

DIVERSITY REPORT 2020

Report on the underrepresented gender and diversity cf.
Sections 99 b and 107 d of the Danish Financial Statements Act
for the financial year 2020.

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This document is an integral part of the management
report in the SimCorp Annual Report 2020.

 **SimCorp**

DIVERSITY REPORT 2020

We are committed to making SimCorp a truly diverse and inclusive workplace. A workplace, where all employees have equal opportunities, feel included, and are valued for the different perspectives and competencies they bring. We believe that SimCorp will be most successful, when we collaborate, are courageous, curious, and capable, and together build a culture, where everyone can thrive and be their true selves.

To succeed with the above commitment, SimCorp has defined three focus areas, which will guide our global diversity and inclusion journey:

- Build an inclusive culture
- Boost diverse talent
- Increase female leadership

Recognizing that inclusion is a key enabler for making diversity thrive, gender diversity included, our efforts for 2020 have been centered around building the foundation for an inclusive culture. This includes creating a common understanding and language around diversity and inclusion, building awareness around how to support inclusive behaviors, providing tools for dialogue, and discussing the obstacles we may meet on this journey.

RESULTS AND ACTIVITIES IN 2020

- Report on diversity at management level in accordance with Sections 99 b and 107 d of the Danish Financial Statements Act

Management level

Regarding gender diversity, it is our objective to develop female talent within the business and to increase the proportion of women at all management levels. As part of the priority to 'increase female leadership', SimCorp has set a target to increase the share of women in management positions over the next three years to 34% by the end of 2023. Furthermore, specific targets have been defined to increase the proportion of women in SimCorp's Group Management Committee (GMC) and Executive Management Board (EMB). These targets are outlined in our Diversity and Inclusion Policy. We will continuously monitor our progress on these targets and have

defined a number of activities for 2021, which focus on developing female talent and increasing the number of female leaders at SimCorp.

In 2020, the total proportion of women in the SimCorp Group has remained stable at 32.3%, compared with 32.3% in 2019. For management positions, the proportion of women is 30.4% as of December 31, 2020 compared with 31.4% in January 2020*.

* As of January 2020, the people manager definition has been updated to include all managers, independent of number of direct reports.

Activities

To create a foundation for building an inclusive culture, a global training program has been rolled out to all employees and managers. The purpose of the program is to create awareness and knowledge around key parameters, which enable inclusion at work, and to support local dialogue about diversity and inclusion. The training provides employees and managers with practical tools on how to; build psychological safety within their team, mitigate unconscious bias, support inclusive practices, and engage in dialogue around diversity and inclusion. Recognizing that our leaders play a crucial role in acting as role models for this journey, all managers receive training in how to foster an inclusive culture.

To ensure inclusion is anchored in our key processes, the talent acquisition process has been updated. Thus, guidelines for creating job ads have been revised, and a new text analytics tool has been introduced to remove gender-biased wording in job ads. Furthermore, the job application process has been updated to attract more diverse talent, while each step of the recruitment process is being reviewed to mitigate the effect of unconscious bias. As part of our efforts to support a more diverse talent pool, we are currently

experimenting with blinding CV's. Depending on the outcome of this experiment, our aim is to integrate blinding CV's to our overall recruitment process in 2021. To monitor each step of the recruitment process, new analytics are being developed, which will enable us to track gender diversity as well as other diversity parameters within our talent pool, all the way from receiving the application to signing the contract. These analytics will help us initiate actions where necessary.

Gender diversity is also an important parameter in our succession planning, where we continuously monitor the percentage of female candidates in our pipeline.

Local initiatives to support gender diversity

As we recognize that local needs might differ from our global focus areas, several local diversity and inclusion initiatives are carried out in parallel. As an example, SimWomen in EMEA has been established as a local resource group focusing on females in SimCorp. The purpose of the group is to empower women, help build a female network, and support women in their careers.

