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Group Sustainability Statement

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About this Group Sustainability Statement

This section, and the information referenced in it, fulfill SAP SE's duty to produce a non-financial statement (NFS) for the holding company, pursuant to section 289b–e of the German Commercial Code (HGB), and a non-financial group statement, pursuant to section 315b–c in conjunction with section 289c–e of the German Commercial Code (HGB), in the form of a combined non-financial statement. The relevant non-financial matters are referenced in the table below. The terms "non-financial statement" and "Group Sustainability Statement" are used interchangeably throughout the report.

The information in this Group Sustainability Statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS). SAP opted to apply these standards to prepare for the transposition of the EU Corporate Sustainability Reporting Directive (CSRD) into German law. As Germany's government intends to implement CSRD in national law, and thus replace the non-financial statement with a sustainability statement prepared under ESRS, ESRS take precedence over the reporting principles in German Accounting Standard (GAS) 20. This will remain the case until the CSRD is transposed into German law and for as long as we prepare our NFS under ESRS principles.

In line with the requirements of the CSRD, which the ESRS set out in detail, our Group Sustainability Statement contains the following sections: General Information, Environmental Information, Social Information, and Governance Information. General Information outlines our sustainability strategy and governance, and describes our materiality assessment. The Environmental Information section contains our EU Taxonomy disclosures and disclosures about all material environmental topics. Material social and governance topics are presented in the Social and Governance Information sections respectively.

This Group Sustainability Statement was subject to a limited assurance engagement; reasonable assurance was provided on selected sustainability information. For more information, see the Basis for Preparation section.

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Non-Financial Disclosures in SAP's Combined Management Report

We determine which non-financial information has to be disclosed based on a materiality analysis we perform using internal and external input. For more information, see Double Materiality Assessment in the respective section in our SAP Integrated Report.

The individual non-financial aspects to be covered by the non-financial statement are addressed in the following sections of our Combined Management Report if material. No material risks according to section 289c (3) sentence numbers 3 and 4 HGB have been identified.

	Due Diligence; Policies and Guidelines (Concepts)	Measures and Results, Including KPIs Relevant for Steering and Compensation	References to Consolidated Financial Statements
Environmental Matters	E1 – Climate Change: Our Approach and Policies E5 – Resource Use and Circular Economy: Our Approach and Policies	**KPI: Gross Greenhouse Gas Emissions** Strategy and Business Model: Measuring Our Success Performance Management System Financial Performance: Review and Analysis Expected Developments and Opportunities: Non-Financial Goals for 2025 E1 – Climate Change: Metrics on Material Topics	
Employee Matters	S1 – Own Workforce: Our Approach and Policies	**KPI: Employee Engagement Index** Strategy and Business Model: Measuring Our Success Performance Management System Financial Performance: Review and Analysis Expected Developments and Opportunities: Non-Financial Goals for 2025 S1 – Own Workforce: Processes for Engaging with Our Own Workforce **KPI: Women in Executive Roles** Strategy and Business Model: Measuring Our Success Performance Management System Expected Developments and Opportunities: Non-Financial Goals for 2025 S1 – Own Workforce: Diversity & Inclusion	Notes to the Consolidated Financial Statements, Note (B.1)
Social Matters	S2 – Workers in the Value chain: Our Approach and Policies Security Cloud Compliance Data Protection and Privacy: Our Approach and Policies Responsible AI: Our Approach and Policies	**KPI: Net Promoter Score (NPS)** Strategy and Business Model: Our Customers Strategy and Business Model: Measuring Our Success Performance Management System Financial Performance: Review and Analysis Expected Developments and Opportunities: Non-Financial Goals for 2025 Security Cloud Compliance Data Protection and Privacy: Metrics on Material Topics	
Human Rights	Human Rights: Our Approach and Policies		
Anti-Corruption and Bribery Matters	G1 – Business Conduct: Our Approach and Policies		Notes to the Consolidated Financial Statements, Note (G.3)

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Basis for Preparation

We have made use of most of the first-time application relief and therefore do not report on anticipated financial effects in our 2024 Group sustainability statement. Further, we disclose value chain information and prior year data primarily for KPIs that have a long reporting history, such as those for our carbon emissions. In other cases, we used the respective transitional provisions that allow us not to disclose this information for the first year, or first three years, as applicable, of reporting. This applies notably to the Climate Change and Resource Use and Circular Economy sections. Information regarding the scope of consolidation can be found in the Incorporation by Reference section of our Appendix ⤓. As we are also listed in the United States, we will be subject to the U.S. Securities and Exchange Commission's (U.S. SEC) stayed climate disclosure rule. We are analyzing ongoing developments and plan to adapt our future Group sustainability statement to fulfill the U.S. SEC requirements as well once they enter into force.

The datapoints that derive from other EU legislation and are required by ESRS are presented in the Appendix.

We applied the time horizons as they are defined in ESRS 1: short term (up to one year), medium term (more than one and up to five years), and long term (more than five years). Unless otherwise stated, all the actions we present in this Group sustainability statement are ongoing. If not explicitly stated, a metric was not validated by experts other than our assurance provider in the course of the assurance engagement. Because the numbers presented throughout this report are rounded, they may not add up exactly to the totals we provide, and percentages may not precisely reflect the absolute amounts. Since acquired companies that are still in the transition period (Taulia, Emarsys, Volume Integration, LeanIX, WalkMe) are not obliged to, nor do they follow certain SAP policies our action plans do not apply to them until they are fully integrated. More information is provided in the relevant sections.

Where we use estimated value chain data for metrics, we added the symbol 🔗 next to the metric. The following table lists all relevant metrics.

Metric	Section	Estimates Used for Value Chain Data	Planned Actions to Improve Accuracy
Scope 3 upstream and downstream emissions	Climate Change	See the description of our GHG emissions calculation methodology	We are actively working on replacing conversion factors with real data.

The following metrics contain a certain level of uncertainty and hence assumptions, approximations, and judgments:

Metric	Section	Measurement Uncertainty/Discretion
#Unfiltered survey metrics	Own Workforce	The #Unfiltered survey contains multiple questions that address organizational, team, and individual factors, which can create different indexes to measure change. Survey items have topic owners and may change from time to time to reflect current events and relevant organizational priorities. Not all questions are asked each time we run the survey but are carefully selected by the respective team. The timing of the survey and the response rate can vary.
SAP Talk	Own Workforce	The results are derived from a survey conducted with a randomly selected sample of 35,000 employees. Consequently, results may vary depending on the sample.
Electrical and electronical equipment waste	Resource Use and Circular Economy	Our partners aim to use the specific quotas of the recycling sites. If this data is not available, regional quotas or other available country quotas are used for approximation.
GHG emissions calculation methodology	Climate Change	Conversion factors we apply in our calculation lead to some measurement uncertainty. We are actively working on replacing these factors with real data.
Net Zero target	Climate Change	In modeling our reduction pathway to 2030, we considered future developments, such as the expected growth of our Company and the effects of our cloud strategy.

For easier identification of our metrics that contain a certain level of uncertainty, we marked the respective disclosures with the symbol ⊘ and highlighted them with a light gray box. We also used this

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symbol to indicate definitions and the inputs we used for our materiality assessment and other analyses, and similarly highlighted them with a light gray box.

Due to the first-time application of ESRS, the presentation of sustainability information in our Integrated Report changed compared to prior years. The most significant changes are as follows:

– We use ESRS instead of the Global Reporting Initiative (GRI) standards in the non-financial statement.

– Certain sections were moved from Further Information on Economic, Environmental, and Social Performance to the Group sustainability statement (for example, the Double Materiality Assessment section).

– Certain sections are no longer included because we deleted the Further Information on Economic, Environmental, and Social Performance (for example, GRI Index).

– The order and precise content of the sections previously included in the non-financial statement were changed. Some of this information is now presented in other sections. For example, content previously covered in the Human Rights section is now disclosed in either the Own Workforce or Workers in the Value Chain section.

To avoid duplication in our external reporting, we incorporate information by reference throughout the Group sustainability statement. We mark these references with the symbol ⤴. The references fulfill the requirements outlined by ESRS 1 and can be found in a reference table in the Appendix section (in the order they appear in the statement).

Independent Assurance

SAP's Group Sustainability Statement was subject to an independent assurance engagement with limited assurance. Additionally, BDO has provided reasonable assurance on selected sustainability information in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised). The key performance indicators (KPIs) subject to reasonable assurance are:

Own Workforce[1]			
Full name KPI	**Abbreviation**	**Full name KPI**	**Abbreviation**
Business Health Culture Index	BHCI	Employee Turnover	
Leadership Trust Net Promoter Score	Leadership Trust NPS		

Climate Change[2]			
Full name KPI	**Abbreviation**	**Full name KPI**	**Abbreviation**
Carbon Credits		Gross Greenhouse Gas Emissions (location-based)	Gross GHG Emissions (location-based)
Greenhouse Gas Emissions Scope 1	GHG Emissions Scope 1	Greenhouse Gas Emissions Scope 2 (location-based)	GHG Emissions Scope 2 (location-based)
Greenhouse Gas Emissions Scope 2 (market-based)	GHG Emissions Scope 2 (market-based)	Greenhouse Gas Emissions Scope 3 Downstream	GHG Emissions Scope 3 Downstream
Greenhouse Gas Emissions Scope 3 Upstream	GHG Emissions Scope 3 Upstream	Renewable Energy (including certificates)	
Total Energy Consumption			

[1] 2024 results for each KPI are BHCI 78 %, Employee Turnover 7.8 %, Leadership Trust NPS 68 Points.

[2] 2024 results for each KPI are Carbon Credits 229 kT of total GHG removed or reduced, Gross GHG Emissions (location-based) 6,986 kT, GHG Emissions Scope 1 109 kT, GHG Emissions Scope 2 (location-based) 120 kT, GHG Emissions Scope 2 (market-based) 1 kT, GHG Emissions Scope 3 Downstream 5.5m Tons, GHG Emissions Scope 3 Upstream 1.3m Tons, Renewable Energy (including certificates) 310,000 MWh purchased or acquired electricity, heat, steam and cooling, Total Energy Consumption 757,900 MWh.

For more information about the scope of the assurance and the underlying reporting criteria, see the Assurance Report of the Independent German Public Auditor on an Assurance Engagement to Obtain Limited and Reasonable Assurance in Relation to the Group Sustainability Statement.

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Sustainability Strategy and Governance

Sustainability Strategy

Closely tied to our purpose of "helping the world run better and improving people's lives," SAP aims to put sustainability at the core of every business. Sustainability is firmly anchored in our corporate strategy, governance, and Executive Board compensation system.

Sustainability is a key driver of business success and strategic differentiation in the modern economy. We aim to create a positive economic, environmental, and social impact while respecting planetary boundaries and human rights by following a dual approach:

1) SAP as an **enabler:** We strive to provide products and services that support our customers in driving their sustainability objectives along the supply chain, improving ESG transparency, and capitalizing on the related opportunities.

2) SAP as an **exemplar:** To live up to our corporate responsibility and build resilience, we strive to lead by example by running our own business operations and practice more sustainably.

Our performance has been recognized by sustainability ratings, rankings, and independent analysts. More information about the sustainability rewards that SAP has recently received can be found in our News Center.

Our sustainability strategy focuses on three pillars – climate action, circularity, and social responsibility – and on the cross-layer of holistic steering and reporting. These pillars reflect the topics that our double materiality assessment identified as material. For more information, see the Double Materiality Assessment section.

SAP's sustainability agenda supports the United Nations Sustainable Development Goals (UN SDGs). We work with our customers and partners across several initiatives to contribute to these goals. For more information, see our Integrated Report homepage.[1]

We have a dedicated business unit, which reports directly to our CEO, that focuses specifically on driving sustainability impact at SAP and beyond. For more information, see the Sustainability Governance section.

To further evolve both our own sustainable performance along the value chain and the solutions we provide to our customers, we actively engage and collaborate with partners, suppliers, governments, NGOs, and investors. For more information, see the Interests and Views of Stakeholders section. However, SAP's sustainability goals do not relate to any specific groups of products or services, customer categories, markets, geographical areas, or relationships with stakeholders.

SAP as an Enabler

We work with our customers from 25 industries worldwide, with the aim of creating a more sustainable world. We deliver ERP-centric (enterprise resource planning), cloud-based, AI-enabled sustainability solutions for companies of all sizes and industries, and we aim to support them by embedding sustainability into every aspect of their operations. As our installed base comprises many large companies and we are not aware of any of our products or services being banned in any market we can scale the impact of our powerful solutions beyond a single enterprise. Our comprehensive portfolio of sustainability software and services is designed to enable customers to rise to the business challenges of today and capitalize on opportunities. It helps them drive sustainable practices, not only within their organizations but across their value chains. Our cloud-based innovations and evolving AI-powered sustainability use cases aim to enable customers to constantly adapt to optimize their long-term sustainability impact.

The flexibility inherent in the cloud is essential in meeting the demands of complex sustainability regulations. A few examples of the software we provide in the cloud are SAP Sustainability Control Tower, SAP Sustainability Footprint Management, SAP Sustainability Data Exchange, SAP Responsible Design and Production, SAP Green Ledger, and SAP Business AI. SAP has just released two new AI-

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[1] Information that was neither part of the statutory audit nor the independent limited assurance engagement performed by our external assurance provider.

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driven sustainability use cases – emission factor mapping with AI and ESG report generation with AI – and is evaluating further use cases, which it expects to make available throughout the year. For more information on our products, see the Incorporation by Reference section of our Appendix ⤢. To ensure we use AI ethically, we have guiding principles and policies in place. For more information, see the Responsible AI.

SAP as an Exemplar

To reflect SAP's strategic approach to sustainability and to meet the ambition we set out above, our sustainability efforts encompass dedicated programs and initiatives to address material topics not only in our own business operations and practices, but also across our value chain.

– We are committed to lowering our emissions, reducing our resource use, and restoring ecosystems to foster a low-carbon, circular economy. SAP pledges to achieve net-zero emissions along our value chain by 2030, in line with a science-based 1.5 °C future, and is also committed to operating free of single-use plastics and ensuring zero e-waste in our operations. We are closely monitoring progress on our net-zero plans, and continuously evaluate whether they need any adjustment to reflect the increase in demand for energy due to the use of artificial intelligence and the fact that some of our vendors may not achieve their expected emission reductions, which contribute to our net-zero goal. For more information, see the Climate Change and Resource Use and Circular Economy sections.

– We are committed to respecting and advancing human rights along the value chain and driving positive societal impacts. This includes ensuring an equal, inclusive, and healthy workplace, powering equitable access to economic opportunity, education, and employment, and safeguarding the ethical use of AI and the protection of data and privacy. For more information, see the Human Rights, Own Workforce, Workers in the Value Chain, Responsible AI, and Security, Cloud Compliance, and Data Protection and Privacy sections.

– SAP is committed to doing business with integrity, meeting the highest standards of ethics and compliance, and employing and safeguarding responsible business practices. For more information, see the Business Conduct section.

To continue enhancing our sustainable business practices, we are committed to analyzing the positive and negative effects of our business operations on society and the environment throughout our value chain. These impacts can be quantified in monetary terms, since the impact data measures the value or cost to human well-being caused by business activities. These impacts are considered alongside financial metrics, both at the corporate level and the business-unit level. For more information about how we monetized our impact, see the Double Materiality Assessment section.

An increasing number of employees across all our lines of business work on making SAP's operations run more sustainably as part of their day-to-day jobs. In addition, employee engagement initiatives, such as the sustainability champions network of nearly 400 SAP employees from all regions and functions, raise sustainability awareness and enable our people to act as role models, multipliers, and motivators. The Own Workforce – Characteristics of our Own Workforce section and the Incorporation by Reference section of our Appendix ⤢, provide an overview of employee headcount, broken down by function and geographical area.

SAP is active only in the software and IT services sector, as defined by the ESRS SEC1 sector classification standard. Therefore, a breakdown by sector (as mentioned by the ESRS standard) is not necessary. For information about our total revenue please see the Incorporation by Reference section of our Appendix ⤢.

Our Business Model

See the Incorporation by Reference section of our Appendix ⤢ for more details on our business model, its inputs and outputs.

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Value Chain

SAP's core position in the value chain is to innovate, develop, deliver solutions, and support customers. For more information about our value chain, see the definition in the Double Materiality Assessment section.

Interests and Views of Stakeholders

We review and adjust our strategy whenever deemed necessary. The main adjustments made to our strategy in 2024 can be found in the Incorporation by Reference section of our Appendix ↪. We do not expect these adjustments to change our relationship with or the views of our stakeholders, as continuous innovation and focus on customer outcomes are always at the core of SAP's strategy and part of our ongoing strategy evolution process. For selected impacts, the Executive Board was updated about the views and interests of affected stakeholders. For more information, see the Sustainability Governance section.

At SAP, stakeholder engagement and collaboration are deeply embedded in our process of innovation and the development of our products and services. Before we can design a new solution, we must first understand the issues we are addressing. This is why we regularly liaise with the stakeholder groups described below, including our sustainability and AI ethics advisory panels.

Customers

For more information about our customer engagement programs, see the Incorporation by Reference section of our Appendix ↪.

Employees

For more information about the different ways in which we engage with our workforce, see the Processes for Engaging with Our Own Workforce in the Own Workforce section.

Financial Analysts and Investors

In 2024, SAP continued its strong engagement with the investment community. Throughout the year, members of the Executive Board of SAP SE and the Investor Relations (IR) team discussed our latest strategy and its execution, business development, and how SAP was helping customers meet the many challenges faced by companies today, with institutional investors, analysts, and private investors worldwide.

For more information about our dialogue with the financial community (that is, financial analysts, institutional investors, and retail shareholders), see the Continuous Engagement with the Investment Community section in Investor Relations.[2]

Partners

With more than 26,000 partners around the world, the SAP ecosystem is vital to our success. We take a multifaceted approach to engagement that begins with the dedicated, interactive SAP Partner Portal.

Partners receive regular communications, including customized newsletters, training offers, and Web seminars, with the latest announcements and thought leadership relevant to their specific partnership type. Additionally, virtual events are held throughout the year, around the globe, to further gauge partners' feedback on how SAP can continuously improve.

Non-Profit Organizations (NPOs) and Academia

Our ongoing dialogue with non-profit organizations (NPOs) and academic institutions plays a crucial role in our understanding of the current challenges we face as a society and how our solutions can address them. Through the SAP University Alliances program, we actively engage with students and faculty members, introducing them to SAP software through various networking and educational activities.

Sustainability Advisory Panel

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[2] Information that was neither part of the statutory audit nor the independent limited assurance engagement performed by our external assurance provider.

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The SAP Sustainability Advisory Panel provides strategic guidance to SAP on our sustainability journey as exemplar and enabler. The panel consists of renowned sustainability experts from various stakeholder groups (NGOs, customers, and partners) with sustainability expertise and experience in practice and theory.

The panel is hosted by our global head of sustainability and attended by SAP executives who (co-) own the session's topics. In 2024, the panel held four virtual meetings. Among the matters it discussed were our double materiality assessment, corporate sustainability strategy, and the strategy required to develop solutions that meet the market's need for software for sustainable business transition. Seeking to steadily strengthen our sustainability practices and to enhance our impact as an enabler and exemplar, we are continuously evaluating how to evolve our approach to meaningfully engage with stakeholders and explore new pathways of focused dialogue.

AI Ethics Advisory Panel

Our external AI Ethics Advisory Panel comprises academics, policy experts, and industry experts who provide constructive, outside-in feedback to SAP on ethical AI. For more information about AI ethics, see the Human Rights section.

Impact of Our Impacts, Risks, and Opportunities on SAP

The Global Strategy team works continuously on a global and consistent strategy for SAP, in which our purpose, vision, goals, and portfolio focus are always at the center. Our materiality analysis process involved thorough discussions and assessments with experts and managers from across the Group. We worked with our global risk management team to include and appropriately assess opportunities and risks and integrated them into their risk system.

SAP has continuously adapted to changes in the business environment, leveraging our technological expertise to stay ahead of the curve. Our commitment to innovation and sustainability has allowed us to address environmental and social impacts as an enabler and exemplar while also capitalizing on emerging market trends. By establishing strong partnerships and investing in research and development, SAP has positioned itself as a leader in the digital transformation space, enabling it to navigate challenges and capitalize on opportunities in a rapidly evolving global marketplace. Our valuation on the capital markets clearly shows the trust people have in the future development of SAP. In our opinion, this trust is largely based on the described prior successes to adapt and innovate.

Financial effects

We are not aware of any material current financial effects on SAP's financial position, financial performance, or cash flows resulting from risks and opportunities identified in the course of our materiality assessment. We do, however, see a significant year-over-year increase in sales of our sustainability solutions. The Executive Board and SAP's sustainability leaders brief the Supervisory Board regularly (at least once a year) on the SAP Group's sustainability strategy and progress on its implementation. For more information about how our administrative, management, and supervisory bodies are informed about the views and interests of stakeholders regarding SAP's sustainability-related impacts, see the Sustainability Governance section.

In our materiality assessment, we also considered the input of several SAP sustainability experts from various units and regions, taking different stakeholders' perspectives into account. For more information about our materiality assessment, see the Double Materiality Assessment section.

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Sustainability Governance

Information about the role of the SAP Executive Board and Supervisory Board – our management and supervisory bodies respectively – and about the sustainability matters they manage and monitor, has been incorporated by reference. Information about board composition and diversity, and how Executive Board incentive schemes integrate sustainability-related performance, has likewise been incorporated by reference. For the full reference table, see the Incorporation by Reference section of our Appendix.

The Executive Board and SAP's sustainability leaders brief the Supervisory Board regularly (at least once a year) on the SAP Group's sustainability strategy and progress on its implementation. Matters relating to SAP's regulatory sustainability reporting are delegated to the Audit and Compliance Committee. The briefings, notably those to the full Supervisory Board, also comprise information and updates about SAP's material Impacts, Risks, and Opportunities (IROs).

Given the strategic relevance of non-financial targets for the development and sale of our products, and for our internal business processes, sustainability is sponsored at Executive Board level by our CEO and CFO. They are the sponsors of the ESG Steering Board; the governance body at SAP that manages the Company's corporate sustainability performance. It therefore focuses on sustainability in SAP's own operations. Convened by SAP's Global Head of Sustainability and consisting of senior executives from across the Company, it provides strategic guidance and cross-Company engagement for SAP's holistic sustainability agenda, including strategic oversight of our IROs. The steering board meets at least twice a year, with an Executive Board sponsor participating in at least one of the meetings per year.

The controls and procedures used to monitor, manage, and oversee IROs, and to set targets, are cascaded down the organization. The material IROs are allocated to the respective expert team at SAP that is most suitable for managing them. The IROs related to our data centers are, for example, allocated to our data center management team. These teams implement measures and set and manage targets. In a separate step, the IROs, the measures implemented, and the targets and progress on them, are reported to the Sustainability Team. On this level, the team checks if the information reported is consistent with the overall sustainability targets and approaches at SAP. Furthermore, our Risk Management Team compares the information in our Risk Management System. Lastly, we prioritize the IROs based on the initial result of the materiality analysis (higher rating = higher priority), the topic's strategic importance, and an assessment of the effectiveness of the management of the respective IRO. Whether an IRO is managed effectively is determined in part by the progress towards the target, the existence of policies, and professional judgement. The Sustainability Team then provides progress reports to our ESG Steering Board, which reviews the prioritized IROs on behalf of the Executive Board. In 2024, the meeting protocol was shared with SAP's Supervisory Board to inform them. In future years, we intend to include this information in the Global Head of Sustainability's yearly report to the Supervisory Board. In 2024, all IROs identified for SAP Security and Cloud Compliance and Data Protection were reported to the SAP Executive Board and Supervisory Board, as applicable, as part of the existing governance framework, and are aligned with the existing Global Risk & Assurance Services (GR&AS) standard risk reporting. The IROs S2-1 to S2-8, E1-5, E1-6, E1-8, E1-13, and E5-2, as well as the respective policies, targets, and action plans, have been included in the 2024 reports. Because the IROs were not presented to the ESG Steering Board until the end of the third quarter of 2024, they were not part of the decision-making on major transactions. Consequently, we did not consider any tradeoffs between them. However, for selected impacts, the Executive Board was updated about the views and interests of affected stakeholders. For example, it was kept informed about discussions with the Works Councils on matters relating to the German Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz (LkSG), or German Supply Chain Act) in 2024. Also, the results of our #Unfiltered survey, reflecting the views and interests of our employees, were discussed with Executive Board members.

Changes to policies, targets, and action plans are taken and implemented directly by the lower levels of this IRO oversight model, if possible. Otherwise, the topics are escalated to the ESG Steering Board, which evaluates whether Executive Board and/or the Supervisory Board involvement is required. In any case, the ESG Steering Board sends a status report to the Executive Board and the Supervisory

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Board. For more information about the role of SAP's Supervisory and Executive Boards in sustainability, see the Incorporation by Reference section of our Appendix ⬈.

Statement on Due Diligence

The due diligence processes that help us identify, prevent, mitigate, and address potential and actual negative impacts are described in the sections on the specific topics. The table below provides references to all sections covering these due diligence processes.

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Core elements of due diligence	Sections in the Group Sustainability Statement
Embedding due diligence in governance, strategy, and business model	Sustainability Governance
	Sustainability Strategy
Engaging with affected stakeholders in all key steps of the due diligence	Sustainability Governance
	Sustainability Strategy - Interests and Views of Stakeholders
	Materiality - Double Materiality Assessment
	Human Rights - Engagement in Human Rights
	Own Workforce - People Strategy - Our Approach
	Own Workforce - Engaging with our Own Workforce
	Own Workforce - Social Dialogue, Involvement of Works Councils
	Workers in the Value Chain - Our Approach and Policies
	Security, Cloud Compliance, Data Protection, and Privacy - Our Approach and Policies
	Responsible AI - Our Approach and Policies - Our Understanding of Affected Stakeholders
	Business Conduct - Our Approach and Policies - Communication
	Business Conduct - Our Approach and Policies - Speak Out at SAP
Identifying and assessing adverse impacts	Materiality - Double Materiality Assessment
	Sustainability Strategy
Taking actions to address adverse impacts	Climate Change - Climate Change Mitigation - Our Actions and Targets - Actions
	Resource Use and Circular Economy - Our Actions and Targets
	Own Workforce - Engaging with our Own Workforce - Our Actions and Targets
	Own Workforce - Global People Compliance - Our Actions and Targets
	Own Workforce - Total Rewards - Our Actions and Targets
	Own Workforce - Diversity and Inclusion - Our Actions and Targets
	Own Workforce - Talent Development - Our Actions and Targets
	Own Workforce - Future of Work - Our Actions and Targets
	Own Workforce - Health, Safety, and Well-Being - Our Actions and Targets
	Own Workforce - Data Protection and Privacy - Our Actions and Targets
	Workers in the Value Chain - Our Actions and Targets
	Security, Cloud Compliance, and Data Protection and Privacy - Our Actions and Targets
	Responsible AI - Our Actions and Targets
	Business Conduct - Our Actions and Targets
Tracking the effectiveness of our efforts and communicating	Climate Change - Our Actions and Targets
	Resource Use and Circular Economy - Our Actions and Targets
	Own Workforce - Global People Compliance - Our Actions and Targets
	Own Workforce - Social Dialogue, Involvement of Works Councils - Our Actions and Targets
	Own Workforce - Total Rewards - Our Actions and Targets
	Own Workforce - Diversity & Inclusion - Our Actions and Targets
	Own Workforce - Talent Development - Metrics on Material Topics
	Own Workforce - Health and Well-Being - Our Actions and Targets
	Workers in the Value Chain - Our Actions and Targets - Addressing Material Impacts on Value Chain Workers
	Security, Cloud Compliance, and Data Protection and Privacy - Metrics on Material Topics
	Responsible AI - Our Actions and Targets
	Business Conduct - Our Actions and Targets

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Risk Management and Internal Controls over Sustainability Reporting

Internal Controls over Sustainability Reporting

The Global Risk and Assurance Services (GR&AS) unit, led by the chief risk officer (who also acts as chief audit executive and reports to our Group CFO), is responsible for risk management programs and for activities related to internal audits, SOX, internal controls, ESG, and global governance. In 2024, GR&AS began assisting in the design and implementation of an ESG compliance framework supported by internal controls. This framework focuses on the non-financial KPIs used to determine Executive Board compensation that are audited with reasonable assurance. The first step in this framework was to analyze the reporting process, identify possible risks, and mitigate them afterwards with controls. We prioritized the high and medium inherent level risks. A risk of collecting incorrect or inaccurate information was identified in the process and is thoroughly mitigated by our robust ESG external reporting controls. For a full description of SAP's overall risk management system, see the Incorporation by Reference section of our Appendix ⤴.

Risk Management

Risks related to sustainability are identified both as part of the materiality assessment and throughout the whole risk cycle, for example in regular conversations with the stakeholders involved.

We prioritize risks by using the methods proposed in ESRS and in the German Supply Chain Act.

The financial and non-financial impacts, risks, opportunities, and responses relevant for ESRS are prioritized by risk level (severity/impact x probability) and time horizon, with the number 1 signifying the highest priority. We prioritize all other risks not related to sustainability at SAP using the same approach.

