

Declaration by the Executive and Supervisory Boards of Nemetschek SE on the Recommendations of the Government Commission of the German Corporate Governance Code (Regierungskommission Deutscher Corporate Governance Kodex) Pursuant to Section 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 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.

Munich, March 6, 2024

For the Executive Board

Yves Padrines
Chief Executive Officer

For the Supervisory Board

Kurt Dobitsch
Chairman of the Supervisory Board