Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	980 500 101
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	SAP NORGE AS
Forretningsadresse:	Universitetsgata 1 0164 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern:	Nei

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Christian Pedersen
Dato for fastsettelse av årsregnskapet:	18.06.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 22.06.2025

Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Cloud revenue	11	446 019 000	291 123 000
Software licenses	11	68 221 000	184 923 000
Software support	11	455 529 000	448 670 000
Services	11	348 070 000	304 650 000
Other income		2 319 000	1 378 000
Sum inntekter		**1 320 158 000**	**1 230 744 000**
Kostnader			
Services expenses		380 557 000	364 429 000
Licenses and agents' commissions		528 302 000	534 819 000
Employee benefits expenses	12	291 927 000	237 736 000
Depreciation	6	3 361 000	2 686 000
Other expenses	13	76 665 000	54 437 000
Sum kostnader		**1 280 812 000**	**1 194 107 000**
Driftsresultat		**39 346 000**	**36 637 000**
Finansinntekter og finanskostnader			
Finance income	14	16 798 000	5 101 000
Sum finansinntekter		**16 798 000**	**5 101 000**
Finance costs	14	102 000	127 000
Sum finanskostnader		**102 000**	**127 000**
Netto finans		**16 696 000**	**4 974 000**
Ordinært resultat før skattekostnad		**56 042 000**	**41 611 000**
Income tax expense	7	12 789 000	9 444 000
Ordinært resultat etter skattekostnad		**43 253 000**	**32 167 000**
Årsresultat		**43 253 000**	**32 167 000**
Overføringer og disponeringer			
Retained earnings		43 253 000	32 167 000

Resultatregnskap

Beløp i: NOK	Note	2023	2022
Sum overføringer og disponeringer		**43 253 000**	**32 167 000**

Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Property and equipment	6	8 955 000	9 082 000
Sum varige driftsmidler		**8 955 000**	**9 082 000**
Sum anleggsmidler		**8 955 000**	**9 082 000**
Omløpsmidler			
Varer			
Fordringer			
Trade and other receivables		185 553 000	311 968 000
Other assets current		35 754 000	29 908 000
Other assets non-current		87 326 000	87 114 000
Deferred tax assets		2 794 000	1 629 000
Konsernfordringer		300 223 000	314 022 000
Sum fordringer		**611 650 000**	**744 641 000**
Investeringer			
Sum investeringer		**0**	**0**
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	4	211 938 000	143 164 000
Sum bankinnskudd, kontanter og lignende		**211 938 000**	**143 164 000**
Sum omløpsmidler		**823 588 000**	**887 805 000**
SUM EIENDELER		**832 543 000**	**896 887 000**

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Balanse

Beløp i: NOK	Note	2023	2022
Innskutt egenkapital			
Share capital	10	10 100 000	10 100 000
Overkurs	10	123 113 000	123 113 000
Sum innskutt egenkapital		**133 213 000**	**133 213 000**
Opptjent egenkapital			
Retained earnings	10	172 040 000	128 787 000
Sum opptjent egenkapital		**172 040 000**	**128 787 000**
Sum egenkapital		**305 253 000**	**262 000 000**
Sum langsiktig gjeld		**0**	**0**
Kortsiktig gjeld			
Leverandørgjeld	8	218 413 000	329 887 000
Income tax liabilities	7	13 752 000	9 422 000
Accrued expenses	9	39 254 000	36 276 000
Other liabilities		36 339 000	74 631 000
Deferred income		135 113 000	106 732 000
Employee benefits liabilities		84 419 000	77 939 000
Sum kortsiktig gjeld		**527 290 000**	**634 887 000**
Sum gjeld		**527 290 000**	**634 887 000**
SUM EGENKAPITAL OG GJELD		**832 543 000**	**896 887 000**

Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 617625

Enheten

Organisasjonsnummer:	980 500 101
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	SAP NORGE AS
Forretningsadresse:	Universitetsgata 1 0164 OSLO

Regnskapsår

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Brønnøysundregistrene, 11.07.2024

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Organisasjonsnr: 980 500 101
SAP NORGE AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
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Organisasjonsnr: 980 500 101
SAP NORGE AS

BALANSE

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
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Omløpsmidler			
Varer			
Fordringer			
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Egenkapital			
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Organisasjonsnr: 980 500 101
SAP NORGE AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
3

Regnskapsprinsipper

Note
3

Note
12

Antall årsverk i regnskapsåret
123.00

Note
12

Spesifisering av resultatregnskapet

Lønnkostnader

Lønn	Årets	Fjorårets
	185584000.00	173116000.00

Folketrygdavgift	Årets	Fjorårets
	46512000.00	28814000.00

Pensjonskostnader	Årets	Fjorårets
	17364000.00	15088000.00

Andre ytelser	Årets	Fjorårets
	42467000.00	20718000.00

Sum lønnskostnader	Årets	Fjorårets
	291927000.00	237736000.00

Note

Ekstraordinære inntekter og kostnader

Sum	Beløp

Note
6

Varige driftsmidler og immaterielle eiendeler

Anskaffelseskost 01.01.	Varige driftsmidler	Immaterielle eiend.
	24118000.00	

Tilgang i året	Varige driftsmidler	Immaterielle eiend.
	3234000.00	

Avgang i året	Varige driftsmidler	Immaterielle eiend.
	1682000.00	

Anskaffelseskost 31.12.	Varige driftsmidler	Immaterielle eiend.
	25670000.00	

Samlede av-/nedskrivn.	Varige driftsmidler	Immaterielle eiend.
	3361000.00	

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.
	8955000.00	

Årets av-/nedskrivn.	Varige driftsmidler	Immaterielle eiend.
	3361000.00	

Anskaffelseskost - balanseførte lånekostnader, egentilvirkede anleggsmidler

Goodwill spesifisert for hvert enkelt virksomhetskjøp

Avskrivningsplan for goodwill som er lenger enn fem år - begrunnelse

Mer om varige driftsmidler/immaterielle eiendeler

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Konsern, tilknyttet selskap m.v. - fordringer og gjeld

Fordringer

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

	Årets	Fjorårets
	47408000.00	41133000.00

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Kortsiktig gjeld

Samlet beløp - foretak i samme konsern	Årets	Fjorårets
	212207000.00	311379000.00

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Note
10

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.
	10100.00	1.00	100.00%

Erverv

Endringer i beholdning av aksjer i løpet av regnskapsåret

Avhendelse

Endringer i beholdning av aksjer i løpet av regnskapsåret

Samvirkeforetak

Vedtektsbestemmelser/årsmøtevedtak/forslag til vedtak om medlemskapskonti

Mer om aksjer

BDO AS
Munkedamsveien 45
PO Box 1704 Vika
0121 Oslo
Norway

Independent Auditor's Report

To the General Meeting of SAP Norge AS

Opinion

We have audited the financial statements of SAP Norge AS.

The financial statements comprise:

- The balance sheet as at 31 December 2023
- The income statement for 2023
- Statement of cash flows for the year that ended 31 December 2023
- Notes to the financial statements, including a summary of significant accounting policies

In our opinion:

- The financial statements comply with applicable statutory requirements, and
- The financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors and the Managing Director (management) are responsible for the other information. The other information comprises the Board of Directors' report. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on the Board of Directors' report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:
https://revisorforeningen.no/revisjonsberetninger

BDO AS

Børre Skisland
State Authorised Public Accountant
(This document is signed electronically)

PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Skisland, Børre
State Authorised Public Accountant
On behalf of: BDO AS
Serial number: no_bankid:9578-5998-4-872903
IP: 188.95.xxx.xxx
2024-07-02 18:49:10 UTC

bankID

Penneo document key: Y7ELN-4VHFD-UGXM7-UNFFS-UGH64-PO3M7

SAP NORGE AS

Annual Report
31 December 2023

Contents

Independent Auditors' Report

Statement of Financial Position

As at 31 December

NOK'000	Notes	**2023**	2022
Assets			
Current assets			
Cash and cash equivalents	(4)	211,938	143,164
Deposits with the ultimate controlling party		300,223	314,022
Trade and other receivables	(5)	185,553	311,968
Other assets		35,754	29,908
Total current assets		**733,468**	**799,062**
Non-current assets			
Property and equipment	(6)	8,955	9,082
Other assets		87,326	87,114
Deferred tax assets	(7)	2,794	1,629
Total non-current assets		**99,075**	**97,825**
Total assets		**832,543**	**896,887**
Liabilities and equity			
Current liabilities			
Trade and other payables	(8)	218,413	329,887
Accrued expenses	(9)	39,254	36,276
Employee benefits liabilities		84,419	77,939
Deferred income		135,113	106,732
Other liabilities		36,339	74,631
Income tax liabilities	(7)	13,752	9,422
Total current liabilities		**527,290**	**634,887**
Equity	(10)		
Share capital		10,100	10,100
Share premium		123,113	123,113
Retained earnings		172,040	128,787
Total equity		**305,253**	**262,000**
Total equity and liabilities		**832,543**	**896,887**

The above financial statements should be read in conjunction with the accompanying notes.

