



PLAYBOOK

★ 2022–2026 ★

TRACE3

CONTENTS

OPPORTUNITY AWAITS 1

SURVEYING THE HORIZON. 3

CHECKING OUR GEAR. 6

THE PLAN. 9

JUICE AT THE EDGE, STRENGTH AT THE CORE 20

CALL TO ACTION 25

TRACE3 2022 PLAYBOOK

OPPORTUNITY AWAITS

Happy New Year Trace3!

As we set forth on our journey to a New Frontier in 2022, I can't help but think of the explorers who blazed trails before us – brave souls like Lewis & Clark who opened the western United States, Amelia Earhart who flew solo across the Atlantic, and Matthew Henson who planted the first flag at the North Pole.



Much of the imagery surrounding new frontiers comes from geography, flight, and space. Indeed, these very tangible yet uncharted aspirations have been the focus of expeditions large and small over the centuries.

In the years ahead, Trace3 will explore a different type of frontier, one that is rooted in technology and aspires to chart a new kind of client experience

and business outcomes. It will be arduous at times and require great flexibility as we adjust to market forces like supply chain challenges, industry consolidation, and a quickly converging IT landscape.

Success along the way will demand Street Smarts, Teamwork, and most of all, Juice. Thankfully, we have the right tools for this journey, tools that we've been honing since our foundation: our Brand pillars of **Emerging Tech, Elite Engineering, and Client Intimacy.**

"While this journey will be challenging, it also promises to be exciting and rewarding. There's no team I'd rather be traveling with than Trace3. I cannot wait for our next adventure to begin."

So it is with this playbook, "A New Frontier," that we are launching a new strategy – a five-year expedition if you will – that will fine-tune our brand differentiation and Go-To-Market to take advantage of our own industry's transformation.

Our opportunity to step into a New Frontier is a recognition of our hard work to date. Many of you have been here since the beginning, and we certainly appreciate the long hours, the dedication to client service, and the extra effort that makes this next phase of Trace3's growth possible. On behalf of the senior leadership team, I want to say Thank You!

While this journey will be challenging, it also promises to be exciting and rewarding. There's no team I'd rather be traveling with than Trace3. I cannot wait for our next adventure to begin.

- RICH FENNESSY

TRACE3 2022 PLAYBOOK

SURVEYING THE HORIZON

As we plan our journey to a New Frontier, Trace3 must anticipate the road ahead. Market forces shaping the future of the IT industry will affect how we design our strategy and how we define our shared vision.

Four of these market forces stand out: Convergence, the Digital Experience, Data-Driven Decision-Making, and Securing the Distributed Enterprise. Leading them all is **Convergence**.

Convergence is the concept that two or more things come together to form a new whole under similar environmental conditions. A familiar example of this is the mobile phone (remember the bag phone?) and the portable audio player (Walkman, where art thou now?). As their popularity grew, these handheld single-use tools converged into what we know today.

Now, pandemic-induced demand for digital interactions is driving Convergence. COVID-19 sequestered everyone at home almost instantly,

and our entire world became a set of virtual transactions. Known more commonly as the consumer **Digital Experience**, this force includes how we engage, how we self-serve, and how we use data and predictive capabilities to improve end-to-end processes with technology.

What we see in our consumer life is now the bar for all things digital. Corporate IT buyers want to search, purchase, and track the delivery of everything, and that includes data center infrastructure. The public cloud has made it so.

With online procurement of hardware and software all but conquered, the Digital Experience appears aimed next at IT services. We see this through the development of virtual marketplaces built by Microsoft, AWS, and Google. Buyers are still figuring out how to integrate these marketplaces into their overall IT consumption behavior, so there is opportunity for early adoption here.

The long-term bright spot for the Digital Experience is to drive new thinking and create new opportunities across corporate IT. Our clients are looking to build holistic strategies for managing the complexity of their IT environments, to break down silos, and to make everything work more seamlessly. Our advantage here is that these expectations require emerging solutions, emerging services, and a partner who can execute on the vision.

The third market force is **Data-Driven Decision-Making**. While data aggregation and data visualization have been “nice to haves” for some years, the pandemic accelerated demand for Data-Driven Decision-Making exponentially. In the face of rapidly changing market conditions, organizations sought to leverage their own data to make better business decisions. The pandemic only highlighted, however, just how far most organizations were from being truly data driven. This reality has fostered the growth of new tools attempting to quicken the data-driven journey while only adding to the mystery of how to get it all done.

