

ANNUAL REPORT 2015
REPORT FROM THE SUPERVISORY BOARD

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Report from the Supervisory Board

Dear Shareholders,

In 2015, as every year, the Supervisory Board continuously discharged all of the duties imposed on it by the law and by the Company's Articles of Incorporation. We were consulted by the Executive Board throughout the year and kept the global management of the Company under continued observation and scrutiny for legal compliance, adherence to proper accounting principles, business focus, and efficiency. We agreed the Company's strategy with the Executive Board and regularly discussed with the Executive Board the Company's progress toward executing it. We were directly involved when the Executive Board made any decision of fundamental importance to SAP.

We received regular, full, and timely reports, both in writing and from Executive Board members in person. They kept us up to date on the Company's strategy, plans, business performance, risks, risk management, compliance (in other words, adherence to laws, to the Company's Articles of Incorporation, and to internal policies), and transactions of special significance for SAP. The Executive Board advised us when business deviated from plan or target, and why.

The content and scope of the Executive Board's reports to us fully met our requirements for them. Whenever we asked for more information than was in the reports, the Executive Board gave us it. In particular, the Executive Board came to Supervisory Board meetings for discussion and to answer our questions. We questioned and probed the Executive Board to satisfy ourselves that the information it gave us was plausible. Section 11 (6) in the Articles of Incorporation lists certain transactions for which management must seek prior supervisory board approval. The Supervisory Board established a list of such transactions and other categories of transactions for which the Executive Board must obtain the Supervisory Board's consent, in accordance with the German SE Implementation Act, section 19. The Supervisory Board carefully considered all transactions in the listed categories and discussed them with the Executive Board, focusing on the benefits, potential risks, and other effects of each transaction. The Supervisory Board agreed to all

transactions for which its consent was sought by the Executive Board.

The Executive Board also kept the chairperson of the Supervisory Board fully informed between meetings of the Supervisory Board and its committees. In particular, the CEO met regularly with the chairperson of the Supervisory Board to discuss SAP's strategy, planning, the Company's business performance, risks, risk management, compliance, and other key topics and decisions. The CEO informed the Supervisory Board chairperson without delay of all important events that were significant for assessing SAP's position and progress or for the management and governance of the Company.

SUPERVISORY BOARD MEETINGS AND RESOLUTIONS

In 2015, the Supervisory Board of SAP SE held four ordinary meetings and four extraordinary meetings at which we deliberated and resolved on all matters of relevance to the Company. We also adopted two resolutions by correspondence vote. It is customary practice at our meetings that the Executive Board withdraws while we deliberate on items that pertain to the Executive Board or require discussion among Supervisory Board members alone. This happened at three of our ordinary meetings in 2015. The Supervisory Board addressed the following key topics during the year:

SAP Business Network and Cloud Business

After dealing extensively with a number of major SAP acquisitions in 2013 and 2014, the Supervisory Board and the Finance and Investment Committee discussed the development and integration of the acquired entities on numerous occasions in 2015. The SAP Business Network segment, which combines the activities of the acquired Ariba, Concur, Fieldglass businesses, and the integration of these companies into the SAP Group, were key topics notably at the Supervisory Board meeting on February 12 and at the Finance and Investment Committee meetings in February, July, and December. Likewise in our line of focus were the development of the cloud business, and the cloud strategy. We explored these topics regularly, particularly in connection with the Executive Board's business reports and in the course of Technology and Strategy Committee meetings.

Executive Board Compensation

Prompted by, among other things, the unexpectedly strong growth in SAP's cloud business and the pending discontinuation of the RSU Milestone Plan 2015 at the end of the year, the Supervisory Board made a number of decisions about Executive Board compensation. Compensation was on the agenda of the ordinary Supervisory Board meetings in February, July, and October, and of the General and Compensation Committee meetings.

At our ordinary Supervisory Board meeting on February 12, we received and discussed the recommendations of the General and Compensation Committee concerning Executive Board compensation for 2014. Exercising our discretionary powers under the terms of the short-term incentive (STI) plan 2014, we first determined performance against the defined targets. We also looked at target achievement within the so-called performance period for the 2014 tranche of the RSU Milestone Plan 2015. Introduced in 2012, the RSU Milestone Plan 2015 is a long-term variable compensation element for SAP SE Executive Board members in which the members are granted a number of virtual shares (called restricted share units, or RSUs) for a given year (or "tranche"); the quantity of RSUs ultimately allocable for a plan tranche depends on SAP's operating profit performance in the year it is allocated. In light of the unexpectedly strong growth in cloud business and its effects on SAP's revenue development, the Supervisory Board resolved a number of amendments to the RSU Milestone Plan 2015 to preserve its fair and equitable nature.

