

# SAGST explizit

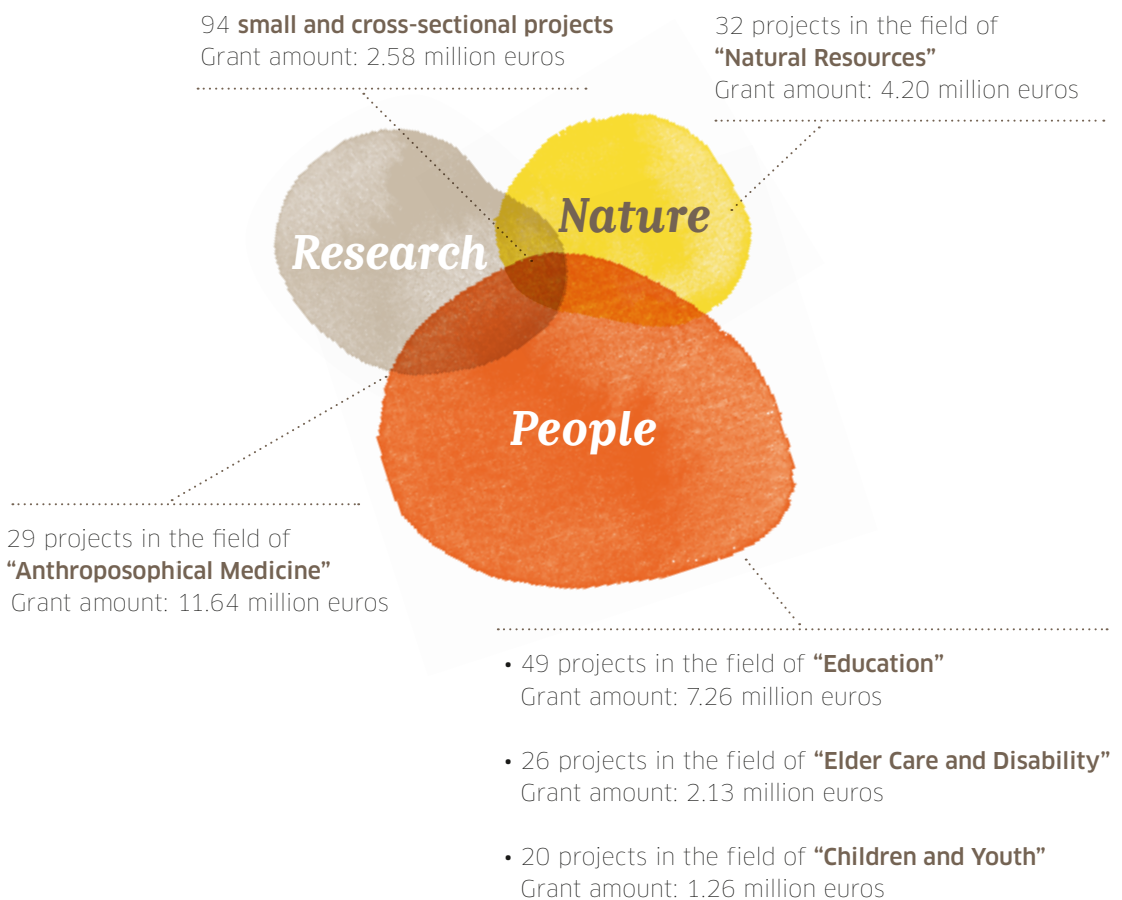
FUNDING AND FINANCIAL REPORT **2022**



# PROJECT FUNDING – FACTS & FIGURES 2022

In the 2022 reporting year, the Board of the Software AG Foundation (SAGST), after examining 433 received grant applications, awarded **250 grants totaling almost 30 million euros**. In total, more than 50 million euros were spent on the purpose of the foundation.

The foundation, which has been creating healing impulses for people, nature, and knowledge in Germany and Europe since 1992, also finances scientific research – especially in the field of anthroposophical medicine and natural resources. In 2022 SAGST supported endowed chairs, professorships, and academic institutions with **13,42 million euros**. This constituted approximately **45 percent of its total grant activity**.



In addition to these financial contributions the support activities of SAGST comprise intensive project consulting and monitoring. Among other things the costs for this flow into the total sum of the projects expenses.

# FINANCES – FACTS & FIGURES 2022

The **assets of the Software AG Foundation** are to be preserved undiminished, in accordance with § 4 of the foundation's constitution. These assets consist of the value of the stocks of the Software AG company, which were transferred to SAGST in 1992 when the foundation was established, plus financial donations and small-scale contributions made since then.

In 2022, the annual financial statements showed **endowment capital of 152 million euros** as of 31 December. The total **asset value** was around **1.07 billion euros**, calculated on the basis of the endowment capital to be preserved in future, the nominal capital surplus and hidden reserves.

To offset inflation-based devaluation and thus to secure the foundation's assets, SAGST annually diverts a certain amount from investment reallocation into the foundation capital. This amount accounted for 7.2 million euros in the reporting year 2022.