Because of this complexity, there is significant opportunity in this space to help organizations map and execute their data strategy. If we can shape the strategy, then we can also influence where that data resides (e.g. Hybrid Cloud) and how that data is secured, making data the ultimate foothold.

The fourth market driver is edge security or **Securing the Distributed Enterprise**. The pandemic overnight created a homebound workforce of millions. This in turn pushed new demand for endpoint bandwidth, application access, and data transfer. The new reality of virtual and hybrid work has presented an enormous set of unexpected challenges for organizational IT departments.

Going forward, most analysts agree that infrastructure spend is transitioning to Hybrid Cloud, and security and cloud spending will continue to rise. In the post-COVID-19 scenario, the global cybersecurity market alone is projected to grow from \$217.9B in 2021 to \$345.4B by 2026 for a Compound Annual Growth Rate (CAGR) of 9.7 percent.

As organizations accelerate to the cloud and continue to operate these new, virtual workforce models, security and cloud spend must keep pace to afford secure endpoint access to company resources. The intersection between traditional security and cloud adoption has never been more pronounced.

BACK TO CONVERGENCE

The good news – make that the great news – is that Trace3 has been successfully navigating these market forces for years.

Our skillsets in Innovation, Data, Hybrid Cloud, and Security provide the backbone for a winning approach to help our clients solve business problems with technology. The difference today is that our clients are seeking solutions in a package that is holistic if not Converged. They are asking us to help them address the forces of the Digital Experience, Data-Driven Decision-Making, and Securing the Distributed Enterprise all at once!

This will require a more consultative and integrated approach to how we view our clients' needs and how we align our teams to support. If we can do that, if we can embrace Convergence to innovate and to create superior business outcomes, we will take share and attract new growth.

This is where we can lead!

TRACE3 2022 PLAYBOOK

CHECKING OUR GEAR

It is an exciting moment in our industry – and for Trace3. Our readiness to address the market provides notable tailwinds, energized by our brand pillars of Emerging Tech, Elite Engineering, and Client Intimacy. These pillars continue to stand the test of time, and they have positioned Trace3 for our next phase of growth as we deliver on the notion that “All possibilities live in technology.”

These **Brand Pillars** are the traits that set us apart from our competitors, and they have been in place since our company's inception. They have fueled our growth and profitability for almost two decades.

TRACE3



Emerging
Technology



Elite
Engineering



Client
Intimacy

- **Emerging Tech.** This pillar represents our focus on being a next-gen technology solutions provider in the industry, always committed to innovation and finding leading-edge answers to complex problems. As an organization, we spend a lot of time and energy understanding tomorrow so we can help our clients make smart decisions today.

"When you advance a frontier, you're doing something that no one has done before. Every time that happens, you have to innovate."

- Astrophysicist Neil deGrasse Tyson

- **Elite Engineering.** This pillar demonstrates our focus on ensuring we have the most talented engineers, consultants, and technicians in the industry. Today, we employ nearly 500 engineers, more than any other function, focused on both today's and tomorrow's solutions. We are an engineering-led organization.

"Always deliver more than expected."

- Computer Scientist and Entrepreneur Larry Page

- **Client Intimacy.** This pillar highlights our focus on building quality account relationships by going deep with select clients who are like-minded on Innovation and digital transformation. We seek to work with these early adopters, known as lighthouse clients, to understand and consult in solving business problems first and then make technology recommendations that achieve the most optimal outcome for their environment.

“The great differentiator going forward, the next frontier for exponential growth, the place where individuals and organizations will find a new and sustainable competitive edge, resides in the area of human connectivity.”

- Author Susan Scott

When we look back across our performance in 2021 and our growth trajectory over the last five years, we feel confident that the Brand Pillars we’ve built are on target and correctly positioned for the future. Our customer satisfaction scores, our client retention rate, and market share gains all demonstrate that the market is rewarding our brand. Our Brand Pillars are what have made us great to date, and they are the same key ingredients we’ll need as we go forward into a New Frontier.

TRACE3 2022 PLAYBOOK

THE PLAN

In early 2021, we launched a new Vision for Trace3: “To always be an innovator for our clients, strategic in action, and committed to business value realization by operationalizing new technology solutions with world class consulting and elite engineering.”

