

Nomination and Remuneration Committee Report 2018/2019

At the Annual General Meeting held on 23 March 2018, the Board of Directors informed that it intended to establish a joint nomination and remuneration committee (the “Committee”) with effect from the Board year 2018/2019. Following the AGM, the Board of Directors elected in March 2018 the following to the Nomination and Remuneration Committee:

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

The Committee prepared a set of Terms of Reference which was approved by the Board and can be found on <https://www.simcorp.com/en/investor/corporate-governance>.

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 2018/19:

The Committee works according to an annual wheel with fixed agenda items. During the year 2018/19, the Committee has held 3 meetings 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 need for replacements for Board members stepping out 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

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- (b) Conducted a search, including interviews of candidates 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.

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 Guidelines

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.

3. **Committee matters and governance**

- (a) Proposed the Terms of Reference for the Committee for Board approval.
- (b) Proposed the annual wheel for 2018/19.
- (c) Prepared and distributed this report on the Committee's activities in 2018/19.