

RUN BETTER

2010 COMPENSATION REPORT



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Compensation Report¹⁾

Compensation for Executive and Supervisory Board Members

This compensation report outlines the criteria that we apply to determine compensation for Executive Board and Supervisory Board members, discloses the amount of compensation paid, and describes the compensation systems. It also contains information about Executive Board members' share-based compensation plans, shares held by Executive Board and Supervisory Board members, and the directors' dealings required to be disclosed in accordance with the German Securities Trading Act.

COMPENSATION FOR EXECUTIVE BOARD MEMBERS

Compensation System

In 2010, the SAP Supervisory Board adopted a new system of compensation for the Executive Board members in line with legal requirements introduced in the German Appropriate Executive Board Remuneration Act and with the recent amendments to the German Corporate Governance Code.

Executive Board members' compensation is intended to reflect SAP's size and global presence as well as our economic and financial standing. The compensation level is internationally competitive to reward committed, successful work in a dynamic environment.

The Executive Board compensation package is performance-based. It has four elements:

- A fixed annual salary
- A variable short-term incentive (STI) plan to reward performance in the plan year
- A variable medium-term incentive (MTI) plan to reward performance in the plan year and the two subsequent years
- A share-based long-term incentive (LTI) plan tied to the price of SAP stock

The Supervisory Board sets a compensation target for the sum of the fixed element and the two variable elements. It reviews, and if appropriate revises, this compensation target every year. The review takes into account SAP's business performance and the compensation paid to directors at comparable companies on the international stage. The amount of variable

compensation depends on SAP's performance against performance targets that the Supervisory Board sets for each plan year. The performance targets are key performance indicator (KPI) values aligned to the SAP budget for the plan year.

The following criteria apply to the elements of Executive Board compensation for 2010:

- The fixed element is paid as a monthly salary.
- The variable compensation under the STI plan depends on the SAP Group's performance against the KPI target values for non-IFRS constant currency software and software-related service revenue growth, non-IFRS constant currency operating margin, and the cash conversion rate (that is, the ratio of non-IFRS operating cash flow to non-IFRS profit after tax). In addition, the STI element has a discretionary component that allows the Supervisory Board, at the end of the period in question, to address not only an Executive Board member's individual performance, but also SAP's performance in terms of market position, innovative power, customer satisfaction, employee satisfaction, and attractiveness as an employer. Moreover, if there has been any extraordinary and unforeseeable event the Supervisory Board can, at its reasonable discretion, retroactively adjust payouts up or down in the interest of SAP. On February 10, 2011, the Supervisory Board assessed SAP's performance against the agreed targets and determined the amount of STI payable. The STI pays out after the Annual General Meeting of Shareholders in May 2011.
- The variable compensation under the MTI plan depends on the SAP Group's performance over the three years 2010 to 2012 against the KPI target values for software and software-related service revenue growth and earnings per share (both of which are non-IFRS, constant currency values). In addition, the MTI element has a discretionary component that allows the Supervisory Board, at the end of the period in question, to address not only an Executive Board member's individual performance, but also SAP's performance over the three years 2010 to 2012 in terms of market position, innovative power, customer satisfaction, employee satisfaction, and attractiveness as an employer.

¹⁾ This compensation report is part of the audited management report and of our corporate governance report.

– The LTI component consists of the issue of virtual stock options under the terms of the 2010 stock option (SAP SOP 2010) plan. For the terms and detail of the SAP SOP 2010 plan, see the *Notes to Consolidated Financial Statements* section, Note (28). The number of virtual stock options to be issued to each member of the Executive Board in 2010 by way of long-term incentive was decided by the Supervisory Board on July 6, 2010, with effect from September 9, 2010, and reflects the fair value of the virtual stock options awarded.

The contracts of Executive Board members Bill McDermott and Vishal Sikka include clauses that determine the exchange rates for the translation of euro-denominated compensation into U.S. dollars. The contract with John Schwarz contained a similar clause.

Amount of Compensation

Executive Board members' compensation in 2010 was as follows:

€(000)	Fixed Elements		Performance-Related Element	Long-Term Incentive Elements	Total
	Salary	Other ¹⁾	Directors' Profit-Sharing (STI)	Share-Based Compensation (SAP SOP 2010) ²⁾	
Bill McDermott (co-CEO from February 7, 2010) ³⁾	1,355.2	196.4	1,920.6	950.0	4,422.2
Jim Hagemann Snabe (co-CEO from February 7, 2010)	1,150.0	114.5	1,648.7	950.0	3,863.2
Dr. Werner Brandt	700.0	18.4	997.7	577.0	2,293.1
Dr. Angelika Dammann (member from July 1, 2010)	350.0	106.4	498.9	288.5	1,243.8
Gerhard Oswald	700.0	97.6	997.7	577.0	2,372.3
Vishal Sikka (member from February 7, 2010) ⁷⁾	697.3	215.4	969.9	577.0	2,459.6
Léo Apotheker (CEO and member until February 7, 2010) ⁴⁾	187.5	37.5	–	–	225.0
Erwin Gunst (member until January 31, 2010) ⁵⁾	113.8	9.0	–	–	122.8
John Schwarz (member until February 11, 2010) ⁶⁾	164.5	7.4	–	–	171.9
Total	5,418.3	802.6	7,033.5	3,919.5	17,173.9

¹⁾ Insurance contributions, benefits in kind, expenses for maintenance of two households due to work abroad, reimbursement legal and tax advice fees, nonrecurring payments, security services

²⁾ Fair value at the time of grant

³⁾ Includes discrete payments arising through application of the fixed exchange-rate clause to the following items: salary for 2010: €205,200; profit-sharing bonus for 2010: €271,900

⁴⁾ Léo Apotheker's appointment as CEO and member of the Executive Board ended on February 7, 2010. His contract with SAP AG ended on March 31, 2010.