We also deliberated on Executive Board compensation for 2015 in the February meeting. We identified the key performance indicators (KPIs) and set the target numbers for each KPI in the STI 2015 plan and their relative weightings. We revised the revenue and operating profit performance targets for the 2015 tranche of the RSU Milestone Plan 2015 to take account of the effects of the aforementioned cloud growth on the Company's sales and profit planning. We adopted a resolution on Executive Board members' individual allocation of rights under the RSU Milestone Plan 2015 (2015 tranche). The Supervisory Board, as required, evaluated the appropriateness of the Executive Board members' compensation for 2015, and in each case found it to be appropriate in terms of amount, structure, objective criteria, and for each member's responsibilities and tasks.

On July 9, we deliberated on the new model for Executive Board compensation for 2016, which had been prepared and discussed by the General and Compensation Committee at several meetings on account of the pending discontinuation of the RSU Milestone Plan 2015. Ahead of the meeting, we had received a legal opinion from Allen & Overy and a certificate from Ernst & Young on the compensation's appropriateness. On this basis, we resolved to adopt the new Long-Term Incentive (LTI) Plan 2016 and agreed that the amount and structure of the Executive Board's compensation for 2016 was appropriate. For more information about the LTI Plan 2016 and other elements of the

compensation package for Executive Board members, see the *Compensation Report*.

Other matters addressed at our meetings in 2015 included:

Meeting in February

The compensation issues discussed at our February meeting are covered in the preceding section. In view of the retroactive changes to the Executive Board compensation as described, we also resolved in our February meeting to update the Company's declaration of implementation of the German Corporate Governance Code (the "Code") pursuant to the German Stock Corporation Act, section 161, by filing jointly with the Executive Board a precautionary declaration of deviation from the recommendation contained in section 4.2.3 (second paragraph, eighth sentence) of the Code.

The Executive Board gave us an overview of business in 2014 and presented other management information, such as SAP's revenue growth in the individual business areas, regions, and product fields. It also explained SAP's current market position and growth plan for the next five years. We discussed in detail the annual plan for 2015 as presented to us by the Executive Board, and we decided to vote on the 2015 capital expenditure budget and liquidity plan in a subsequent extraordinary Supervisory Board meeting. In addition, the Executive Board updated us on the status and lessons learned from the "Simplify & Optimize" personnel restructuring project launched in 2014/2015.

Extraordinary Meeting in February

The Supervisory Board held an extraordinary meeting on February 23 in which it continued its discussion from the preceding ordinary meeting and approved the annual plan and budget for 2015.

Meeting in March (Meeting to Discuss the Financial Statements)

At its March 19 meeting, the Supervisory Board turned its attention to SAP SE's 2014 financial statements and the consolidated financial statements, the audits conducted by KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG), and the Executive Board's proposed resolution on the appropriation of retained earnings for 2014. The Audit Committee reported on all matters for which it is responsible in connection with the financial statements and the consolidated financial statements for 2014, particularly on the form and scope of its examination of the documents relating to the financial statements, and recommended that we approve them. The auditor attended the meeting and reported in detail on the audit and its findings for each of the focus areas the Audit Committee had selected. The auditor also related the discussions on those matters at the two preceding meetings of the Audit Committee. The auditor then discussed the results of the audit with the Supervisory Board and answered our questions. The Supervisory Board approved the audit. There were no findings from our own examination, so

we gave our consent to the SAP SE and consolidated financial statements for 2014. We checked and endorsed the Executive Board's proposal to appropriate retained earnings in accordance with the Audit Committee's recommendation. There were also a number of corporate governance matters on the meeting agenda. We discussed the impact of Germany's new gender quota law and set a target for the percentage of women on SAP's Executive Board. We decided on the resolutions we would propose for the agenda of the Annual General Meeting of Shareholders in May 2015. Among them was our recommendation to the shareholders concerning the auditor to elect for 2015; our recommendation followed that of the Audit Committee to us.