	<b>31.12.2021</b> million euros	<b>31.12.2022</b> million euros
Foundation capital 01.01.	140.8	145.2
Increases to foundation capital (inflation compensation)	4.4	7.2
<b>Foundation capital to be maintained, as of 31.12.</b>	<b>145.2</b>	<b>152.4</b>
Investment reallocation	248.6	265.7
Reserve funds	61.0	61.0
<b>Nominal capital surplus (without hidden reserves)</b>	<b>309.6</b>	<b>326.7</b>
Hidden reserves	877.6	587.9
<b>Asset value</b>	<b>1,332.4</b>	<b>1,067.0</b>

Discrepancies in the sums are due to rounding.

# FINANCES – FACTS & FIGURES 2022

The **financial statement** shows the origin and use of the funds according to individual, tax-discernible spheres.

	2021 million euros	2022 million euros
<b>Project funding</b>		
Revenues	0.7	0.7
Expenditures	-31.0	- 53.9
	-30.3	- 53.2
<b>Asset management</b>		
Revenues	49.1	97.4
Expenditures	-13.6	- 21.9
	35.5	75.5
<b>Business operations</b>		
Revenues	0.15	0.21
Expenditures	-0.07	- 0.11
	0.08	0.10
<b>Annual results</b>	5.2	22.4

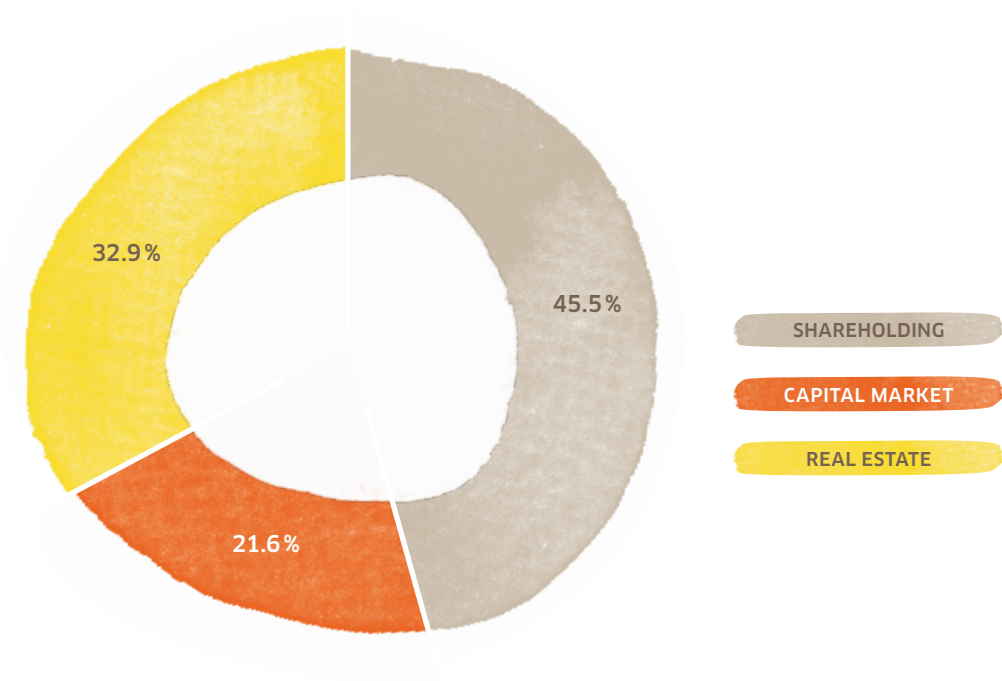
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The **annual result** of **22.4 million euros** is calculated by offsetting the respective results from project support, asset management and business operations. The **total expenditures** of **53.9 million euros** were distributed exclusively in accordance with the purposes foreseen in the foundation constitution. Discrepancies in the sums are due to rounding.

# ASSET DISTRIBUTION AS OF 31.12.2022

With **almost 1.45 billion euros in assets** (May 2023), SAGST is one of the largest foundations in Germany. Our investment philosophy is characterized by the principle of direct participation. Therefore, the **allocation of the foundation's assets** is focused on direct investments in companies, securities and real estate.

The asset management team has the task of preserving the assets of the foundation in real terms over the long term and of generating adequate income to fulfil the foundation goals. In addition, we aim to limit fluctuations in the assets, even within each business cycle. For diversification, the asset allocation is divided into **three investment classes**.



The most prominent asset class, with 45.5 percent of the allocation of the foundation's assets, is direct investment in companies, of which the stake in the Software AG company is by far the largest. Securities investments, in the form of a special market fund with equities and bonds, represent the second investment class with a total of 21.6 percent of the total allocation. The third investment class includes real estate investments with 32.9 percent of the foundation's assets. In all asset classes, SAGST makes so-called mission investments. These are investments in companies, properties, shares and bonds with a close link to the foundation purpose, which were shown as a fourth asset class in previous reports.

