

## SIMCORP A/S

On 27 March 2019 at 3 p.m., the annual general meeting of SimCorp A/S was held at SimCorp A/S, Weidekampsgade 16, DK-2300 Copenhagen S.

Jesper Brandgaard welcomed the shareholders and mentioned that the board of directors had appointed Marianne Philip, attorney-at-law, as chairman of the meeting. Marianne Philip announced that the general meeting had been duly convened. Physically present were 72 of the Company's shareholders. Shareholders representing nominally DKK 18,811,535 of the shares and the corresponding number of votes or 47,37% of the Company's share capital of nominally DKK 40,500,000 after reduction for own shares were represented at the general meeting. The Executive Management, the Board of Directors and the auditors were also present.

Referring to article 8 of the Articles of Association, the agenda was as follows:

1. The report of the Board of Directors on the activities of the Company during the past year;
2. Presentation and adoption of the audited annual report;
3. The Board of Directors' proposal for the distribution of profits or losses as recorded in the annual report adopted by the general meeting;
4. Election of members to the Board of Directors, hereunder Chairman and Vice Chairman of the Board of Directors;
5. Election of auditors;
6. Any proposals from the Board of Directors or the shareholders;

### A

It is proposed by the Board of Directors to fix the total remuneration payable to the directors in 2019 and until next Annual General Meeting as follows; the base fee shall remain unchanged from 2018 but the board of directors propose changing the multiples for the Chairman and Vice-Chairman of the board of directors and for the chairman and the members of the committees:

- (i) a cash remuneration to ordinary board members of DKK 250,000, the cash remuneration to the Chairman of the board of directors is increased from DKK 625,000 to DKK 750,000 whereas the cash remuneration to the Vice Chairman of the board of directors is increased from DKK 375,000 to DKK 500,000.
- (ii) a total market value of shares allotted to each ordinary board member of DKK 125,000, unchanged from 2018, a total market value of shares allotted to the Chairman of the board of directors is increased from DKK 312,500 to DKK 375,000 and the total market value of shares allotted to the Vice Chairman of the board of directors is increased from DKK 187,500 to DKK 250,000.
- (iii) that the chairman of the audit committee of the Company in addition to his normal remuneration receives an increase from 50% to 75% of the annual remuneration equalling a cash remuneration increase from DKK 125,000 to DKK 187,500 and shares with an increase from a total market value of DKK 62,500 to DKK 93,750, and that members of the audit committee of the Company in addition to their normal remuneration receive an increase from 25% to 37.5% of the annual remuneration equalling an increased cash remuneration from DKK 62,500 to DKK 93,750 and shares with an increase from a total market value of DKK 31,250 to DKK 46,875.

- (iv) that the chairman of the nomination and remuneration committee of the Company in addition to his normal remuneration receives an increase from 25% to 37.5% of the annual remuneration equalling a cash remuneration increase from DKK 62,500 to DKK 93,750 and shares with an increase from a total market value of DKK 31,250 to DKK 46,875, and that members of the nomination and remuneration committee of the Company in addition to their normal remuneration receive an increase from 12.5% to 18.75% of the annual remuneration equalling a cash remuneration increase from DKK 31,250 to DKK 46,875 and shares with an increase from a total market value of DKK 15,625 to DKK 23,438.

The number of SimCorp shares allotted will be based on a price corresponding to the average price of the SimCorp share in a period of three business days after publication of SimCorp's 2018 annual report. The number of SimCorp shares as calculated will be transferred to the directors immediately after the publication of SimCorp's 2019 annual report. The directors must keep the shares for at least one year provided, however, that they remain members of the board of directors of SimCorp throughout this period.

B

The board of directors proposes to amend the company's remuneration and incentive guidelines for the board of directors, the executive management board and employees. The board of directors' proposal for an amended remuneration and incentive guidelines is enclosed hereto as Appendix 1.

C

The board of directors asks the general meeting to authorise the Company, in the period until the next Annual General Meeting, to purchase own shares of a total nominal value of 10% of the Company's share capital, inclusive of the Company's current holding of own shares, see section 198 of the Danish Companies Act. The consideration may not deviate by more than 10% from the bid price quoted at Nasdaq Copenhagen at the time of acquisition.