Time Horizon	Low	Medium	High
Short term	5	2	1
Medium term	7	4	3
Long term	9	8	6

The risks relevant to the German Supply Chain Act are the only exception; they are prioritized according to other criteria, which are taken from the guidelines published by Germany's Federal Office for Economic Affairs and Export Control (Bundesamt für Wirtschaft und Ausfuhrkontrolle, BAFA).

SAP's internal control system covers our steering-relevant non-financial KPIs and in 2024, our materiality analysis was subject to an internal audit. Information about SAP's internal control system and its coverage of sustainability topics is incorporated by reference. For the full reference table, see the Incorporation by Reference section of our Appendix ⤴.

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Double Materiality Assessment

To identify the sustainability topics for disclosure in our Integrated Report, we conducted a comprehensive double materiality assessment (DMA) in accordance with the requirements of new the European Sustainability Reporting Standards (ESRS) under the Corporate Sustainability Reporting Directive (CSRD).

We previously reported under the standards of the Global Reporting Initiative (GRI). From 2024, SAP will follow the ESRS double materiality approach. Under this approach, sustainability topics are evaluated from both financial (risks and opportunities) and impact (positive and negative impacts) perspectives; a single impact, risk, or opportunity (IRO) triggers materiality for an entire topic.

We describe below how we identify, assess, and prioritize our IROs to determine their materiality.

Our 2022 and 2024 materiality assessments differ as follows:

– Our 2024 materiality assessment refers to ESRS topics and sub-topics, whereas our 2022 assessment referred to issues. Issues were not defined by a standard and can, in some cases, be comparable to a topic (for example, biodiversity was designated as an *issue* in our 2022 assessment and is a *topic* in the 2024 assessment), a sub-topic, or a sub-sub-topic (the *well-being, health, and safety issue*, in our 2022 assessment is comparable to the *work-life balance* and *health and safety sub-sub-topics* in our 2024 assessment).

– In 2024, we conducted an impact materiality assessment, whereas, in 2022, we completed an inside-out assessment under the GRI standards. The method used in each case is comparable but details, such as the scale used, differ.

– Our 2024 financial materiality assessment followed a different approach to the one we used for the outside-in assessment in 2022. In 2024, we considered each topic's magnitude and likelihood, rather than its financial, strategic, and regulatory relevance to SAP's business success and resilience.

Methodology

To determine our material sustainability topics, we first identified the relevant and SAP-specific IROs for each ESRS sustainability topic (for example, climate change and own workforce). We based our assessment on the materiality results from previous years and considered all ESRS-relevant sustainability topics, sub-topics, and sub-sub-topics.

The assessment was carried out by our internal stakeholders and experts, and by the applicable business units. They and our sustainability team were involved throughout the process, from identifying and assessing the topics, to deriving the possible consequences of the material impacts, risks, and opportunities. This approach allowed us to directly address any influences resulting from the assessment.

We distinguished between potential and actual positive and negative impacts, and risks and opportunities that derive from dependencies on natural, human, and social resources. The screening covers the overall SAP value chain. In this context and in relation to the environmental, social, and governance topics, a positive impact is any action that improves the status quo, and a negative impact is a detrimental effect on it.

Evaluation

⊘ Internal Expert

The materiality of the IROs we identified was assessed by internal experts from, for example, our Total Rewards and Data Center Management teams. We assigned the IROs related to a specific topic to the respective team or teams for assessment. While we selected these experts carefully, due to the nature of the materiality assessment their judgment determines its outcome. Consequently, the results of our materiality assessment are influenced by our choice of experts.

Impact Valuation Approach

We use the Value Balancing Alliance (VBA) methodology to measure and value the impact that SAP's business activities have on society and the environment.

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For this purpose, we follow the impact measurement and valuation approach. This approach refers to the process of first measuring the physical impact, typically by way of ESG indicators, and then using impact valuation factors to convert these indicators into monetary values. Attributing a monetary value to ESG indicators makes it easier to compare sustainability and financial metrics. It also allows material sustainability topics to be incorporated into financial accounting systems and, as a result, enables meaningful sustainability management in line with financial indicators.

SAP applies widely used, state-of-the-art science-based valuation factors to integrate non-financial, monetary performance indicators that companies, investors, and other stakeholders can use for comparison. Methods continue to mature year over year, and various challenges still need to be addressed.

Each IRO was screened and reviewed by an in-house expert and cross-checked by the Sustainability team and the Global Risk & Assurance Services team. As input parameters, SAP used internal and external data, such as risk assessment data under the German Supply Chain Act, VBA results, and relevant literature. Besides drawing on in-house expertise, SAP also engaged with external experts on the Sustainability Advisory Panel, who reviewed the assessment results and provided us with valuable feedback. To validate the experts' assessment, we used the results from our internal VBA impact accounting and mapped them to the IROs. The VBA helps us measure environmental and social impacts and put a monetary value on them so that they can be compared with financial performance. To this end, we compared the results of the VBA and of our materiality assessment to verify that both arrive at the same materiality result when the financial threshold is applied.

- **Impact materiality – impacts of our business activities on sustainability matters:** We screened the scale and scope of positive and negative impacts and, where the impacts were negative, assessed the extent to which they were irremediable. Future potential impacts were multiplied by their likelihood. For this assessment, we used a scale ranging from 1 (lowest) to 5 (highest) for each dimension (scale, scope, and irremediability) and calculated an impact score ranging from 1 to 15. Every impact with a rating of 8 or above was considered material. This threshold ensured that an impact was deemed to be material if one dimension received the highest rating and one other dimension not the lowest. As we did not assess irremediability for positive impacts, we multiplied them by a factor to enable them to be compared with negative impacts. For more information about how SAP manages its impacts and the related due diligence processes, see the Sustainability Governance section.

To understand the level of control SAP has over an impact, we assessed whether an impact derived from a business relationship, its position in the value chain, its scope (whether it affects a specific location or is global), and whether it was direct or indirect. For topics that already had a higher relevance in prior years, such as emissions and employees, more IROs were included in the initial long-list than for other topics.

- **Financial materiality – impacts of sustainability matters on SAP's financial performance:** For risks and opportunities, we multiplied the magnitude of the financial impact by the likelihood of occurrence. The scale and threshold have been aligned with the risk management system. For more information, see the Risk Management and Risks section in our Combined Management Report.

SAP created a list of potential risks and opportunities by evaluating scenarios in which sustainability-related risks and opportunities can arise. Our approach involved reviewing and assessing these risks and opportunities, and considering whether they arise from an impact or not. To this end, as part of the assessment we asked our experts whether they considered any impact to be the source of a risk, of an opportunity, or of both. The assessment metrics our internal experts used were current trends, the nature of their effects, and business planning. Lastly, all results were subject to a review by our Global Risk & Assurance Services team.

Value Chain

SAP's value chain comprises the upstream value chain, our own operations, direct business, and the downstream value chain.

Actors in the **upstream value chain** (for example, suppliers) provide SAP with products or services that are used in the development of SAP's products or services. Among our key procurement items are

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hyperscale services and IT hardware, which create greenhouse gas emissions when used (for more information, see the Climate Change section) and e-waste at their end of life (for more information, see the Resource Use and Circular Economy section). By procuring such products, we may also influence the workers of our suppliers (for more information, see the Workers in the Value Chain section).

Own operations cover actors, resources, and supporting activities (for example, human resources; HR) that enable SAP's business.

Direct business covers activities and resources (for example, development and marketing) that form SAP's core business. These activities have an impact on our employees and are carried out by them (for more information about our own employees, see the Own Workforce section). Also, SAP's employees must perform those tasks in an ethical way (for more information, see the Business Conduct section), and they have to safeguard the security and privacy of the data involved (for more information, see the Security, Cloud Compliance, and Data Protection and Privacy section). The same is true for our products (for more information, see the Responsible AI section).

Lastly, our **downstream value chain** consists of our customers (business to business (B2B)) that receive products or services from SAP, and our partners, which sell SAP products and services to customers, or run SAP solutions for them. The way customers use our products can influence greenhouse gas emissions (for more information, see the Climate Change section) but also enable them to actively manage their environmental impact. Also, our activities related to security, privacy, and responsible AI affect customers. Please note that the connections mentioned here are the most important ones only.

The main business actors in our upstream value chain are suppliers, and in our downstream value chain our customers and partner ecosystem.

Unless otherwise stated, SAP's entire up- and downstream value chain described above is covered in the Group Sustainability Statement. Whenever we have used the option to omit certain information because it was classified as sensitive or it is information about intellectual property, know-how, or results of innovation, we have stated that fact in the respective section. Datapoints that were classified as not material have not been included in the report.

Approval of the Double Materiality Assessment

SAP's CEO and CFO approved the materiality assessment. After this initial approval, the ESG Steering Board is then involved in the continuous assessment of the measures and targets related to the IROs. For more information, see the Sustainability Governance section.

Results of the Double Materiality Assessment

SAP discloses only the datapoints related to material IROs. In some cases, a specific section has been created to fulfill the disclosure requirements for a single subtopic or sub-subtopic. To determine whether a datapoint was material for us, we used the flow chart from ESRS 1 Appendix E.

The results of our materiality assessment show that the material topics for SAP are environmental and social matters, and their associated impacts, risks and opportunities.

The table below summarizes all material impacts SAP has on the outside world and the material risks and opportunities resulting from the topics covered by this Group Sustainability Statement. The IROs are sorted by topic, their relation to SAP's strategy and business model, their location in the value chain location, time horizon, and so on. The *IRO Identifier* column in the table indicates whether an IRO is discussed in the subsequent sections.

Topic	IRO Type	Description	IRO Identifier	Value Chain Location upstream	own-operations	downstream	Time Horizon short-term	medium-term	long-term	Impact actual	potential	direct	indirect	Company-specific
Climate change mitigation	Positive impact	SAP sustainability solutions will help our customers to reduce/eliminate their GHG emissions.	E1-1		•		•	•	•	•			•	
Climate change mitigation	Negative impact	Contribution to global warming/climate crisis through the emission of greenhouse gases in connection with the use of energy (e.g. heating/cooling, operation of office facilities).	E1-2		•		•	•	•	•		•	•	
Climate change mitigation	Negative impact	Contribution to global warming/climate crisis through the emission of greenhouse gases in connection with the use of energy in connection for the operating our software (e.g. hyperscale, operation of data centers).	E1-3	•			•	•	•	•		•	•	
Climate change mitigation	Negative impact	Business travel, corporate jets, and a large, global car fleet, in which the majority are diesel- or gasoline-fueled, generate greenhouse gas emissions, fumes, and noise.	E1-4		•		•	•	•	•		•	•	
Energy	Negative impact	GHG emissions from energy consumption in global offices (Location Based).	E1-5		•		•	•	•	•		•		
Energy	Negative impact	GHG emissions stemming from energy consumption for major data center infrastructure (Location Based).	E1-6		•		•	•	•	•		•		
Energy	Negative impact	Increased energy consumption and greenhouse gas emissions of customers using our products; especially on-premise IT solutions powered by inefficient, energy-intensive, non-renewable energy.	E1-7			•	•	•	•	•			•	
Energy	Negative impact	Increased energy consumption due to adoption of energy intensive technologies (such as AI) and cloud transition.	E1-8	•	•		•	•	•	•		•		
Climate change mitigation	Opportunity	Customers may be exposed to fines and legal action due to not meeting external demands regarding climate change mitigation (regulatory reporting and transformation obligations, customer contract agreements) and might buy SAP sustainability products (transition risks).	E1-9		•				•	NA		NA		
Climate change mitigation	Opportunity	Proactive and enforced engagement in mitigation initiatives, transformation measures, and innovations (including the development of new SAP solutions) can help to make SAP more resilient, build up competitive advantage, enhance SAP's brand reputation, win new markets, increase revenues, maintain long-term viability, and reduce costs internally.	E1-10			•	•	•	•	NA		NA	NA	
Climate change mitigation	Opportunity	Increasing demand for software solutions tracking CO2 emissions - EHS-EM, SCT, SFM, SDX.	E1-11		•	•	•	•	•	NA		NA		
Energy	Opportunity	Energy efficiency leads to cost savings in offices.	E1-12		•		•	•	•	NA		NA		
Energy	Risk	Energy price volatility risk in own operations and our value chain.	E1-13	•	•	•	•	•	•	NA		NA		
E-Waste	Negative impact	SAP-operated global data center infrastructure generates electronic waste.	E5-1		•		•	•	•	•		•		
E-Waste	Negative impact	Generation of electronic waste in external data centers (Hyperscalers).	E5-2	•			•	•	•	•			•	
E-Waste	Negative impact	Indirect production of waste through the procurement of docking stations and keyboards.	E5-3	•			•			•			•	

| Topic	IRO Type	Description	IRO Identifier	Value Chain Location – upstream	own-operations	downstream	Time Horizon – short-term	medium-term	long-term	Impact – actual	potential	direct	indirect	Company-specific
E-Waste	Negative impact	Indirect production of waste through the procurement of laptops and screens.	E5-4	•			•	•	•	•			•	
S1: Adequate wages	Positive impact	We ensure, through different mechanisms, that employees are paid fairly and equally for work of equal value.	S1-1		•		•	•	•	•		•		•
S1: Freedom of association	Positive impact	Existence of and cooperation with social partners, including unions, works councils and other representative bodies in negotiations ensures a better representation of employees' interests and therefore a higher employee satisfaction and trust in SAP.	S1-2		•		•	•	•	•		•		•
S1: Freedom of association	Negative impact	Violation of employees' right to social partners, including unions, works councils and other representative bodies leads to negative impacts on employees.	S1-3		•		•	•	•		•	•		•
S1: Work-life balance	Positive impact	SAP's work environment supports work-life balance through flexible work schedules, trust-based working hours, and hybrid work options.	S1-4		•		•	•	•	•		•		
S1: Health and safety	Positive impact	We promote healthy behavior and well-being for our employees through various programs and offerings.	S1-5		•		•	•	•	•		•		•
S1: Gender equality and equal pay for work of equal value	Positive impact	Improve employee performance through job satisfaction, motivation, and productivity as a result of equal opportunities and equal treatment.	S1-6		•		•	•	•	•		•		
S1: Training and skills development	Positive impact	Training and development programs at SAP can help our employees to obtain valuable and relevant new skills and improve their career development.	S1-7		•		•	•	•	•		•		•
S1: Employment and inclusion of persons with disabilities	Positive impact	Accessibility and equality: Making SAP buildings, digital platforms, and training content accessible to people with disabilities, while also providing necessary accommodations and possibility to self-disclose their disability ensures equal opportunities for all employees.	S1-8		•		•	•	•	•		•		•
S1: Measures against violence and harassment in the workplace	Positive impact	A non-discriminatory environment fosters a high rate of well-being among our own employees.	S1-9		•		•	•	•	•		•		•
S1: Measures against violence and harassment in the workplace	Positive impact	We improve employees' sense of belonging, satisfaction, and trust in SAP through well-defined structures put in place to support employees on topics related to discrimination and harassment.	S1-10		•		•	•	•	•		•		•
S1: Diversity	Positive impact	Improve employee performance through job satisfaction, motivation, and productivity as a result of diversity and inclusion programs and networks.	S1-11		•		•	•	•	•		•		
S1: Diversity	Negative impact	Psychological harassment (such as bullying, retaliation) can lead to mental and physical health issues, for example, and create a hostile work environment.	S1-12		•		•	•	•	•		•		
S1: Other work-related rights	Negative impact	Employees' individual rights could be violated if their personal data is lost or if data protection and privacy laws are breached.	S1-13		•		•	•	•		•	•		
S2: Adequate wages	Negative impact	Paying employees less than a decent living wage can lead to significant financial distress, perpetuation of poverty, and adverse effects on the overall economy.	S2-1	•			•	•	•		•		•	

Topic	IRO Type	Description	IRO Identifier	Value Chain Location upstream	own-operations	downstream	Time Horizon short-term	medium-term	long-term	Impact actual	potential	direct	indirect	Company-specific
S2: Health and safety	Negative impact	Health and safety issues in the workplace can lead to physical harm and higher rates of sick leave, and reduce workers' morale and satisfaction.	S2-2	•			•	•	•		•		•	
S2: Gender equality and equal pay for work of equal value	Negative impact	Discrimination and inequality violate workers' rights and can lead to (psychological) stress.	S2-3	•			•	•	•		•		•	
S2: Measures against violence and harassment in the workplace	Negative impact	If there are no effective measures against violence and harassment in the workplace, SAP might be linked to the abuse of people in the value chain.	S2-4	•			•	•	•	•	•	•	•	
S2: Child labour	Negative impact	Child labor in the upstream or downstream supply chain would violate human rights.	S2-5	•			•	•	•		•		•	
S2: Forced labour	Negative impact	Forced labor is a severe human rights violation that can cause psychological harm to individuals and contribute to unsafe working conditions.	S2-6	•			•	•	•		•		•	
S2: Privacy	Negative impact	The failure of SAP systems could lead to people's data being lost, their right to privacy being violated, and to financial losses.	S2-7	•			•	•	•	•	•	•	•	
S2: Privacy	Negative impact	In the event of a data breach, employees' right to privacy could be violated, which could lead to financial losses.	S2-8	•			•	•	•	•	•	•	•	
Privacy	Positive impact	Increase customer trust through timely and transparent communication of responsible actions regarding to security, privacy and compliance.	SP-1			•	•	•	•	•		•	•	•
Privacy	Negative impact	If a significant security event or incident were to occur, customers' or suppliers' rights to data protection may be affected and their data lost, therefore exposing SAP to liability and reputational harm.	SP-2			•	•	•	•		•	•	•	•
Privacy	Positive impact	Compliance with a new or competing attestation, certification or assessment would enable customers to reach markets previously unattainable on their own and transfer some of the costs and responsibility to SAP for their care as a service provider, thereby improving our reputation.	SP-3		•	•	•	•	•	•		•	•	•
Privacy	Risk	Cybersecurity attacks or breaches, and security vulnerabilities in our infrastructure or services or those of our third-party partners could materially impact our business operations, products, and service delivery.	SP-4			•	•	•	•	NA	•	NA	•	•
Privacy	Risk	Costs due to fines, loss of trust and loss of sales due to the loss of customer data (e.g. as a result of a cyber attack).	SP-5			•	•	•	•	NA	•	NA	•	•
Privacy	Risk	Potential fines, damages claims and loss of reputation can harm customer trust, enhance costs and thus have a negative impact on our cash flow.	SP-6	•	•	•	•	•	•	NA	•	NA	•	•
Responsible marketing practices	Opportunity	Increase revenue by taking a leadership role in ensuring customer satisfaction and rights, including responsible marketing and sales practices.	SP-7		•		•	•	•	NA	•	NA	•	•
Responsible AI	Positive impact	By using artificial intelligence (AI) responsibly, SAP can drive efficiency and economic growth in an ethical manner.	AI-1	•	•		•	•	•	•	•	•	•	•

Topic	IRO Type	Description	IRO Identifier	Value Chain Location — upstream	Value Chain Location — own-operations	Value Chain Location — downstream	Time Horizon — short-term	Time Horizon — medium-term	Time Horizon — long-term	Impact — actual	Impact — potential	Impact — direct	Impact — indirect	Company-specific
Responsible AI	Negative impact	Implementing AI systems improperly can affect human rights.	AI-2	•	•	•	•	•			•	•	•	•
Responsible AI	Opportunity	We can position SAP as a trusted provider of relevant, reliable, and responsible AI.	AI-3	•	•	•	•	•	•	NA		NA	•	•
Corporate culture	Positive impact	Compliant and ethical business positively impacts social and economic development, furthering education, justice, democracy, prosperity, development, and health worldwide. Employees benefit by working for a company seen as ethical and one that they can trust.	G1-1	•	•	•	•	•	•	•		•	•	•
Protection of whistleblowers	Opportunity	Protection of whistleblowers and assurance of non-retaliation contribute to a greater willingness to speak out about concerns and thus helps deter corruption and wrongdoing and minimize risks.	G1-2	•	•	•	•	•	•	NA		NA	•	•
Prevention and detection including training	Opportunity	Cost savings and legal protection through deep-dive compliance risk assessment for high-risk market units.	G1-3	•	•	•	•	•	•	NA		NA	•	•
Prevention and detection including training	Risk	Increased cases of non-compliance and potential greater risk to the company.	G1-4	•	•	•	•	•	•	NA		NA	•	•

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The environmental, social, and governance topics we used as input for our materiality assessment are already embedded in our corporate strategy. Our table of results for all material IROs shows where they are located in our upstream and downstream value chain. We considered all impacts that relate to our data centers (e-waste and carbon emissions) and to AI, equal opportunities and equal treatment, training and development, security, cloud compliance, and data protection and privacy, and business conduct as connected to our strategy and business model.

The social topics are mainly global, and are therefore considered across the SAP Group and value chain where relevant, and cannot be broken down by individual countries or regions.

The main IROs for environmental topics relate to our core business and include software solutions, data management, energy availability and utilization, and electronic waste.

Double Materiality Assessment

Legend:
- Environmental
- Social
- Governance
- Entity Specific
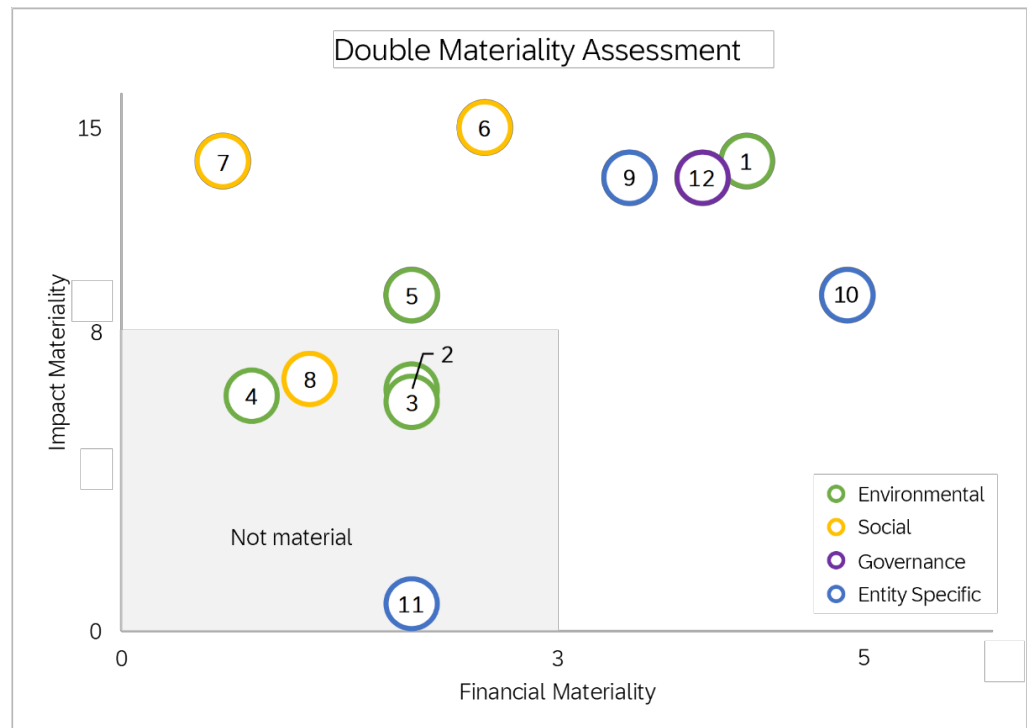
X-axis: Risk and opportunity score
Y-axis: Impact score
Gray area: Disclosure threshold

We assessed the IROs for each topic. The highest score in each topic determined where that topic is placed on the axes above. The numbering in the circles is for allocation purposes (see the Material Topics and Sub-Topics table below). The disclosure threshold contains all topics that were assessed as not material. The table below presents the results at topic and sub-topic level and lists the sections in which the respective topic or sub-topic is discussed. Please note that all IROs are covered by ESRS disclosure requirements. The only exceptions are IROs that relate to the security, cloud compliance, and data protection and privacy, and responsible AI topics.

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Material Topics and Sub-Topics

Topic Number	Topic	Sub-Topic	Disclosure Requirement	Section	Section
1	Climate change	Climate change mitigation	Policies related to climate change mitigation	Climate Change	Our Approach and Policies
			Actions and resources in relation to climate change policies		Our Actions and Targets
			Targets related to climate change mitigation		Our Actions and Targets
			Gross Scopes 1,2,3 and total GHG emissions		GHG Emissions Scopes 1, 2 (location- and market-based), and 3 Upstream and Downstream, and Gross GHG Emissions (location- and market-based)
			GHG removals and GHG mitigation projects financed through carbon credits		Metrics on Material Topics
		Energy	Energy consumption and mix		Energy Consumption and Mix
5	Circular economy	(E-)Waste	Policies related to resource use and circular economy	Resource Use and Circular Economy	Our Approach and Policies
			Actions related to resource use and circular economy		Our Actions and Targets
			Resource outflow		Our Actions and Targets
6	Own workforce	General disclosures	Policies related to own workforce	Own Workforce	Global People Compliance – Our Approach and Policies
					Social Dialogue, Involvement of Works Council – Our Approach and Policies
					Total Rewards – Our Approach and Policies
					Diversity & Inclusion – Our Approach and Policies
					People Development – Our Approach and Policies
					Flexible Working at SAP – Our Approach and Policies
					Health, Safety, and Well-Being – Our Approach and Policies
					Data Protection and Privacy
			Processes for engaging with own workforce and workers' representatives about impacts		Processes for Engaging with Our Own Workforce
			Processes to remediate negative impacts and channels for own workforce to raise concerns		Global People Compliance
			Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions		Global People Compliance – Our Actions and Targets
					Social Dialogue, Involvement of Works Council – Our Actions and Targets
					Total Rewards – Our Actions and Targets
					Diversity & Inclusion – Our Actions and Targets
					People Development – Our Actions and Targets
			Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		Flexible Working at SAP – Our Actions and Targets
					Health, Safety, and Well-Being – Our Actions and Targets
					Data Protection and Privacy
		Working conditions	Adequate wages		Total Rewards – Our Approach and Policies
			Work-life balance metrics		Total Rewards – Metrics on Material Topics
			Health and safety metrics		Health, Safety, and Well-Being – Our Actions and Targets

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Topic Number	Topic	Sub-Topic	Disclosure Requirement	Section	Section
		Equal treatment and opportunities for all	Characteristics of the undertaking's employees		Characteristics of Our Own Workforce
			Characteristics of non-employees in the undertaking's own workforce		Characteristics of Non-Employee Workers in Our Own Workforce
			Diversity metrics		Diversity & Inclusion – Metrics on Material Topics
			Remuneration metrics (pay gap and total remuneration)		Total Rewards – Metrics on Material Topics
			Persons with disabilities		Diversity & Inclusion – Metrics on Material Topics
		Other work-related rights	Collective bargaining coverage and social dialogue		Social Dialogue, Involvement of Works Councils – Metrics on Material Topics
			Social protection		Total Rewards – Metrics on Material Topics
			Training and skills development metrics		People Development – Metrics on Material Topics
			Incidents, complaints and severe human rights impacts		Global People Compliance – Metrics on Material Topics
7	Workers in the value chain	Working conditions, equal treatment and opportunities for all, and other work-related rights	Policies related to value chain workers	Workers in the Value Chain	Our Approach and Policies
			Processes for engaging with value chain workers about impacts		Our Actions and Targets
			Processes to remediate negative impacts and channels for value chain workers to raise concerns		Our Actions and Targets
			Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action		Our Actions and Targets
9	Security, cloud compliance, and data protection and privacy	Company-specific	Policies adopted to manage material sustainability matters	Security, Cloud Compliance, Data Protection and Privacy	Our Approach and Policies
			Actions and resources in relation to material sustainability matters		Our Actions and Targets
			Metrics in relation to material sustainability matters		Metrics on Material Topics
			Tracking effectiveness of policies and actions through targets		Our Actions and Targets
10	Responsible AI	Company-specific	Policies adopted to manage material sustainability matters	Responsible AI	Our Approach and Policies
			Actions and resources in relation to material sustainability matters		Our Actions and Targets
			Metrics in relation to material sustainability matters		Our Actions and Targets
			Tracking effectiveness of policies and actions through targets		Our Actions and Targets
12	Business conduct	General disclosures	The role of the administrative, supervisory and management bodies	Business Conduct	Our Approach and Policies
		Corporate culture	Corporate culture and Business conduct policies		Our Approach and Policies
		Protection of whistleblowers	Prevention and detection of corruption and bribery		Our Actions and Targets
		Corruption and bribery	Confirmed incidents of corruption or bribery		Metrics on Material Topics

The following topics are not material: 2 Pollution, 3 Water and marine resources, 4 Biodiversity and ecosystems, 8 Affected communities, and 11 Geopolitical uncertainty.

We continuously monitor and evaluate the effectiveness of all activities to manage our IROs. For more information, see the Sustainability Governance section.

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Materiality Assessment for Climate Change Adaptation

Our assessment in accordance with ESRS found climate change adaptation not to be material. For the reason that data centers are constructed to withstand various physical threats, which mitigates the risk from climate change. We therefore do not expect our operations to be at risk from climate change in the foreseeable future. Even though climate change adaptation is not considered material, SAP continuously monitors the developments to take preventive measures if necessary.

Integration into Overall Risk and Opportunity Management

SAP uses standard risk management and reporting processes and schedules to track IROs. For more information, see the Sustainability Governance section and the Incorporation by Reference section of our Appendix ⤴.

Specific IRO Disclosures on Environmental Topics

Climate Change

As described above, we identified 20 IROs pertaining to E1 Climate change and energy; SAP did not identify any material transitional or physical risk.