DocuSigned by:
Christian Pedersen
5068DC4814AE459...
Christian Larsen Pedersen

Chairperson of the Board

Oslo, 18 June 2024

DocuSigned by:
69BE58CA8AA94DE...
Mikko Seppanen

Board member

Oslo, 18 June 2024

DocuSigned by:
Marius Vetter
B454EFA85BB147C...
Marius Vetter

Board member

Oslo, 18 June 2024

DocuSigned by:
Helle Dochedahl
274ED8C4F0B44B8...
Helle Dechedahl

Board member

Oslo, 18 June 2024

Statement of Profit or Loss

For the year ended 31 December

NOK'000	Notes	**2023**	2022
Revenue			
Cloud		446,019	291,123
Software licenses		68,221	184,923
Software support		455,529	448,670
Software licenses and support		523,750	633,593
Cloud and software		**969,769**	**924,716**
Services		**348,070**	**304,650**
Total revenue	(11)	**1,317,839**	**1,229,366**
Other income		2,319	1,378
Services expenses		–380,557	–364,429
Licenses and agents' commissions		–528,302	–534,819
Employee benefits expenses	(12)	–291,927	–237,736
Depreciation	(6)	–3,361	–2,686
Other expenses	(13)	–76,665	–54,437
Operating profit		**39,346**	**36,637**
Finance income	(14)	16,798	5,101
Finance costs	(14)	–102	–127
Profit before income tax		**56,042**	**41,611**
Income tax expense	(7)	–12,789	–9,444
Profit after income tax		**43,253**	**32,167**
Proposed profit allocation			
Retained earnings		**43,253**	**32,167**

The above financial statements should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 31 December

NOK'000	Notes	**2023**	2022
Cash flow from operating activities			
Profit after income tax		**43,253**	**32,167**
Adjustments for non-cash items			
Depreciation	(6)	3,361	2,686
Losses on disposals of property and equipment		0	146
Unrealised exchange rate differences on cash and cash equivalents		−813	−490
Finance income	(14)	−16,798	−5,101
Finance costs	(14)	102	127
Income tax expense	(7)	12,789	9,444
		41,894	**38,979**
Changes in assets and liabilities			
Trade and other receivables		126,415	−127,281
Other assets		−6,058	−41,182
Trade and other payables		−111,474	129,671
Accrued expenses		2,978	12,573
Employee benefits liabilities		6,480	15,437
Deferred income		28,381	14,825
Other liabilities		−38,292	33,736
		50,324	**76,758**
Interest received		16,798	5,101
Interest paid		−102	−127
Income tax paid		−9,624	−10,221
Net cash flows from operating activities		**57,396**	**71,511**
Cash flows from investing activities			
Deposits with the ultimate controlling party		13,799	−75,561
Payments for purchases of property and equipment	(6)	−3,234	−8,771
Proceeds from sales of property and equipment		0	26
Net cash flows from/ used in investing activities		**10,565**	**−84,306**
Effect of exchange rate differences on cash and cash equivalents		813	490
Net increase/ decrease in cash and cash equivalents		**68,774**	**−12,305**
Cash and cash equivalents as at 1 January		**143,164**	**155,469**
Cash and cash equivalents as at 31 December		**211,938**	**143,164**

The above financial statements should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

These notes form an integral part of the accompanying financial statements.

(1) REPORTING ENTITY

SAP Norge AS (hereinafter "the Company") is a fully owned subsidiary of SAP SE, a company registered in Germany (hereinafter "the ultimate controlling party" or "SAP SE"). The Company was incorporated on 1 January 1999 and is located at Oslo, Norway.

The Company markets, sells and supports SAP business management and accounting software for small, medium and large enterprises in Norway and provides consulting services to such medium and large enterprises.

(2) BASIS OF PREPARATION

Approval of financial statements
The financial statements were authorised for issue by the Company's Board of Directors on 18 June 2024.

Statement of compliance
The financial statements have been prepared in accordance with Companies Act, Norwegian Accounting Act 1998 and generally accepted accounting principles in Norway. The financial statements consist of the statement of financial position, statement of profit and loss and other comprehensive income, statement of cash flow and notes to the financial statements.

Basis of measurement
The financial statements have been prepared using the historical cost basis of accounting except for the following:

- Liabilities for cash-settled share-based payments are measured at fair value.
- Monetary assets and liabilities denominated in foreign currencies are translated at period-end exchange rates.

Where applicable, information about the methods and assumptions used in determining the respective measurement bases is disclosed in the Notes specific to that asset or liability.

Functional and presentation currency
The Company's functional and presentation currency is Norwegian Krone (NOK). All amounts included in the financial statements are reported in Norwegian Krone (NOK), unless otherwise indicated. All financial information has been rounded to the nearest thousand Norwegian Krone (NOK), unless otherwise indicated. As figures were rounded, numbers presented throughout this document may not add up precisely to the totals we provide, and percentages may not precisely reflect the absolute figures.

Management judgments and sources of estimation uncertainty
The preparation of the Company's financial statements in accordance with Companies Act, Norwegian Accounting Act 1998 and the generally accepted accounting principles in Norway requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses, as well as disclosure of contingent assets and liabilities.

The management bases the judgments, estimates, and assumptions on historical and forecast information, as well as on regional and industry economic conditions in which the Company or the Company's customers operate, changes to which could adversely affect the management's estimates.

(3) ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise stated. The management reviews the critical accounting policies periodically.

Revenue recognition
Classes of revenue
The Company derives its revenue from fees charged to the customers for cloud, software licenses, customer-specific on-premise software products, and for standardized and premium support services, consulting, customer-specific software developments, training, and other services.

(3) ACCOUNTING POLICIES (Continued)

Revenue recognition (continued)
Revenue from cloud
Revenue from cloud represents fees earned from providing customers with any of the following:

- Software-as-a-Service (SaaS), that is, a right to use software functionality (including standard functionalities and custom cloud applications and extensions) in a cloud-based infrastructure hosted by the Company or third parties engaged by the Company, where the customer does not have the right to terminate the hosting contract and take possession of the software to either run it on its own IT infrastructure or to engage a third-party provider unrelated to the Company to host and manage the software; SaaS also includes transaction and agent fees for transactions that customers of the Company's network business execute on the Company's cloud-based transaction platforms.
- Platform-as-a-Service (PaaS), that is, access to a cloud-based platform to develop, deploy, integrate, and manage applications.
- Infrastructure-as-a-Service (IaaS), that is hosting and related application management services for software hosted by the Company or third parties engaged by the Company.
- Premium cloud support that is, support beyond the regular support embedded in the underlying cloud subscription services.

Revenue from software licenses
Software license revenue represents fees earned from the sale or license of software to customers for use on the premises owned or fully controlled by the customer, in other words, where the customer has the right to take possession of the software for installation on the customer's premises or on hardware of third-party hosting providers unrelated to the Company (on-premise software).Software licenses revenue includes revenue from both the sale of the Company's standard software products and customer-specific on-premise software development agreements.

Revenue from software support
Revenue from software support represents fees earned from providing customers with standardised support services which comprise unspecified future software updates, upgrades, and enhancements as well as technical product support services for on-premise software products

Services revenue
Services revenue primarily represents fees earned from professional consulting services, premium support services and training services.

Identification of contract
The Company frequently enters into multiple contracts with the same customer that the Company treats, for accounting purposes, as a single contract if the contracts are entered into at or near the same time and are economically interrelated. The Company does not combine contracts with closing days more than three months apart because the Company does not consider them being entered into near the same time. Judgment is required in evaluating whether two or more contracts are interrelated, which includes considerations as to whether they were negotiated as a package with a single commercial objective, whether the amount of consideration on one contract is dependent on the performance of the other contract, or if some or all goods in the contracts are a single performance obligation.

New arrangements with existing customers can be either a new contract or the modification of prior contracts with the customer. The management's respective judgment in making this determination considers whether there is a connection between the new arrangement and the pre-existing contracts, whether the goods and services under the new arrangement are highly interrelated with the goods and services sold under prior contracts, and how the goods and services under the new arrangement are priced. In determining whether a change in transaction price represents a contract modification or a change in variable consideration, the management examines whether the change in price results from changing the contract or from applying unchanged existing contract provisions.

