2022: 17,500) representing 9.4% (2022: 9.5%) of the total options granted under the plan to all eligible employees of the Company.

The strike price of the options is set by the Board at a level that is above the applicable share price at the time of grant. The rationale is that Executive Management members (and all other optionees) are rewarded only if the share price increases above the strike price within the exercise period. In 2023, the strike price of the stock options granted was set 11.9% above the market price of the Company's shares at the time of grant (2022: 13.3%).

The Company aims that existing shareholders' ownership is not being diluted as a result of the stock option plan. Accordingly, although the AoA provide for a conditional capital to cover the issuance of shares under the stock option plan of the Company, the Company has preferred, since 2007, covering the option grants by shares held in treasury rather than using its conditional capital.

In 2023, the number of stock options exercised by Executive Management members corresponds to 0.2% of the share capital (0.1% in 2022).

The Board considers that the Executive Management's long-term incentive plan in the form of a stock option plan guarantees a long-term alignment of the interests of the Executive Management with those of the shareholders, in particular in light of the growth strategy pursued by the Company.

Contributions and benefits

Pursuant to Art. 21^{ter} Para. 1 of the AoA, social insurance contributions and pension fund contributions are made to members of the Executive Management. Social insurance contributions are made in accordance with applicable laws and depend on the level of remuneration; such contributions for the Executive Management members are fully aligned with those for the other employees working in Switzerland.

Pension fund contributions and benefits depend on the level of management, age and remuneration. Such contributions and benefits for the Executive Management members are fully aligned with those for the rest of the Management working in Switzerland.

Other remuneration

The members of the Executive Management receive a fixed indemnity covering their estimated out-of-pocket expenses, which inter alia depend on the position of the concerned Executive Management member and the applicable local tax rules. The fixed indemnity was last amended in 2018. It must not represent more than 7% of the fixed remuneration.

All the employees of the Group, including the members of the Executive Management, enjoy the same benefits, such as favourable conditions on their Swissquote trading accounts or access to sport facilities at a discounted price. The Company does not provide benefits such as a company car or health insurance coverage. The aggregate amount of the benefits enjoyed by the members of the Executive Management is deemed immaterial and is therefore not reported in this Remuneration Report.

Duration of contracts

The termination period of the employment contracts of the members of the Executive Management is six months.

Unless the termination of the employment contract with a member of the Executive Management is considered abusive by a tribunal, such member of the Executive Management would not receive any severance payment.

The employment contracts of the members of the Executive Management do not contain any post-contractual non-compete clauses.

Remuneration Report

3.3 Elements of the remuneration of the members of the Executive Management and other related aspects (continued)

Change-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 exceptions, the employment contracts of the members of the Executive Management do not contain any change-of-control arrangement.

Clawback

In accordance with the Company's clawback policy, the Company is entitled to seek repayment of some or all of the variable remuneration under the STIP and/or LTIP received by a member of the Executive Management over a period of up to three years in the event of a material restatement of the Company's financial statements, an accounting issue or a breach of duty. Instead of seeking reimbursement of performance-based remuneration, the Company may also declare a member of the Executive Management ineligible to all or part of the variable remuneration for a certain period.

3.4 Benchmark

As a growth company, it is essential for the Company to be in a position to attract and retain the talents that are required for its continuous development. From a human resources perspective, the Group is competing with a broad spectrum of companies in its Swiss home market, but also in other countries where the Group has subsidiaries. The sectors in which the Group competes for talents include financial services and fintechs, but also, and more generally, all industries in which advanced software development engineers and digitalisation skills are in demand. The Board reviews the latest developments in remuneration systems in such industries and sectors as well as market levels observed, meaning (in the context of this Remuneration Report) the compensation practices of Swiss listed companies active in the financial or technology sector and which are either experiencing a growth phase or have reached a size that is at least similar to that of the Company. The Board has however not identified specific companies considered to be relevant enough to constitute a benchmark for the Company.

The Board notes that, to date, the Company has been able to attract and retain the right talents and that, as of 31 December 2023, there had been only three departures from the Executive Management in the past 10 years: two of those concerned shifts from the Executive Management to the Board, with the third being a retirement. Conversely, the remuneration of the Executive Management appears to be perceived as reasonable by the shareholders, considering, inter alia, the feedback received during the engagement programme and the fact that the General Meeting has always approved with a large majority the proposals of the Board with respect to the maximum aggregate remuneration of the Executive Management. The Board remains vigilant with respect to the needs to adapt the Company's remuneration systems and the remuneration offered with the aim of contributing to the achievement of the Company's growth objectives and in order to ensure that the interests of the Executive Management members are aligned with those of the shareholders.

Remuneration Report

4 Remuneration for 2023 and external mandates

The remuneration reported in this Section is applicable to all activities of the concerned persons in the Group, including, for the Board members, their board activities for the Company and Swissquote Bank Ltd, and, for the members of the Executive Management, their activities in the Board of Directors of the foreign subsidiaries of the Group.

For the sake of clarity, in 2023 as in the past years, there were no deviations in the determination and payment of the remuneration compared to the policies described in this Remuneration Report. As a result, the Company does not have a derogation policy.

This Section of this Remuneration Report was audited by the Company's Auditors.