Impact on Climate Change

SAP has screened its value chain to identify where significant potential and actual impacts of greenhouse gas emissions are concentrated. Our analysis of physical and transitional risks covers the part of our value chain over which we have a sufficient control. We are working on improving data collection processes along the extended value chain. Thus, we expect a broader coverage of our analysis in the future.

We aim to reach net zero across our value chain in line with a 1.5°C future by 2030. We consider actual targets and actions to estimate the future carbon pathways it will take under the Company's net-zero transition plan. We are closely monitoring progress on our net-zero plans and continuously evaluate whether they need adjustments, considering the rise in demand for energy due to the use of artificial intelligence and the fact that some of our vendors may not achieve their expected emission reductions, which contribute to our net-zero goal. For more information about our greenhouse gas emissions, see the Climate Change section.

Physical Risks

SAP screened its activities to identify where it is exposed to climate hazards. The main physical risks for SAP are connected with our own and our colocation data centers, as our business model relies on their continuous operation.

In this context, SAP conducted a climate scenario analysis following the Does Not Significantly Harm criteria for the EU Taxonomy topic. The scenario analysis used was the SSP5-RCP8.5 scenario, which envisions a high-carbon future with an increase in average temperature of 4 degrees Celsius above preindustrial levels. We examined the highest priority categories of climate hazards that our colocations and data centers might face in the future. They are: water stress, variable temperature, heavy precipitation, and floods. These possible hazards enabled us to identify potential risks that SAP may encounter in the future.

SAP has assessed potential physical risk on the long-term horizon. We do not foresee that climate change hazards will affect our own or our colocation data centers in the foreseeable future, that is beyond five years.

To measure the magnitude of the financial effects and obtain a monetary value, we consulted subject-matter experts about the likely costs of relocating, constructing, and repairing our infrastructure in response to specific risks. To determine the likelihood, we considered the percentage of our facilities that are in high-risk areas, also bearing in mind that data centers and colocation facilities are designed to withstand and rebound from extreme weather events. Because only very few of our sites are situated in high-risk areas, we attributed a low likelihood, as it is highly unlikely that these events will affect SAP's operations. We regularly revisit and revise this assessment, and factor in emerging climate scenario findings and technological developments that could enhance SAP's resilience against various

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climate hazards. We are not aware of any critical climate-related assumptions made in our consolidated financial statements that would need to be compatible with the assumptions in our climate scenario analysis.

Transition Risk

Referring to the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD) on climate-related risks, SAP identified climate-related transition events. Our risk management experts conducted a preliminary screening of the transition risks related to SAP's business model. Due to the nature of SAP's business, no short- or medium-term transition events have been identified, and our analysis focused on long-term risk. SAP is not significantly exposed to transition risks, since it does not operate in high climate risk sectors. To mitigate transitional risk, we plan to adapt our data centers to future requirements. We are not aware of any critical climate-related assumptions made in our consolidated financial statements that would need to be compatible with the assumptions in our climate scenario analysis.

Pollution

In 2024, SAP consulted its internal experts to identify potential pollution-related impacts, risks, and opportunities. As part of this process, a thorough review of our sites and business activities was conducted. It concluded that there were no material pollution-related IROs, notably those related to substances of concern and microplastics. Since our internal review did not report any significant IROs, SAP identified the entire topic as not material and did not conduct any external consultations.

Water and Marine Resources

In 2024, SAP consulted its internal experts who manage SAP offices, data centers, and colocations, to identify potential IROs. Given SAP's business activities, water and marine resources were identified as not material. We nonetheless continue to monitor this topic. In 2024, water withdrawn was 682 thousand cubic meters (FY 2023: 710 thousand cubic meters). When we assessed materiality, we identified the water-stress parameters of the impacted locations from our risk assessment as not business relevant because of our low presence overall in water-stressed areas. We reassess this topic periodically to account for new locations, changes in trends, and improved climate scenario analysis. Since our internal screening and the VBA results did not identify any substantial IROs, SAP did not carry out any external consultations.

Biodiversity

SAP conducted an internal screening using various biodiversity databases to assess whether our own offices, and our own and our colocation data centers, are in biodiverse areas. Our screening found that two of our offices in Australia and one colocation data center in Dubai are inside, and 23 locations are close to a biodiverse area. The only direct interference that SAP has in relation to biodiversity is consumption of space, and in this regard. Consequently, we did not identify any biodiversity-related impacts for affected communities. We adhere strictly to local environment laws and regulations to ensure that our activities do not lead to any deterioration of natural habitats or disturb species in protected areas. At most of our own sites, we employ environmentally responsible practices, design energy-efficient data centers, and implement environmental management systems. We continuously monitor our environmental impact. Our consultation with internal experts identified no actual or potential dependency on biodiversity from any activities related to our business model. We therefore also did not identify any systemic or physical risk related to biodiversity. The only transition opportunity we identified here was an increase in the demand for sustainability related software. As no material IRO resulted, no specific consultations with external experts were carried out.

Resource Use and Circular Economy

In 2024, SAP consulted internal experts to identify potential IROs. We screened the resource inflow (procurements) and resource outflow (waste) topics in the context of SAP's business activities. To differentiate between the most relevant waste streams, SAP identified IROs for both waste and e-waste. The business units that were involved in this process are, for procurements, the global procurement department; for the waste stream, the global facilities team; and the units responsible for SAP IT equipment and SAP data center equipment. The materiality results show that, in line with SAP's business, the only material topic is e-waste, for which we have identified material impacts but no risks

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or opportunities. The material impacts associated with maintaining our current business operations are the IROs E5-1 to E5-4 and highlight the need for strategic adjustments to mitigate adverse effects on our ecosystem. No material risks were identified associated with maintaining the current business operations as usual.

With regard to the transition to a circular economy, we have not identified any IROs that are material for SAP, and while our negative impacts largely relate to resource inflows, these impacts were also not considered material for SAP because we are not a manufacturing company that depends on specific resource inflows. SAP is committed to ongoing transparency and improvement in these areas and to aligning our operational practices with the principles of sustainability and circular economy.

As our screening sufficiently covers the topic, we did not carry out any external consultations.

Specific IRO Disclosures on Business Conduct Topics

In 2024, SAP consulted internal experts to identify potential IROs. We screened SAP's corporate culture, the protection of whistleblowers, corruption and bribery (Office of Ethics and Compliance), and political engagement (Government Affairs), the management of relationships with suppliers, including payment practices, and animal welfare (Procurement Organization) in the context of SAP's business activities. The business units mentioned in brackets were involved in this process. Our evaluations took into account the location, activity, sector, and structure of the transactions. The materiality results show that, in line with SAP's business, the only material topics, for which we have identified material impacts, risks and opportunities, are corporate culture, protection of whistleblowers, and corruption and bribery.

With regard to animal welfare, we have not identified any IROs that are material for SAP, since it is a cloud-software company. Nor did we identify any material IROs relating to political engagement, the management of relationships with suppliers, or our payment practices. Here, we have robust policies in place governing political engagement and payment practices; these policies are strictly enforced.

As our screening sufficiently covered the topic, we did not consult any external experts.

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Environmental Information

In this section, we disclose information about SAP's material impacts, risks, and opportunities (IROs) related to environmental topics and responsibility. For more information, see the sections Climate Change and Resource Use and Circular Economy.

Sustainable Finance: EU Taxonomy Information

In accordance with Article 8 of Regulation 2020/852 of the European Parliament and of the Council of the European Union (EU Taxonomy regulation), we have included information about how and to what extent SAP's activities are associated with economic activities that qualify as environmentally sustainable under this regulation.

Our Approach and Policies

Assessment of Taxonomy Eligibility and Alignment

The EU Taxonomy is a classification system for sustainable activities, which distinguishes between "Taxonomy-eligible" and "Taxonomy-aligned" economic activities.

An activity is Taxonomy-eligible if it is described in relation to one of the six environmental objectives contained in the delegated acts, regardless of whether it meets the sustainability criteria. To be Taxonomy-aligned, the economic activity must additionally:

- contribute significantly to one of the environmental objectives,

- not cause significant harm to the other environmental objectives ("does not significantly harm" [DNSH] criteria),

- comply with the minimum safeguards (e.g. OECD Guidelines, UN Guiding Principles on Business and Human Rights).

So far, the EU Taxonomy has focused on the first two environmental goals "climate change mitigation" and "climate change adaptation". From 2024, the technical screening criteria will be extended to all six environmental objectives, including "sustainable use and protection of water and marine resources", "transition to a circular economy", "pollution prevention and control", and "protection and restoration of biodiversity and ecosystems".

The eligibility assessment for SAP's activities in 2024 is in accordance with the current EU Taxonomy Regulation and reflects the changes published in the Environmental Delegated Acts as well as the amendments to the Climate Delegated Act. As a result, SAP has identified economic activities as relevant for disclosure, using the steps described above, and examined whether they qualify as Taxonomy-aligned.

If an activity contributes significantly to multiple environmental objectives, we assigned it to the most relevant objective to avoid double counting. Our activities are exclusively assigned to the environmental objective "climate change mitigation".

Our Actions and Targets

SAP's Taxonomy-Eligible Economic Activities

We assessed the following activities as Taxonomy-eligible or -aligned in the reporting year:

1.2 Manufacture of electrical and electronic equipment

This activity covers expenditure on the purchase of electronic devices (laptops, smartphones, tablets, and monitors) and examines its possible significant contribution to the transition to a circular economy based on its technical screening criteria. The identified devices could be assessed as Taxonomy-eligible, but not yet as Taxonomy-aligned based on the assessment criteria.

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3.3 Manufacture of low carbon technologies for transport

This economic activity includes the vehicles purchased for the SAP car fleet. In 2024, SAP capitalized an amount of €205 million. For most of our electric vehicles, we were able to obtain the proof required for Taxonomy alignment from our suppliers, allowing us to report €70 million as Taxonomy-aligned.

6.5 Transport by motorbikes, passenger cars, and light commercial vehicles

Due to the transition from purchased to leased vehicles in our company car fleet, we will report the costs for this year under activity 6.5 "Transport by motorbikes, passenger cars and light commercial vehicles," which includes the acquisition, financing, leasing, and operation of passenger cars. The vehicles reported could be assessed as Taxonomy-eligible, but not yet as Taxonomy-aligned based on the specified assessment criteria.

7.1. Construction of new buildings

This activity includes expenditure incurred in the fiscal year for new buildings at SAP sites in Munich (Germany) and Bangalore (India). The buildings identified could be assessed as Taxonomy-eligible, but not as Taxonomy-aligned based on the specified assessment criteria of the environmental objectives of climate protection (CCM 7.1) and circular economy (CE 3.1).

7.2 Renovation of existing buildings

This activity includes expenses incurred in the financial year for renovation work carried out; these are essentially renovation costs for the SAP sites in Walldorf (Germany), Paris (France), and Palo Alto (USA). The buildings identified could be assessed as Taxonomy-eligible, but not as Taxonomy-aligned based on the specified assessment criteria of the environmental objectives of climate protection (CCM 7.2) and circular economy (CE 3.2).

7.4. Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)

Costs that fall under this activity arose during the further expansion of our e-charging infrastructure at our SAP locations. We are continuously expanding this worldwide. From 2025, most new company cars for employees are to be emission-free. The installations identified could be assessed as Taxonomy-eligible, but not as Taxonomy-aligned based on the specified evaluation criteria.

7.5. Installation, maintenance, and repair of instruments and devices for measuring, regulating, and controlling the energy performance of buildings

This activity includes expenses incurred through the installation or replacement of ventilation and refrigeration systems (SAP Walldorf (Germany) and Newtown Square (USA)). The activities could be assessed as Taxonomy-eligible, but not as Taxonomy-aligned based on the specified evaluation criteria.

8.1 Data processing, hosting, and related activities

This economic activity includes our data centers and relevant cloud solutions that are not yet Taxonomy-aligned. We comply with the requirements for implementing the procedures of the EU Code of Conduct for the Energy Efficiency of Data Centers. However, not all our data centers meet the requirement for the global-warming potential of the refrigerants used in their cooling systems. These refrigerants will be replaced at the end of their service life, according to our regular maintenance schedule, over the course of the next few years. Replacing them right away would create toxic waste and generate additional costs. SAP's data center colocations and hyperscalers do not yet fully meet the criteria set out in the EU Taxonomy Regulation either. However, we are in contact with our providers to make progress in this area in the coming years.

Minimum Safeguards

The frameworks for minimum safeguards include the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, and the core labour standards of the International Labour Organization (ILO). SAP has conducted a review of all the core topics included in the minimum safeguards to ensure compliance. Our global due diligence processes ensure that we uphold and meet all the requirements under the minimum safeguards.

Revenues

€ millions, unless otherwise stated

Financial Year 2024				Substantial Contribution Criteria						DNSH Criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code¹ (2)	Turnover (3)	Pro-portion of Turnover 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-Aligned (A.1) or -Eligible (A.2) Turnover 2023 (18)	Category Enabling activity (19)	Category Transitional activity (20)
		€	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Of which Enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**E**	
Of which Transitional		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		**T**
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
8.1 Data processing, hosting, and related activities	CCM 8.1	16,745	49%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								43%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		16,745	49%	49%	-	-	-	-	-								43%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		16,745	49%	49%	-	-	-	-	-								43%		
B. Taxonomy-non-eligible activities																			
Turnover of Taxonomy-non-eligible activities (B)		17,431	51%																
Total (A+B)		**34,176**	**100%**																

¹ The code is the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution. For example: CCM – Climate Change Mitigation, plus the section number of the activity in the EU's annex to the Taxonomy Regulation.
CCM: Climate Change Mitigation
CCA: Climate Change Adaptation
WTR: Water and Marine Resources
CE: Circular Economy
PPC: Pollution Prevention and Control
BIO: Biodiversity and Ecosystems
Y – Yes, Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible activity but not Taxonomy-aligned with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
EL – Taxonomy-eligible activity; N/EL – Taxonomy-non-eligible activity

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As outlined above, we have identified only one Taxonomy-relevant activity (CCM 8.1) to which revenues can be attributed. As part of this process, we took materiality aspects into account. Eligible revenue consists of revenue earned from providing the following services, which comply with the description of activity 8.1:

– Software as a service (SaaS)

– Platform as a service (PaaS)

– Infrastructure as a service (IaaS)

These services make up our cloud revenues. Revenues that qualify as cloud revenue but cannot be classified as Taxonomy-eligible have been excluded. Total revenue is determined according to IFRS, specifically IFRS 15, and matches the total revenue presented in SAP's Consolidated Income Statements. For more information about how we recognize revenue, and about the components of revenue, see the Notes to the Consolidated Financial Statements, Note A.1.

For a detailed description of the development and key drivers of SAP's revenues, see the Performance Against Our Outlook for 2024 (Non-IFRS) and the Operating Results (IFRS) sections in our Combined Management Report.

Capital Expenditures (CapEx)

€ millions, unless otherwise stated

Financial Year 2024

Economic Activities (1)	Code[1] (2)	CapEx[2] (3) €	Proportion of CapEx 2024 (4) %	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-Aligned (A1) or -Eligible (A2) CapEx 2023 (18) %	Category Enabling activity (19) E	Category Transitional activity (20) T
				Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N		E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
3.3 Manufacture of low carbon technologies for transport	CCM 3.3	70	4%	Y						Y	Y	Y	Y	Y	Y	Y	4 %	E	-
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**70**	**4%**	**4%**						-	-	-	-	-	-	-	-	**E**	**T**
Of which Enabling		70	4%	4%						-	-	-	-	-	-	-	-	**E**	
Of which Transitional		0	0%	0%						-	-	-	-	-	-	-	-		**T**
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
1.2 Manufacture of electrical and electronic equipment*	CE 1.2	83	5%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								-		
3.3 Manufacture of low carbon technologies for transport	CCM 3.3	135	8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								11%		
6.5 Transport by motorbikes, passenger cars and light commercial vehicles*	CCM 6.5	71	4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
7.1. Construction of new buildings*	**CCM 7.1/** CE 3.1	38	2%	**EL**	N/EL	N/EL	N/EL	EL	N/EL								-		
7.2 Renovation of existing buildings*	**CCM 7.2 /** CE 3.2	54	3%	**EL**	N/EL	N/EL	N/EL	EL	N/EL								-		
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)*	CCM 7.4	16	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings*	CCM 7.5	18	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		

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Economic Activities (1)	Code[1] (2)	CapEx[2] (3)	Pro-portion of CapEx 2024 (4)	Substantial Contribution Criteria						DNSH Criteria ("Does Not Significantly Harm")							Proportion of Taxonomy-Aligned (A1) or -Eligible (A2) CapEx 2023 (18)	Category Enabling activity (19)	Category Transitional activity (20)
				Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)			
		€	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
8.1 Data processing, hosting, and related activities	CCM 8.1	226	13%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								12%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		641	37%	32%	-	-	-	5%	-								23%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		711	41%	36%	-	-	-	5%	-								27%		
B. Taxonomy-non-eligible activities																			
CapEx of Taxonomy-non-eligible activities (B)		1,030	59%																
Total (A+B)		**1,741**	**100%**																

[1] The code is the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution. For example: CCM – Climate Change Mitigation, plus the section number of the activity in the EU's annex to the Taxonomy Regulation.

[2] Denominator includes WalkMe

* First reporting in 2024, therefore no previous year figures available.

CCM: Climate Change Mitigation
CCA: Climate Change Adaptation
WTR: Water and Marine Resources
CE: Circular Economy
PPC: Pollution Prevention and Control
BIO: Biodiversity and Ecosystems
Y – Yes, Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible activity but not Taxonomy-aligned with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
EL – Taxonomy-eligible activity; N/EL – Taxonomy-non-eligible activity

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Proportion of CapEx / Total CapEx

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	4%	36%
CCA	0%	0%
WTR	0%	0%
CE	0%	10%
PPC	0%	0%
BIO	0%	0%

Extent of eligibility and alignment per environmental objective.
CCM: Climate Change Mitigation
CCA: Climate Change Adaptation
WTR: Water and Marine Resources
CE: Circular Economy
PPC: Pollution Prevention and Control
BIO: Biodiversity and Ecosystems

We have designated the costs as related to assets and processes associated with the activities listed in the CapEx table as Taxonomy-eligible. When identifying relevant costs and activities, we took materiality aspects into account. Details on the individual activities can be found above in the SAP's Taxonomy-Eligible Economic Activities section.

In line with the EU Taxonomy Regulation, the total capital expenditures presented in this section include additions to tangible and intangible assets accounted for based on IAS 16, IAS 38, and IFRS 16, and additions to tangible and intangible assets (excluding additions to goodwill) resulting from business combinations.

Taxonomy-eligible capital expenditures relate to assets and processes that are associated with the economic activity 8.1 "Data processing, hosting, and related activities." These expenses mainly comprise investments in SAP's cloud infrastructure (IT hardware and software).

Additionally, Taxonomy-eligible capital expenditures include capitalized costs relating to the purchase of vehicles.

Operational Expenditure (OpEx)

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Economic Activities (1)	Code¹ (2)	OpEx (3) €	Pro-portion of OpEx 2024 (4) %	Substantial Contribution Criteria — Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	DNSH Criteria ("Does Not Significantly Harm") — Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-Aligned (A.1) or -Eligible (A.2) OpEx 2023 (18) %	Category Enabling activity (19) E	Category Transitional activity (20) T
				Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N		E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Of which Enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
Of which Transitional		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
8.1 Data processing, hosting, and related activities	CCM 8.1	1,901	21%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								19%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,901	21%	21%	-	-	-	-	-								19%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		1,901	21%	21%	-	-	-	-	-								19%		
B. Taxonomy-non-eligible activities																			
OpEx of Taxonomy-non-eligible activities (B)		6,974	79%																
Total (A+B)		**8,875**	**100%**																

¹ The code is the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution. For example: CCM – Climate Change Mitigation, plus the section number of the activity in the EU's annex to the Taxonomy Regulation.
CCM: Climate Change Mitigation
CCA: Climate Change Adaptation
WTR: Water and Marine Resources
CE: Circular Economy
PPC: Pollution Prevention and Control
BIO: Biodiversity and Ecosystems
Y – Yes, Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible activity but not Taxonomy-aligned with the relevant environmental objective
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
EL – Taxonomy-eligible activity; N/EL – Taxonomy-non-eligible activity

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We have designated the costs as related to assets and processes associated with the activities listed in the OpEx table as Taxonomy-eligible. When "identifying relevant costs and activities, we took materiality aspects into account. Details on the individual activities can be found above in the SAP's Taxonomy-Eligible Economic Activities section.

Most of the costs related to activity "8.1 Data processing, hosting, and related activities" are leasing expenses for hosting services provided by third parties. To a smaller extent, these costs also include expenses for the maintenance and repair of SAP's cloud infrastructure.

According to the EU Taxonomy, total operating expenses mainly include the following non-capitalized cost elements: research and development, short-term leases, and maintenance and repairs relating to property, plant, and equipment. Other major expense components in SAP's Consolidated Income Statement, such as depreciation, utilities (for example, costs for heating and electricity consumption), and most general and administrative costs, restructuring, and sales and marketing costs do not meet the definition of operating expenses in the EU Taxonomy and are therefore not included.

For a detailed description of the development and key drivers of all operating expenses, see the Performance Against Our Outlook for 2024 (Non-IFRS) and the Operating Profit and Operating Margin section in our Combined Management Report.

Nuclear and Fossil Gas Related Activities

The "Delegated Regulation concerning economic activities in certain energy sectors" extends the disclosure to include information on activities in the nuclear energy and fossil gas sectors. At a small number of its sites in Germany, SAP operates combined heat/cool and power generation facilities that use fossil gaseous fuels. Since the associated Taxonomy-eligible and -aligned capital and operational expenditures are negligible, we do not disclose the operation of these facilities as an additional activity. We have no other fossil gas-related activities nor any nuclear energy activities to disclose.

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds, or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds, or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using the best available technologies.	NO
3.	The undertaking carries out, funds, or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds, or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds, or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds, or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

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Climate Change

In this section, we disclose information about SAP's material IROs related to our climate-change-specific topics, which have been identified as material topics for SAP. The assessed IROs provide information that is important for understanding the impact of our business activities on sustainability matters (impact materiality) and the impact sustainability matters have on our financial performance. The material IROs with identifiers E1-1 to E1-13 can be found in the IRO table included in the Results of the Double Materiality Assessment section.

⊘ Greenhouse Gas (GHG) Emissions Calculation Methodology

Reporting Approach

Data for our Greenhouse Gas (GHG) indicators is collected and reported on a quarterly basis and is subject to external assurance for annual reporting (for more information, see Basis for Preparation). Reporting on Total Energy Consumption and data center electricity is based on the data collected for the calculation of our GHG emissions. All numbers are based on the metric system. Whenever we state "tons," we mean metric tons.

Gross Greenhouse Gas Emissions

Definition

We define Gross Greenhouse Gas Emissions (location-based) (Gross GHG Emissions (location-based)) as the sum of all GHG emissions measured and reported as Carbon dioxide equivalents (CO_2e). We deduct renewable electricity from this amount to determine our Gross GHG Emissions (market-based). For more information, see the Energy Consumption and Mix section.

Reporting Principles

SAP's preparation of the GHG emissions data is based on the Corporate Accounting and Reporting Standard, the GHG (Greenhouse Gas) Protocol Scope 2 Guidance, and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard of the World Resources Institute/World Business Council for Sustainable Development.

In alignment with the GHG Protocol Scope 2 Guidance, we report our Gross GHG Emissions using the location-based and market-based calculation methods.

Organizational Boundaries

SAP defines its organizational boundaries by applying the operational control approach as set out in the GHG Protocol.

Operational control is established when SAP has the full authority to introduce and implement its operating policies. The GHG emissions of all operations over which the Company has operational control and all owned or leased facilities, colocation data centers, and vehicles that the Company owns or operates are accounted for in the GHG emissions. They are based either on measurements or, where no measured data is available, on estimations and extrapolations.

Some of SAP's leased facilities operate under full-service or multitenant leases. In these cases, SAP does not have access to actual energy consumption information. We include these facilities in our definition of operational control and account for them by estimating their energy consumption.

Data Consistency

Methodology Changes

We aim to continuously refine the methodology we use to calculate GHG emissions, and to increase the share of input data that is measured instead of extrapolated. For example, we change the source of activity data, add new activity types, and reflect changes in emission factors and in the approaches used to calculate GHG emissions. Since we define our methodology to the best of our knowledge and capabilities, and consider such changes to be improvements, we apply them from the current year onward, and do not adjust our data retrospectively. We explain the current year's methodology changes in this section, particularly under Methodology and Further Details.

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Conversion Factors

The calculation of the GHG emissions is based on factors for conversion and extrapolation provided by the International Energy Agency (IEA), US Environmental Protection Agency (EPA), UK Department for Environment, Food & Rural Affairs (DEFRA), Environment Canada, and the GHG Protocol, as internationally recognized authorities. We also use extrapolation factors based on our own reported data (from previous quarters) to determine an average consumption value per base unit (for example, liters of fuel per car for fleet vehicles, and electricity consumption per m^2 for facilities).

Where relevant, our conversion factors consider CO_2e for greenhouse gases. Global warming potential factors are based on the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). We report all our GHG emissions in CO_2 equivalents, including the impact from CH_4 and N_2O, in our target-relevant Greenhouse Gas Emissions Scope 1 (GHG Emissions Scope 1), Greenhouse Gas Emissions Scope 2 (location-based) (GHG Emissions (located-based)), Greenhouse Gas Emissions Scope 2 (market-based) (GHG Emissions (market-based)), Greenhouse Gas Emissions Scope 3 Upstream (GHG Emissions Scope 3 Upstream) and Greenhouse Gas Emissions Scope 3 Downstream (GHG Emissions Scope 3 Downstream). The emission impact of refrigerants includes hydrofluorocarbons (HFCs) only. We review all our emissions and extrapolation factors annually and update them if required. In the current reporting year, sulfur hexafluoride (SF_6), perfluorocarbons (PFC), and nitrogen trifluoride (NF_3) emissions are not included in our disclosure, as these gases do not occur in SAP's operations or value chain activities.

Methodology and Further Details

GHG Emissions Scope 1

Scope 1 refers to direct GHG emissions and is defined as emissions from sources that are owned or controlled by the organization. At SAP, the following areas are covered by Scope 1:

- **Stationary combustion in facilities:** GHG emissions caused by oil or gas combustion of heating systems and generators in SAP office buildings and data centers. GHG emissions are calculated based on gas and oil consumption in kilowatt hours (kWh). Where no measured data is available, stable values (kWh/m^2) based on the previous year's stationary combustion consumption data are used for extrapolation. Where no specific information is available, the natural gas reported by local sites is assumed to be at the lower heating value.

- **Refrigerants in facilities:** HFC emissions caused by the loss of refrigerants used in cooling systems and air conditioning equipment. The emissions are extrapolated based on the number of server units in data centers[1] and on office space with an air conditioning (A/C) system. All refrigerants are assumed to be HFC134a.

- **Mobile combustion from corporate cars:** GHG emissions from the combustion of fuel by company cars. In the context of GHG reporting, the term "company car" refers to all cars for which SAP permanently covers the fuel costs. GHG emissions are calculated based on fuel consumption. If detailed fuel data is not available in specific countries, stable values (liters/car) are used for extrapolation based on the number of company cars reported. The stable values for extrapolation are based on the previous year's data.

- **Mobile combustion from corporate jets:** GHG emissions caused by business trips with SAP-owned or chartered jets. GHG emissions are calculated for SAP's jets based on actual fuel consumption.

- **Wood pellets:** In addition to gas and oil, we use wood pellets to generate thermal heat for our buildings at our headquarters in Walldorf. The GHG emissions from wood pellets for Scope 1 can essentially be neutralized, given that the carbon absorption during the tree's growth phase matches the carbon released during combustion. However, to account for all GHG emissions, we include the direct carbon dioxide impact from wood pellet combustion as "outside of scope" GHG emissions. In 2024, this fuel accounted for 0.4 kilotons of GHG emissions, compared to 0.3 kilotons in 2023. The carbon dioxide emissions resulting from the combustion of wood pellets are categorized as biogenic because the equivalent amount of carbon is absorbed by the biomass

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[1] Since 2022, we have also considered the server units located in our colocation data centers.

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(wood) during its life cycle. The reporting of these emissions is separate from the mandatory GHG Emissions Scope 1.

GHG Emissions Scope 2 (location- and market-based)

Scope 2 refers to indirect GHG emissions and is defined as GHG emissions from the consumption of purchased electricity, purchased steam, or other sources of energy generated upstream from the organization. We calculate GHG Emissions Scope 2 following both a location-based and market-based approach. To calculate the GHG Emissions Scope 2 (market-based), we have applied a regional energy attribute certificates (EACs) portfolio approach (see Energy Consumption and Mix above).

At SAP, the following emission categories are covered by Scope 2:

- **Electricity in office buildings:** GHG emissions caused by the consumption of purchased electricity in office buildings. GHG emissions are calculated based on building electricity consumption. CO_2e conversion factors are updated annually based on country-specific grid factors. Where no measured data is available, stable values (kWh/m^2) based on the previous year's energy consumption data are used for extrapolation.

- **Electricity in SAP-owned data centers:** GHG emissions caused by the consumption of purchased electricity in SAP-owned and -managed data centers. GHG emissions are calculated based on data center electricity consumption (100% data coverage). CO_2e conversion factors are updated annually based on country-specific grid factors.

