

## **Corporate Governance Statement**

The Nemetschek Group is a global corporation with an international shareholder structure. The Executive and Supervisory Boards place particular importance on responsible and transparent corporate governance and control, with a view toward adding lasting value. Meaningful and transparent corporate communication, respect for shareholder interests, proactive approaches to risks and opportunities, and efficient and trusting cooperation between the Executive Board and Supervisory Board are major aspects of positive and effective corporate governance for the Nemetschek Group. The latter helps the Nemetschek Group to gain the trust of shareholders, business partners, employees, and – ultimately – society as a whole. These principles are simultaneously important points of reference for the management and control of the Group.

The Corporate-Governance Statement pursuant to sections 289f and 315d of the German Commercial Code (HGB) is part of the Group Management Commentary. In accordance with HGB section 317(2), sixth sentence, the professional audit of the disclosures under HGB sections 289f and 315d is limited to whether the disclosures were made. As part of the Corporate-Governance Statement, the Executive Board and Supervisory Board also report on the company's corporate governance.

### **Declaration of Conformity Pursuant to the German Corporate Governance Code**

On March 6, 2024, the Executive Board and Supervisory Board submitted the following revised declaration pursuant to section 161 of the German Stock Corporation Act (AktG) and made this permanently available to shareholders via the Nemetschek Group website:

“The Executive Board and Supervisory Board declare:

The recommendations of the ‘Government Commission of the German Corporate Governance Code’, version dated April 28, 2022, published by the German Federal Ministry of Justice in the official part of the Federal Gazette on June 27, 2022, have been followed in the period since the previous Declaration of Conformity of March 9, 2023 and the Declaration of Conformity updated on October 13, 2023 and will continue to be followed with the exception of the following recommendations for the reasons specified below and in the time periods specified.

#### a) Recommendation A.1 (Ecological and Social Goals in Corporate Strategy)

The code recommends in section A.1, second sentence, that, in addition to long-term commercial objectives, corporate strategy shall also give appropriate consideration to ecological and social objectives. The Executive Board has taken measures to incorporate ecological and social targets into the corporate strategy and these measures are explained as part of the nonfinancial reporting in accordance with statutory provisions. The corporate and corporate social responsibility strategies are refined continuously. Because it is unclear what DCGK A.1, second sentence, requires for appropriate consideration of ecological and social objectives, the company is taking the precaution of declaring a deviation from A.1 second sentence.

- b) Recommendations A.2, 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.2, 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 second sentence).

The Executive Board and Supervisory Board of Nemetschek SE expressly welcome the objective of the DCGK to ensure diversity and advocate diversity in the composition of the boards and appointments to executive positions. In the election proposals for the last Supervisory Board elections at the 2022 Annual General Meeting and in the composition of the Executive Board, the Supervisory Board placed particular emphasis on diversity. Female representation increased significantly in both bodies. The Supervisory Board has 33% female representation and, in the assessment of the Supervisory Board, a composition that meets the criterion of diversity. The proportion of female representation on the Executive Board currently stands at 50%. However, when making appointments to leadership positions and Executive Board positions and in the composition of the Supervisory Board, the Executive Board and the Supervisory Board continue to primarily value personal aptitude, especially the individual's experience, skills, and knowledge. The criterion of diversity is additionally considered during such decision-making.

- c) 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 a position on the Executive Board or Supervisory Board 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.

- d) Recommendation D.1 (Publication of the Rules of Procedure for the Supervisory Board)

The Supervisory Board of Nemetschek SE set rules of procedure for itself. Departing from recommendation D.1, however, the Supervisory Board has not made 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 Incorporation and are publicly accessible. It is our opinion that publication of the rules of procedure above and beyond this would not add any value.

- e) Recommendation D.4 (Nomination Committee)

The Supervisory Board is composed solely of shareholder representatives and, as a result, no nomination committee was set up.

f) 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 or the staff of Nemetschek SE as a whole, 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 or the staff as a whole. Nonetheless, the Supervisory Board used the remuneration of the heads of the most important product organizations as a standard of comparison on which to base its actual remuneration decision-making.

g) Recommendation G.7 First Sentence (Time of Definition of Performance Criteria for Variable Remuneration Components)

According to recommendation G.7, first sentence, the Supervisory Board shall, referring to the upcoming financial year, establish for each Executive Board member performance criteria that 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 fiscal year. In individual cases, the Supervisory Board considers it wise to make a decision concerning performance criteria and targets only on the basis of preliminary business figures from the previous fiscal year. Consequently, the company is declaring a provisional departure from recommendation G.7, first sentence.

h) Recommendation G.10 (Form of Investment and Time of Accessibility of Long-Term Variable Remuneration Components)

Notwithstanding the first sentence of Recommendation G.10, the members of the Executive Board are under no obligation to invest the variable remuneration amounts granted to them predominantly in company shares, and the variable remuneration components are not predominantly awarded in a share-based form.

The Executive Board remuneration system provides for long-term variable remuneration with a three-year term (LTIP), which is paid out in cash in the fourth year, if granted. As a result, we declare a departure from recommendation G.10, second sentence, according to which the granted long-term variable remuneration amounts are intended to 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 under 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. The 2022 remuneration system creates the possibility of granting to Executive Board members virtual stock appreciation rights under the SAR plan as an additional, long-term remuneration element. The development of their value depends on the development of the Nemetschek stock price. This remuneration element corresponds to stock-based compensation with a strong alignment of interests between the company's shareholders and Executive Board members. The exercise of stock appreciation rights is usually only partially (25%) subject to a four-year waiting period.