7. AOB

Re 1, 2 and 3:

Jesper Brandgaard, Chairman of the board, and Klaus Hølse, CEO, presented the report of the Board of Directors for 2018 and the annual report for 2018.

Jesper Brandgaard presented the members of the Board of Directors and mentioned that there had been an election of new employee representatives to the board. In that connection Else Braathen and Vera Bergforth have been re-elected to the board for another four years period, and Hugues Chabanis has been re-elected to the Board. Jesper Brandgaard thanked Ulrik Elstrup Hansen for his service at the Board for the last four years.

Jesper Brandgaard started by repeating the vision for SimCorp, which is to be: "the most attractive partner to investment managers and the number one provider of investment management solutions globally." He expressed the expectation that SimCorp's value proposition 'One System for a Complex World', is what will enable the Company to realize the vision. SimCorp continue to see a strong fit between the value proposition and the challenges that clients and prospects are facing in the market.

Jesper Brandgaard mentioned that he was very pleased that the financial performance in 2018 was satisfactory and in line with the guidance from February 20<sup>th</sup> 2018. Thanks to a strong combination of gaining business with new clients and an

ever-expanding relationship with the existing clients, the Company's employees have made 2018 another successful year. Their accomplishments enabled SimCorp once again to meet its ambition of growing revenue by more than 10% annually. In local currencies, SimCorp's revenue grew 13.2% in 2018, with an EBIT margin of 27.3%, which is at the high end of the guidance for 2018.

Jesper Brandgaard referred to the principles for the overall management of SimCorp as outlined in the "Corporate Governance Guidelines". The guidelines ensure an efficient and responsible management of SimCorp and have been established in accordance with the recommendations provided by the Danish Committee on Corporate Governance and the recommendations issued by NASDAQ's Committee on Corporate Governance. SimCorp's Board of Directors has reviewed each of the current Danish recommendations and has concluded that, with two exceptions, SimCorp is in full compliance with the recommendations. The Board has decided on specific measures on the two exceptions, which concern severance payments to Executive Management Board members in case of change of ownership and the vesting period for historically granted restricted stock units. Jesper Brandgaard mentioned, that for severance payments, SimCorp will ensure that any future services agreements entered into will follow the recommendation that remuneration relating to the notice period and severance payment in case of termination shall not exceed two years. Regarding the recommendation to keep the vesting period at minimum three years, SimCorp will from the current financial year 2019 and onwards follow the recommendation.

Jesper Brandgaard mentioned that SimCorp has a remuneration policy covering compensation for its Board of Directors and compensation and incentive schemes for the Executive Management Board. The remuneration of members of the Board of Directors will again in 2019 be split between a cash consideration equaling 67% of the total remuneration and a transfer of SimCorp shares with a value equal to the remaining 33%. Besides this, travel expenses related to the Board and committee meetings as well as ad-hoc consultancy work are compensated. Jesper Brandgaard reviewed the actual compensation components for 2018. Jesper Brandgaard mentioned, that the overall remuneration for SimCorp's Board of Directors is broadly in line with compensation levels for Boards of Directors at comparable Danish companies and Danish and international corporate governance guidelines. However, the multipliers applied for the chairmanship and the Board committee members are below relevant benchmarks, which will be dealt with at a later agenda item.

SimCorp's Executive Management Board receives a cash-based compensation and participate in the Company's short-term and long-term incentive schemes aligned with market levels. The total remuneration is benchmarked against the levels for Danish and international companies similar in size and with comparable business activities. The maximum salary constitutes the total remuneration if all the predefined short-term and long-term incentive targets are fully met. In line with current corporate governance guidelines, all incentive targets are linked to SimCorp's long-term financial ambitions and strategic priorities to ensure the Executive Management Board is incentivised and focused on ensuring long-term value creation for SimCorp and its shareholders. Jesper Brandgaard mentioned that no changes to the package components are proposed for 2019. Jesper Brandgaard reviewed the compensation to the Executive Management Board for 2018 which was in line with the guidelines and reflects a very satisfactory performance.