- **Electricity in colocation data centers:** GHG emissions caused by the consumption of purchased electricity in colocation data centers. A colocation is a local computing center whose building infrastructure is controlled and managed by an external provider but where SAP has control over the operations of the network and server infrastructure on which SAP software runs. CO_2e conversion factors are updated annually based on country-specific grid factors. Electricity consumption for colocation data centers is calculated based on the consumed IT infrastructure power and a power usage effectiveness (PUE) factor. Where no data is available, average factors are applied.

- **E-mobility:** GHG emissions from company cars with electric drivetrains. Electricity consumption is calculated based on the number of electric cars per country, an average energy consumption value for electric cars, and an average mileage per year. GHG emissions are calculated based on country-specific emission factors.

- **Purchased chilled and hot water, and steam:** GHG emissions caused by the consumption of purchased heat or steam in office buildings (district heating). GHG emissions are calculated based on the consumption of district heating. Emission factors are updated annually. Where no measured data is available, stable values (kWh/m^2) based on the previous year's energy consumption data are used for extrapolation.

- **Home office electricity:** Starting in 2024, we will no longer include GHG emissions caused by end-user IT equipment used by SAP employees working from home in our reporting. Compared to SAP's Total Energy Consumption, the amount of electricity used by our employees working remotely is insignificant. In addition, SAP has implemented a strict return-to-office policy in 2024, which will reduce the energy consumption and corresponding GHG emissions even further going forward. The change in reporting has no effect on SAP's net zero target and baseline, since the net-zero target and baseline are market-based and GHG emissions relating to remote work had been 100% compensated by the purchase of renewable energy certificates.

GHG Emissions Scope 3 Upstream and Downstream

Scope 3 refers to other indirect GHG emissions, which are defined as GHG emissions that are a consequence of the operations of an organization that it does not directly own or control. GHG Emissions Scope 3 are divided into Upstream and Downstream emissions.

GHG Emissions Scope 3 Upstream

- **Business flights:** GHG emissions caused by business trips by airplane. These GHG emissions are calculated based on actual distance traveled and DEFRA factors. DEFRA adjusted their aviation factors to account for reduced load factors as a consequence of the COVID-19 pandemic. Since the load factors in 2024 are almost back to pre-COVID level, we used the factor from the previous

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reporting year to eliminate this effect in our 2024 reporting. In our view, this approach reflects a more accurate picture of the actual GHG emissions. In a next step, we determine an average emission factor per euro spent based on short-, medium-, and long-haul flight emission factors. For the CO_2e calculation, this factor is applied to actual costs for business flights. Emission factors for business flights do not consider the radiative forcing factors (77% data coverage).

- **Rental cars:** GHG emissions caused by business trips by rental car. An average emission factor from rental cars is calculated based on actual distance traveled and actual costs incurred. This average emission factor is used for extrapolation based on the costs (75% data coverage).

- **Train travel:** GHG emissions from business trips by train. An average emission factor from train travel is calculated based on actual distance traveled and actual costs incurred. This average factor is used for extrapolation based on costs. In Germany, business trips by train are considered carbon neutral, as they are compensated by 100% green electricity by Deutsche Bahn (39% data coverage).

- **Business trips by private car:** GHG emissions from business trips by employee-owned cars and company cars without fuel cards. These GHG emissions are calculated based on the distance traveled by private car. This activity type does not include trips by company cars with fuel cards (100% data coverage).

- **Flexible Mobility:** We are also calculating GHG emissions from our Flexible Mobility program. Employees taking part in this program receive a monthly mobility budget that they can spend on various means of transportation, such as public transportation, rental cars, and rental bikes. The CO_2e resulting from this program is calculated using a spend-based method similar to that described in the Purchased Goods and Services section (100% data coverage).

- **Employee commuting:** GHG emissions caused by commuting between home and work at an SAP office location, considering all modes of transportation, and excluding commutes by company car. To collect the data, we conduct an SAP-global, Qualtrics-based commuting survey about the distance to work and the mode of transportation used. The last survey was conducted in 2022, and we received approximately 30,000 valid responses, which are the basis for our GHG calculation of employee commuting in 2024. Commuting data for non-responding employees and for quarterly updates is extrapolated based on the number of FTEs, excluding those employees who drive a company car (28% data coverage).

- **Purchased goods and services:** This category includes all significant cradle-to-gate upstream emissions from goods and services that SAP purchased during the reporting period. We also include services from waste and water disposal in this category. In addition, it contains the services from our hyperscale providers, fuel- and energy-related activities, and upstream transportation and distribution. SAP includes all significant cradle-to-gate emissions for its net-zero 2030 target. Therefore, we apply a different calculation method for all purchased goods and services. To derive the CO_2e values, SAP closely collaborates with a third-party provider that utilizes a spend-based method. We use coefficients that translate each US$ of spend into kilograms of CO_2e. The coefficients are available for each country-sector combination and by supply chain tier (direct suppliers, suppliers of suppliers, and so on) (100% data coverage).

- **Capital goods:** Includes all cradle-to-gate upstream emissions of purchased capital goods, such as buildings, data center and IT equipment, and cars (100% data coverage).

GHG Emissions Scope 3 Downstream

- **Use of sold products:** A major part of our overall GHG emissions stems from the use of our software (customers running SAP solutions on their hardware and premises). The estimated energy consumption is extrapolated globally based on the number of productive installations and average regional PUEs at year-end, derived from SAP's managed colocations. For systems without maintenance contracts, SAP has no transparency on whether the solutions are still in use. Therefore, we only consider on-premise solutions with active maintenance contracts. This way, we ensure that only active, still functional software products are included in the calculation (100% data coverage).

GHG emissions are calculated using a global electricity emission factor. The calculation covers all our major solutions, including on-premise software. Cloud solutions are not included, as they are part of

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internal, colocation, and hyperscale providers data center electricity GHG emissions. Mobile solutions (for example, SAP apps running on customer IT equipment) are also not included.

SAP aims to constantly improve its calculation method. We will adapt the parameters we use when significant technology changes occur, or more accurate data sources become available.

Excluded GHG Emissions Scope 3 Upstream and Downstream

The following sources of GHG Emissions Scope 3 Upstream and Downstream are not applicable or are insignificant to SAP's business operations: Downstream transportation and distribution, processing of sold products, end-of-life treatment of sold products, downstream leased assets, franchises, and investments. Additionally, the upstream leased assets category is not relevant for SAP, since we have classified GHG emissions resulting from leased assets as GHG Emissions Scope 1 and 2 (location- and market-based) following the operational control approach of the GHG Protocol.

Our Approach and Policies

For over a decade now, climate action has been at the top of SAP's corporate sustainability agenda in light of the increasing impacts of climate change and escalating global challenges. As outlined in the Sustainability Strategy section, we aim to take climate action through our dual approach as enabler and exemplar to help pave the way toward a low-carbon future for our customers, partners, and SAP, and create impact while respecting planetary boundaries.

The following sections describe in detail how we mitigate negative impacts and risks, and how we pursue positive impacts and opportunities through our policies, actions, targets, and metrics.

Policies Related to Climate Change Mitigation

Our Global Environmental Policy addresses all our material IROs by focusing on climate change mitigation, energy performance, circularity, and the deployment of renewable energy sources. In line with initiatives and standards such as the UN Sustainable Development Goals (SDGs), Science Based Targets initiative (SBTi), GHG Protocol and ISO14001, the policy governs our efforts to manage the environmental IROs identified by the materiality assessment and mitigate our GHG emissions. The policy is publicly available on SAP's website[2] and places importance on cooperation with suppliers, customers, and other stakeholders. It is regularly reviewed by internal lines of business and SAP's leadership, with the CEO having ultimate responsibility. The policy applies to SAP SE and its subsidiaries, including all global operations of the company, different departments, and all geographical regions. It relates to SAP business activities and environmental aspects that SAP can sufficiently control or influence. We are currently reworking our Global Environmental Policy, and will publish the updated version in 2025.

Our Actions and Targets

Our Targets Related to Climate Change Mitigation

Transition Plan for Climate Change Mitigation

Our net-zero commitment is the cornerstone of our climate change mitigation. Under this commitment, we aim to reduce our Gross Greenhouse Gas (GHG) Emissions (market-based) by at least 90% across the relevant value chain by 2030. The net-zero target has been validated and approved by the Science Based Targets initiative (SBTi), which also verified that SAP's target is compatible with limiting global warming to 1.5°C as advocated by the Paris Agreement.

SAP's ambitious climate change mitigation commitment has been recognized also by the investment market, as demonstrated by SAP's inclusion in the EU Paris-aligned benchmarks.

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[2] Information that was neither part of the statutory audit nor the independent limited assurance engagement performed by our external assurance provider.

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Target	Base Year	Target Year	Target Description
1.5°C-aligned science-based target (SBT)	2023: 6.9 million tons Gross GHG Emissions (market-based)	2030: Reduction of Gross GHG Emissions (market-based) by at least 90%, which corresponds to less than 0.7 million tons (near-term and long-term target)	Reduce SAP's Gross GHG Emissions (market-based) across our value chain (Scope 1, 2 and 3) by at least 90% to reach net zero by 2030. Remaining residual emissions will be neutralized by a maximum of 10% carbon removals. Scope: GHG Protocol-aligned baseline, including Scope 1, Scope 2 market-based, and all business-relevant Scope 3 value chain emissions. For more information, see the Greenhouse Gas (GHG) Emissions Calculation Methodology section.

We acknowledge the recent reports issued by various companies, including some of our vendors, in which they state that they are reconsidering or adjusting their net-zero targets. In light of these developments, and given the increasing demand for energy due to the widening use of artificial intelligence, we are closely monitoring our progress and evaluating whether we can achieve our net-zero target by 2030 as planned or if we might need to adjust it.

SAP's decarbonization and transformation plan tackles four main areas:

Net-Zero target – Quantification of key Measures and Initiatives[3]
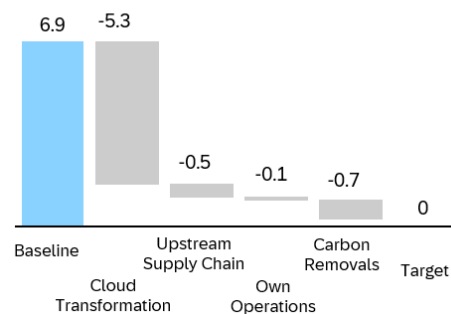
[3] Expressed in millions of tons of CO_2e.

– Cloud transformation: Moving our on-premise solutions to the cloud represents our most important GHG-reduction lever. SAP's own data centers and colocations are powered with 100% renewable energy.[4] We aim to increase the share of renewable energy in our upstream and downstream value chain by working together with our suppliers with a specific focus on our hyperscale providers and customers and by constantly improving the data quality in our GHG emissions calculations (from averages to actuals). For information on the development of GHG Emissions Scope 3 Downstream, see the Metrics on Material Topics section.

– Upstream supply chain: We are working on reducing supply chain emissions by maintaining strong supplier partnerships and by adjusting and refining internal procurement processes and policies. In this context, we recognize that there are interdependencies with our suppliers and their decarbonization strategies and timelines, which are beyond SAP's direct control. In addition, the growing demand for energy due to the increasing use of artificial intelligence could have a negative impact on GHG emissions in the upstream supply chain which, due to the advances in this technology, cannot be evaluated fully at this point in time.

– Own operations: We aim to drive real avoidance and reduction of GHG emissions by, for instance, transitioning our car fleet to electric vehicles and strengthening our environmental and energy management system (ISO 14001 and ISO 50001).

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[4] In addition, we are voluntarily reducing the non-renewable electricity consumption of our hyperscale providers by procuring EACs on their behalf. This is not eligible for our science-based net-zero target and solely contributes to our long-standing commitment to power all our data centers with 100% renewables.

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- Carbon removals: By investing in nature-based and technical removals, we aim to neutralize any remaining residual GHG emissions by 2030 (maximum: 10% in line with the Science Based Target Initiative standard for net-zero targets).

These reduction levers are set out in more detail in the Actions and Resources in Relation to Climate Change and the Past and Continuous Efforts sections.

In all four areas, leveraging our own solution portfolio is fundamental to improve how we manage and plan our initiatives, resources, and value chain partner relationships to achieve net zero by 2030. When modeling our reduction pathway to 2030, we considered future developments, such as the expected growth of the company and the effects from our cloud strategy. Our transition plan is closely connected to our business model and financial planning according to SAP's corporate business trajectory and financial forecasts. Doing so ensures that we incorporate estimated company growth and cloud development projections to formulate a comprehensive emissions plan that reflects anticipated developments and considers investments in reducing GHG emissions. Taking this approach allows us to ensure that our climate change mitigation actions are viewed not as separate initiatives but as an integrated element of our financial growth strategy, corporate risk management, technology adoption, and product portfolio development.

By way of these decarbonization levers, SAP envisions that its transformation plan will steadily reduce GHG emissions, with our supply chain and cloud transformation being the biggest drivers. If GHG emissions still remain, SAP plans to leverage removals in line with the SBTi standard as explained above. However, we recognize certain externalities such as some of our vendors reconsidering or adjusting their net-zero targets and the uncertainty of growing energy needs due to the increasing use of artificial intelligence. Therefore, we are closely monitoring our progress and evaluating whether we can achieve our original goal as planned, or if adjustments may be necessary. For information on the 2024 GHG emissions performance, see the Metrics on Material Topics section.

EU Taxonomy Alignment

For information about SAP's current and possible future alignment with the EU Taxonomy, see the Sustainable Finance: EU Taxonomy Information section in this Group Sustainability Statement.

Net-Zero Governance and Progress Measurement

Our commitment to this transition plan is further demonstrated by the fact that it is reviewed at senior management level. SAP tracks its targets for cutting GHG emissions using an established protocol that involves a regular assessment of GHG emissions to ensure timely analysis and intervention whenever needed. The progress is reviewed in quarterly steering committee meetings, which are sponsored by SAP's CEO and CFO. After each quarterly assessment, the results, and any deviations from the plan, are documented. The insights gathered from each review are used to perform the necessary adjustments to SAP's targets to ensure they remain relevant and accurate as we strive to make our business as sustainable as possible. To reflect the importance the Company attaches to achieving net zero, we made this target part of the Executive Board's long-term incentive (LTI). Once a year, the Supervisory Board assesses and approves the targets for the next tranche of the LTI. For 2024, 10% of the Executive Board members' variable LTI compensation is determined by the Company's progress on its carbon impact target. For more information, see SAP's Compensation Report 2024.

Climate Related Risks and Opportunities

In the context of SAP's EU Taxonomy disclosures, in the first quarter of 2024 we conducted a climate scenario analysis for a global temperature increase of 1.5°C and above (SSP5-RCP8.5) . The analysis focused on the locations of our data centers and of our colocations. No business-critical physical risks were identified. As demonstrated during the COVID-19 pandemic; when almost the entire workforce worked remotely, SAP's business success does not depend exclusively on the availability of its office facilities. Therefore, after the initial assessment the physical risk analysis did not consider our office locations in any further detail. Our regular risk management process and materiality assessment did not identify any significant short-, medium-, or long-term transitional risks related to climate change, or any major impact on SAP's assets. Frequent reviews as part of our risk-monitoring process will

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anticipate potential deviations and mitigate climate change risks. In 2025, we plan to conduct a more detailed climate risk and resilience analysis covering all sites and value chain implications to verify and review our current assessment.

In the course of our materiality assessment, we identified various opportunities relating to climate change, such as an increasing demand for software solutions that track GHG emissions. For further information, see the Double Materiality Assessment section.

In light of the risks and opportunities described above, we consider our business model and strategy to be resilient in the context of a changing climate.

SAP does not invest in or maintain significant carbon-intensive infrastructure that would lead to locked-in GHG emissions that could jeopardize our net-zero target. On the contrary, we are investing in countering measures such as transitioning our car fleet from combustion-type vehicles to electric vehicles and we operate our data centers and office buildings with renewable energy sources.

Actions and Resources in Relation to Climate Change

In the table below, we have summarized the major initiatives we implemented to reduce GHG emissions in our own operations and our value chain.

Action Name	Description	Expected Outcomes	Time Horizon
Cloud Transformation			
Support cloud transformation and reduce product-in-use GHG emissions **Lever category:** Energy efficiency, renewable energy.	Most of our overall GHG emissions result from the use of our software. To address this, we aim to help our customers, hardware providers, and others to make their operations more energy efficient. By powering all data centers with 100% renewable electricity,[5] we are helping our cloud customers reduce their overall GHG Emissions Scope 3 Upstream. We have started to develop a carbon footprint sizing approach with the aim of enabling our customers to gain transparency on the carbon impact of their SAP applications that run in SAP's owned and managed data centers and to answer the question as to how much our customers can reduce their environmental footprint by running SAP solutions on SAP's self-operated, or on SAP-sourced (incl. hyperscale providers), infrastructure. We collaborate with customers to optimize their on-premise landscapes so that they consume less energy (for example, we decommission legacy systems, archive unused data, consolidate business applications, and virtualize their system landscapes). These actions are at global level and cover GHG Emissions Scope 3 Downstream.	The cloud transformation will contribute significantly to reducing SAP's total carbon footprint. Our goal is to reduce GHG emissions related to on-premise software by approximately 90% compared to 2023.	Ongoing until 2030
Supply Chain			
Environmentally-conscious procurement **Lever category:** circularity, energy efficiency, process improvements	In our multiphased supply chain engagement program, we partner with (top) suppliers to procure low-carbon and energy-efficient products and services to reduce their environmental footprint throughout the supply chain. We consider environmental requirements in our procurement processes and decisions. These actions are at global level and cover GHG Emissions Scope 3 Upstream.	Our goal is to reduce GHG emissions related to procurement by around 90% compared to 2023.	Ongoing until 2030

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[5] The term "data center" refers to both SAP-owned and external data centers (colocation data centers and hyperscalers). We voluntarily reduce the non-renewable electricity consumption of our hyperscale providers by procuring EACs on their behalf. This is not eligible for our science-based net-zero target and solely contributes to our long-standing commitment to power all our data centers with 100% renewables.

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Operations

Global car fleet: transition to emission-free vehicles	By the end of 2024, the share of emission-free vehicles in our fleet had increased. From 2025 onward, the usage of the vast majority of new company cars for employees is planned to be emission-free. SAP also promotes various incentives to accelerate this change, for example:	Our goal is to reduce GHG emissions related to the global car fleet by more than 90% compared to 2023.	Ongoing until 2030
Lever category: electrification, energy efficiency, renewable energy	We power all SAP-owned charging stations at SAP locations with 100% renewable electricity.		
	In certain countries, we offer subsidies for home charging stations. We also reimburse electricity consumption on a flat-rate or actual basis and offer employees a discount or a higher budget if they choose an emission-free vehicle. We are looking to offer similar subsidies in almost all countries where we have a corporate car fleet.		
	We are continually expanding SAP's global charging infrastructure.		
	These actions are at global level and cover GHG Emissions Scope 1.		

Past and Continuous Efforts

In the past years, SAP has focused its efforts on reducing its GHG Emissions Scope 1 and Scope 2 (location- and market-based), and has therefore prioritized operational levers that can significantly reduce our directly generated carbon footprint.

Operations

Running SAP facilities on 100% renewable electricity	Since 2014, SAP has been running all its offices, own data centers, and colocations on 100% renewable electricity in alignment with our commitment to the RE100 global corporate renewable energy initiative. Here, we use three strategic levers:
	To foster renewable energy generation, we invest in high-quality EACs, certified by the EKOenergy organization.
	We produce renewable electricity at selected SAP locations worldwide through solar panels (such as in Walldorf, Germany, Palo Alto, CA, in the United States, Bangalore, India, and Mougins, France). We are in the process of evaluating the implementation of a power purchase agreement (PPA) to increase the share of renewable electricity and to achieve price stability.
	We have green tariffs in selected locations, such as Australia, to power our local facilities with renewable electricity (bundled EACs).
	This approach allows us to reduce our entire electricity-consumption-related GHG emissions. Going forward, we aim to expand our use of power purchase agreements for sourcing renewable electricity.
ISO 50001 and ISO 14001	SAP's headquarters in Germany, its North America facilities, and 100% of SAP's own major data centers (St. Leon-Rot and Walldorf in Germany, and Colorado Springs and Newtown Square in the United States) operate ISO 50001:2018-certified energy management systems.
	Our headquarters, and more than 47 SAP sites in 26 countries worldwide, deploy an ISO 14001:2015-certified environmental management system (EMS) to systematically analyze, monitor, and improve our environmental performance. SAP aims to increase the EMS scope and certify 100% of its major company-owned sites by 2025 (2024 coverage: 93%).
Alternative commuting	We continue to offer various programs aimed at changing commuting habits.
	For instance, SAP offers employees in Germany and Switzerland a fixed monthly transportation budget, as an alternative to a company car, that they can use to pay for any mode of transportation to commute to work or use in their leisure time (bicycle, e-scooter, rental car, train, bus, and so on). The program attracted around 2,500 participants in 2024.
Business flights and carbon pricing scheme	SAP has implemented an internal carbon pricing scheme as a surcharge for business flights (GHG Emissions Scope 3 Upstream), directing the generated funds towards investments in projects that have a positive impact on the climate, for local and global populations, and for biodiversity. This financial contribution will provide quantifiable benefits to mitigate the effects of climate change beyond SAP's own value chain.
	Using the EU ETS carbon prices as a guide, we have set up a fixed surcharge of €100 per ticket, independent of the distance. This mechanism aims to incentivize organizational units and employees to reduce air travel and choose more sustainable transportation options.
	The percentage of GHG Emissions Scope 3 Upstream covered by our internal carbon pricing scheme is 8%.

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Future Efforts

SAP will continue to perform the current actions in line with its net-zero targets and plans to adapt its approach to take advantage of developments in technology and incorporate future actions that the specific lines of business might identify as critical. Moreover, as part of its net-zero and transition plans, in the future SAP intends to limit its use of nature-based and technical removals to neutralize its residual value chain GHG emissions in order to reach its targets in line with SBTi's Corporate Net-Zero Standard.

In the future (in 2030), SAP plans to retire a maximum of 690,000 carbon removal credits and equivalent tons of CO_2e in line with the SBTi criteria. A share of these removals will be generated by existing contractual agreements and long-term commitments such as SAP's investment in the Livelihoods Carbon Funds (LCF). For more details on the LCF, see the section SAP's Contribution to Climate Finance: The 2024 Carbon Credit Portfolio. We recognize certain externalities such as some of our vendors reconsidering or adjusting their net-zero targets and the uncertainty of growing energy needs due to the increasing use of artificial intelligence. Therefore, we are closely monitoring our progress and evaluating whether we can achieve our original goal as planned or if adjustments may be necessary.
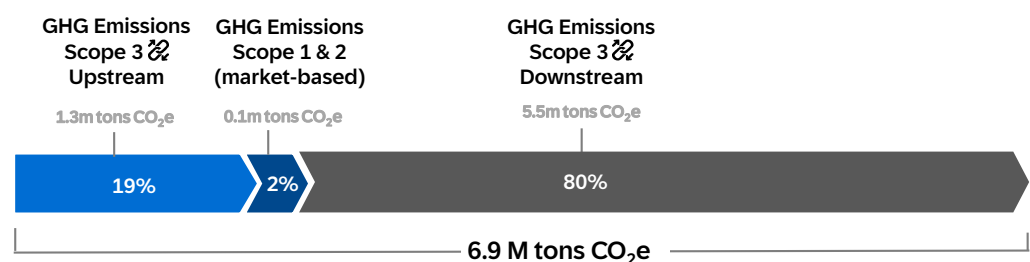
Metrics on Material Topics

SAP's Climate Performance and Progress

In 2024, our Gross GHG Emissions (market-based) remained stable at 6.9 million tons of CO_2e (2023: 6.9 million tons).

GHG Emissions Scope 3 Upstream, specifically cradle-to-gate emissions related to purchased goods and services (+55 kilotons of CO_2e) and to capital goods (+26 kilotons of CO_2e) increased compared to the prior year. In addition, GHG emissions from business flights grew by 25 kilotons of CO_2e. This increase was countered by a slight decrease, compared to 2023, in GHG Emissions Scope 3 Downstream (-3%) and in GHG emissions from our own operations (-3%).

For more information about how we plan to reduce GHG emissions, see the Actions and Resources in Relation to Climate Change and Past and Continuous Efforts tables above.

SAP's 2024 GHG Emissions Along the Value Chain[6]

GHG Emissions Scope 3 Upstream — 1.3m tons CO_2e — 19%

GHG Emissions Scope 1 & 2 (market-based) — 0.1m tons CO_2e — 2%

GHG Emissions Scope 3 Downstream — 5.5m tons CO_2e — 80%

6.9 M tons CO_2e

[6] Please note that due to rounding, numbers in the graph may not add up precisely.

For a detailed explanation of SAP's GHG Emissions Scope 1, 2 (location- and market-based) and 3 Upstream and Downstream, see the Greenhouse Gas (GHG) Emissions Calculation Methodology section.

GHG Emissions Scopes 1, 2 (location- and market-based), and 3 Upstream and Downstream, and Gross GHG Emissions (location- and market-based)

As part of our commitment to environmental responsibility, we employ a detailed approach to categorize our GHG emissions. We classify them by Scope 1, 2, or 3, and further disaggregate them by activity and source type. This approach enhances transparency regarding SAP's activities, facilitates precise internal tracking and measurement, and ensures comprehensive and accurate external reporting.

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in kilotons CO2e	Retrospective 2024	2023 (base Year)	Percentage Change	2030	Annual % Target / Base Year
GHG Emissions Scope 1					
GHG Emissions Scope 1	109	112	–3%	-	-
GHG Emissions Scope 1 from regulated emission trading schemes	0	0	0%	-	-
GHG Emissions Scope 2					
GHG Emissions Scope 2 (location-based)	120	129	–7%	-	-
GHG Emissions Scope 2 (market-based)	1	1	5%	-	-
GHG Emissions Scope 3 Upstream and Downstream					
Total Indirect GHG Emissions Scope 3 Upstream and Downstream	6,758	6,819	–1%	-	-
Category 1 – Purchased goods and services	962	907	6%	-	-
Category 2 – Capital goods	204	178	14%	-	-
Category 6 – Business travel	108	83	31%	-	-
Business flights	101	76	33%	-	-
Rental cars	4	4	8%	-	-
Train travel	1	1	–2%	-	-
Business trips with private car	2	2	2%	-	-
Category 7 – Employee commuting	18	18	–0%	-	-
Flexible mobility	1	0	0%	-	-
Employee commuting	17	18	–6%	-	-
Category 11 – Use of sold products	5,465	5,633	–3%	-	-
Gross GHG Emissions					
Gross GHG Emissions (location-based)	**6,986**	7,059	–1%	NA	NA
Gross GHG Emissions (market-based)	**6,868**	6,932	–1%	–90%	–13%*

* This number is derived mathematically according to ESRS to show the average emission reduction per year that would be required to achieve a 90% reduction compared to the base year. This number does not reflect the real reductions, which do not occur in a linear way.

GHG Intensity per Net Revenue

GHG intensity per net revenue	2024	2023	Change in %
Gross GHG Emissions (location-based) per net revenue[1]	**280**	313	–11%
Gross GHG Emissions (market-based) per net revenue[1]	**275**	308	–10%

[1] Kilotons CO_2e/monetary unit

Connection to financial statement (€ millions)	2024	Notes
Net revenue used to calculate GHG intensity[1]	24,932	x
Net revenue (others)	0	x
Total net revenue (in consolidated financial statements)[1]	**24,932**	x

[1] "Gross Profit" as found in the Consolidated Income Statements

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Energy Consumption and Mix

Energy Consumption

in MWh (rounded to 100 MWh)			2024
Total Energy Consumption			**757,900**

	Energy from Fossil Sources	Energy from Renewable Sources[1]	Energy from Nuclear Sources
Total Energy Consumption	**447,900**	**310,000**	**0**

Scope 1

Fuel consumption from natural gas and other sources			
Stationary combustion[2]	92,600	1,100	0
Mobile combustion from corporate cars (gasoline, diesel)	339,900	0	0
Mobile combustion from corporate jets (kerosene)	7,900	0	0

Scope 2

Consumption of purchased or acquired electricity			
Electricity in office buildings	0	112,000	0
Electricity in own data centers	0	95,200	0
Electricity in colocation data centers	0	87,700	0
E-mobility electricity	0	12,700	0
Consumption of purchased or acquired heat, steam, and cooling (district heating)	7,500	0	0

[1] Refers to the consumption of (1) self-generated renewable energy (produced on-site) and (2) the procurement of high-quality EACs. For a more detailed breakdown of this data, see the Disaggregation of Renewable Energy (including certificates) Sources table below.

[2] This includes gas and oil heating systems in office buildings (owned and leased) as well as the combustion of diesel in generators and gas in co-generation units / Combined heat and power (CHP) systems. In our CHP system in Walldorf, we also use wood pellets as a renewable source to generate heat.

