

7.3 Remuneration report

Supervisory Board

The Supervisory Board receives a fixed remuneration. The remuneration for the Supervisory Board is as follows:

REMUNERATION OF THE SUPERVISORY BOARD

2019	Thousands of €	2019	2018
Kurt Dobitsch		250	250
Prof. Georg Nemetschek		225	225
Rüdiger Herzog		200	200
Bill Krouch		200	117
		875	792

Executive Board

The remuneration for the Executive Board comprises a fixed remuneration plus customary fringe benefits such as health and long-term care insurance, use of company cars, and a variable, performance-related remuneration. The variable remuneration has a short-term and a long-term component.

The short-term performance-related (variable) remuneration depends primarily on the achievement of corporate targets (revenues, EBITA and earnings per share), which are agreed between the Supervisory Board and the Executive Board at the beginning of each financial year.

The long-term performance-related (variable) remuneration of the Executive Board – also known as the Long-Term Incentive Plan (LTIP) – depends on the achievement of defined corporate targets for the development of revenue, the operating result (EBITA) and earnings per share as well as predefined strategic project targets. In each case, the period to be considered is three financial years.

The Executive Board's participation in the LTIP is subject to a corresponding nomination by the Supervisory Board at its annual accounts meeting. As of December 31, 2019, Executive Board members Patrik Heider and Viktor Várkonyi were nominated for the LTIPs from 2016 to 2018, 2017 to 2019, and 2018 to 2020. In the 2019 financial year, long-term variable components of EUR 859k (previous year: EUR 1,250k) were paid out. Sean Flaherty, who left the Executive Board on December 31, 2018, was granted a compensation payment of EUR 350k to compensate for the long-term variable remuneration he had previously earned. This payment was made in 2019.

The following tables show the grants, inflows and pension expenses granted to each individual member of the Nemetschek SE Executive Board in accordance with the recommendations of Section 4.2.5 (3) of the German Corporate Governance Code:

EXECUTIVE BOARD REMUNERATION – VALUE OF THE AMOUNTS GRANTED

		Viktor Várkonyi					Jon Elliott		
	2018	2019	2019	2019		2018	2019	2019	2019
Thousands of €	Initial Value	Initial Value	Minimum	Maximum	Initial Value	Initial Value	Minimum	Maximum	Maximum
Fixed compensation	124	102	102	102	0	92	92	92	92
Fringe benefits	0	0	0	0	0	0	0	0	0
Total	124	102	102	102	0	92	92	92	92
One-year variable compensation	136	303	0	525	0	92	0	92	92
LTIP 2016 – 2018	314	0	0	0	0	0	0	0	0
Multi-year variable compensation LTIP 2017 – 2019	168	209	0	314	0	0	0	0	0
LTIP 2018 – 2020	153	225	0	307	0	0	0	0	0
LTIP 2019 – 2021	0	246	0	353	0	163	0	229	229
Compensation of prior year LTIPs	0	0	0	0	0	0	0	0	0
Total	895	1,085	102	1,601	0	347	92	412	412

		Patrik Heider					Sean Flaherty		
	2018	2019	2019	2019		2018	2019	2019	2019
Thousands of €	Initial Value	Initial Value	Minimum	Maximum	Initial Value	Initial Value	Minimum	Maximum	Maximum
Fixed compensation	250	250	250	250	125	0	0	0	0
Fringe benefits	16	16	16	16	0	0	0	0	0
Total	266	266	266	266	125	0	0	0	0
One-year variable compensation	221	450	0	450	73	0	0	0	0
LTIP 2016 – 2018	25	0	0	0	0	0	0	0	0
Multi-year variable compensation LTIP 2017 – 2019	168	209	0	314	0	0	0	0	0
LTIP 2018 – 2020	144	0	0	0	0	0	0	0	0
LTIP 2019 – 2021	0	0	0	0	0	0	0	0	0
Compensation of prior year LTIPs	0	0	0	0	350	0	0	0	0
Total	824	659	266	764	548	0	0	0	0

EXECUTIVE BOARD REMUNERATION – CASH FLOW VIEW

	Viktor Várkonyi		Jon Elliott	
	2019	2018	2019	2018
	Initial Value	Initial Value	Initial Value	Initial Value
Thousands of €				
Fixed compensation	102	124	92	0
Fringe benefits	0	0	0	0
Total	102	124	92	0
One-year variable compensation	136	136		
Advance payment for one-year variable compensation	0	0	0	0
Multi-year variable compensation LTIP 2015 – 2017	0	416	0	0
LTIP 2016 – 2018	573	0	0	0
LTIP 2017 – 2017	0	0	0	0
Compensation of prior year LTIPs	0	0	0	
Total	811	676	92	0

	Patrik Heider		Sean Flaherty	
	2019	2018	2019	2018
	Initial Value	Initial Value	Initial Value	Initial Value
Thousands of €				
Fixed compensation	250	250	0	125
Fringe benefits	16	16	0	0
Total	266	266	0	125
One-year variable compensation	101	221	447	73
Advance payment for one-year variable compensation	120	0	0	0
Multi-year variable compensation LTIP 2015 – 2017	0	416	0	416
LTIP 2015 – 2017	286	0	0	0
LTIP 2017 – 2019	0	0	0	0
Compensation of prior year LTIPs	0	0	350	0
Total	773	903	797	614

The total remuneration paid by Nemetschek SE for the Executive Board for the 2019 financial year was EUR 2,357,000 (previous year: EUR 2,267,000).

In addition to the remuneration paid by Nemetschek SE, Viktor Várkonyi received a gross fixed salary of EUR 265,000 (previous year: EUR 192,000) and a gross fringe benefit of EUR 14,000 (previous year: EUR 14,000) from Graphisoft SE. In the previous

year, he received a gross amount of EUR 76k as performance-related short-term remuneration. Jon Elliott received a gross fixed salary of EUR 304k, fringe benefits of EUR 50k and performance-related remuneration of EUR 395k gross from Bluebeam, Inc. Furthermore a variable remuneration of EUR 119k was granted for several years.

Munich, March 27, 2020



Dr. Axel Kaufmann



Viktor Várkonyi



Jon Elliott