

Alfresco Software Limited

Section 172(1) statement

Introduction and Board composition

Alfresco Software Limited (the Company) is wholly owned (indirectly) by Hyland Software, Inc., a company incorporated in the United

States of America. Hyland Software, Inc. is the level at which the overall strategy, policies and governance framework are set and directed, for Hyland Software, Inc., and its subsidiaries (Hyland Group), which includes the Company. It is also the level at which the principal decisions are made that affect the Company. The directors of the Company are as follows:

- T S Hood (appointed 22 October 2020)
- N A Person (appointed 22 October 2020)
- J Newton (resigned 22 October 2020)
- J H Bhatt (resigned 22 October 2020)

The directors, alongside the broader Hyland Group board of directors and key management team, which includes the Chief Executive Officer, Chief Financial Officer, Chief Administrative Officer, Chief Commercial Officer, Chief Legal Officer, and Chief Product Officer, are responsible for the decisions made for the Company. The directors and members of the Hyland Group key management team are made up of individuals that represent various stakeholder groups, which helps the board to identify the impacts of the board's decisions on the Company's stakeholders. The board and key management meet frequently to facilitate communication and provide relevant information to support decision making. The decisions made by the board are based on the consideration of recommendations of the members of key management. The diversity of the board and members of key management, including their functional expertise, allows them to identify the long-term consequences of their decisions. Financial and other key operating metrics are provided to the board and key management to support the decision-making process. The decisions made by the Hyland Group board are delegated to the directors of this Company with respect to their section 172 responsibilities.

The directors understand their responsibilities to promote the success of the Company in accordance with Section 172 of the Companies Act 2006. The directors of the Company consider that they have the right skills, experience and knowledge to enable them to discharge their respective duties and responsibilities effectively.

Stakeholders

Section 172 of the Companies Act 2006 requires the directors to have regard to several factors including taking into consideration the interests of its stakeholders in their decision making. The directors of the Company believe, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006), in the decisions taken during the period ended 31 December 2020. The directors are cognisant that in discharging this key responsibility, they must have regard to:

a. The likely consequence of any decision in the long term.

b. The interests of the Company's employees - having engaged employees with aligned values is the foundation of our success. We invest in training, development and coaching to ensure the required knowledge and behaviours are aligned with the Company strategy and values. It is important for our employees to feel connected to the Company's purpose. The health, safety, and wellbeing of our employees is one of the primary considerations in the way we do business.

c. The need to foster the Company's business relationships with suppliers, customers and others. We engage with these stakeholder groups to ensure that we:

- Are providing sustainable technology solutions and anticipate future demand. As an open source technology provider, we are continually sharing, collaborating and improving.
- Obtain feedback on where we are performing well and any areas where we can improve.
- Have effective two-way communication and manage expectations.
- Negotiate key terms of contracts and pricing that is fair and favourable to both parties.

d. The impact of the Company's operations on the community and the environment - giving back is a core part of our culture. Each year Hyland provides the opportunity for employees to volunteer their time in support of local charities.

e. The desirability of the Company maintaining a reputation for high standards of business conduct - this is reflected in our values: Integrity, Family, Partnership, Solutions and Passion. Our values define our culture.

f. The need to act fairly between members of the Company - The Company's ultimate controlling party is Thoma Bravo, LP (TB), a private equity firm investing in growth companies, headquartered in the United States of America. TB has sought to create deal sourcing advantages and accelerate growth and improve operations in the Company, in partnership with our management team. This therefore influences Hyland Group's strategy to support the long-term success of the Company and to maximise shareholder value and any potential future exit strategy.

Principal decisions during the period ended 31 December 2020

Principal decisions are those that are material to the Company and which are significant to any of the stakeholder groups. The following are the principal decisions made by the directors during the period ended 31 December 2020:

- In October 2020, Hyland Software Inc. acquired AF Software Holdings, Inc. and its subsidiaries (Alfresco). Through the acquisition of AF Software Holdings, Inc., Hyland acquired multiple subsidiaries including Alfresco Software Limited. The addition of Alfresco's solutions augments Hyland's range of content services offerings and provides new opportunities to engage with the open-source community for product innovation, and specifically strengthens Hyland's cloud presence with its platform-as-a-service.