Share of Energy Consumed	2024
Share of fossil sources in total energy consumption	59%
Share of consumption from nuclear sources in total energy consumption	0%
Share of renewable sources in total energy consumption	41%

Disaggregation of Renewable Energy (including certificates) Sources (in MWh rounded to 100 MWh)	2024
Fuel consumption for renewable energy sources including biomass	1,100
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	307,600
Consumption of self-generated non-fuel renewable energy	1,300

Renewable Electricity

We define renewable electricity as electricity coming from renewable electricity sources such as wind, solar, geothermal, sustainably sourced biomass (including biogas), and sustainable hydropower. As recommended by the Greenhouse Gas Protocol and CDP/RE100, we actively look for the best available quality and standards, which support renewable electricity projects that meet robust criteria in terms of environmental integrity, reporting, and verification. We have defined quality criteria for the procurement of EACs by SAP to drive change in the electricity market and to avoid the risk caused by

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low-quality products. The key characteristics of our renewable electricity purchasing guidelines are as follows:

Quality Criteria for SAP's Procurements of EACs	
Type of renewable electricity	Currently, SAP considers only solar photovoltaics (PV) and wind for its own renewable electricity sourcing.
Installation	The power plant producing the renewable electricity must not be older than 10 years. Where an old power plant has been renovated, the 10-year rule applies only to the additional electricity output due to increased efficiency. SAP strives to avoid considering EACs from government-supported power plants.
Vintage	The renewable electricity must be produced in the same year or the year preceding the reporting period to which it will be applied.
EKOenergy	All our purchased renewable electricity is EKOenergy-certified, a high-quality, internationally recognized not-for-profit ecolabel for renewable energy installations that fulfill additional sustainability criteria. By purchasing EKOenergy-certified electricity, we also contribute to EKOenergy's Climate Fund, which finances solar projects tackling energy poverty.

Calculation of Contractual Instruments

For our science-based target (net zero by 2030) baseline, we account for GHG Emissions Scope 2 (market-based) in line with the GHG Protocol Scope 2 Guidance.

SAP proactively purchases contractual instruments such as EACs as credible evidence that we power all our facilities with 100% renewable electricity.

We calculate the amount of renewable electricity we use by adding together the amounts of renewable electricity a) produced on site, b) covered by EACs, and c) sourced through local green tariff agreements.

The total of purchased EACs is the sum of all the electricity consumed (excluding self-generated renewable electricity) from all electricity-related Scope 2 categories: electricity in office buildings, electricity in own data centers, electricity in colocation data centers, and e-mobility (2024: 308,000 MWh).

The renewable electricity from EACs is considered only if it is verified by an official certificate or written confirmation from our EAC suppliers (100% data coverage).

For market-based reporting, we apply a region-based approach. Following this approach, we map the electricity our SAP sites consume to defined regions to ensure regional purchasing of EACs.

In 2024, contractual instruments allowed us to reduce our entire GHG Emissions Scope 2 (location-based) related to electricity consumption by 118 kilotons CO_2e.

Contractual Instruments	2024
GHG Emissions Scope 2 (location-based)[1]	120
GHG Emissions Scope 2 (market-based)[1]	1
Percentage of contractual instruments (location-based)	99%

[1] In kilotons CO_2e

SAP's energy contractual instruments can be disaggregated into unbundled and an insignificant portion of bundled instruments. Unbundled instruments allow SAP to claim renewable energy attributes separately from our physical electricity use. Bundled instruments that SAP purchases are green tariffs in selected locations, such as Australia. The percentage of these types of instruments in our strategy is set out in the table below.

Types of Contractual Instruments	2024
Percentage of contractual instruments of energy bundle with attributes about energy generation	0%
Percentage of contractual instruments of energy unbundled with energy attributes claims	100%

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Beyond the Value Chain: SAP's Contribution to Climate Finance

As part of SAP's transition to net-zero emissions by 2030, we are making voluntary contributions to climate finance. These contributions allow us to increase our overall impact on climate change mitigation beyond our own decarbonization efforts, and help the world ensure that climate targets remain within reach.

Our contributions to climate finance are annual investments in nature-based projects, which have a positive, quantified impact on the climate and are implemented beyond our value chain. They are voluntary efforts and do not reduce SAP's carbon footprint until we reach our reduction and net-zero target.

Until 2030, SAP is committed to annually financing climate projects that reduce and remove more CO_2 from the atmosphere than our own operations (including Scope 1 and 2, and business travel GHG emissions) produce in a year. SAP achieved this goal in 2024 by funding a diverse portfolio of projects inside and outside the existing voluntary carbon market infrastructure, which are reducing and removing approximately 276 kilotons CO_2e in total. Projects were either financed through direct funding (47 kilotons CO_2e) or through investments in carbon credits (229 kilotons CO_2e), and use an externally verified methodology to calculate their carbon impact. SAP received carbon credits from its long-term investment in the Livelihoods Carbon Funds (LCF) and carbon retailers. For the 2024 portfolio and due diligence details, see the table below.

The project portfolio financed by SAP includes reforestation, forest protection, improved forest management, rural energy, and agroforestry projects implemented in collaboration with local communities.

Our climate finance contribution supports SAP's goal to plant 25 million trees by 2030, and fund wetland conservation. Between 2012 and 2024, SAP's nature investments, donations, and sponsorships helped plant more than 20 million trees around the world to benefit people, the climate, and biodiversity.

SAP's Contribution to Climate Finance: The 2024 Carbon Credit Portfolio

Total GHG removed or reduced through Carbon Credits	229 kt
Share of reduction credits	**48%**
From forest protection projects	46%
From rural energy projects	3%
Share of removal credits	**52%**
From agroforestry projects	39%
From improved forest management projects	13%
Share of credits certified against recognized quality standard	**100%**
Against the Verified Carbon Standard (VCS)	59%
Against the Gold Standard	3%
Against the Plan Vivo Standard	39%
Share of credits issued from projects in EU	**0%**
Share that qualifies as a corresponding adjustment under Article. 6 of the Paris Agreement	**0%**
Share of credits from Livelihoods Carbon Funds SAP committed to investing about €10 million (accumulated) in LCFs 1–3 between 2013 and 2045. By the end of 2024, SAP had invested about 47% of its total commitment. These funds prefinance community-based carbon projects worldwide. Due diligence is ensured through recognized standards, project management by trusted partners and non-profit organizations, and through joint oversight of the strategy, project portfolio, and impact by investors.	**3%**
Share of credits from carbon retailers SAP collaborates with an independent third-party carbon rating agency to systematically procure carbon credits from carbon retailers which are exclusively generated by the highest-rated carbon projects on the market based on the projects' carbon score, additionality, durability, and co-benefits such as the positive impact on people and biodiversity. This diligent procurement approach helps SAP to mitigate the risk of procuring non-genuine carbon emission reductions while reinforcing our own quality expectations.	**97%**

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Carbon Credit and Project Quality Expectations

When purchasing Carbon Credits, SAP adheres to certain quality criteria, which are set out in the table below, to ensure that the underlying projects have a real impact on climate change mitigation.

Quality Criteria	Description
Additionality/Carbon	Projects and benefits must be additional. Assumptions about the baseline must reflect reality as closely as possible and avoid overstatements. Deforestation must not have occurred to implement planting projects. The risk of leakage at the site must be identified, addressed, and reduced.
Biodiversity	Projects must safeguard and ideally improve biodiversity. The project type and intervention must be suitable for the native ecosystem. For forestry projects, a selection of diverse, non-invasive, ideally native and climate-resilient trees are to be grown in mixed stands.
Community and Benefit-Sharing	Projects must be designed to protect human rights and land rights, enable benefit-sharing, and ensure impacted stakeholders are consulted and involved prior to and during implementation.
Competence	Partners must have a history of successfully implementing projects and have the necessary expertise to implement the right projects in the right places. Scientific partnerships and project designs are strongly preferred.
Compliance	Partners must pass SAP's standard compliance checks. Projects must quantify carbon benefits based on a standardized and externally validated methodology. Carbon credits must be independently certified and validated by an external party. The same carbon impact must not be sold to multiple parties.
Durability	Projects must implement measures to address emission sources, and protect the project during the committed time, ideally permanently. For forestry projects: If necessary to safeguard project durability, trees are to be selectively and responsibly harvested to allow for regrowth (no large-scale clear-cuts).
Transparency	Project implementors are to monitor and report on project progress on a regular basis.

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Resource Use and Circular Economy

In this section, we disclose information about SAP's material IROs related to our resource use and to circular economy topics. The material IROs with the identifier E5-1 to E5-4 can be found in the IRO table included in the Results of the Double Materiality Assessment section.

Our Approach and Policies

Our double materiality assessment, including the methodology, evaluation, and the results can be found in the Double Materiality Assessment section. In alignment with these results, this section focuses on electrical and electronic equipment waste (WEEE, or e-waste). Despite general waste management not being material and therefore being excluded from this section, it is still important in our operations. We are committed to operating free of single-use plastics, our sites have segregation procedures, and in the context of our environmental management system (EMS), there are local initiatives in place to reduce general waste generation.

Policies Related to Resource Use and Circular Economy

In line with our commitment to environmental responsibility and sustainable practices, the SAP Global Environmental Policy addresses our zero e-waste target of striving toward zero e-waste in our own operations by 2030. This means diverting more than 90% of the electrical and electronic waste generated within our own operations from incineration and landfill by 2030.

We are currently working on a new policy, which we expect to publish in 2025, that continues our commitment to zero e-waste. This policy will include circular economy pillars in our own operations that prioritize the avoidance and minimization of waste generation over waste treatment. Since hardware and electrical and electronic equipment are necessary for our core business, this policy is designed to reduce the negative impact and risks associated with e-waste and manage the relevant materials in accordance with the waste hierarchy. For more information about our SAP Global Environmental Policy, see the Climate Change section.

Our Actions and Targets

To support the transformation of the economy into a low-carbon, circular system, we partner with IT asset lifecycle companies to provide a correct end-of-life treatment for our e-waste and work toward mutual sustainability targets.

Target	Base Year	Target Year	Target Description
Work to achieve zero e-waste in our own operations by 2030.	The target applies to all our e-waste on an annual basis, regardless of a base year.	2030	We commit to continue to divert more than 90% of the e-waste generated by SAP-operated data centers and facilities from incineration and landfill.
			This global zero e-waste target, defined in our Global Environmental Policy, is a voluntary target and expressed in relative values.
			This target is global, and covers our own operations, including SAP-operated data centers (SAP-owned data centers and colocations) and end-user IT equipment. We aim to reflect the expectations of stakeholders, particularly those of customers, investors, employees, and authorities. When setting this target, we referred to the framework and statistics for the status of e-waste management worldwide from the UN's Global E-waste Monitor (GEM),.
			By setting this target, we aim to constantly provide the best end-of-life treatment possible. Depending on the condition a device is in, it will be reused, recycled, recovered, or, finally, disposed of, as per the waste hierarchy.
			Due to the industry we operate in, this target does not cover circular design, circular material use rate, minimization of primary raw materials, resource efficiency in the use of technical biological materials and

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Target	Base Year	Target Year	Target Description
			water, nor other matters related to circular economy (besides waste management).

⌔ Methodology and Assumptions

Electrical and electronic equipment waste (WEEE or e-waste) is defined as all electrical and electronic devices that are discarded. It ranges from end-user IT equipment, such as laptops, peripherals, and mobile devices, to the computing, networking, and storage devices in our data centers. In alignment with ESRS definitions, we define the waste streams as follows:

Waste diverted from disposal:

- Reuse (top priority): the refurbishment and resale of functioning devices to give them a second life
- Recycling (second priority): the extraction of raw materials to preserve and reuse them (such as plastics, metals, and rare earths)

Waste directed to disposal:

- Incineration with and without energy recovery, where the former refers to the generation of energy from the incineration of waste
- Landfill: the disposal of waste on a landfill site. We strive to avoid this treatment wherever possible.

Reducing Waste from Our Own Operations

At SAP, we have global initiatives in place to reduce e-waste from IT equipment used at SAP offices and from the hardware components used in SAP-operated data centers.

SAP's global initiatives to reduce e-waste from workplace equipment

Action Name	Description	Expected Outcomes	Time Horizon
Office network management	The service provider and manufacturer owns and manages the network infrastructure, allowing SAP to avoid the constant cycle of purchasing, maintaining, and disposing of hardware. Also, the service provider and manufacturer is committed to incorporating circular design principles into 100% of its new products and packaging by 2025.	Avoidance of the constant cycle of purchasing, maintaining, and disposing of hardware. This initiative reduces electronic waste and promotes a circular economy.	The rollout started in 2024, covering 18% of our office locations. Full implementation across 100% of our sites is expected to be completed by 2026.
SAP Ariba Catalog consolidation	Overall reduction of catalog items to make hardware storage and delivery more efficient and focus on sustainable products.	Reduction in orders placed by SAP employees, along with specific restrictions on IT peripherals.	This is an ongoing SAP action.
Expansion of our bring-your-own device IT service for smartphones	Considerable reduction in devices required overall through introduction of "bring your own device" (BYOD) for Android and iOS.	BYOD reduces the need for employees to have separate personal and work devices, thereby cutting down on the total number of devices and on e-waste.	This is an ongoing SAP action.
Printer toners	As part of printing as a service, our service provider handles the recycling of printer cartridges. This service is offered for 98% of SAP printers worldwide.	Avoidance of e-waste by recycling of printer cartridges.	This is an ongoing SAP action.

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SAP's global initiative to reduce e-waste from hardware at SAP-operated data centers

Action Name	Description	Expected Outcomes	Time Horizon
Climate Neutral Data Centre Pact (CNDCP)	Circularity working group to define sustainability measures and find additional levers to existing legislation to drive positive change. This action has a global scope.	Increase in the circularity of SAP hardware.	This is an ongoing SAP action.
ITAD provider contracts in place to secure sustainable handling	To help us achieve our zero-waste and net-zero targets, and to influence investment in advanced recycling methods to decrease incineration and landfill, we engaged with certified IT asset disposition (ITAD) companies that adhere to SAP's policies to process our e-waste. This action has a global scope.	Improved performance to support our zero-waste target.	This is an ongoing SAP action.
Waste treatment requirements in the SAP Supplier Code of Conduct	Under our SAP Supplier Code of Conduct, our suppliers must follow the waste hierarchy to properly manage their waste. The Code of Conduct also sets out specific requirements regarding hazardous materials and solid waste. This action has a global scope.	Decrease in e-waste by influencing our suppliers.	This is an ongoing SAP action.

Targets Related to Resource Use and the Circular Economy

Overall Progress

We have identified two main workstreams: workplace IT equipment and data center equipment. For more information about our initiatives on these workstreams, see the section entitled Reducing Waste from Our Own Operations above. For IT equipment, we also have local initiatives in the context of our environmental management system (EMS). The EMS covers 47 SAP sites worldwide, each of which has local targets in alignment with our global goals, including zero waste.

How SAP Measures Performance and Progress

We have partnered with certified local and international ITAD companies at almost all SAP locations, starting with our major sites, to reuse, recycle, and properly dispose of our e-waste. Our ITAD partners process 94% of SAP's devices worldwide.

We monitor our global zero-waste target quarterly by collecting and analyzing all ITAD providers' data to ensure that our progress through the year is in alignment with that target. Progress is disclosed annually, by treatment classification .

The e-waste data from our global ITAD providers is analyzed to identify correlations and derive internal actions. As of the third quarter of 2024, we have increased the frequency in which collect and process this data from our local ITAD providers to quarterly. All the data is provided in a high level of granularity, at item level, expressed in kilograms, and shows the information by end-of-life (EOL) treatment (reuse, recycle, incineration with and without energy recovery, or landfill). Our analytical reporting sourcing system, established in 2023, was further improved in 2024 to be aligned with ESRS standards, aiming at even greater transparency and precision in tracking our environmental and social impacts.

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Metrics on Material Topics

in metric tons	Totals	Hazardous	Non-hazardous
Waste from electrical and electronic equipment (WEEE, e-waste)	**793**	264	528
Total amount diverted from disposal	**749**	248	501
Preparation of reuse	410	161	248
Recycling	340	87	253
Other recovery operations	0	0	0
Total amount directed to disposal	**43**	16	27
Incineration	35	12	23
Landfill	9	4	5
Other disposal operation	0	0	0
Total Non-recycled waste	**43**	16	27
Percentage of non-recycled waste	**5%**	6%	5%

This table contains e-waste information, because it is the only material waste stream for SAP based on the materiality assessment. In 2024, we generated 793 metric tons of e-waste (−47% compared to 2023), from which 263 metric tons are classified as hazardous.

Waste Stream and Composition of Our E-Waste

The *workplace IT equipment* waste stream consists primarily of end-of-life products from the information technology and telecommunications sectors, including electronic devices, such as laptops and smartphones, and accessories, such as cables, power plugs, keyboards, and headsets. The raw materials derived from these discarded products are mostly non-metallic minerals, such as plastic and glass. However, they also contain metals, including aluminum, cobalt, lithium, magnesium, titanium, tantalum, platinum metals, and other elements, such as phosphorus and rare earth elements. Copper, silver, gold, and other precious metals can also be found in small quantities.

The *data center equipment* waste stream includes servers, network, storage, and backup devices. The main materials present in the waste are circuit boards, ferrous metals, non-ferrous metals, and plastics.

⊘ **Methods Used to Calculate SAP WEEE** The e-waste data we receive from our IT asset disposition partners is based on weight, or on the number of devices converted into weight using the average weight per device. To determine the share of end-of-life treatment practices (recycling versus incineration with or without energy recovery versus landfill), our partners aim to use the quotas in place at recycling sites. If this data is not available, regional quotas or other country quotas are used for approximation.

For SAP offices that are not covered by any of our partners, we extrapolate e-waste percentages for end-user IT equipment based on full-time equivalents.

For SAP-managed colocation data centers that are not covered by our global IT asset disposition partners, we extrapolate the data based on the electricity consumption share.

The breakdown across recycling, incineration with or without energy recovery, and landfill for extrapolation processes, is calculated using the country-specific or region-specific factors provided by the Global E-waste Monitor 2024.

Overall, we achieved a data coverage for our WEEE reporting of 94%.

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Social Information

In this section, we disclose information about SAP's human rights matters and material impacts, risks, and opportunities (IROs) related to social topics and responsibility. For more information, see the sections Human Rights, Own Workforce, Workers in the Value Chain, Security, Cloud Compliance, and Data Protection and Privacy, and Responsible AI.

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Human Rights

Our Commitment

SAP is committed to respecting and advancing human rights across our operations, extended supply chain, and product lifecycle. We also expect our employees and business partners to respect human rights and to avoid complicity in any abuse.

SAP respects and upholds the values of the International Bill of Human Rights and the International Labour Organization (ILO) Core Labour Rights Conventions. We do this by taking guidance from the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct.

Our Global Human Rights Commitment Statement describes SAP's human rights-related action areas, human rights governance and risk management system, prioritized risks, preventive and remedial measures, and expectations placed on employees and all business partners. It applies to all SAP operations worldwide. The current version is available on our public Web site and has been rolled out globally to employees and suppliers. We updated the statement in 2024. Ultimate responsibility for our Global Human Rights Commitment Statement lies with the SAP Executive Board.

Our Approach to Human Rights Due Diligence

In alignment with the UNGPs and the German Supply Chain Act, we have implemented a human rights due diligence process to identify, prevent, and mitigate salient human rights risks. We continuously monitor and evolve this process and seek to embed it into our organization and business relationships.

Our due diligence process is governed by a cross-company agenda, driven collaboratively by the Human Rights Steering Committee and multiple lines of business, including People & Culture, Procurement, and GR&AS, and monitored by our Human Rights Office, which reports to our Executive Board at least once a year and more often if required.

✎ Methodologies and Definitions

SAP's assessment of potential negative human rights impacts ("risks") is informed by the UNGPs and the German Supply Chain Act specifically. Our Human Rights Due Diligence program assesses and prioritizes the material matters concerning our own employees and value chain workers, such as adequate wages, health and safety, gender equality, equal pay for work of equal value, measures against violence and harassment, and eradication of child and forced labor.

We use ESG risk management software to ensure we have a structured process for assessing potential impacts of our own operations and those of our tier 1 suppliers. For information about our suppliers, see the Workers in the Value Chain section. Our risk assessment process includes the following steps:

Step 1: Performing an abstract risk analysis in which we evaluate country-specific and industry-specific risks related to human rights and environmental standards by referencing quantitative indicators from the World Bank and the United Nations and qualitative data from sources such as the CSR Risk Check of the German Helpdesk on Business and Human Rights.

Step 2: Performing a concrete risk analysis in which we identify risks from our own operations and from our tier 1 suppliers. For our own operations, we examine high-risk topic clusters more closely by interviewing experts, drawing on internal data from, for example, our complaints mechanisms and environmental management system, and on queries from the country-specific financial risk identification process.

Regarding our tier 1 suppliers, we conduct detailed assessments of high-risk suppliers, particularly those with significant spend (that is, of more than €50,000) by using questionnaires to gather information about their response to the risks that were identified.

Step 3: Prioritizing potential negative impacts related to our own operations and value chain based on criteria such as the nature of our business activities, our ability to influence suppliers, probability and severity (scale, scope, remediability) of potential violations, and the nature of our causal contribution.

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We also assess potential impacts related to our indirect (tier 2-n) upstream supply chain and downstream value chain. For example, we use impact measurement and valuation to gain an understanding of positive and negative impacts in our value chain. For more information about our impact measurement and valuation, see the Impact Valuation Approach section.

Based on our assessments, we have started to prioritize potential negative human rights impacts along the value chain. The following impacts have been identified as salient:

– In our own operations: non-discrimination

– In our direct and indirect supply chain: decent living wages (prioritized for further assessment)

– Related to products, services, and customers: non-discrimination and privacy

For more information about how SAP addresses these prioritized impacts, including the resources it allocates, see the sections Own Workforce; Workers in the Value Chain; Security, Cloud Compliance, and Data Protection and Privacy; Responsible AI.

Further action areas

SAP ensures its employees' right to recovery and leisure time in accordance with local labor laws and ILO conventions on labor standards regarding working hours.

We do not accept forced, bonded, or involuntary prison labor nor any form of human trafficking. Employment at SAP is voluntary. Employees are free to leave their jobs after any required notice periods, where applicable and consistent with their employment contracts. In our recruiting and hiring processes we ensure that our employees do not have to pay recruitment fees. We also make sure that they are not required to lodge deposits, identity papers, or any other documents that might limit their legal status, their freedom to travel, or their ability to leave their job temporarily or permanently after commencing employment with SAP.

SAP does not tolerate child labor. Our HR recruitment and hiring processes, and our policies prohibit it. To foster quality education and job opportunities, SAP offers various vocational training programs, which may include minors under the age of 18. These individuals receive a special employment contract and extra care is taken to ensure working time is not exceeded and that their well-being is protected.

We require our suppliers and partners, pursuant to our Supplier and Partner Code of Conduct policies, to uphold human and labor rights, and to ensure a safe, healthy, and fair work environment in alignment with the international standards outlined above. Our Code of Conduct requires that suppliers must not engage in human trafficking or use forced, compulsory, or child labor.

Engagement on Human Rights

As set out in our Global Human Rights Commitment Statement, SAP engages in various ways with potentially affected stakeholders both within and outside the Company. We liaise with stakeholders such as employee representatives, experts from academia, civil society, and industry, who are represented on SAP's external Sustainability Advisory Panel. In 2024, we met regularly with employee representatives to understand their specific concerns and interests related to the rights protected by the German Supply Chain Act. At these meetings, the discussions focused SAP's complaints management and reporting.

We also survey our employees regularly to take their feedback into account on topics that matter to them. For more information about our engagement with our own workforce, see the Engaging with Our Own Workforce section; for information about our interactions with workers' representatives, see the Social Dialogue, Involvement of Works Councils section.

For information about our engagement with value chain workers, see the Processes for Engaging with Value Chain Workers section. For information about our engagement in AI ethics and data protection and privacy, see the Processes for Engaging with Stakeholders subsection in Responsible AI and in Security, Cloud Compliance, and Data Protection and Privacy.

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Remedy for Human Rights Violations

We are committed to working with affected people or their representatives to remedy negative impacts on human rights depending on SAP's causal contribution. In our own business, all relevant teams and individuals work together to take immediate and long-term action to end violations and prevent reoccurrences.

For more information, see the Complaints Management and Investigations section.

At the time of publication of this report, we are not aware of any cases of severe human rights incidents connected to our own workforce that constitute a violation of the UNGP or the OECD Guidelines for Multinational Enterprises. No cases of non-compliance with the UNGPs, ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises involving value chain workers were reported in 2024.

Own Workforce

In this section, we disclose information about SAP's material IROs related to our own workforce. The material IROs with the identifiers S1-1 to S1-13 can be found in the IRO table included in the Double Materiality Assessment section.

Based on our DMA, we do not have any material impacts on our own workforce that may arise from transition plans for reducing negative impacts on the environment and achieving greener and climate-neutral operations. Added to this, we have not identified any operations at significant risk of incidents of child labor or forced and compulsory labor in our own workforce.

In the text below, we have outlined the targets and/or metrics by which we assess the effectiveness of our policies and actions. In instances where practical measurement is not possible, we have refrained from including such information. Unless otherwise stated, all numbers in this section are reported based on headcount.

Our Approach

SAP actively prioritizes the interests, views, and rights of its employees in all operations, including our business model and strategy process. At SAP, we carefully consider the possible effects of our actions on our workforce. We will elaborate on these in the sections below.

Input

We actively engage with our workforce to understand its perspectives, concerns, and aspirations. Strategic input from the workforce is collected at various levels and through several channels. At the employee level, the channels most frequently used for structured feedback are employee surveys and sounding boards of selected employees for the most strategic corporate projects. For more information about how we engage with our workforce, see the section Processes for Engaging with Our Own Workforce. At the leadership level, selected leaders are actively involved in the yearly strategy definition process. Additionally, ongoing feedback is collected through leadership steering committees and sounding boards, such as the Innovation Committee. For more information about our committees and boards, see the Corporate Governance Statement in the Combined Management Report. Lastly, there are frequent exchanges between SAP's management and the works councils, who represent the rights and views of SAP employees.

Output

While the various feedback channels inform the overall strategy definition process, a key output element of the strategy is our corporate culture, which includes shared values and our leadership credo. By fostering an inclusive and transparent culture, we empower employees to voice their opinions and contribute to the direction of the Company. Moreover, our People Agenda, as one of the pillars in SAP's corporate strategy, is a key strategic priority that drives our actions.

In summary, the interests, views, and rights of our workforce are deeply ingrained in SAP's strategy and business model. By prioritizing the well-being and empowerment of our employees, we believe we can drive long-term value creation for all stakeholders, including our workforce, customers, partners, and shareholders.

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People Agenda

Established in 2024, the People Agenda is a holistic system in which people, organizational, and technological development are interconnected. We have defined three key strategic pillars built on a strong foundation that together make up our People Agenda:

– Our **growth culture** guides how we work internally and address the market and customers externally. It increases our capacity for change, drives efficiency, and ensures accountability, helping us deliver high-performance results for our customers and markets. By executing in line with our strategy, we strengthen the engagement and commitment of everyone – employees, partners, customers, and shareholders. Additionally, we are investing in comprehensive leadership development programs that will equip all our leaders with the skills to develop teams, lead transformation, and consistently deliver results. While individual growth is important, we also recognize the need to enhance our organizational capabilities to fully support our culture. We are committed to building high-quality methodologies and tools in organizational development and change management. These resources will be essential for enabling SAP's ongoing transformation and ensuring that we remain agile in a rapidly changing environment.

– Our **skills-led people ecosystem** prioritizes HR practices that focus on skills at every stage of the employee lifecycle: from skills-based job descriptions and personalized skill assessments, to enhanced individual learning and development opportunities tailored to growth, to hiring based on skills and abilities rather than just experience or academic qualifications.

– Our **game-changing people technology** harnesses SAP's own technological capabilities. SAP SuccessFactors will form the core of our processes going forward and equip us to deliver data-driven, AI-enhanced, and fully individualized solutions for everyone at SAP. This will enable us to foster data-driven and transparent decision-making for leaders and allow everyone to grow and develop to their best abilities based on data insights. As the number one showcase and customer of SAP SuccessFactors ourselves, we will actively drive the Human Capital Management (HCM) roadmap and pioneer innovations – for our customers too.

These pillars rest on the strong foundation of our **people-centric work environment,** which fosters employee well-being, safety, and health, as well as workforce diversity and workplace inclusion. Together, these elements are designed to establish a forward-thinking workplace.

Characteristics of Our Own Workforce

⊘ Methodologies and Definitions

Number of employees (heads): The number of employees is independent of their capacity levels.

Headcount in heads: This describes the headcount in heads as at the last day of the reporting period. An employee working part-time still counts as one head. Only headcount-relevant employees are included in "headcount in heads" figures. In general, this includes all active employees on permanent contracts and employees on contracts longer than six months. Students and employees on long-term leave are excluded.

Full-time equivalent (FTE): FTE is a key metric that indicates the staffing percentage of an employee in a position based on their capacity utilization level.

Headcount in FTEs: This refers to the total number of FTEs as at the last day of the reporting period. An employee working half-time counts as 0.5 FTEs. Only headcount-relevant employees are included in FTE figures. In general, this includes all active employees on permanent contracts, and employees on contracts of more than six months. Students and employees on long-term leave are excluded.

Headcount-relevant/non-headcount relevant: In general, employees with an FTE greater than 0 are considered headcount-relevant. Students, vocational trainees, and interns are considered non-headcount relevant.

Breakdown by gender: number of employees, broken down by gender. This includes the categories female, male, other, and not reported or not disclosed.

