

REPORT OF THE SUPERVISORY BOARD

DEAR SIR OR MADAM,

A lot has been said about the year 2022. It remains to be seen whether the year that has just ended truly marked the start of a new age. However, we can definitely say that 2022 was a challenging year for each and every one of us as well as for Bechtle AG. At the beginning of the year, the COVID-19 pandemic was still in full swing. Then Russia attacked Ukraine, and apart from the terrible direct consequences of the war, we were faced with a shortage of raw materials and the associated high inflation. The already strained global supply chains came under further pressure. Bechtle felt all of this. Nevertheless, Bechtle again excelled with its strong, resilient business model. In view of the difficulties faced in 2022, the high revenue and earnings growth rates reported by Bechtle are truly remarkable. Of course, this does not mean that we are not affected by the macroeconomic situation. Still, we have a large, loyal customer base with a continuously high demand for innovative IT solutions, especially during these times. In the future, IT will play an even greater role in all industries. Thus, the demand for a reliable IT partner like Bechtle will continue to grow. We are fully confident that Bechtle will remain successful. Within the scope of its duties, the Supervisory Board will continue to help to responsibly and systematically shape the company's successful development.

In 2022, the Supervisory Board again meticulously performed all its audit and controlling duties pursuant to law and the Articles of Incorporation. The Supervisory Board regularly provided the Executive Board with advice concerning the administration of the group and closely monitored and supported the company's management and development. In this context, the two boards always cooperated in an open and constructive manner.

The Executive Board regularly informed the Supervisory Board about all aspects significant to the company in a prompt and comprehensive manner. This included the status of the roll-out of the Vision 2030, the Climate Protection Strategy, the further development of the Executive Board organisation, the group's business performance, possible acquisitions (especially also in the context of the expanded

acquisition strategy), the challenges of the procurement markets and their effects on revenue recognition and capital commitment, the company's response to the pandemic, future investments, location-related issues, the risk situation, the opportunity and risk management as well as basic issues related to the corporate planning and governance.

The Chairman of the Executive Board, in particular, maintained close contact with individual Supervisory Board members, primarily with the Chairman of the Supervisory Board, even outside the regular meetings. Additionally, the Executive Board informed the Supervisory Board as a whole about key operational indicators, the implementation of business plans and the employment situation of the group, segments and all major subsidiaries on a monthly basis. At quarterly meetings, we also intensively elaborated on the respective past quarter and the short and medium-term perspectives.

At its meetings, the Supervisory Board regularly looked into the business performance of the group as well as the assets and financial position and the implementation of the corporate strategy. Moreover, we continually dealt with the risk situation – especially also in connection with the global supply issues and the tense macroeconomic situation – and actively participated in the further development of the control and risk management system of Bechtle AG.

Thanks to the timely and detailed information received from the Executive Board and its own audits, the Supervisory Board was able to comply fully with its monitoring and consulting duties. We confirm that the Executive Board has acted lawfully, correctly and economically in every respect. The Executive Board regularly consulted the legal and compliance department as well as group controlling and actively used the risk management system.

Bechtle AG supports the members of the Supervisory Board in onboarding and training measures. In the reporting period, the Supervisory Board received training on the German Corporate Governance Code (DCGK) and on the Executive Board compensation. Some members of the Supervisory Board also took part in training measures in the reporting period in the fields of statutory framework conditions and new regulations, corporate governance (especially the amendments to DCGK) as well as sustainability and reporting obligations in this area.

MEETINGS AND CENTRAL ISSUES

In the reporting period, the Supervisory Board held six ordinary plenary sessions: on 19 January, 3 February, 16 March (balance sheet meeting for the annual and consolidated financial statements for 2021), 20 July, 21 October and 28 October 2022. Meeting attendance was as follows:

	19.01	03.02	16.03	20.07	21.10	28.10	Meeting attendance
Shareholder representatives							
Kurt Dobitsch	●	●		●	●	●	83.3%
Dr. Lars Grünert	●	●	●	●	●	●	100%
Prof. Dr. Thomas Hess	●	●	●	●	●	●	100%
Elke Reichart	●	●	●	●	●	●	100%
Sandra Stegmann	●	●	●	●	●	●	100%
Klaus Winkler	●	●	●	●	●	●	100%
Employee representatives							
Uli Drautz	●	●	●	●	●	●	100%
Daniela Eberle	●	●	●	●	●	●	100%
Anastasia Polidoros	●		●	●	●	●	83.3%
Anton Samija	●	●	●	●	●	●	100%
Volker Strohfeld	●	●	●	●	●	●	100%
Michael Unser	●	●	●	●	●	●	100%

Apart from the resolutions adopted at the meetings, the Supervisory Board and/or its committees also adopted resolutions via circular procedure where relevant, in particular in urgent cases. We discussed all measures and transactions that required the approval of the Supervisory Board or its committees in detail at Supervisory Board and committee meetings. At its balance sheet meeting on 16 March 2022, the Supervisory Board approved the annual financial statements and the consolidated financial statements of the prior year (thereby adopting the annual financial statements) and accepted the Executive Board's proposal for the appropriation of profits and the business planning for 2022.