Jesper Brandgaard reviewed the components of the short-term incentive bonus results for 2018. The short-term incentive components are made up of

- Balanced scorecard goals, where 50% of the targets are directly related to the financial performance of the Group
- Performance on three specific goals defined by the Board of Directors and linked to SimCorp's strategic objectives, and
- An "over-performance" bonus that is only released if SimCorp exceeds its business growth targets and EBIT targets.

This resulted in a total short-term incentive bonus of 76.6% of the base salary in 2018, compared to a maximum of 90%, or 85% of the maximum.

The long-term incentive program for SimCorp's Executive Management Board is based on the granting of restricted stock units, RSUs. The program is revolving, with each program covering a period of three years. The program vesting in 2019 is the 2016 program that covers financial performance for 2016 to 2018. The restricted stock units vest after a three-year period, with the shares being released after the announcement of the annual report, with the prerequisites that the Executive Management Board members continue to be employed with SimCorp and that the average revenue growth and the net operating profit (NOPAT) for the period 2016 to 2018 have reached the defined thresholds. The 2016 incentive program was completed with a target achievement of 97.5%, reflecting an average annual business growth of 9.6%, slightly below the 10% growth ambition threshold, and a realized average NOPAT level of 20.5%, exceeding the target level of 19%. For a full breakdown of executive management compensation, Jesper Brandgaard referred to pages 35-38 in the 2018 Annual Report.

Thereafter Jesper Brandgaard gave an overview of the shareholder structure and how the SimCorp share has performed over the last year. At the end of 2018, the share price was DKK 445.60, equal to a market capitalization of DKK 17.6bn, whereas the share price at the time of the AGM of around DKK 610 reflects a market cap of more than DKK 24 bn. In June 2018, SimCorp entered the prestigious Nasdaq OMXC25 index, and in 2018 the SimCorp share price increased by 26% whereas the Nasdaq Copenhagen blue chip index OMXC25 decreased by 13%. In 2019, the SimCorp share has increased by around 39%, whereas the Nasdaq OMXC25 index has increased by 14%. Jesper Brandgaard mentioned that compared with 2017, the average daily turnover of the SimCorp shares in 2018 rose by 116% to EUR 8.7m, and the average number of trades per day increased by 21% to 2,009. At the end of 2018, SimCorp had more than 9,200 registered shareholders representing around 93% of the company's share capital, an increase of approximately 900 registered shareholders during the year.

Jesper Brandgaard mentioned, that the Board of Directors has considered SimCorp's cash position and liquidity forecast, and on the basis thereof, propose to distribute dividends of EUR 35.9m for 2018, equal to DKK 6.75 per share, equivalent to 47% of the profit for the year and 45% of the free cash flow in 2018. Jesper Brandgaard added that SimCorp has a solid balance sheet with a net cash holding amounting to EUR 47.5m and expects to buy back shares during 2019 for a forecasted amount of EUR 25m. The program is planned to be carried out in two half yearly buyback programs of EUR 12.5m each during the period from the release of the Annual Report 2018 to the end of 2019. Jesper Brandgaard expressed the belief that SimCorp has sufficient capital resources to continue its growth.

Jesper Brandgaard finished his presentation by expressing his gratitude to SimCorp's investors for the trust they had shown him during his time as Chairman and mentioned that it had been a real pleasure and privilege to serve such a great company as SimCorp.

Klaus Holse gave an overview of the results for 2018, where SimCorp has had a revenue of EUR 382.6m corresponding to a growth of 13.2% and an EBIT margin of 27.3% in local currencies. EBIT was EUR 103.3m which is an increase of EUR 14.4m compared to last year due. SimCorp has had an order intake of EUR 101m in 2018 consisting of ten new SimCorp Dimension contracts and two new standalone SimCorp Coric contracts signed in 2018. The activities in professional services were robust and showed a growth of 11.2% measured in local currencies compared to 2017 and 6.7% organically. The free cash flow was EUR 80.2m which was up EUR 28.8m compared with 2017 due to improved cash flow from operating activities and lower CAPEX. SimCorp entered 2018 with an order book of EUR 45.5m, an increase of EUR 20.7m compared to last year. Klaus Holse found that 2018 had in many respects been a successful year.