Gender category "other": This ESRS category refers to gender as specified by employees themselves. At SAP, employees are able to provide gender options other than female or male that are

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legally recognized in their corresponding countries. As of the end of 2024, other gender options had been provided in Germany, Argentina, and India.

Employees who have left SAP: This describes the total FTE of employees who have left SAP. It does not include employees who have transferred internally or from one subsidiary to another (though there may be local exceptions due to payroll system constraints). The number includes all headcount-relevant employees whose employment contracts have been terminated and those headcount-relevant employees who have accepted a fixed-term non-headcount relevant contract of less than six months. It is reported as a full-year number.

External hires: Total headcount in FTE of employees who have been hired externally. This number does not include internal transfers or employees who have transferred from one SAP subsidiary to another. It is reported as a full-year number.

Employee Turnover: This describes the overall rate of terminations (that is, employees leaving SAP, not internal transfers), including fully integrated acquisitions. It applies to headcount-relevant employees only and is calculated based on FTE numbers. It is reported as a full-year number.

Employee contract type: Numbers are reported based on employment types. For more information, see the description of the different employment types below.

Temporary hourly-paid: Employees who are paid an hourly wage. The contract can be longer than six months (for students), depending on local practices.

All the numbers in this section are reported at the end of the reporting period unless otherwise stated.

Terms of Employment

Various terms of employment exist at SAP. Definitions may vary depending on local laws.

Employees with a permanent/unlimited contract (permanent employees): Permanent employees have a direct employment relationship with an SAP entity with no pre-determined end date. Permanent employees can work either full-time or part-time and are assigned an internal SAP user ID and personnel number in our HR systems.

Employees with a limited contract (temporary employees): Temporary employees have a direct employment relationship with an SAP entity that is not permanent in nature; the end date of the employment contract is predefined. Temporary employees can be employed either full-time or part-time and are assigned an internal SAP user ID and a personnel number in our HR systems.

External workers (third parties): For more information, see the section Characteristics of Non-Employee Workers in Our Own Workforce.

For more information about our employee headcount, see the Notes to the Consolidated Financial Statements, Note (B.1).

Number of Employees in Headcount, Breakdown by Gender

Gender	Number of Employees (headcount)
Male	71,007
Female	38,965
Other	1
Not reported	0
Total employees	**109,973**

Number of Employees in Full-Time Equivalents, Breakdown by Gender

Gender	Number of Employees (full-time equivalent)
Male	70,823
Female	38,298
Other	1
Not reported	0
Total employees	**109,121**

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In 2024, 8,390 employees (FTE) left SAP and 8,974 FTE were hired externally. Employee Turnover was 7.8% (2023: 6.0%).

SAP is constantly adapting to new market conditions and changing customer requirements. As part of this ongoing transformation, in 2024 we launched a Company-wide restructuring program ("Next Level Transformation Program"). Our aim is to further simplify our structures and processes while investing in key strategic growth areas such as AI. For more information about the impact of the program, see the Notes to the Consolidated Financial Statements, Note (B.6).

Total Number of Employees by Headcount

	Female	Male	Other	Not Disclosed	Total
Number of employees	38,965	71,007	1	0	**109,973**
Number of permanent employees	38,767	70,871	1	0	**109,639**
Number of temporary employees	198	136	0	0	**334**
Number of non-guaranteed hours employees	NA	NA	NA	NA	**NA**

At SAP, we have various non-headcount-relevant employee categories. None of these categories match the ESRS definition of "non-guaranteed hours employees." However, at SAP we have employees who are paid hourly (for example, working students) but who have a reliable minimum number of hours guaranteed. For 2024, the number of temporary hourly-paid employees was 1,548 (747 male, 798 female, 2 other, 1 not disclosed).

Number of SAP Employees by Headcount, Broken Down by Country for Countries in Which SAP Has 50 or More Employees Representing at Least 10% of Its Total Number of Employees

Country	Number of Employees (headcount)
Germany	26,944
United States	17,712
India	16,164

Characteristics of Non-Employee Workers in Our Own Workforce

Our Global External Workforce Policy describes and governs worker classifications. Note that SAP also has country-specific policies in place to cover 90% of the external worker population to ensure that specific local legislative considerations are documented clearly within those policies.

The only external worker classification that would be considered part of SAP's "own workforce" is "temporary staff."

Temporary staff are persons deployed to act as replacement employees for a limited period of time. They can be integrated into a team and given working instructions as if they were employees. Typical circumstances in which temporary workers may be engaged to replace or fill in for an SAP employee include:

– Providing cover for employees who are on extended leave (for example, maternity leave, or extended sick leave)

– Providing cover for temporary peaks in work

– Providing specialist skills on a short-term basis

Our Temporary Staff Guidelines outline the way in which SAP employees are to engage and behave with temporary staff to ensure transparent engagement behaviors in our daily business and compliance with this policy.

In 2024, SAP contracted 901 temporary staff by headcount through undertakings primarily engaged in employment activities. This figure is an average of the number of individuals engaged in 2024.

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All other non-employee engagements are classified as "services." This means that the supplier provides a service and that SAP contracts the service to be delivered, not the labor. Per the requirements of a service, the work is not under the control or supervision of SAP. For more information about workers in our value chain, see the section Workers in the Value Chain.

Processes for Engaging with Our Own Workforce

At SAP, we engage and communicate with our own workforce regularly, using a variety of formats and media as part of our comprehensive, continuous efforts to listen and to maintain a dialogue. This includes dedicated follow-up actions to address employee feedback.

To ensure good communication with our employees, we have dedicated communication teams at global, Board area, regional, and local level.

We communicate with our workforce about topics that are important for them through a range of channels. Examples are shown below. Global communications to all employees do not usually include temporary staff, due to the dynamic nature of distribution lists for them. For local events and communication channels, local laws stipulate whether or not temporary staff should be included. Temporary staff can also access information published on SAP One, our internal employee portal.

Audience	Asset/ Channel	Cadence	Description
All Employees	Global Employee Meeting (GEM) - (hybrid live event)	Quarterly	The GEM is a meeting that connects members of the Executive Board with employees. Top-voted employee questions are addressed on stage and online by an expert panel.
	Earnings Check-In (hybrid live event)	Quarterly	This event complements the GEM by providing an additional, dedicated discussion forum with the CFO and CEO, on or immediately after earnings day. Top-voted employee questions are addressed on stage and online by an expert panel.
	Unplugged sessions with CEO (hybrid live event)	Quarterly	Unplugged sessions offer an informal forum for employees to ask the CEO questions on all topics related to SAP.
	Sessions with HR directors	Six-monthly	These live meetings allow HR directors to share insights and provide context for country-specific topics, regional updates, and global announcements (to outline the local impact). Employees can ask questions and share feedback.
	Coffee Corner Espresso Edition (hybrid live event)	Monthly	These sessions take place in a short, moderated Q&A format, in which a Board member and/or L1 executive answers questions from employees.
	Employee checklist (newsletter)	Monthly	This checklist is sent by e-mail as a source of information to all SAP employees worldwide. Content must be globally relevant.
	What's Up Work Zone (website)	Multiple per month	An internal website featuring internal global news, information, and events.
	-Coffee Corner (onsite live event) -Coffee Call (hybrid live event)	Multiple per month	Q&A sessions, during which executives answer employees' questions.
	Announcements widget (SAP One Home)	Weekly	A collection of globally relevant, need-to-know information for employees.
	Organizational announcements	As needed	Major organizational changes are followed by multi-channel communications cascades. These include e-mails, in-person events, internal online articles, FAQs, and other documentation, depending on the need.
All Managers	Leaders What's Next Call	Monthly	These live calls for all leaders cover relevant and timely HR and people management topics to help leaders manage their teams and organizations.
	Manager checklist	Monthly	An informational e-mail sent to all managers worldwide. Content must be globally applicable and relevant to managers in their supervisory capacity.
All Managers and Chief Experts	Leadership Communications Pack (LCP)	Quarterly	The LCP includes a summary of important company-wide topics for leaders to share with their teams.
Executive Leadership	SAP Forward Call (virtual)	Monthly, and as needed	These meetings connect the Executive Board and SAP's senior and global executives. They cover need-to-know, critical company topics and allow time for discussion and Q&As.

In a concerted effort to continuously promote a diverse and inclusive culture – and ensure wider accessibility to global employee events – we deploy assistive technology, including sign language

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interpreting (primarily American Sign Language), assistive listening devices (ALDs), closed caption screens, reserved priority seating, and post-event recordings with professional captioning.

In addition, HR directors (HRDs) engage with employee representatives regularly on the legal requirements of their respective countries and timely inform and consult these representatives about measures that impact employees and which require codetermination. These interactions can be initiated by either side.

To ensure the effectiveness of its communications, our People Communications team regularly tracks the reach, engagement, and sentiment of its owned channels. This data is used to inform stakeholders and improve future communications, as well as to continuously refine communication channels and approaches. The team uses a combination of e-mail marketing tools, data analytics tools, and manual analysis. One of our platforms for internal e-mail communication is an in-house tool called Communications Hub. It enables us to track open rates, read rates, and link clicks. The Global Communications Team (specifically, People Communications) also measures pre-event engagement through the volume of questions submitted, and uses in-event polling, to gather feedback from attendees. Attendance numbers (virtual) and replay views are also tracked.

At SAP, we recognize that employee engagement is a critical driver of innovation, productivity, and long-term organizational success. Our Executive Board members play an important role in fostering and maintaining employee engagement. Given SAP's approach to employee engagement, no single role is operationally responsible for employee engagement. It falls within the role of the chief human resources officer to foster engagement between SAP and its employees through various formats for interacting and listening, and through our People Agenda. Further, the responsibilities of HR directors include supporting communication and dialogue, and implementing the People Agenda at country level. The chief communications officer is responsible for ensuring communication between SAP and its employees.

#Unfiltered

⊘ **Definitions**

Employee Engagement Index (EEI): For more information, see the Incorporation by Reference section of our Appendix ⤴.
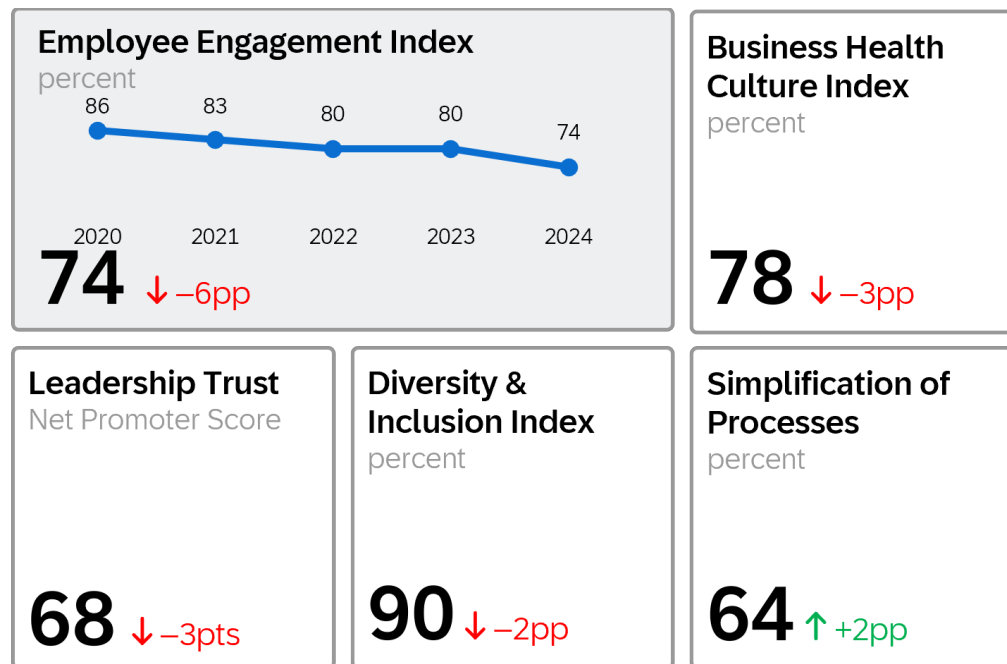
Leadership Trust Net Promoter Score (Leadership Trust NPS): The metric is derived from a question in our #Unfiltered survey that gauges employees' trust in our leaders. Based on the Customer NPS methodology, it is calculated as a percentage of "promoters" (a score of 9 or 10 on a 10-point scale) minus the percentage of "detractors" (a score of 1 through 6). The method ignores "passives" (a score of 7 or 8). Consequently, the value range of the NPS is −100 to +100, with the latter being the best achievable score.

Business Health Culture Index (BHCI): This metric was collected in the #Unfiltered survey run in June 2024. For more information, see the Health, Safety, and Well-Being section.

Simplification of Processes: This index shows the impact of our continued efforts to simplify our processes. It is measured on the basis of answers to 14 questions in our #Unfiltered program (November 2024 survey).

Diversity & Inclusion Index: The Diversity & Inclusion Score from #Unfiltered indicates the extent to which SAP successfully offers employees a working environment that promotes diversity and inclusion. The index is measured on the basis of answers to three questions (June 2024 survey).

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Employee Engagement Index
percent

| 2020 | 2021 | 2022 | 2023 | 2024 |
| 86 | 83 | 80 | 80 | 74 |

74 ↓ −6pp

Business Health Culture Index
percent

78 ↓ −3pp

Leadership Trust
Net Promoter Score

68 ↓ −3pts

Diversity & Inclusion Index
percent

90 ↓ −2pp

Simplification of Processes
percent

64 ↑ +2pp

#Unfiltered,[1] our employee engagement survey program, runs twice a year to measure key people metrics, engagement drivers, and employee sentiment. #Unfiltered is a demonstration of our commitment to listen regularly to our employees and act together on their feedback. In 2024, we ran surveys in June and November to gauge sentiment on employee engagement, leadership trust, health and well-being, and other topics. The average scores from both surveys were used as the full-year Employee Engagement Index and Leadership Trust NPS.

The EEI is part of the short-term, one-year performance-based compensation (Short-Term Incentive, STI) of the Executive Board members. The target range for the EEI in 2024 was 76% to 80%. In July, SAP adjusted the EEI outlook for the full-year 2024 to 70% to 74% based on the latest available results by the end of Q2. The EEI, along with other survey metrics, such as BHCI and Leadership Trust NPS, declined due to multiple factors, including, for example, the transformation and restructuring efforts, the evolution in SAP's hybrid work guidance, or external influences which were beyond SAP's control. The adjustment of the outlook did not affect the Executive Board's compensation targets. The target range for 2025 is between 74% and 78%. For more information about the results and outlook, see the section Measuring Our Success in the Combined Management Report. Measures were introduced to counteract the decline in EEI, which already showed positive effects in the second half of the year.

Additionally, we use a number of feedback instruments within our continuous listening approach to assess how individual employees experience the various touchpoints along the employee lifecycle. This approach enables us to understand how employees perceive SAP, to enhance our processes, and to optimize the employee experience.

We act on the feedback we receive from these various listening measures to improve organizational and team development. Our follow-up activities are driven by a two-fold approach: global focus areas are coordinated centrally, while team-related activities are coordinated within the respective teams.

We also track the Diversity & Inclusion Index of our own workforce through our #Unfiltered survey, which allows us to take a deeper look at the aspects of gender, age, job level, and geography for all employee engagement scores.

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[1] 83,042 employees participated in the #Unfiltered survey in June (response rate: 76%) and 77,577 employees participated in the #Unfiltered survey in November (response rate: 70%). All headcount-relevant employees and also (in Germany) non-headcount relevant employees on parental leave, on long-term sick leave, with a tenure of more than six months, PhD students, and vocational trainees were invited to take part in the 2024 #Unfiltered survey cycle. The survey did not include employees at Taulia, LeanIX, or WalkMe.

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True to our commitment to nurture a diverse and inclusive work environment in which each person's unique background and identity is not just acknowledged but celebrated, we aspire to offer enhanced support to employees worldwide. To this end, in 2023, we launched our **Global Diversity Survey**.[2] This annual survey allows individuals to share – on a voluntary basis and in compliance with the legislation of the respective country – personal characteristics, such as their ethnicity, gender identity, sexual orientation, disability status, nationality, military/veteran status, and caregiver status. In 2024, the survey achieved a response rate of 10%. The feedback provided new insights into our understanding of diversity in the workforce, including:

– Expressions of pansexuality and self-described gender identities

– The underrepresentation of nationalities, religions, and of people from ethnic backgrounds

– 'Caregiving,' which encompasses responsibility for children, parents, grandparents, spouses, or - partners, as well as those preparing to become caregivers.

SAP has 13 employee network groups (ENGs),[3] which are voluntary initiatives. At regular meetings with Executive Board members and other leaders, the ENGs share grassroots level feedback and ideas to improve systemic inclusion.

For more information about our engagement with workers' representatives, see the section Social Dialogue, Involvement of Works Councils.

Global People Compliance

Our Approach and Policies

SAP is committed to providing a workplace that is free from discrimination and harassment. Discrimination, including harassment, sexual harassment, retaliation, and any other form of inappropriate workplace conduct are prohibited. Our Global People Compliance team supports this commitment through our Global Anti-Discrimination Policy, objective investigations, and various training courses.

SAP Global Anti-Discrimination Policy

The SAP Global Anti-Discrimination Policy applies to work-related discrimination, harassment, bullying, and retaliation in all SAP work-related settings, including both in the office and outside the office (such as during business trips and business-related social events), and to all forms of communication (e-mail, mail, phone) used by SAP employees, employees of other employers, contractors, vendors, customers, suppliers, visitors, and partners. The policy specifically covers the following grounds for discrimination: racial and ethnic origin, color, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national extraction or social origin, and other forms of discrimination covered by European Union regulation and national law.

The purpose of the policy is to enforce our commitment to treating all employees with dignity and respect in a workplace that is free from discrimination and harassment. Subject to policy-owner approval, some regions or countries (such as the United Arab Emirates (UAE) and some states in the United States) that have legal or other local requirements that contradict or go beyond this framework adopt local addendums to the global policy.

Discrimination, harassment, or retaliation by any SAP employee will be treated as a disciplinary matter and may constitute a justifiable cause for termination.

The policy is monitored on a regular basis and updated as necessary.

The head of Employment & Labor Relations, People & Culture Germany is the owner of this policy, which all employees of SAP, including the Executive Board, are obliged to comply with. The policy is available to all our employees on our internal employee portal and on the Global People Compliance SharePoint. Furthermore, in September 2023, we released a global anti-discrimination and anti-

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[2] This survey is available for all headcount-relevant employees, except those in Chile, Israel, and Thailand, which do not allow for self-identification.

[3] An employee network group (ENG) is a voluntary, employee-led diversity and inclusion initiative that is formally supported by SAP.

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harassment training course (including regional legal nuances). Covering all aspects of the Global Anti-Discrimination Policy, the course is mandatory for all employees (except for employees of SAP Deutschland) and is offered on an annual basis. It explains how to report incidents and the investigation process. We track the completion rate of this training course using the same internal learning platform that is used to deliver training content to employees globally. Our ambition is to reach a completion rate of at least 85%. For 2024, the completion rate was 97.1%.[4] Employees taking the course also receive an individual completion score. Further, we offer internal information covering the different complaints channels on our Global People Compliance SharePoint and internal portal pages. There are also virtual enablement sessions available specifically for internal functions such as HR, to make sure that employees know the complaints procedure and their rights and responsibilities under it. You can find more information about the different complaints channels below.

In addition, our Global People Compliance team offers preventive training courses aimed specifically at SAP managers. These courses are either offered on demand, based on the compliance situation in the different regions, or can be requested by organizations themselves.

For contractors, vendors, customers, suppliers, visitors, partners, and other external parties, we have published the SAP Global People Compliance and Anti-Discrimination Statement, which is available on our website.

Our Actions and Targets

IRO Type	Description	Targets/Metrics
Positive impact	We improve employees' sense of belonging, satisfaction, and trust in SAP through well-defined structures put in place to support employees on topics related to discrimination and harassment.	There are no targets related to this positive impact.
Negative impact	Psychological harassment (such as bullying, retaliation) can lead to employee mental and physical health issues, for example, and create a hostile work environment.	There are no targets related to this negative impact.

All identified impacts related to discrimination and harassment are addressed by our Global Anti-Discrimination Policy. Most incidents investigated by our Global People Compliance team are related to psychological harassment. The numbers do not, however, show a systematic increase among certain employee groups or regions, but that they are spread equally.

SAP encourages all employees to report potential violations of international human rights standards and environmental standards.

Employees who want to raise a concern or complaint can do so directly using our Speak Out at SAP tool, either online or through the tool's helpline option. For more information about the Speak Out at SAP tool, see the Speak Out at SAP section. In June 2024, Global People Compliance implemented Resolver, a global case management system that allows employees to report concerns and helps our Global People Compliance team manage concerns and investigations efficiently. Before the launch of Resolver, employees could report their concerns directly by sending an e-mail to Global People Compliance. The new case management system gives our People Compliance function more transparency and visibility into the concerns raised across the various regions, countries, and Board areas, and into the nature of those concerns. Global People Compliance uses the data it receives to identify trends and take appropriate action to mitigate risks. Our People Compliance complaints channels are available to all our employees, including temporary staff.

In addition, in June 2024, we launched an internal SAP app that employees can use to report concerns on their mobile device. Alternatively, employees can contact the Global Ombuds Office, which operates as an informal, independent, and confidential channel (in addition to SAP's formal complaint mechanisms), providing a safe place to discuss any workplace concerns and to explore ways of addressing them. The Global Ombuds Office promotes constructive conflict resolution through counseling, coaching, mediation, workshops, training courses, and other measures. In the case of

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[4] The course and completion rate do not include employees at Taulia, Volume Integration, LeanIX, or WalkMe.

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compliance-related topics, the Global Ombuds Office helps guide employees to the respective formal channels.

Complaints Management and Investigations

We have established a complaints management and investigations procedure that provides SAP with a globally consistent and comprehensive approach to effectively managing concerns related to potential or actual violations of human rights or environmental standards in accordance with the German Supply Chain Act. Beyond this law, SAP is guided by international frameworks such as the UNGPs, under which companies must provide an effective grievance mechanism for all human rights topics.

If we receive concerns or complaints about behavior that is contrary to human rights or environmental standards, we conduct an objective investigation. If the investigation concludes that prohibited conduct has occurred, we take action commensurate with the facts of the investigation and dependent on the level of policy violation. Reported incidents are reviewed and evaluated for investigative follow-up actions.

Global People Compliance closely reviews the facts collected during each investigation to determine which measures are required to minimize violations. As part of the investigation process, the team has added the step of following up with the affected employee in an appropriate timeframe after the investigation has ended to check whether they are experiencing any additional issues. The team further reviews data on a regular basis to identify compliance hot spots and areas in which additional training is needed.

Once a quarter, we analyze regional specifics with respect to reported concerns and investigated violations of the SAP Global Anti-Discrimination Policy and implement additional preventive training measures for specific target groups (such as manager communities) at the respective locations.

We review the effectiveness of our complaints procedure once a year, or ad-hoc if required. As part of this continual improvement process, we consider the eight effectiveness criteria defined in the Management of Complaints Assessment (MOC-A) tool, namely legitimate, accessible, predictable, equitable, transparent, rights-compatible, source of continuous learning, and dialogue-compatible. We are currently focusing on enhancing stakeholder engagement to increase the effectiveness of our complaints management procedure.

SAP strictly prohibits retaliation against anyone who, in good faith, reports violations of human rights or environmental standards, or who participates in an investigation conducted by Global People Compliance, even if the investigation does not ultimately substantiate the concerns raised. Dishonest, bad faith, or otherwise abusive reports (such as false personal attacks aimed at specific individuals) are prohibited and may result in disciplinary action.

The confidentiality and impartiality of investigations is guaranteed by the setup of the compliance teams, their professional training, and the non-disclosure agreements and policies in place.

Metrics on Material Topics

Identified Incidents, Complaints, and Severe Human Rights Impacts

Complaints were filed through our various complaints mechanisms. In 2024, 445 complaints were filed by e-mail, 116 in our Speak Out at SAP tool, and 438 in Resolver.

We conducted a total of 107 investigations into discrimination and 447 investigations into harassment (362 into psychological harassment, and 85 into sexual harassment). The number of investigations that were substantiated as policy violations was substantially lower than the total number of investigations.

At the time of publication, no severe human rights incidents had been recorded, nor had any complaints been filed to National Contact Points for OECD Multinational Enterprises. For more information about human rights, see the Human Rights section.

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Social Dialogue, Involvement of Works Councils

Our Approach and Policies

We respect the rights of our employees to organize and to be represented by labor unions and other bona fide employee representatives in accordance with local laws, and, as such, we engage in constructive dialogue with employee representatives (see our Human Rights Commitment Statement). Please find more information in the Human Rights section. In addition, we have an Employee Involvement Agreement (EIA), which is described below under 1. SE Works Council (Europe). Where local laws restrict the establishment of certain employee representations, we are open to other forms of employee representation that are not prohibited under local law.

Our Actions and Targets

IRO Type	Description	Target/Metrics
Negative impact	Violation of employees' rights to social partners, including unions, works councils, and other representative bodies, leads to negative impact on employees.	There are no targets related to this negative impact because everything related to social partners is determined in a first step by local law and by local agreements. Consultation and information topics covered by the SE Works Council (Europe) are regulated in the Employee Involvement Agreement.
Positive impact	Existence of and cooperation with unions and involvement of social partners, including unions, works councils, and other representative bodies, in negotiations ensures a higher representation of employees' interests and therefore a higher employee satisfaction and trust in SAP.	There are no targets related to this positive impact because everything related to social partners is determined in a first step by local law and by local agreements. Consultation and information topics covered by the SE Works Council (Europe) are regulated in the Employee Involvement Agreement.

We have structures in place to ensure that the rights of employees to representation are observed. However, any individual employee or group of employees could still be potentially negatively impacted accidentally. Were this to happen, SAP would act within the respective legal framework and according to the facts of the case.

We involve social partners through the following:

1. SAP SE Works Council (Europe)

The SAP SE Works Council (Europe) ("SE WoC (Europe)") brings together employee representatives from the 28 EEA (European Economic Area) countries[5] (including, until May 15, 2024, the United Kingdom) in which SAP SE has subsidiaries and ensures the representation of their rights to be informed and consulted. The composition, competence, and procedures of the SE WoC (Europe) are governed by the EIA. Employees can find information about the EIA, the SE WoC (Europe), and the matters that must be addressed to this body, including the relevant contact persons, on our internal portal.

The EIA governs the SE WoC (Europe) rights to be informed about and consulted on the following:

– Matters that affect two or more countries in the EEA

and

– Specific matters governed by the EIA, such as strategy, economic and financial situation, development of business, trend of employment, investments, reorganizations considered to be substantial, introduction of new working methods and processes, relocation of undertakings, mergers or split-ups, cutbacks or closures, collective redundancies, changes to compensation structures, diversity and demographic trends, and other topics presented by central management.[6]

The SE WoC (Europe) is the representative body for SAP employees across the EEA. When management consults it about a proposed measure, the SE WoC (Europe) submits an opinion, which,

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[5] The 28 EEA countries are: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, The Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom.
[6] The Executive Board of SAP SE or the management level within the SAP Group that is in charge of or entrusted with a matter, and its respective representatives.

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although not binding, will be included in further considerations. Since all member countries have their own national law and may also have social partners and bargaining and other agreements in place, the opinion expressed by the SE WoC (Europe) cannot determine what is implemented locally, or how.

SAP's central management is responsible for ensuring compliance with the EIA.

The SE WoC (Europe) meets every quarter at SAP headquarters in Walldorf to discuss matters covered by the EIA. Additional meetings are scheduled between the quarterly meetings as required.

2. Global Labor Relations and HR Directors

Employees in many countries also have a legal right to establish representation for employees at local level. The matters that SAP is obliged to involve social partners in, depend on national laws and the agreements that are in place on company level. SAP enters into collective agreements with labor unions and concludes works agreements with works councils as required by law, and, in some cases, voluntarily in countries where there is no legal requirement, if needed.

We liaise closely with social partners in these countries to address matters in accordance with national laws and local needs.

Therefore, Global Labor Relations (GLR), our employee and labor relations function, liaises directly with the SE WoC (Europe) and with the works councils/unions in France and Germany. In other countries, local HR directors are tasked with liaising with employee representatives. GLR works with the HRDs to ensure that employees' rights to representation are respected. Further, employees have the right to address work-related issues specific to their country to their local representatives.

In case of violations due to the responsible business not involving GLR or HR directors, despite being obliged to do so, SAP will make the business contact aware of the violation to prevent future occurrences.

The SAP Executive Board, HR directors, managing directors, and/or responsible business divisions inform all employees, including those without representation, about the content and outcome of social partner involvements and other important matters.

Employees can also raise matters directly with their representatives, HR directors, and other appropriate SAP contacts in their countries.

GLR has regular meetings with the chairpersons of the SE WoC (Europe) and of the local representative bodies of the respective entities in Germany and France, and the HR directors in other countries, who in turn have regular meetings with the local social partners to discuss topics, strengthen collaboration, and prevent negative impacts.

Regular meetings between local social partners and Executive Board members, the Global Labor Relations team, and other roles, and between social partners and local HR directors, ensure that these parties have frequent opportunities to discuss the effectiveness of actions and initiatives.

