

# Beaconsmind AG

Stäfa

Report of the statutory auditor to the  
General Meeting

on the remuneration report 2020/21

# Report of the statutory auditor

## to the General Meeting of Beaconsmind AG

### Stäfa

We have audited the accompanying remuneration report of Beaconsmind AG for the year ended 30 June 2021. The audit was limited to the information according to articles 14-16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in the tables / information labelled "audited information".

#### Board of Directors' responsibility

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

#### Auditor's responsibility

Our responsibility is to express an opinion on the remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

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

#### Opinion

In our opinion, the remuneration report of Beaconsmind AG for the year ended 30 June 2021 complies with Swiss law and articles 14–16 of the Ordinance.

PricewaterhouseCoopers AG

Thomas Wallmer  
Audit expert  
Auditor in charge

Kevin Mueller  
Audit expert

Zürich, 26 October 2021

Enclosure:

- Remuneration report

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# Remuneration Report

## 1. Compensation, shareholdings and loans

In this Remuneration report, all information on Beaconsmind AG, in general, as well as on Beaconsmind AG's board of directors (the Board of Directors) or executive management (the Executive Management) and Beaconsmind AG's compensation, in particular, is as of June 30, 2021, unless stated otherwise.

No loans have been granted to members of the Board of Directors or to members the Executive Management.

### 1.1. Content and method of determining the compensation and the shareholding programmes

#### 1.1.1. Basic principles and elements of the compensation

The compensation is in line with Beaconsmind AG's articles of association (the Articles of Association) and regulations as well as with the Swiss Ordinance against Excessive Compensation at Listed Joint-Stock Companies (OaEC or VegüV; *Verordnung gegen übermässige Vergütungen bei börsenkotierten Aktiengesellschaften*). OaEC specifically bans termination payments, advance remunerations and commissions for the takeover of companies. None of Beaconsmind AG's remunerations fall into any of these categories. FINMA's Circular 2010/1 «Remuneration Systems» has been in force since January 1, 2010. The circular is primarily relevant for banks, securities dealers and other financial institutions as defined in the circular. Although Beaconsmind AG does not fall under the definition of financial institutions as defined in the circular, it uses the recommendations as guidance for its remuneration principles.

The compensations of the members of the Board of Directors and the members of the Executive Management shall be adequate, competitive and performance-oriented and shall be set in line with the strategic goals as well as the success of Beaconsmind AG.

Adequate: Adequacy is the basis of a fair remuneration system and ensures that nobody is discriminated against. For this reason, the function of a person (skills and responsibility), and the level of effort and personal involvement required in the success of Beaconsmind AG are taken into account when determining compensation. In certain functions, experience or specific know-how are also important components.

Competitive: Beaconsmind AG needs a competitive compensation system to recruit and retain the best employees to accomplish its mission. For this reason, it is orientated towards the compensation models of companies that compete with Beaconsmind AG for talent. Companies in competition with Beaconsmind AG for talent include public and private Western European, Asian and North American firms in the technological sector, established companies or start-ups.

Performance-oriented: At Beaconsmind AG, compensation reflects first and foremost the performance of the employee. In addition to the individual performance, the work within a team and across departments is also encouraged and recognised. In addition to the fixed remuneration, compensation may also contain variable components – above all where the individual performance is measurable and contributes directly towards the success of the business. Performance metrics include qualitative metrics like co-worker reviews, client feedback, overall commitment to the company,

personal exposure in the role, level of responsibility. Further quantitative metrics support the assessment, and metrics include but are not limited to revenue growth, member growth, success in reaching pre-defined technological milestones etc.

In line with strategic goals: Corporate culture at Beaconsmind AG is based on long-term success. This is demonstrated by the continuous success of our services and products, as well as by the development of the employees in particular. The compensation system is therefore designed to support Beaconsmind AG's long-term development, and for this reason, members of the Executive Committee can receive variable compensation in cash or in the form of options on shares in Beaconsmind AG vesting over a certain time period. This supports their long-term commitment and brings their interests into line with those of Beaconsmind AG and its investors.

Note that no member of the Board of Directors received a 'golden handshake', and no additional compensation is to be received by members of the Board of Directors in the event of a change of control.