Klaus Holse reviewed the distribution of new clients in 2018. The first three quarters were slow with only four new SimCorp Dimension contracts. During the fourth quarter SimCorp entered into six new SimCorp Dimension contracts and 2 new SimCorp Coric contacts. The new contracts consisted among other of five contracts in North America and one in Asia with a very significant customer. Eight out of the ten new contracts are with asset owners, not with asset managers.

Klaus Holse mentioned that SimCorp defines its market as global buy-side investment management companies with assets under management of more than EUR 10-20bn. The market comprises approximately 1,300 potential clients. Klaus Holse reviewed the distribution of the potential clients all over the world. SimCorp has 190 SimCorp Dimension clients all over the world covering a total market share of 15%. SimCorp's market share in the US has increased to 6% during 2018.

Klaus Holse reviewed SimCorp's client driven development process and the benefits for the clients. Thereafter Klaus Holse reviewed SimCorp's 2018 must-win battles which continue in 2019.

Klaus Holse then reviewed SimCorp's forecasts for 2019. SimCorp expects revenue growth in local currencies of between 8% and 13%, and an EBIT margin measured in local currencies of 25.5% - 28.5%. Based on currency rates prevailing end of January 2019, SimCorp expects revenue growth to be positively impacted by around 1%-points and EBIT margin to be positively impacted by around 0.2%-point.

Klaus Holse finished his presentation by expressing his gratitude to SimCorp's investors and employees. Klaus Holse mentioned that SimCorp's results and ability to realize future potential strongly depend on its talented employees, from whom he has seen a very dedicated effort during 2018.

Claus Wiinblad from ATP thanked the board and management for the presentation of the report by the Board and for the annual report. He mentioned that 2018 had been a really good year for SimCorp, not least in the fourth quarter, and that it was good to see so many contracts entered into on the important US market. Further in 2019 an important contract had been entered into with a customer in the UK, where SimCorp traditionally has had difficulties.

Thereafter Claus Wiinblad expressed his gratitude to Jesper Brandgaard for creating fantastic results for the shareholders during his 10 years as Chairman of SimCorp. Claus Wiinblad mentioned that during the period where Jesper Brandgaard has chaired the Board the revenue has more than doubled, EBIT has increased 3 times, and the share price has increased 6 times. He also thanked for a good and constructive dialogue and welcomed Peter Schütze as new Chairman, with whom he looked forward to continue the good dialogue and to learn about the new strategy for SimCorp for the period after 2020 where the present strategy period expires.

Per Juul from the Danish Shareholder's Association, thanked Jesper Brandgaard and Klaus Holse for their very thorough presentations. Per Juul mentioned that since last year's annual general meeting the total return to shareholders had been very satisfying and the business results had once again been very healthy. Per Juul thanked Jesper Brandgaard for his period as chairman of the Company. Per Juul found that Jesper Brandgaard had made an outstanding job as a very ambitious chairman. Per Juul referred to that Jesper Brandgaard had put together a very competent board with international competencies, that he had worked very diligently with the strategy for SimCorp, and finally that he had aligned management compensation with the shareholder goals. Per Juul found, however, that female representation both in the company and the board is still too low. Per Juul further mentioned that he had been evaluating the compensation package to management and found that all in all the remuneration levels do not seem to have changed.

Per Juul asked whether it caused problems for the Company to be a Danish company in the US where there is presently a focus on "America first". Further Per Juul asked about research and development costs where SimCorp historically has spent at least 20% of revenue, but Per Juul noted that this figure had been decreasing over the last years with just over 18% spend in 2018. Finally, Per Juul noted that the revenues for SimCorp Coric had dropped 36% during 2018 and asked, what had caused this drop since SimCorp Coric otherwise had done well in the years since the acquisition.

In reply to Claus Wiinblad's comments Jesper Brandgaard thanked him for the good cooperation and mentioned that he appreciated and valued the role Claus Wiinblad had performed on behalf of ATP as a sparring partner and sounding board.