Identification of performance obligations
The Company's customer contracts often include various products and services. In general, the products and services outlined under the Classes of revenue section qualify as separate performance obligations and the portion of the contractual fee allocated to them is recognised separately. Judgment is required, however, in determining whether a good or service is considered a separate performance obligation. In particular for the Company's professional services and implementation activities, judgment is required to evaluate whether such services significantly integrate, customise, or modify the on-premise software or cloud service to which they relate. In this context, the management considers the nature of the services and their volume relative to the volume of the on-premise software or cloud service to which they relate. In general, the implementation services for the Company's cloud services go beyond pure setup activities and qualify as separate performance obligations. Similarly, the Company's on-premise implementation services and custom development services qualify as separate performance obligations. Non-distinct goods and services are combined into one distinct bundle of goods and services (combined performance obligation).

(3) ACCOUNTING POLICIES (Continued)

Revenue recognition (continued)
When selling goods or services, the Company frequently grants its customers options to acquire additional goods or services (for example, renewals of cloud or support arrangements, or additional volumes of purchased cloud solutions or software). The management applies judgment in determining whether such options provide a material right to the customer that the customer would not receive without entering into that contract. In this judgment, the management considers whether the options entitle the customer to a discount that exceeds the discount granted for the respective goods or services sold together with the option.

Determination of transaction price
The management applies judgment in determining the amount to which the management expects to be entitled in exchange for transferring promised goods or services to a customer. Generally, variable consideration is estimated based on the most likely amount and is included in the transaction price to the extent that the constraint does not apply. This includes estimates as to whether and to what extent subsequent concessions may be granted to customers and whether the customer is expected to pay the contractual fees. In this judgment, the management considers the history with the respective customer on a portfolio basis.

The recognition constrained is applied to on-premise software transactions that include usage-based or sales-based contingent fees. The Company's typical cloud services do not provide the customer with a software license because the customer does not have the right to terminate the hosting contract and take possession of the software. Consequently, variable cloud fees are considered in the transaction price based on estimates, rather than being accounted for as usage-based or sales-based license royalties.

Only very rarely, the Company's contracts include significant financing components. The Company does not account for financing components if the period between when the Company transfers the promised goods or services to the customer and when the customer pays for those goods or services is one year or less.

Allocation of transaction price
The Company has established a hierarchy to identify the stand-alone selling prices (SSPs) that is used to allocate the transaction price of a customer contract to the performance obligations in the contract.

- Where SSPs for an offering are observable and reasonably consistent across customers (that is, not highly variable), the Company's SSPs estimates are derived from its respective pricing history. In general, the Company's standardised support offerings and its professional service offerings follow this approach.
- Where sales prices for an offering are not directly observable or highly variable across customers, the management uses estimation techniques. For renewable offerings with highly variable pricing across customers, these techniques consider the individual contract's expected renewal price as far as this price is substantive. In general, the Company's cloud subscription offerings follow this approach. For non-renewable offerings, these estimations follow a cost-plus-margin approach.
- For offerings that lack renewals, have highly variable pricing, and lack substantial direct costs to estimate based on a cost-plus margin approach, the Company allocates the transaction price by applying a residual approach. The Company uses this technique in particular for its standard on-premise software offerings.

Judgment is required when estimating SSPs. To judge whether the historical pricing of the Company's goods and services is highly variable, the management has established thresholds of pricing variability. For judging whether contractual renewal prices are substantive, the management has established floor prices which include a minimum margin that they use as SSPs whenever the contractual renewal prices are below these floor prices. In judging whether contracts are expected to renew at their contractual renewal prices, the Company relies on its respective renewal history. The SSPs of material right options depend on the probability of option exercise. In estimating these probabilities, the management applies judgment considering historical exercise patterns

The management reviews the SSPs periodically or whenever facts and circumstances change to ensure the most objective input parameters available are used.

(3) ACCOUNTING POLICIES (Continued)

Revenue recognition (continued)
Recognition of revenue
Revenue from cloud
Revenue from cloud is recognised over time as the services are performed. For cloud business models where the Company grants rights to continuously access and use one or more cloud offerings for a certain term, revenue is recognised based on time elapsed and thus ratably over this term. For cloud business models provisioned on a consumption basis where a customer commits to a fixed value of spend on cloud services throughout the contract term, but with the discretion to call off cloud services during the contract term, the Company recognises revenue based on consumption as it best reflects the Company's measure towards satisfaction of that performance obligation. In limited scenarios where the transaction price is entirely variable and determined by the customer's consumption, the Company recognises revenue based on usage in the period in which it was earned.

Revenue from software licenses
Revenue from software licenses is recognised at a point in time or over time depending on whether the Company delivers standard software, customer-specific software or software subscription contracts that combine the delivery of software and the obligation to deliver, in the future, unspecified software products.

Licenses for the Company's standard on-premise software products are delivered by providing the customer with access to download the software. The Company recognises revenue for these on-premise licenses at the point in time when it grants the license rights to the customer and the customer has access to and thus control over the software. In judging that the Company's on-premise software offerings grant customers a right to use, rather than a right to access, the Company's intellectual property, the management has considered the usefulness of the software without subsequent updates to it.

In general, the Company's customer-specific on-premise-software development agreements

- Represent software developed for specific needs of individual customers and therefore it does not have any use for the Company,
- Provide the Company with an enforceable right to payment for performance completed to date

For such development agreements, the Company recognises revenue over time as the software development progresses. Judgment is required in identifying an appropriate method to measure the progress toward complete satisfaction of such performance obligations.

The management measures progress of the Company's development agreements based on the direct costs incurred to date in developing the software as a percentage of the total reasonably estimated direct costs to fully complete the development work (percentage-of-completion method). This method of measuring progress faithfully depicts the transfer of the development services to the customer, as substantially all of these costs are cost of the staff or third parties performing the development work. In estimating the total cost to fully complete the development work, the management considers the Company's history with similar projects.

For agreements that combine the delivery of software and the obligation to deliver, in the future, unspecific software products, the Company recognises revenue at a point in time for licenses that are made immediately accessible to the customer. The Company recognises revenue ratably over the term of the software subscription contract for the unspecified software products, as the Company's performance obligation is to stand ready to deliver such products on a when-and-if available basis.

Revenue from software support
Revenue from software support is recognised based on time elapsed and thus ratably over the term of the support arrangement. Under the Company's standardised support services, the Company's performance obligation is to stand ready to provide technical product support and unspecified updates, upgrades, and enhancements on a when-and-if-available basis. The Company's customers can simultaneously receive and consume the benefits of these support services as the support services are performed.

Services revenue
Services revenue is recognised over time. Where the Company stands ready to provide the service (such as access to learning content), the Company recognises revenue based on time elapsed and thus ratably over the service period. Consumption-based services (such as separately identifiable consulting services and premium support services and classroom training services) are recognised over time as the services are utilised, following the percentage-of-completion method or ratably. When using the percentage-of-completion method, the Company measures the progress toward complete satisfaction of the performance obligation in the same way and with the same reasoning and judgment as the Company does for customer-specific on-premise software development agreements. The management applies judgment in determining whether a service qualifies as a stand-ready service or as a consumption-based service.

(3) ACCOUNTING POLICIES (Continued)

Revenue recognition (continued)
Revenue for combined performance obligations is recognised over the longest period of all promises in the combined performance obligation.

Judgement is also required to determine whether revenue is to be recognised at a point in time or over time. For performance obligations satisfied over time, the Company needs to measure the progress using the method that best reflects the Company's performance. When using cost incurred as a measure of progress for recognising revenue over time, the management applies judgement in estimating the total cost to satisfy the performance obligation.

All of the judgments and estimates mentioned above can significantly impact the timing and amount of revenue to be recognised.

Licenses and agents' commissions
Licenses and agents' commissions are recognised when software and cloud revenue is recognised.

Services expenses
Services expenses are cost of external services and services from related parties and are recognised when services are rendered by vendor

Rent expenses
Leases of assets under which the lessor effectively retains all the risks and rewards of ownership are classified as operating leases. Operating lease payments (as lessee) are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Other expenses
Other expenses are mainly comprised of costs of administering the day-to-day operations of the business and costs incurred to market and advertise the Company's services.

Exchange rate differences from foreign currency transactions
Transactions in foreign currencies are translated to the respective functional currencies of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Exchange rate differences from foreign currency transactions are recognised on a net basis as net gains or losses in profit or loss.

Finance income and finance costs
Finance costs are comprised of interest expense from trade and other payables and loans from related parties, interest expense on changes in time value of provisions, interest expense from asset retirement obligations, interest expenses on lease liabilities, interest expense on income taxes, interest expenses from derivative financial instruments at fair value through profit or loss, losses on disposal of marketable securities, and losses on disposal of financial assets at fair value through profit or loss.

Income taxes
Income taxes are comprised of current and deferred taxes. Income tax expense is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income and equity.

Current taxes
Current taxes are the expected tax liabilities or assets on the taxable income or loss for the year. Current tax liabilities or assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the current taxes relate to the same fiscal authority.

