

Purpose & Sustainability: ASPIRATION & Activation

SAP's purpose is to help the world run better and improve people's lives. Purpose is our aspiration. It is a rallying cry for employees, customers and stakeholders to come together as exemplars of positive economic, environmental and social impact. Sustainability is the activation of our purpose in a business context, enabling our customers to run productively, transform business models, and create disruptive growth.

By Vivek Bapat

SAP's Purpose Journey

SAP's purpose has continuously evolved over our nearly 50-year history, mirroring the values of our more than 100,000 employees representing 150 nationalities in order to fulfill the responsibility towards our global ecosystem of more than 400,000 customers and 21,000 partners across 180 countries. At its founding in 1972, SAP's mission focused on "Helping IT Run Better". As IT became central to businesses, we focused on "Helping Businesses Run Better" and eventually, as businesses became more central to organizing the new world order, our charter expanded to "Helping the World Run Better". In the last decade, defined by digital transformation, and concurrent with increasingly urgent global challenges, creating the call for renewed business responsibility towards serving the needs of all stakeholders, SAP's purpose has expanded to "Helping the World Run Better and Improving People's Lives".



We believe that sustainability is a journey and as a first step, we enable our customers to combine, connect and link financial and non-financial metrics into one holistic report.



Top-Down and Bottom-Up

SAP plays a unique dual role – as an exemplar and enabler of purpose and sustainability. As exemplars, SAP leaders serve as ambassadors of SAP's purpose, by incorporating sustainable business practices across our entire business, from our workforce through our operations. As an enabler, we empower our customers with technology solutions to help realize their sustainability objectives by transforming into purpose-driven intelligent enterprises that



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deliver profitability, resiliency and sustainability. This dual role enables SAP to serve as an authentic role model at the center of the global business-led sustainability movement.

Purpose and Sustainability Focus Areas

SAP addresses the needs of organizations delivering value across all 17 UN SDG's, our focus is the areas in which we can help businesses run more productively, transform business models, and deliver disruptive growth. As leaders in ERP technology, we can unlock the power of a combination of technologies to integrate business and consumer insights into core and industry-specific business processes to activate sustainability at scale across the entire value chain.

We believe that sustainability is a journey and as a first step, we enable our customers to combine, connect, and link financial and non-financial metrics into one holistic report. This is supported by transparency into embedded, validated, real-time data to effectively understand, analyze, and guide regulatory compliance and reporting. This sets the stage for more transformational changes to sustainable business practices and decision-making.

There are three key areas where our customers are advancing in their journeys to become sustainable businesses.

1. Climate action

Through the Climate 21 program we support customers in their pursuit of climate-related objectives with digital solutions to transition to a low-carbon business. Sustainability metrics implemented across SAP's solution portfolio provide the insights necessary to optimize customers' carbon footprint. As one example, SAP Product Carbon Footprint Analytics provides customers with an accounting system to address climate change. Additionally, SAP is part of the CEO Carbon Neutral Challenge, committing to help businesses use innovative technology to achieve their most ambitious climate goals. SAP has also committed to becoming carbon-neutral in its own operations by 2023, and the CDP included SAP on its A-list 2020 of Climate Leaders.

2. Circular economy

The reusability and optimization of material resources across an increasingly digital value chain will play a critical role in large-scale transformation to a circular economy. As one example, we launched the Plastics Cloud, creating a new global marketplace for suppliers of recycled plastics and plastic alternatives. Our technology solutions in supply chain, asset management, and product design are aimed at building circular practices into the core of business processes. SAP is a vital member of the Ellen MacArthur Foundation's network to accelerate adoption of circular economy practices and processes that maximize the use of resources.

3. Equality for all

SAP takes a strong stand and action for social justice. Through our Spotlight Black Businesses initiative, we elevate, promote, and support small Black-owned business, impacted by the pandemic and ongoing social justice movement. SAP has also set a new goal to double our representation of African American talent in the United States over the next three years. And we are determined to increase the number of women in leadership roles to 30% in 2022.



By harnessing the power of the network, we can bring about lasting, positive change and a more sustainable and just society for all.



SAP Purpose Network

We know that no single entity can solve today's global challenges alone; it takes a global network. For this reason, we created the SAP Purpose Network which unlocks the power of co-innovation at scale collaboratively with businesses, institutions, non-profits, the public sector and citizens. It aims to discover new solutions to pressing global issues linked to the 17 UN SDGs. By harnessing the power of the network, we can bring about lasting, positive change and a more sustainable and just society for all.

REFERENCE LIST

- Our Purpose: bit.ly/3s9w0Uj
- Plastics Cloud: bit.ly/3lD0f3u
- Spotlight Black Businesses initiative: bit.ly/2PjAwkn