

## UN GLOBAL COMPACT – COMMUNICATIONS ON PROGRESS – 2011

MEASUREMENT AND REPORTING: [SAP SUSTAINABILITY REPORT 2010](#)

Correspondence between global compact and GRI indicators:

<http://www.sapsustainabilityreport.com/un-global-compact>

GLOBAL COMPACT PRINCIPLE		
TOPIC	PRINCIPLE	DESCRIPTION
HUMAN RIGHTS	1. Businesses are asked to support and respect the protection of international human rights within their sphere of influence;	<ul style="list-style-type: none"> <li>• LA4 Percentage of employees covered by collective bargaining agreements. <a href="#">More &gt;</a></li> <li>• LA6 Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs. <a href="#">More &gt;</a></li> <li>• LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region. <a href="#">More &gt;</a></li> <li>• LA8 Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases. <a href="#">More &gt;</a></li> <li>• LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity. <a href="#">More &gt;</a></li> <li>• LA14 Ratio of basic salary of men to women by employee category. <a href="#">More &gt;</a></li> <li>• HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening. <a href="#">More &gt;</a></li> <li>• HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken. <a href="#">More &gt;</a></li> <li>• HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. <a href="#">More &gt;</a></li> <li>• HR4 Total number of incidents of discrimination and actions taken. <a href="#">More &gt;</a></li> <li>• HR5 Operations identified in which the right to</li> </ul>

		<p>exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights. <a href="#">More &gt;</a></p> <ul style="list-style-type: none"> <li>• HR6 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor. <a href="#">More &gt;</a></li> <li>• HR7 Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor. <a href="#">More &gt;</a></li> <li>• PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data. <a href="#">More &gt;</a></li> </ul>
	2. Make sure their own corporations are not complicit in human rights abuses.	<ul style="list-style-type: none"> <li>• HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening. <a href="#">More &gt;</a></li> <li>• HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken. <a href="#">More &gt;</a></li> <li>• HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. <a href="#">More &gt;</a></li> <li>• HR4 Total number of incidents of discrimination and actions taken. <a href="#">More &gt;</a></li> <li>• HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights. <a href="#">More &gt;</a></li> <li>• HR6 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor. <a href="#">More &gt;</a></li> <li>• HR7 Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor. <a href="#">More &gt;</a></li> </ul>
<b>LABOR</b>	3. Businesses are asked to uphold the freedom of association and the	<ul style="list-style-type: none"> <li>• LA4 Percentage of employees covered by collective bargaining agreements. <a href="#">More &gt;</a></li> <li>• LA5 Minimum notice period(s) regarding operational changes, including whether it is specified in</li> </ul>

	<p>effective recognition of the right to collective bargaining;</p>	<p>collective agreements. <a href="#">More &gt;</a></p> <ul style="list-style-type: none"> <li>• HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights. <a href="#">More &gt;</a></li> </ul>
	<p>4. The elimination of all forms of forced and compulsory labor;</p>	<ul style="list-style-type: none"> <li>• HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening. <a href="#">More &gt;</a></li> <li>• HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken. <a href="#">More &gt;</a></li> <li>• HR7 Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor. <a href="#">More &gt;</a></li> </ul>
	<p>5. The effective abolition of child labor;</p>	<ul style="list-style-type: none"> <li>• HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening. <a href="#">More &gt;</a></li> <li>• HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken. <a href="#">More &gt;</a></li> <li>• HR6 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor. <a href="#">More &gt;</a></li> </ul>
	<p>6. The elimination of discrimination in respect of employment and occupation.</p>	<ul style="list-style-type: none"> <li>• EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation. <a href="#">More &gt;</a></li> <li>• LA2 Total number and rate of employee turnover by age group, gender, and region. <a href="#">More &gt;</a></li> <li>• LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity. <a href="#">More &gt;</a></li> <li>• LA14 Ratio of basic salary of men to women by employee category. <a href="#">More &gt;</a></li> <li>• HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights</li> </ul>