Deferred taxes
Deferred taxes are recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, and/ or from tax losses carried forward.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised, or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

(3) ACCOUNTING POLICIES (Continued)

Income taxes (continued)
Deferred tax is not recognised for the following:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future, and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off deferred tax assets against deferred tax liabilities and when the deferred taxes relate to the same fiscal authority.

Property and equipment
Recognition and measurement
Property and equipment are stated at cost, net of accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of assets and includes the cost of replacements that are eligible for capitalisation when these are incurred.

Gains and losses on disposal of property and equipment items are determined by comparing the proceeds from disposal with the carrying amount of the asset and are recognised net within other income or other expenses, as relevant, in profit or loss.

Depreciation
Depreciation is recognised in profit or loss on a straight-line method over the estimated useful lives of each part of the asset.

The estimated useful lives for the current and comparative years are as follows:

Leasehold improvements	Based on the term of the lease contract;
Office equipment, furniture and fixtures	4 – 20 years;
Information technology equipment	2 – 6 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount. Expenditure for repairs and maintenance of property and equipment is charged to profit or loss of the year in which it is incurred.

Derecognition
An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Cash and cash equivalents
Cash and cash equivalents are comprised of cash on hand, cash at banks and bank deposits with maturity less than three months that are readily convertible into known amounts of cash and are exposed to insignificant risks of change in value.

Trade and other receivables
Trade and other receivables are comprised of trade receivables, other receivables and receivables from related parties. Trade and other receivables are initially recognised as per the determination of the transaction price in the revenue accounting policy. They are subsequently measured at amortised cost using the effective interest method, less allowances for expected credit losses.

Deposits with the ultimate controlling party
Deposits with the ultimate controlling party are cash pooling arrangements with balances that fluctuate from being positive to overdrawn. The amounts are variable interest bearing, available short-term and are held by the ultimate controlling party, SAP SE on behalf of the Company. Subsequent to initial recognition, deposits are measured at amortised cost using the effective interest method, less allowance for impairment of deposits.

(3) ACCOUNTING POLICIES (Continued)

Trade and other payables
Trade and other payables are comprised of trade payables, other payables and payables to related parties. Trade and other payables are subsequently measured at amortised cost using the effective interest method.

Employee benefits
Short-term employee benefits
Salaries, vacation, bonuses, sales commissions and other employee benefits
Salaries, paid vacation and sick leave, bonuses, sales commissions, and other employee benefits expected to be settled within 12 months of the reporting date are recognised in respect of employees' services during the reporting period. Short-term employee benefits are measured at the amounts expected to be paid when the liabilities are settled on an undiscounted basis.

Defined contribution pension plan
The Company maintains a defined contribution plan based on local practices and regulations. Amounts contributed by the Company under this plan are based on a percentage of the employees' salaries and are recognised as part of pension expenses in profit or loss in the periods during which services are rendered by employees.

Deposits are recognised as salary expense when they expire. Prepaid deposits are recorded as an asset to the extent that the deposit can be refunded or reduce future payments.

The Company maintains defined contribution pension plan that meets the requirements of the Act on Mandatory pensions in Norway.

Cash settled share-based payments
The fair values of Move and Grow SAP cash-settled awards are measured at grant date using a valuation model and are remeasured to fair value at each reporting date until the award is settled. The fair value is recognised in the profit or loss over the period in which the employees become unconditionally entitled to the rights, with a corresponding increase in liabilities. Any changes in the fair value of the liability are recognised as employee benefits expenses in the profit or loss.

Share capital
Share capital is recognised as issued when it is paid for or subscribed under a binding subscription agreement and is measured at par value. Share capital consist of ordinary shares and is classified as equity.

All ordinary shares carry one vote per share without restriction.

Share premium
The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account. Share premium is not available for distribution.

Retained earnings
Retained earnings/ accumulated losses represent the cumulative balance of net profit or loss, dividend declaration, effect of changes in accounting policy and other equity adjustments.

Related parties
Related party relationship exists when one party has the ability to control the other party, directly or indirectly, through one or more intermediaries or exercise significant influence over the other party in making financial and operating decisions.

Such relationships exist between the Company and its ultimate controlling party, SAP SE, between the Company and other related parties that are fellow subsidiaries under common control of SAP SE, and between the Company and its key management personnel. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Key management personnel
Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. The key management personnel include all the Directors of the Company, and certain members of senior management of the Company.

(4) CASH AND CASH EQUIVALENTS

NOK'000	**2023**	2022
Cash at banks	92,217	67,123
Restricted cash for employee tax deduction	119,721	76,041
Total	**211,938**	**143,164**

(5) TRADE AND OTHER RECEIVABLES

NOK'000	**2023**	2022
Trade receivables	135,525	272,279
Receivables from related parties	47,408	41,133
Other receivables	3,334	0
Allowances for impairment of trade receivables	–714	–1,444
Total	**185,553**	**311,968**

(6) PROPERTY AND EQUIPMENT

NOK'000	**2023**
Cost	
As at 1 January 2023	**24,118**
Additions	3,234
Disposals	–1,682
As at 31 December 2023	**25,670**
Accumulated depreciation	
As at 1 January 2023	**–15,036**
Depreciation	–3,361
Disposals	1,682
As at 31 December 2023	**–16,715**
Net book value	
As at 31 December 2023	**8,955**

(7) INCOME TAXES

Income tax expense

NOK'000	**2023**	2022
Current income tax expense for current year	–13,752	–9,422
Withholding tax expense	–58	–369
Deferred income tax benefit	1,165	140
Adjustment prior year	–144	207
Income tax expense	**–12,789**	**–9,444**

Taxable income

NOK'000	**2023**	2022
Profit before income tax	56,042	41,611
Other permanent differences	1,172	581
Other temporary differences	5,295	635
Taxable income	**62,509**	**42,827**

Income tax liabilities

NOK'000	**2023**	2022
Current income tax expense for current year	13,752	9,422
Income tax liabilities	**13,752**	**9,422**

(7) INCOME TAXES (Continued)

Effective income tax rate reconciliation

NOK'000	2023	2022
Profit before income tax	**56,042**	**41,611**
Income tax expense at the applicable corporate tax rate of 22.00%	–12,329	–9,154
Adjustments		
Other temporary differences	–145	207
Other permanent differences	–315	–497
Income tax expense	**–12,789**	**–9,444**
Effective income tax rate	**22.82%**	**22.70%**

Deferred taxes

NOK'000	2023	2022
Temporary differences		
Allowances for impairment of trade receivables	714	1,443
Other assets	2,290	2,540
Liabilities	9,695	3,421
Total	**12,699**	**7,404**
Accumulated losses carry forward	**0**	**0**
Net temporary differences as at 31 December	**12,699**	**7,404**
Deferred tax assets	**2,794**	**1,629**

(8) TRADE AND OTHER PAYABLES

NOK'000	2023	2022
Trade payables	6,206	18,508
Payables to related parties	212,207	311,379
Total	**218,413**	**329,887**

(9) ACCRUED EXPENSES

NOK'000	2023	2022
Other payables	39,254	36,276
Total	**39,254**	**36,276**

(10) EQUITY

For the year ended 31 December

NOK'000	Share capital	Share premium	Retained earnings	Total
As at 31 December 2021	**10,100**	**123,113**	**96,620**	**229,833**
Profit after income tax	0	0	32,167	**32,167**
As at 31 December 2022	**10,100**	**123,113**	**128,787**	**262,000**
Profit after income tax	0	0	43,253	**43,253**
As at 31 December 2023	**10,100**	**123,113**	**172,040**	**305,253**

Share capital

NOK'000	2023	2022
Authorised, issued and fully paid		
10,100 ordinary shares of NOK 1.00 each	**10,100**	**10,100**

(11) REVENUE

Geographical breakdown of revenue

NOK'000	**2023**	2022
Domestic revenue	1,134,286	1,063,376
Foreign revenue	183,553	165,990
Total	**1,317,839**	**1,229,366**

(12) EMPLOYEE BENEFITS AND EMPLOYEES' NUMBER

Number of employees

Number of full-time equivalents	**2023**	2022
Number of employees	**123**	**133**

Employee benefits expenses

NOK'000	**2023**	2022
Salaries	185,584	173,116
Social security expenses	46,512	28,814
Defined contribution pension plan expenses	17,364	15,088
Cash-settled share-based payments expenses	35,714	17,941
Other employee benefits expenses	6,753	2,777
Total	**291,927**	**237,736**

The number of employees that are covered by the defined contribution pension plan is 118 employees (2022: 126 employees).

Share-based payments

Cash-settled share-based payments

Move SAP Plan (Move) including Grow SAP Plan
To retain and engage executives and certain employees, the Company grants virtual shares representing a contingent right to receive a cash payment determined by the SAP SE share price and the number of share units that ultimately vest.