⁵⁾ Erwin Gunst's appointment as member of the Executive Board ended on January 31, 2010. His contract with SAP AG ended on March 31, 2010.

⁶⁾ John Schwarz's appointment as member of the Executive Board ended on February 11, 2010. His contract with SAP AG ended on March 31, 2010.

Includes discrete payments arising through application of the fixed exchange-rate clause to the following items: salary for 2010: €4,900

⁷⁾ Includes discrete payments arising through application of the fixed exchange-rate clause to the following items: salary for 2010: €70,100; profit-sharing bonus for 2010: €76,100

Assuming 100 % target achievement, the MTI 2010 amounts to be paid in 2013 would be as follows:

€(000)	MTI 2010 Target Payouts 2013
Bill McDermott (co-CEO from February 7, 2010)	820.0
Jim Hagemann Snabe (co-CEO from February 7, 2010)	820.0
Dr. Werner Brandt	495.5
Dr. Angelika Dammann (member from July 1, 2010)	247.8
Gerhard Oswald	495.5
Vishal Sikka (member from February 7, 2010)	443.9
Total	3,322.7

The share-based compensation amounts in 2010 result from the following virtual stock option grants under the SAP SOP 2010:

	2010 Grants				
	Quantity	Fair Value per Right at Time of Grant	Total Fair Value at Time of Grant	Fair Value per Right on Dec. 31, 2010	Total Fair Value on Dec. 31, 2010
		€	€(000)	€	€(000)
Bill McDermott (co-CEO from February 7, 2010)	135,714	7.00	950.0	8.19	1,111.5
Jim Hagemann Snabe (co-CEO from February 7, 2010)	135,714	7.00	950.0	8.19	1,111.5
Dr. Werner Brandt	82,428	7.00	577.0	8.19	675.1
Dr. Angelika Dammann (member from July 1, 2010)	41,214	7.00	288.5	8.19	337.5
Gerhard Oswald	82,428	7.00	577.0	8.19	675.1
Vishal Sikka (member from February 7, 2010)	82,428	7.00	577.0	8.19	675.1
Total	559,926		3,919.5		4,585.8

The following table shows total Executive Board compensation in 2009, including SOP Performance Plan 2009 stock options granted:

€(000)	Fixed Elements		Performance-Related Element	Long-Term Incentive Element	Total
	Salary	Other ¹⁾	Directors' Profit-Sharing	Share-Based Compensation (SAP SOP 2009) ²⁾	
Prof. Dr. Henning Kagermann (co-CEO and member until May 31, 2009)	312.5	7.4	2,026.2	–	2,346.1
Léo Apotheker (CEO)	750.0	137.3	4,862.8	950.0	6,700.1
Dr. Werner Brandt	455.0	19.1	2,950.1	577.0	4,001.2
Erwin Gunst	455.0	36.0	2,950.1	577.0	4,018.1
Prof. Dr. Claus E. Heinrich (member until May 31, 2009)	189.6	9.3	658.8	–	857.7
Bill McDermott ³⁾	900.4	74.9	2,776.7	577.0	4,329.0
Gerhard Oswald	455.0	437.5	2,950.1	577.0	4,419.6
John Schwarz ⁴⁾	581.5	28.2	2,910.7	577.0	4,097.4
Jim Hagemann Snabe	455.0	131.1	2,950.1	577.0	4,113.2
Total	4,554.0	880.8	25,035.6	4,412.0	34,882.4

¹⁾ Insurance contributions, benefits in kind, expenses for maintenance of two households due to work abroad, reimbursement legal and tax advice fees, leave compensation

²⁾ Fair value at the time of grant

³⁾ Includes discrete payments arising through application of the fixed exchange-rate clause to the following items: salary for 2008: €29,600; profit-sharing bonus for 2008: €53,200; salary for 2009: €47,500; profit-sharing bonus for 2009: €91,900

⁴⁾ Includes discrete payments arising through application of the fixed exchange-rate clause to the following items: salary for 2009: €5,000; profit-sharing bonus for 2009: €29,000

Share-Based Compensation Under SOP Performance Plan 2009

	2009 Allocations				
	Quantity	Fair Value per Right at Time of Grant	Total Fair Value of Long-Term Incentive Elements at Time of Grant	Fair Value per Right on Dec. 31, 2009	Total Value on Dec. 31, 2009
		€	€(000)	€	€(000)
Bill McDermott (co-CEO from February 7, 2010)	102,670	5.62	577.0	4.89	167.4
Jim Hagemann Snabe (co-CEO from February 7, 2010)	102,670	5.62	577.0	4.89	167.4
Dr. Werner Brandt	102,670	5.62	577.0	4.89	167.4
Gerhard Oswald	102,670	5.62	577.0	4.89	167.4
Léo Apotheker (CEO and Member until February 7, 2010) ¹⁾	169,040	5.62	950.0	4.89	275.5
Erwin Gunst (member until January 31, 2010) ²⁾	102,670	5.62	577.0	4.89	167.4
John Schwarz (member until February 11, 2010) ³⁾	102,670	5.62	577.0	4.89	167.4
Total	785,060		4,412.0		1,279.9

¹⁾ Léo Apotheker's appointment as CEO and member of the Executive Board ended on February 7, 2010. His contract with SAP AG ended on March 31, 2010.

²⁾ Erwin Gunst's appointment as member of the Executive Board ended on January 31, 2010. His contract with SAP AG ended on March 31, 2010.

³⁾ John Schwarz's appointment as member of the Executive Board ended on February 11, 2010. His contract with SAP AG ended on March 31, 2010.

END-OF-SERVICE BENEFITS

Regular End-of-Service Undertakings

Retirement Pension Plan

Members of the Executive Board receive a retirement pension when they reach the retirement age of 60 and vacate their Executive Board seat or a disability pension if, before reaching the regular retirement age, they become subject to occupa-

tional disability or permanent incapacity. A surviving dependant's pension is paid on the death of a former member of the Executive Board. The disability pension is 100 % of the vested retirement pension entitlement and is payable until the beneficiary's 60th birthday, after which it is replaced by a retirement pension. The surviving dependant's pension is 60 % of the retirement pension or vested disability pension entitlement at death. Entitlements are enforceable against SAP AG.