The Executive Board reported on its forecast for the first quarter of 2015 and offered insights into the implementation of the end-to-end delivery model, using the example of cloud-based human capital management (HCM) software. This delivery model is based on a standardized concept for the management and organization of all activities in the product lifecycle, from product development to sales to service and support services. Finally, it gave us an update on the status of the SAP ONE Service program restructuring designed to merge the services and support areas into a single organization.

Extraordinary Meeting in May

Elections for new employee representatives on the Supervisory Board were held in the spring of 2015 in accordance with the terms of the SAP SE Employee Involvement Agreement that was concluded on March 10, 2014, in the course of SAP's conversion to an SE. Among other things, the SAP SE Employee Involvement Agreement governs the codetermination of employees on the Supervisory Board. The term of office of the elected employee representatives began after the Annual General Meeting of Shareholders on May 20, 2015. As a result, the Supervisory Board held an extraordinary meeting immediately following the Annual General Meeting. After welcoming the new members, the Supervisory Board chairperson introduced Gesche Joost, who was to be appointed as Hartmut Mehdorn's successor to the Supervisory Board through application to the court. We then elected the new employee representative members to the various committees. Margret Klein-Magar was elected deputy chairperson of the Supervisory Board by circular correspondence vote following in-depth discussion of all proposed candidates during the meeting.

Meeting in July

At our ordinary meeting on July 9, we discussed in detail the directors' and officers' group liability insurance policies that we take out from year to year, and approved an increase in the insurance limit. We resolved to revise the list of transactions for which the Executive Board must obtain the Supervisory Board's consent, in accordance with the German SE Implementation Act, section 19. We confirmed the appointment of Quentin Clark to the Global Managing Board. The Supervisory Board also resolved the appointments of new members to the committees,

which became necessary following Hartmut Mehdorn's departure from and Gesche Joost's appointment to the Supervisory Board.

The Executive Board then gave us an account of business in the second quarter of 2015 and performance in the first half-year. Members of the Executive Board told us about second-quarter growth in cloud, about the SAP Business Network segment's performance, and about SAP's competitive situation. We also received updates on the Global Service & Support board area, the market launch of SAP S/4HANA, and the Company's "Run Simple" campaign.

Extraordinary Meeting in September

In early July, we learned of Bill McDermott's serious accident. The Supervisory Board chairperson thereafter maintained close regular contact with the CEO to check on his recovery. Having already advised by telephone during a break at the ordinary meeting on July 9 that he had been released from hospital, Bill McDermott joined our extraordinary meeting on September 10 personally to report in more detail about his accident, the injuries he suffered, and his recovery process. We were relieved to hear that despite the severe consequences of the accident, he now felt strong again and was able to continue devoting all of his energy to his work as CEO.

Meeting in October

At our ordinary meeting on October 8, we resolved, on the recommendation of the General and Compensation Committee, to appoint Michael Kleinemeier to the Executive Board effective on November 1, 2015, and we agreed the terms and conditions of his compensation.

The Executive Board reported on business in the third quarter, using the new SAP Digital Boardroom solution to present the data and detailed views on multiple interactive computer screens. The SAP Digital Boardroom is an innovative, analytical software solution that allows analysts to generate impressive graphics for all business area metrics in real time. The "Global Consolidation of Intellectual Property Rights" (IP Rights) project for Group-wide bundling of SAP's IP rights was also presented to us. We consented to this project and its related planned measures. In agreement with the Executive Board, the Supervisory Board also adopted, for regular publication in October 2015, the annual declaration of implementation of the Code pursuant to the German Stock Corporation Act, section 161. The Supervisory Board determined that it has a sufficient number of independent members. Some Supervisory Board members currently have business dealings with SAP or hold senior positions or material equity in companies that currently have business dealings with SAP, or had done so in the course of the year. SAP's business dealings with these persons or companies are or were at arm's length. In our view, especially given the limited scope and materiality of those dealings, they did not affect the independence of the Supervisory Board members concerned and do not give rise to any substantial and

not merely temporary conflict of interest in the meaning of the Code. The Supervisory Board conducted its regular investigation into the efficiency of its own work. We then looked at the budget plan for the upcoming fiscal year and the Executive Board updated us on SAP's current marketing strategy.

Extraordinary Meeting in December

At the extraordinary meeting on December 11, which was held in the form of a telephone conference, we discussed with the Executive Board the status of the budget planning for 2016, which the Executive Board explained to us in detail. The final adoption of the budget will occur, as is customary, at the February meeting of the new year.

