

Message from Professor Hasso Plattner, Chairman, SAP Supervisory Board

March 16, 2022

Dear Shareholders,

Before I begin my annual update to shareholders on developments in SAP's business and on corporate governance topics, I first want to personally address the recent developments in Ukraine.

Like so many of you I have been appalled and deeply concerned by the war in Ukraine. My thoughts are with everyone affected, as I – along with SAP – join others in calling for the restoration of peace and safety for those in danger.

As difficult as it is in this context, I nonetheless want to fulfill my duty to provide an update on recent developments at SAP. In late 2020 SAP announced an accelerated shift to the cloud to best enable our customers to transform their businesses. In 2021 we demonstrated this strategy is working, with solid revenue and profit, exceeding our guidance on both the combined topline and bottom line. Current cloud backlog, an indicator of future cloud revenue, accelerated its growth sequentially each quarter in 2021, with 26% growth (at constant currencies) in the fourth quarter. In a year where the world continued to face challenges from the ongoing pandemic to climate change, we have been able to help our customers navigate the volatile environment.

Over the past year, I have continued the dialog with institutional investors. Shareholders have also provided feedback in letters, during conversations with our Executive Board and Investor Relations team, as well as at our Annual General Meeting of Shareholders (AGM). I value this feedback, which we have discussed in the Supervisory Board. With this letter, I want to share with you how we have reacted to your feedback, what we have implemented, and in cases where we did not, explain our rationale. We will always act in the long-term interest of SAP.

Sustainability

SAP has been a leader in sustainability on many fronts. This year, we published our 10th SAP Integrated Report, emphasizing our history of taking a holistic approach to management. We are on track to be carbon neutral in our own operations by 2023 and have committed to achieving net zero across our value chain by 2030 – 20 years earlier than planned. We received widespread recognition of our leadership in sustainability, including the prestigious A rating from CDP and being named the leader in the software industry in the Dow Jones Sustainability Indices for the 15th year in a row. In the Supervisory Board, we formally address the topic of sustainability at least once a year. In practice, this has been more often. The Audit and Compliance Committee also receives regular updates on sustainability and non-financial indicators from the Executive Board.

My Final Term

As last active founder, I am tasked with handing over the company to the next generation of leadership. This task is very close to my heart, and I understand this topic is also important to you. In the context of the accelerated business transformation, a continuing volatile global environment, and

Executive Board leadership changes over the past two years, I do not want to disrupt our success during this critical phase with a leadership transition. Therefore, I am standing for election to a final 2-year term as chair of the Supervisory Board.

Together with the entire Supervisory Board, I am taking steps to ensure a smooth transition and in parallel further strengthen the corporate governance of SAP:

- I have handed over the chair of the Personnel and Governance Committee and Nomination Committee.
- We are introducing the role of Lead Independent Director.
- We have reduced the terms for Supervisory Board members to four years.

You can see the transition has started. We continue board refreshment, we have increased independence, and we put diversity at the heart of our efforts. I have had the privilege to lead SAP for 50 years and have always done so with the long-term success of the company and its stakeholders in mind. I deeply value your trust and support for my final term.

Lead Independent Director

We have seen investors' expectations and standards for corporate governance become more aligned globally and applied more strictly. I have heard concerns about having a "non-independent chair", according to many proxy advisor and institutional investor guidelines. While I do contend that, as SAP's largest minority shareholder, my interests are very much aligned with those of other shareholders, I acknowledge your concerns and industry best practice.

As I stand for reelection, the Supervisory Board has created the role of Lead Independent Director (LID). While still uncommon in Germany, this role is standard practice in other markets. The LID will be a member of key committees, have the right to convene meetings of the Supervisory Board, set and change the agenda of these meetings, address environmental, social and governance (ESG) matters, ensure interests of investors and other stakeholders are taken into account in the Supervisory Board, may communicate to investors on topics of corporate governance, and may preside over the AGM if the chair is unable to do so. We have named Dr. Friederike Rotsch as Lead Independent Director. Dr. Rotsch has proven to be an esteemed expert in matters of corporate governance, supervision, and compliance over the past years and is classified as independent by major proxy advisors and institutional investors.