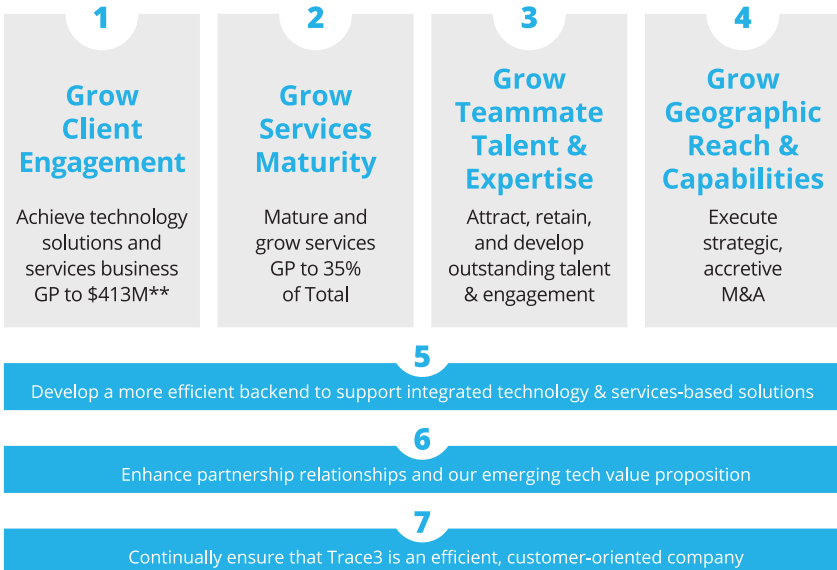
Over the last year, we made significant progress toward this Vision, but more work is required to ensure every client feels its power.

To drive further advancement, we have developed a Shared Vision framework. This approach is designed to 1.) provide clarity on our strategies for growth and differentiation, and 2.) provide alignment across our teams as we push toward a New Frontier.

Our destination is clear: to be recognized as a national Next-Gen IT solutions and services provider, combining strategy, execution, and technology to deliver superior client-business outcomes.

TRACE3

Trace3 will be recognized as a national Next-Gen IT solutions and services provider, combining strategy, execution, and technology to deliver superior client business outcomes by leveraging the company's foundational pillars of **Emerging Tech, Elite Engineering, and Client Intimacy***



* Achieve organic growth objective of \$3.0B revenue, \$555M GP, \$209M EBITDA (9.5%) by 2026 and progress along the way of \$1.7B revenue, \$413M GP, \$145M EBITDA (8.6%) by 2023

** Achieve technology solutions and services business GP to \$413M by leveraging key technology themes (DI, Cloud, Security)

If we do this well, the result will be hyper growth. So, associated with this Shared Vision framework are financial goals to expand our product and services businesses faster than the market. To do that, we estimate we'll need to achieve \$3.0B in organic (pre-M&A) gross revenue and \$209M in Contribution Margin in the 2026 calendar year.

Within our Shared Vision framework, we have identified key **Growth Drivers** and **Growth Enablers**, which are highlighted below.

GROWTH DRIVER: CLIENT ENGAGEMENT

Simply put, Trace3 exists to serve our clients. Our Go-To-Market has always been focused on sourcing and sharing innovation as part of our solution development. This continues to be a meaningful differentiator and is the core of our value proposition: we empower our clients with new technology and insights that give them a competitive advantage in their markets.

Our innovation and research portfolio combined with our engineering-led engagement model has allowed us to build meaningful client relationships, and we want to double-down on that motion wherever possible. We approach client business problems to educate and advise with unbiased insights and then evaluate and recommend with broad technical expertise. We then deliver and implement with deep architecture experience and support and assist with post-deployment services. This end-to-end engagement optimizes the experience for our clients and consolidates their needs across multiple topics and technologies into one intelligent relationship.

Today, we have more than 3,500 clients who look to Trace3 as their IT solutions provider of choice. This is a healthy base from which to grow, and we are particularly well represented in three industry segments where IT solutions are critical to business outcomes: Health Care, Financial Services, and Technology.