THE WORK OF THE SUPERVISORY BOARD COMMITTEES

The committees made a key contribution to the work of the Supervisory Board and reported on their work to us, including their preparatory work on the relevant agenda items of the full Supervisory Board. The following committees were in place in 2015 before the term of office of the newly elected employee representatives began:

- **General and Compensation Committee:** Hasso Plattner (chairperson), Panagiotis Bissiritsas, Wilhelm Haarmann, Jim Hagemann Snabe, Lars Lamadé, Bernard Liautaud, Margret Klein-Magar, Christiane Kuntz-Mayr
- **Audit Committee:** Erhard Schipporeit (chairperson), Steffen Leskovar, Stefan Schulz, Klaus Wucherer
- **Finance and Investment Committee:** Wilhelm Haarmann (chairperson), Panagiotis Bissiritsas, Hartmut Mehdorn, Kurt Reiner, Mario Rosa-Bian, Jim Hagemann Snabe
- **Technology and Strategy Committee:** Hasso Plattner (chairperson), Stefan Schulz (deputy chairperson), Pekka Ala-Pietilä, Anja Feldmann, Steffen Leskovar, Bernard Liautaud, Margret Klein-Magar, Kurt Reiner
- **People and Organization Committee:** Hasso Plattner (chairperson), Catherine Bordelon, Anja Feldmann, Wilhelm Haarmann, Christiane Kuntz-Mayr, Lars Lamadé, Hartmut Mehdorn, Mario Rosa-Bian
- **Nomination Committee:** Hasso Plattner (chairperson), Pekka Ala-Pietilä, Bernard Liautaud
- **Special Committee:** Hasso Plattner (chairperson), Pekka Ala-Pietilä, Wilhelm Haarmann, Margret Klein-Magar, Lars Lamadé, Erhard Schipporeit

In the course of the election of new employee representatives to the Supervisory Board, we reconstituted the committees after the Annual General Meeting of Shareholders on May 20, 2015, as detailed below. The membership of the committees subsequently changed once more in July 2015 following the departure of Hartmut Mehdorn from and appointment of Gesche Joost to the Supervisory Board. Hartmut Mehdorn was succeeded by Pekka Ala-Pietilä on the Finance and Investment Committee, and by Gesche Joost on the People and Organization Committee. In addition, Gesche Joost and Panagiotis Bissiritsas joined the **Technology and Strategy**

Committee, increasing the number of members on that committee from eight to 10.

- **General and Compensation Committee:** Hasso Plattner (chairperson), Wilhelm Haarmann, Andreas Hahn, Margret Klein-Magar, Lars Lamadé, Bernard Liautaud, Sebastian Sick, Jim Hagemann Snabe
- **Audit Committee:** Erhard Schipporeit (chairperson), Panagiotis Bissiritsas, Martin Duffek, Klaus Wucherer
- **Finance and Investment Committee:** Wilhelm Haarmann (chairperson), Pekka Ala-Pietilä (from July 9, 2015), Panagiotis Bissiritsas, Margret Klein-Magar, Sebastian Sick, Jim Hagemann Snabe
- **Technology and Strategy Committee:** Hasso Plattner (chairperson), Christine Regitz (deputy chairperson), Pekka Ala-Pietilä, Panagiotis Bissiritsas (from July 9, 2015), Anja Feldmann, Andreas Hahn, Gesche Joost (from July 9, 2015), Margret Klein-Magar, Bernard Liautaud, Pierre Thiollet
- **People and Organization Committee:** Hasso Plattner (chairperson), Martin Duffek, Anja Feldmann, Wilhelm Haarmann, Gesche Joost (from July 9, 2015), Lars Lamadé, Christine Regitz, Robert Schuschnig-Fowler
- **Nomination Committee:** Hasso Plattner (chairperson), Pekka Ala-Pietilä, Bernard Liautaud
- **Special Committee:** Hasso Plattner (chairperson), Pekka Ala-Pietilä, Wilhelm Haarmann, Lars Lamadé, Erhard Schipporeit, Sebastian Sick

Each of the committees was active in 2015 except the Special Committee and the Nomination Committee.

For more information about the Supervisory Board committees and their duties, see SAP's corporate governance statement pursuant to the German Commercial Code, section 289a, published on SAP's Web site at: <http://www.sap.com/investor>.