#### 1.1.2. Responsibilities and procedures for determining the compensation and share ownership programmes

The Articles of Association state that the shareholders meeting of Beaconsmind AG (the Shareholders Meeting) elects the compensation committee (*Vergütungsausschuss*) (the Compensation Committee), which consists of two members or more. The members of the Compensation Committee are elected individually. Only members of the Board of Directors are eligible for election. The ordinary term of office for the members of the Compensation Committee ends at the latest with the closing of the ordinary Shareholders Meeting following their election. Re-election is admissible. If the Compensation Committee is not fully staffed, the Board of Directors elects the missing members for the rest of the ordinary term.

The task of the Compensation Committee is to prepare the resolution of the Board of Directors concerning compensations of members of the Board of Directors and members of Executive Management and to submit a corresponding proposal to the Board of Directors. The Board of Directors resolves based on the proposal of the Compensation Committee on the compensation of the members of the Board of Directors and the members of Executive Management and submits these resolutions to the Shareholders Meeting to be voted on in accordance with art. 26d of the Articles of Association. To fulfil its duties, the Compensation Committee may consult other persons and external consultants and have them participate in its meetings. The Board of Directors may assign further tasks to the Compensation Committee.

In the year under report, the Compensation Committee met twice. No external advisors were consulted on the determination of the compensation and share ownership programmes.

#### 1.1.3. Changes during the year under report

Mr. Michal Krupinski became a member of the Board of Directors of beaconsmind AG doing the financial year 2020/21.

## 1.2. Rules in the Articles of Association on compensation and stock option plans

### 1.2.1. Principles on performance-related compensation and the additional amount for payments to members of the Executive Management

The compensation of the non-executive members of the Board consists of fixed compensation, variable compensation elements as well as further compensation elements and benefits. The compensation of the executive members of the Board of Directors and of the members of the Executive Management consists of fixed and variable compensation elements as well as further compensation elements and benefits. Total compensation shall take into account the position and level of responsibility of the recipient.

Such performance-related compensation is dependent on the qualitative and quantitative goals and parameters determined by the Board of Directors, as outlined in more detail in section 1.1.1 above.

Variable compensation shall take into account the achievement of specific performance targets. The performance targets may include individual targets, targets of the Company, group or parts thereof or targets in relation to the market, other companies or comparable benchmarks, taking into account position and level of responsibility of the recipient. The Board of Directors or, to the extent delegated to it, the Compensation Committee shall determine the relative weight of the performance targets and the respective target values.

If the maximum aggregate amount of compensation already approved by the Shareholders Meeting is not sufficient to also cover the compensation of one or more persons who become members of the Executive Management or are being promoted within the Executive Management after the Shareholders Meeting has approved the compensation of the Executive Management for the relevant period, then the Company or companies controlled by it shall be authorized to pay such member(s) a supplementary amount during the compensation period(s) already approved. The supplementary amount per compensation period shall in total not exceed 50% of the aggregate amounts of the compensation of the Executive Management last approved.

### 1.2.2. Principles for the allocation of equity securities and stock option plans

Compensation may be paid in the form of cash, shares, options or comparable instruments or units or other types of benefits. The Board of Directors shall determine grant, vesting, exercise, restriction and forfeiture conditions and periods. In particular, they may provide for continuation, acceleration or removal of vesting, exercise, restriction and forfeiture conditions and periods, for payment or grant of compensation based upon assumed target achievement, or for forfeiture, in each case in the event of predetermined events such as a change of control or termination of service. The Company may source the required shares or other securities through purchases in the market or by using its conditional share capital.

The allocation of equity securities, conversion rights, option rights or other rights with equity securities as underlying that members of the Board of Directors or members of Executive Management receive in their function as shareholders of the Company (e.g. subscription rights within a capital increase or option rights within a capital reduction) shall not be regarded as compensations and are not subject to this provision.

### 1.2.3. Employment agreements, loans, credit facilities, non-competes, and further mandates

The Company or companies controlled by it may enter into agreements with non-executive members of the Board of Directors relating to their compensation for a fixed term or for an indefinite term. Duration and termination shall comply with the term of office and the law.

The Company or companies controlled by it may enter into employment agreements with executive members of the Board of Directors and members of the Executive Management for a fixed term or for an indefinite term. Employment agreements for a fixed term may have a maximum duration of one year; renewal is possible. Employment agreements for an indefinite term may have a notice period of maximum twelve months.