- i) Departure of Viktor Várkonyi (Recommendations G.8, sentence 1 of G.9, and G.12)

As already stated in the update of the Declaration of Conformity of October 13, 2023, sentence 1 of Recommendation G.9 and Recommendation G.12 were not observed in connection with the resignation of Mr. Viktor Várkonyi from the Executive Board of Nemetschek SE and the agreement entered into with him in October 2023 governing the termination of his service contract, which provided for a doubling of the amount payable under the 2023 STIP as the contractually agreed calculation arrangements were adjusted when payment was made. Moreover, the company believes that it is not clear whether Recommendation G.8 relates only to changes in the targets and comparison parameters during the assessment period of a variable remuneration component, while sentence 1 of Recommendation G.9 addresses an adjustment of the amount paid out after the end of the assessment period, or whether Recommendation G.8 also covers the adjustment of the amount paid out. For this reason, the company declared as a precaution that it had departed from Recommendation G.8.”

### **Company Website**

The Declaration of Conformity pursuant to AktG section 161 is published on the website [ir.Nemetschek.com/declaration-of-conformity](https://ir.Nemetschek.com/declaration-of-conformity). Declarations of Conformity for previous years can also be viewed on this page.

In addition to the Declarations of Conformity, the website [ir.Nemetschek.com/en/corporate-governance](https://ir.Nemetschek.com/en/corporate-governance) also makes further information about the Corporate-Governance Statement and on the corporate governance of the Nemetschek Group publicly accessible.

The Remuneration Report for the 2023 fiscal year and the auditor’s report pursuant to AktG section 162, the Executive Board’s applicable remuneration system pursuant to AktG section 87a(1) and (2), first sentence; the applicable remuneration arrangement for the Supervisory Board, and the most recent remuneration resolutions at the Annual General Meeting pursuant to AktG sections 113(3) (Supervisory Board remuneration) and 120a(1) (Executive Board remuneration) are publicly available on the Company’s website at [ir.Nemetschek.com/remuneration](https://ir.Nemetschek.com/remuneration).

### **Relevant Disclosures of Corporate-Governance Practices Applied in Excess of Legal Requirements and Details on Where They Are Publicly Accessible**

Further corporate governance practices that go beyond the legal requirements are described in our Code of Conduct. Furthermore, the principles underlying relations with suppliers and business partners are laid down in a Supplier Code of Conduct. Both documents are publicly available on the company’s website at [Nemetschek.com/responsibility](https://Nemetschek.com/responsibility).

Details about business management and corporate governance are also reported in the Group Management Commentary in subsection [<< 1.4 Business Management and Corporate Governance >>](#).

### **Compliance and Management of Opportunities and Risks**

One of the principles of responsible company leadership is to consider opportunities and risks continuously and responsibly. The objective of opportunity and risk management is to develop a strategy and define targets and actions which generate a balanced equilibrium between Sustainability growth and profit targets on the one hand and the risks associated with them on the other. Details on the opportunity and risk management systems of the Nemetschek Group are provided in section [<< 6 Report on Risks and Opportunities >>](#) of the Group Management

Commentary. In addition to the material risks to its business activities, the Nemetschek Group also takes into account non-financial risks, details of which can be found in [<< 2 Non-Financial Statement >>](#).

### **Internal Control and Risk Management System (ICS, RMS)**

The Nemetschek Group's internal control and risk management entails the management of opportunities and risks in relation to business activities, the achievement of the defined business targets, the propriety and dependability of the relevant processes, internal and external accounting, and compliance with the legal requirements and regulations applicable to Nemetschek. This also incorporates sustainability-related factors, which are developed further on an ongoing basis. As in the previous year, no material risks with potentially serious effects have been identified for 2023 with respect to the matters defined in non-financial reporting in accordance with section 289c (2). Consequently, there were no risks for 2023 which, on a net basis, meet the materiality criteria in accordance with Section 289c (3) Nos. 3 and 4 of the HGB.

Overall responsibility for the internal control (ICS) and risk and opportunity management system (RMS) at the Group level lies with the Executive Board of Nemetschek SE. The RMS and the ICS cover Nemetschek SE and all consolidated subsidiaries and apply the three-lines-of-defense model.

The first "line of defense" entails the management of operating business in conjunction with the central Group functions. They are responsible for identifying, evaluating and managing any risks that may occur. To this end, measures are defined and implemented to address the risks identified. In organizational terms, the second "line of defense" is the central risk management function, which reports to Corporate Controlling. The risk management function, which has been operating as a separate department within the Corporate Controlling organization since 2023, is responsible for the Group-wide risk and opportunity management system (RMS). The RMS undergoes continuous further development and is anchored in the Group by means of appropriate guidelines. The Risk Committee also forms part of this second "line of defense". This body, which is composed of the segment managers and the risk category owners, discusses the combined Group-wide risks and opportunities as well as the measures taken and their impact with the Executive Board on a quarterly basis. In addition, the central risk management function prepares the reports for internal as well as external stakeholders. Internal Audit is the third "line of defense" and acts as an independent control unit of the Executive Board. It regularly reviews the effectiveness of the RMS and ICS on behalf of the Supervisory Board and also submits suggestions that contribute to its continuous improvement.

With the internal control system, the risk management system and the compliance management system, the Executive Board of the Nemetschek Group has created a control framework aimed at achieving appropriate and effective internal control and risk management. After considering internal control and risk management, the Executive Board is not aware of any circumstances impairing the appropriateness and effectiveness of these systems.

### **Compliance**

A basic requirement for long-term commercial success is the compliance of business activities with all relevant laws and standards as well as with the company's internal principles. The success of the Nemetschek Group is therefore based not only on good business policy, but also on ethical integrity, reliable data, trust, and open and fair dealings with employees, clients, business partners, shareholders, and all other stakeholders.