To fuel growth in Client Engagement, we aim to:

- **Grow Share of Wallet.** We will anticipate industry trends and scale our capabilities across demand drivers such as Data Intelligence, Hybrid Cloud, and Security, and we will lead the discussion as these topics converge. Working with the marketing team, we will leverage third party insights to establish a baseline for IT spend within key clients nationally and regionally. For example, if we can increase our Share of Wallet by just 1 percent within our top 20 clients in each region, this would represent \$632M of revenue and \$152M of gross profit in terms of incremental opportunity. Since much of our growth will build from improving Share of Wallet, Marketing

will work with the General Managers to help establish a Total Addressable Market perspective and account focus for their region's Top 20.

- **Grow Net New Clients.** In addition to growing Share of Wallet within existing clients, we must continue to expand the list of new clients who call Trace3 their preferred IT solutions provider. In partnership with our marketing team, we will ask our sales team to grow the number of Net New Clients by at least 100 every year. Our East Region has proven that an emerging sales team can use our unique positioning to secure new logos and expand those relationships materially. To prepare for this objective, we must understand the formula of our past successes. Specifically, over the last two years, two-thirds of our new clients' first Trace3 experience involved a consulting engagement with one of our emerging tech business units: Data Intelligence, Cloud, or Security.”
- **Grow Our Sales Team.** We plan to attract and grow the number of sales people by 10 percent annually. Our sales teams own the plan for establishing client intimacy and expanding client engagement within their accounts. To fuel our future growth, we must intentionally expand the number of sellers in existing regions and in targeted emerging regions as we build our national footprint.

GROWTH DRIVER: SERVICES MATURITY

Our services portfolio plays a critical role in delivering value to our clients. Over the last several years, we have enjoyed strong demand in this part of our business, which is now nearly \$200M in size and growing at a compound annual rate of 37 percent. Accordingly, our services offerings have expanded to address the needs of our clients with a mix of influence from both our regional teams and headquarters business units. Now, as we step back and look at our portfolio, we see our services capabilities fitting into three complimentary buckets:

- **Professional Services**, which typically includes assessment or implementation services tied to a technology product sale. This area represents 40 percent of our services revenue.
- **Emerging Services**, which usually includes a consulting engagement on design and strategy around key topics like Data Intelligence, Hybrid Cloud, and Security. This area also represents 40 percent of our services revenue.
- **Managed Services**, which typically focuses on helping our clients more efficiently manage their IT environment. This is the newest addition to our portfolio and represents 20 percent of our services revenue.

In the New Frontier, we intend to grow all three buckets. Today, about 20 percent of our overall gross profit is generated from our services business. Strategically, we are targeting to increase that figure to 35 percent over the next five years, with a shorter-term goal of growing it to 25 percent by the end of 2023.

To fuel this growth in Services Maturity, we aim to:

- **Harden / Standardize Offerings.** We believe that we can standardize up to 50 percent of our services portfolio. These standardized “core services” will go through a rigorous vetting process to ensure our sales teams have complete confidence in their delivery. At the same time, we will create a more robust portfolio-development process that facilitates learning from our bespoke engagements and, where appropriate, scaling those services into core offerings.
- **Clarify Roles and Responsibilities.** We will clarify our resource planning between headquarters and regional teams to enhance pre-sales and delivery of our engagements. For example, Emerging Services (Cloud, Security, and Data Intelligence) and Managed Services will be guided primarily from headquarters, while technology-based Professional Services will be driven primarily from the regions, with secondary support from headquarters around specific technologies or solutions. In addition, we will appoint an overall services leader at headquarters and within each region to work collectively with our sales teams to grow our services business.
- **Fully Utilize CRM.** To best serve our clients, we must fully utilize the opportunity management functionality within our NetSuite system to

provide insights and facilitate collaboration. That data, along with market and competitor information, will help us define our portfolio, efficiently recruit talent, and align investments across our business units and regions. These insights also will enable a more consistent approach to sales, services delivery, and ultimately client success.

The benefits of consistency can be seen through Trace3's past centralization of services operations and project management functions – this integrated team has played an instrumental role in helping us grow. As we plan to nearly triple our services business over the next five years, we will continue building our centralized services capabilities to provide best-in-class support. This includes everything from SOW creation to resource management to project management to client value realization.

GROWTH DRIVER: TALENT AND EXPERTISE

Our biggest asset within Trace3 is our people and their expertise. Trace3 is nearly 1,100 people strong, and we are committed to providing a superior experience for all members of our team.