Loans and credits may only be granted to the members of the Board of Directors or the members of Executive Management at market terms. Outstanding loans and credits to such members shall not exceed the total annual compensation of such individual.

The Company or companies controlled by it may enter into non-compete agreements with executive members of the Board of Directors and members of the Executive Management for the time after termination of employment. Their duration shall not exceed one year, and consideration paid for such non-compete undertaking shall not exceed the total annual compensation of such member during the preceding financial year.

The members of the Board of Directors and the members of Executive Management shall not occupy or exercise more mandates in the highest managing or supervising body of other entities that are obliged to be entered into the commercial register or a comparable foreign register and that are neither controlled by nor that control the Company:

- 5 mandates in publicly listed companies whereby positions in several different companies that form part of the same group of companies are regarded as one position; and
- 10 paid mandates with other entities, whereby positions in several different companies that form part of the same group of companies are regarded as one position; and
- 10 unpaid mandates, whereby mere expense recovery is not deemed to be compensation and positions in several different companies that form part of the same group of companies are regarded as one position.

Not subject to these limitations are mandates that are held by a member of the Board of Directors or a member of Executive Management (1) based on the instructions of the Company or (2) mandates in associations, charitable organizations, foundations, trusts as well as employee welfare foundations, provided that not more than 10 of such mandates for each (1) and (2) are held.

### 1.2.4. Voting procedure by the Shareholders Meeting

The Articles of Association state that once a year, the Shareholders Meeting votes separately and in a binding manner on the approval of the maximum total compensation the Board of Directors has proposed for:

1. the Board of Directors for the business year following the ordinary Shareholders Meeting;
2. the Executive Management for the following financial year.

The Board of Directors may submit for approval by the Shareholders Meeting deviating or additional proposals relating to the same or different periods.

In the event that the Shareholders Meeting does not approve a proposal of the Board of Directors, the Board of Directors shall determine, taking into account all relevant factors, the respective (maximum) aggregate amount or (maximum) partial amounts, and submit the amount(s) so determined either at the same or a following Shareholders Meeting for approval.

The Company or companies controlled by it may pay or grant compensation prior to approval by the Shareholders Meeting subject to subsequent approval.

### 1.3. Compensation of the Board of Directors

#### 1.3.1. Determination method

The Compensation Committee has the responsibility to review and assess the compensation of the Board of Directors. When reviewing and assessing the compensation of the Board of Directors, the Compensation Committee takes into account the remuneration of comparable listed companies as well as the actual and necessary involvement of the member in question. Comparable companies include public Western European, Asian and North American firms in the technological sector, established companies or start-ups, with analogous business models relating to location-based and digital marketing. Based on the Compensation Committee's proposal, the Board of Directors shall stipulate the compensation of its members and shall submit the maximum remuneration of the Board of Directors to the Shareholders Meeting for approval. More details on the basic principles of compensation are outlined in section 1.1.1 above.

### 1.3.2. Fixed compensation

Beaconsmind AG has paid the following fixed compensation in the following form and amount for the financial year 2020/2021:

Name	Functions	Cash compensation (Including social security contributions)	Option compensation (excluding social security contributions)
Max Weiland	Member and Chairman of the Board of Directors;  Chief Executive Officer	CHF 13'750	CHF 0
Jorg Hensen	Member of the Board of Directors;  Member of the Compensation Committee	CHF 17'278	CHF 0
Michal Krupinski	Member of the Board of Directors;  Member of the Compensation Committee	CHF 7'500	CHF 0
Edwin Navez	Member of the Board of Directors;  Member of the Compensation Committee	CHF 13'750	CHF 0
Total		CHF 52'278	CHF 0

### 1.3.3. Variable compensation

The members of the Board of Directors did not receive any variable compensation for the year under report.

### 1.3.4. Other compensation

Salary components such as public transport season tickets and private use of company cars are reported under the heading "other compensation" of this section. During the year under report, as well as in the previous year, the members of the Board of Directors did not receive any compensation that falls into this category.