		<p>screening. <a href="#">More &gt;</a></p> <ul style="list-style-type: none"> <li>• HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken. <a href="#">More &gt;</a></li> <li>• HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. <a href="#">More &gt;</a></li> <li>• HR4 Total number of incidents of discrimination and actions taken. <a href="#">More &gt;</a></li> </ul>
<b>3. ENVIRONMENT</b>	7. Businesses are asked to support a precautionary approach to environmental challenges;	<ul style="list-style-type: none"> <li>• EC2 Financial implications and other risks and opportunities for the organization’s activities due to climate change. <a href="#">More &gt;</a></li> <li>• EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved. <a href="#">More &gt;</a></li> <li>• EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation. <a href="#">More &gt;</a></li> </ul>
	8. Undertake initiatives to promote greater environmental responsibility;	<ul style="list-style-type: none"> <li>• EN1 Materials used by weight or volume. <a href="#">More &gt;</a></li> <li>• EN2 Percentage of materials used that are recycled input materials. <a href="#">More &gt;</a></li> <li>• EN3 Direct energy consumption by primary energy source. <a href="#">More &gt;</a></li> <li>• EN4 Indirect energy consumption by primary source. <a href="#">More &gt;</a></li> <li>• EN5 Energy saved due to conservation and efficiency improvements. <a href="#">More &gt;</a></li> <li>• EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives. <a href="#">More &gt;</a></li> <li>• EN7 Initiatives to reduce indirect energy consumption and reductions achieved. <a href="#">More &gt;</a></li> <li>• EN8 Total water withdrawal by source. <a href="#">More &gt;</a></li> <li>• EN11-EN14 Strategies, current actions, and future plans for managing impacts on biodiversity. <a href="#">More &gt;</a></li> <li>• EN16 Total direct and indirect greenhouse gas emissions by weight. <a href="#">More &gt;</a></li> <li>• EN17 Other relevant indirect greenhouse gas</li> </ul>

		<p>emissions by weight. <a href="#">More &gt;</a></p> <ul style="list-style-type: none"> <li>• EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved. <a href="#">More &gt;</a></li> <li>• EN19 Emissions of ozone-depleting substances by weight. <a href="#">More &gt;</a></li> <li>• EN20 NO, SO, and other significant air emissions by type and weight <a href="#">More &gt;</a></li> <li>• EN22 Total weight of waste by type and disposal method. <a href="#">More &gt;</a></li> <li>• EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation. <a href="#">More &gt;</a></li> <li>• EN27 Percentage of products sold and their packaging materials that are reclaimed by category <a href="#">More &gt;</a></li> <li>• EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations. <a href="#">More &gt;</a></li> <li>• EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization’s operations, and transporting members of the workforce. <a href="#">More &gt;</a></li> </ul>
	<p>9. Encourage the development and diffusion of environmentally friendly technologies.</p>	<ul style="list-style-type: none"> <li>• EN2 Percentage of materials used that are recycled input materials. <a href="#">More &gt;</a></li> <li>• EN5 Energy saved due to conservation and efficiency improvements. <a href="#">More &gt;</a></li> <li>• EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives. <a href="#">More &gt;</a></li> <li>• EN7 Initiatives to reduce indirect energy consumption and reductions achieved. <a href="#">More &gt;</a></li> <li>• EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved. <a href="#">More &gt;</a></li> <li>• EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation. <a href="#">More &gt;</a></li> </ul>
<p><b>4. ANTI-CORRUPTION</b></p>	<p>10. Business should work against</p>	<ul style="list-style-type: none"> <li>• SO2 Percentage and total number of business units</li> </ul>

	<p>corruption in all its forms, including extortion and bribery.</p>	<p>analyzed for risks related to corruption. <a href="#">More &gt;</a></p> <ul style="list-style-type: none"> <li>• SO3 Percentage of employees trained in organization’s anti-corruption policies and procedures. <a href="#">More &gt;</a></li> <li>• SO4 Actions taken in response to incidents of corruption. <a href="#">More &gt;</a></li> <li>• SO5 Public policy positions and participation in public policy development and lobbying. <a href="#">More &gt;</a></li> <li>• SO6 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country. <a href="#">More &gt;</a></li> </ul>
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**ADDITIONAL INFORMATION:**