From 2020 to 2023, the Company granted shared units under the Grow SAP plan that the Company intends to settle in cash. This fixed term plan has broadly the same terms and conditions as the Move SAP Plan, recognises all employee's commitment to SAP group success, and deepens their participation in the future performance of SAP group.

Different vesting schedules apply to specific share units. Granted share units under the respective plans will vest in different tranches, as follows:

- Restricted Stock Units (RSUs) with service condition only
  - Over a half-year period,
  - Over a three-year period on annual basis,
  - Over a three-year period on a quarterly basis after a waiting period of six months, or
- Performance Share Units (PSUs) with service condition and upon achieving certain key performance indicators (KPIs)
  - Over a three-year period, or
  - Over a three-year period on a quarterly basis after a waiting period of twelve months.

The number of PSUs that will vest under the different tranches is mainly contingent upon achievement of two equally weighted SAP group's KPIs in the year of grant: operating profit (non-IFRS at constant currencies) and cloud revenue (at constant currencies). Depending on the weighted average performance, the number of PSUs vesting ranges between 0% and 200% of the number initially granted. Performance against the KPI target was 112.4% in 2023 (2022: 84.3%, 2021: 130.9%). The share units granted are paid out in cash or by transferring SAP SE shares upon vesting.

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(12) EMPLOYEE BENEFITS AND EMPLOYEES' NUMBER (Continued)

Own SAP Plan (Own)
Under Own, employees have the opportunity to purchase, on a monthly basis, SAP SE shares without any required holding period. The Company has classified the plan as cash-settled as the Company has the obligation to settle it in SAP SE shares. The investment per each eligible employee is limited to a percentage of the respective employee's monthly base salary. SAP matches the employee investment by 40% and adds a subsidy of €20 per month for non-executives. As part of SAP's 50th anniversary celebration, SAP's contribution was temporarily doubled from 40% to 80% from January to March 2022 contributing to the peak in 2022.

As a result of Own SAP Plan, the Company has commitments to grant SAP SE shares to employees. The Company has fulfilled and intends to continue to meet these commitments through an agent who administers the program and purchases shares on the open market.

2023	**Number of awards oustanding**	**Share-based payments expenses**	**Share-based payments liabilities**
Awards	No.	NOK'000	NOK'000
Granted for 2020 share plans	0	1,156	0
Granted for 2021 share plans	4,175	5,189	5,951
Granted for 2022 share plans	8,450	12,247	9,029
Granted for 2023 share plans	13,105	17,122	7,887
Total	**25,730**	**35,714**	**22,867**

The award programs under various cash-settled and equity-settled share-based payments cover 114 employees of the Company as at the reporting date (2022: 120 employees).

(13) OTHER EXPENSES

NOK'000		**2023**	2022
Other expenses with related parties	(15)	41,263	25,060
Rent expenses		10,151	8,321
Travel expenses		8,620	5,292
Recruitment, training and other personnel expenses		4,226	2,163
Repair and maintenance expenses		3,514	3,573
Entertainment expenses		1,971	1,291
Communication expenses		1,926	1,735
Administrative expenses		1,230	630
Marketing expenses		1,125	2,037
Auditors´ remuneration		828	557
Insurance expenses		735	644
Electronic data processing supplies expenses		414	498
Documentation expenses		363	243
Legal fees		141	169
Other taxes and penalties expenses		20	84
Expected credit losses		20	1,156
Losses on disposals of property and equipment		0	146
Miscellaneous expenses		118	838
Total		**76,665**	**54,437**

(14) FINANCE INCOME AND FINANCE COSTS

NOK'000	Note	**2023**	2022
Finance income			
Interest income		7,186	2,219
Interest income from the deposits with the ultimate controlling party	(15)	9,612	2,882
Total		**16,798**	**5,101**
Finance costs			
Interest expenses		–102	–127
Total		**–102**	**–127**

(15) RELATED PARTIES

NOK'000	**2023**	2022
Transactions		
Services revenue from the ultimate controlling party	95,850	93,426
Services revenue from other related parties	78,844	72,454
Other income from other related parties	1,293	475
Internal licenses expenses with the ultimate controlling party	–480,257	–497,944
Internal licenses expenses with other related parties	–28,574	–22,332
Third party licenses expenses with the ultimate controlling party	–17,760	–13,614
Third party licenses expenses with other related parties	0	347
Services expenses with the ultimate controlling party	–148,236	–150,075
Services expenses with other related parties	–214,433	–192,992
Other expenses with the ultimate controlling party	–22,586	–13,338
Other expenses with other related parties	–18,677	–11,722
Interest income from the deposits with the ultimate controlling party	9,612	2,882
Share-based payments settled by the ultimate controlling party on behalf of the Company	11,972	0

Key management remuneration

The directors of the Company are employed by other related parties. Therefore, the directors did not receive any remuneration from the Company during the financial year.

(16) AUDITOR'S REMUNERATION

NOK'000	**2023**	2022
Fee to the auditors appointed by the Company in General Meeting – Fee regarding statutory audit	828	557

Value added tax is not included in the auditor's remuneration.

(17) FINANCIAL RISK MANAGEMENT

Financial risk factors

Risk management is integral to the whole business of the Company. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, and exchange rate risk.

(17) FINANCIAL RISK MANAGEMENT (Continued)

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally does not require a collateral.

Total amounts recognised as cash and cash equivalents, trade receivables, receivables from related parties, other receivables, loans and other financial assets, and derivative financial assets represent the Company's maximum exposure to credit risk.

Cash and cash equivalents are held with banks with high credit-ratings assigned by international credit rating agencies.

Other receivables that are neither past due nor impaired are substantially companies with good collection track record with the Company.

The impact of default on the Company's trade receivables from individual customers is mitigated by the Company's large customer base and its distribution across many different industries and company sizes.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities settled by delivering cash or another financial asset.

The Company monitors and maintains cash and cash equivalents at a level deemed adequate to finance the Company's operations and to mitigate the effects of fluctuations in cash flows. The carrying amounts of financial liabilities with a maturity of less than one year, including trade payables, payables to related parties and other payables are assumed to approximate their fair values because of the short period to maturity. Liquidity risk is minimal as the ultimate controlling company agreed to provide the necessary financial support to enable the Company to meet its liabilities as and when they fall due.

Exchange rate risk

The Company incurs foreign currency risk on sales and purchases that are denominated in currencies other than Norwegian Krone (NOK), primarily in Euro. However, the impact of Euro on exchange rate risk is generally considered low. The Company presently does not have any specific policy to hedge its foreign currency exposure and has not used any financial instruments to manage its exchange rate risk.

SAP NORGE AS

Directors' Report
31 December 2023

Contents

(1) COMPANY OVERVIEW

Company information

SAP Norge AS (hereinafter "the Company") is a fully owned subsidiary of SAP SE registered in Germany (hereinafter "the ultimate controlling party" or "SAP SE"). The Company was incorporated on 1 January 1999 and is located in Oslo and Trondheim, Norway.

Directors

The names of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated

Christian Larsen Pedersen	Mikko Seppanen
Marius Vetter	Helle Dechedahl

The Company's business review

SAP's vision is to bring out the best in every business.In our pursuit of this vision, we focus on three areas

Agility at Scale
The Company facilitates this through data insights that help organizations adapt to market conditions. Our cloud ERP solutions and SAP Business AI capabilities are integrated, providing agility and empowering organizations to pivot, whether to strategic shifts or unexpected market scenarios.

Achieve More Across the Value Chain
We help organizations leverage the collective intelligence that SAP provides to optimize performance across their value chain.

Sustainable at Core

SAP's green ledger initiative provides auditable sustainability practices as an extension of business operations.

The strategic pillars of SAP's product strategy and their corresponding updates for the year are as follows:

SAP S/4HANA provides software capabilities mainly for finance, risk management, project management, procurement, manufacturing, supply chain management, asset management, and research and development.

SAP SuccessFactors solutions for human resources aim to empower organizations to create an agile and future-ready workforce in a rapidly changing workplace.

SAP's **intelligent spend management** solutions aim to provide a more unified view of a customer's spending to reduce costs, mitigate risks, improve collaboration, and make sure every spend decision is aligned with the business strategy.

The SAP Customer Experience portfolio aims to deliver a personalized view across customers and business partners, connecting the front- and back office with solutions spanning from point-of-sale to manufacturing, to logistics, customer experience, and returns management.

SAP Business Technology Platform (SAP BTP) is a unified, business-centric, and open platform that helps enable customers and partners to build, integrate, and extend applications while gaining insights from business data in a cloud-native way. SAP BTP aims to bring together capabilities across application development, automation, data and analytics (including planning), integration, and artificial intelligence (AI) into one platform.