If service is ended before the retirement age of 60 is reached, pension entitlement is reduced in proportion as the actual length of service stands in relation to the maximum possible length of service.

On January 1, 2000, SAP AG introduced a contributory retirement pension plan. The contribution is 4 % of applicable compensation up to the applicable income threshold plus 14 % of applicable compensation above the applicable income threshold. For this purpose, applicable compensation is 180 % of annual base salary. The applicable income threshold is the statutory annual income threshold for the state pension plan in Germany (West), as amended from time to time.

Exceptional retirement pension agreements apply to the following Executive Board members:

– Bill McDermott and Vishal Sikka have rights to future benefits under the pension plan of SAP America. The pension plan of SAP America is a cash balance plan that on retirement provides either monthly pension payments or a lump sum. The pension becomes available from the beneficiary's 65th birthday. Subject to certain conditions, the plan also provides earlier payment or invalidity benefits. The SAP America pension plan closed with effect from January 1, 2009. Interest continues to be paid on the earned rights to benefits. SAP also made contributions to a third-party pension plan for Bill McDermott and Vishal Sikka. SAP's contributions reflect Bill McDermott's and Vishal Sikka's payments into this pension plan. Additionally in view of the close of the SAP America pension plan, SAP adjusted its payments to this non-SAP pension plan. In 2010, SAP paid contributions for Bill McDermott totaling €765,700 (2009: €199,600) and for Vishal Sikka totaling €153,200.

- Instead of paying for entitlements under the pension plan for Executive Board members, SAP pays equivalent amounts to a non-SAP pension plan for Jim Hagemann Snabe. In 2010, SAP paid contributions totaling €283,100 (2009: €108,400).
- Gerhard Oswald's performance-based retirement plan was discontinued when SAP introduced a contributory retirement pension plan. The pension benefits are derived from any accrued entitlements on December 31, 1999, under performance-based pension agreements and a salary-linked contribution for the period commencing January 1, 2000.
- Léo Apotheker's agreement provided only for a retirement pension, but not for a surviving dependant's or disability pension. The pension contribution reflected his participation in the French social security system in that the employer contributions paid by SAP under the French social insurance plan are deducted from it.
- SAP made no retirement pension plan contributions in respect of John Schwarz in 2009 and 2010.

The following table shows the change in total projected benefit obligation (PBO) and in the total accruals for pension obligations to Executive Board members:

€(000)	Bill Mc Dermott (co-CEO from February 7, 2010)	Dr. Werner Brandt	Dr. Angelika Dammann (member from July 1, 2010)	Gerhard Oswald	Vishal Sikka (member from February 7, 2010)	Léo Apotheker (CEO and member until February 7, 2010)	Erwin Gunst (member until January 31, 2010)	Total
PBO January 1, 2009	955.0	701.8	–	3,099.1	–	439.8	389.2	5,584.9
Less plan assets market value January 1, 2009	33.3	624.0	–	2,636.6	–	658.8	48.1	4,000.8
Accrued January 1, 2009	921.7	77.8	–	462.5	–	–219.0	341.1	1,584.1
PBO change in 2009	3.1	201.0	–	527.1	–	88.4	92.0	911.6
Plan assets change in 2009	9.2	31.1	–	237.6	–	29.2	97.4	404.5
PBO December 31, 2009	958.1	902.8	–	3,626.2	–	528.2	481.2	6,496.5
Less plan assets market value December 31, 2009	42.5	655.1	–	2,874.2	–	688.0	145.5	4,405.3
Accrued December 31, 2009	915.6	247.7	–	752.0	–	–159.8	335.7	2,091.2
Accrued January 1, 2010 (new Board members)	–	–	0.0	–	0.2	–	–	0.2
PBO change in 2010	115.1	381.5	62.9	501.2	13.3	93.2	–370.2	797.0
Plan assets change in 2010	10.1	266.6	78.7	500.7	11.8	29.2	38.3	935.4
PBO December 31, 2010	1,073.2	1,284.3	62.9	4,127.4	46.7	621.4	111.0	7,326.9
Less plan assets market value December 31, 2010	52.6	921.7	78.7	3,374.9	45.0	717.2	183.8	5,373.9
Accrued December 31, 2010	1,020.6	362.6	–15.8	752.5	1.7	–95.8	–72.8	1,953.0

The following table shows the annual pension entitlement of each member of the Executive Board on reaching age 60 based on entitlements from SAP under performance-based and salary-linked plans vested on December 31, 2010:

€ (000)	Vested on December 31, 2010	Vested on December 31, 2009
Bill McDermott (co-CEO from February 7, 2010) ¹⁾	101.1	124.2
Dr. Werner Brandt	72.9	54.1
Dr. Angelika Dammann (member from July 1, 2010)	3.5	–
Gerhard Oswald	228.1	208.4
Vishal Sikka (member from February 7, 2010) ¹⁾	6.3	–
Léo Apotheker (CEO and member until February 7, 2010)	45.5	45.5
Erwin Gunst (member until January 31, 2010)	8.8	34.4

¹⁾ The rights shown here for Bill McDermott and Vishal Sikka refer solely to rights under the SAP America, Inc. pension plan.

These are vested entitlements. To the extent that members continue to serve on the Executive Board and that therefore more contributions are made for them in the future, pensions actually payable at the age of 60 will be higher than the amounts shown in the table.

Postcontractual Noncompete Provisions

During the agreed 12-month postcontractual noncompete period, Executive Board members receive abstention payments corresponding to 50 % of their final average contractual compensation as members.