Metrics on Material Topics

Collective Bargaining Agreements and Social Dialogue Coverage

The terms of employment and working conditions are determined primarily by local country laws and can be regulated in more detail through bargaining agreements and other agreements that are negotiated with the social partners in certain countries.

Employees can access these agreements on the internal portal for their respective country, along with information about local contacts and a list of countries where SAP has social partners. In addition, SAP provides employee training to increase awareness of social partner rights.

Where agreements exist between an SAP entity and a social partner, the relevant group of employees of this entity (named in the respective agreement) fall under this agreement. Hence, the respective SAP entity must follow the content of the agreement for the valid group of employees for as long as this agreement is valid (in addition to local law).

In 2024, 36% of SAP employees were covered by collective bargaining agreements.

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In the EEA, SAP had 262 collective bargaining agreements. Outside the EEA, 5% of our employees were covered by collective bargaining agreements.

50% of our employees globally were covered by workers' representatives.

For a breakdown of collective bargaining coverage and workplace representation by country/region[7], see the table below.

	Collective Bargaining Coverage		Social Dialogue
Coverage rate	Employees – EEA	Employees – Non-EEA	Workplace representation (EEA only)
	(for countries with >50 employees representing >10% of total employees)	(for regions with >50 employees representing >10% of total employees)	(for countries with >50 employees representing >10% of total employees)
0%–19%		APJ, Americas	
20%–39%			
40%–59%			
60%–79%			
80%–100%	Germany		Germany

Total Rewards

Our Approach and Policies

SAP conducts an analysis at least once a year to ensure that its employees are paid fair and adequate wages. This analysis covers all employees at SAP,[8] regardless of specific personal criteria, such as gender or age. Our commitment to fair and competitive pay is fundamental to our compensation investment strategy and is formally described in our Global Policy on Compensation Management.

The policy and culture created at SAP impacts all employees and ensures there is no pay discrimination.

Adequate Wages

SAP employees are paid an adequate wage.[9] We ensure that all employees are paid at least the minimum wage mandated by local laws. In regions without a legally defined minimum wage, or in the event that living wages are above the legally defined minimum wage, we adhere to the living wage standards. The data for defining living wage is provided by the external organization "Valuing Impact" in collaboration with "WageIndicator," as used by the VBA. For more information about VBA methodology, see the section Impact Valuation Approach.

SAP's Global Policy on Compensation Management details the frameworks and principles that are in place to ensure fair and adequate wages for employees, taking into consideration their role, proficiency, and local market conditions. SAP uses a total target cash (TTC) approach, meaning that employees have a regular base salary that is paid monthly or twice-monthly (depending on the location) and a target bonus amount. The policy is connected to SAP's global job architecture, which helps managers determine the appropriate job title, career level, and expectations for an employee. SAP maintains salary structures for every career level and country in which employees are located that establish pay ranges of TTC for all jobs in the global job architecture. These pay structures are aligned with the market and are reviewed at least once a year to determine whether adjustments are required to keep them in alignment. If adjustments are required, they are made and reflected in the compensation framework.

The policy also gives guidance to managers on how to determine an appropriate wage (TTC) for an employee during the hiring process, for internal career moves, during the Annual Compensation Review (ACR), and for any off-cycle adjustments. It sets out the overall principles of fair pay and defines the various roles and responsibilities.

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[7] Regions: EMEA (Europe, Middle East, and Africa), Americas (North America and Latin America), and APJ (Asia Pacific Japan).

[8] Does not include employees at Taulia, Emarsys, Volume Integration, LeanIX, or WalkMe.

[9] Does not include employees at Taulia, Emarsys, Volume Integration, LeanIX, or WalkMe.

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Adherence to the policy is monitored by means of two annual analyses: 1) adherence to pay within the pay range (to ensure that all employees are paid within their designated pay range); and 2) assessment of pay equity within the ranges (to ensure that all employees are paid equitably). SAP adjusts an individual's TTC if it falls below the recommended minimum or falls below the acceptable spread of differences in pay relative to similar peers.

The policy is mandatory globally, unless prevented by legal requirements. Local policies may be established to complement the global regulations, but in case of a conflict, the global policy prevails. It applies to all employees except for executives, who are subject to separate global executive rewards policies. The policy is owned and overseen by the global head of Total Rewards, who reports directly to a Board member. Implementation of the policy is the responsibility of all people managers, up to and including Board members, HR, and Finance.

Employees can look up the pay range that is relevant to their role in an internal tool. The policy is available for all managers and employees on SAP's internal employee portal. It is also presented in a user-friendly format through our intranet and is available to all employees. Key aspects of the policy are highlighted to managers during compensation decisions (for example, during the ACR) along with in-tool enablement, guidelines, and supporting materials. Key HR stakeholders who support managers are provided with relevant materials to help them interpret the policy when consulting with managers and experts on the policy, and local regulations and considerations are available to managers and HR stakeholders through a ticketing process.

Equal Pay for Work of Equal Value

SAP operates a fair pay policy, which is part of the Global Policy on Compensation Management detailed above. At SAP, we strive to create a culture of mutual respect and inclusion and to ensure that our compensation practices are fair and transparent. Since it is a foundational element of SAP's inclusive culture, we are committed to providing equitable pay for employees in job groupings with similar market value, while remaining competitive with the external marketplace.

In support of this philosophy, we have established the following fair pay principles:

– Target compensation is market-based and internally equitable.

– Pay is for contribution and impact in alignment with business results.

– Pay ranges and criteria for compensation decisions are transparent.

In our fair pay policy, we commit to publishing the TTC ranges (that is, base salary and target bonus) based on job/grade level internally, and to using market data benchmarks based on the relevant industry- and country-based data to review the ranges at least annually. We also commit to an annual global review of internal pay equity, including, but not limited to, any statistically relevant gender pay gaps. If significant pay gaps are identified, we implement pay adjustments to close them, to target equal pay for substantially similar work. Furthermore, any identified factors within our underlying compensation processes and practices that have directly contributed to those pay gaps are modified to prevent future occurrences. These actions are intended to ensure manager compliance and to verify that our established processes support an environment of equal pay for substantially similar work.

The policy states explicitly that SAP leadership expects all managers to fully support SAP's fair pay commitment and to approach any compensation decisions with the fair pay philosophy and principles in mind.

Monitoring adherence to the policy, the roles and responsibilities for implementing the policy, and its communication and enablement are intertwined with SAP's policy on adequate wages and are detailed in the section above.

Furthermore, SAP's compensation investment strategy takes a "fair pay first" approach, meaning that the top priority for compensation investment distribution is to cover any identified need for pay adjustments to bring all employees into the correct pay ranges and ensure fair pay for work of equal value.

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Our Actions and Targets

IRO Type	Description	Target/Metrics
Positive impact	We ensure, through different mechanisms, that employees are paid fairly and equally for work of equal value.	We want all of our people to be paid fairly and equitably. In 2022, we began to make annual global pay adjustments to ensure that the compensation of at least 99% employees is within their pay ranges and equitable among comparable peers.[1] We are meeting that target (using data after the annual adjustments). In addition, we have met our target of pay range transparency (99.9% of employees) and we continue to assess this. [1] We are targeting a full action plan in relation to the EU Pay Transparency Directive by 2026. We work with social partners and employee representatives to set our payment related targets, to assess our pay practices, and to identify areas for improvement. We inform them about our performance against targets if legally required.

[1] Does not include employees at Taulia, Emarsys, Volume Integration, LeanIX, or WalkMe.

As part of our efforts to address material positive impacts, we keep our workforce informed about our approach to fair and competitive pay by means of informational materials and commitments that are publicized internally. In addition, managers have access to real-time analytics that include gender breakdowns, and they are prompted to remember our fair pay commitments when planning compensation and career moves (for instance, during the ACR) on behalf of all employees. Externally, we publish our commitment to fair and competitive pay periodically, for example in our Diversity and Inclusion (D&I) Report, including a summary of the actions we are taking. We are also actively engaged with external stakeholders on industry best practices (taking part, for instance, in case studies and conferences).

As part of annual processes:

– As part of the ACR, SAP conducts two analyses, as described above, and dedicates central budgets ("fair pay first" approach by ringfencing 2% to 3% of the overall annual compensation investments budget) to make required adjustments as per the findings of the analyses. After the ACR, SAP performs an annual analysis of the ACR outcomes that includes data points related to SAP's fair pay philosophy, TTC, equity long-term incentives, and bonus distribution. These data points include, but are not limited to, the number of cases where fair pay adjustments were recommended and the average adjustment amount, which is further broken down by gender.

– We report on the post-ACR analysis to the Executive Board and all managers. Top-level managers have the option to consult with HR experts on the results and next steps. Should any concerns be identified in connection with the distribution, HR is empowered to coach managers and leaders through the next steps.

On a continual basis:

– Managers are reminded of our commitments to fair and competitive pay as part of career and compensation decisions (such as internal and external hiring, and off-cycle compensation changes). They are required to stay within the pay ranges when making compensation decisions, and analytics help them make fair decisions (for instance, they have aggregated information at their disposal showing how other employees in the same role and same location are paid within their pay range, as well as a dashboard that provides insights into the career and compensation information of their own team).

– All managers have the option of consulting with HR experts when making compensation and career decisions, and HR is empowered to coach them on making those decisions fairly and appropriately.

In addition, as mentioned above, there is a dedicated, ringfenced budget for any corrections needed to ensure fair and competitive pay for all employees. Tools used for core activities include: MarketPay (as a resource for external competitiveness); an in-house regression analysis tool (for pay equity analysis); My Team Dashboard and Success Map reports for manager analytics related to their own teams; the Compensation Assistant tool for managers to view pay ranges and aggregated information about pay related to specific roles and locations; and the Success Map compensation planning tool and off-cycle

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adjustments options for making decisions (with built-in parameters to ensure compliance with pay ranges and legal requirements).

Metrics on Material Topics

Remuneration Metrics

⊘ Annual Total Remuneration Ratio

In determining the annual total remuneration ratio, we utilize the total target cash on a full-time basis, which includes both base salaries and target bonuses as of December 31, 2024. This approach ensures that the compensation of part-time employees is accurately reflected. We also include the LTI that has been granted to the individual employees during the reporting year, valued at grant date.[10]

To calculate the annual total remuneration ratio, we first identify the employee with the median compensation, including Executive Board members, but excluding the highest-paid employee. For a more comprehensive analysis, we also incorporate benefits for the median employee, as well as for five employees above and below the median. These 11 data points are then averaged to calculate the remuneration of the median employee and compare it with the highest-paid employee.

For the year 2024, the annual total remuneration ratio was 87, which is one of the lowest ratios when compared to CEO pay for other megacap multinational technology companies (as disclosed in their latest Form DEF[11] 14A proxy statements) with whom we compete for talent.

⊘ Gender Pay Gap

We define the unadjusted gender pay gap as the difference in average pay levels between female and male employees, expressed as a percentage of the average pay level of male employees. Pay levels are calculated using total target cash on a full-time basis, which includes both base salaries and target bonuses as of December 31, 2024, to ensure an accurate representation. We also include the LTI, valued at grant date, that was granted to the individual employees during the reporting year.[12]

In 2024, the unadjusted gender pay gap was 20%. We attribute this largely to the effects of SAP's demographics, including the ratio of male to female employees across seniority levels, the types of roles we offer, and the geographies our employees work in. We used established statistical methods to account for the effects of demographic attributes that are commonly used for such gender pay gap adjustments, including amongst others the distribution of employees across functional roles, seniority levels, and geographies. Applying these variables, the adjusted gender pay gap was 5%. We are committed to narrowing this gap and continue to make improvements in gender diversity across all levels globally. For more information about our ongoing efforts, see the Diversity & Inclusion section.

⊘ Family-Related Leave

Parental leave is applicable when a child joins a parent to form a family unit (as a result of birth, adoption, or legal guardianship) and includes:

– The primary caregiver: the parent who takes primary responsibility for caring for the child following its birth or adoption.

– The secondary caregiver: the parent who does not have primary responsibility following the birth or adoption of a child.

Family care leave provides employees with time off to care for a family member who requires care or support for serious medical reasons.

At SAP, we are committed to promoting a healthy work-life balance as a way of ensuring a work environment in which everyone can thrive. Beyond the standard legal requirements, our employees have access to a variety of leave options that are offered as part of SAP's benefits package. These include, but are not limited to, parental leave and family care leave, which are available in certain countries to support a better work-life balance.

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[10] This does not include employee share purchase plans and corresponding cover plans.

[11] Definitive Proxy Statement

[12] This does not include employee share purchase plans and corresponding cover plans.

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All our permanent employees are entitled to at least one of two types of family-related leave (parental leave and family care leave). Moreover, 86% of our permanent employees are entitled to both types of leave, and 22% of employees make use of them, of which 58% are male and 42% female. This breakdown is reflective of our current gender demographics and includes only those countries where both types of leave are available. In countries where family care leave is not yet available, we are committed to addressing the gap to ensure consistent access for our employees globally.

For more information about our flex work approach, see the section Flexible Working at SAP.

For more information about our health offerings, see the section Health, Safety, and Well-Being.

Social Protection

All permanent employees are covered by social protection, through public programs, and/or through benefits offered by SAP, against loss of income due to any of the following major life events: including, but not limited to, sickness, employment injury, and acquired disability, parental leave, and retirement. Coverage for temporary and hourly-paid employees in some countries may differ based on local regulations (examples include China, India, and Singapore).

Unemployment has not yet been included in this year's analysis but will be included starting next year.

Diversity & Inclusion

Our Approach and Policies

Our diversity and inclusion (D&I) strategy supports SAP's corporate goals by fostering innovation and profitability. A diverse workforce produces innovative ideas and solutions, and drives engagement and productivity. This not only strengthens our business; it also helps us serve our global customer base better. By recruiting a diverse workforce, we enhance our reputation, attract top talent, and align with the values of our customers.

The benefits of this comprehensive strategy to SAP include:

– Data-driven insights: Data can reveal areas for improvement in product development, marketing strategies, and workforce development programs.

– Employee engagement and productivity: A diverse and inclusive workplace fosters higher employee engagement, leading to increased productivity and better business outcomes.

– Brand reputation and social responsibility: Strong practices which value contributions from a diverse population of employees enhance SAP's brand image as a responsible and ethical company, attracting socially conscious customers and partners.

– Future-proofing the business: Diversity prepares SAP to adapt to changing demographics and evolving customer expectations in a globalized world.

For D&I KPIs, we focus on headcount-relevant employees for impact measurement. For a definition of headcount-relevant, see the Characteristics of Our Own Workforce section.

The benefits of diversity extend to interns and temporary staff through events, ENGs, and awareness programs.

Our headcount-relevant employees benefit from our various initiatives to create better diverse representation through our wide variety of recruiting sources, development initiatives, and other engagement and retention strategies. Inclusive hiring is pivotal to our journey at SAP, amplifying our capacity for diverse perspectives and propelling our business transformation.

In compliance with legal requirements, we uphold an Equal Employment Opportunity Policy in the United States and Canada. This policy describes the framework in place to ensure equal employment and access to opportunities, respectful treatment of all individuals, and an environment free from unlawful discrimination. It covers all aspects of employment, including selection, job assignment, promotion, transfer, compensation, discipline, layoff, terminations, and access to benefits and training. The policy is governed by the head of HR of North America and the head of HR of Canada.

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Diversity & Inclusion (D&I) Narrative

We cover our commitment to the topics of diversity, gender equality, employment, and inclusion of persons with disabilities through our D&I narrative, which is available to all employees on our internal employee portal and externally on our Web site. The narrative below covers our entire workforce, including temporary staff and interns, and is overseen by the chief diversity & inclusion officer.

The Narrative

In striving to be the most inclusive software company in the world, SAP works to reflect a higher standard of business, societal values, and perspectives in all that we do – from maintaining a truly welcoming culture and providing our customers with greater transparency to measure their own progress, to serving our broader communities to develop the next generation of innovators. We believe that through our actions, we can create transformative change toward a more equitable, sustainable, and connected world.

Creating a vibrant and caring environment for our people, where everyone can be their authentic self, is key. Our goal is to take best advantage of all systems and processes to make an impact that positively impacts not only SAP but all its stakeholders. We believe in a future where respect is the hallmark for all, and therefore tailor our initiatives around three pillars: Workforce Diversity, Workplace Inclusion, and Marketplace Leadership.

– Workforce Diversity: increasing diversity in the workforce composition at all levels of SAP to appropriately reflect the diversity in society.

– Workplace Inclusion: creating a positive work environment where all colleagues can thrive and engage to their fullest potential in driving SAP's purpose.

– Marketplace Leadership: extending the impact of diversity and inclusion efforts within the communities we serve.

As we move forward, our objective is to embed these principles into all parts of our people processes and fundamentally elevate the employee experience. We aim to do this by integrating respect-based perspectives in our strategy through a Global D&I Advisory Council comprised of members from various parts of SAP; and through systemic inclusion by prioritizing people processes such as learning, talent acquisition, benefits and, policies, so that they are inclusive to all. In addition, we will continue to build inclusive features into our products and services in connection with customer demand which will enable us to keep innovating for a better future for all. Our AI Ethics Steering Committee ensures that many safeguards are put in place to avoid discriminatory or biased outcomes. For more information about AI, see the Responsible AI section.

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Our Actions and Targets

IRO Type	Description	Metrics/Targets
Positive impact	Improve employee performance through job satisfaction, motivation, and productivity as a result of diversity and inclusion programs and networks.	To achieve the objectives of the policy, we have the following targets, which apply to the first three IROs.

D&I goals align with several UN Sustainable Development Goals (SDGs): Gender equality (SDG 5), Reduced inequalities (SDG 10), and Decent work and economic growth (SDG 8).

At SAP, we are committed to fostering equality by achieving our goal of industry-based gender parity at all levels within our organization. SAP is on track to achieving its long-term gender goals in compliance with applicable legal requirements.

Women in Workforce (WiW): 35.4%, our target is to achieve 40% by the end of 2030.[1]

Women in Management (WiM): 30.2%, our target was to achieve 30% by the end of 2024, which we achieved.[2]

Women in Executive Roles (WiER): 22.5%, our target is to achieve 25% by the end of 2027.[3]

SAP's commitment to industry-based gender equality in leadership is a key topic of concern for investors and has financial implications given that it is an ESG KPI for the revolving credit facility (RCF). A key enabler for driving change is the commitment from the Executive Board members and other executives who appoint people to these leadership roles. |
Positive impact	A non-discriminatory environment fosters a high rate of well-being among our own employees.	The aspirational targets are proposed annually by the Global Diversity & Inclusion Office (GDIO) and are considered under SAP's overall growth plan and the Talent Discovery hiring target for the year. The GDIO also considers labor market data and past trends to arrive at the proposed targets. The proposal is presented to the Executive Board for approval, and relevant stakeholders, including the Supervisory Board Committee, are informed of the changes. The approved targets are then shared both internally and externally.
Positive impact	Improve employee performance through job satisfaction, motivation, and productivity as a result of equal opportunities and equal treatment.	Annual disclosure of the targets through the SAP Diversity & Inclusion report and the Integrated Report. Monthly tracking and quarterly updates are also provided to the Executive Board and Supervisory Board on all of the KPIs. From those updates, lessons or improvements based on the performance can be identified. Publishing D&I KPIs twice a year enables the senior leadership team to review and change course to meet the targets set for D&I.
Positive impact	Accessibility and equality: Making SAP buildings, digital platforms, and training content accessible to people with disabilities, while also providing necessary accommodations and possibility to self-disclose their disability ensures equal opportunities for all employees.	There is no target related to this positive impact. Usage of accommodations, feedback from employees via Employee Network Groups, surveys like the Global Diversity Survey, and the number of colleagues self-disclosing their disability status will continue to help measure the effectiveness of these initiatives.

[1] We define "Women in the Workforce (WiW)" as the share of women in the total workforce (calculated in heads). We started measuring this KPI in 2012. For this KPI, our previous goal was to reach 35% by 2022, which we reached before the end of 2022. Target mentioned as required by ESRS S1-5 §44.

[2] We define "Women in Management (WiM)" as the share of women in management positions as compared to the total number of managers, expressed by the number of individuals and not FTEs. It includes three categories: 1) Managers managing teams: Refers to managing teams of at least one employee or vacant positions; 2) Managers managing managers: Refers to managing managers who manage teams; 3) Executive Board members. We started measuring this KPI in 2012. After achieving our WiM target of 25% in 2017, we set a more ambitious goal of reaching 30% by 2022. Due to unforeseen challenges, we did not meet the 30% target and requested extensions for 2023 and for 2024. The KPI does not include employees from Taulia, Emarsys, Volume Integration, LeanIX, and WalkMe. Target mentioned as required by ESRS S1-5 §44.

[3] We define "Women in Executive Roles (WiER)" as the percentage of women in the three management levels below the Executive Board (Group Executive Level, Senior Executive Level, Executive Level), compared to the total number of individuals across all genders in these levels (calculated in heads). This KPI also has an influence on Executive Board compensation. For more information, see the section Performance Management System in the Combined Management Report. We started calculating this KPI in 2023. The KPI does not include employees at Taulia, Emarsys, Volume Integration, LeanIX, or WalkMe. Target mentioned as required by ESRS S1-5 §44.

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The strategy and deliverables related to our inclusive culture are centrally managed by the GDIO team within the People & Culture Board area. Additionally, we have teams across various business lines and regions, spearheaded by regional champions and volunteers who work with business leaders to implement programs and initiatives. All leaders, managers, and employees are responsible for creating a work environment that is welcoming to all.

We are focusing on talent development initiatives such as our annual internal Women to Watch (W2W) program. In this initiative, selected participants from across all Board areas who are interested in moving into management roles will undertake a seven-month learning journey involving live workshops, on-demand learning, networking, and one-on-one career conversations with leaders. We plan to build a community for junior talent through initiatives such as the Career Launchpad in partnership with our Business Women's Network, which includes quarterly global events and is open to all employees. Hiring practices focused on ensuring equal employment opportunities will continue for all positions, based on various sourcing methods and interview panels. We will also work with talent development and management processes to provide equal opportunities for career progression and learning.

Promoting respectful behaviors is a priority, especially at decision-making points. We are achieving this through the availability of workshops and micro-learning sessions for all managers and employees.

We track our diversity KPIs every month and provide quarterly updates to the Executive Board and Supervisory Board to ensure that success is determined by the real impact of our initiatives.

We strive to ensure all employees feel equally valued at SAP, including persons with disabilities. We achieve this through the following:

— Infrastructure and digital accessibility: Removing barriers supports accessibility in the workplace for people with and without disabilities.

— Flexibility is not just a perk at SAP, but an integral part of our People Agenda and an approach we already practiced through flexible work models such as hybrid work for many years prior to the COVID-19 pandemic. For more information about our flexible work models, see the section Flexible Working at SAP.

— We employ an inclusive design methodology to develop SAP products that work for the widest possible range of human diversity. In collaborating with our vast network of researchers, developers, students, partners, industry leaders, entrepreneurs, academics, and SAP customers, we are working to solve accessibility and other challenges through technological innovation.

— We ensure that everyone, including people with disabilities, can utilize SAP software, by making accessibility a core priority for product quality and user experience. We also make sure that our buildings and facilities are fully accessible.

— For more information about how we prevent discrimination through our SAP Global Anti-Discrimination Policy, see the Global People Compliance section.

We approach the topic of diversity and inclusion from a systemic perspective, whereby we look at all people processes to ensure that there is no bias within the system. From talent acquisition to total rewards, every policy and measure designed for our people is reviewed to ensure that it promotes and supports equal employment opportunity. Additionally, we make education available to our employees about unconscious bias and how to mitigate it. A total of 1,805 managers have completed the Intentional Inclusion workshops since October 2022, representing 19% of the total manager population. We continue to strive to reach all leaders. Short learning courses on the Inclusive Mindset Challenge platform have reached more than 15,815 employees globally, significantly increasing awareness of the fundamental expectation of respect for all. We also have an internal branding toolkit available to all employees that offers information about key resources, accessibility tips and tools, including design templates and graphics to support communication efforts across SAP.

Our Diversity & Inclusion Report, which is published periodically on our website, offers a transparent view of the progress SAP has made toward attracting and retaining diverse talent, building a culture of inclusion, and serving the marketplace as a clear navigator.

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We measure the success of our D&I programs by systemically incorporating fair and equal opportunity practices at all levels. To achieve this, we track the composition of our workforce at all levels, including leadership and management, and monitoring the hiring and promotion rates. Additionally, we analyze specific metrics for various departments and locations. For example, we look at the representation of all genders, in our global workforce and leadership positions. We further track participation in specialized programs like Autism at Work and representation of different ethnic groups in the United States per the legal requirement. We also track engagement in related programs, training sessions, and events, and gather feedback through surveys and polls to ensure continuous improvement in employee experience and engagement for all our workforce.

The Global Real Estate & Facilities team at SAP conducts annual global accessibility inspections, and updates buildings with barrier-free infrastructure as needed.

In partnership with the ENGs, SAP makes a range of assistive devices and accessible technology available to employees who request them to help them work more effectively.

We participate in external performance ratings and benchmarking through established indices, which are published annually. Additionally, SAP is recognized globally for its efforts in fostering an inclusive workplace, and has received several awards validating our progress in creating equal opportunities, and adding to the total Employer of Choice accolades won in 2024.

Our achievements are shared internally on our GDIO SharePoint and in a monthly global newsletter.

Metrics on Material Topics

⊘ Methodologies and Definitions

We define executive roles as the three management levels below the Executive Board (Group Executive Level, Senior Executive Level, Executive Level).

	Workforce	Management[1]	In Executive Roles[1]
Male	71,007 (64.6%)	6,755 (69.8%)	535 (77.5%)
Female	38,965 (35.4%)	2,923 (30.2%)	155 (22.5%)
Other	1 (0%)	0 (0%)	0 (0%)
Not reported	0 (0%)	0 (0%)	0 (0%)

[1] Does not include employees at Taulia, Emarsys, Volume Integration, LeanIX, or WalkMe.

	Under 30 Years	30–50 Years	Older than 50 Years
Employees	16,143	70,709	23,121

In countries that permit the collection of disability data, the proportion of our workforce that self identifies as having a disability is 1.3%. Of those, 39.2% are women and 60.8% men.

Legislation regarding data collection and reporting for people with disabilities varies widely. Some countries are required by law to employ a certain percentage of people with disabilities, leading to penalties if the required numbers are not met. Other countries strongly encourage data collection, but do not set any legal quotas; and still others do not have any specific legislation on this matter. In 2024, SAP started rolling out a global disability self-identification project for the countries in which this is legally possible. SAP has legal entities and employees in 73 countries and the project is currently implemented in 43 countries. Please note that the European General Data Protection Regulation considers health-related data as sensitive personal data. It is therefore not possible to collect disability information in countries that do not have specific legislation mandating or strongly recommending such practice.

The disability metrics presented in this report, including the corresponding gender breakdown, are part of this data collection project.

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People Development

Our Approach and Policies

To support our People Agenda in contributing to SAP's business strategy and value generation, we have a dedicated People Growth and Leadership Excellence organization that is responsible for delivering learning programs, processes, and development opportunities to all SAP leaders and employees.

Employees can access all learning content, resources, and information about our learning strategy through SAP's internal employee portal, SAP One. This learning content is also available in Success Map, SAP's learning management system. The head of our People Growth and Leadership Excellence organization is accountable for implementing the learning strategy. In addition to this strategy, we will be putting in place a robust leadership development framework, performance management framework, total rewards framework, talent attraction framework, talent management strategy, internal talent technology strategy – all based on a skills framework – for rollout in 2025.

Our training and development programs are run by approximately 300 people at SAP. We aim to spend between €60 million and €80 million annually on these activities (excluding personnel expense). These expenses are split across corporate functions and therefore can be found across different expense line items in the Consolidated Income Statements of SAP Group. For more information, see the section Consolidated Income Statements of SAP Group for the Years Ended December 31 in the Consolidated Financial Statement.

The learning strategy, which was created in 2024 and is scheduled for full rollout in 2025, focuses on bringing the best out of SAP employees through continuous skill development. We accomplish this by being **skills-based**, **data-driven**, and **learner-centric** in every element of our strategy.

- **Skills-based:** We conduct external and internal research to identify and prioritize the skills needed in our workforce to meet our business objectives, stay relevant for their roles, and get ahead of future disruptive skills – and, ultimately, to become more agile and flexible as a company.

- **Data-driven:** We use data in every aspect of our Learning Strategy. We enable data-driven decision-making to optimize allocation of learning spend, and we use data and AI-supported technology to optimize learning operations and experiences. Once employees consume the learning on offer, we can analyze learning data to see how they are adopting their learning recommendations and what impact learning is having on skill progression and business objectives.

- **Learner-centric:** Our learning strategy is learner-centric in terms of the way in which we design, deliver, and enable discovery of our learning offerings. Particularly when it comes to discovery, we invest in technology that automates the curation and prioritization of learning offerings based on each individual employee's skills gap.

Our Actions and Targets

IRO Type	Description	Targets/Metrics
Positive Impact	Training and development programs at SAP can help our employees to obtain valuable and relevant new skills and improve their career development.	There are no targets related to this positive impact as we are currently working on targets for our new strategy. Metrics showing the effectiveness of our actions towards this positive impact are listed in the section Metrics on Material Topics.