In 2015, the committees focused on the following topics:

- The **General and Compensation Committee** held six regular meetings. It prepared and recommended the Supervisory Board's resolutions, notably those on Executive Board compensation described above. It worked on the new model for Executive Board compensation for 2016 and frequently deliberated on Global Managing Board members' compensation. It reviewed the annual report it receives from the capital market compliance officer and gave its approval for Bill McDermott to accept a seat on the supervisory board of a U.S. company. At its first meeting in March, the Committee prepared the Supervisory Board's resolutions regarding the target for the percentage of women on the Executive Board. In a second meeting in March, the Committee received a report from the corporate governance officer and, in preparation for the upcoming Supervisory Board meeting, discussed the Government Commission for the German Corporate Governance Code's proposed changes to the Code recommendations. At its October

meeting, the Committee discussed the Company's implementation of the Code recommendations and prepared the Supervisory Board's decisions with respect to the submission of the declaration of implementation of the Code and ascertaining the independence of Supervisory Board members. It also prepared the Supervisory Board's decision concerning Michael Kleinemeier's appointment to the Executive Board. The Committee also discussed succession planning for the Executive Board and the Global Managing Board.

- The **Finance and Investment Committee** held five physical meetings in 2015, one of which was a joint meeting with the Technology and Strategy Committee. At its January 27 meeting, representatives from Sapphire Ventures presented detailed information about the investment activities of the three SAP venture capital funds. The Committee discussed SAP's process for mergers and acquisitions (M&A) and was given a comparison of standards with those of other IT companies. It learned about the standard clauses SAP uses in acquisition contracts, probed the tax treatment of past M&A transactions, and received a status report regarding the 2014 acquisition of SeeWhy, a leader in cloud solutions for behavior-based marketing. The annual report on SAP's acquisitions was the focus of the meeting on February 11, during which the Committee discussed at length the employee feedback regarding past acquisitions. On July 8, the Finance and Investment Committee held a joint meeting with the Technology and Strategy Committee. Matters discussed included a comprehensive analysis of the major acquisitions in the past three years, SAP's strategic alignment, and an overview of product developments in the field of analytics and the Internet of Things. When it met in October, the Committee focused solely on the global project to consolidate SAP SE's IP rights. Focus topics at the December 16 meeting were an overview of the acquisition scene in Europe including startups, the acquisition of the HR software company Multiposting, and the adoption of the Committee's rules of procedure. The Committee was also given a status update on the IP rights consolidation project, notably as regards the final legal and tax analysis. The Executive Board explained the principles of goodwill recognition, as well the results of the impairment test performed on the recognized goodwill in accordance with the relevant IFRS regulations. The Committee's aim was to be able to better consider the subsequent accounting for goodwill arising from acquisitions when monitoring SAP's acquisition activities in the future.
- The **Audit Committee** held four meetings at which members attended in person ("physical meetings") and four telephone conference meetings. The telephone conference meetings were all ahead of the publication of interim reports for each quarter. At these meetings, the Committee primarily deliberated on the course of business over the quarter concerned, the process by which the quarterly financial reports were prepared, the interim report to be published, and insights gained from the auditor's quarterly review of

selected software agreements. The physical meetings in February and March concentrated on the SAP SE and consolidated financial reports for 2014 and the reporting process, the internal control structure for financial reporting, the most important accounting methods, and the audit. At the February meeting, the Committee also discussed the German Financial Reporting Enforcement Panel's criteria and the internal audit service's report for the previous year, organization and processes, and audit plan for 2015. At its meeting in March, the Committee did preparatory work on the Supervisory Board's recommendations to the Annual General Meeting of Shareholders concerning the election of an auditor and the appropriation of retained earnings and discussed the Company's compliance system. When it met in July, the Committee discussed the audit focus and fees with the auditor, dealt with the internal audit service's work in the first half of the year and audit planning for the second half-year, and reviewed the Company's internal controls. At its October meeting, the Committee discussed the report from the chief compliance officer and other compliance system matters and came to the conclusion that the compliance system was effective.

The auditor attended all physical meetings and telephone conference meetings of the Audit Committee and reported in depth on its audit work and on its quarterly reviews of selected software agreements.