The following table presents the net present values of the postcontractual noncompete abstention payments. The net present values in the table reflect the discounted present value of the amounts that would be paid in the fictitious scenario in which the Executive Board members leave SAP at the end of their respective current contract terms and their final average contractual compensation prior to their departure equals the compensation in 2010. Actual postcontractual noncompete payments will likely differ from these amounts depending on the time of departure and the compensation levels and target achievements at the time of departure.

€(000)	Contract Term Expires	Net Present Value of Postcontractual Non-Compete Abstention Payment
Bill McDermott (co-CEO from February 7, 2010)	June 30, 2012	4,313.0
Jim Hagemann Snabe (co-CEO from February 7, 2010)	June 30, 2012	3,767.8
Dr. Werner Brandt	December 31, 2013	2,116.3
Dr. Angelika Dammann (member from July 1, 2010)	June 30, 2013	1,174.8
Gerhard Oswald	December 31, 2011	2,335.4
Vishal Sikka (member from February 7, 2010)	December 31, 2012	2,357.6
Total		16,064.9

Early End-of-Service Undertakings

Severance Payments

The standard contract for all Executive Board members since January 1, 2006, provides that on termination before full term (for example, where the member's appointment is revoked, where the member becomes occupationally disabled, or in connection with a change of control), SAP AG will pay to the member the outstanding part of the compensation target for the entire remainder of the term, appropriately discounted for early payment. A member has no claim to that payment if he or she leaves SAP AG for reasons for which he or she is responsible.

If an Executive Board member's post on the Executive Board expires or ceases to exist because of, or as a consequence of, change or restructuring or due to a change of control, SAP AG and each Executive Board member has the right to terminate the employment contract within eight weeks of the occurrence by giving six months' notice. A change of control is deemed to occur when a third party is required to make a mandatory takeover offer to the shareholders of SAP AG under the German Securities Acquisition and Takeover Act, when SAP AG merges with another company and becomes the subsumed entity, or when a control or profit transfer agreement is concluded with SAP AG as the dependent company. An Executive Board member's contract can also be terminated before full term if his or her appointment as an SAP AG Executive Board member is revoked in connection with a change of control.

Postcontractual Noncompete Provisions

Abstention compensation for the postcontractual noncompete period as described above is also payable on early contract termination.

Permanent Disability

In case of permanent disability, the contract will end at the end of the quarter in which the permanent inability to work was determined. The Executive Board Member receives the monthly basic salary for a further twelve months starting from the date the permanent disability is determined.

Payments to Executive Board Members Retiring in 2010

Léo Apotheker resigned from his position as member and CEO of the Executive Board with effect from February 7, 2010, with the approval of the Supervisory Board. He received the following payments in connection with his retirement with effect from March 31, 2010:

- Léo Apotheker received monthly abstention compensation of €183,300, corresponding to 50 % of his final average contractual compensation, in consideration of an agreed 12-month postcontractual noncompete period. Due to Léo Apotheker's taking on new employment, the abstention compensation was ended on October 31, 2010.
- He received a payment of €3,168,500 in relation to the early termination of his contract, in accordance with the agreement on payments for early termination.
- Upon termination of his employment contract, Léo Apotheker received compensation for unused leave totaling €459,500.

Erwin Gunst's contract as an Executive Board member was ended with effect from March 31, 2010, for health reasons. He received the following payments in 2010 in connection with his retirement:

- He received a payment of €2,036,000 in accordance with the agreements on payments for early termination for health reasons.
- We have set aside the postcontractual noncompete provisions in his contract. No payment was made by SAP.

John Schwarz retired from his position as Executive Board member with immediate effect on February 11, 2010, with the approval of the Supervisory Board. He received the following payments in connection with his retirement with effect from March 31, 2010:

- In February 2010, we waived the postcontractual noncompete provisions in his contract. The postcontractual noncompete provisions were subject to a termination notice of six months. As he retired at the end of March 2010, he received monthly abstention compensation of €141,900, corresponding to 50 % of his final average contractual compensation for the remaining noncompete period of five months.
- John Schwarz received a payment of €2,934,500 in relation to the early termination of his contract, in accordance with the agreements on payments for early termination.

- Upon termination of his employment contract, John Schwarz received compensation for unused leave totaling €70,500.
- For the above mentioned amounts in euros payable in U.S. dollars the agreed fixed exchange rate of €1 = US\$1.55664 based on the employment contract dated June 30, 2009 was applied.

We made agreements with each of the three retiring Executive Board members to the effect that rights that had been allocated to them under SAP SOP 2007 and the SOP Performance Plan 2009 would not lapse on their retirement as provided in the plan terms but would remain available to them without restriction until their expiration, which in all cases is five years after grant.

Payments to Former Executive Board Members

In 2010, we paid pension benefits of €1,290,000 to Executive Board members who had retired before January 1, 2010 (2009: €764,000). At the end of the year, the PBO for former Executive Board members was €24,878,000 (2009: €15,777,000). Plan assets of €25,120,000 are available to service these obligations (2009: €16,512,000).

Executive Board Members' Long-Term Incentives

Members of the Executive Board hold virtual stock options under the SAP SOP 2010, SOP Performance Plan 2009 and SAP SOP 2007, stock appreciation rights (STARs) under the Incentive Plan 2010, stock options under SAP SOP 2002, and stock options and convertible bonds under the LTI Plan 2000, which were granted to them in previous years. For information about the terms and details of these plans, see the *Notes to the Consolidated Financial Statements* section, Note (28).

SAP SOP 2010

The table below shows Executive Board members' holdings, on December 31, 2010, of virtual stock options issued to them under the SAP SOP 2010 since its inception. The strike price for an option is 115 % of the base price. The issued options have a term of seven years and can only be exercised on specified dates after the four-year vesting period. The options issued in 2010 can be exercised with effect from September 2014.