With this, we hope that we can address concerns about my role as chair and that you, dear shareholders, understand that we take the concept of Supervisory Board independence seriously.

Further Elections

In addition to my election, we have three further elections at the upcoming AGM in May 2022. The Nomination Committee made these decisions based on the objectives set by the Supervisory Board for its own composition, the Diversity Policy, the Profile of Skills and Expertise and in the context of corporate governance standard best practice.

Dr. Gunnar Wiedenfels, who was elected to the Supervisory Board in 2019, will stand for reelection for a four-year term.

Dr. Rouven Westphal, who was elected in a by-election in 2021, will also stand for reelection for a four-year term.

Both candidates have proven themselves to be strong, independent voices in our Supervisory Board.

We have nominated Jennifer Li to stand for election to fill the seat vacated after Bernard Liautaud steps down after this year's AGM. Ms. Li is a seasoned global executive with a strong background in finance, having held various leadership roles in renowned companies such as Baidu and General Motors. Further she has strong supervisory expertise from former and current board mandates in

multinational corporations in Europe, China, and the United States. I am sure SAP will benefit greatly from her expertise and experience on the Supervisory Board.

I would like to wholeheartedly thank Bernard for his commitment and contribution to SAP over the past 14 years.

Executive Board Compensation

We continue to receive feedback on the structure of executive compensation. While a large majority of shareholders approved the compensation system in 2020, there still was some dissent. After changing the system in 2019 and 2020, we do not believe it to be in the best interest of SAP and its stakeholders to change a long-term compensation plan annually. However, based on investor feedback, we have continued to increase the level of transparency in our disclosures. Starting last year, we have published 100% target amounts for the short-term incentive program. As of this year, we will publish the target achievement of vesting long-term incentive (LTI) tranches, as well as 100% target amounts of granted LTI tranches moving forward.

While we have not decided on further changes, we are evaluating options to adjust the system, balancing investor feedback with our unique position as a German company in a US-dominated industry with a competitive market for executive talent. I felt it was important to let you know that we continue to discuss and evaluate the feedback from the investor community.

Supervisory Board Compensation

This year you will be asked to vote on a new compensation system for the Supervisory Board. The change focuses on an increase in compensation for committee work. We have seen this work become more demanding as topics have become more complex and as regulations have increased, expanding the responsibility of some committees. The proposed increase in committee compensation is aligned with current market practice among the German DAX companies which the Supervisory Board evaluated through a benchmarking exercise carried out with independent external expertise.

2022 Annual Meeting of Shareholders

The past year was shaped by hope and concern regarding the progress of the COVID-19 pandemic. We have seen new variants change our assumptions about the virus, while vaccine rollouts have faced their own challenges. While I am hopeful there is light at the end of the tunnel, given the uncertain progress of the pandemic and the changing pandemic-related restrictions, it is currently not possible to know whether or not we can safely conduct the AGM in person. Therefore, we have once again decided to hold the AGM as a virtual event. At last year's virtual AGM, we endeavored to keep the exchange with shareholders that is vital for an AGM as much as possible. We read and answered every question submitted, video statements could be uploaded to the shareholders' portal, and we broadcast the entire event live on our Web site. This year, we aim to enhance the dialog with our shareholders even further by permitting shareholders who have asked a question to ask follow-up questions during the meeting, under the conditions outlined in the AGM invitation.

In closing

On behalf of the SAP Supervisory Board, I want to thank you for your trust and investment in SAP. I have learned after 50 years of commitment to this company that SAP is a great company that continues to unleash its potential. It is the privilege of my life to have been able to create, shape, grow, and lead this company. I am looking forward to continuing to do so.

For the Supervisory Board,

Professor Hasso Plattner
(Chairman)