- The **Technology and Strategy Committee** held four meetings in 2015, one of which was a joint meeting with the Finance and Investment Committee. It discussed the key technology trends in the software industry in the years to come and SAP's corporate and product strategies. At the Committee's February 11 meeting, the Executive Board presented an overview of market development in 2014 and explained what it would mean for SAP's business in 2015. Key topics included the strategic road map for SAP S/4HANA, its deployment in the cloud, and its market launch. When the Committee met on March 18, it discussed SAP HANA Cloud Platform and SAP HANA Enterprise Cloud. As reported in the Finance and Investment Committee section above, the Technology and Strategy Committee held a joint meeting with the Finance and Investment Committee on July 8. On October 7, the Committee engaged in detailed discussions about SAP's user experience (UX) strategy, in other words, the planned measures to improve the user-friendliness of SAP software, taking a particular look at SAP Fiori UX and past successes. It also analyzed and discussed the outlook for the SAP Business Network segment.
- The **People and Organization Committee** held two meetings in 2015. In June, it was given an update on the current status of training and personal and professional development at SAP, with detailed information on the various training programs in each board area. The Committee also examined the current state of succession planning for the managers. The second meeting took place on September 10, at which the Committee reviewed the learning offerings available through SAP Development University, SAP's internal

academy for the professional training of its developers. In addition, the Committee discussed SAP's collaboration with academia to promote young talents in a digitalized working world.

Regular reports from the committees ensured that we were kept fully informed of all matters covered by the committees and were able to discuss them thoroughly.

CORPORATE GOVERNANCE

SAP's corporate governance officer monitored our compliance with those recommendations in the Code with which in SAP SE's declaration we claim to comply, and reported in full to the General and Compensation Committee. For more information about Code compliance, see the *Corporate Governance Report* from the Executive Board and Supervisory Board.

Members of the Executive Board and of the Supervisory Board had no conflicts of interest that sections 4.3.4 and 5.5.2 of the Code require to be disclosed to the Supervisory Board. The Supervisory Board consented to the mandating of a law firm with a legal opinion, and also approved cost calculations related to already authorized consulting services of that law firm, in which a Supervisory Board member is a partner. The member concerned was excluded from the deliberations and voting on the matter. In addition, there were a number of transactions involving members of the Executive Board in 2014, which were all consistent with industry standards and immaterial. These transactions were approved by the Executive and Compensation Committee during the year under review. The Company made no other contracts with members of the Executive Board or Supervisory Board that would have required a resolution of the Supervisory Board.

The Supervisory Board closely examined the Executive Board's corporate governance statement pursuant to the German Commercial Code, section 289a. We approved the statement with the combined SAP Group and SAP SE management report.

SAP SE AND CONSOLIDATED FINANCIAL REPORTS FOR 2015

KPMG audited the SAP SE and consolidated financial reports for 2015. The Annual General Meeting of Shareholders elected KPMG as the SAP SE and SAP Group auditor on Wednesday, May 20, 2015. The Supervisory Board proposed the appointment of KPMG on the recommendation of the Audit Committee. Before proposing KPMG to the Annual General Meeting of Shareholders as auditor for the year, the chairperson of the Supervisory Board and the Audit Committee obtained confirmation from KPMG that circumstances did not exist that might prejudice or raise any doubt concerning its independence as the Company's auditor. In that connection, KPMG informed us of the volume of the services that were not part of the audit that it had either provided to the Group in the past year or was engaged to provide in the year to come. The Supervisory Board has agreed with KPMG that the auditor should report to the

Supervisory Board and record in the auditor's report any fact found during the audit that is inconsistent with the declaration given by the Executive Board and the Supervisory Board concerning implementation of the German Corporate Governance Code. KPMG examined the SAP SE financial statements prepared in accordance with the German Commercial Code, the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRSs) as required by the German Commercial Code, section 315a, and the combined SAP Group and SAP SE management report, and certified them without qualification. The auditor thus confirmed that, in its opinion and based on its audit in accordance with the applicable accounting principles, the SAP SE and consolidated financial statements give a true and fair view of the net assets, financial position, and results of operations of SAP SE and the SAP Group. The auditor also confirmed that the combined SAP SE and SAP Group management report is consistent with the corresponding financial statements and as a whole gives a suitable view of the position of SAP SE and the SAP Group and of foreseeable opportunities and risks. KPMG had completed its audit of SAP's internal control over financial reporting and certified without qualification that it complies with the applicable U.S. standards. The auditor states in its opinion that it considers SAP's internal controls over financial reporting to be effective in all material respects. All Audit Committee and Supervisory Board members received the documents concerning the financial statements mentioned above, the audit reports prepared by KPMG, and the Executive Board's proposal concerning the appropriation of retained earnings in good time.