SAP SOP 2010 Stock Options

	Year Granted	Strike Price per Share	Allocation on September 9, 2010		Rights Exercised in 2010	Price on Exercise Date	Exerci- sable Rights of Retired Members of the Executive Board	Forfeited Rights	Holding on December 31, 2010	
		€	Quantity of Options	Remaining Term in Years	Quantity of Options		Quantity of Options	Quantity of Options	Quantity of Options	Remaining Term in Years
Bill McDermott (co-CEO from February 7, 2010)	2010	40.80	135,714	7.00	-	-	-	-	135,714	6.69
Jim Hagemann Snabe (co-CEO from February 7, 2010)	2010	40.80	135,714	7.00	-	-	-	-	135,714	6.69
Dr. Werner Brandt	2010	40.80	82,428	7.00	-	-	-	-	82,428	6.69
Dr. Angelika Dammann (member from July, 1, 2010)	2010	40.80	41,214	7.00	-	-	-	-	41,214	6.69
Gerhard Oswald	2010	40.80	82,428	7.00	-	-	-	-	82,428	6.69
Vishal Sikka (member from February 7, 2010)	2010	40.80	82,428	7.00	-	-	-	-	82,428	6.69
Total			559,926						559,926	

SOP Performance Plan 2009

The table below shows the current Executive Board members' holdings, on December 31, 2010, of virtual stock options issued under the SOP Performance Plan 2009.

The strike price for an option varies with the performance of SAP stock over time against the TechPGL index. The gross profit per option is limited to €30.80, corresponding to 110 % of the SAP share price on the date of issue.

The issued options have a term of five years and can only be exercised on specified dates after the two-year vesting period. Therefore, none of the options held could be exercised on December 31, 2010.

SOP Performance Plan 2009 Stock Options

	Year Granted	Strike Price per Share	Holding on January 1, 2010		Rights Exercised in 2010	Price on Exercise Date	Exerci- sable Rights of Retired Members of the Executive Board	Forfeited Rights	Holding on December 31, 2010	
		€	Quantity of Options	Remaining Term in Years	Quantity of Options		Quantity of Options	Quantity of Options	Quantity of Options	Remaining Term in Years
Bill McDermott (co-CEO from February 7, 2010)	2009	variable	102,670	4.35	-	-	-	-	102,670	3.35
Jim Hagemann Snabe (co-CEO from February 7, 2010)	2009	variable	102,670	4.35	-	-	-	-	102,670	3.35
Dr. Werner Brandt	2009	variable	102,670	4.35	-	-	-	-	102,670	3.35
Gerhard Oswald	2009	variable	102,670	4.35	-	-	-	-	102,670	3.35
Vishal Sikka (member from February 7, 2010) ¹⁾	2009	variable	35,588	4.35	-	-	-	-	35,588	3.35
Léo Apotheker (CEO and member until February 7, 2010) ²⁾	2009	variable	169,040	4.35	-	-	-169,040	-	-	3.35
John Schwarz (member until February 11, 2010) ³⁾	2009	variable	102,670	4.35	-	-	-102,670	-	-	3.35
Total			717,978				-271,710		446,268	

¹⁾ The holding was allocated before appointment to the Executive Board.

²⁾ Léo Apotheker's appointment as CEO and member of the Executive Board ended on February 7, 2010. His contract with SAP AG ended on March 31, 2010.

³⁾ John Schwarz's appointment as member of the Executive Board ended on February 11, 2010. His contract with SAP AG ended on March 31, 2010.

SAP SOP 2007

The table below shows Executive Board members' holdings, on December 31, 2010, of virtual stock options issued to them under the SAP SOP 2007 plan since its inception, including virtual stock options issued to them both during and before their respective membership of the Executive Board.

The strike price for an option is 110 % of the base price. The issued options have a term of five years and can only be exercised on specified dates after the two-year vesting period. The options issued in 2007 could be exercised with effect from June 2009, following expiration of the two-year vesting period. The options issued in 2008 could be exercised with effect from March 2010, following expiration of the two-year vesting period.

SAP SOP 2007 Stock Options

	Year Granted	Strike Price per Share	Holding on January 1, 2010		Rights Exercised in 2010	Price on Exercise Date	Exerci- sable Rights of Retired Members of the Executive Board	Forfeited Rights	Holding on December 31, 2010	
		€	Quantity of Options	Remaining Term in Years	Quantity of Options		Quantity of Options	Quantity of Options	Quantity of Options	Remaining Term in Years
Bill McDermott (co-CEO from February 7, 2010) ¹⁾	2007	39.28	62,508	2.23	-	-	-	-	62,508	1.23
	2008	35.96	70,284	3.18	-	-	-	-	70,284	2.18
Jim Hagemann Snabe (co-CEO from February 7, 2010) ¹⁾	2007	39.28	37,505	2.23	-	-	-	-	37,505	1.23
	2008	35.96	56,228	3.18	-	-	-	-	56,228	2.18
Dr. Werner Brandt	2007	39.28	72,216	2.23	-	-	-	-	72,216	1.23
	2008	35.96	81,200	3.18	-	-	-	-	81,200	2.18
Gerhard Oswald	2007	39.28	72,216	2.23	-	-	-	-	72,216	1.23
	2008	35.96	81,200	3.18	-	-	-	-	81,200	2.18
Vishal Sikka (member from February 7, 2010) ¹⁾	2007	39.28	12,502	2.23	-	-	-	-	12,502	1.23
	2008	35.96	17,571	3.18	-	-	-	-	17,571	2.18
Léo Apotheker (CEO and mem- ber until February 7, 2010) ²⁾	2007	39.28	79,093	2.23	-	-	-79,093	-	-	1.23
	2008	35.96	88,933	3.18	-	-	-88,933	-	-	2.18
Erwin Gunst (member until January 31, 2010) ³⁾	2007	39.28	56,258	2.23	-	-	-56,258	-	-	1.23
	2008	35.96	70,284	3.18	-	-	-70,284	-	-	2.18
John Schwarz (member until February 11, 2010) ⁴⁾	2008	35.96	81,200	3.18	-	-	-81,200	-	-	2.18
Total			939,198				-375,768		563,430	

¹⁾ The holding was allocated before appointment to the Executive Board.

