

SAP GLOBAL

HUMAN RIGHTS COMMITMENT STATEMENT

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1 INTRODUCTION

As a signatory of the UN Global Compact since 2000, SAP believes that businesses have a responsibility to respect human rights throughout all operations. With the impact of the Information and Communication Technology (ICT) sector on human rights increasing (e.g. data protection and freedom of expression, unknown impact of artificial intelligence on human rights), SAP recognizes its responsibility to be part of the global community to shape the future. We do this through deliberate efforts to utilize the power of technology for good.

We furthermore recognize that as a leading software provider with customers of all sizes across 25 industries in countries all over the world, our technology can help to advance – or be used to impede – human rights. Respecting human rights is a core element of realizing our vision and purpose to help the world run better and improve people's lives.

2 PURPOSE

The purpose of this Human Rights Commitment Statement is to ensure the respect of human rights at SAP and across our value chain.

3 SCOPE

The Human Rights Commitment Statement has a global scope and therefore applies to SAP operations worldwide. But we also expect our business partners (for example, suppliers, partners, customers) to respect human rights.

4 TERMS AND DEFINITIONS

Human Rights	Basic rights and freedoms that all people are entitled to regardless of nationality, gender, national or ethnic origin, race, religion, language, sexual orientation, or other personal factor. Human rights include civil and political rights, such as the right to life, liberty and freedom as well as social, cultural and economic rights including the right to participate in culture, the right to food, and the right to work and receive an education, as listed for example in the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.
United Nations Guiding Principles on Business and Human Rights (UNGPs)	The UNGPs are a set of principles implementing the United Nations 'Protect, Respect and Remedy' framework on the issue of human rights. This framework provides the first global standard for preventing and addressing the risk of adverse impacts on human rights linked to business activity. The framework states that companies have a responsibility to comply with all applicable laws and to respect human rights, including in areas where governance standards are poor, and where human rights are not universally respected and further prescribe that companies need to ensure appropriate and effective remedies when human rights are breached.
Human Rights Due Diligence	An on-going risk management process to identify, prevent, mitigate, and account for how a company addresses its negative human rights impacts.
Sustainability	Creating positive economic, environmental and social impact within planetary boundaries.

5 COMMITMENT STATEMENT CONTENT

5.1 SAP's commitment to human rights and fair labor standards

- We respect and support the values of the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work by integrating human rights considerations into our standard business practices.
- We welcome and support the UN Guiding Principles on Business and Human Rights to Implement the United Nations "Protect, Respect and Remedy" Framework and seek to continuously embed them in our policies and processes.
- We respect government policies in the countries where we operate and sell. We will abide by our own policies or local law, whichever sets higher standards. If the implementation of these international standards is restricted by local law, we will develop innovative approaches to adhere in our actions to the principles proclaimed in the international standards.
- Respecting human rights is a baseline expectation of our stakeholders. We also seek to actively contribute to advancing human rights, for example, through our commitment to the UN Sustainable Development Goals and the UN Standards of Conduct for Business on Tackling Discrimination against LGBTI People as well as through corporate social responsibility initiatives or partnerships.
- We also expect our business partners to share our commitment to human rights.

5.2 Governance, Due Diligence and Remediation

- A steering committee oversees the Human Rights Commitment Statement while our sustainability organization has the responsibility to ensure its overall fulfillment. The team works with colleagues from various board areas to manage an integrated approach.
- Recognizing the UN Guiding Principles, we have implemented a human rights due diligence process in order to identify, prevent and mitigate salient human rights risks. In this process, we are closely engaged with (potentially affected) stakeholders within and outside of the company.
- SAP Global Risk & Assurance Services conducts regular labor audits to check internal compliance with this commitment statement. Any adverse findings will be mitigated through appropriate remediation measures.
- SAP regularly reviews and updates its efforts and communicates the results of the due diligence process and the labor audits in its annual integrated report.

5.3 Human rights of our employees

As an innovation driven business, SAP depends on hiring the most talented employees in the industry. We are committed to respecting our employees' fundamental rights at work.