4.1 Remuneration of the members of the Board of Directors

The tables in this Section state the total remuneration for the members of the Board for the financial years 2023 and 2022. The cash components correspond to gross figures and include social insurance contributions paid by the Board members. Therefore, the figures relating to social insurance contributions only cover the amount paid by the Company. Other remuneration consists of a fixed indemnity covering estimated out-of-pocket expenses.

in CHF	Fixed remuneration		Contributions and benefits	Other remuneration	Total
	Cash	Shares (tax value)			
BOARD REMUNERATION 2023					
Markus Dennler, Chairman	187,720	48,100	17,334	2,000	255,154
Jean-Christophe Pernellet, member	125,145	32,124	14,091	2,000	173,360
Beat Oberlin, member	117,144	30,063	10,308	2,000	159,515
Monica Dell'Anna, member	106,569	27,142	12,104	2,000	147,815
Michael Ploog, member	106,569	27,142	12,104	2,000	147,815
Paolo Buzzi, member	106,569	27,142	12,104	2,000	147,815
Demetra Kalogerou, member	106,569	27,142	–	8,000	141,711
Esther Finidori, member ¹	61,714	24,050	12,986	3,214	101,964
Subtotal	917,999	242,905	91,031	23,214	1,275,149
Difference between tax value and IFRS fair value of shares granted to the Board					46,399
Total remuneration 2023					1,321,548

¹ Esther Finidori was newly elected to the Board at the AGM 2023.

As reflected in the above table, the total remuneration is calculated by taking into consideration the fair value of the shares granted to the Board. For information on the tax value and on the fair value, reference is made to Section 4.3.

In 2023, no remuneration was paid, and no loan or credit was granted, to former Board members. Furthermore, no remuneration was paid to related parties and no loan or credit was granted to related parties, except Lombard loans, which were granted at market conditions.

Remuneration Report

4.1 Remuneration of the members of the Board of Directors (continued)

in CHF	Fixed remuneration		Contributions and benefits	Other remuneration	Total
	Cash	Shares (tax value)			
BOARD REMUNERATION 2022					
Markus Dennler, Chairman	180,000	44,948	16,725	2,000	243,673
Jean-Christophe Pernellet, member	120,000	30,040	13,689	2,000	165,729
Beat Oberlin, member	112,000	28,022	9,895	2,000	151,917
Monica Dell'Anna, member	104,000	26,005	11,869	2,000	143,874
Michael Ploog, member	106,774	26,005	12,307	2,000	147,086
Paolo Buzzi, member ¹	67,936	26,005	6,206	1,306	101,453
Demetra Kalogerou, member ²	67,936	26,005	–	5,226	99,167
Martin Naville, former member ³	36,065	–	5,600	694	42,359
Subtotal	794,711	207,030	76,291	17,226	1,095,258
Difference between tax value and IFRS fair value of shares granted to the Board					39,545
Total remuneration 2022					1,134,803

¹ Paolo Buzzi was newly elected to the Board at the AGM 2022.

² Demetra Kalogerou was newly elected to the Board at the AGM 2022.

³ Martin Naville did not stand for re-election at the AGM 2022.

As reflected in the above table, the total remuneration is calculated by taking into consideration the fair value of the shares granted to the Board. For information on the tax value and on the fair value, reference is made to Section 4.3.

In 2022, apart from the amount paid to Martin Naville for his office time until the AGM 2022, no remuneration was paid, and no loan or credit was granted, to former Board members. Furthermore, no remuneration was paid to related parties and no loan or credit was granted to related parties, except Lombard loans, which were granted at market conditions.

Board remuneration changes from 2022 to 2023

Overall, the total remuneration increased from CHF 1,134,803 to CHF 1,321,548, representing an increase of 16.5% as a result of the extension of the Board's composition from seven to eight members and of a slight increase in the fixed remuneration adopted within the framework of the introduction of the new board and committee fee structure, which takes into consideration the increasing workload and liability risks. More specifically, the total fixed remuneration in cash increased from CHF 794,711 to CHF 917,999, representing an increase of 15.5%, and the shares' total tax value increased from CHF 207,030 to CHF 242,905, representing an increase of 17.3%. The total social insurance contributions increased from CHF 76,291 to CHF 91,031, representing an increase of 19.3%. Furthermore, the other remuneration increased from CHF 17,226 to CHF 23,214, representing an increase of 34.8%; this is due to the election, in 2022 and 2023, of two new Board members not residing in Switzerland.

Remuneration Report

4.2 Remuneration of the members of the Executive Management

This Remuneration Report informs on the remuneration of the highest paid member of the Executive Management as well as the aggregate remuneration of all members of the Executive Management. This is in line with market practice and results from the application of the CO.

The cash components correspond to gross figures and include social insurance contributions and pension fund contributions paid by the members of the Executive Management. Therefore, the figures relating to social insurance contributions and pension fund contributions and benefits only cover the amount paid by the Company. Other remuneration consists of a fixed indemnity covering estimated out-of-pocket expenses.

in CHF	Fixed remuneration	Variable remuneration		Contributions and benefits	Other remuneration	Total
	Cash	Short-term incentive plan (STIP)	Long-term incentive plan (LTIP)			
EXECUTIVE MANAGEMENT REMUNERATION 2023						
Marc Bürki, CEO (highest paid)	550,000	296,450	77,780	111,271	21,600	1,057,101
Aggregate of all members of the Executive Management	2,922,501	1,575,228	544,460	669,416	129,600	5,841,205

The short-term incentive plan (STIP) for members of the Executive Management consists in an annual performance-based bonus. As previously announced, as from 2023, this bonus is paid in cash (67%) and blocked shares (33%). As an exception, members of the Executive Management holding a large shareholding in the Company (3% or more) continue to receive their bonus exclusively in cash. In 2023, the only member of the Executive Management concerned by this exception is Marc Bürki, CEO and co-founder of the Company.

The blocking period of the shares is three years from the grant. The exact number of shares to be granted to the members of the Executive Management (with no large shareholding) will be determined on the day of the publication of the Annual Report (date of grant) (i) using the closing share price on that day and (ii) aiming at reaching a number of entire units for a value as close as possible to 33% but in no event lower than 33%.

For 2023, the variable remuneration under the STIP represents 53.9% of the aggregate fixed remuneration. The sum of the variable remuneration under the STIP and the LTIP represents 72.5% of the aggregate fixed remuneration. Reference is made to Section 6 for further information.