²⁾ Léo Apotheker's appointment as CEO and member of the Executive Board ended on February 7, 2010. His contract with SAP AG ended on March 31, 2010.

³⁾ Erwin Gunst's appointment as member of the Executive Board ended on January 31, 2010. His contract with SAP AG ended on March 31, 2010.

⁴⁾ John Schwarz's appointment as member of the Executive Board ended on February 11, 2010. His contract with SAP AG ended on March 31, 2010.

Incentive Plan 2010

The additional nonrecurring share-based compensation awarded in 2006 comprised stock appreciation rights for the Incentive Plan 2010 share-based compensation plan. The stock appreciation rights awarded under this plan expired on December 31, 2010, without any payments.

SAP SOP 2002

The table below shows Executive Board members' December 31, 2010, holdings of stock options issued in previous years under the SAP SOP 2002 plan since its inception.

The strike price for an SAP SOP 2002 stock option is 110 % of the base price of one SAP share. The base price is the arithmetic mean closing auction price for SAP stock in the Xetra trading system (or its successor system) over the five business days immediately before the issue date of that stock option. The strike price cannot be less than the closing auction price on the day before the issue date. The issued options have a term of five years and can only be exercised on specified dates after the two-year vesting period.

As a result of the issue on December 21, 2006, of bonus shares at a one-to-three ratio under a capital increase from corporate funds, on exercise each stock option now entitles its beneficiary to four shares. For better comparability with the price of SAP stock since implementation of the capital increase, the following table shows not the number (quantity) of options but the number (quantity) of shares to which they entitle the holder. Consequently, the strike prices shown are prices per share and not per option. The number of shares shown in the table is four times the number of options, and the strike price for an option is four times the strike price per share shown in the table.

In December 2009, the Supervisory Board agreed an amendment to the terms of SAP SOP 2002 for options granted in 2005. For details of the amendment, see the *Notes to the Consolidated Financial Statements* section, Note (28).

The right to exercise options issued in 2005 expired in February 2010.

SAP SOP 2002 Stock Options

	Year Granted	Strike Price per Price	Holding on January 1, 2010		Rights Exercised in 2010	Price on Exercise Date	Exerci- sable Rights of Retired Members of the Executive Board	Forfeited Rights	Holding on December 31, 2010	
		€	Quantity of Shares	Remaining Term in Years	Quantity of Shares	€	Quantity of Shares	Quantity of Shares	Quantity of Shares	Remaining Term in Years
Bill McDermott (co-CEO from February 7, 2010) ¹⁾	2006	46.48	77,296	1.10	-	-	-	-	77,296	0.10
Jim Hagemann Snabe (co-CEO from February 7, 2010) ¹⁾	2005	33.55	51,180	0.11	-22,008	33.67	-	-29,172	-	0.00
	2006	46.48	37,164	1.10	-	-	-	-	37,164	0.10
Dr. Werner Brandt	2005	33.55	149,980	0.11	-64,496	33.67	-	-85,484	-	0.00
	2006	46.48	87,292	1.10	-	-	-	-	87,292	0.10
Gerhard Oswald	2005	33.55	149,980	0.11	-64,496	33.67	-	-85,484	-	0.00
	2006	46.48	87,292	1.10	-	-	-	-	87,292	0.10
Vishal Sikka (member from February 7, 2010) ¹⁾	2006	46.48	7,436	1.10	-	-	-	-	7,436	0.10
Léo Apotheker (CEO and member until February 7, 2010) ²⁾	2005	33.55	149,980	0.11	-64,496	33.67	-	-85,484	-	0.00
	2006	46.48	95,604	1.10	-	-	-95,604	-	-	0.10
Erwin Gunst (member until January 31, 2010) ³⁾	2005	33.55	61,264	0.11	-26,344	33.67	-	-34,920	-	0.00
	2006	46.48	44,596	1.10	-	-	-44,596	-	-	0.10
Total			999,064		-241,840		-140,200	-320,544	296,480	

¹⁾ The holding was allocated before appointment to the Executive Board.

²⁾ Léo Apotheker's appointment as CEO and member of the Executive Board ended on February 7, 2010. His contract with SAP AG ended on March 31, 2010.

³⁾ Erwin Gunst's appointment as member of the Executive Board ended on January 31, 2010. His contract with SAP AG ended on March 31, 2010.

LTI Plan 2000

Beneficiaries under the LTI Plan 2000 could choose between convertible bonds and stock options. The chief difference was in the way the exercise or conversion price was determined. The bond conversion price depends on the closing price of SAP stock the day before the bond was issued, while the option strike price varies with the performance of SAP stock over time against the S&P North Software-Software Index (the successor of the GSTI Software index). The issued options have a term of ten years and could only be exercised in portions of one-third each on specified dates after two-year, three-year, or four-year vesting periods respectively. On December 31, 2010, no current member of the Executive Board held LTI plan 2000 stock options.

The table below shows convertible bonds held by members of the Executive Board on December 31, 2010, granted in earlier years under the LTI Plan 2000. The strike prices for LTI Plan

2000 convertible bonds reflect the prices payable by an Executive Board member for one SAP share on conversion of the bond. The strike prices are fixed and correspond to the quoted price of one SAP share on the business day immediately preceding the grant of the convertible bond. As a result of the issue on December 21, 2006, of bonus shares at a one-to-three ratio under a capital increase from corporate funds, on conversion each bond now entitles its beneficiary to four shares. For better comparability with the price of SAP stock since implementation of the capital increase, the following table shows not the number (quantity) of convertible bonds but the number (quantity) of shares to which they entitle the holder. Consequently, the strike prices shown are prices per share and not per bond. The number of shares shown in the table is four times the number of bonds, and the strike price for a bond is four times the strike price per share shown in the table.