Over the last two years, we have conducted annual employee engagement surveys and received invaluable insights on how to enhance the teammate experience. With this feedback, we have implemented specific strategies and action plans to drive continual improvement. We are pleased that our engagement score has increased from 70 to 75 percent over the last two years and is now above the national competitive benchmark.

That said, there is still much that can be done to ensure that Trace3 is the place to be!

To fuel Trace3 growth through Talent and Expertise, we aim to:

- **Grow the Trace3 Team.** We will grow the number of Trace3 teammates by 10 to 15 percent a year. In attracting new employees to Trace3, we will focus on recruiting the best existing talent in the industry along with the best new talent through our Tracer internship program. In the past year, we had more than 20 Tracers complete an internship, and many are now full-time members of the Trace3 team.

- **Evolve Our Expertise.** This past year, we launched the Legends program which is designed to give Trace3 team members the opportunity to develop new skills in support of their career path and their effectiveness in supporting clients. Going forward, we will continue to invest in and expand in Legends as we believe that team member development is critical to our success.
- **Enhance Teammate Experience.** We will provide more clarity for teammates to build and nourish their careers within Trace3. To support this, we will document clearer career paths associated with key roles so that individuals can chart a course based on their passion and drive.
- **Management Training.** We recognize that the role of the manager in any company is a critical one, and we have a very strong management team across Trace3. Like most skills, however, management is something that needs continual development. To ensure we have the best managers in the industry, we will invest in a multi-phased plan to build and enhance people-focused skills for those who lead, or want to lead, a team inside Trace3.

GROWTH DRIVER: STRATEGIC M&A

Over the last four years, Trace3 has completed two acquisitions, Data Strategy in 2018 and Groupware Technology in 2020. Each acquisition helped us expand into new geographies, expand our services capabilities, and add to our list of clients who prefer Trace3 as their IT solutions provider of choice.

Through these acquisitions, we also have learned a lot about what it takes to integrate companies effectively and efficiently. As we look to truly scale out to a national footprint, we anticipate accelerating our strategic M&A activity. This will most likely translate into acquiring 1 to 2 companies a year moving forward.

To fuel this growth in our M&A strategy, we aim to:

- Create a new **Corporate Development** function within Finance to help

identify and evaluate potential companies that would fit well within Trace3. This includes building an M&A strategy, managing a target pipeline, and executing against an M&A playbook.

- Create an **Integration Management Office** under our COO focused on driving the action plans associated with integrating these acquired companies operationally and culturally. This includes an Operational Integration playbook with key metrics to ensure success. This new office also will reduce the burden of integration efforts across many functional teams in the company.

GROWTH ENABLERS

Aligned with these Growth Drivers are what we call **Growth Enablers**. These imperatives represent the things we must focus on to ensure we successfully convert the Growth Drivers into true growth and to ensure that we deliver superior outcomes for our clients, partners, and teammates.

GROWTH ENABLER: EFFICIENT IT SYSTEMS AND PROCESSES

As companies grow, they must operate with best-in-class systems and adopt industry best practices across key business processes to scale effectively. At Trace3, we want to make it easier to get things done by doing just that.

To support our evolution in operational efficiency, we will:

- **Enhance and simplify our business systems and processes.** Now that we have completed the first year of our NetSuite deployment, we are beginning to see some real value from the application. At the same time, an IT system rarely stays the same – it is supposed to adapt and improve as the business evolves. With the help our Operations and IT teams, we are committed to this ongoing journey. We will continually fine tune these platforms and make it easier for our functional teams to transact and deliver on behalf of our clients.

- **Build business insights.** Our IT systems produce incredible data that we can leverage to get smarter about our business, our clients, and key trends to stay ahead. We plan to leverage our own data intelligence expertise and powerful business intelligence tools to enable insights and action across our business at the regional and headquarters levels.
- **Establish client portals.** Our clients are asking us to provide a better client experience regarding their relationship with Trace3, and we are seeing greater demand for mature digital capabilities within that experience. We are committed to this digital transformation by making it easier for clients to work with Trace3.

GROWTH ENABLER: STRONG VENDOR PARTNERSHIPS

Core to our business success is the relationship and reputation we hold with the key IT manufacturers in our industry. As a company, we have done an excellent job in building lasting relationships with our technology partners, which has helped expand and differentiate our business.