SAP's **industry cloud solutions** provide the opportunity for SAP and our partners to extend our core with modular solutions addressing industry-specific functions built on SAP BTP.

The **SAP Business Network** solution portfolio aims to enable companies to collaborate with trading partners for greater supply chain visibility.

Our business process transformation solutions help our customers scan their operations to understand and improve their business process landscape. We support analysis of current processes, benchmarking against best practices, and reconfiguring current processes towards future processes. The portfolio includes **SAP Signavio** solutions as well as **SAP Process Automation**.

SAP offers sustainability solutions and services that can help customers drive sustainable practices not only inside their organization, but across the entire value chain. **SAP Cloud for Sustainable Enterprises** brings together a comprehensive solution portfolio for businesses that aims to enable businesses to manage sustainability holistically.

Experience management (XM) refers to both Qualtrics technology as well as the discipline of seeking out and closing the experience gaps across the four core areas of businesses – customer, product, employee, and brand.

(1) COMPANY OVERVIEW (Continued)

Going concern

The financial statements have been prepared in accordance with the section § 3-3a of the Norwegian Accounting Act and based on the accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Pursuant to the requirements of Norwegian Accounting Legislation, the Board confirms that the requirements for the going concern assumption have been met and that the financial statements have been prepared on this basis.

Insurance of directors and members of the board

The Company paid an insurance in respect of a contract insuring current members of the board against all liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law.

(2) FINANCIAL PERFORMANCE

Revenue for the year amounted to NOK 1,317,839 thousand (2022: NOK 1,229,366 thousand) while operating profit for the year amounted to NOK 39,346 thousand (2022: NOK 36,637 thousand). Profit after income tax for the year was NOK 43,253 thousand (2022: NOK 32,167 thousand).

Cash flows from operating activities in 2023 amounted to NOK 57,396 thousand (2022: Cash flows used in operating activities NOK 71,511 thousand) while cash and cash equivalents balance as at 31 December 2023 was NOK 211,938 thousand (2022: NOK 143,164 thousand).

The Company's total equity as at 31 December 2023 was NOK 305,253 thousand.

The Board believes that, the annual report gives a true and fair view of the Company's assets and liabilities, financial position and operating results.

The Board proposed the following allocation of the profit after income tax:

NOK'000	**2023**
Proposed profit allocation	
Retained earnings	**43,253**

(3) FINANCIAL RISK MANAGEMENT

Risk management is integral to the whole business of the Company. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, and exchange rate risk.

(4) FUTURE PROSPECTS

The Company's business environment is characterised as very active and highly competitive, including national and international players operating in the Norwegian market. SAP Norge AS has ambitions to develop profitable and sustainable operations, both for the Company itself and for its customers.

The Company uses various performance measures to manage the performance with regard to its primary financial objectives, which are growth and profitability, and the Company's primary non-financial objectives, which are customer loyalty and employee engagement. The management views growth and profitability as indicators of the Company's current performance, while seeing customer loyalty and employee engagement as indicators of the Company's future performance.

The management bases the judgments, estimates, and assumptions on historical and forecast information, as well as on regional and industry economic conditions in which the Company or the Company's customers operate, changes to which could adversely affect the management's estimates.

(5) WORKING ENVIRONMENT AND EMPLOYEES

The Company is committed to ensuring all its employees have high-quality working conditions. The Working Environment Committee's aim is to actively contribute to the creation of a good working environment and the promotion of good physical health by building a culture characterised by well-being and collaboration. The Committee has held regular meetings and carried out risk assessments in relation to health, safety and environmental issues. Workplace assessments and medical checks were carried out.

No accidents or serious injuries were recorded as having occurred during working hours or in connection with journeys for work purposes or to or from work. No accidents or injuries were reported to the Norwegian Labour Inspection Authority.

The sick leave rate was 1.58% in 2023 as compared to 1.26% in 2022. The Company works actively on health, safety and the working environment, on preventing and following up sick leave, and on facilitating a swift return to work for employees following leave of absence and sickness.

In addition, parental leave days in connection with closed school and childcare is increased with immediate effect with 10 days per parent in order to handle the extraordinary situation in connection. Originally, parents had 10 days each to take care of children in case of illness.

(6) EQUALITY AND ANTIDISCRIMINATION

Currently, SAP's representation of women in the overall workforce is 35% (2021: 34.3%), with the representation of women in management roles at 29.4% (2021: 28.3%). We continue to advance workplace equity through promoting inclusive policies on flexible work arrangements, enhanced parental leave benefits, and a focus on fair pay.

As at the reporting date, 40 employees out of 123 employees are women in the Company (2022: 42 out of 133 employees were women).

The Company from a compensation perspective use several tools to ensure we provide consistent and fair treatment to all employees. Some of them are:

- Job description per role, where we identify tasks and responsibilities as well as the list of required competences and skills and the needed level of proficiency on those (from 1 to 5) considering the definitions.
- Internal Leveling system: the SAP internal T-levels (from Junior to Executives) , consider levels requirements splitting the employees in different job families and job functions.
- Global salary ranges: built based on local market information per country, which are used to define new hires salaries as well as for annual salary increases and salary updates due to promotions.

Those tools are available and used by managers and HR on the different processes: recruitment, development, promotions and career movements, ensuring we have the same understanding and measurement level within a country, but also across countries in the company, regardless gender, race, age etc.

The Levels are reviewed at least once per year in the Annual Compensation Review when the managers have the possibility to promote employees. Also off-cycle reviews are possible in specific cases. In transfers to new roles, the new job specific work levels are reviewed, and possible new compensation model is applied following the Salary Ranges mentioned above. We use different levels of seniority identification and Compensation Ratios to match the compensation to the local competitive labor market.

Gender job					**Total compensation**					
					Cash benefits					
					All cash benefits		**Fixed salary**		**Irrregular pay**	
Description of job level/ group	Women	Men	% of women	Total	Differences cash benefits		Differences fixed salary		Differences irregular pay	
					%	NOK	%	NOK	%	NOK
Total	**40**	**83**	**0**	**123**	**1**	**−385,034**	**1**	**−189,340**	**Tall**	**0**
Group 1	0	10	0	10	0	–	0	–	Tall	0
Group 2	16	44	0	60	1	−143,690	1	−31,434	Tall	0
Group 3	15	22	0	37	1	−124,621	1	−67,175	Tall	0
Group 4	3	5	0	8	1	172,181	1	−467	Tall	0
Group 5	6	2	1	8	1	73,000	1	160,000	0	0

(6) EQUALITY AND ANTIDISCRIMINATION (Continued)

Gender job					Total compensation					
					Cash benefits				Taxable benefits	
					Bonuses		Overtime allowances		Sum taxable benefits	
Description of job level/ group	Women	Men	% of women	Total	Differences bonus		Differences overtime allowances		Differences taxable benefits	
					%	NOK	%	NOK	%	NOK
Total	**40**	**83**	**0**	**123**	**1**	**–195,694**	**Tall**	**0**	**Tall**	**0**
Group 1	0	10	0	10	0	–914,959	0	0	Tall	0
Group 2	16	44	0	60	1	–112,256	Tall	0	Tall	0
Group 3	15	22	0	37	1	–57,444	Tall	0	Tall	0
Group 4	3	5	0	8	4	172,648	0	0	Tall	0
Group 5	6	2	1	8	0	–87,000	0	0	0	0

Our work for equality and against discrimination

SAP has multiple principles, policies and operational organizations to set rules, boundaries and follow up for equal treatment and harassment of any kind. Also unbiased approaches are taken into account in our processes:

- Anti-discrimination and ani-harassment policies
- Code of Business Conduct
- HR Compliance office & "whistleblower" Compliance office
- Ombodsman's office
- "Conflict Lounge" for employees and managers to resolve possible conflict situations of any nature

E.g Compliance office works completely neutrally and objectively on cases that it takes under investigation and that falls under the policies.

This is how we work to ensure equality and non-discrimination in practice

From a compensation perspective, the Company monitor employee's salaries by the execution throughout the year of different processes e.g. annual salary review, promotions cycle, increases out of annual review, etc. This is done at local level but also at global level tracking how the compensation evolves per gender, T-level, seniority, etc. working closely locally with managers on revising the compensation packages as well as ensuring the global process is run following the company guidelines.

SAP has an European wide Works Council that has employee representatives from all countries, including Norway. HR principles and key policies are consulted in the WoC. In Norway locally SAP has AMU organization. Topics related to equality and other work conditions are discussed as needed in the respective organizations, including the Local Management Team (LMT).