The total remuneration 2023 includes the remuneration of Lino Finini, who was a member of the Executive Management until 31 December 2023. Except for that, in 2023, no remuneration was paid, and no loan or credit was granted, to former members of the Executive Management. Moreover, no remuneration was paid to related parties and no loan or credit was granted to related parties, except Lombard loans, which were granted at market conditions.

Remuneration Report

4.2 Remuneration of the members of the Executive Management (continued)

in CHF	Fixed remuneration	Variable remuneration		Contributions and benefits	Other remuneration	Total
	Cash	Short-term incentive plan (STIP)	Long-term incentive plan (LTIP)			
EXECUTIVE MANAGEMENT REMUNERATION 2022						
Marc Bürki, CEO (highest paid)	550,000	94,050	61,225	106,862	21,600	833,737
Aggregate of all members of the Executive Management	3,319,875	484,999	428,575	612,339	133,910	4,979,698

For 2022, the variable remuneration under the STIP represents 14.6% of the aggregate fixed remuneration. The sum of the variable remuneration under the STIP and the LTIP represents 27.5% of the aggregate fixed remuneration.

The total remuneration 2022 includes the remuneration of Paolo Buzzi, who was a member of the Executive Management until March 2022. Except for that, in 2022, no remuneration was paid, and no loan or credit was granted, to former members of the Executive Management. Furthermore, no remuneration was paid to related parties and no loan or credit was granted to related parties, except Lombard loans, which were granted at market conditions.

Executive Management remuneration changes from 2022 to 2023

The total fixed remuneration decreased from CHF 3,319,875 to CHF 2,922,501, representing a decrease of 12.0%. Despite the fact that the fixed remuneration of the Executive Management members (except the CEO) was slightly increased from 2022 to 2023, as a result of their ongoing development in their respective positions and the evolution of their responsibilities, the fixed remuneration was impacted by the changes made in the composition of the Executive Management.

In line with the level of achievement of the objectives set to the Executive Management for 2023, the total annual bonus significantly increased from CHF 484,999 to CHF 1,575,228, representing an increase of 224.8%. This reflects the difference between a year (i.e. 2022) in which the objectives were not achieved and a year (i.e. 2023) in which the objectives were over-achieved. Reference is made to Section 6 for further information on the assessment of the level of achievement of the objectives set to the Executive Management.

Compared to 2022, the fair value of the stock options granted increased from CHF 428,575 to CHF 544,460, representing an increase of 27.0%. This results mainly from the increase in the fair value per option granted. As described in Section 4.3, the fair value of an option is determined based on the Black-Scholes valuation model. The fair value of each option highly depends on the price of the Company's share at the time of grant. In the past years, the price of the Company's share has significantly increased. Therefore, despite (i) the decrease in the number of stock options granted to the members of the Executive Management (see Section 8.2) and (ii) the fact that the mark-up of the strike price compared to the spot price has remained similar over the years, the fair value of the options has essentially increased by the effect of a higher price of the Company's share. Despite the higher global value of the stock options granted to the members of the Executive Management, the grants in recent years are more likely to result in lower benefits for them than in higher benefits compared to grants made in the past.

The total social insurance contributions and pension fund contributions and benefits increased from CHF 612,339 to CHF 669,416, representing a total increase of 9.3%. Reference is made to Section 8.2 for further information. The other remuneration slightly decreased from CHF 133,910 to CHF 129,600, representing a decrease of 3.2% resulting from the changes made in the composition of the Executive Management.

Overall, the total remuneration significantly increased from CHF 4,979,698 to CHF 5,841,205, representing a total increase of 17.3%, which mainly results from the increase of the annual bonus compared to 2022.

Remuneration Report

4.3 Valuation principles

The annual bonus accrues in the financial year under review and is payable in the following financial year. It is therefore based on the results of the financial year under review.

The fair value of the shares is determined in accordance with the International Financial Reporting Standards (IFRS). It represents the market price, i.e. the price that would be received for a share in an orderly transaction between market participants on the grant date.

The market price of the shares granted to the Board in 2023 was CHF 204.6. The market price of the shares granted to the Board in 2022 was CHF 133.5.

The tax value of the shares is determined based on the Swiss Federal Tax Administration Circular Letter No. 37 on Taxation of Employee Participations and Circular Letter No. 37A on Tax Treatment of Employee Participations with the Employer. It represents the market price of the share on grant date discounted by a fixed percentage for a certain period of blocking.

The shares granted to the Board in 2023 are blocked for three years from their grant date and their tax value amounts to CHF 171.8 per share. This tax value represents the market price of the share on grant date (i.e. CHF 204.6) discounted by 16.0%.

The shares granted to the Board in 2022 are blocked for three years from their grant date and their tax value amounts to CHF 112.1 per share. This tax value represents the market price of the share on grant date (i.e. CHF 133.5) discounted by 16.0%.

In order to determine the number of (blocked) shares to be granted to the members of the Executive Management as part of the short-term incentive plan (STIP), the fair value of the shares at the closing of the stock exchange on the day of the publication of the Annual Report is used.

The fair value of the options is determined based on the Black-Scholes valuation model. The most significant inputs into the model are the market value of the Swissquote share at grant, the strike price, the expected life of the options and the volatility. The volatility is measured over a period of ten years. Other inputs into the model are the risk-free interest rate and the dividend yield. One option grants the right to acquire one share in the Company (ratio 1:1). For the financial year 2023, the fair value amounts to CHF 38.9 per option on grant date. For the financial year 2022, the fair value amounts to CHF 24.5 on average per option on grant date.

Remuneration Report

4.4 Loans and credits to the Board and the Executive Management

Pursuant to Art. 21 Para. 2 of the AoA, the Company may grant loans and credits to the members of the Board and of the Executive Management at market terms or at terms which apply to all employees. Loans and credits which do not satisfy such conditions are authorised provided that, in each single case, they do not exceed the amount of CHF 100,000 and to the extent that they have been approved by the General Meeting, either individually or as part of an aggregate amount.

