

Rules of Procedure Supervisory Board SAP SE



Article 1 - General

The Supervisory Board conducts its business in accordance with the provisions of the law, the Articles of Incorporation, and these Rules of Procedure. Except as otherwise provided by the law, the Articles of Incorporation, and these Rules of Procedure, all its members have the same rights and duties, and they are not subject to directions.

Article 2 - Election of Chairperson and Deputy Chairperson(s)

1. The Supervisory Board elects a chairperson and one or two deputy chairperson(s) from among its number. When electing the chairperson of the Supervisory Board, the oldest member in terms of age of the shareholders' representatives on the Supervisory Board will chair the meeting; Article 4 para. (9) sent. 3 shall apply *mutatis mutandis*.
2. Only a shareholders' representative may be elected as chairperson of the Supervisory Board. One of the deputy chairpersons will be elected upon proposal by the employees' representatives.
3. The chairperson and deputy chairperson(s) are elected for the duration of their term of Supervisory Board membership. If the chairperson or a deputy chairperson resigns from office, the Supervisory Board shall hold a new election without delay for the remainder of the current term of office of the resigned member.

Article 3 - Incapacitation of the Chairperson

1. If the chairperson is unable to discharge the duties of his or her office, the deputy chairperson does so in his or her place. The provisions of para. (2) of this Article 3 and of Article 4 para. (9) sent. 4 shall remain unaffected.
2. If the chairperson is unable to chair a General Meeting of Shareholders, he or she shall determine another member of the Supervisory Board as substitute to chair the General Meeting of Shareholders. If he or she has not determined a substitute, the shareholders' representatives on the Supervisory Board shall elect a member of the Supervisory Board as chairperson of the General Meeting of Shareholders.

Article 4 - Meetings and Resolutions

1. At least two meetings of the Supervisory Board shall be held per calendar half-year. The meeting place shall be the Company's registered office, unless another meeting place is determined in the invitation.
2. The chairperson calls Supervisory Board meetings in writing or text form by letter, e-mail or facsimile message, allowing a notice period of 14 days before the day of the meeting. The day on which the invitation is sent and the day of the meeting do not count toward the notice period. In urgent cases the chairperson may shorten the notice period and call the meeting by word of mouth, telephone, or another suitable means of electronic communication. The invitation must be accompanied by notice of the agenda items. A period of 10 days is adequate notice for draft resolutions on the agenda items; in urgent cases the chairperson may shorten the notice period.
3. If the Supervisory Board agrees a decision on an item of which notice was not given or not given in time with the agenda, the resolution is duly adopted if no Supervisory Board member who is present opposes its adoption and no absent Supervisory Board member notifies the chairperson of his or her opposition to the resolution within two weeks of receipt of the minutes of the Supervisory Board meeting at which the decision was agreed. The minutes must expressly indicate that the decision was made without notice having been given or that notice was not given in time. If it is not duly adopted before that time, such a decision is deemed duly adopted as a resolution if the minutes of the Supervisory Board meeting at which the decision was agreed are accepted within the meaning of paragraph (13) and no Supervisory Board member has opposed it.
4. The chairperson can postpone a meeting after it has been called but before it is opened.

