

IMPACT FACTSHEET

SAP

Main impact area

WHAT	 <i>Is the outcome important?</i>	Reducing CO2 emission per unit of value added to limit climate change
WHO	 <i>Does this help people in need?</i>	Climate changes threatens the lives and livelihoods of billions of people
HOW MUCH	 <i>Scale</i>  <i>Depth</i>  <i>Duration</i>	SAP provides clients in its ecosystem with leadership on ESG reporting and CO2 reduction measures Mid-term
CONTRIBUTION	 <i>How do the alternatives do?</i>	SAP has contributed to saving 1.1 million tons of CO2e in 2019
RISK	 <i>What if it doesn't go as planned?</i>	Low probability

WHAT

- Insufficient resource planning, poor data management and missing links between customers, employees, products and a brand create inefficiencies in the enterprises leading to large amounts of waste.

WHO

- In the last decade, the customer base of SAP increased from 95,000 to over 400,000 businesses. The company helps its clients meet growing demand for transparency and sustainability of their business models. For example, redesigning global value networks toward more circular business models or by leveraging a blockchain solution to drive sustainable practices across the supply chain to enable trust and transparency.

HOW MUCH

- 77% of ALL transactions globally are touched by a SAP system.
- This creates a huge opportunity for SAP to influence and improve the impact of those transactions.
- Moreover, with the recent software product "Climate 21", the company provides solutions to their clients for transparency and compliance with ESG reporting requirements.

- Clients can grab data from SAP ERP, supply chain software and 3rd-party sources to help them measure, monitor, manage and improve their ESG metrics.
- Cloud solutions revenue account for roughly 25% of the total revenue of the company. SAP is aware of an increase in energy consumption because of their own growth and global digitalization, so they offer a "green cloud" service to help clients reduce CO2 footprint. The "green cloud" is powered by 100% renewable electricity.
- Additionally, SAP is on its way to make its own operations fully carbon neutral by 2025 through an avoid – reduce - compensate approach.

CONTRIBUTION

- The goal of SAP is to lead the evolution of technology and remain focused on its outcomes and societal effects. SAP enables their customers to increase overall resource productivity and transform their businesses to make a positive impact.
- Examples of SAP applications include :
 - Reduction of water waste and support of sustainable water management and sanitation for all. For example, an app based on SAP's technology helps plumbers to access vital information about pipes and other joints, how to fix or prevent leaks
 - Monitor resources to make cities run more sustainably, assess quality and structure of buildings to create an innovative way to monitor earthquakes
 - SAP's IoT technology monitors soil of farms and determines the exact amount of fertilizer needed.

RISK

- As an enabler, SAP facilitates sustainable transformation of its clients through services they provide.
- Thus, a large part of SAP's impact depends on actions of its clients.
- By having far-reaching sustainability goals, the risk remains in how SAP will enforce its own goals to its clients.
- One of the potential risk is misalignment between the goals of SAP and its clients. In such a case, SAP might terminate certain client relationships or comprise on their own sustainability goals.



SDG 9: Industry, Innovation and Infrastructure – Sub-target 9.4: By 2030, upgrade infrastructure and retrofit Industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies.

SAP'S IMPACT