The following loans and credits were granted to and were still outstanding as at 31 December 2023 with current and former members of the Board and of the Executive Management, as well as their closely related persons. As reflected in the table, no loan or credit was granted to former Board or Executive Management members. All loans and credits were granted at market conditions.

in CHF	2023	2022
MEMBERS OF THE BOARD		
Markus Dennler, Chairman	–	–
Jean-Christophe Pernellet, member	–	–
Beat Oberlin, member	–	–
Monica Dell'Anna, member	–	–
Michael Ploog, member	–	–
Paolo Buzzi, member	–	–
Demetra Kalogerou, member	–	–
Esther Finidori, member [†]	–	–
Closely related persons	33,370	32,624
Former members	–	–
Total as at 31 December	33,370	32,624

in CHF	2023	2022
MEMBERS OF THE EXECUTIVE MANAGEMENT		
Marc Bürki, CEO	5,581,494	6,126,233
Yvan Cardenas, CFO	–	–
Gilles Chantrier, CRO	–	–
Alexandru Craciun, CTO	89,088	–
Jan De Schepper, CSO	–	–
Lino Finini, COO	–	–
Morgan Lavanchy, CLO	–	–
Closely related persons	2,024,153	1,952,124
Former members	–	–
Total as at 31 December	7,694,735	8,078,357

Remuneration Report

4.5 External mandates of members of the Board and of members of the Executive Management

In accordance with Art. 734e CO and Art. 16^{bis} of the AoA, the table below lists any comparable mandates held by the

members of the Board in other for-profit and non-profit legal entities that are neither controlled by or in control of the Company as at 31 December 2023 (unless otherwise indicated in the table):

BOARD MEMBERS	Mandates in listed for-profit companies	Mandates in non-listed for-profit companies	Mandates in other (non-listed) for-profit entities	Mandates in non-profit entities (e.g. associations, charitable organisations and foundations)
Markus Dennler, Chairman	None	– Chairman Allianz Suisse Versicherungs-Gesellschaft AG, Switzerland – Chairman Allianz Suisse Lebensversicherungs-Gesellschaft AG, Switzerland	None	– Honorary Councillor, British Swiss Chamber of Commerce, Switzerland
Jean-Christophe Pernollet	– Chairman of the Board, Edmond de Rothschild Real Estate SICAV, Switzerland	– Group Chief Risk Officer, Edmond de Rothschild (including various mandates in the same group), Switzerland	– Chairman of the Board, Edmond de Rothschild Pension Fund, Switzerland	– Chairman of the Board, Fondation Observatoire de la Finance, Switzerland
Beat Oberlin	None	– Vice President of the Board, St. Clara Spital Group, Switzerland – Chairman of the Board, urb-x AG, Switzerland	None	– Chairman of the Board, University of Basel, Switzerland – Vice Chairman of the Board, Thomi-Hopf-Stiftung, Switzerland
Monica Dell'Anna	None	– Chairwoman of the Board, B Capital Partners AG, Switzerland – Member of the Advisory Board, Accenture Switzerland, Switzerland	None	– President, Italian Chamber of Commerce for Switzerland, Switzerland
Michael Ploog	None	– Member of the Board and of the Audit, Risk and Regulatory Committee, Syz Bank Ltd/Syz Group, Switzerland	None	None
Paolo Buzzi	None	– Member of the Board, NetGuardians, Switzerland	None	– Member of the Strategic Advisory Board, EPFL, Switzerland
Demetra Kalogerou	– Independent non-executive member of the Board, INX Ltd, USA	– Independent non-executive member of the Board, ECOMMBX Ltd, Cyprus	None	None
Esther Finidori ¹	– Vice-President Strategy France, Schneider Electric, France	None	None	– Member of the Board, IGNES, France – Member of the Board, Equilibre des Energies (EdEn), France – Member of the Board, Avere-France, France
Maximum permitted mandates	4	9	5	

¹ Esther Finidori was newly elected to the Board at the AGM 2023.

Remuneration Report

4.5 External mandates of members of the Board and of members of the Executive Management (continued)

In accordance with Art. 734e CO and Art. 16^{bis} of the AoA, the table below lists any comparable mandates held by the

members of the Executive Management in other for-profit and non-profit legal entities that are neither controlled by or in control of the Company as at 31 December 2023 (unless otherwise indicated in the table):

EXECUTIVE MANAGEMENT MEMBERS	Mandates in listed for-profit companies	Mandates in non-listed for-profit companies	Mandates in other (non-listed) for-profit entities	Mandates in non-profit entities (e.g. associations, charitable organisations and foundations)
Marc Bürki, CEO	None	– Chairman of the Board, Yuh Ltd, Switzerland ¹	None	– Member of the Board, ETH Domain, Switzerland
Yvan Cardenas, CFO	None	None	None	– Member of the Tax Commission, Chambre vaudoise du commerce et de l'industrie, Switzerland – Member of the Board of the Social Insurances Committee AVS/AI/APG/AF, Chambre vaudoise du commerce et de l'industrie, Switzerland – Member of the Investment Committee of the Social Insurances AVS/AI/APG/AF, Chambre vaudoise du commerce et de l'industrie, Switzerland
Gilles Chantrier, CRO	None	None	None	None
Alexandru Craciun, CTO	None	None	None	None
Jan De Schepper, CSO	None	None	None	– Member of the Board, SWA/ASA - National Advertisers Association, Switzerland
Lino Finini, COO ²	None	– Member of the Board, Groupement Hospitalier de l'Ouest Lémanique (GHOL), Switzerland	None	None
Morgan Lavanchy, CLO	None	None	None	– Member of the Executive Committee, Capital Markets and Technology Association, Switzerland
Nestor Verrier, COO ³	None	None	None	None
Maximum permitted mandates	1	4	3	

¹ This mandate is held at the request of the Company; Yuh Ltd is a joint venture of Swissquote Bank Ltd and PostFinance AG.

² Lino Finini retired from his position as COO of the Company on 31 December 2023.

