

To improve readability, the masculine form is used for the majority of personal nouns in this non-financial Group statement. This does not imply any discrimination against the other gender but is intended to be understood as gender-neutral in the interests of linguistic simplification.

The Nemetschek Group's business model is described in section [<< Group Business Model >>](#) of this Group Management Commentary.

2.1 Sustainability at the Nemetschek Group

Approach to Sustainability

The Nemetschek Group places considerable importance on good corporate governance and social and environmental responsibility. The Group aims to increase efficiency and productivity across the entire value chain of the construction industry through its software solutions. These solutions cover the complete workflow in the life cycle of a construction or infrastructure project, from the first sketch to the construction and operation of the property. Architects, engineers of various disciplines, building contractors, property developers, property managers, and building managers can use the Nemetschek Group's software solutions to design, build, and manage properties digitally and efficiently throughout the building life cycle.

We focus on acting sustainably not only in the development of our software solutions, but also in relation to how we treat our employees and approach our role in society. For this reason, the Nemetschek Group has defined standards in its Code of Conduct for the way in which it conducts day-to-day business. The Code of Conduct is regularly reviewed to ensure it is current and revised accordingly. It was last updated in late 2021 and specifically states:

"Each of us contributes to the public image of the Nemetschek Group through our appearance, conduct, and actions. We are all responsible for ensuring that we, as the Nemetschek Group, live up to our global legal and social responsibility."

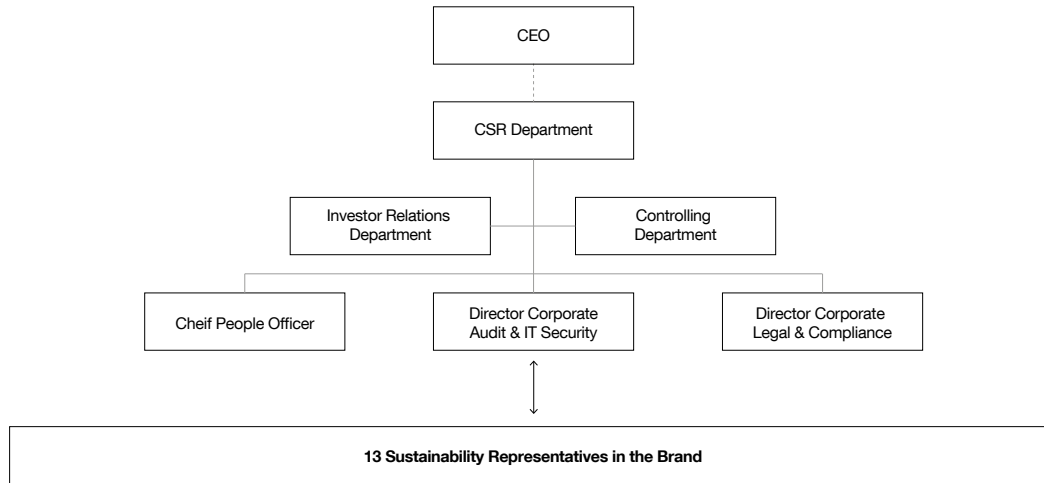
The Code of Conduct states that the Nemetschek Group does not tolerate any form of discrimination or harassment, nor corruption of any kind. Furthermore, each and every employee is required to use all resources sparingly and in an environmentally friendly manner in everyday working life. Employee responsibility also plays a significant role.

Beyond its own organization, the Nemetschek Group also has its suppliers commit to a "Supplier Code of Conduct" for suppliers and business partners, for example. This particular code of conduct provides guidelines that include the fundamental principles of the International Labour Organization (ILO), among other things. Further information on these two topics is provided in section [<< Integrity and Compliance >>](#).

Sustainability Structures within the Company

There are standards applicable across the Group that provide the basis for sustainability-related activities. They cement sustainability as an integral part of all business practices of the Nemetschek Group. The Sustainability department and the cross-functional Core Sustainability Team identify sustainability-related topics and coordinate the implementation of the corresponding measures. The Sustainability department maintains close contact with the Executive Board in this regard. The Chief Executive Officer (CEO) has held responsibility for sustainability within the Executive Board since March 1, 2022, prior to this date, the Chief Financial & Operations Officer (CFFOO) was responsible. The CEO engages intensively with the Sustainability department about the progress on relevant activities within the company, usually once per quarter, and discusses the next steps to take. Furthermore, the Executive and Supervisory Boards are kept abreast of key developments within the Sustainability department with a written report every six months. The regular reporting to and dialog with Executive and Supervisory Board focuses in particular on the key topics identified through the Materiality Analysis, which is described below, and the development of these topics.

SUSTAINABILITY STRUCTURES IN THE GROUP



Because the Nemetschek Group consists of 13 brands, many of the non-financial issues are also still managed by the brands independently. However, to coordinate the activities and align them across the company, the sustainability representatives at all brands have held discussions every six months on matters such as best practices, the ongoing development of the future sustainability strategy, and non-financial risk since 2021. The designated points of contact are the driving force for the relevant issues within their brand and are tasked with exchanging information with Nemetschek SE as well as with their colleagues at their brand and beyond.

Material Risks

The Nemetschek Group examines not only the main risks for its business activities but also risks that could have a significant negative impact on the concerns defined for nonfinancial reporting (HGB section 315c in conjunction with Section 289c (3) Nos. 3 and 4). The risk assessment involves recording the gross risk values for the amount of loss and probability of occurrence as far as possible, as well as the net risk positions remaining after risk-mitigating measures.