- SAP’s Environmental Policy: <http://www.sap.com/about/SAP-sustainability/exemplar/environmentalpolicy.epx>
- SAP’s Code of Conduct for Suppliers: <http://www.sap.com/about/sap-sustainability/exemplar/supplier-code/index.epx>
- SAP’s Labor Principles: <http://www.sap.com/about/governance/statutes/laborprinciples.epx>

**KEY UPDATES**

- SAP’s Human Rights Commitment Statement was published September 2011.
- SAP deepened its carbon strategy through the development of a carbon abatement cost curve, a technique to plot the cost of projects against their payoff in actual reductions, or abatements. The values are stated per ton of CO2. SAP is among the first companies to create an abatement cost curve, which has to date been deployed mostly by countries or regions to craft their carbon strategies. See the carbon abatement cost curve at <http://www.sapsustainabilityreport.com/abatement-cost-curve?height=455&width=855>.

**PRACTICAL ACTIONS:**

1. In June 2010 SAP Participates in New Project to Drive Extractive Industries Transparency in Ghana:
  - The Ghana Extractive Industries Transparency Initiative (GHEITI) is being assisted by the Gesellschaft für Technische Zusammenarbeit (GTZ) and SAP AG to implement tailored IT software that the GHEITI stakeholders can employ to improve data transmission and reporting mechanisms.
  - The pilot project is being funded by GTZ and SAP and coordinated by the GTZ Good Financial Governance Programme. The project is focused on the processes involved in the reconciliation and aggregation of benefit streams received by the Government of Ghana such as the collection of taxes and royalties.
  - The objective is to give GHEITI stakeholders the ability to verify and publish company payments and government revenues from oil, gas and mining uniformly and transparently, as well as to ensure improved governance in natural resource revenues.

- SAP has contributed its core expertise:
    - SAP BusinessObjects Financial Consolidation(BFC), a software product for financial reconciliation and reporting
    - Technical expertise and training / knowledge transfer, 2 loaned consultants.
2. Ghana - Shea project - [www.starshea.com](http://www.starshea.com): SAP entered a partnership with the international non-profit organization PlaNet Finance to improve the financing of small businesses through a combination of micro-financing, education, and use of new technology. Our first joint field initiative in Northern Ghana works to improve the income and living conditions of women who harvest shea nuts: <http://www.sapsustainabilityreport.com/opportunity-women-ghana?height=455&width=855>
  3. Haiti social business- In March 2010 SAP AG, Professor Yunus and the Grameen Creative Lab announced their joint YY Haiti (Yunus & You Haiti) Initiative with the goal to set up an infrastructure for the creation of social businesses in Haiti. The holistic and highly innovative development approach builds on two pillars:
    - a) The creation of a YY Haiti Social Business Fund to finance Haitian Social Business start-up companies in three focus sectors: (i) Education and vocational training, (ii) Environment and agriculture, (iii) Nutrition and food production
    - b) The set-up of the Grameen Creative Lab Haiti, S.A. ("GCL Haiti") - an independent legal entity and Social Business itself - which initiates, supports and monitors Social Businesses in Haiti and manages the YY Haiti Fund.

Key achievements:

- The infrastructure itself is fully operational, i.e. the YY Haiti Social Business Fund is established and the Grameen Creative Lab Haiti (GCL Haiti) is set up in Pétionville, Haiti, with currently 3 Haitian employees.
- The YY Haiti Social Business Fund has received its first donations and investments and last month made its first investment. The supported organization, Etre Ayisyen Entrepreneurial Institute is intended to be an educational institution that focuses on teaching entrepreneurial skills to about 2000 Haitians yearly (main target group young people between 18 and 34) and promoting an entrepreneurial culture throughout Haitian society. Thereby it will become a catalyst for new entrepreneurs in Haiti.
- Another 13 social business are currently going through GCL Haiti's rigorous due diligence process, 3 of which are close to finalization. Our next milestone is the joint visit of SAP and Professor Yunus to Haiti in October 2011 to further boost the creation of social businesses and thereby build the base for a lasting change. By the end of 2012 we are targeting that operations of the fund as well as GCL Haiti are running self-sustainably and that 12 social businesses have been set up.