³ Nestor Verrier was appointed as COO of the Company on 1 January 2024.

Remuneration Report

5 Reconciliation of remuneration with the approval of the General Meeting

At the AGM of 6 May 2022, the shareholders approved a maximum aggregate remuneration of the Board amounting to CHF 1,300,000 for the period of office from the AGM of 6 May 2022 until the completion of the AGM of 10 May 2023. The total amount of remuneration paid out for this period was CHF 1,130,942, which is in line with what was approved at the AGM of 6 May 2022. The above-mentioned maximum aggregate remuneration included a reserve of CHF 100,000 in order to cover potential exceptional tasks requiring an additional remuneration, in particular in case of unforeseen circumstances. No such additional remuneration was paid, i.e. the reserve was not used.

At the AGM of 10 May 2023, the shareholders approved a maximum aggregate remuneration of the Board amounting to CHF 1,500,000 for the period of office from the AGM of 10 May 2023 until the completion of the AGM of 8 May 2024. The total amount of remuneration that will be paid out for this period is anticipated to be in line with the maximum aggregate remuneration approved at the AGM of 10 May 2023. The final amount that will be paid will be disclosed in the Remuneration Report 2024.

With respect to the remuneration of the Executive Management, the shareholders approved at the AGM of 6 May 2022 a maximum aggregate remuneration of CHF 8,000,000 for the financial year 2023, taking into consideration an Executive Management comprising seven members. The total amount of remuneration paid out and accrued for this period was CHF 5,841,205 for the entire Executive Management in 2023, which is in line with what was approved at the AGM of 6 May 2022.

At the AGM of 10 May 2023, the shareholders approved a maximum aggregate remuneration for the Executive Management amounting to CHF 8,500,000 for the financial year 2024. The total amount of remuneration that will be paid out and accrued for this period is anticipated to be in line with the maximum aggregate remuneration approved at the AGM of 10 May 2023. The final amount that will be paid and accrued will be disclosed in the Remuneration Report 2024.

Remuneration Report

6 Objectives for 2023 and assessment of their achievement

As described in Section 3.3, the Board sets, at the beginning of each financial year, a list of quantitative and qualitative objectives to the Executive Management to assess its performance and determines the amount of the annual bonus (STIP), if any. The objectives are set with due care to the Company's strategy and guidance communicated to the public and, more specifically, to the ESG Materiality Matrix (using a double materiality approach) published in the Sustainability Report. The objectives apply to the Executive Management as a whole, rather than on an individual basis.

The table on the next page describes the nature, the weighting and the metrics of the objectives that were set for the financial year 2023, together with their respective level of achievement, as assessed by the Board upon the NRC's recommendation. The table also reconciles the objectives with the above-mentioned ESG Materiality Matrix.

Compared to the previous years, the Board decided to add a third financial objective in 2023, i.e. an objective that relates to the pre-tax profit margin. The pre-tax profit margin is considered an important indicator of the profitable growth that the Company seeks to achieve. The pre-tax profit margin also reflects the agility of the organisation, in particular in terms of cost management. The Board therefore considers appropriate a combination of financial objectives comprised of revenues, pre-tax profit and pre-tax profit margin.

For 2023, the level of achievement was above the target and the annual bonus was set at 103.5% of the fixed remuneration.

The following elements help read the table:

- As stated in Section 3.3, the maximum annual bonus for the Executive Management members is 100% of their fixed remuneration and is reached as soon as the level of achievement of the objectives reaches 135%. The global threshold is set at 80%. Unless that results from the application of the assessment methodology (e.g. with respect to the Customer NPS), neither a threshold nor a cap are set at the level of a specific objective.
- All the objectives are equally weighted in their respective category.
- The level of achievement is calculated by adding the weighted (positive or negative) contribution of the level of achievement of each objective. The global level of achievement corresponds to a percentage of fixed remuneration in accordance with a pre-defined grid that sets the threshold (0% of fixed remuneration) at 80% and the cap (100% of the fixed remuneration) at 135%.
- The Board may decide to deviate from the strict application of the formula under exceptional circumstances, if the absence of deviation would, in its view, lead to an inappropriate amount of the annual bonus. The deviation may be downwards (e.g. in case of material risk or compliance issues) or upwards (e.g. in case of significant adverse circumstances that could not be anticipated). In 2023, no such deviation was made.
- The annual bonus of the employees of the Group also depends on the achievement of the objectives set to the Executive Management, ensuring a full alignment of the employees' interests with those of the members of the Executive Management. In case of fair or good performance, the bonus of the eligible employees other than the Executive Management members corresponds to a percentage of these employees' salary that is smaller than the percentage of the fixed remuneration of the Executive Management. In case of partial achievement of the objectives, the bonus of the eligible employees other than the Executive Management members may, depending on the level of achievement of the objectives and the hierarchical level of the employee, correspond to a percentage of these employees' salary that is higher than the percentage of the fixed remuneration of the Executive Management.