## **Compliance Culture and Targets**

Compliance has always been an important component of risk prevention at the Nemetschek Group and is firmly entrenched in the company's culture. Our objective is to act in compliance with all relevant laws, norms, international standards, and internal guidelines at all times.

In this context, the Nemetschek Group pursues an approach of preventive compliance and aims for a corporate culture that sensitizes and educates the staff so that potential violations of the rules are avoided from the start. The Executive Board and management staff bear special responsibility in this regard. They act as role models and, as such, are required to ensure compliance within their area of responsibility and beyond, to clearly communicate this expectation to every employee, and to consistently and without exception set an example for ethical behavior according to the rules for ensuring compliance.

## **Compliance Organization**

Compliance-related activities of the Nemetschek Group are closely linked to risk management and the internal control system. Among other things, Corporate Legal & Compliance oversees Group-wide compliance activities by means of a Group-wide network. The focus is on installing effective (local) structures and processes as well as providing support for the efficient implementation of compliance measures. Corporate Legal & Compliance is also the point of contact for any individual questions that may arise from within the organization. There is a direct reporting line to the department's representation on the Nemetschek Group Executive Board (the Chief Financial Officer).

## **Compliance Program and Communication**

The compliance structures and measures for ensuring adherence to laws, guidelines, and ethical principles are consistently aligned with the risk position of the Nemetschek Group and continuously enhanced. The basis for compliance-related activities is the Code of Conduct of the Nemetschek Group, which is binding for all employees. In addition to the company website, employees can access the Code of Conduct and all Group guidelines, instructions, process specifications and communication bulletins via the Group's internal intranet platform Nemetschek ONE. Moreover, the Nemetschek Group uses a modern compliance training tool for efficiently and sustainably communicating knowledge on this subject across the Group.

## **Compliance Reporting Channels, Reviews, and Further Development**

Having reliable reporting channels and protecting internal and external information providers against sanctions are major elements in the identification of compliance risks.

The Nemetschek Group demands and promotes an open, enterprise-wide "speak-up" culture. It encourages its employees to report any behavior that may possibly breach the Code of Conduct or, beyond that, legal provisions. Information on possible violations can be submitted anonymously – not only by employees, but also by external third parties – via a modern, enterprise-wide whistleblowing system. This digital system also serves all Group brands as a whistleblower system and focuses in particular on the important topics of whistleblower protection, anonymity, and data security.

In addition to using the digital whistleblowing system, employees can communicate directly with superiors, relevant HR managers, or local Compliance. All information submitted is first checked for plausibility and treated with absolute confidentiality. Further investigations are initiated and

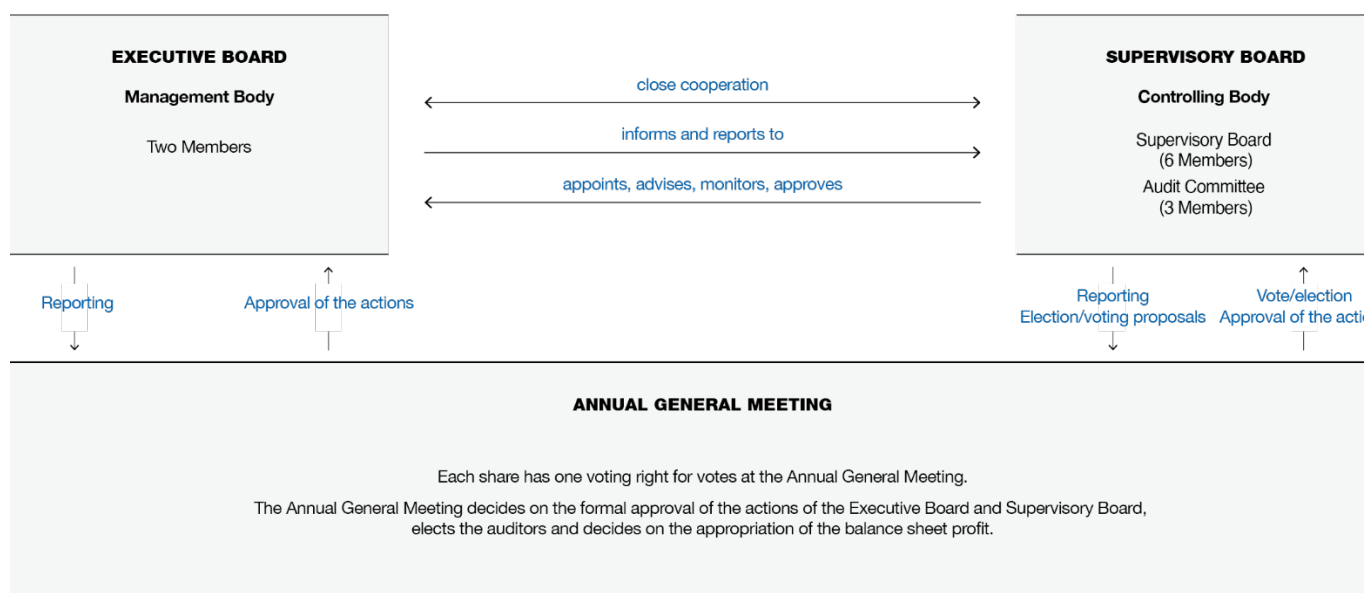
steps taken as required. If necessary, further company departments or external consultants are brought on board in certain situations. Corporate Legal & Compliance, acting as the independent internal body for receiving reports, regularly reviews the whistleblower process in terms of its effectiveness and adapts it as required.