Similarly, to the previous year, no material risks that would very likely have serious effects were identified for 2022 for the topics defined in the non-financial reporting. Consequently, there remained no risks for 2022 that, on a net basis, meet the materiality criteria under HGB Section 289c (3) Nos. 3 and 4. This risk assessment was coordinated with the sustainability representatives for the brands during the reporting period.

Materiality Analysis

To align sustainability-related efforts with the interests of stakeholders, an extensive materiality analysis was carried out most recently in 2021. The Nemetschek Group has performed materiality analyses every other year since 2017. In the years between, including 2022, the detailed materiality analysis an assessment on major changes and validity of the defined material topics was made. The current assessment did not result in any adjustments to the defined material topics of the group. The materiality analysis is planned to be performed again for the 2023 fiscal year.

In the course of this materiality analysis, a variety of external frameworks such as the GRI Standards and various ESG and sustainability ratings were first used to assess how current and relevant selected topics were. Then, roughly 850 internal and external stakeholders were consulted to identify material topics and their relevance to the Group’s business and to evaluate the impacts on the environment, employees, and society. Weighting the individual results ensured that the overall result was representative. The Core Sustainability Team concluded the process by discussing and validating the ranking of the issues at a final workshop. These results were presented to the Executive Board and subsequently reported to the Supervisory Board.

The following table shows the topics that were identified as material and their allocation to our overarching fields of action and concerns under the CSR-RUG.

FIELDS OF ACTION AND MATERIAL TOPICS

Field of Action ("concern" under CSR-RUG)	Material Topics at Nemetschek Group
Employees & Society (Social Issues and Employees)	<ul style="list-style-type: none"> » Attracting and retaining employees » Training and education » Employee health » Diversity and inclusion » Customer relationships » Partnerships with colleges of technology and universities
Environment & Climate (Environment)	<ul style="list-style-type: none"> » Environmental and social effects of products
Integrity & Compliance (Human Rights and Combating Corruption)	<ul style="list-style-type: none"> » Fair business practices and anti-corruption » Anti-discrimination » Data protection and information security

2.2 Key Non-financial Issues**Employees and Society**

At the Nemetschek Group, the focus is on employees. The Nemetschek Group believes that satisfied, successful, and healthy employees are crucial to sustainable business development. The Group's management maintains an open dialog with all employees at all levels and has set priorities and directions for HR work in the company. The most important goals remain the same, namely, to create the best possible environment, to attract the best talent to the company and retain it, to offer equal opportunities, and to treat everyone with the utmost respect and appreciation. However, this social responsibility is not limited to only the employees at the Group. It also applies to clients, partners, and society as a whole. The Nemetschek Group Code of Conduct states the importance of acting responsibly in relation to all our stakeholders.

Management Approach – Employee Responsibility

In addition to the Nemetschek Group Code of Conduct, the People Letter of Commitment defines basic standards and requirements for key issues affecting employees. They include core instruments for employee recruitment and development. Regular employee development conversations between employees and their manager as well as programs for supporting employee health are just two examples from these fields. The revision of the People Letter of Commitment in the 2021 fiscal year strengthens the focus on diversity and employee well-being.

To act quickly and agilely in the respective markets and regions, the individual brands manage their HR affairs independently. As a result, important areas such as gaining and retaining employees, education and training, employee health, and diversity and inclu-

sion are managed in a decentralized manner by the brands. Owing to in particular regional differences of the labor markets in which our brands are active, the brands are also free to define brand-specific standards and to develop their own HR guidelines that go beyond the minimum requirements stated in the "People Letter of Commitment" or govern additional topics.

The Human Resources department of Nemetschek SE supports and advises the HR departments of the individual brands in this respect. The Chief People Officer (CPO) is responsible for the Personnel department within Nemetschek SE and reports to the CEO. Furthermore, there is a reporting line between the CPO and the HR managers at the individual brands, ensuring regular and close communication on matters such as new projects and important Group-wide HR issues. Various expert and project committees are also convened as required to deal with specific topics. On top of that, the HR departments within the Nemetschek Group maintain close, cross-brand exchange on topics that are important for the present day and the future.

The Nemetschek Group's values are characterized by open and transparent communication. For instance, there are the Group-wide, virtual "NEMunplugged" employee events which were launched in the 2021 fiscal year. These quarterly events – now taking place in a hybrid format - introduced new members of the workforce's management and provided an overview of the current Group-wide activities and of the Group's strategic direction during the 2022 fiscal year, among other things. Moreover, the Executive Board sketches out the current development of the business and further data and facts on the Group and its segments on a regular basis.

Gaining and Retaining Employees

Attracting and retaining highly qualified and highly motivated employees is one of the keys to success for the entire software industry. The shortage of skilled IT workers has been heightened by the Covid-19 pandemic and also affects enterprises like the Nemetschek Group. The AEC/O market and the media & entertainment industry are characterized by a high speed of innovation. When it comes to finding skilled and highly talented workers, the Nemetschek Group must compete with businesses of comparable structures and sizes as well as international corporations such as Microsoft, Apple, and Google.

Attractive working conditions and a positive working environment help attract the best talent to the Nemetschek Group and retain them in the Group. An important goal of our human resources work is to develop our workforce size in such a way that the Group's targeted growth potential can be realized and is not limited by freight labor shortages. The Nemetschek Group uses the development of the number of its employees and staff turnover as an indicator of the success of its measures. It plans to also set targets for gaining and retaining employees in the medium term in connection with its ongoing development of sustainability-related activities. In particular, the methods used by the Nemetschek