Remuneration Report

6 Objectives for 2023 and assessment of their achievement (continued)

Category and weight of objectives	Objective	Alignment with the ESG Materiality Matrix	Key elements for the assessment of the level of achievement	Level of achievement
Financial Global weight: 60% Weight of each objective: 20%	Achieve consolidated net revenues of CHF 495 million	Financial performance	The Company posted record consolidated net revenues of CHF 531.4 million in 2023. As a result, the level of achievement is above the target.	107.3%
	Achieve a consolidated pre-tax profit of CHF 230 million	Financial performance / Transparency and credibility in the market	The Company posted a record consolidated pre-tax profit of CHF 255.4 million in 2023. As a result, the level of achievement is above the target.	110.9%
	Achieve a pre-tax profit margin of 45%	Financial performance	The pre-tax profit margin was 48.1% in 2023. As a result, the level of achievement is above the target.	106.7%
Growth Global weight: 25% Weight of each objective: 6.25%	Implement enhanced CRM functionalities to improve the 360o client vision	Customer experience / Data privacy and security / Innovation and access to finance / Product Governance	The majority of the new features identified as part of the project have been developed on time, while a few of them remain to be completed in 2024. As a result, the level of achievement is below the target.	90.0%
	Launch new digital wealth management solutions, i.e. "Invest Easy" and "Invest 3A"	Innovation and access to finance / Customer experience / Product governance	The new digital wealth management solutions "Invest Easy" and "Invest 3A" have been launched according to plans. As a result, the level of achievement is at target.	100.0%
	Implement end-to-end native mobile onboarding	Innovation and access to finance / Customer experience / Product governance	The new end-to-end native mobile onboarding capacity was launched according to plans, with the exception of some secondary functionalities. As a result, the level of achievement is slightly below the target.	95.0%
	Achieve CHF 700m of net new monies in the EU institutional market with a target margin on assets of 0.25%	Financial performance	An equivalent of CHF 350m (weighted by the margin on assets) was achieved. Whilst the concrete net new monies have been greater than this amount, the acquisition of the concerned clients took place later in the year than anticipated, which impacted the margin on assets and the final outcome. As a result, the level of achievement is largely below the target.	50.0%
ESG Global weight: 15% Weight of each objective: 3.75%	Strengthen ESG factors in nostro investing and lending activities	Prudent investment approach / Energy use and climate resilience	ESG factors have been duly integrated in both investing and Lombard lending policies and processes. These positive developments have been recognised by ESG rating agencies, especially by Sustainalytics (rating improved from medium to low risk). As a result, the level of achievement is slightly above the target.	105.0%
	Set measures to reduce Scopes 1 and 2 direct carbon emission by 20% in 2024 compared to 2022	Energy use and climate resilience	All the planned steps have been taken but an administrative delay beyond the Company's control may jeopardise the achievement of the 20% objective valid for 2024. As a result, the level of achievement is below the target.	80.0%
	Maintain a high customer satisfaction represented by a Customer NPS of 28	Customer experience / Transparency and credibility in the market	An all-time high Customer NPS of 37 was recorded for 2023. As a result, the level of achievement is largely above the target. Note: unlike for the other strictly quantitative objectives (to which a mere cross-multiplication applies), each point deviating from the target counts for 10%.	190.0%
	Achieve a top position among Swiss banks in the employer ranking organised by the Handelszeitung and Statista and obtain a "Great Place to Work" certification	Talent recruitment, development and retention / Compensation and benefits / Transparency and credibility in the market	Early in 2024, the Company obtained the 11th place in the Swiss banking sector in the concerned employer ranking. This is a solid outcome, although not at the level of the previous year. The Company obtained the "Great Place to Work" certification at the beginning of 2024. All in all, the level of achievement is slightly below the target.	95.0%
Global achievement in 2023				103.5%
Target award value (100% achievement)				45% of fixed remuneration
Award for 2023				53.9% of fixed remuneration

Remuneration Report

7 Key comparisons

7.1 CEO pay-ratio

The following table provides information for 2021, 2022 and 2023 on the ratio between the CEO's remuneration and the average and median employee remuneration. The CEO's remuneration is calculated in accordance with rules that

differ from those used for the amounts disclosed in Section 4.2, as explained below. This Section confirms that the CEO's remuneration is sound and sensible.

in CHF thousands	2023	2022	2021
CEO (highest paid) remuneration	721.8	963.9	933.2
Evolution of CEO remuneration	-25.0%	3.3%	Not available*
Average employee remuneration	144.0	154.6	154.9
Evolution of average employee remuneration	-6.8%	-0.2%	Not available*
CEO pay-ratio based on average employee remuneration	501.2%	623%	603%
Evolution of CEO pay-ratio based on average employee remuneration	-19.6%	3.3%	Not available*
Median employee remuneration	130.7	134.4	133.6
Evolution of median employee remuneration	-2.7%	0.6%	Not available*
CEO pay-ratio based on median employee remuneration	552.2%	717%	699%
Evolution of CEO pay-ratio based on median employee remuneration	-29.8%	2.6%	Not available*

* Part of the relevant information is outside the applicable period.

For the purposes of calculating the ratios, the gross remuneration paid in the year under review (the "YUR") was taken into consideration (including the annual bonus paid in the YUR with respect to the YUR-1). The same applies for the previous years: for example, for the YUR-1, the gross remuneration taken into consideration was the one paid in the YUR-1 (including the annual bonus paid in the YUR-1 with respect to the YUR-2).

The evolution of the CEO remuneration from 2022 to 2023 is essentially explained by the annual bonus paid in 2023 with respect to 2022: the level of achievement of the objectives set to the Executive Management with respect to 2022 was much lower than the ones in previous years. The average and median employee remuneration was also impacted by the lower bonus, but to a lesser extent than for the CEO, which explains why the CEO pay-ratio decreased significantly.

To define the most relevant sample of employees, the following rules have been used:

Included

- Employees:
 - working for a Group entity located in Switzerland;
 - having a permanent contract;
 - eligible for an annual bonus; and
 - employed since January YUR-1 and still employed in December YUR¹.

Excluded

- CEO (highest paid);
- employees of the sales force under a commission scheme; and
- apprentices.

¹ This rule aims at ensuring an appropriate comparison in terms of annual bonus.

