German Stock Corporation Act, Section 161 Declaration by the Executive and Supervisory Board Concerning SAP's Implementation of the German Corporate Governance Code

Pursuant to the German Stock Corporation Act, section 161, the Executive Board and the Supervisory Board of SAP AG (SAP) declare as follows:

I. German Corporate Governance Code 2010

SAP has followed the recommendations in the May 26, 2010, version of the German Corporate Governance Code, since it was published in the *Elektronischer Bundesanzeiger* (*Online German Federal Gazette*) on July 2, 2010, and will continue to follow them, except as set out below.

1. Supervisory Board contracts do not provide for a deductible in directors' and officers' liability insurance policies.

At section 3.8, the German Corporate Governance Code (Code) recommends that if a company takes out directors' and officers' liability (D&O) insurance for its supervisory board members, a deductible should be agreed. SAP does not believe that the motivation and responsibility that the members of the Supervisory Board bring to their duties would be improved by such a deductible element. SAP does not therefore plan to amend its current D&O insurance policies in that respect.

2. Executive Board contracts do not cap severance payments on premature termination.

The fourth paragraph in section 4.2.3 of the Code recommends that when executive board contracts are concluded, care should be taken to ensure that any severance payments, including additional benefits, on premature termination without just cause, are capped at two times the annual compensation or, if less, compensation for the remaining contract term. SAP follows the recommendation in the fifth paragraph in section 4.2.3 of the Code that severance pay be capped in a change of control. However, we do not believe it would be practicable to conclude Executive Board member contracts that cap severance pay in cases of premature termination by agreement. To agree such a cap from the outset would be contrary to the spirit of the Executive Board contract, which is normally concluded for a fixed term and does not in principle provide for the possibility of ordinary termination by notice. Moreover, in practice the Company would find such a contractual severance pay cap difficult to enforce against an Executive Board member in the circumstances where it would be relevant. Also, an agreement in this respect that had been concluded in advance might not make adequate provision for the particular facts and surrounding circumstances that later actually give rise to the premature ending of an Executive Board member's work. However, we will follow the thinking behind the recommendation insofar as that, in the event of premature termination of an Executive Board member's contract by agreement, we will continue our past practice of negotiating severance pay that is reasonable.

II. German Code of Corporate Governance 2009

Since its last Declaration, made on October 30, 2009, SAP has in its actions followed the recommendations in the June 18, 2009, version of the Code, which was published in the *Elektronischer Bundesanzeiger* (*Online German Federal Gazette*) on August 5, 2009, except as set out below.

1. We do not impose age limits on members of the Executive Board and Supervisory Board.

The German Corporate Governance Code 2009 recommends at section 5.4.1 that companies set an age limit for supervisory board members. SAP previously considered the setting of an age limit to be an inappropriate restriction of shareholders' rights to elect the members of the Supervisory Board. Therefore, SAP did not consider or set any age limits at the last election of Supervisory Board members. Similarly, SAP did not set any age limits for members of the Executive Board, and therefore did not follow the recommendation in the second paragraph of section 5.1.2 in the Code, because this was considered to be a general restriction on the SAP Supervisory Board in its choice of suitable Executive Board members. We no longer follow this practice.

2. Supervisory Board contracts do not provide for a deductible in directors' and officers' liability insurance policies.

For the reasons we do not follow section 3.8 of the Code, see I.1 (above).

3. Changed circumstances are not retroactively taken into account in determining the variable elements of Executive Board compensation.

Introduced in the German Corporate Governance Code 2009, section 4.2.3 (paragraph 2) in the Code starts by repeating the law as it has stood since the German Appropriate Executive Board Remuneration Act of July 31, 2009, (*German Federal Law Gazette* I, 2509) came into force, namely, that the supervisory board must ensure that variable elements in executive board compensation are in general based on a multi-year assessment, and in sentence 4 goes on to recommend that both positive and negative developments be taken into account when determining variable compensation elements. The Executive Board contracts in force at the time of the 2009 Code's announcement did not provide that positive or negative developments could (retroactively) be taken into account in variable compensation elements that were already agreed. This deviation from the Code recommendation was because the law required SAP to change the terms of the variable compensation element only when the Executive Board members' existing contract terms were next amended, and SAP could not immediately amend contracts that were then currently in force. In its session on March 25, 2010, as part of its annual salary review, the Supervisory Board resolved to change the Executive Board compensation system, taking into account both the legal requirements for variable elements in executive board compensation and the aforementioned recommendations for variable elements in the Code. The resolution on the new compensation system for the Executive Board was adopted by the Annual General Meeting of Shareholders on June 8, 2010, at item 5 on the agenda. The Executive Board contracts currently in force reflect the abovementioned recommendation of the Code.

4. Executive Board contracts do not cap severance payments on premature termination.

For the reasons we do not follow the fourth paragraph in section 4.2.3 of the Code, see I.2 (above).

Walldorf, October 29, 2010

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