1. We do not accept forced, bonded, or involuntary prison labor. In SAP's recruiting and hiring processes we ensure that employees are entering their working contracts with SAP voluntarily, that they are not required to lodge deposits, identity papers, or any other documents that might limit the worker's legal status/ compliance, their freedom to travel or the ability to leave their job temporarily or permanently upon commencing employment with SAP.
2. We prohibit discrimination and harassment based on personal factors including but not limited to culture, race, ethnicity, age, gender, sexual orientation, gender identity or expression, and physical or mental disability by the implementation of a [Global Anti-Discrimination Policy](#) and proactively promote inclusion through our Diversity & Inclusion programs. Employees are encouraged to promptly report any concern of behavior contrary to our Policy. Retaliation for reporting or participating in an investigation of the same is strictly prohibited.
3. We respect the rights of our employees to organize and to be represented by trade unions and other bona fide representatives of employees in accordance with local laws, and we engage in a constructive dialogue with employee representatives.

4. We comply with local minimum age laws and requirements and do not employ child labor. We ensure this via our HR recruiting and hiring processes and governance.
5. We ensure that our workers are compensated with wages and benefits that meet or exceed the legally required minimum. Laws relating to pay, employment benefits, hours of work, time off, leaves of absence and other terms and conditions of employment vary from country to country. We are expected to comply with all applicable employment-related laws. This is ensured via SAP HR processes and governance.
6. We prohibit any form of physical and verbal abuse, harassment, or the threat of either in the workplace, as defined in our [Global Anti-Discrimination Policy](#). This means that
 - a. All employees and managers are expected to treat everyone with dignity and respect.
 - b. Employees and managers are expected not to bully, threaten, intimidate or harm another person or their property through either verbal behavior (written or oral) or non-verbal behavior (such as gestures, expressions, or physical contact).
7. We ensure our employees' right for recovery and leisure time in accordance with local labor laws as defined by local law and related [ILO standards](#).
8. We provide a safe and health-promoting workplace for our employees in line with our [Global Health & Safety Policy](#). This means that
 - a. All employees and managers are expected to perform their work in compliance with the health and safety laws, regulations, policies and procedures of their locations.
 - b. Managers shall ensure that their employees receive regular health and safety training.
 - c. Local senior management representatives need to ensure that systematic policies and procedures are established to prevent workplace hazards and risks at their source and to seek continual improvement.
9. We invest in education and corporate programs to maintain and improve our employees' long-term employability.

5.4 Human rights in our ecosystem

We expect all our business partners to respect human rights and to avoid complicity in human rights abuses.

1. The SAP Supplier Code of Conduct requires suppliers to uphold human and labor rights and to provide a safe and healthy work environment to workers.
2. The SAP Partner Code of Conduct requires partners to uphold human and labor rights and to provide a safe and healthy work environment to workers. This means that
 - a. The Global Partner Organization and other employees that recruit new partners and/or work with existing partners must ensure that all partners know and comply with the SAP Partner Code of Conduct.
 - b. The Office of Ethics and Compliance (OEC) and other departments such as Global Risk & Assurance Services (GR&AS) or Global Legal follow up on allegations of non-compliance with the SAP Partner Code of Conduct. In case of severe breaches, the relationship with the partner shall be reviewed and/or terminated.
3. We encourage our customers to comply with the Ten Principles of the UN Global Compact. We would like to encourage our customers to jointly with us embrace their ethical responsibilities and share our commitment to the UN Global Compact. We will use customer interactions to actively discuss mutual positions towards the UN Global Compact as well as potential next steps depending on our customers' approach to these general principles.
4. We engage with our stakeholders on the respect and support of human rights. We actively collaborate with stakeholders and listen to their views regarding human rights. As an example, relevant issues are discussed with the SAP Sustainability Advisory Panel and local social partners.

