1. COMMITMENT TO IMPROVE OUR ENVIRONMENTAL PERFORMANCE

Sustainability is an integral part of SAP’s purpose to help the world run better and improve people’s lives and crucial to our success. We strive to create positive environmental, economic, and social impact within planetary boundaries by embracing the dual role of being an exemplar and enabler. We aim to lead by example in our own sustainable operations and provide solutions that enable our customers to sustainably run their business and become intelligent, sustainable enterprises.

1.1 SAP’s Global Environmental Objectives

In support of our commitment to the UN Sustainable Development Goals (SDGs), SAP pursues the following key environmental objectives to foster a low-carbon, circular future:

<table>
<thead>
<tr>
<th>Category</th>
<th>Objective</th>
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<tbody>
<tr>
<td>Climate &amp; Energy</td>
<td>- Become carbon neutral in our own operations in 2023</td>
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<tr>
<td></td>
<td>- Achieve net-zero along our value chain in line with a 1.5°C future in 2030</td>
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<td></td>
<td>- Continuously improve SAP’s energy performance</td>
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<tr>
<td>Waste</td>
<td>- Strive towards zero electronic waste in our own operations by 2030</td>
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<td></td>
<td>- Improve SAP’s overall waste performance and separation</td>
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<tr>
<td>Water</td>
<td>- Continuously reduce SAP’s water consumption</td>
</tr>
<tr>
<td>Employees</td>
<td>- Raise awareness for sustainability and enable employees to improve SAP’s environmental performance</td>
</tr>
<tr>
<td>Innovation</td>
<td>- Develop solutions that enable customers to meet their sustainability challenges and opportunities</td>
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</tbody>
</table>

SAP’s leadership and entities commit to ensure that necessary resources and information to achieve these objectives and related targets are available, compliance obligations are fulfilled, and SAP’s environmental performance and related management systems are continually improved. They take responsibility for ensuring that this policy is implemented and directing and supporting employees to systematically integrate sustainability into business processes. All SAP employees shall strive to contribute to sustainability in support of SAP’s objectives.

This policy is available to all interested parties at sap.com.

Luka Mucic  
Chief Financial Officer  
Member of the SAP Executive Board

Daniel Schmid  
Chief Sustainability Officer
2. GUIDING PRINCIPLES FOR CORPORATE ACTION

To foster sustainability and achieve our objectives, SAP defined six principles that guide all action:

2.1 Climate and Environmental Protection

We commit to protect our planet, prevent pollution, and improve our environmental impact to respect planetary boundaries. In balance with the growth of our business, we continue to reduce our resource use, lower our emissions to stay in line with our 1.5°C science-based target, and change processes in aspiration for a world with zero waste.

SAP pledges to help restore the natural environment in which SAP operates. This includes the support of sustainable development as well as the responsible restoration and protection of forests, biodiversity, and water resources. In addition to its comprehensive portfolio of climate measures, SAP aims to plant 21 million trees between 2012 and 2025 with the help of trusted partners.

2.2 Compliance

We commit to satisfy and comply with all applicable legal requirements and other obligations related to SAP’s environmental performance. This policy is complemented by other policies, codes, and commitments (see section 4).

2.3 Holistic Steering and Reporting

We commit to holistically steer our business and report our performance. This means connecting financial and non-financial metrics to comprehensively analyze all dimensions of a company’s performance and working toward their integration and harmonization. It provides the foundation for better balanced management decisions and drives business success while positively impacting people and our planet. SAP connects and reports its ESG (environmental, social, governance) and financial metrics within its SAP Integrated Report. To foster full visibility into the entire value chain and the capability to scale across business networks, SAP commits to co-develop an actionable and standardized methodology in collaboration with partners such as the Value Balancing Alliance.

2.4 Employee Contribution

We commit to inspire sustainable change and enable employee contribution to our environmental goals through global and local measures. To spark action and behavioural change, SAP will continue to raise awareness for environmental challenges at work through dialogue platforms, events, volunteering, and more. We foster transparency and sustainability engagement by providing monitoring tools and learning opportunities that illustrate performance trends and how sustainability is engrained in SAP’s purpose, strategy, and business. All employees are strongly encouraged to become active, act as role models and play their part in SAP’s ongoing sustainability transformation.

