

Declaration of the executive board and the supervisory board of Nemetschek SE concerning the recommendations of the “Government Commission of the German Corporate Governance Code” in accordance with § 161 of the German Stock Corporation Act (AktG)

The executive board and supervisory board declare:

The recommendations of the ‘Government Commission of the German Corporate Governance Code’, version dated December 16, 2019 (‘DCGK 2020’), published by the German Federal Ministry of Justice in the official part of the Federal Gazette on March 20, 2020, have been followed in the time period since the previous Declaration of Conformity of 17 December, 2021 and will continue to be followed with the exception of the following recommendations for the reasons specified therein and in the time periods specified.

a) Recommendations A.1, B.1 and C.1 Sentence 2 (appointments to executive positions in the enterprise as well as the composition of the executive board and supervisory board)

According to Recommendation A.1, the executive board shall consider diversity when making appointments to executive positions. Likewise, the supervisory board shall consider diversity for the composition of the executive board (B.1) as well as for the definition of targets for the composition of the supervisory board and for the creation of a profile of required skills and expertise for the board as a whole (C.1 Sentence 2).

The executive board and supervisory board of Nemetschek SE expressly welcome the objective of the Code to ensure diversity and are open to diversity in terms of the composition of the board and appointments to executive positions. However, with regard to appointments to executive positions and the composition of the executive board, the focus is on personal suitability, in particular on the individual’s experience, skills and knowledge. The criterion of diversity will be regarded as being of lesser importance for these decisions. The supervisory board newly elected in the regular annual general meeting 2022 has a percentage of women of 33% and in the estimation of the supervisory board fulfills the criterion of diversity in terms of its composition.

b) Recommendations B.5 and C.2 (age limit for members of the executive board and supervisory board)

According to Recommendations B.5 and C.2, an age limit shall be specified for members of the executive board and supervisory board and disclosed in the Corporate Governance Statement. Nemetschek SE does not consider a universally applicable age limit to be a suitable criterion for the selection of members of the executive board and supervisory board. The suitability for discharging the duties of the office of executive board or supervisory board member is dependent on the experience, knowledge and skills of the person in question. The specification of an age limit would place general and inappropriate restrictions on the selection of suitable candidates for positions on the executive board and supervisory board.

c) Recommendation D.1 (making rules of procedure for the supervisory board accessible)

The Supervisory Board of Nemetschek SE set rules of procedure for itself. Departing from Recommendation D.1, however, the supervisory board did not make the rules of procedure accessible on the company’s website. The main rules of procedure for the supervisory board are prescribed by law as well as by the Articles of Association and are publicly accessible. It

is our opinion that publication of the rules of procedure above and beyond this would not generate any added value.

d) Recommendation D.5 (nomination committee)

The supervisory board is composed only of shareholder representatives and, as a result, no nomination committee was set up (D.5).

e) Recommendation G.4 (vertical comparison of remuneration)

Departing from Recommendation G.4, in order to ascertain whether executive board remuneration is in line with usual levels, the supervisory board did not take into account the relationship between executive board remuneration and the remuneration of upper management circles or the staff as a whole of Nemetschek SE, nor did it take into account how remuneration has developed over time (vertical comparison of remuneration). As a holding company, Nemetschek SE does not offer any appropriate standards of comparison for either upper management circles or the staff as a whole. Nonetheless, the supervisory board used the remunerations of the heads of the most important product organizations as a standard of comparison on which to base its actual remuneration decisions.

f) Recommendation G.7 Sentence 1 (point in time of the specification of performance criteria for the variable remuneration components)

As per Recommendation G.7 Sentence 1, referring to the upcoming financial year, the supervisory board shall establish performance criteria for each executive board member which cover all variable remuneration components. In accordance with the remuneration system for the executive board members, the supervisory board will specify the performance criteria for the variable remuneration components and the targets respectively no later than February 28 of a given financial year. In individual cases, the supervisory board considers it wise to only make a decision concerning performance criteria and targets on the basis of preliminary business figures from the previous financial year. Consequently, a provisional departure from Recommendation G.7 Sentence 1 is declared.

g) Recommendation G.10 (point in time of accessibility of long-term variable remuneration components)

Departing from Recommendation G.10 Sentence 1, there is no obligation for executive board members to invest the variable remuneration granted to them predominantly in shares of the company.

The executive board remuneration system provides for long-term variable remuneration with a three-year term (LTIP), which is to be paid out in cash respectively in the fourth year, if granted. As a result, we declare a departure from Recommendation G.10 Sentence 2, according to which the granted long-term variable remuneration components shall be accessible to executive board members only after a period of four years. In the case of a cash payment of the long-term variable remuneration of the LTIP, a later payout date has no ongoing incentivizing effect since the amount is determined upon expiration of the corresponding LTIP term and is not subject to any further changes even if the payout date is later.

Munich, May 12, 2022

For the Executive Board

Yves Padrines
CEO

For the Supervisory Board

Kurt Dobitsch
Chairman of the Supervisory Board