5.5 Human rights related to SAP products and services

As a business software company, we are committed to respecting human rights throughout the lifecycle of our products and services from design through development to use. Artificial intelligence (AI) is transforming our economy and society. This trend is expected to accelerate in the coming years, bringing new opportunities and challenges for society and human rights and freedoms. The emergence of AI is also generating legitimate concerns. This includes ethics, commercial/business practices, data protection, societal impact of technology on the labor market and skills, liability, cybersecurity, economic modelling, and human rights and freedoms. SAP is committed to address these concerns.

1. We develop innovative solutions helping customers embed human rights into their business and supply chain strategies. This means that
 - a. SAP develops solutions, for example, in healthcare, human resources, supply chain management, or public services to advance human rights globally (e.g. our supply chain management solution offers risk mapping based on financial as well as non-financial indicators, also including human rights aspects).
 - b. When designing and developing any solution, employees must ensure that they comply with the guiding principle for businesses of respecting human rights. Details are laid out in the [SAP's Guiding Principles for AI Ethics](#) and the [SAP Global AI Ethics Policy](#).
2. To support inclusion efforts world-wide, we follow the recommendations of the current versions of the Web Content Accessibility Guidelines and the US Section 508 when designing products and services. This means that in SAP policies and standards for software design, the accessibility of software is reflected as a guiding principle that is adhered in the development process.
3. We uphold internal standards for the protection of personal information and privacy rights as defined in the [SAP Global Development Policy](#), the [SAP Global Quality Policy](#), and the related SAP Product Standards as well as in the [SAP Data Protection and Privacy Policy](#).
 - All employees are required to complete a mandatory training covering Information Security Fundamentals as part of the SAP Security Policy.
 - In the context of a mandatory compliance baseline training for all employees, topics such as intellectual property, compliance, and principles of data protection privacy are covered, including how to identify and mitigate certain security risks.
4. We uphold data security during the use phase of our products and services as described in the Global Development Policy, the Global Quality Policy, and the related SAP Product Standards. SAP describes the [Security Development Lifecycle at SAP](#) as well as the [SAP Product and Cloud Security Strategy](#) in externally available documents.

5.6 Grievance Process: Reporting a Violation of Human Rights and Non-Retaliation

Employees and managers should raise any questions, concerns, or potential breaches to:

- their manager,
- the HR department: open a ticket with HRDirect or send an e-mail to HRCompliance@sap.com,
- the Global Ombudsoffice: SAP_ombudsoffice@sap.com,
- The Office of Ethics and Compliance: ["Speak Out" Whistleblower Tool](#).

An objective investigation will be conducted upon receipt of information, reported in good faith of behavior contrary to this commitment statement. If an investigation concludes prohibited conduct has occurred, appropriate action commensurate with the facts of the investigation will be taken.

SAP strictly prohibits retaliation against anyone who, in good faith, reports violations of this Commitment Statement or participates in an investigation, even if the investigation does not ultimately prove the concerns. Dishonest, bad faith, or otherwise abusive reports are prohibited.

6 APPENDIX

6.1 Other SAP related guidelines

- [Code of Business Conduct](#)
- [Partner Code of Conduct](#)
- [Supplier Code of Conduct](#)
- [SAP Global Anti-Discrimination Policy](#)
- [Global Health & Safety Policy](#)
- [SAP's Guiding Principles for Artificial Intelligence](#)
- [SAP Global AI Ethics Policy](#)
- [Quality at SAP](#)
- [Global Data Protection and Privacy Policy](#)
- [Global Security Policy](#)
- [Security Development Lifecycle at SAP](#)
- [Product and Cloud Security Strategy](#)

6.2 Additional links

- [UN Global Compact](#)
- [UN Declaration of Human Rights](#)
- [ILO Declaration on Fundamental Principles and Rights at Work](#)
- [UN Guiding Principles on Business and Human Rights, Implementing the "Protect, Respect, Remedy" Framework](#)
- [OECD Guidelines for Multinational Enterprises](#)
- [UN Standards of Conduct for Business on Tackling Discrimination Against LGBTI People](#)
- [SAP Integrated Report](#)