2.5 Partnerships

We commit to act and collaborate with external parties, including governments, cross-sector alliances, civil society, and non-governmental organizations (NGOs), to foster a low-carbon, circular economy, and a healthy planet. We participate in discussions on environmental topics and raise public awareness for climate change and planetary boundaries.

2.6 Continuous Improvement

We commit to continually improve our environmental performance and related management systems through regular and targeted investments. The environmental impact of our operations and solutions is assessed, monitored, managed, and reported throughout its life cycle. We provide the necessary resources and information to efficiently manage our environmental performance and achieve our objectives.
3. FOCUS AREAS

SAP defined focus areas that have the highest impact on the environment and influence on SAP’s global objectives. We address these focus areas by running certified environmental and energy management systems (ISO 14001 and ISO 50001), drive innovation and implement policies and regulations that complement this policy.

3.1 Customer Innovation

We commit to developing innovative solutions that help our customers embed sustainability into their business strategies and improve their environmental performance. For example, SAP solutions aim to help customers increase transparency on their environmental performance, improve energy efficiency and resource productivity, address supply chain risks, and contribute to a healthy and safe environment. With its carbon neutral cloud offerings and other solutions, SAP aims to support customers in reducing their carbon footprint and transition to a circular, low-carbon business model. To reduce the energy requirements of digitalization, SAP fosters efficient and sustainable programming and design approaches.

3.2 Data Center and Facility Operations

We commit to be a role model for sustainable operations of data centers and facilities and further reduce our energy, water, waste, and carbon footprints through supply chain collaboration and targeted investments in efficiency projects and new technology. We will continue to innovate and follow sustainable design strategies within new infrastructure projects. For example, all new SAP facilities shall meet the requirements of the LEED Silver certification, striving for Gold and Platinum rating levels. We continue to power all our facilities and data centers with 100% renewable electricity. The share of renewable electricity directly generated onsite or in the close vicinity shall be continually increased.

3.3 Procurement

General

We commit to procure environmentally friendly and energy efficient products and services from suppliers recognizing that sustainability is an integral part to producing world-class products. We continue to team up with our suppliers, contractors and partners and expect their contribution to SAP’s environmental objectives and our commitment to single-use plastic free operations. We aim to strengthen our engagement with key suppliers to encourage their commitment to net-zero and carbon-neutral products and services. Suppliers shall strive to continually improve the environmental footprint of products and services purchased by SAP and comply with the SAP Supplier Code of Conduct.

Travel and Mobility

We commit to reduce business travel, esp. business flights, and improve the environmental footprint of SAP’s car fleet and commuting activities. Where travel cannot yet be avoided, the most appropriate sustainable means of transportation shall be procured. Starting in 2025, SAP will add emission-free vehicles only to its fleet. To support low-carbon travel options, SAP has introduced an internal carbon price on business flights and strongly promotes mobility budgets, electric cars, carpooling, flexible work, public transport, bicycles, and other more sustainable transportation means. To foster travel-free collaboration, we enable mobile and flexible working and continue to invest in virtual collaboration technologies and their integration across our solution portfolio.

Green IT

We commit to divert close to 100% (at least 90%) of the electrical and electronic waste generated within our own operations from incineration, landfill, and nature by 2030. To achieve this goal, we continue to improve our processes and collaborate with suppliers and partners along our value chain to reduce, reuse, resell, return, repurpose, recycle, and recover e-waste for productive use and increase transparency. New equipment is to be responsibly procured and used considering
environmental and energy impacts and standards. This helps to convert waste into valuable materials.

4. SCOPE AND FURTHER INFORMATION

The policy applies to SAP SE and its subsidiaries. It relates to SAP business activities and environmental aspects which SAP can sufficiently control or influence. SAP’s environmental performance includes its climate, water, waste, and energy performance.

The Global Environmental Policy is complemented by other policies, codes, and commitments, e.g.

- SAP Company Car Policy (internal only)
- SAP Global Data Protection and Privacy Policy
- SAP Global Code of Ethics and Conduct for Employees
- SAP Global Artificial Intelligence (AI) Ethics Policy
- SAP Global Human Rights Commitment Statement
- SAP Global Procurement Policy (internal only)
- SAP Global Travel Policy (internal only)
- SAP Supplier Code of Conduct

Details on definitions and SAP’s climate commitments are available here:

- SAP website (https://www.sap.com/sustainability)