Moving forward, we are committed to enhancing this alignment to ensure ongoing growth by being first to market with new solutions and innovation.

More specifically, we aim to:

- **Create a framework for evaluating new technology** from our existing partners and our Venture Capital network. For technologies that pass muster, we want to position Trace3 as the “Go To” relationship through constructs like the Velocity partner program.
- Double down on the emerging tech aspect of our value proposition and **make investments in emerging tech laboratories** where we can test new technologies. Emerging tech represents 20 percent of the purchases we make across all our partners. This is a meaningful portion of our business and a reflection of our clients looking to Trace3 for emerging-tech inspired solutions.

- **Increase the number of field-based Innovation principals** who can support our sales teams. We will invest in an Innovation Principal position within each region (where one does not already exist) to align with our headquarters-based Innovation team. This will ensure that we are recognized locally by all clients as their go-to source for next-gen technology solutions and services.
- **Understand and embrace new consumption models and the Marketplaces.** We must realize as a business that the way our clients acquire technology is changing. For example, we see a significant increase in the adoption of “as a service” and “subscription” models, many of which are available through public cloud marketplaces offered by AWS, Azure, and Google. We are committed to driving further adoption of these consumption models in support of our role as a next-gen solutions provider.

GROWTH ENABLER: CLIENT-FIRST CULTURE

As we look toward a New Frontier, our clients will remain central to everything we do. Future growth will stem directly from our ability to listen, offer value-driven solutions to solve business problems, and provide a client experience that promotes repeat purchase and advocacy.

Maintaining this type of **Client-First Culture** does not happen without an ongoing commitment to always focus on our clients.

Within this growth enabler, we aim to:

- **Improve Teammate and Client Engagement.** Plans will be rolled out to address opportunities highlighted within both our annual employee engagement survey and our ongoing client surveys, the latter of which measures the industry satisfaction metric “Net Promoter Score.”
- **Fuel Trace3 Culture through a Hybrid Environment.** We have learned that our teammates enjoy increased flexibility to work from home, so we will develop a facilities enhancement plan and budget to support hybrid work, including a strategy that fosters teammate and partner collaboration. Our “What Makes Sense for You” policy will evolve into a more flexible work

environment where teammates and managers can collaborate on the right model for the team member and the team.

- **Generate Industry Recognition.** We will continue to promote Trace3 as a “Best Place to Work” annually and will seek industry and partner awards that demonstrate our focus on the client, our strong partner relationships, and emerging technology.
- **Embrace Diversity and Community.** We will continually improve and communicate our approach to diversity and inclusion to strengthen Trace3’s culture. For example, we intend to develop a comprehensive minority partnership program to support our clients who want to increase their spend with diversity partners. We also will continue to support local community engagement activity among our headquarters and regional teams.

TRACE3 2022 PLAYBOOK

JUICE AT THE EDGE, STRENGTH AT THE CORE

With this Shared Vision framework defined, along with its Growth Drivers and Growth Enablers, we must ensure our **Organizational Design** is aligned to drive our success.

We have used the terms “Juice at the Edge” and “Strength at the Core” for a long time at Trace3. Given the evolving IT landscape we see in front of us, this approach and mindset has never been more important.

As we look to drive growth, we will continue investing in our **Juice at the Edge**. This means increasing the size of our regional sales teams and the number of technical experts who support pre-sales and the delivery of our core services offerings in region.

At the same time, we also will continue to grow our **Strength at the Core**. This means enhancing the capabilities provided by our functional support teams, driving the development of Trace3’s overall Go-To-Market model,

Model Delivers “Juice at the Edge” with “Strength at the Core”

Clients are faced with complex technology problems that require answers in real-time. Trace3 regional teams are singularly focused on answering these problems, while leveraging HQ for critical functions

CENTRALIZED - “STRENGTH AT THE CORE”

Go-To-Market Roles

Identify Emerging Technology

Cultivate VC Relationships

Manage Partnerships

Develop New Solutions & Services Offerings

Advanced Engineering Capabilities / Specialists

Functional Support

Finance

Information Technology

Human Resources

Marketing

Sales and Services Operations

IN REGION - “JUICE AT THE EDGE”

Go-To-Market Roles

Enables faster decision-making by those closest to the client

Client Intimacy

Generates client intimacy through responsiveness, customization, and collaborative problem solving

“Juice at the Edge”

Focused

Clients perceive teams as having a narrower focus “I’m the only client”

Adaptability

Highly adaptable, flexible model that can adjust on the fly

and continually monitoring for enhancements of Trace3's portfolio of technology solutions and services.

