

# CORPORATE CITIZENSHIP

## COOPERATIVE SOLUTIONS TO GLOBAL CHALLENGES

In 2007, more than ever, companies were asked to cooperate on solutions to global challenges like climate change, demographic change or talent. More than ever, companies were observed on their performance in corporate social responsibility (CSR), which includes three areas: environment, society, and governance.

### Stakeholder Dialogue

In order to meet those demands companies are expected to be open, transparent, and responsive to stakeholders. Therefore, SAP held its first CSR Expert Advisory Panel in Palo Alto. Customers, investors, and nongovernment organizations (NGOs) like Nestlé, Goldman Sachs, and the World Bank Institute examined SAP's CSR performance and discussed how SAP can support other companies to improve their CSR effort. The event gave SAP valuable insight in software solutions for CSR that our customers could use, while customers, partners, and NGOs encouraged SAP to continue to reinforce its engagement and better establish its presence in this area.

As a result of this productive session SAP is taking strong action to promote stakeholder input and dialog about our CSR efforts by opening up a CSR Key Performance Indicators (KPI) wiki in the online SAP Developer Network (SDN) and Business Process Expert communities. This open discussion forum gathers input from our most important stakeholders to define what issues the SAP community sees as important for CSR in the software sector in general and SAP in particular. This program will help SAP stay in-tune with and responsive to the concerns and expectations of our stakeholders and adapt our CSR programs accordingly, while also helping set standards for the industry. The wiki format easily allows every community member to join the discussion.

### Citizenship Activities

In accordance with our Corporate Citizenship Guidelines, our social activities focused on education as well as on transparency and governance, and we continued our commitment to the UN Global Compact. SAP sustained its support for Transparency International (TI) as a corporate member of the German chapter and of the Steering Group on Business Principles. In this role, SAP helped to develop and to advise on the Business Principles edition for small businesses and midsize companies.

### Educational Programs

In the area of education, the SAP University Alliances program supports almost 800 universities in developing the business and IT talent required for tomorrow's 21st century workforce. In 2007, the program established its presence in Eastern Europe with three educational institutes in Bulgaria and two universities in Romania becoming members. In the United States, the second-annual scholarship program awarded \$10,000 to 10 students each at eight universities. In Singapore, the program successfully launched SAP Best Practices for ERP courses for seven universities and institutes with support from the Singapore Infocomm Development Authority (IDA).

Our commitment to make our expertise available to society not only starts at the university level. The international education program FIRST LEGO League is SAP's major volunteering initiative with SAP employees inspiring children and young people to get excited by science and technology. In 2007, more than 200 employees coached about 1,000 children in 28 countries on the topic of "Power Puzzle. Energy Resources – Meeting the Global Demand."



## Employees' Commitment

Our employees also contributed in other ways to their communities:

- During the month of October more than 3,700 employees volunteered their time to improve the quality of life in the community in 11 countries in the Americas and Asia Pacific. Collectively, the 2007 "Month of Service" activity translates into 2,250 workdays of service, or nine years.
- In Europe, the volunteering programs further expanded, too: For example, twice a year, approximately 550 employees in the region around the headquarters and at the Business services center in Prague spent their weekend under the motto of "SAPlings" to support charitable organizations in their community. In fall, employees in Budapest followed suit.

## World Food Programme

We continued our support for the United Nations World Food Programme's (WFP) "Food for Education" initiative through various programs. For example, SAP has set up the interactive Web site [www.sapfeedingknowledge.com](http://www.sapfeedingknowledge.com); on this site, we inform about our cooperation with WFP with the help of blogs, videos, and podcasts by WFP, and at the same time we encourage a discussion about how SAP could get engaged with WFP or other causes in general. We also ran a campaign on that site to reward employees' voluntary engagement and to inspire employees and our communities to contribute to the site: For every employee who volunteered inside or outside SAP, we gave €10 to WFP. Additionally, at SAP TechEd in Bangalore, SAP announced a new recognition scheme for contribution of the SAP Developer Network (SDN) and Business Process Expert communities. Beginning January 1, 2008, community member participation will be rewarded with a donation to the WFP's Food for Education.

## Environmental Issues

What SAP's public stakeholders are most interested in is what SAP product and innovation can do to help society respond to the challenge of climate change. Recognizing this, SAP has developed a portfolio of innovative enterprise management, supply chain, and compliance solutions that

are helping companies optimize their global operations and reduce their "carbon footprint." SAP's commitment to helping organizations effectively reduce their carbon footprint was also our motivation to join the Combat Climate Change (3C) initiative and to sign the UN Global Compact Statement "Caring for Climate". With regards to our own impact on the environment it is relatively low as a leading software company. Nevertheless, there is a strong internal commitment on reducing our low impact on the environment further with several measures on different sites (this includes for example waste, water, energy, and emissions).

**"SAP has a unique opportunity to apply software products and services toward solving the complex social and environmental sustainability problems facing the world, and we welcome SAP's active involvement in doing so."**

**Cody Sisco, Manager, Advisory Services at Business for Social Responsibility**

## Recognition

Again, SAP's CSR performance has been recognized by the FTSE4Good and the Dow Jones Sustainability Index, where SAP now ranks best in the software industry. SAP is one of G100 most sustainable companies. The G100, initiated by Corporate Knights Inc., with research provider Innovest includes companies from 16 countries in different sectors that were evaluated according to how effectively they manage environmental, social, and governance risks and opportunities, relative to their industry peers. SAP is also one of only 50 companies included in the oekom Global Challenges Index because of our special commitment to fighting global corruption. The Global Challenges Index encompasses 50 corporations who take active responsibility for the future global development by making substantial and trendsetting contributions to the handling of these global challenges.