### 1.3.5. Social insurance

The reported employer social insurance contributions encompass payments for AVS when members of the Board of Directors exercise options. They correspond to the contributions stipulated by law. Beaconsmind AG does not make any contributions on behalf of members of the Board of Director exceeding these.

### 1.3.6. Loans and credits

No loans and credits were extended in 2020/21 to members of the Board of Directors, and there were neither loans nor credit facilities outstanding at the start of the period.



### 1.3.7. Additional fees and remuneration

There were additional fees and remuneration in the business year 2020/2021 to Board of Directors member Jorg Hensen of CHF 3'303 (cash) and CHF 225 (related social contributions), for a commission scheme in relation with the acquisition of new clients.

### 1.4. Proposal to the Shareholders Meeting of December 16, 2021, for the compensation of the Board of Directors for the business year 2021/2022

The Board of Directors proposes to the Shareholders Meeting of December 16, 2021 to approve a maximum total compensation for the Board of Directors for the business year 2021/2022 in the amount of CHF 150,000 including any options (including the corresponding employer social insurance contributions).

### 1.5. Compensation of the Executive Management

#### 1.5.1. Determination method

The compensations of the members of the Board of Directors and the members of the Executive Management shall be adequate, competitive and performance-oriented and shall be set in line with the strategic goals as well as the success of Beaconsmind AG. Criteria are further detailed in section 1.1.1 above.

Beaconsmind AG has paid the following compensation in the following forms and amounts for 2020/21:

Compensation period 2020/2021	Fixed (cash)	Gratification (cash)	Social contributions	Other compensation	Variable (options)
Total Executive Management	CHF 154'894	CHF 93'986	CHF 21'320	CHF 22'491 (company car)	0

#### 1.5.2. Fixed components

The Chief Executive Officer and the remaining members of the Executive Management received a basic salary. The level of the basic salary is based above all on the function (responsibilities and skills) as well as on the experience and qualifications of the relevant member of the Executive Management. The compensation is also based on current executive salary statistics for executive salaries comparable companies. Comparable companies include public and private Western European, Asian and North American firms in the technological sector, established companies or start-ups, with similar business models. Criteria are further detailed in section 1.1.1 above. The payment of the fixed components is performed monthly in cash.

#### 1.5.3. Variable components and gratification

The bonus paid to the Chief Executive Officer and the remaining members of the Executive Management consists of two components, reflecting on the one hand the results of beaconsmind AG

and on the other hand the individual achievement of objectives. The criteria for variable components and for the gratification are further detailed in section 1.1.1 above. If the financial or individual targets have not been achieved, the Board of Directors may reduce or suspend the bonus components at its own discretion.

## 1.6. Proposal to the Shareholders Meeting of December 16, 2021, for the compensation of the Executive Management for the business year 2021/2022

The Board of Directors proposes to the Shareholders Meeting of December 16, 2021 a maximum total compensation for the Executive Management for the business year 2021/2022 in the amount of CHF 450,000 including any options and the corresponding employer social insurance contributions.

## 1.7. Other compensation

Salary components such as public transport season tickets and private use of company cars are reported under the heading "other compensation". During the 2020/2021 year, the member of the Executive Management received CHF 22'491 of compensation that falls into this category for a company car.

## 1.8. Social insurance

The reported employer social insurance contributions encompass all mandatory payments (including administrative costs) and correspond to the contributions stipulated by law. Beaconsmind AG does not make any contributions on behalf of the Executive Management members exceeding these contributions stipulated by law.

## 1.9. Loans and credits

No loans and credits were extended in 2020/21 to members of the Executive Management. There were neither loans nor credits granted at the start of the period.

## 1.10. Additional fees and remuneration

Additional fees or remuneration were paid to members of the Executive Management for the financial year 2020/21, in the form of a CHF 100'000 bonus to Max Weiland, CEO (cash CHF 93'986 / social contribution CHF 6'014).

## 1.11. Share ownership

### 1.11.1. Board of Directors

The table below shows the number of existing shares that are held by the individual members of the Board of Directors and the rights to receive shares (directly or indirectly) held by such persons as of the end of the 2020/2021 financial year. None of the members of the Board of Directors holds any rights that would qualify as 'sale positions' under the Federal Act on Financial Market Infrastructures and the Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act; *Finanzmarktinfrastrukturgesetz*).