To help ensure our success in growing the business and delivering on the value we promote to our clients, we will make some adjustments within our Organizational Design as we move toward the New Frontier:

- First and foremost, **Tyler Beecher** has been performing two roles since September 2020. He has been Executive Chairman of the Trace3 Board of Directors, where he has been intimately involved in helping design our corporate strategies for growth, and he also has been Head of Enterprise Sales, working closely with the regional General Managers as they have driven growth locally.



As we chart our next phase of growth, Tyler has decided to scale back his sales leader responsibilities and direct his energy toward being the best Executive Chairman possible. He will still be involved with the business as an employee of Trace3, but his priorities will be 100 percent focused on working with Rich and the senior leadership team to continue developing the talent, culture, and unique value differentiation Trace3 represents in the marketplace.

- With Tyler stepping back from his sales responsibilities, we will welcome a new leader to work alongside our regional sales, engineering, and services teams. Effective Jan. 1, **Joe Quaglia** will join Trace3 as President, with the responsibility of helping us grow our overall technology solution and services businesses.



As background, Joe brings with him more than 32 years of industry experience, starting as an engineer and eventually moving into sales. Over the years, Joe has had many experiences working in all facets of our industry. Most recently, he was the President of the Americas for Tech Data, a \$17B division within Tech Data's global business. In this role, Joe led a very large sales and services organization working closely with many of the leading IT solution providers and manufacturers in our industry.

At Trace3, Joe will focus on supporting our regional General Managers

in growing their businesses through client engagement. Along with the General Managers, his direct reports will include a new integrated team that supports the regions to specifically grow services.

- Speaking of this new team, we have asked **Drew Cather** to lead our overall services business in partnership with our GM's. Together, they will continue building a "Best-in-Class" services engine, leveraging the great work of our Services Operations team, our PMO team, and a new team focused on Services Resource Management. In his new role, Drew will further the outstanding efforts associated with the Services 2.0 project.



- Aligned to this services focus, we will integrate all headquarters technical teams (i.e. Business Units) under **Tony Olzak** and the Office of the CTO. The combined team will develop and grow the Trace3 portfolio of technology solutions and services. This includes enablement of our regional sales teams so they can be best prepared to help our clients solve their most complex business problems. In addition, we will look for our Business Units to continue providing thought leadership and guidance on industry trends to ensure we stay ahead of the market. Related to the topic of Convergence, we will consolidate the focus and capabilities of the Intelligent Operations business unit into the Security and Hybrid Cloud Business Units.