Identification the risk of discrimination and prevent inequality

From a compensation perspective the outcome of the processes run during the year is analyzed to identify additional required measures influencing employees' attraction and retention. Results of equal pay study will be first discussed in the LMT, and later with AMU. Action plans will be done based on deeper analysis of the data and discussion with the stakeholders. It is clear that the deeper analysis will require view based on Job Families/Job areas, and not only on relatively rough 1-5 levels. Each job family and job sub-area has different compensation philosophies with different pay-mix role defaults.

Discovered risks of discrimination and obstacles to equality

The Company founds the following possible causes for risks and obstacles: the pay gap between women and men in totals. The pay gap between women and men in totals is largely due to the fact that there is still a majority of men in the company's top positions. The fixed salary comparison shows that in levels 2,3,4 and 5 the average fixed salaries of men and females are very close to each other: 96%, 89%, 96% and 92% respectively. On these levels there are enough both men and females to have a sensible comparison.

However, the actual paid salary shows more differences on this 1-5 rough leveling when it comes to irregular pay and bonuses. There are differences to both directions. Action plan based on this is to further study based on SAP's Job Families and actual Jobs if there are real inequalities inside the jobs themselves.

For inequality mitigation we are already now offering unbiased training for all employees, and specifically managers.

Gender distribution		Temporary staff		Taking parental leave		Part-time work	
Women	Men	Women	Men	Women	Men	Women	Men
40	83	6	0	16	10	4	1

(6) EQUALITY AND ANTIDISCRIMINATION (Continued)

Measures the Company plans for the coming year are:

- Further and deeper studies of possible pay gaps per job family and job: Action plans to be created based on findings.
- Continue working on the gender gap in the People Survey question related to equal opportunities perception.
- Have an open dialogue with the employees on all aspects of Diversity and Inclusion.
- Further and deeper studies of possible pay gaps per job family and job: Action plans to be created based on findings.
- Continue working on the gender gap in the People Survey question related to equal opportunities perception.
- Monitor results of the Larger People Survey, following pulse checks, and create action plans accordingly.
- Have an open dialogue with the employees on all aspects of Diversity and Inclusion.

(7) DIVERSITY AND INCLUSION

The Company's commitment to diversity and inclusion plays an integral role in the Company's success.

At SAP, we are always striving for inclusion and reflecting the diversity of society. As a global organization with employees from 163 nationalities, when we talk about inclusivity and diversity in the workforce, we are talking about a host of different topics, including gender, race, LGBTQ+, and disability. Our new Diversity & Inclusion Strategy is built on three pillars:

Workforce Diversity: We believe in leveraging the widest spectrum of human differences that represent a diversity of identities, thoughts, and perspectives to create business outcomes that help the world run better every day.

Workplace Inclusion: Creating a positive work environment where colleagues can thrive and engage to their fullest potential in driving SAP's purpose. Inclusion involves active co-creation of the culture where all experiences lead to a feeling of acceptance and belonging.

Marketplace Leadership: We realize the responsibility that comes with being one of the largest tech companies in the world and extend what we do to our entire ecosystem.

Currently, there are employees from 16 different nationalities represented at the Company (2022: 20 different nationalities).

The Company embraces and encourages different perspectives and believes that the organisation becomes stronger by a unique combination of culture, race, ethnicity, age, gender, sexual orientation, gender identity or expression, physical or mental ability, and work-life situations.

The Company shows zero tolerance to any form of discrimination. It has never been reported any cases of discrimination in the Company. The Company emphasises diversity both during the recruitment processes as well as while structuring the teams that are working together.

EDGE Certification

SAP is the first multi-national technology company to be awarded the Economic Dividends for Gender Equality (EDGE) certificate for SAP's global commitment to workplace gender equality.

(8) ENVIRONMENT

SAP software supports the UN SDGs 6, 13, 14, and 15 and helps protect the environment by addressing the need for water, clean energy, and responsible development. Furthermore, the Company knows there is power in collaboration and engages in a wide range of partnerships to address SDG 17.

The Company's business activities do not have any pollution impact on the environment.

(9) TRANSPARENCY, HUMAN RIGHTS AND DECENT WORKING CONDITIONS

Through the new Transparency Act of 1 July 2022, we will ensure public access to information about how basic human rights and decent working conditions are followed up in our supply chains. The Company published an account of the specific due diligence assessments carried out on our website sustainable procurement.

SAP is committed to respecting and promoting human rights across our operations, extended supply chain, and product lifecycle, and we are guided by the United Nations (UN) Guiding Principles on Business and Human Rights in doing so. We also expect our business partners to respect human rights and avoid complicity in any abuse.

Among other things, a review of its suppliers has been carried out to uncover any persons or companies that are blacklisted or under sanctions. No conditions affecting Norway were uncovered.

(9) TRANSPARENCY, HUMAN RIGHTS AND DECENT WORKING CONDITIONS (Continued)

Governance

Our cross company agenda on human rights is driven by SAP's Human Rights Office that is part of the chief sustainability officer's organization. At least once a year, the Human Rights Officer reports to the Executive Board on such matters as the status of compliance with the German Supply Chain Act (Lieferkettensorgfaltspflichtengesetz, LkSG). The Human Rights Office works together with a Human Rights Steering Committee comprised of executives from various Board areas who embed human rights due diligence in their areas of responsibility, such as enterprise risk management, people management, or procurement.

Grounded in our commitment to respecting human rights, the **Artificial Intelligence (AI) Ethics Steering Committee** guides our internal efforts to implement and enforce AI ethics in our operations, solutions, and policies. It comprises SAP executives from relevant Board areas with supervision of topics relevant to guiding and implementing AI ethics. Made up of experts from academia, industry, and public policy, our external **AI Ethics Advisory Panel** advises us on how to further develop and operationalize SAP's **Guiding Principles for Artificial Intelligence**.

We support the International Bill of Human Rights; the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises; and the International Labour Organization (ILO) Core Labour Rights Conventions. The SAP Global Code of Ethics and Business Conduct for Employees, and – in a more detailed way – the SAP Global Human Rights Commitment Statement, are our public commitment to respecting and advancing human rights across our value chain. The current version of the Human Rights Commitment Statement is available on our public Web site at Policies, Ethics, & Compliance | Sustainability | SAP.

In addition, our Global AI Ethics Policy helps ensure that our artificial intelligence (AI) software is developed, deployed, and sold in line with the ethical standards laid out in our guiding principles. This policy and guiding principles are available at SAP Global AI Ethics Policy.

Our Business Model

Our business model, through which we implement our vision and strategy, can be summarized as follows: We create value by first identifying the business needs of our customers and then developing and delivering cloud solutions, software, services, and support that address these needs. By proactively obtaining customer feedback on a regular basis, we strive to continuously improve our solutions, identify further business needs, and deliver enhanced value to our customers across the entire lifecycle – and thus continually improve the customer experience. We derive revenue from fees charged to our customers for subscriptions to use our cloud solutions. Software licenses, on-premise support, consulting, development, training, and other services also contribute significant revenue.

We have evolved beyond mere sustainability aspirations to actionable, sustainable outcomes. SAP's green ledger initiative provides auditable sustainability practices as an extension of business operations. This approach enables organizations to record real impacts, report audit-ready ESG metrics, and act with ESG principles integrated into business processes, supporting data-driven sustainability management. At SAP, our journey is one of continuous innovation and transformation, and we are committed to delivering solutions that are not only relevant and reliable but also responsible.

We help organizations leverage the collective intelligence that SAP provides to optimize performance across their value chain. By connecting core processes – from finance to supply chains and human resources to customer relations – we support efficient growth throughout businesses. Our solutions go beyond internal systems, linking businesses across enterprises and digitalizing transactions to foster transparent, resilient, and sustainable value chains

Eployees

In 2023, we introduced new concepts for identifying human rights impacts across our own operations and our direct supply chain globally to be compliant with increasing legal requirements. We have complemented this exercise with an analysis of salient issues related to our solutions and customers and with a concept to identify human rights impacts among indirect suppliers.

Our business activities are described in the Strategy and Business Model section of SAP Integrated Report 2023, we assessed potential impacts based on their severity (scale, scope, remediability) and probability of occurrence as well as our ability to trigger change. While our assessment of salient issues is an ongoing process and not yet finalized for all stages of our entire value chain, we have prioritized the following salient issues:

– In our own operations: occupational health and safety and non-discrimination

– In our direct and indirect supply chain: assessment still ongoing

– Related to products, services, and customers: non-discrimination and privacy

Moreover, we have started to explore the human rights implications of our net-zero efforts.