The right to exercise convertible bonds issued in 2000 expired in February 2010.

LTI Plan 2000 Convertible Bonds

	Year Granted	Strike Price per Share	Holding on January 1, 2010		Rights Exercised in 2010	Price on Exercise Date	Exerci- sable Rights of Retired Members of the Executive Board	Forfeited Rights	Holding on December 31, 2010	
		€	Quantity of Shares	Remaining Term in Years	Quantity of Shares	€	Quantity of Shares	Quantity of Shares	Quantity of Shares	Remaining Term in Years
Dr. Werner Brandt	2001	47.81	20,000	1.14	-	-	-	-	20,000	0.14
	2002	37.88	120,000	2.14	-	-	-	-	120,000	1.14
Gerhard Oswald	2000	72.58	65,700	0.14	-	-	-	-65,700	-	0
	2001	47.81	88,000	1.14	-	-	-	-	88,000	0.14
Léo Apotheker (CEO and mem- ber until February 7, 2010) ¹⁾	2001	47.81	120,000	1.14	-	-	-120,000	-	-	0.14
	2002	37.88	70,000	2.14	-	-	-70,000	-	-	1.14
Total			483,700				-190,000	-65,700	228,000	

¹⁾Léo Apotheker's appointment as CEO and member of the Executive Board ended on February 7, 2010. His contract with SAP AG ended on March 31, 2010.

Total Expense for Share-Based Compensation

In the report year and the prior year, total expense for the share-based compensation plans of Executive Board members was recorded as follows:

€(000)	2010	2009
Bill McDermott (co-CEO from February 7, 2010)	382.9	339.3
Jim Hagemann Snabe (co-CEO from February 7, 2010)	373.8	318.3
Dr. Werner Brandt	355.2	351.8
Dr. Angelika Dammann (member from July 1, 2010)	28.1	–
Gerhard Oswald	355.2	351.8
Vishal Sikka (member from February 7, 2010)	151.8	–
Léo Apotheker (CEO and member until February 7, 2010) ¹⁾	575.0	376.3
Erwin Gunst (member until January 31, 2010) ¹⁾	371.7	343.1
John Schwarz (member until February 11, 2010) ¹⁾	393.8	397.0
Total	2,987.5	2,477.6

¹⁾ Materially, the expense recorded in the report year reflects the fact that the rights did not expire on retirement but subsist until the end of the plan. IFRS 2 requires that it be immediately recognized at full fair value.

SHAREHOLDINGS AND TRANSACTIONS OF EXECUTIVE BOARD MEMBERS

No member of the Executive Board holds more than 1 % of the common stock of SAP AG. Members of the Executive Board held a total of 13,747 SAP shares on December 31, 2010 (2009: 15,336 shares).

The table below shows transactions by Executive Board members and persons closely associated with them notified to SAP pursuant to the German Securities Trading Act, section 15a, in 2010.

Transactions in SAP Shares

	Transaction Date	Transaction	Quantity	Unit Price in €
Jim Hagemann Snabe	February 1, 2010	Stock sale ¹⁾	22,008	33.6677
Gerhard Oswald	February 1, 2010	Stock sale ¹⁾	64,496	33.6677
Léo Apotheker (CEO and member of the Executive Board until February 7, 2010)	February 1, 2010	Stock sale ¹⁾	64,496	33.6677
Dr. Werner Brandt	February 1, 2010	Stock sale ¹⁾	64,496	33.6677
Dr. Angelika Dammann (member of the Executive Board from July 1, 2010)	August 23, 2010	Stock purchase	1,420	35.38

¹⁾ Sale of shares in line with SAP Stock Option Plan 2002

EXECUTIVE BOARD: OTHER INFORMATION

We did not grant any compensation advance or credit to, or enter into any commitment for the benefit of, any member of our Executive Board in 2010 or the previous year.

As far as the law permits, SAP AG and its affiliated companies in Germany and elsewhere indemnify and hold harmless their respective directors and officers against and from the claims of third parties. To this end, we maintain directors' and officers' (D&O) group liability insurance. The policy is annual and is renewed from year to year. The insurance covers the personal liability of the insured group for financial loss caused by its managerial acts and omissions. The current D&O policy includes an individual deductible for Executive Board members of SAP AG as required by section 93 (2) of the German Stock Corporation Act.

COMPENSATION FOR SUPERVISORY BOARD MEMBERS

Compensation System

Supervisory Board members' compensation is governed by our Articles of Incorporation, section 16. The section was amended by resolution of our June 8, 2010, Annual General Meeting of Shareholders in order to align it with the remuneration level and ratio of fixed to variable remuneration elements at other comparable companies. Each member of the Supervisory Board receives, in addition to the reimbursement of his or her expenses, compensation composed of fixed elements and a variable element. The variable element depends on the dividend paid by SAP on its shares.

The fixed element is €100,000 for the chairperson, €70,000 for the deputy chairperson, and €50,000 for other members. For membership of the Audit Committee, Supervisory Board members receive additional fixed annual remuneration of

€15,000, and for membership of any other Supervisory Board committee €10,000, provided that the committee concerned has met in the year. The chairperson of the audit committee receives €25,000, and the chairpersons of the other committees receive €20,000. The fixed remuneration is payable after the end of the year.

The variable compensation element is €10,000 for the chairperson, €8,000 for the deputy chairperson, and €6,000 for the other members of the Supervisory Board for each €0.01 by which the dividend distributed per share exceeds €0.40. The variable remuneration is payable after the end of the Annual General Meeting of Shareholders that resolves on the dividend for the relevant year.

However, the aggregate compensation excluding compensation for committee memberships must not exceed €250,000 for the chairperson, €200,000 for the deputy chairperson, and €150,000 for other members of the Supervisory Board.