On February 25, 2016, the Executive Board prepared the financial accounts of SAP SE and the Group for 2015, comprising the SAP SE financial statements, the consolidated financial statements, and the combined management report, and submitted them without delay to the Supervisory Board.

At the meeting of the Audit Committee on March 23, 2016, and at the meeting of the Supervisory Board on March 24, 2016, the Executive Board explained the financial statements of SAP SE and the SAP Group and its proposal concerning the appropriation of retained earnings. Members of the Executive Board answered questions from the Audit Committee and the Supervisory Board. At the Audit Committee meeting, they also explained the annual report on Form 20-F.

After the Executive Board had explained them, the Audit Committee and the Supervisory Board reviewed the financial statement documents in the light of KPMG's audit reports. The representatives of the auditor who attended presented full reports on the audit and the results of the audit to the Audit Committee and Supervisory Board meetings and explained the audit report. The auditor also reported that it had not identified any material weaknesses in our internal control and risk-management systems for financial reporting. Both the Audit Committee and the Supervisory Board asked detailed questions

about the form, scope, and results of the audit. The Audit Committee reported to the Supervisory Board on its own review of the financial statements of SAP SE and the SAP Group, its discussions with the Executive Board and with the auditor, and its supervision of the financial reporting process. It confirmed that as part of its supervisory work, it had addressed the effectiveness of the SAP Group internal control, risk management, and internal auditing systems and found the systems to be effective.

The Committee also reported that KPMG had told it no circumstances had arisen that might give cause for concern about KPMG's impartiality, and informed us about the services KPMG had provided that were not part of the audit. The Committee reported that it had examined the auditor's independence, taking the non-audit services it had rendered into consideration, and stated that in the Committee's opinion the auditor possessed the required degree of independence.

The Audit Committee and the Supervisory Board satisfied themselves that KPMG had conducted the audit properly. In particular, they concluded that both the audit reports and the audit itself fulfilled the legal requirements. On the basis of the report and the Audit Committee's recommendation, the Supervisory Board approved the audit and, since there were no findings from our own examination, we gave our consent to the SAP SE financial statements, the consolidated financial statements, and the combined management report (including the Executive Board's corporate governance statement pursuant to the German Commercial Code, section 289a). The financial statements and combined management report were thus formally adopted. The Supervisory Board's opinion of the Company and the Group coincided with that of the Executive Board as set out in the combined management report. The Supervisory Board considered the proposal presented by the Executive Board concerning the appropriation of retained earnings. We had regard to the requirements of dividends policy, the effects on the liquidity of the Group, and the interests of the shareholders. We also discussed these matters with the auditor. We then endorsed the Executive Board's proposal concerning the appropriation of retained earnings, in accordance with the Audit Committee's recommendation. Finally, we approved this present report.

CHANGES ON THE SUPERVISORY AND EXECUTIVE BOARDS

In 2015, we appointed Michael Kleinemeier to the Executive Board of SAP SE with effect from November 1, 2015. He had already been a member of the Global Managing Board since January 2015.

The employee representatives Panagiotis Bissiritsas, Martin Duffek, Andreas Hahn, Margret Klein-Magar, Lars Lamade, Christine Regitz, Robert Schuschnig-Fowler, Sebastian Sick, and Pierre Thiollet took office as newly elected members of the Supervisory Board of SAP SE on May 20, 2015. The term of

office of Catherine Bordelon, Christiane Kuntz-Mayr, Steffen Leskovar, Kurt Reiner, Mario Rosa-Bian, and Stefan Schulz expired on May 20, 2015, as the employee representatives on the first Supervisory Board of SAP SE had only been appointed for a term ending at the conclusion of the 2015 Annual General Meeting of Shareholders, in accordance with the SAP SE Employee Involvement Agreement. Hartmut Mehdorn resigned from the Supervisory Board in May 2015. Gesche Joost was appointed by the court to the Supervisory Board as shareholder representative on May 28, 2015.

We thank the departing members of the Supervisory Board for their valued service to this body.

The Supervisory Board also thanks the Executive Board and Global Managing Board, the managing directors of the Group companies, and all of the employees for their hard work and dedication in 2015. We would also like to thank our customers and partners. Without them, our Company's success would not be possible.

For the Supervisory Board

Professor Hasso Plattner
(Chairperson)