<b>Name</b>	<b>Shares held – purchase position for shares</b>	<b>% of the capital registered in the Commercial Register</b>	<b>% of voting rights</b>
Max Weiland	500,203 existing shares;	24%	24%
Jörg Hensen	15,940 existing shares;	1%	1%
Michal Krupinski	0 existing shares;	0%	0%
Edwin Navez	71,712 existing shares;	3%	3%
Total	587'855 existing shares;	28%	28%

### 1.11.2. Executive Management

The table below shows the number of existing shares that are held by the individual members of the Executive Management and the rights to receive shares (directly or indirectly) held by such persons as of the end of the 2020/2021 financial year. None of the members of the Executive Management holds any rights that would qualify as 'sale positions' under the Financial Market Infrastructure Act.

Name	Shares held – purchase position for shares	% of the capital registered in the Commercial Register	% of voting rights
Max Weiland	See section 1.11.1 above	See section 1.11.1 above	See section 1.11.1 above

## 2. Additional information required by VegüV / OaEC

This section of the Remuneration report provides quantitative information on the individual components of the compensation of the Board of Directors and of the Executive Management, as stipulated by art. 14 to 16 of the OaEC. Sections 2.1, 2.2 and 2.3 of this Remuneration report have been reviewed by the auditors in accordance with the OaEC.

### 2.1. Compensation paid during the compensation period 2020/2021 – audited information

The Remuneration report and the information provided herein refer to the compensation period 2020/21. Beaconsmind AG's compensation periods correspond with the respective financial year of Beaconsmind AG.

#### 2.1.1. Compensation paid to existing members of the Board of Directors

The total compensation amounts to CHF 52'278.

Name	Functions	Cash	Shares	Options	Social contributions*	Total
Max Weiland	Chairman of the Board of Directors; Member of the Board of Directors  Chief Executive Officer	CHF 12'954	CHF 0	CHF 0	CHF 796	CHF 13'750
Jorg Hensen	Member of the Board of Directors;  Member of the Compensation Committee	CHF 16'175	CHF 0	CHF 0	CHF 1'103	CHF 17'278
Michal Krupinski	Member of the Board of Directors;	CHF 7'020	CHF 0	CHF 0	CHF 480	CHF 7'500

	Member of the Compensation Committee					
Edwin Navez	Member of the Board of Directors; Member of the Compensation Committee	CHF 12'872	CHF 0	CHF 0	CHF 878	CHF 13'750
<b>Total</b>		CHF 49'021	CHF 0	CHF 0	CHF 3'257	CHF 52'278

(\*) Social contributions include the employer's social security contributions.

### 2.1.2. Compensation paid to former members of the Board of Directors

No compensation was paid to former members of the Board of Directors.

### 2.1.3. Compensation paid to existing members of the Executive Management

The total compensation amounts to CHF 292'691. Of the total amount, CHF 0 were paid in the form of shares and CHF 0 in the form of options. The Executive Management consists of one member. The highest compensation per member amounts to CHF 292'691.

Name	Functions	Cash	Options	Social contributions*	Other compensation**	Total
Max Weiland	Chief Executive Officer	CHF 248'880	CHF 0	CHF 21'320	CHF 22'491	<b>CHF 292'691</b>
<b>Total</b>		CHF 248'880	CHF 0	CHF 21'320	CHF 22'491	<b>CHF 292'691</b>

(\*) Social contributions include employee contributions to social security and pension funds as well as contributions to non-occupational accident insurance.

(\*\*) Other compensation includes a company car.

There was no additional amount for compensation used

### 2.1.4. Compensation paid to former members of the Executive Management

No compensation was paid to former members of the Executive Management.

## 2.2. Loans and credit facilities – audited information

### 2.2.1. Existing members of the Board of Directors

No loans or credit facilities were granted to existing members of the Board of Directors.

### 2.2.2. Former members of the Board of Directors or Executive Management

No loans or credit facilities were granted to former members of the Board of Directors.

## 2.3. Related parties – audited information

### 2.3.1. Compensation made to related parties

No compensation was made to related parties to the Board of Directors or the Executive Management.

### 2.3.2. Loans and credit facilities granted to related parties

No loans or credit facilities were granted to related parties to the Board of Directors or the Executive Management.