Corporate Audit regularly performs internal audits to assess compliance with internal guidelines and legal requirements. The Executive Board, the Supervisory Board's Audit Committee, and the Supervisory Board are informed about compliance-related issues and the expansion of compliance structures as well as planned compliance-related initiatives regularly as well as on an ad hoc basis if necessary.

### Description of Executive-Board and Supervisory-Board Procedures

Nemetschek SE has a dual leadership and supervision structure consisting of its two governing bodies: its Executive Board and Supervisory Board.

### DUAL MANAGEMENT SYSTEM OF NEMETSCHEK SE



### Executive Board Composition

There were changes in the composition of the Executive Board in 2023. The Supervisory Board appointed Louise Öfverström to the Executive Board as Chief Financial Officer with effect from January 1, 2023. Effective June 30, 2023, Viktor Várkonyi, Chief Division Officer responsible for the Planning & Design Division, resigned from the Executive Board of Nemetschek SE. Jon Elliott, previously responsible for the Build & Construct Division as Chief Division Officer and for the Bluebeam brand as CEO on the Executive Board, resigned from the Executive Board with effect from September 5, 2023. As part of an orderly succession plan, the positions of Chief

Division Officer were filled with managers holding international and strategic experience. The Chief Division Officer functions are located outside the Executive Board. The proven segment-based focus with clear responsibilities was retained without any changes.

Accordingly, the Executive Board consisted of the following two members as of December 31, 2023:

- Yves Padrines, Chief Executive Officer (CEO)
- Louise Öfverström, Chief Financial Officer (CFO)

The résumés of the members of the Executive Board can be found on the company's website at [ir.Nemetschek.com/executive-board](http://ir.Nemetschek.com/executive-board).

Details about further roles exercised by the Executive Board members are provided in the notes to the consolidated financial statements in [«< Item 33 – Governing Bodies of the Company >>](#). The remuneration of the members of the Executive Board is described in a separate remuneration report at [ir.Nemetschek.com/remuneration](http://ir.Nemetschek.com/remuneration).

When making appointments to the Executive Board and leadership roles, the Executive Board and the Supervisory Board primarily value personal aptitude. This includes the respective managers' prior experience, skills, and knowledge. The criterion of diversity is additionally considered during such decision-making. Owing to its principle of qualification-based neutrality, Nemetschek SE firmly believes it is in the best position to serve the interests of the company.

## **Procedures**

The Supervisory Board has issued rules of procedure for the Executive Board. They govern the collaboration within the Executive Board as well as collaboration between the Executive Board and the Supervisory Board. The Executive Board performs its leadership role with a view to creating value sustainably in accordance with the company's interests. The Executive Board bears overall responsibility for the management of the Nemetschek Group. In addition, every member of the Executive Board has personal responsibility for the tasks assigned to him or her through the business allocation plan. The Executive Board makes joint decisions on all matters that are of particular significance and impact for the company or its subsidiaries.

The Executive Board is responsible for the preparation of the quarterly statements and half-year financial report as well as the annual financial statements, consolidated financial statements, the consolidated management commentary of Nemetschek SE and the Group, the non-financial statement, the dependent companies report, and the remuneration report. It also oversees the preparation of the company's sustainability reporting. Furthermore, the Executive Board has established appropriate and effective internal control and risk management systems which also incorporate sustainability-related factors.

The Executive Board reports to the Supervisory Board regularly, promptly, and comprehensively in writing and verbally on all relevant topics relating to business development, company planning, strategic alignment, opportunity and risk management, compliance management, and further relevant issues, e.g., corporate social responsibility, sustainability, and cybersecurity. In the case of decisions potentially capable of materially influencing the company's net-asset, financial, or earnings situation, the Supervisory Board is consulted in a timely manner and provided with complete information by the Executive Board. In the case of acquisition projects,



the Executive Board provides detailed information on the project progress and status at an early stage and coordinates the acquisition and integration processes in close collaboration with the Supervisory Board. The same thing applies to investments in start-ups.

## **Supervisory Board**

### **Composition**

Since the Annual General Meeting on May 12, 2022, the Supervisory Board has consisted of six members. This expansion is primarily warranted by the pace of growth of the Nemetschek Group as well as increasingly stringent regulatory requirements.

There was one change in the composition of the Supervisory Board in the course of 2023. At her own request, Patricia Geibel-Conrad resigned as a member of the Supervisory Board of Nemetschek SE on June 30, 2023. She had been a member of the Supervisory Board since May 12, 2022, serving as Deputy Chair of the Supervisory Board also as Chair of the Audit Committee. On July 1, 2023, Iris M. Helke was appointed to the Supervisory Board of Nemetschek SE by order of the court for a term of office expiring at the end of the next Annual General Meeting. At the meeting of the Supervisory Board held on July 28, 2023, she was elected to the Audit Committee and appointed Chair of the Audit Committee. In connection with the change to the composition of the Supervisory Board, Dr. Gernot Strube was elected new Deputy Chair of the Supervisory Board.

The Supervisory Board consisted of the following six members as of December 31, 2023:

- Kurt Dobitsch, Chair of the Supervisory Board, member of the Audit Committee
- Dr. Gernot Strube, Deputy Chair of the Supervisory Board, member of the Audit Committee
- Iris M. Helke, member of the Supervisory Board, Chair of the Audit Committee
- Bill Krouch, member of the Supervisory Board
- Christine Schöneweis, member of the Supervisory Board
- Prof. Andreas Söffing, member of the Supervisory Board

The company's founder, Prof. Georg Nemetschek, is Honorary Chair of the Supervisory Board.