In the past fiscal year, the most important subjects discussed included the following:

- The group's short-term strategy against the backdrop of the pandemic and the supply problems, its medium to long-term strategy especially with a view to the cloud and managed services business, new business opportunities and the expansion of the M&A strategy, as well as the targets achieved in the course of the strategy roll-out

- The economic development of the group, especially in the face of the challenging framework conditions
- The increased capital commitment and financing issues in the group due to the difficult framework conditions
- The global supply chain problems and the consequences of this for the business of Bechtle AG
- Acquisition plans, also in the context of the expanded M&A strategy
- The further development of the Executive Board organisation, the governance structure and the succession planning
- The Executive Board compensation system and the Executive Board compensation
- The organisation of the Supervisory Board work, especially with a view to compliance with the new recommendations of the German Corporate Governance Code (DCGK)
- The Climate Protection Strategy, which was presented in the reporting period, and the non-financial group statement
- The internal audit and risk management system

STAFFING OF THE SUPERVISORY BOARD AND EXECUTIVE BOARD

In 2022, the staffing of the Executive Board and Supervisory Board of Bechtle AG did not undergo any changes.

COMMITTEE WORK

To fulfil its duties, the Supervisory Board has formed three committees: the audit committee, the personnel committee and the arbitration committee.

The audit committee came together on 2 February, 15 March, 19 July and 27 October 2022. Additionally, it held telephone conferences prior to the interim reports of Bechtle AG on 11 May, 10 August and 9 November 2022. Meeting attendance was as follows:

	02.02	15.03	11.05	19.07	10.08	27.10	09.11	Meeting attendance
Kurt Dobitsch	●		●	●	●	●	●	85.7%
Sandra Stegmann	●	●	●	●	●	●	●	100%
Klaus Winkler	●	●	●	●	●	●	●	100%
Uli Drautz	●	●	●	●	●	●	●	100%
Daniela Eberle	●	●	●	●	●	●	●	100%

In 2022, the audit committee dealt with transactions that require approval, especially acquisition plans, location-related issues and long-term contracts. Other subjects discussed included the interim financial reports, the revenue and earnings performance under the difficult framework conditions, the development of the cash flow and of the working capital against the backdrop of the supply issues, the preliminary audits of the annual and consolidated financial statements, the non-financial group statement and the proposal for the appropriation of profits, the review of the internal control and risk management system and the expansion by the identification and assessment of the sustainability risks according to the new requirements of DCGK within the scope of the sustainability risk management. The meetings also focused on the monitoring of the auditor's independence, the definition of the main issues to be audited, the agreement of the audit fee, the corporate governance and the selection of the auditor for the annual and consolidated financial statements for 2022 and subsequent years.

In 2022, the personnel committee came together eight times: on 27 January, 23 February, 7 March, 6 April, 18 July, 27 October, 10 November and 22 December 2022. Meeting attendance was as follows:

	27.01	23.02	07.03	06.04	18.07	27.10	10.11	22.12	Meeting attendance
Prof. Dr. Thomas Hess	●	●	●	●	●	●	●	●	100 %
Klaus Winkler	●	●	●	●	●	●	●	●	100 %
Uli Drautz	●	●	●	●	●	●	●	●	100 %

The meetings of the personnel committee focused mainly on the revision of the compensation system and compensation report of the Executive Board, the recommendations of the German Corporate Governance Code (DCGK), the restaffing of some Executive Vice President positions, the further development of the management organisation and the employment contracts with Executive Vice Presidents.

The arbitration committee pursuant to Section 27 (3) of the German Co-determination Act (MitbestG) was not convened in 2022.

The Supervisory Board regularly and meticulously conducts a self-assessment of its activity with the support of Deutsche Schutzvereinigung für Wertpapierbesitz e.V. The self-assessment was last conducted in the reporting period. Based on recommendations from the Supervisory Board, action recommendations are developed, presented at the plenary meeting and, after intensive review, included in the work of the Supervisory Board. We consistently monitor the implementation of these recommendations in our Supervisory Board. The basic results of past self-assessments revealed that the workflows and processes in the Supervisory Board are efficient and target-oriented.

