

Nomination and Remuneration Committee Report 2019/2020

Following the Annual General Meeting held on 27 March 2019, the Board the Board of Directors elected in March 2019 the following to the Nomination and Remuneration Committee:

- Morten Hübbe (chairman, independent)
- Peter Schütze (member, independent)
- Hervé Couturier (member, independent)
- Vera Bergforth (member, employee-elected, not independent)

The Committee works under a set of Terms of Reference which has been approved by the Board and can be found on www.simcorp.com/investors.

Responsibilities. The Committee assists the Board with the oversight of the competence profile and composition of the Board, nomination of members of the Board, nomination of members of Board committees, succession plan for Group Management Committee. Further the Committee assists the Board with the oversight of the remuneration of the Board of Directors, the remuneration of Group Management Committee, the Remuneration Policy and the Restricted Stock Units pool and allocations. Finally, the Committee assists the Board with such other tasks as required from time to time.

Nomination and Remuneration Committee Report 2019/20:

The Committee works according to an annual wheel with fixed agenda items. During the year 2019/20, the Committee has held 3 ordinary meetings and one extraordinary meeting in connection with the hire of the Chief Operating Officer and dealt with the following matters:

Nomination Matters:

1. Board composition

- (a) Evaluated the independence criteria relevant for the Board and reviewed the Board members' independence.
- (b) Assessed the Board's structure, size and composition
- (c) Assessed the competency profile of the Board and provided inputs to the Board as to required competencies.
- (d) Discussed long term succession planning for the Board and identified potential need for replacements for Board members as well as desired competences to be on the Board.
- (e) Discussed the long-term succession plan for Executive Management Board and key members of the Group Management Committee.

2. Search for and recommendation of Board members

- (a) Established a search profile for the desired profiles

- (b) Initiated a search and recommended to the Board a specific proposal for nomination of individual members for election or re-election at the Annual General Meeting as Chairman, Vice Chairman and board members.
- (c) Presented to the Board a specific proposal for election or re-election of individual members as Board committee members.

3. Search for and recommendation of Chief Operating Officer

- (a) Assisted in the hiring and conclusion of Executive Services Agreement with new Chief Operating Officer;
- (b) Reviewed the terms of the Executive Services Agreement with Chief Operating Officer and ensured conformity with Remuneration Guidelines and Corporate Governance Recommendations.

Remuneration Matters:

1. Board remuneration

- (a) Carried out a benchmark analysis and recommended the remuneration for the Board to be approved by the AGM
- (b) Proposed input to Remuneration Policy

2. Other remuneration

- (a) Evaluated the remuneration of each member of Executive Management Board and recommended changes to the Board
- (b) Evaluated the total remuneration of GMC and recommended changes to the Board
- (c) Reviewed the proposal for annual RSU spend and the consumption of the Restricted Stock Unit pool.
- (d) Reviewed and benchmarked the %-spend of the overall profits of the company on Long Term Incentive Programs.
- (e) Reviewed top-25 earners in SimCorp.
- (f) Reviewed the EMB members' remuneration from and interest in companies other than SimCorp.

3. Committee matters and governance

- (a) Proposed updated Terms of Reference for the Committee for Board approval.
- (b) Proposed the annual wheel for 2020/21.
- (c) Prepared and distributed this report on the Committee's activities in 2019/20.