The résumés of the members of the Supervisory Board can be found on the company's website at [ir.Nemetschek.com/supervisory-board](https://ir.Nemetschek.com/supervisory-board) and include details of their tenure on the company's Supervisory Board. Details on further mandates performed by the Supervisory Board can be found in the notes to the consolidated financial statements under [<< Item 33 – Bodies of the company >>](#). The remuneration of the members of the Supervisory Board is described in a separate remuneration report, which is available at [ir.Nemetschek.com/remuneration](https://ir.Nemetschek.com/remuneration).

In accordance with the recommendations of the German Corporate Governance Code, the Supervisory Board has named specific objectives for its composition and issued a profile of skills for the overall Nemetschek SE Supervisory Board. Based on this, each member of the Supervisory Board must meet the requirements of applicable laws and the Articles of Incorporation for membership of the Supervisory Board (cf. section 100 (1) to (4) of the German Stock Corporation Act – AktG) and possess the knowledge and capabilities that are required for the proper discharge of the duties imposed on them by law and the Articles of Incorporation. The members of the Supervisory Board as a whole must be familiar with the sector in which the company is active (cf. section 100 (5) of the German Stock Corporation Act – AktG). Every member of the Supervisory Board must have sufficient time available and the willingness to dedicate the necessary time and attention to his or her position.

In addition to these general requirements, the board as a whole is obliged to meet the following requirements in particular:

- Every member should have a general understanding of the business of the Nemetschek Group, in particular the global AEC/O market environment, the individual fields of business, clients' requirements, the regions in which the company operates, and the company's strategic alignment.
- At least one member of the Supervisory Board must have expertise in accounting and at least one other member must have expertise in auditing. The accounting and auditing also include sustainability reporting and the auditing of such reporting.
- At least two members should meet the criterion of internationality to a special degree or have acquired operational experience in international enterprises.
- One or more members should have expertise in business administration.
- On the board as a whole, one or more members should have experience in governance, compliance, and risk management.
- All members should have operational experience in human resources management.
- One or more members should have expertise in sustainability.

The company's Supervisory Board currently considers the targets specified for the composition of the Supervisory Board to be fulfilled and presents the following qualifications matrix for the full Supervisory Board as of December 31, 2023:

MATRIX OF SUPERVISORY BOARD QUALIFICATIONS								
		Supervisory Board Members						
		Kurt Dobitsch	Iris M. Helke	Bill Krouch	Christine Schöneweiss	Prof. Dr. Andreas Söffing	Dr. Gernot Strube	
<b>Board and Committees</b>	Supervisory Board	SB Chair	Member	Member	Member	Member	SB Deputy Chair	
	Committees	Audit Committee	Audit Committee (Chair)	–	–	–	Audit Committee	
<b>Diversity</b>	Year of birth	1954	1970	1959	1976	1962	1965	
	Gender	Male	Female	Male	Female	Male	Male	
	Nationality	Austrian	German	US	German	German	German	
	International experience / operational experience working at an international company <sup>1)</sup>	•	•	•	•	•	•	
<b>Tenure and Personal Aptitude</b>	First appointment	1998	2023	2018	2022	2022	2022	
	End of appointment	2027	2024	2027	2027	2027	2027	
	Independence (as per the Code) <sup>2)</sup>	•	•	•	•	•	•	
	No overboarding (as per the Code)	•	•	•	•	•	•	
<b>Expertise <sup>1)</sup></b>	General understanding of the Nemetschek Group's business (global AEC/O media market environment, individual fields of business, client needs, regions, and company's strategic alignment)	•	•	•	•	•	•	
	Detailed knowledge of business administration	•	•	•	•	•	•	
	Industry knowledge (as per section 100 (5) AktG)	•	•	•	•	•	•	
	Governance, compliance, and risk management	•	•	•	•	•	•	
	Personnel management / HR	•	•	•	•	•	•	
	Sustainability	•	•	•	•	•	•	
	Accounting, including sustainability reporting, and auditing and assurance (section 100 (5) AktG and D.3 of the Code)	•	•	•	•	•	•	
Auditing of financial statements and sustainability reporting, and auditing and assurance (section 100 (5) AktG and D.3 of the Code)	•	•	•	•	•	•		

- 1) Based on the Supervisory Board's own assessment. A filled circle means that the member has at least good knowledge and experience that can be used as a basis for comprehending the matters relevant to the work of the Supervisory Board.
- 2) Kurt Dobitsch has been on the Supervisory Board for more than twelve years and continues to be viewed as independent by the company and its Executive Board. He does not maintain a personal or commercial relationship with the company or its Executive Board members. Pursuant to recommendation C.7 of the German Corporate Governance Code (DCGK), membership of many years on the Supervisory Board is merely an indicator of a possible lack of independence, and an indicator which also allows for a different assessment by the Supervisory Board. In the view of the Supervisory Board, the mere long-standing membership on the Supervisory Board neither constitutes grounds for a conflict of interest or roles, nor does it impair the manner in which the duties are discharged.

The Supervisory Board believes that it is appropriate and fulfills Recommendations C.1/C.6 of the German Corporate Governance Code when the Supervisory Board has at least four members – i.e., more than half of the shareholder representatives – who are independent of the company and its Executive Board (cf. Recommendation C.7 of the Code) as well as at least three members who are independent of a controlling shareholder (cf. Recommendation C.9 of the Code). Overall, in the Supervisory Board's assessment, it is appropriate for the Supervisory Board to have at least three members who are independent of the company and its Executive Board as well as independent of a controlling interest.