In reply to the answers raised by Per Juul, Jesper Brandgaard thanked him for coming to the annual general meeting and for always taking the time to understand the Company and to ask good questions. In respect of diversity Jesper Brandgaard mentioned that the number of females in the IT industry is still low, and that it had been decided not to recruit additional members this year because a board of in total 9 members is considered an appropriate size, but promised that the nomination committee would look further into this in the coming years. In respect of compensation Jesper Brandgaard confirmed that the compensation to executive management is broadly in line with peers, which is also necessary as SimCorp provides very transparent disclosure.

Klaus Hølse mentioned that the US is a challenging market, but that SimCorp is known as an independent dedicated provider, and positions itself as an international company, not as a Danish company. In respect of investments in research and development SimCorp will continue to invest heavily and also more than its peers, but as revenues increase there will be a leverage, but mentioned that investments will be higher in 2019 and hence the percent of revenue not much lower than in 2018. In respect of SimCorp Coric Klaus Hølse confirmed that SimCorp has had very good results for the last 5 years but that 2018 was not a good year. Klaus Hølse believed that the Company has not had sufficient focus, and steps have already been taken to integrate SimCorp Coric and to get sufficient focus.

The general meeting noted the report of the Board of Directors and approved the annual report and the proposal for distribution of a dividend of DKK 6.75 per share of DKK 1 or a total distribution of EUR 35,934,000.

#### Re 4:

Jesper Brandgaard had in February this year informed the Board that he wanted to step down from the Board. Peter Schütze, Morten Hübbe, Simon Jeffreys, Hervé Couturier, Adam Warby and Joan Binstock were recommended by the Board for re-election, with Peter Schütze as Chairman and Morten Hübbe as Vice-Chairman of the Board.

Jesper Brandgaard motivated the recommendation by the Board and informed the meeting that as part of its annual wheel activities, the Board of Directors carries out a self-assessment with participation from the Executive Management Board.

As in 2017, the process was in 2018 facilitated by a third party, Odgers Berndtson, who gave written feedback and performed interviews with the Board members. In addition, each member rated other Board and Executive Management members, including their contribution to and cooperation with committees and management.

The Board of Directors also evaluated, if the total number of management functions, including their level and complexity, taken on by each board member was considered appropriate.

It was concluded that the Board's work is effective, that the members collectively contribute to the required areas of expertise, and that none of the directors are over-boarded. It was also concluded that the cooperation and dialogue between the

Board of Directors and the Executive Management Board is well-functioning. Finally, it was assessed that each member of the Board of Directors is capable of fulfilling its duties as a board member, and that the geographies represented by the board members, i.e. Northern Europe, Southern Europe, the UK, and North America, reflect an extensive coverage of SimCorp's markets.

Finally, the Board had concluded that SimCorp complies with the Danish Corporate Governance Guidelines' recommendation that at least half of the members elected by the AGM are independent.

The Chairman informed the general meeting about the managerial posts held by the candidates in other Danish and foreign-owned enterprises, other than wholly-owned subsidiaries.

The proposal was adopted.

Following the resolution, the Board of Directors consists of:

Peter Schütze (Chairman)  
Morten Hübbe (Vice-Chairman)  
Joan A. Binstock  
Simon Jeffreys  
Hervé Couturier  
Adam Warby  
Else Braathen (employee-elected)  
Vera Bergforth (employee-elected)  
Hugues Chabanis (employee-elected)

Peter Schütze thanked the shareholders for the election as Chairman and for the trust.

Thereafter Peter Schütze expressed his gratitude to Jesper Brandgaard for a remarkable performance as a Chairman of SimCorp and mentioned that this could best be shown by the growth in SimCorp during the period since 2008, being the period where Jesper Brandgaard had chaired the Company. From March 2008 to March 2019 the number of global offices has increased from 16 to 27, the annual revenue has increased from EUR 156.8m to EUR 382.6m, the employees from appx. 770 to appx. 1,660 and the market capitalization had increased from appx. DKKK 4.6m with the Company being in the mid-cap index to appx. 25.2bn and listed in the C25 index.

