

### Business Enablement

Business enablement is a global strategic initiative to reduce the complexity resulting from the large number of brands in the Nemetschek Group. The aim is to increase operational excellence through greater organizational efficiency and effectiveness, harmonized processes, the exchange of best practices, as well as an optimized tool and support system landscape and the necessary skills. This includes, for example, the harmonization of backend systems in human resources, ERP (Enterprise Resource Planning) and CRM (Customer Relationship Management) or the expansion of development centers that are used across brands. In addition to the harmonization of enablement processes and IT infrastructure, the organizational harmonization of various operational functions such as People/HR, Finance, Controlling & Risk Management, Information Security or IT is also taking place. The synergies arising from this, the more efficient scaling options and the cost efficiency and effectiveness make a major contribution to implementing the growth strategy and further investments in the future value creation of the Nemetschek Group.

The Nemetschek Group's strategic orientation, core topics and corporate objectives are carefully anchored in the strategic plan and form the guiding principles for the company's development. The strategic plan is regularly and thoroughly discussed and reviewed by the Executive Board and the segment heads together with the global Nemetschek management team and in cooperation with the supervisory board. Any deviations from the targets set out in the strategic plan are counteracted with targeted measures. If necessary, the targets are adjusted to ensure that the strategy of the Nemetschek Group always meets current market, competition and customer requirements.

## 1.3 Research and Development

Innovation and the pursuit of technology leadership have been an integral part of the identity and DNA of the Nemetschek Group since its foundation. In the face of a constantly changing business environment, which is characterized, among other things, by disruptions such as AI, the company's ability to innovate is crucial to remain competitive. The Nemetschek Group's innovation strategy is oriented toward the continuous improvement of the existing product portfolio (e.g., new releases such as Archicad 28 and Allplan 2025) as well as the development of trailblazing new technologies and solutions (e.g., AI Visualizer, AI Assistant). For this reason, the Nemetschek Group endeavors to drive and thus have a significant influence on digital transformation in its industries – AEC/O and media – through targeted investment in research and development. Research and development focus areas are therefore topics such as artificial intelligence, digital twin, sustainability, or cloud-based features and solutions as well as the Group-wide cloud platform and infrastructure (see also [<< 1.2 Growth Drivers, Goals and Strategy >>](#)).

### Excellence in Every Phase of the AEC/O Life Cycle and in Content Production

The AEC/O and media sectors are undergoing rapid change centered on technology and sustainability. The mission of the Nemetschek Group is to provide professionals in the industry with state-of-the-art tools that enable them to plan, build, administer, and create digital content more efficiently, creatively, and sustainably.

In particular, the AEC/O industry is complex by nature and comprises multiple disciplines and complex workflows. Therefore, the focus is on developing intuitive, integrated solutions that enhance productivity, precision, and innovation during all phases of a project – from the initial concept through to construction and subsequent operation.

In each segment, the segment managers, in tandem with their respective brands, compile a comprehensive product road map as part of the annual planning process. This road map outlines strategic product developments that are tailored to the individual needs of the brands concerned and that ensure the direction of the long-term strategy of the Nemetschek Group. At regular review meetings involving the brands, the segment managers, and the Executive Board, progress in implementing the road map is reviewed, milestones are validated, and adjustments or new measures initiated where necessary.

Each Group brand maintains its own development department, which spearheads innovation and incorporates the needs and feedback of the respective end markets and users in its innovations. These teams concentrate on the ongoing development of individual solutions, such as Maxon's ZBrush sculpting software for iPad, the Graphisoft BIM tools, Bluebeam's digital collaboration software, and the infrastructure modeling features from Allplan.

Strategic initiatives at segment level drive forward key developments that improve the brands' products and services and expand Nemetschek solutions in vital areas such as open BIM standards, AI-managed workflows, and digital twin technologies. This focused approach ensures that each brand continues to offer innovative solutions while simultaneously contributing to the overall transformation of the AEC/O and media industries.

### **Shaping the Future: Collaboration, Integration, and Sustainability**

As the AEC/O industry is becoming increasingly interconnected, cross-brand and interdisciplinary collaboration will become ever more important. While Nemetschek has already made substantial progress in creating standardized workflows, the company sees even greater potential in the future in terms of harnessing synergies within the Group portfolio. Ultimately, the Nemetschek Group's vision is to create an interconnected ecosystem in which cross-brand innovations increase added value for customers and the industry. As the AEC/O sector plays a crucial role in combating climate change, the Nemetschek Group is committed to supporting and driving change towards sustainable practices. Therefore, sustainability is always an important aspect when developing new solutions and innovations focused on reducing waste, improving energy efficiency, and supporting green construction standards.

### **Innovation Focuses**

All brands of the Nemetschek Group continuously enhance their existing solutions. In the respective segments, the brands worked, for example, constantly on improving the user friendliness of their solutions, on process optimizations, and on integrated interfaces and links for a smooth OPEN BIM workflow. Simultaneously, all brands work on steadily expanding their existing solution portfolios to reflect technological trends and changed client needs and, in doing so, secure their position as innovation leaders in their markets. A special, cross-segment focus for development work in the 2024 fiscal year remained the ongoing development of subscription and SaaS offerings.