(9) TRANSPARENCY, HUMAN RIGHTS AND DECENT WORKING CONDITIONS (Continued)

Human Rights of Our Employees

The salient issues related to health and safety and non-discrimination in our own operations are mitigated through extensive programs for employees as described in the SAP Health & Safety Commitment Statement. In addition, our employees receive voluntary and mandatory training on human rights issues most relevant to SAP. For example, they are trained on our policies on non-discrimination, health and safety, and data protection and privacy. In 2023, we introduced new training modules for all employees, for example to increase the awareness of our grievance mechanism, and for specific roles in procurement and risk management. We regularly consulted employee representatives in 2023 to specifically understand their concerns and interests related to the rights protected by the law. The discussions focused on gaining a better understanding of how we identify salient human rights risks and supply chain risks.

Suppliers and Partners

We expect suppliers and partners to respect human rights, and our codes of conduct require them to uphold labor rights and provide a safe and healthy work environment for all employees.

A significant part of our social and environmental impact is delivered through our supply chain. Eliminating single use plastics, decreasing carbon emissions, reducing oversized packages, and close collaboration with our supplier network are factors that contribute to a sustainable supply chain.

Our Global Procurement Organization (GPO) aims to transform into an even more purpose driven organization consistent with diversity and social enterprises. That is why we established the overarching Procurement with Purpose strategy, which promotes purpose driven programs such as diversity and social inclusion and responsible resource usage.

Upholding High Standards Across Our Supply Chain

SAP's supplier code of conduct (SCoC) is included in our standard supplier contracts and is an essential part of our supplier registration. This supplier registration ensures that potential suppliers of SAP are aware of SAP's SCoC. We review and update our SCoC regularly to maintain high standards within our supplier network. This strengthens the code's enforceability and sends a clear message about its importance for SAP.

In addition to requirements for sustainable packaging (such as plastic free, appropriately sized boxes), our SCoC contains provisions on the Modern Slavery Act and diversity and inclusion, as well as a labor standards chapter that expressly refers to human rights. Furthermore, we recommend to SAP suppliers that they deliver goods and services that are accessible to everyone, including people with disabilities.

The SAP Supplier Code of Conduct (SCoC) is required in our standard supplier contracts and is an essential part of our supplier registration. This supplier registration ensures that potential suppliers of SAP are aware of SAP's SCoC. We review and update our SCoC regularly to maintain high standards within our supplier network – the latest update being a new and improved version that was published at the end of 2023. This strengthens the SCoC's enforceability and sends a clear message to our suppliers about its importance for SAP. Our SCoC contains provisions on labor standards, human rights, environmental standards, and diversity and inclusion. Furthermore, we recommend to SAP suppliers that they deliver goods and services that are accessible to everyone, including people with disabilities.

Social Procurement

Driven by our GPO, SAP's supplier diversity and social enterprise programs are an integral part of our transformation into a purpose driven organization. These programs aim to build the capacity of diverse and social businesses to provide a fair chance at competing for contracts and are treated equally with other SAP suppliers. Utilizing the procurement skills and expertise within the organization, our GPO engages in skills based volunteering to build the capacity of social enterprises in the Sustainable Growth of Revenues for International Development (S GRID) program by the social purpose organization MovingWorlds.

To support these programs, the GPO established the Procurement with Purpose Ambassador Network. This network consists of volunteers within the GPO across the various procurement spend categories and regions; its functions include identifying new opportunities to engage with certified diverse suppliers and social enterprises, engaging with their regional procurement teams on current and upcoming activities, supporting Environmental Management System (EMS) audits for ISO 14001 certification, and acting as a multiplier for passing on Procurement with Purpose knowledge, learning, and training opportunities to the GPO.

Preventing discrimination is currently based on two pillars: First, making our software more accessible is ensured through our own accessibility standards and guidelines that support the possibility for everyone, including people who are differently-abled, to access and use technology and information products. Second, identifying and avoiding bias is a key principle of our Global AI Ethics program. Consequently, we review AI use cases to ensure that bias and discrimination and other ethical risks specified in the Global AI Ethics Policy are mitigated. High-risk AI use cases are approved or rejected by the Global AI Ethics Steering Committee as applicable.

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(9) TRANSPARENCY, HUMAN RIGHTS AND DECENT WORKING CONDITIONS (Continued)

Assessing Human Rights Measures

SAP reviews the effectiveness of its risk management and due diligence processes annually as well as on an ad hoc basis. In 2023, we revised our approach to assess effectiveness so as to better align with the UN Guiding Principles and legal requirements. For example, we piloted IOOI (input – output – outcome – impact) models to get a better understanding of whether our measures have a positive impact on people. This new approach complements existing measures such as the internal audits we have conducted since 2012 to help us verify that subsidiaries adhere to human rights standards and check whether employees feel empowered to raise concerns.

"Human rights and employee matters" is a risk factor that is assessed as part of SAP's corporate risk management system. No financial material risks were identified through our risk framework, which is detailed in the Risk Management and Risks section of SAP Integrated report 2023.

Product Development

We seek to respect human rights throughout the product lifecycle from design through development to use. Protection of personal information and accessibility are key areas of focus.

Our innovative solutions help customers embed human rights standards into their own business. For example, they can use the **SAP Ariba Supplier Risk** solution to gain the intelligence and transparency to understand human rights risks within their supply chains.

(10) STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors have discussed and approved the Annual Report of SAP Norge AS for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Companies Act, Norwegian Accounting Act 1999 and generally accepted accounting principles in Norway.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

DocuSigned by: Christian Pedersen 5C6BDC4814AE459...	DocuSigned by: 69BE58CA8AA94DE...
Christian Larsen Pedersen	Mikko Seppanen
Chairperson of the Board	Board member
Oslo, 18 June 2024	Oslo, 18 June 2024
DocuSigned by: B454EFA85BB147C...	DocuSigned by: Helle Dechedahl 274ED8C4F6B44B8...
Marius Vetter	Helle Dechedahl
Board member	Board member and Chief Executive Officer
Oslo, 18 June 2024	Oslo, 18 June 2024

Skatteetaten

Vår dato 12.11.2018
Din dato 19.10.2018
Saksbehandler Henning Stokke
800 80 000
Skatteetaten.no
Din referanse Henrik Mollerin
Telefon 800 80 000
Org.nr 996250318
Vår referanse 2018/1219896
Postadresse Postboks 9200 Grønland 0134 Oslo

ERNST & YOUNG AS
Postboks 8015
4068 STAVANGER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for SAP Norge AS, org.nr. 980 500 101

Vi viser til deres brev av 19. oktober 2018 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for SAP Norge AS, org.nr. 980 500 101.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering SAP Norge AS, org.nr. 980 500 101, dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at det benyttes engelsk språk ved utarbeidelsen av årsregnskapet og årsberetningen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn
Fra søknaden gjengis:

> *SAP Norge AS (org.nr. 980 500 101) er et norsk aksjeselskap som utgir programvare. Selskapet vil være rådgivende konsulent vedrørende EDB, samt utarbeide edb-programmer, undervise i brukere av programmene og markedsføre disse. Selskapet vil også benytte disse produktene til å levere tjenester av enhver art, herunder forbrukere; samt annen beslektet virksomhet.*
>
> *Selskapets arbeidsspråk er engelsk da selskapet er eid av et utenlandsk selskap. Styremedlemmer og kontaktpersoner i selskapet kommuniserer med morselskapet i utlandet noe som gjør at regnskapet bør utarbeides på engelsk.*
>
> *Både arbeidsspråket til selskapet og bransjespråket der selskapet opererer er engelsk, derfor fremstår kravet i regnskapsloven § 3-4 om utarbeidelse av årsregnskap og årsberetning på norsk som lite anvendelig for selskapet. Itillegg til atdet er ressurskrevende, fører av og til tvil om oversettelse og uoverensstemmelser mellom engelsk og norsk versjon til unødvendige misforståelser.*
>
> *Ettersom selskapets arbeidsspråk er engelsk vil alle ansatte forstå regnskapet og årsberetningen selv om disse dokumentene i fremtiden blir utarbeidet i sin endelige form på engelsk. Det samme vil være tilfelle for selskapets kunder og kreditorer.*
>
> *Ettersom engelsk også er bransjespråket innen sektorene de opererer i, kan vi heller ikke se at andre, mer tilfeldige regnskapsbrukere skulle ha noe behov for at regnskapet utarbeides på norsk. Selskapet mener derfor at alle brukere av regnskapet i sum vil være tjent med at regnskapet kun utarbeides på engelsk.*

En norsk utarbeidelse av årsregnskap og årsberetning vil kun ha til formål å tilfredsstille regnskapslovens språkkrav.

Skattedirektoratets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal årsregnskapet og årsberetningen være på norsk. Departementet kan ved forskrift eller ved enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> *Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet er heleid av et utenlandsk selskap. Eierkretsen er begrenset, og flere av styremedlemmene er utenlandske. I tillegg er selskapets virksomhet utpreget internasjonal, og arbeidsspråk er engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Inger Helene Iversen
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Henning Stokke

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

Side 2 / 2