In the Supervisory Board's assessment, all members are currently independent from the company and its Executive Board within the meaning of DCGK recommendation C.7. This assessment is not inconsistent with the fact that Kurt Dobitsch has had a tenure of more than twelve years on the Supervisory Board. Pursuant to DCGK recommendation C.7, many years' membership on the Supervisory Board is merely an indicator of a possible lack of independence, and an indicator which also enables a different assessment by the Supervisory Board. The Supervisory Board considers it inappropriate to make a purely formal consideration on the assumption that independence would be compromised after more than twelve years on the Supervisory Board. In the view of the Supervisory Board, the mere long-standing membership on the Supervisory Board neither constitutes grounds for a conflict of interest or roles, nor does it impair the manner in which the duties are discharged. In the work of the Supervisory Board over the previous years, there have been no major conflicts of interest or even any conflicts of interest that were only temporary. There have been and are no indications that Kurt Dobitsch would possibly deal with the Executive Board in a biased or prejudiced manner. The Supervisory Board also firmly believes that membership for more than twelve years does not hinder the ability to reflect critically on one's own Supervisory Board activities or to work on increasing efficiency.

### **Procedures**

The Supervisory Board serves the Executive Board in an advisory capacity, monitors the Executive Board in its management of the company, and examines all significant transactions by examining the documents concerned in relation to Regulation (EC) No. 2157/2001 of the Council on the Statute for a European Company (SE), the German SE Implementation Act (SEAG), the German Stock Corporation Act (AktG), the company's Articles of Incorporation, and the Executive Board rules of procedure. It also advises and guides the Executive Board on sustainability-related matters and the strategic alignment for sustainability. The Supervisory Board is also provided with information by the Executive Board on the position of the segments, including the individual brands, and the Group as well as on major developments outside the regular Supervisory Board meetings.

The Supervisory Board provides a catalog of transactions requiring approval as well as a business allocation plan in the rules of procedure for the Executive Board. The Supervisory Board acts based on its own rules of procedure.

The Supervisory Board examines the annual financial statements and consolidated financial statements prepared by the Executive Board as well as the combined management report of Nemetschek SE and the Group, the non-financial statement, the separate remuneration report and the report on the Company's relationships with affiliated companies in accordance with section 312 of the German Stock Corporation Act (AktG) (dependent companies report).

It adopts the annual financial statements and approves the consolidated financial statements of Nemetschek SE. It examines the proposal on the allocation of the unappropriated surplus and, together with the Executive Board, submits it to the Annual General Meeting for resolution. The Chair of the Supervisory Board explains the activities of the Supervisory Board each year in his report at the Annual General Meeting, which forms part of the annual report.

Working together with the Executive Board, the Supervisory Board ensures that there is long-term succession planning. To this end, the Supervisory Board maintains regular communication with the Executive Board. Together, the Executive Board and Supervisory Board evaluate the suitability of potential succession candidates and discuss how to develop suitable internal candidates. In addition, the Supervisory Board examines the size and composition of the Executive Board on a regular basis. To this end, the Chairman of the Supervisory Board discusses with the Executive Board the skills and experience as well as professional and personal competencies in particular should be present on the Executive Board, including with a view to the company's strategic development, and to what extent the composition of the Executive Board already meets these requirements.

### **Committees of the Supervisory Board**

The Supervisory Board has established an Audit Committee, which consists of three members. Up until her resignation from the Supervisory Board, Ms. Patricia Geibel-Conrad held the office of Chair of the Audit Committee. Thereafter, Ms. Iris M. Helke was appointed to the Supervisory Board and elected to the Audit Committee by the Supervisory Board and appointed Chair of the Audit Committee. In accordance with Recommendation D.3 of the German Corporate Governance Code, the Chair of the Supervisory Board may not simultaneously be Chair of the Audit Committee. The Audit Committee prepares resolutions and topics for consideration by the Supervisory Board. At the ensuing meeting of the Supervisory Board, the Chair of the Audit Committee reports on the work of the Committee.

The members of the Audit Committee are familiar with the sectors in which the Nemetschek Group operates. As of December 31, 2023, the Supervisory Board and its Audit Committee consisted of several members with expertise in accounting, namely Iris M. Helke, Kurt Dobitsch, and Dr. Gernot Strube. Moreover, at least two members, specifically Iris M. Helke and Kurt Dobitsch, also have extensive expertise in the field of auditing.

Under the German Corporate Governance Code, the Chair of the Audit Committee should be an expert in at least one of the two areas of accounting and auditing (Recommendation C.10 of the Code) and should be independent of the company and the Executive Board as well as the controlling shareholder (Recommendation D.3 of the Code). The Chair of the Audit Committee, Iris M. Helke, meets these requirements.

No other committees were formed apart from the Audit Committee. The Supervisory Board has consisted of six members since the effective date of the amendments to the Articles of Incorporation enlarging the Supervisory Board on May 25, 2022, and is of the opinion that a body of this size ensures the efficient and effective discharge of its duties even in the absence of any further specialized committees.

A Nomination Committee was not established as the Supervisory Board consists solely of shareholder representatives.

### **Self-Assessment**

The Supervisory Board regularly assesses how effectively it discharges its duties. The most recent self-assessment was performed during the 2021 fiscal year. For this purpose, a questionnaire was developed with the involvement of an external expert and distributed to all members. In the questionnaire, the Supervisory Board members were able to provide a judgment of the effectiveness of the procedures and submit suggestions for improvement. General themes included the conducting of Supervisory Board meetings, the main topics to be discussed, the collaboration of Supervisory Board members, the composition of the Supervisory Board, the cooperation with the Executive Board, the composition of the Executive Board, and succession planning for the committees. In addition, the accounting and auditing processes as well as the quality of the information provided to the Supervisory Board were discussed. The findings and suggestions for improvement were discussed during the following Supervisory Board meeting. The findings of the evaluation attest to professional and constructive cooperation within the Supervisory Board and with the Executive Board, marked by a high level of trust and openness. Likewise, the findings attest to efficient meeting organization and execution as well as appropriate provision of information. No need for fundamental change was evident except for the matter of diversity. Individual suggestions are also acted on and implemented in the course of the year. For instance, diversity was considered more strongly when selecting candidates for the reappointment of the Supervisory Board.