Remuneration Report

7.2 Distribution between shareholders, the Executive Management and employees

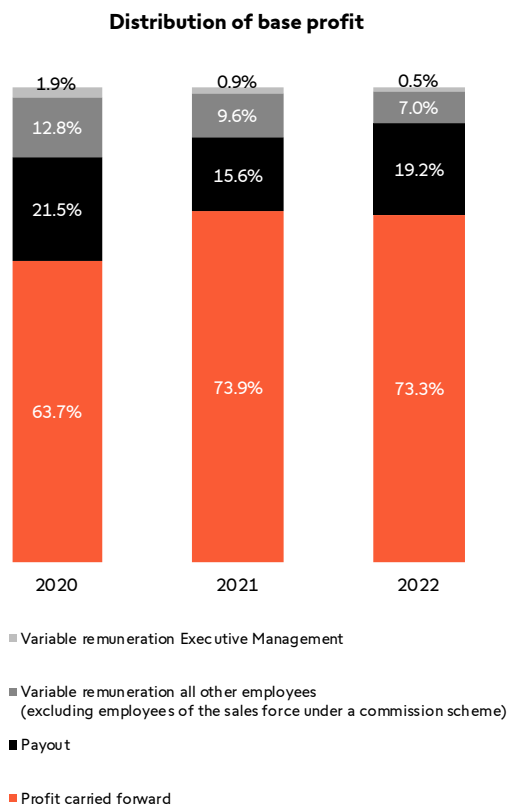
The Board seeks to ensure an appropriate distribution of the Company's profit among the following stakeholders:

- The shareholders, via the dividend or any other form of payout;
- The Executive Management members, via the variable remuneration;
- The other employees of the Group, via the variable remuneration; and
- The Group itself, which may benefit from an increased equity base thanks to the profit carried forward.

For the purposes of ensuring that the distribution among the stakeholders is appropriate, the Board carries out analyses using the concept of "base profit". The "base profit" is an adjusted net profit, in which the variable remuneration (net of tax) of the employees of the Group (including the Executive Management members) is reintegrated. The above-mentioned analyses take into consideration several factors such as the Company's profitability, the capital situation, the growth pattern, the development opportunities and other prevailing circumstances.

For example, in the context of a sustainable increase of the Company's profitability, the dividend per share and the variable remuneration of the employees of the Group (including the Executive Management members) are expected to increase. Nevertheless, the relationship between the dividend per share and the variable remuneration is not always linear. While the variable remuneration is capped, the dividend is not (to the extent of the profit carried forward). At the same time, the Group has so far sought to pay a dividend per share that has a certain level of stability when the variable remuneration could be nil under certain circumstances.

The chart below presents the distribution of the base profit from 2020 to 2022. Since the dividend for the year 2023 still needs to be approved by the General Meeting, the situation for 2023 will be provided in the Remuneration Report 2024:



The above chart shows that, in 2022, compared to 2021, the share of the payout increased, whilst the respective shares of the variable remuneration of the Executive Management members, the variable remuneration of the other employees of the Group and the profit carried forward decreased. The share of the profit carried forward remained significant. The aim was to ensure a solid equity base in order to enable the Company to capture its full growth potential and take opportunities such as acquisitions.

Remuneration Report

8 Share ownership

As at 31 December 2023, the number of shares and options held by current Board members, members of the Executive Management and closely related persons, was 3,580,111 or 23.4% of the share capital.

The following tables were prepared in accordance with Art. 734d CO and are also available in Note 27 to the consolidated financial statements (Section VII).

8.1 Shareholdings

The tables below indicate the shareholdings of the members of the Board, the members of the Executive Management and their closely related persons.

	Number of shares as at 31 December 2023	Number of shares as at 31 December 2022
MEMBERS OF THE BOARD		
Markus Dennler, Chairman	32,829	32,549
Jean-Christophe Pernellet, member	4,797	4,610
Beat Oberlin, member	4,211	4,036
Monica Dell'Anna, member	2,750	2,592
Michael Ploog, member	45,656	45,498
Paolo Buzzi, member	1,595,535	1,595,377
Demetra Kalogerou, member	390	232
Esther Finidori, member ¹	140	–
Closely related persons ²	452	3,334
Total as at 31 December	1,686,760	1,688,228

¹ Esther Finidori was newly elected to the Board at the AGM 2023.

² As at 31 December 2023 and 31 December 2022, closely related persons are mainly connected to Paolo Buzzi, member of the Board.

	Number of shares as at 31 December 2023	Number of shares as at 31 December 2022
MEMBERS OF THE EXECUTIVE MANAGEMENT		
Marc Bürki, CEO	1,772,000	1,771,511
Yvan Cardenas, CFO	345	320
Gilles Chantrier, CRO	340	340
Alexandru Craciun, CTO	1,716	1,716
Jan De Schepper, CSO	2,593	2,093
Lino Finini, COO	1,400	1,820
Morgan Lavanchy, CLO	1,000	840
Closely related persons ¹	36,327	36,039
Total as at 31 December	1,815,721	1,814,679

¹ As at 31 December 2023 and 31 December 2022, closely related persons are mainly connected to Marc Bürki, CEO.

Remuneration Report

8.2 Stock options

The table below provides a comprehensive overview of the options (i) held as at 31 December 2023 by Executive Management members and retired Executive Management members now Board members and (ii) which have been granted in 2023 and in past years. As a reminder, Board members cannot be granted stock options. However, a retired Executive Management member can keep their stock options previously granted. If such retired Executive Management member happens to be a Board member, then the information on their shareholdings and stock options is disclosed in accordance with Art. 734d CO.

The total stock options outstanding as at 31 December 2023 represent 77,630 options, including 38,794 options that were exercisable as at 31 December 2023 and 38,836 options for which the start of the exercise period is ranging from 2024 to 2026. As at 31 December 2023, there are no outstanding options granted to members of Executive Management prior to their appointment to the Executive Management.