5. Where an application is made by a Supervisory Board member to the Supervisory Board chairperson not fewer than 15 days before the meeting naming an item for inclusion on the agenda, the item must be included on the agenda.
6. The meetings of the Supervisory Board shall as a rule be held with the members attending in person. Upon decision by the chairperson, meetings of the Supervisory Board may also be held by video conference, or individual members of the Supervisory Board may attend the meeting by way of video transmission. In such cases, votes may also be cast by video conference or by way of video transmission, respectively.
7. The chairperson presides over meetings. The chairperson decides the sequence in which agenda items are dealt with.
8. The chairperson decides the sequence and method of voting. He or she presides over votes. In general, the voting's are executed publicly. A secret vote only takes place when (i) the chairperson sets it up or (ii) the Supervisory Board decides it by open vote.
9. Unless otherwise mandatorily prescribed by law or the Articles of Incorporation, the Supervisory Board is quorate if at least half of its members participate in passing the resolution. Resolutions and elections require a simple majority of the votes cast, unless otherwise mandatorily prescribed by law or the Articles of Incorporation. In the event of a tie, the vote of the chairperson shall be decisive (casting vote). The deputy chairperson shall have the casting vote only if he or she is a shareholders' representative.
10. An absent member can have his or her written vote given in by another member. If an absent member does not have a written vote given in by another member, to maintain parity another Supervisory Board member from the opposite side to the absent member (that is an employee representative or a shareholder representative, as the case may be) should declare that he or she will not take part in the vote. The declaration must be given before voting begins.
11. On request of two members or on the direction of the chairperson, a decision to adopt a resolution must be postponed if not all members are present, the absent members have not all had written votes given in, and parity has not been maintained as envisaged in paragraph (10), sentence 2. In the event of such a postponement, unless an extraordinary Supervisory Board meeting is called or a decision is reached using the procedure in paragraph (12), the decision is made at the next regular meeting. Another minority request for postponement of the decision is not allowed when the matter is taken again.
12. A vote on a decision can be taken outside of meetings by obtaining written or telephone votes or by voting by video conference or any other means of electronic communication (e.g. by e-mail or facsimile) as directed by the chairperson. When obtaining written votes or votes to be transmitted by other electronic means, the chairperson has to set an adequate time limit for the casting of votes. Paragraph (3) of this Article 4 shall apply *mutatis mutandis* to the adoption of resolutions outside of meetings.
13. Minutes must be kept of resolutions and meetings. The minutes must be signed by the chairperson, sent to each member of the Supervisory Board without delay, and approved by resolution of the Supervisory Board at the beginning of the next meeting of the Supervisory Board.
14. After the approval of the minutes in which it is recorded pursuant to paragraph (13), the validity of a resolution of the Supervisory Board is challengeable only by court action, which must be brought within one month of such approval.

Article 5 - Duty of Secrecy

1. Every member of the Supervisory Board has a duty to keep secret all confidential information and secrets of the Company, including without limitation trade secrets that become known to him or her by reason of his or her Supervisory Board work. This duty survives the end of his or her time in office as a Supervisory Board member. At the end of his or her time in office as a Supervisory Board member he or she must, upon request by the Supervisory Board chairperson, return all confidential documents to the Supervisory Board chairperson.

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2. The members of the Supervisory Board must not involve employees or third parties unless this is essential for the proper performance of their Supervisory Board duties. They must also bind these employees and third parties to the duty of secrecy. Where a Supervisory Board member intends to disclose to any third party any information that the member has obtained by reason of his or her membership of the Supervisory Board, the member must inform the Supervisory Board chairperson of that intention in advance and give the chairperson the opportunity to comment. Disclosure of such information against the will of the Supervisory Board chairperson is permitted only with the consent of the Supervisory Board.
 3. Except where the Supervisory Board decides otherwise in individual cases, written reports from the Executive Board to the Supervisory Board are handed out to the members of the Supervisory Board. Each Supervisory Board member is entitled to inspect reports on relations with affiliated enterprises and any special reports.

These reports are not handed out except where the Supervisory Board decides otherwise in particular cases. The Company annual financial statements and management report, the group annual financial statements and group management report, and the auditor's reports must be handed out to each Supervisory Board member.

Article 6 - Committees

1. The Supervisory Board may appoint committees of three or more members from among its number; they should as a rule not comprise more than eight members.
2. The committees should have equal representation of shareholders' representatives and employees' representatives, unless a deviating composition of the respective committee is required or appropriate because of the topics allocated to the respective committee, the law or the provisions of the German Corporate Governance Code. The deputy chairperson of the Supervisory Board who has been elected upon proposal of the employees' representatives should be a member of the committee coordinating the work of the Supervisory Board and preparing its meetings, provided such a committee is established.
3. Committees carry out the functions assigned to them by resolutions of the Supervisory Board, by the Articles of Incorporation, or by law, for and on behalf of the full Supervisory Board.
4. The Supervisory Board appoints one member of the committee to be the chairperson of the committee.
5. The chairperson of the committee may call upon the advisory support of members of the Supervisory Board who are not members of the committee.
6. Committee meetings are called by the chairperson of the concerned committee. Each member is entitled, on application to the chairperson stating reasons, to require that a committee meeting be called. Meetings must be called as often as appears necessary. Ordinarily the period of notice must not be less than three working days. When calling a meeting, the chairperson of the committee should give notice of the items on the agenda.
7. A committee is quorate only if two thirds of the members, but at least three members, participate in passing the resolution.
8. In all other respects, the provisions in articles 4 and 5 in these Rules of Procedure apply accordingly.

Article 7- Language

As a rule, the official language in the Supervisory Board shall be German. Simultaneous interpretation shall be made available during the meetings of the Supervisory Board. On request, each member of the Supervisory Board shall be provided with translations of submissions, reports and other documents in his or her native language, to the extent such translation is required to follow the discussions.

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