As planned, no self-assessment was performed in 2022 and 2023. The next self-assessment is scheduled for the year 2024.

Please refer to the [<< Report from the Supervisory Board >>](#) for further information on the issues and activities of the Supervisory Board in 2023.

## **Remuneration of the Executive Board and Supervisory Board**

### **Executive Board**

In keeping with the changes in legislation resulting from the German Act Implementing the Second Shareholder Rights Directive (ARUG II), which took effect on January 1, 2020, the Supervisory Board enhanced the existing Executive Board remuneration system and passed a resolution in this connection at the meeting held on March 18, 2022. This remuneration system was approved at the Annual General Meeting on May 12, 2022. The 2022 remuneration system implements the requirements of the German Stock Corporation Act (AktG) in the version amended by the Second Shareholder Rights Directive (ARUG II) and incorporates the recommendations of the German Corporate Governance Code in the version of April 28, 2022, which took effect on June 27, 2022. The remuneration system is published on the company's website at [ir.Nemetschek.com/remuneration](https://ir.Nemetschek.com/remuneration). The Supervisory Board will regularly review the remuneration system. Under section 120a (1) of the German Stock Corporation Act (AktG), the

Annual General Meeting must pass a resolution approving the remuneration system presented by the Supervisory Board in the event of any material change, however no less than once every four years.

### **Supervisory Board**

The Supervisory Board's remuneration is governed in article 15, Remuneration of the Supervisory Board, of the company's Articles of Incorporation.

Nemetschek SE has prepared a separate Remuneration Report since the 2021 fiscal year. The report describes the principles of the remuneration systems for the Executive Board and for the Supervisory Board and provides individualized details on their remuneration. The report for the 2023 fiscal year is published on the website of the company at [ir.Nemetschek.com/remuneration](https://ir.Nemetschek.com/remuneration).

### **Target percentage for female representation, sections 76 (4), 111 (5) of the German Stock Corporation Act (AktG) and diversity policy**

#### **Diversity at Nemetschek**

Diversity is part of the corporate culture that is practiced at the Nemetschek Group. The different cultures and distinct individuality of the employees are important drivers for the company's innovation and should therefore be promoted in a targeted manner. In 2020, the company established a working group that deals closely with diversity within the Group and has also developed a corporate policy on diversity and inclusion. Further information on diversity and inclusion can be found in the 2023 Group Management Commentary in subsection [<< 2 Non-financial Statement >>](#).

The objective to achieve diversity, including diversity in the employee mix, committee composition, and appointments to leadership positions, is expressly welcomed.

The Supervisory Board has currently not adopted a diversity policy for the Executive Board, although it expressly welcomes the commitment to diversity in the German Corporate Governance Code and advocates a diverse composition of governance bodies and in appointments to management positions. In the election proposals for the Supervisory Board elections at the 2022 Annual General Meeting and in the composition of the Executive Board, the Supervisory Board placed particular emphasis on diversity. Female representation increased significantly in both bodies.

#### **Targets for Female Representation**

According to AktG section 111(5), the Supervisory Board must define targets for the share of positions held by women on the Supervisory Board and Executive Board.

### **Executive Board**

#### **Decision Regarding the Target for Female Representation on the Executive Board and Justification**

In its resolution passed on March 9, 2023, the Supervisory Board set a target of 25% for female representation on the Executive Board for the period through to December 31, 2025. The Supervisory Board generally supports the objective of achieving diversity in the Executive Board

and views the future increase of the percentage of women at all levels of the enterprise as an important part of the personnel and diversity concept of the worldwide Nemetschek Group. For the composition of the Executive Board, however, the experience, expertise, and knowledge of each individual is of critical importance to the Supervisory Board. The Supervisory Board is therefore convinced that a target of 25% female representation on the Executive Board for 2023 to 2025 is realistic, appropriate, and proper.

### **Determination of the Status Quo for Female Representation on the Executive Board**

The Executive Board consisted of Yves Padrines (CEO) and Louise Öfverström (CFO) as of December 31, 2023. Female representation on the Executive Board therefore stood at 50% at the end of 2023 (previous year: 0%), thus exceeding the defined target. However, the determination of the female representation target was based on an Executive Board consisting of four members. Currently, however, the Executive Board is made up of only two members. If the Executive Board were to be expanded again in the future, this would have an impact on the proportion of female representation.

### **Supervisory Board**

#### **Decision Regarding the Target for Female Representation on the Supervisory Board**

In its resolution passed on December 17, 2021, the Supervisory Board set a target of 25% for female representation on the Supervisory Board for the period through to December 31, 2025.

#### **Determination of the Status Quo for Female Representation on the Supervisory Board**

The Supervisory Board was composed of four male and two female members as of December 31, 2023. Accordingly, the proportion of female representation on the Supervisory Board amounted to 33.3% (previous year: 33.3%).

### **Management Tier Directly beneath Executive Board**

In accordance with section 76(4) of the German Stock Corporation Act (AktG), the Executive Board also sets targets for female representation on management tiers beneath the Executive Board.