#### Re 5:

The Board of Directors proposed that PricewaterhouseCoopers, Statsautoriseret Revisionspartnerselskab, be re-elected as auditors in accordance with the Audit Committees recommendation. The Audit Committee has not been influenced by a third party and no clause of a contract entered into with a third party has been imposed upon it, which restricts the general meeting's choice of certain auditors or audit firms.

The proposal was adopted.

#### Re 6A:

It is proposed by the Board of Directors to fix the total remuneration payable to the directors in 2019 and until next Annual General Meeting as follows; the base fee shall remain unchanged from 2018 but the board of directors propose changing the

multiples for the Chairman and Vice-Chairman of the board of directors and for the chairman and the members of the committees:

- (i) a cash remuneration to ordinary board members of DKK 250,000, the cash remuneration to the Chairman of the board of directors is increased from DKK 625,000 to DKK 750,000 whereas the cash remuneration to the Vice Chairman of the board of directors is increased from DKK 375,000 to DKK 500,000.
- (ii) a total market value of shares allotted to each ordinary board member of DKK 125,000, unchanged from 2018, a total market value of shares allotted to the Chairman of the board of directors is increased from DKK 312,500 to DKK 375,000 and the total market value of shares allotted to the Vice Chairman of the board of directors is increased from DKK 187,500 to DKK 250,000.
- (iii) that the chairman of the audit committee of the Company in addition to his normal remuneration receives an increase from 50% to 75% of the annual remuneration equalling a cash remuneration increase from DKK 125,000 to DKK 187,500 and shares with an increase from a total market value of DKK 62,500 to DKK 93,750, and that members of the audit committee of the Company in addition to their normal remuneration receive an increase from 25% to 37.5% of the annual remuneration equalling an increased cash remuneration from DKK 62,500 to DKK 93,750 and shares with an increase from a total market value of DKK 31,250 to DKK 46,875.
- (iv) that the chairman of the nomination and remuneration committee of the Company in addition to his normal remuneration receives an increase from 25% to 37.5% of the annual remuneration equalling a cash remuneration increase from DKK 62,500 to DKK 93,750 and shares with an increase from a total market value of DKK 31,250 to DKK 46,875, and that members of the nomination and remuneration committee of the Company in addition to their normal remuneration receive an increase from 12.5% to 18.75% of the annual remuneration equalling a cash remuneration increase from DKK 31,250 to DKK 46,875 and shares with an increase from a total market value of DKK 15,625 to DKK 23,438.

The number of SimCorp shares allotted will be based on a price corresponding to the average price of the SimCorp share in a period of three business days after publication of SimCorp's 2018 annual report. The number of SimCorp shares as calculated will be transferred to the directors immediately after the publication of SimCorp's 2019 annual report. The directors must keep the shares for at least one year provided, however, that they remain members of the board of directors of SimCorp throughout this period.

The Chairman reviewed the proposal.

The Chairman ascertained that the proposal had been adopted by more than a simple majority.

Re 6.B:

The board of directors proposes to amend the company's remuneration and incentive guidelines for the board of directors, the executive management board and employees. The board of directors' proposal for an amended remuneration and incentive guidelines is enclosed hereto as Appendix 1.

The Chairman reviewed the proposal, the purpose of which is to bring the board remuneration in line with that of similar C25 companies and with Danish and international companies of similar size and with comparable business activities, in order to ensure that SimCorp is able to recruit members with the right qualifications to the Board. Further wording has been included



to explain the correlation between the remuneration guidelines and SimCorp's long-term value creation and relevant related goals. Finally a Claw-back provision has been included.

The Chairman ascertained that the proposal had been adopted by more than a simple majority.

Re 6.C:

The board of directors asks the general meeting to authorise the Company, in the period until the next Annual General Meeting, to purchase own shares of a total nominal value of 10% of the Company's share capital, inclusive of the Company's current holding of own shares, see section 198 of the Danish Companies Act. The consideration may not deviate by more than 10% from the bid price quoted at Nasdaq Copenhagen at the time of acquisition.

The Chairman reviewed the proposal.

The Chairman ascertained that the proposal had been adopted by more than a simple majority.

Re 7:

The Chairman announced that there was no further business to transact and the general meeting was closed.

Chairman of the meeting:



Marianne Philip