Each option gives the right to acquire one Swissquote share (SQN; ISIN CH0010675863) at the strike price set for the concerned grant. The lock-up period ends the day before the start of the exercise period as indicated in the table below:

Grant no.	Tranche no.	Date of grant	Start of exercise period	Expiry date	Spot price at grant	Mark-up strike to spot price	Strike price	Number of options granted	IFRS fair value per option	Aggregate IFRS fair value of options granted	Total options outstanding as at 31 December 2023	Total options outstanding as at 31 December 2022
20	3	2018/08	2021/08	2023/08	65.53	5.0%	68.81	6,000	10.04	60,211	–	3,200
21	2	2019/08	2021/08	2023/08	42.96	16.1%	49.89	13,336	5.81	77,467	–	6,301
21	3	2019/08	2022/08	2024/08	42.96	16.1%	49.89	13,328	5.63	75,029	8,130	13,328
22	1	2020/08	2021/08	2023/08	84.50	12.4%	95.00	9,750	12.42	121,084	–	8,500
22	2	2020/08	2022/08	2024/08	84.50	12.4%	95.00	9,750	12.08	117,762	6,250	9,750
22	3	2020/08	2023/08	2025/08	84.50	12.4%	95.00	9,750	11.50	112,151	9,750	9,750
23	1	2021/08	2022/08	2024/08	163.60	13.1%	185.00	7,328	18.38	134,671	7,328	7,328
23	2	2021/08	2023/08	2025/08	163.60	13.1%	185.00	7,336	25.48	186,903	7,336	7,336
23	3	2021/08	2024/08	2026/08	163.60	13.1%	185.00	7,336	30.65	224,858	7,336	7,336
24	n/a	2022/08	2025/08	2027/08	128.00	13.3%	145.00	17,500	24.49	428,575	17,500	17,500
25	n/a	2023/08	2026/08	2028/08	187.70	11.9%	210.00	14,000	38.89	544,460	14,000	–
Total											77,630	90,329
- Of which in exercise period as at 31 December											38,794	48,407
- Of which exercise period not started as at 31 December											38,836	41,922
Total options granted in 2022								17,500	428,575			
Total options granted in 2023								14,000	544,460			
Options granted prior to the appointment to the Executive Management											–	3,082

As reflected in the table above, each grant made until 2021 was divided in three equal tranches, each having a two-year exercise period, but with a different start. The start of the exercise period for tranche 1 was one year after the date of grant, the one for tranche 2 was two years after the date of grant and the one for tranche 3 was three years after the date of grant. As a result, and for a whole grant, one third of the options became exercisable after one year and one third of the options expired five years after the date of grant.

For any grants that have been made since 2022 included, the vesting of the options occurs (and will occur) three years after their grant (three-year cliff vesting).

The table above provides for each grant the spot price at grant (which is the market price of the Swissquote share at the time of grant) and the strike price of the grant, i.e. the share price above which the option is in the money.

Remuneration Report

8.2 Stock options (continued)

Options granted to members of the Executive Management can be exercised during the respective exercise periods, subject to compliance with the Group's policy on insider trading. More information can be found in Section 10 of the Corporate Governance Report.

In 2023, Executive Management members exercised 29,781 options in aggregate, representing a gross capital gain of CHF 3,341,983, of which CHF 317,840 relates to options granted to members of the Executive Management prior to their appointment to the Executive Management. Former members of the Executive Management exercised a total of 5,117 options, representing a total gross capital gain of CHF 589,314.

The Group has the obligation to deliver Swissquote shares when optionees exercise stock options. In order to secure its obligations towards optionees, the Company acquires and sells treasury shares.

On a cumulative basis and since the listing of the Company in 2000, the Company succeeded in acquiring, selling and delivering treasury shares at such prices and such quantities that, at 31 December 2023, the amount of the coverage of the Company's obligations toward optionees is lower than the remittance value the Company will receive should optionees exercise all options granted and outstanding at 31 December 2023.

It is worth noting that, had the Company covered the exercise of stock options via the conditional capital, the dilution would have been very limited. Indeed, in 2023, the number of stock options exercised by Executive Management members corresponds to 0.2% of the share capital (0.1% in 2022 and 0.3% in 2021).

Remuneration Report

9 Approval of the Remuneration Report

This Remuneration Report provides full transparency for the financial year 2023 with regard to the Group's remuneration arrangements and remuneration paid to the Board and the Executive Management. The Board will recommend that the General Meeting approve this Remuneration Report at the AGM of 8 May 2024 (advisory vote).

10 Articles of Association

The principles applicable to performance-based pay and to the allocation of equity securities, convertible rights and options are set out in Art. 21^{bis} Para. 2, and 21^{ter} Para. 1 to 3 of the AoA and the principles applicable to the additional amount for payments to members of the Executive Management appointed after the vote on pay at the General Meeting are set out in Art. 14^{bis} Para. 6 of the AoA.

The rules on loans, credit facilities and post-employment benefits for members of the Board and Executive Management are set out in Art. 21 Para. 1 and 2 of the AoA.

The vote on pay at the General Meeting is set out in Art. 14^{bis} and 21 Para. 2 of the AoA.

For further information on remuneration matters, reference is made to the AoA last amended on 10 May 2023 and applicable as at 31 December 2023, which are available at <https://www.swissquote.com/en/group/investor-relations#corporate-documents> in the French original version together with an English free translation.

Report of the statutory auditor to the General Meeting of Swissquote Group Holding Ltd Gland

Report on the audit of the Remuneration Report

Opinion

We have audited the Remuneration Report of Swissquote Group Holding Ltd (the “Company”) for the year ended 31 December 2023. The audit was limited to the information pursuant to article 734a-734f CO in the tables on pages 199 to 206 of the Remuneration Report.

In our opinion, the information pursuant to article 734a-734f CO in the accompanying remuneration report complies with Swiss law and the Company’s Articles of Association.

Basis for opinion

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

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

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked “audited” in the Remuneration Report, the consolidated financial statements, the financial statements and our auditor’s reports thereon.

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

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

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

Board of Directors’ responsibilities for the Remuneration Report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company’s Articles of Association, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the remuneration system and defining individual remuneration packages.

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Auditor's responsibilities for the audit of the Remuneration Report

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

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

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

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

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

PricewaterhouseCoopers SA



Christophe Kratzer

Licensed audit expert
Auditor in charge



Jonathan Derungs

Licensed audit expert

Lausanne, 13 March 2024