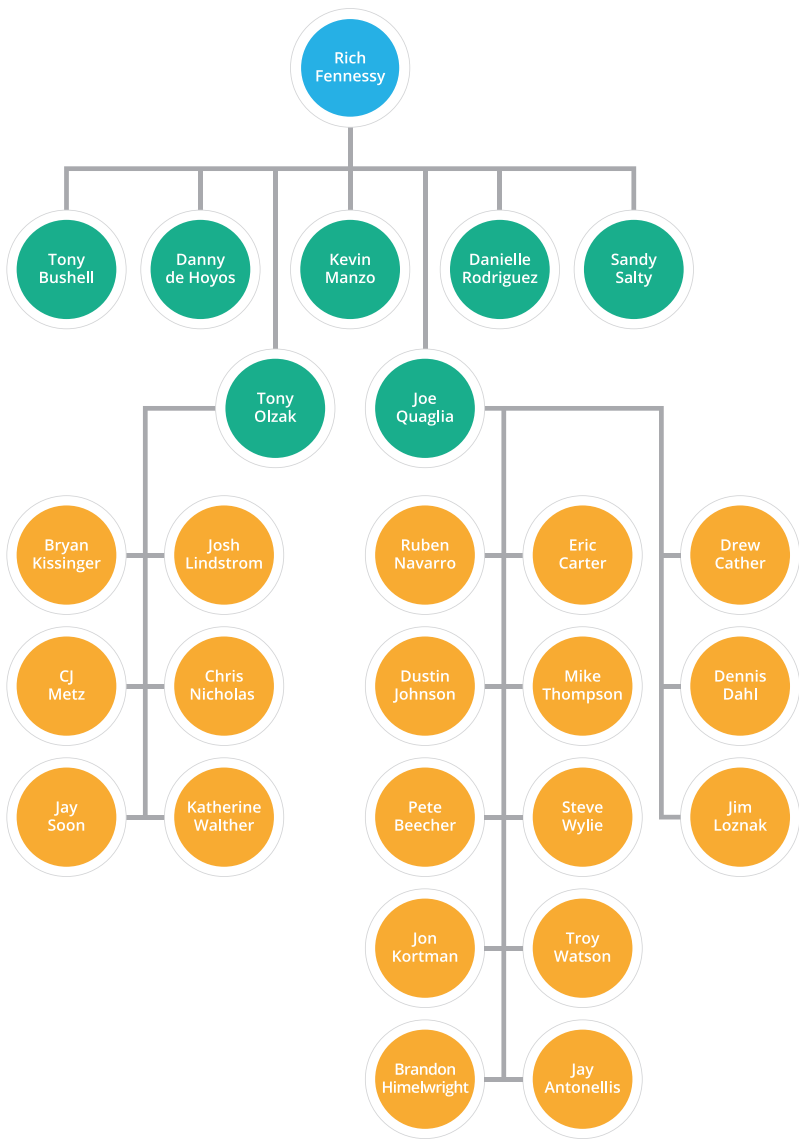


- One of the key trends we have seen from our clients is the need for expanded managed services offerings. Today, we run a \$30M managed services business and the opportunity to grow is massive. To build this solution area and differentiate ourselves as one of the best, we have asked **Tony Bushell** to dedicate himself 100 percent to managed services. I am confident that under Tony's focused leadership we will see great things in the future from this highly strategic part of our business.



- As it relates to Finance, Operations, Marketing, and POH, these leaders and their teams will continue their excellent support of Trace3's success and develop strategies and programs that ensure alignment to the Shared Vision framework.

Below, is a high-level organization chart that includes the key changes outlined above. We are confident these enhancements will drive heightened levels of clarity and alignment across the company and position us for ongoing success.



TRACE3 2022 PLAYBOOK

CALL TO ACTION

We have Surveyed the Horizon (market review), we have Checked Our Gear (supporting capabilities), and we have created The Plan (Shared Vision and Organizational Design).

The theme of Convergence represents an unprecedented time in our industry, and we could not be more confident in the significant Opportunity that Awaits.

Along with this opportunity comes a greater “Why” – a motivational force that marshals and mobilizes each individual in the organization because it excites us about the potential of our combined focus, and also reminds us of what is at stake if we do nothing.

Since our inception, every Trace3 playbook and strategic plan have been linked to an aspirational journey, an ode to the potential of what this company can become: “Being relevant in a post-VAR era” and “Killing Giants”

to name just two. Over our history, we have become and delivered on those aspirations and more.

Despite being successful in the past, there is no guarantee of future results. Our biggest obstacle in the New Frontier is actually the status quo. We need to push ourselves, our organization, and our clients to get uncomfortable. We need to challenge the status quo.

Innovation requires risk, so we need to think big and then think even bigger. We need to leverage Convergence to create new solutions – solutions that solve the unsolvable, solutions that provide answers to the Digital Experience, Data-Driven Decision-Making, and Securing the Distributed Enterprise.

This is what gives us Juice. Making a difference. Thinking differently. Applying our creativity to benefit our clients.

All of this requires that we remain unique. We will not be the biggest or the broadest, but we will be the best. This, in turn, demands focus and determination – it also means that we as a collective Trace3 must blaze our own trail.

The market is seeking that kind of leadership right now, and we are positioned to break out.

We know with the combined creativity, expertise, and tenacity of Team Trace3, we can achieve anything we put our minds to. We can realize our Shared Vision for Trace3, for our clients, for our partners, and for our communities. We can literally make the world a better place.

So here we go. The journey to a New Frontier starts today, and we hope as a member of Team Trace3 that our path forward excites you, motivates you, and drives you to peak performance.

It's time for someone to take the lead into this New Frontier. Our time is now. Let's lead!

TRACE3