CORPORATE GOVERNANCE AND DECLARATION OF CONFORMITY

In the reporting period, we intensively examined the set of rules of the German Corporate Governance Code (DCGK), especially the amendments. To ensure compliance with the DCGK, we checked the implementation of the recommendations. Together with the Executive Board, we issued the Declaration of Conformity pursuant to Section 161 of the German Stock Corporation Act (AktG) in January 2022 and again in January 2023. Deviations from the recommendations of the Government Commission are explained in detail in the Declaration of Conformity. All Declarations of Conformity of the last five years and other documents concerning the corporate governance have been and continue to be made permanently available to the shareholders on the company's website. Bechtle's Corporate Governance Statement is the central document concerning the corporate governance. In the fiscal year ended, no conflicts of interest of Executive Board or Supervisory Board members arose that, according to the code, would have had to be disclosed to the plenum without delay and about which the Annual General Meeting would have had to be informed.



See Declaration of Conformity,
[bechtle.com/investors/
corporate-governance](https://bechtle.com/investors/corporate-governance)

AUDIT OF THE ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS 2022

The Annual General Meeting appointed Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, as auditor of the annual and consolidated financial statements for the fiscal year 2022. Following the commissioning by the Supervisory Board, the auditor audited the annual financial statements of Bechtle AG as well as the consolidated financial statements and the management reports of Bechtle AG and of the Bechtle Group for the fiscal year 2022, including the accounts as well as the risk management and early detection system, and awarded unqualified auditor's opinions. The audit also included the implemented monitoring system for early identification of risks and the internal audit and risk management system with respect to the accounting process. The auditor has confirmed that the installed systems are suitable for identifying developments endangering the company's going concern at an early stage.

The documents related to the financial statements, the proposal of the Executive Board for the appropriation of profits and the auditor's audit reports (including the opinion on the compensation report) were duly sent to the members of the Supervisory Board and discussed in detail in the audit committee and in the board as a whole. The auditor of the annual and consolidated financial statements also participated in the meeting of the audit committee on 14 March 2023 and in the balance sheet meeting on 15 March 2023. The auditor reported in detail on the material results of the audit and answered all questions of the Supervisory Board comprehensively.

Following its own review of the annual financial statements, the consolidated financial statements, the management report and the Group Management Report, the Supervisory Board approved the results of the audit conducted by the auditor. According to the final result of its audit, there were no objections. At the balance sheet meeting on 15 March 2023, the Supervisory Board thus approved the annual financial statements and the consolidated financial statements in accordance with the recommendation of the audit committee, thereby adopting the annual financial statements pursuant to

Section 172 sentence 1 of the German Stock Corporation Act (AktG). The Supervisory Board agreed to the Executive Board's proposal for the appropriation of the net profit and payment of a dividend of €0.65 per share. We approve the management report and the Group Management Report of the Executive Board and consider the proposal for the appropriation of profits to be appropriate.

The Executive Board and the Supervisory Board have prepared the compensation report in accordance with Section 162 of the German Stock Corporation Act (AktG). The auditor has audited the compensation report pursuant to Section 162 (3) sentence 2 of the German Stock Corporation Act (AktG) as to whether it contains the disclosures pursuant to Section 162 (1) and (2) of the German Stock Corporation Act (AktG).

The Supervisory Board also audited and comprehensively discussed the non-financial group statement of Bechtle AG, which was prepared by the Executive Board, at the balance sheet meeting on 15 March 2023. For the first time, the non-financial group statement was included in the management report as part of the Annual Report within the scope of the integrated reporting. The Executive Board explained the non-financial group report and answered the questions of the members of the Supervisory Board. The review conducted by the Supervisory Board did not give rise to any objections to the non-financial group report. The Supervisory Board approves the non-financial group report.

Though the macroeconomic situation eased slightly in early 2023, the uncertainties for the current fiscal year remain very high. The war in Ukraine is ongoing, and the risk of negative effects of COVID-19 on the business world has gone up again due to China's changed coronavirus policy. Accordingly, the gradual improvements in the global supply chain need to be considered with caution. Despite these distressing framework conditions, we are pleased to see that Bechtle is capable of handling these obstacles. For this reason, we are full of confidence with respect to the current fiscal year and coming years. This positive development is made possible by the people at Bechtle. Therefore, the Supervisory Board would like to express its sincere gratitude to all employees of the Bechtle Group in all 14 countries, the Executive Vice Presidents and managing directors of the group companies as well as the members of the Executive Board. The Supervisory Board will continue to accompany the development of Bechtle with great commitment in an advisory and controlling capacity.

On behalf of the Supervisory Board



Klaus Winkler
Chairman

Neckarsulm, 15 March 2023