The Executive Board amended its definition of the management tier directly beneath the Executive Board in 2021. All employees who report directly to members of the Executive Board have since been deemed to belong to the management tier directly beneath the Executive Board. This management tier comprised 14 individuals at the time the resolution was passed, including four women, resulting in female representation of 28.6%.

As Nemetschek SE traditionally has flat hierarchies due to its corporate structure as a holding company and there is no continuous second management tier, a target figure for female representation at the second management tier has not been set. Nevertheless, the company performs an annual check to determine whether the installation of a second management tier is appropriate in view of the Group's steady growth.

#### **Decision Regarding the Target for Female Representation at the Management Tier Directly beneath the Executive Board**

In its resolution passed on December 17, 2021, the Executive Board set a target of 28.6% for female representation on the first management tier directly beneath the Executive Board for the period through to December 31, 2025.



### **Determination of the Status Quo for Female Representation at the Management Tier Directly beneath the Executive Board**

The first management tier comprised 14 individuals as of December 31, 2023 (previous year: 16), including 4 women (previous year: 4 women), translating into female representation of 28.6% (previous year: 25.0%). The company's continuous growth and the related adjustments to its management structures may also cause fluctuations in the gender representation at the first management tier.

### **Further Information on Corporate Governance**

#### **Financial Reporting and Audit**

Nemetschek SE prepares its consolidated financial statements and consolidated interim reports in accordance with the International Financial Reporting Standards (IFRS) as endorsed in the European Union. The annual financial statements of Nemetschek SE (separate financial statements) are prepared in accordance with the provisions of the German Commercial Code (HGB). The Supervisory Board proposed at the Annual General Meeting that PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Munich, be elected independent auditors. On May 23, 2023, the Annual General Meeting duly elected PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Munich, as independent auditors of the annual financial statements and the consolidated financial statements for 2023. The signing auditors of the parent-company financial statements of Nemetschek SE and of the consolidated financial statements as of December 31, 2023 are Katharina Deni as the responsible auditor and left-hand signatory as well as Vera Daners as the right-hand signatory. The Supervisory Board awarded the audit engagement and also negotiated the audit fee. The Audit Committee reviewed the independent auditors' independence. Moreover, it assessed the services rendered by the auditor and worked on the evaluation the audit quality, and reported on this to the Supervisory Board.

#### **Shareholders and the Annual General Meeting**

Shareholders can assert their rights and exercise their voting rights at the Annual General Meeting. Each share in Nemetschek SE bears one voting right. At the Annual General Meeting, resolutions are passed on matters such as the appropriation of profits, the official approval and discharge of the members of the Executive Board and the Supervisory Board, the selection of the independent auditor and the approval of the remuneration report. Resolutions on amendments of the Articles of Incorporation, measures to modify the capital, and other potential actions are decided at the Annual General Meeting and subsequently implemented by the Executive Board. The Annual General Meeting usually takes place within the first five months of a given fiscal year. The meeting is chaired by the Chair of the Supervisory Board. The Executive Board presents the consolidated financial statements and annual financial statements as well as more detailed reports, explains the prospects of the company, and, together with the Supervisory Board, answers the shareholders' questions.

The invitation to the Annual General Meeting and the corresponding documents and information are made available on the Nemetschek Group website on the day the meeting is called in accordance with the statutory requirements. Nemetschek supports its shareholders in the exercising of their voting rights by appointing proxies who vote according to the instructions of the shareholders.

After being held in virtual form during the Covid pandemic due to the applicable restrictions, last year's Annual General Meeting took place in a physical format again for the first time at the Haus der Bayerischen Wirtschaft in Munich on May 23, 2023.

### **Transparency and Communication**

The Nemetschek Group makes open and trustful communication with the shareholders and other stakeholders a priority and maintains a prompt and reliable dialog with them. All information relevant to capital markets is published in German and English simultaneously and made accessible on the company's website. This information includes annual and interim reports, press releases and ad hoc notifications, information on the Annual General Meeting, and CSR reports (corporate social responsibility; sustainability reports) and company presentations. The financial calendar with the relevant publication and event dates can also be found on it.

### **Directors' Dealings, Voting Rights, and Stock Options**

Nemetschek SE provides information pursuant to Article 19 of Regulation (EU) No. 596/2014 (Market Abuse Regulation) of the European Parliament and of the Council in relation to transactions of the Executive and Supervisory Board members involving the company's shares (directors' dealings). The information is published on the company's website at [ir.Nemetschek.com/en/managerstransactions](https://ir.Nemetschek.com/en/managerstransactions).

Nemetschek SE also reports on notifiable changes in shareholdings when the voting right thresholds specified in the German Securities Trading Act (*Wertpapierhandelsgesetz*, WpHG) have been reached, exceeded, or fallen short of. These reports are published on the company's website at [ir.Nemetschek.com/voting-rights](https://ir.Nemetschek.com/voting-rights).

The Nemetschek Group wishes to involve the Executive Board and other categories of employees in the company's future success over the medium and long term. A stock appreciation rights (SAR) plan was initiated for this purpose and integrated into the current Executive Board remuneration system which was approved at the Annual General Meeting on May 12, 2022. This SAR plan is based on virtual subscription rights. Their value is tied to the performance of Nemetschek's stock price. There is no entitlement to receiving new shares. The increase in the value of the notional subscription rights is normally paid out in cash, though it can also take the form of treasury stocks. Information about the SAR plan can be found in the description of the current system for Executive Board remuneration on the company's website at [ir.Nemetschek.com/remuneration](https://ir.Nemetschek.com/remuneration).

Munich, March 15, 2024

Yves Padrines

Louise Öfverström