In North America, all employees and managers are participating in mandatory training about workplace harassment to ensure that all employees feel safe at work. The training defines what is considered inappropriate behavior and highlights the correct escalation protocol for both employees and managers.

- b.** Report on diversity at the Board and Executive Management Board levels in accordance with Sections 99 b and 107 d of the Danish Financial Statements Act

Board and Executive Management level

As outlined in our Diversity and Inclusion Policy, it is SimCorp's objective to ensure diversity within the Board of Directors and Executive Management Board.

To support diversity, the Board carries out an assessment as part of its annual cycle activities to evaluate the Board's composition and capabilities. The goal is to ensure that the Board collectively contributes to the areas of expertise required to support SimCorp's transformation and that the geographies represented by its members reflect SimCorp's markets.

Regarding gender diversity within the Board of Directors, the company has set as a target to have as a minimum two directors of the underrepresented gender elected by the Annual General Meeting and the goal is set to be reached in 2021.

As there was no new board members elected to the Board at the Annual General Meeting in 2020, still only one of the six shareholder-elected members is currently of the underrepresented gender.

For the Executive Management Board (EMB), SimCorp has set as a target for the group to comprise a minimum of 25% of the underrepresented gender. When recruiting new members to EMB, gender, age, nationality, and professional capabilities should be taken into account to ensure diversity within the group. The EMB will, similar to the Board, consider the composition of the group and the overall diversity when recruiting new members.

In 2020, the Board concluded that the diversity of the EMB and the Board with regard to gender, age, nationalities, and educational backgrounds represented by its members is appropriate in light of the company's strategy and markets. The target figure for gender diversity within the Board and EMB, respectively, has, however, not yet been reached.

At the Annual General Meeting 2021, the Board will propose Susan Standiford as a seventh shareholder-elected member of the Board, which will bring the number of members of the underrepresented gender up to two of seven members.

DIVERSITY ACTIVITIES 2021

In 2021, we will continue to actively support an inclusive culture. Additionally, we will unfold our two other priorities: boost diverse talent and Increase female leadership. Topics and initiatives will include:

a. Build an inclusive culture

The global diversity and inclusion training will continue in 2021 to ensure that all current employees as well as new hires gain knowledge on how to support an inclusive culture. Key learnings from the training will be reinforced by help of a toolbox enabling managers to engage in a dialogue around diversity and inclusion within their teams. Efforts to anchor the theme of inclusion in our key people processes will also continue in 2021.

Leadership is a key lever for building an inclusive culture. Accordingly, one of our activities for 2021 will be to put even more focus on inclusive leadership in our leadership training and to support the local management teams in how they can nurture and support an inclusive culture. Furthermore, the diversity and inclusion training for SimCorp's Group Manage-

ment Committee initiated in 2020 will continue in 2021 with individual coaching sessions.

b. Boost diverse talent

To secure a diverse talent pool, a new assessment tool focused on diversity will be implemented as part of the overall recruitment process. Additionally, all managers will be trained in interviewing practices to reduce unconscious bias, just as the experimentation with blinding CV's will continue.

During 2021, all managers will receive training in how to facilitate dialogues around privilege and racism. The purpose is to build awareness of what it is like to be an ethnic minority and how dialogue can help fight bias and prejudices related to race, thereby securing that all employees have the same opportunities.

c. Increase female leadership

To increase the proportion of female leaders in SimCorp, local dialogues will be facilitated to uncover how to best support more females in pursuing leadership via local and global initiatives. Additionally, SimCorp will take actions to increase transparency around hiring and promotions, ensuring all open positions are posted. Further reporting will be developed to enable continuous monitoring of the progress.

To support female leaders at a societal level, SimCorp has joined Danish Standard in developing a national leadership standard focused on gender diversity. By taking part in shaping such a standard together with other companies and subject matter experts, SimCorp will be able to build internal structures for supporting more female leaders, while at the same time contributing to placing this topic on the agenda within the Danish society.

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