Any members of the Supervisory Board having served for less than the entire year receive one-twelfth of the annual remuneration for each month of service commenced. This also applies to the increased compensation of the chairperson and the deputy chairperson and to the remuneration for the chairperson and the members of a committee.

Amount of Compensation

Subject to the resolution on the appropriation of retained earnings by the Annual General Meeting of Shareholders on May 25, 2011, the compensation paid to Supervisory Board members in respect of 2010 will be as set out in the table below:

€(000)	2010				2009			
	Fixed Compensation	Compensation for Committee Work	Variable Compensation	Total	Fixed Compensation	Compensation for Committee Work	Variable Compensation	Total
Prof. Dr. h.c. mult. Hasso Plattner (chairperson)	100.0	60.0	150.0	310.0	75.0	20.0	125.0	220.0
Lars Lamadé (deputy chairperson)	70.0	1.7	130.0	201.7	50.0	2.5	100.0	152.5
Pekka Ala-Pietilä	50.0	20.0	100.0	170.0	37.5	5.0	62.5	105.0
Thomas Bamberger	50.0	15.0	100.0	165.0	37.5	2.5	62.5	102.5
Panagiotis Bissiritsas	50.0	20.0	100.0	170.0	37.5	5.0	62.5	105.0
Willi Burbach	50.0	10.0	100.0	160.0	37.5	5.0	62.5	105.0
Prof. Dr. Wilhelm Haarmann	50.0	31.7	100.0	181.7	37.5	10.0	62.5	110.0
Peter Koop	50.0	10.0	100.0	160.0	37.5	4.8	62.5	104.8
Christiane Kuntz-Mayr	50.0	10.0	100.0	160.0	37.5	2.3	62.5	102.3
Bernard Liautaud	50.0	10.0	100.0	160.0	37.5	2.5	62.5	102.5
Dr. Gerhard Maier	50.0	25.0	100.0	175.0	37.5	5.0	62.5	105.0
Dr. h.c. Hartmut Mehdorn	50.0	10.0	100.0	160.0	37.5	2.5	62.5	102.5
Prof. Dr.-Ing. Dr. h.c. Dr.-Ing. E.h. Joachim Milberg	50.0	35.0	100.0	185.0	37.5	10.0	62.5	110.0
Dr. Erhard Schipporeit	50.0	35.0	100.0	185.0	37.5	7.5	62.5	107.5
Stefan Schulz	50.0	21.7	100.0	171.7	37.5	5.0	62.5	105.0
Prof. Dr.-Ing. Dr.-Ing. E.h. Klaus Wucherer	50.0	10.0	100.0	160.0	37.5	2.5	62.5	102.5
Total	870.0	325.0	1,680.0	2,875.0	650.0	92.1	1,100.0	1,842.1

In addition, we reimburse to members of the Supervisory Board their expenses and the value-added tax payable on their compensation.

The total compensation of all Supervisory Board members in 2010 for work for SAP excluding compensation relating to the office of Supervisory Board member was €995,000 (2009: €1,095,100). Those amounts are composed entirely of remuneration received by employee representatives on the Supervisory Board relating to their position as SAP employees in 2009 and 2010 respectively.

Supervisory Board member Wilhelm Haarmann is an attorney at the German bar and a partner at HAARMANN Partnerschaftsgesellschaft in Frankfurt am Main, Germany. Wilhelm Haarmann and HAARMANN Partnerschaftsgesellschaft occasionally advise SAP on particular projects, tax matters, and questions of law. In 2010, the fees for such services totaled €73,000 (2009: €839,000).

For consulting services in connection with a study we carried out into the potential of in-memory database technology for business leaders, we paid Supervisory Board member Hartmut Mehdorn a fee of €29,000 in 2010 (2009: no consulting services beside service on the Supervisory Board).

LONG-TERM INCENTIVES FOR THE SUPERVISORY BOARD

We do not offer members stock options or other share-based compensation for their Supervisory Board work. Any stock options or other share-based compensation received by employee-elected members relate to their position as SAP employees and not to their work on the Supervisory Board.

Shareholdings and Transactions of Supervisory Board Members

Supervisory Board chairperson Hasso Plattner and the companies he controlled held 122,148,302 SAP shares on December 31, 2010 (December 31, 2009: 127,186,143 SAP shares), representing 9.956 % (2009: 10.374 %) of SAP's capital stock. No other member of the Supervisory Board held more than 1 % of the SAP AG common stock at the end of 2010 or of the previous year. Members of the Supervisory Board held a total of 122,156,130 SAP shares on December 31, 2010 (December 31, 2009: 127,193,136 SAP shares).

The table below shows transactions by Supervisory Board members and persons closely associated with them notified to SAP pursuant to the German Securities Trading Act, section 15a, in 2010:

Transactions in SAP Shares

	Transac- tion Date	Trans- action	Quantity	Unit Price in €
Thomas Bamberger ¹⁾	February 1, 2010	Stock sale	4,404	33.6677
Stefan Schulz ¹⁾	February 1, 2010	Stock sale	300	33.6677
Dr. Gerhard Maier ²⁾	November 15, 2010	Stock sale	7,000	36.40

¹⁾ Sale of shares in line with SAP Stock Option Plan 2002

²⁾ Sale of shares in line with the LTI Plan 2000

Hasso Plattner, the chairperson of the Supervisory Board, entered into a consulting contract with SAP after he joined the Supervisory Board in May 2003. The contract does not provide for any compensation. The only cost we incurred under the contract was the reimbursement of expenses.

As far as the law permits, we indemnify Supervisory Board members against, and hold them harmless from, claims brought by third parties. To this end, we maintain directors' and officers' group liability insurance. The current D&O policy does not include an individual deductible for Supervisory Board members, as envisaged in the German Corporate Governance Code.

SUPERVISORY BOARD: OTHER INFORMATION

We did not grant any compensation advance or credit to, or enter into any commitment for the benefit of, any member of our Supervisory Board in 2010 or the previous year.