

German Stock Corporation Act, Section 161 Declaration by the Executive and Supervisory Boards 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:

Since its last Declaration, made on October 29, 2010, SAP has followed the recommendations in the May 26, 2010, version of the German Corporate Governance Code, which was published in the *Elektronischer Bundesanzeiger (Online German Federal Gazette)* on July 2, 2010, except as set out at 1) and 2) below, and will continue to do so with the following exceptions:

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.

3) SAP has not set an age limit for members of the Executive Board

The second paragraph of section 5.1.2 in the Code recommends that an age limit be set for executive board members. SAP does not set any age limits for members of the Executive Board because this would be a general restriction on the SAP Supervisory Board in its choice of suitable Executive Board members and we prefer not to regard people over a set age limit as generally unsuitable for Executive Board membership.

Walldorf, October 29, 2011



For the Executive Board
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For the Executive Board
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For the Supervisory Board
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