A key area of focus for the Group's development activities is innovation through the use of artificial intelligence (AI), with various initiatives Group-wide working in this area. One of the guiding principles behind these developments is the aim of providing customers in the AEC/O and 3D animation industries with trustworthiness and ethically sound artificial intelligence. In line with this, the Nemetschek Group has already introduced various product extensions and strategic partnerships that use artificial intelligence technologies to improve processes in the life cycle of buildings and in the media industries, thus increasing productivity and promoting creativity. For example, the Nemetschek brand Graphisoft has launched an AI-based visualizer for its BIM software solution Archicad, which was consequently also implemented in the authoring solutions from Allplan and Vectorworks. Using an AI-assisted engine that generates high-quality imaging, the software's users can shorten the early design process by generating multiple design visualizations without needing to model them in 3D. In order to further accelerate and streamline its AI activities, the Nemetschek Group has also set up an AI & DATA Innovation Hub, which represents one of the central driving forces behind internal AI development activities. This hub will play a key role in development synergies of AI services across all brands in the Nemet-

schek Group portfolio. By virtue of its extensive industry expertise in AEC/O and media, the Nemetschek Group is well positioned to utilize the benefits of AI.

Further development priorities are the cloud platform and infrastructure, as well as the further development of the digital twin platform dTwin. The open and horizontal SaaS cloud solution dTwin will be continuously expanded with new features in the future.

A further key area of focus for internal development activities lies in the continuous introduction of new cloud-based functions for the solutions of all individual brands. One example in this regard is Bluebeam, which further digitalizes the construction process by introducing multiple new features. These include the cloud-based collaboration solution Bluebeam Anywhere, which enables Nemetschek customers' teams to seamlessly access project documents, markups, and many other items of information from any location. At the same time, it improves communication and collaboration between the various teams in real time and from any device (Web, mobile, iPad, and desktop). Combining the existing Nemetschek Group expertise in the Build segment with the broad portfolio of SaaS solutions of the newly acquired GoCanvas Holdings, Inc., for paperless documentation, reporting, and data integration on the building site gives rise to an end-to-end construction solutions portfolio.

In the 2024 financial year, EUR 213.9 million (previous year: EUR 201.6 million) were invested in research and development. Around 22% of Group revenues therefore went toward research and development in the 2024 fiscal year (previous year: around 24%) and into new and further development of the solution portfolio. Furthermore, roughly 37% (previous year: 39%) of employees work in research and development, emphasizing once more the high priority that this area of business has for the Nemetschek Group. The development of new, innovative solutions and enhancement of tried and tested ones rested largely on internal resources and only drew on the services of third parties to a small extent. In terms of expenditure, 88% (previous year: 88%) was on internal R&D employees (including cost of goods sold and depreciation and amortization) and just 12% (previous year: 12%) on external service providers.

In addition to its own innovative strength, the Nemetschek Group is also increasingly utilizing external innovative capabilities by investing in smaller, young and highly innovative companies, such as SmartPM, Document Crunch or Briq in 2024. Read more about this in [<< 1.2 Growth Drivers, Goals and Strategy >>](#). The focus of these investments is on keeping pace with the latest developments in key areas such as artificial intelligence and sustainability in the construction industry.

In addition, collaboration and partnerships with other innovative companies, colleges and universities are part of the DNA of the Nemetschek Group and support the further development of the company. Maintaining contact with science and teaching has been a key focus since the Nemetschek Group was founded in 1963. Nemetschek has its roots in the academic sector, where the company's software solutions have been used for decades. The brands provide students and professors with free software licenses and online learning materials as part of their "campus programs." This applies to the core markets in Europe and now also to many other markets, particularly the USA and, since 2024, India.

Moreover, Nemetschek regularly takes part in university programs by getting involved in the holding of student competitions to foster young talent in architecture and engineering. For example, Nemetschek provides support to the Leonhard Obermeyer Center at the Technical University of Munich as a partner. Close collaboration with universities and colleges simultaneously safeguards the Nemetschek Group's innovation capabilities, as it is kept up to date with new topics, trends, and innovative developments through the close ties to higher education.

## 1.4 Corporate Management and Governance

### General Information

A key success factor for the Nemetschek Group is its combination of a streamlined Group structure with efficient processes and synergies, as well as the flexibility and independent responsibility of the segment and individual brands. This structure makes it possible to strike a balance between global management and entrepreneurial freedom, thus promoting innovative strength and agility.

The strategic leadership and the operational management of the Nemetschek Group are performed by the Executive Board of Nemetschek SE in close cooperation with the managers of the individual segments and functions. The core tasks include the strategic positioning of the Group on global markets and its short- and medium-term revenue, profitability, liquidity, and investment planning. These processes are not only aligned with internal targets, but also take into account market and competition analyses in order to ensure long-term success.

Management is carried out at segment level and through the relevant functional responsibilities. Based on the strategic objectives, specific requirements and annual targets are derived for the segments and corresponding brands of the Nemetschek Group. These objectives are aligned with the brands as part of an annual planning process and broken down into operational sub-targets for areas such as marketing, sales and research & development. This is done in close coordination between the segment managers, the managers of the brands, and the responsible Global Process Owners (GPOs) as well as the Executive Board of the Nemetschek Group. The Supervisory Board supports these processes in an advisory capacity and monitors compliance with the defined targets.

A monthly monitoring process supports the pursuit of targets during the financial year. A management information system is used to record and evaluate key figures such as revenue, growth, costs, and earnings. These key figures are compared with the previous year's figures and the planned targets in order to identify deviations at an early stage. If necessary, suitable countermeasures are developed in collaboration with the segment managers, the managers of the brand companies, the GPOs and the Executive Board.