

Rules of Procedure of the Audit Committee of the Supervisory Board of Software AG

The Supervisory Board of Software AG (the “Company”) established an Audit Committee in accordance with section (“§”) 8, paragraph 3 b of the Rules of Procedure of the Supervisory Board. The Audit Committee performs the duties defined in section 8, paragraph 3 b of the Rules of Procedure of the Supervisory Board.

§ 1

- (1) The Audit Committee of the Supervisory Board shall carry out its activities in accordance with the applicable laws and statutes, the Articles of Association, the Rules of Procedure of the Supervisory Board, the Rules of Procedure of the Audit Committee and all other Supervisory Board and Audit Committee resolutions.
- (2) The Audit Committee is comprised of three Supervisory Board members each of whom is elected by the Supervisory Board through a majority of votes submitted.
- (3) The chair of the Audit Committee shall be independent and have specific knowledge and experience in applying accounting principles and internal control procedures as well as be familiar with audits.

§ 2

At the invitation of the Audit Committee chair, the auditor shall attend the meetings of the Audit Committee. The Audit Committee chair may invite Supervisory Board members who are not members of the Audit Committee to advise on certain subjects. The Audit Committee chair shall report to the Supervisory Board on the Audit Committee’s work on a regular basis.

§ 3

- (1) The Audit Committee is primarily responsible for the following topics:
 - Matters relating to accounting and the monitoring of the accounting process
 - Matters relating to risk management, the efficacy of the internal control system and of internal audit as well as discussing these matters with the Management Board
 - Preparation of the Supervisory Board’s recommendation on the appointment of an auditor to the Annual General Meeting and conducting the related necessary meetings
 - Selection of the external auditor
 - Oversight of the audit, particularly confirming and monitoring the independence of external auditor
 - If applicable, definition of a set of approved permissible non-audit services defining the exact non-audit services, the country and maximum permissible costs
 - Oversight and, if applicable, approval of the additional non-audit services rendered by the auditor as well as review of fees paid for these services

- Contracting the auditor, including determination of the key points of the audit and the audit fees; same for potential voluntary external review of the combined non-financial report
 - Preparation of discussions and Supervisory Board resolutions concerning the annual financial statements and consolidated financial statements as well as preparing the report of the Supervisory Board for the Annual General Meeting on the results of the audit of the financial statements and the consolidated financial statements,
 - Review of interim financial information
 - Issues of compliance
- (2) Beyond, the Audit Committee may make recommendations or proposals on maintaining the integrity of the financial reporting process. The Audit Committee is entitled to all rights to file requests or other rights as specified in section 318, paragraph 3 of the German Commercial Code (HGB) concerning the replacement of the auditor by the competent court.
- (3) Preparation of the recommendation for the selection and appointment of the external auditor includes obtaining all necessary information, particularly obtaining the auditor's confirmation of independence. The Audit Committee shall prepare the negotiations and resolutions of the Supervisory Board on the recommendation to the Annual General Meeting for the election of an external auditor and shall submit a recommendation to the Supervisory Board accordingly. If the audit of financial statements is put out for tender based on legal requirements, this recommendation must contain a minimum of two proposals for the external auditor, stating a justified preference. In such cases, the Audit Committee shall be responsible for the tender process.
- (4) The Audit Committee shall evaluate the auditor's work and stay informed of audit activities. It shall work toward a resolution should differences of opinion arise between the Management Board and the auditor regarding the financial audit. The auditor is directly accountable to the Audit Committee. The Audit Committee shall conduct an evaluation of the quality of the audit on a regular basis. The Audit Committee shall discuss with the external auditor the risks with regard to the independence of the external auditor, including taking into account the total fees paid to the auditor, as well as the protective measures applied and documented by the external auditor to minimize these risks.
- (5) The Audit Committee shall monitor the auditor's non-audit services. With regard to specific types of services, a blanket approval for assigning permitted non-audit services to the auditor may be given before or at the beginning of a financial year. As regards such an approval, the Audit Committee shall, in advance, issue guidelines, a catalogue of permitted non-audit services and a maximum budget within the framework of the fee volume stipulated by law for all of the services that may be assigned to the auditor. Irrespective thereof, the Audit Committee shall be able to declare its prior approval for non-audit services in individual cases.
- (6) The statements necessary for contracting the auditor are to be given by the Audit Committee chair, or if he/she is unable, by the Supervisory Board chair. The audit engagement shall set out the specific details of the scope of audit, the audit planning and methods, the focal points

of the audit set out by the Audit Committee, the agreement on fees, and the external auditor's obligation to provide information.

- (7) Preparation of the discussion and any resolutions by the Supervisory Board on the annual financial statements and consolidated financial statements as well as preparation of the report of the Supervisory Board shall include primarily a preliminary review of the annual financial statements and the consolidated financial statements, the Management Report and the consolidated (or combined) Management Report (including the respective non-financial statement) and of the appropriation of profits proposal. The Audit Committee shall discuss the audits report with the Management Board and the auditor. It shall discuss the audit procedure, the main focuses of the audit, and the audit methods with the external auditor, receive the audit reports form the external auditor, including with regard to the internal control and risk management system for the accounting process, and discuss the findings with the Management Board and the external auditor. The Audit Committee shall make the relevant resolution recommendations to the Supervisory Board.
- (8) The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) shall inform the Audit Committee of any significant weaknesses or gaps identified in internal reporting and auditing processes insofar as these weaknesses and gaps could negatively affect the Company's external financial reporting. Furthermore, they shall report on any criminal acts committed by members of the Management Board, members of upper management or employees involved in internal corporate controlling against Company assets, regardless of whether these acts have a material impact on the Company's financial position or performance. The Audit Committee shall ensure that the Management Board establishes and maintains a monitoring system suited to the risks of the operations of the Company and group that is able to identify any developments early on that could jeopardize the going concern of the Company.
- (9) The Audit Committee shall ensure that no previous auditor or employee of an auditor may be CEO, CFO or an individual responsible for matters relating to internal audits or external financial reporting if the individual was involved in a financial audit of the Company in recent years in his/her former capacity.

§ 4

- (1) The Management Board's written reports to the Audit Committee shall be distributed to members of the Audit Committee unless the Audit Committee decides otherwise in specific cases. Every member of the Audit Committee is entitled to read the auditors' reports, dependency reports and any special reports; audit reports shall be distributed to members of the Audit Committee.
- (2) Moreover, the rules stated in the Articles of Association and sections 4, 5 and 6 of the Rules of Procedure of the Supervisory Board apply accordingly in their respective version.

These Rules of Procedure take effect on December 8, 2020.

Darmstadt, December 8, 2020

Chair of the Supervisory Board