We are committed to ensuring that the workforce we have now and in the future is equipped with the skills they need to thrive in a rapidly changing market. That is why we provide our workforce with distinct, tailored, and role-centric learning experiences that enhance their professional portfolios and support continuous skill development. New employees are required to attend virtual corporate onboarding sessions (a total of 12 hours) and complete a self-based onboarding journey that ensures they understand SAP's strategy, culture, structure, operations, products, and success metrics.

Our comprehensive learning approach encompasses traditional classroom training, interactive virtual courses, experiential learning opportunities, peer-to-peer knowledge sharing, and flexible, self-paced learning. In addition, we provide several specialized talent development programs, including a

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dedicated learning experience for new hires, access to certified career coaches, and a unique program to foster readiness for strategic roles.

Learning offerings that employees need to perform their work are available to everyone – including external workers, who have access to compliance training as part of their external workforce onboarding. Learning offerings targeting career development and progression are available to employees of all contract types, except external workers.

Examples of our learning portfolio at SAP include:

Audience	Offering	Purpose
New Hires	Global Onboarding Experience	An end-to-end learning experience for all new hires at SAP, starting with access to a pre-start portal prior to joining, three days of virtual live onboarding sessions upon joining, and access to a self-guided learning journey and meetups over the first 12 months. New hires also have access to a dedicated buddy to guide them with function- and role-specific onboarding.
Select Employees	Catalyst Program	The Catalyst Program is designed to build and develop a robust talent bench that is prepared to fill critical roles across strategic business areas within two years of joining the program. Catalysts are assigned to dedicated pools that offer specialized learning opportunities, such as the AI & Data Science pool, to increase their readiness to fulfil critical roles in the future.
Early Talents	Vocational Training/ Student Training and Rotational Program	The Vocational Training/Student Training and Rotational program offers students a structured training program with between three to six rotations in different teams across all Board areas to develop key skills for fulfilling immediate, mid-term, and long-term strategic business objectives. The goal of this program is to support SAP's early talent strategy by converting highly motivated and skilled employees into headcount relevant positions.
All Employees	Career Development SharePoint	An on-demand site that provides all SAP employees with the information and resources they need to foster their career development. It includes information about self-reflection and networking, career planning and development, and the promotion and progression processes at SAP.
All Employees	Fellowship Program	Our Fellowship Program offers employees the opportunity to experience a different role in a different team for a temporary period. Fellowships are invaluable, hands-on development opportunities open to SAP employees globally.
All Employees	SAP Learning SharePoint	A one-stop-shop for all employees' learning needs at SAP. This site leads to sources for any learning topic, including all functional learning sites (for example, development learning, sales learning, and so on).
All Employees	AI Learning SharePoint	A single-entry point for all employees that combines all AI learning resources, making it easier for employees to plan their AI skills development goals.
All Leaders	Leadership Experience	A dedicated site for all leaders at SAP with access to Leadership Journeys per level and useful information.

Please note that the table above includes only a few examples from our portfolio; it is not an exhaustive list.

Metrics on Material Topics

Learning and Training Hours

For 2024, the average number of training hours per employee[13] was 28, which can be broken down to an average of 28 hours per female employee and 28 hours per male employee.

We measure employee-learning participation rates across our portfolio on an ongoing basis and continue to see very high participation. In 2024, the participation rate was 97%,[14] resulting in more than 3 million learning hours[15]. A total of 13,025 individuals spent more than 50 hours learning.

We measure the success of our upskilling initiatives annually using the following metrics (please note this list is not exhaustive):

– Percentage of leaders who have completed at least one relevant learning asset: 36%[16]

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[13] Active headcount-relevant employees only. Calculated based on FTE. This number includes formal training and mandatory and compliance training.

[14] Calculated based on FTE.

[15] Number includes formal training and mandatory and compliance training.

[16] Leadership learning journeys, offered by Leadership Development, are a menu of offerings relevant to the business and SAP's goals. The content in the modules supports leaders in improving their leadership capabilities, and they are free to select the content that best fits their leadership growth. This number does not include mandatory or compliance training or other training that is not offered by Leadership Development.

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– Percentage of global senior executives who have completed relevant development offerings: 90%[17]

– Percentage of new hires who feel a sense of belonging with their team after six months: 95%[18]

– Percentage of Catalysts who believe that the Catalyst program offerings support their development: 75%

– Percentage of cross-functional or cross-Board area fellowships (out of total number of fellowships): 72%[19]

– Number of Vocational Training, Student Training and Rotational Program conversions: 482, which corresponds to a conversion rate of 71%[20]

Performance and Development

Our learning programs play a crucial role in supporting our objectives to develop and nurture talent and to fuel our progress. In addition, through our performance management approach, we aim to establish a high-performance focus by linking SAP's business goals to the impacts of individuals and teams. Development opportunities, meaningful reward packages, and a culture of inclusion foster an environment where the full potential of every individual can be realized. It is crucial that our employees see the link between their individual contribution and SAP's future success. At SAP, setting SMART[21] performance goals and success indicators creates the foundation for employees to understand what is expected of them. Development goals support employees with their professional development and overall success. All employees are given the opportunity to review their goals, discuss feedback, and reflect on their own progress at least twice a year (midyear and at year-end) in a dedicated SAP Talk[22] conversation with their manager. This ensures the employee knows how they are progressing at midyear and how they stand overall for the whole year.

⊘ In 2024, 84% of our employees had at least two SAP Talks (84% female, 85% male).[23] On average, employees attended 5 SAP Talks throughout the year (female 5, male 6), accounting for an overall total of 533,952 SAP Talks held in 2024 (the expectation is for approximately 200,000 SAP Talks to take place per year).

Flexible Working at SAP

SAP's holistic approach to flexible work actively addresses trends and developments – including the reshaping of today's workforce, the skills shortage, and the AI revolution – to reimagine work at its core. We drive this transformation with state-of-the-art people practices and innovative workplace approaches to future-proof our organization in times of unprecedented change.

Our commitment to flexible work is the foundation for creating an engaging, inspiring, and healthy work environment at SAP. Our leading-edge framework for flexible work consists of three dimensions: flex time, flex location, and flex workspace. This framework empowers SAP employees around the world to thrive in the future of work with flexible working schedules around the requirements of our business and customers, as well as the individual needs of our people, allowing for a healthier work-life balance.

The evolved location dimension of our flexible working model supports SAP's transformation, strengthens our shared values, and drives innovation through networking and spontaneous interactions. Since May 1, 2024 (in Germany: since June), our setup generally consists of three days a

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[17] Leadership learning journeys, offered by Leadership Development, are a menu of offerings relevant to the business and SAP's goals. The content in the modules supports leaders in improving their leadership capabilities and they are free to select the content that best fits their leadership growth. This number does not include mandatory or compliance training or other training that is not offered by Leadership Development. Global senior executives include Group Executives, Senior Executives, and Board members.

[18] Results are based on a survey new hires receive once they reach their sixth month at SAP. Scores are reported as favorable/unfavorable scores on the item "I feel comfortable and have a sense of belonging to my team." The item is measured on a 5-point scale from "1 – Strongly disagree/Very unsatisfied" to "5 – Strongly agree/Very satisfied."

[19] Does not include employees at Taulia, Emarsys, Volume Integration, LeanIX, or WalkMe.

[20] Does not include employees at Taulia, Emarsys, Volume Integration, LeanIX, or WalkMe.

[21] SMART is an acronym that stands for Specific, Measurable, Achievable, Realistic, and Timely.

[22] SAP Talk is our name for regular, open conversations between an employee and their manager to discuss performance and development and to ensure that the right working conditions are in place for employee success; they also build trust by aligning on expectations, sharing feedback, and ensuring that the employee knows where they stand overall in relation to their performance and development.

[23] Numbers based on a survey conducted in the second half of the year with 35,000 randomly selected employees, asking the question: "On average per year, how often do you have SAP Talks with your manager where you could discuss the progress towards your performance and/or development goals (0, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12)?"

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week in the office or on-site with customers or partners (in December 2024, details about the hybrid work setup for Germany were still subject to further negotiation with the works councils).

Our flexible working model operates under a globally coordinated framework driven by our People & Culture Services organization, as part of the Board area People & Culture. The framework is implemented by local HR teams and management within each country, taking into consideration local labor laws and regulations. The relevant local guidelines are available to our employees and managers on our internal employee portal. Managers and employees are further enabled to adopt and follow local guidelines with targeted supporting material.

Our Actions and Targets

IRO Type	Description	Targets/Metrics
Positive impact	SAP's work environment supports work-life balance through flexible work schedules, trust-based working hours, and hybrid work options.	There are no targets related to this positive impact.

SAP's flexible working model empowers employees to define with their managers when, how, and where they work best, in accordance with the global guidance to work three days a week in the office or with customers/partners – subject to local labor law and social partner involvement.

This guidance applies to SAP's entire workforce, except for employees with underlying health or neurodivergent conditions, employees with disability-related needs, and employees for whom their managers have granted a temporary exception from the three-day in-office requirement. Part-time employees may adjust their in-office days proportionally to their contractual hours.

SAP's approach allows for flexibility in line with business requirements while ensuring that employees are spending a substantial amount of time on-site with colleagues (within and outside of their own teams).

We analyze the general office attendance trend in an anonymized way on an aggregated level (for example, per country, location, or Board area – subject to local labor law and social partner agreements and in compliance with data privacy and protection regulations). Since the implementation of SAP's evolved hybrid work policy, we have seen a step-by-step increase toward employees being onsite at the office or with customers and partners three days a week, and we expect to keep this momentum in 2025.

SAP is committed to several additional flex work elements that empower our employees to run at their best while balancing their personal needs and business requirements and without compromising our mission to succeed. Based on local labor law and social partner involvement, the following elements of flex time are applicable to most SAP locations as permanent offerings to our employees:

– Daily flex routine: Work start and end times may vary from established standards.

– Scattered working hours: Working hours can be split into different segments of time based on individual needs.

– Part-time: Employees work fewer hours than the local workplace standard.

– Personal leave: Employees can take unpaid leave, depending on local business or social requirements, without loss of employment rights.

Additionally, SAP offers employees the opportunity to work abroad for personal reasons for up to 30 working days within any 12-month period (based on an approval process that is also contingent on compliance with local legal and tax regulations and insurance coverage).[24]

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[24] Working abroad for personal reasons is available to employees employed by an SAP entity in the following countries, which have adopted the global standard (and as far as immigration regulations in the destination country allow for it, and if their line manager agrees): Argentina, Australia, Austria, Bahrain, Belgium, Bulgaria, Brazil, Canada, Columbia, Costa Rica, Chile, China, Cyprus, Denmark, Egypt, Finland, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Iraq, Ireland, Italy, Japan, Kenya, Korea, Kuwait, Luxembourg, Malaysia, Mexico, Netherlands, New Zealand, Nigeria, Norway, Oman, Panama, Pakistan, Philippines, Peru, Poland, Portugal, Puerto Rico, Qatar, Romania, Saudi Arabia, Singapore, Slovakia, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Arab Emirates, United Kingdom, Unites States, Vietnam.

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Health, Safety, and Well-Being

Our Approach and Policies

SAP has a long-term commitment to achieve sustainability by enabling people to thrive in the future of work and by reinforcing the resilience of its workforce in our highly competitive market environment. The SAP Global Health & Safety Policy is part of this commitment.

SAP Global Health & Safety Policy

This policy provides a framework that supports business processes, healthy leadership behavior, and a culture of (self-) care by addressing, integrating, and leveraging physical and mental health, physical and psychological safety, work-life balance, and overall well-being as foundational pillars. The objective is to ensure our employees' long-term engagement, productivity, and employability, and thereby create sustainable value for our people, our organization, and our customers. This policy is also available externally as SAP's Health & Safety Commitment Statement.

The scope of the SAP Global Health & Safety Policy is a global framework that clarifies the responsibility of SAP, its leaders of legal entities and countries, managers, and employees in ensuring a healthy working culture and a safe work environment. It applies to all businesses within SAP and to all SAP employees and leaders. It is valid at all times when working for SAP, irrespective of the working location or setup.

The head of Global Health, Safety & Well-Being is the owner of the SAP Global Health & Safety Policy. All employees of SAP are obliged to comply with this policy and are accountable for its implementation in their area of responsibility.

SAP's Global Health & Safety Policy is an extension of our public commitment to the Human Rights Commitment Statement, the Luxembourg Declaration on Workplace Health Promotion, the ILO Declaration on Fundamental Principles and Rights at Work, and the United Nations SDGs (specifically SDG 3 "Good Health" and SDG 8 "Decent Workplaces").

We consider the interests of our stakeholders by involving them in the review process for the SAP Global Health & Safety Policy.

The SAP Global Health & Safety Policy is available to all SAP employees through SAP's internal employee portal. Further, since April 2024, SAP provides a global mandatory training course for all employees every two years. This course covers all aspects of the SAP Global Health & Safety Policy.

Our Actions and Targets

IRO Type	Description	Targets/Metrics
Positive impact	We promote healthy behavior and well-being for our employees through various programs and offerings.	To achieve the objectives of our policy, we have set the following targets: Business Health Culture Index (BHCI): The BHCI for 2024 was 78%, which meets the target range of 78%–80%.[1] In 2025, the BHCI will be revised. The target range for the revised BHCI is set at 80%–82%, consistent with the ambition of the original BHCI, using the June 2024 survey as a baseline. The revised BHCI in 2024 scored at 80%. Stress-Satisfaction Index (SSI): We achieved 74% in 2023. For 2025 through 2026, we aim to keep the SSI ratio above 70%.[2] Run Healthy Program: We aim to have 100% of the workforce covered by 2027. For 2024, we achieved 37%.[3]

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Management sets and tracks targets taking historical data and expected developments into consideration, and bearing in mind the interests of our own workforce. BHCI and Run Healthy Program coverage are measured once a year. The SSI is measured at least every two years.

For more information about the methodology of the KPIs and targets, see below.

[1] Historical BHCI data: 2023: 81%; 2022: 81%; 2021: 81%; 2020: 80%; 2019: 80%

[2] Historical SSI data: 2023: 74%; 2022: 73%; 2021: 69%; 2020: 66%. The stress satisfaction index was measured annually from 2020 through 2023; and is intended to be measured again in 2025 at least every two years. The SSI shows that job satisfaction was equal to or higher than the perceived stress for about 74% of SAP participants in 2023. The 2023 data does not include employees at Taulia, LeanIX, or WalkMe.

[3] Metric reported for the first time. No historical data available.

The Global Health, Safety & Well-Being team provides global frameworks and a comprehensive health, safety, and well-being portfolio to enable SAP's business and organizations at all levels to run healthy and safe. At SAP, key health and safety management focus areas are: stress management, self-management, work-life balance support, personal resilience, a psychologically safe work environment, an ergonomically safe office setup, travel medicine, pandemic management, vaccinations, road safety, and general medical prevention. As an enterprise software company, SAP does not have the occupational health and safety issues associated with manufacturing or heavy-industry jobs. Most of our people have sedentary, intellectually demanding jobs in a constantly changing business environment that requires considerable flexibility and agility. SAP therefore has no global workplace accident prevention policy or management system in place. However, local workplace accident prevention programs exist in several SAP locations around the globe. Typical health and safety management topics at SAP include ergonomic and safe workplaces, stress management, self-management, work-life balance, travel medicine, and general medical prevention. Employees have access to related services and enablement resources, and are informed about them in SAP's internal employee portal, monthly newsletters, live information sessions, and campaigns. They can also reach out to the SAP Health team directly. In addition, SAP offers Web-based tools such as the SAP Health Navigator, which guides employees to health offerings and tips according to their individual needs.

Key global health programs include:

– The Employee Assistance Program, which offers 24x7, around-the-clock emotional support and practical advice for all of life's challenges for 100% of SAP employees and their immediate family members.

– The Mental Health Initiative, which offers monthly global sessions (such as mental health training for employees and managers) and expert consulting.

– The Mental Health First-Aider Program, which aims to have global reach and has already been launched in pilot countries.

– Ergonomics training, consulting, and sessions with a global reach.

– Activity offerings such as the Fit@SAP challenge platform, micro breaks with Breakthru, live sessions, and self-paced resources to foster physical activity are accessible to all employees globally. These are complemented by sports courses and facilities in several locations around the world.

SAP provides employees with a range of feedback opportunities (for example, regular employee surveys and the continuous Health Feedback Survey). We encourage our people to get involved and to help shape and improve SAP's caring culture and working conditions by "telling it like it is," which helps us improve where we need to. SAP conducts annual health risk assessments on a global level, with reporting at all manager levels, through regular employee surveys, the BHCI, and the Stress-Satisfaction Index (SSI). The BHCI reflects the extent to which SAP provides employees with a working environment that promotes health, supports their long-term employability, and fosters active engagement in achieving corporate goals. In 2025, the BHCI will be revised. In addition to its existing focus on leadership, engagement, and team culture, the revised BHCI will update one item in the Health & Well-Being section and include Diversity & Inclusion as a new topic. This revision means that the BHCI will then be a cross-sectional index that holistically captures employee experience at SAP across key themes, reinforcing its role as a strong indicator of a healthy work environment. The BHCI is calculated based on the results of our #Unfiltered survey. The SSI, meanwhile, reveals the relationship

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between job satisfaction and perceived stress. In 2023, job satisfaction was equal to or higher than perceived stress for about 74% of SAP's workforce. These measures provide SAP with continuous insights that enable us, and particularly our Global Health, Safety & Well-Being organization, together with its strong partners in Human Resources, Real Estate & Facilities, Occupational Safety, and Physical Security, to enforce and adjust our initiatives and counteract adverse developments as needed.

The prevention and mitigation of occupational health and safety impacts is supported by SAP's dedicated crisis management and business continuity frameworks that support all SAP employees worldwide in global, regional, and local crisis situations. To safeguard our people on business travels, SAP offers medical and security assistance through its Travel Assistance Program.

SAP utilizes the enablement capabilities of global internal multiplier networks such as the Health Ambassador Network, as well as external training and certification, to ensure health and safety competence across the organization.

Safeguarding the mental health of all our employees is key to SAP's ability to provide innovative solutions for our customers. SAP has a long tradition of acting against stigmatization and of applying the Employee Care Cycle, which covers prevention, early detection, case management, and re-integration. In addition, the SSI serves as an early-watch KPI, which SAP monitors to measure resilience on an individual level and to determine courses of action on individual and organizational levels. In 2023, we conducted a hybrid-work-related risk assessment to identify potential health risks inherent in a hybrid work model. A Country Health Dashboard (available for countries with at least 50 employees) supports the identification of health risks at country level.

We also leverage digital solutions (such as SAP Health Navigator) to guide SAP's people to relevant health content by considering their individual needs and location, and to gather their feedback to drive the highest standards of quality – just as we do with the permanent Health Feedback Survey for all our health and well-being offerings.

SAP has developed an internal health and safety management system built on the ILO Occupational Health and Safety standards. It includes self-assessment by a cross-functional council to evaluate health, safety, and well-being conditions at the Company and, based on recommended measures, to drive tailor-made and effective local programs and initiatives to ensure that health and safety targets are met.

SAP's health and safety management system, "Run Healthy," is based on ILO standards and is executed at local level by a local health and safety management council, which meets at least once a year and consists of a council lead, different line-of-business representatives (such as from our HR, Facilities, and Health departments), and an employee representative. The program currently covers 37% of the workforce (as of December 2024; Health Dashboard). SAP is aiming for global reach and is expanding the program step by step. Its goal is to have 100% of the workforce covered by 2027.

Data Protection and Privacy

IRO Type	Description	Targets/Metrics
Negative impact	Employees' individual rights could be violated if their personal data is lost or if data protection and privacy laws are breached.	For more information about targets and metrics, see the Security, Cloud Compliance, Data Protection and Privacy section.

SAP is committed to data protection and respects the rights of individuals. Data protection has therefore always been a priority for SAP. However, individual data protection incidents may occur and could potentially have a negative impact on employees. Every employee could be subject to these potential negative effects, regardless of their attributes. The introduction and continuous monitoring of compliance measures – in particular regular training courses to raise employee awareness – and the implementation of preventive measures are essential to ensuring that our employees' rights are protected when their personal data is processed.

For more information about policies and actions related to this negative impact, see the Security, Cloud Compliance, and Data Protection and Privacy section.

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Workers in the Value Chain

In this section, we disclose information about SAP's material IROs related to workers in the value chain. The material IROs with the identifiers S2-1 to S2-8 can be found in the IRO table in the Double Materiality Assessment section. For further information about policies, actions, metrics, and targets related to privacy standards, see the Security, Cloud Compliance, and Data Protection and Privacy section.

SAP prioritizes material negative impacts in line with current regulation. For more information, see the Human Rights section.

Our Approach and Policies

Our commitment to respecting and advancing human rights across our operations, extended supply chain, and product lifecycle is grounded in UNGPs. For more information, see the Human Rights section.

In our interactions with customers, suppliers, and partners across the entire value chain, we follow and implement our Global Code of Ethics and Business Conduct for Employees. For more information, see the Business Conduct section.

Our procurement practices and business relationships are informed by these principles, and we expect our suppliers and partners to uphold human rights. Compliance with our Supplier Code of Conduct is the basis for our business with suppliers and an integral part of our supplier qualification, onboarding, and risk management process. Similarly, compliance with our Partner Code of Conduct is central to our partner onboarding and due diligence process. By leveraging our systems, processes, and business network, our Global Procurement Organization (GPO) embeds sustainable principles in our own actions and decisions.

Understanding of Potentially Affected Value Chain Workers

Our operations, supply chain, products, and business relationships may affect workers in the value chain.

SAP does not manufacture any physical products. However, for the purposes of running our daily operations in our offices and data centers, we buy products and services from across the globe. We assess the potential impacts of these purchases on the following groups of value chain workers:

- Upstream tier 2 to tier n, meaning any indirect suppliers that we do not have a contractual relationship with but whose goods or services are relevant for our business activities. Here we assess, for example, the impact from activities related to the manufacture of the hardware we use.

- Upstream tier 1, meaning direct suppliers with whom we have a contractual relationship. Our direct business relationships include workers in the service industry, some of whom, such as IT support and facility management staff, work on SAP's premises.

- Downstream tier 1, meaning our partners who sell SAP solutions to our customers, or who service or run our solutions for them, employ knowledge workers.

For information about other potential downstream impacts of our solutions, see the Security, Cloud Compliance, and Data Protection and Privacy and Responsible AI sections.

These groups of value chain workers were identified in an internal assessment that also looked at whether there are any workers who are potentially particularly vulnerable to negative impacts. We assume that, specifically in our indirect value chain, there could be vulnerable groups, including labor unionists, migrant and seasonal workers, informal workers, women, young workers, and workers with disabilities.

While child, forced or compulsory labor among workers in SAP's value chain are identified as material potential impacts based on SAP's DMA methodology, we have not identified any specific countries or commodities with significant risk of child, forced or compulsory labor among workers in SAP's value chain.

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For more information about our risk assessment methodology, see the Our Approach to Human Rights Due Diligence section.

For more information about our DMA and the approach we use to value impact, see the Double Materiality Assessment section.

SAP Supplier Code of Conduct

Based on best practices that reflect global human rights and labor standards, the SAP Supplier Code of Conduct aims to address material impacts, risks, and opportunities related to workers in SAP's upstream value chain. As well as general provisions on legal compliance, the Code sets out specific provisions on labor standards, human rights and environmental standards, health and safety, and diversity and inclusion. Our GPO, specifically our chief procurement officer, is responsible for implementing the Code, which applies to our tier 1 upstream value chain across our operations globally, that is, contractors, consultants, suppliers, vendors, and agents. We expect tier 1 suppliers to cascade the requirements down their supply chain as appropriate.

The SAP Supplier Code of Conduct forms an integral part of our standard supplier contracts and our General Terms and Conditions. While the supplier registration process helps make potential suppliers aware of the code, incorporating it by reference into our General Terms and Conditions helps to enforce compliance among our suppliers. We reference the Code in all of our purchase orders and it is also available on our website.

To ensure that our supplier network complies with the latest standards, we review and update the Code regularly. The most recent version was published in 2024. This practice reinforces the message to our suppliers about the value SAP places on adherence to the Code.

SAP Partner Code of Conduct

All transactions with business partners must comply with the SAP Partner Code of Conduct. It sets out the expectations we have of our partners, including that they adhere to SAP's principles of business conduct; observe human rights, meet labor and health and safety standards, and have compliance management systems in place.

The Code applies to all members of the SAP ecosystem, that is to all partners who collaborate with SAP or who are members of any of SAP's partner programs.

SAP's chief partner officer and the global head of third-party compliance are the owners of the Code and responsible for its implementation.

The Code is available on our designated partner portal. All our correspondence with our partners includes references to it. It is also available on our website for the benefit of our partners' employees, further ensuring its widespread visibility and accessibility.

To certify their adherence to the Code, we require certain partners to undergo a comprehensive due diligence process related to bribery and corruption matters every three to five years. To reinforce the importance of compliance with the Code, we conduct antibribery and anticorruption training every two years.

Our Actions and Targets

Processes for Engaging with Value Chain Workers

SAP is actively engaged in several collaborative efforts, such as the Business for Social Responsibility's (BSR) Human Rights Working Group and the human rights and value chain cluster set up by econsense, the sustainability network of German business.

SAP consults with external sustainability and AI ethics advisory panels consisting of experts from academia, industry, and civil society for advice on generating positive social impact and mitigating human rights risks.

SAP does not at present have a process in place for directly engaging workers in the value chain or their representatives. Once the EU Corporate Sustainability Due Diligence Directive has been transposed into national law, SAP will draft a rightsholder engagement concept, which will include individuals who may be particularly vulnerable.

Complaints Handling Mechanism

SAP is committed to addressing any negative impacts it causes or contributes to with respect to workers in the value chain. As described in our Global Human Rights Commitment Statement, we are committed to working with our suppliers and business partners and, through constructive dialogue, we seek to leverage our influence to end any violations. If there is no improvement, we reserve the right to suspend our business with the party concerned or, as a last resort, to terminate it altogether.

SAP has established a complaints management and investigations procedure as described in the Complaints Management and Investigations section.

Workers in the value chain can raise their concerns through Speak Out at SAP. We offer this channel to any interested party through our website. We communicate its availability to our suppliers through our Supplier Code of Conduct and SAP Supplier Portal. SAP Partner Portal also advises partners about Speak Out at SAP. We are currently updating our Partner Code of Conduct to include a reference to our confidential reporting channel, and we plan to release the updated version in 2025. For more information, see the Speak Out at SAP section.

With regard to potential human rights concerns and incidents involving our upstream and downstream value chain workers, one grievance was noted in 2024, but it was not identified as severe.

Prevention, Mitigation, and Remediation

Under our risk assessment and prioritization process, which is described in the Human Rights section, we also prioritize actions to address negative impacts on value chain workers.

We put in place preventive measures to address potential risks and impacts. Where we are unable to eliminate a risk entirely, we plan to employ strategies to lessen its effect. Such measures include:

Contractual assurance: Our Supplier and Partner Codes of Conduct[1,2] are usually part of the contractual arrangements with direct suppliers and partners, and are therefore the basis for all subsequent preventive and remediation measures.

Supplier selection: The GPO strengthens our supplier qualification process to increase visibility over vendors, improve engagement, and select vendors based on their environmental and human rights performance.

Enablement of procurement personnel: Based on the results of our impact assessment, we piloted internal GPO workshops in 2024 to assess identified impacts on value chain workers and to develop actions to address those impacts for specific procurement categories. These workshops gave procurement staff a better understanding of the identified impacts and provided an opportunity for them to discuss how to improve procurement practices.

We also provide regular voluntary and mandatory training to procurement staff on the human rights issues that are most relevant to SAP, and an information video is available online to all employees to increase awareness of our policies, procedures, and grievance mechanism, and of our impact on human rights.

Collaborative action: We are evaluating which industry initiatives and procurement strategies might be suitable for addressing risk. One of the topics that we evaluate in this context is that of a decent living wage. Suppliers not paying their employees a decent living wage is a material potential negative impact. In this context, SAP conducted an analysis to identify areas that require greater attention and discussed the findings with the relevant internal teams to define further action.

Providing remedy: We recognize that, even with the prevention and mitigation measures we have in place, there still might be negative impacts on workers in our value chain. To address them, we implemented the Complaints Handling Mechanism (including the Speak Out at SAP confidential reporting channel) described above to encourage our value chain workers to raise their concerns. This mechanism helps us identify and resolve issues, and remedy any existing harm.

SAP is investigating how to best assess the effectiveness of our policies, actions, and remedy.

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[1] Our Supplier Code of Conduct did not apply to WalkMe, LeanIX, or Volume Integration.

[2] Our Partner Code of Conduct did not apply to WalkMe or Volume Integration.

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Resources to Manage IROs

At SAP, the management of impacts and risks relating to our value chain workers is a collective effort coordinated across the departments listed below, each of which has a direct role in driving these initiatives. However, a large number of employees outside these departments also contribute indirectly to the management of value chain worker impacts and risks through their day-to-day work and decision-making.

GPO and Global Finance Success (GFS) focus on risk analysis of direct suppliers, with the support of specialist expertise from external partners.

Within the Sustainability department, the Human Rights Office is responsible for adherence to the United Nations Guiding Principles and for monitoring compliance with the German Supply Chain Act.

GR&AS employees are responsible for recording and analyzing sustainability risks (including human rights and environmentally relevant risks). They work with risk managers in specific countries to gain input about local circumstances.

Global Legal provides advice on how to interpret legal requirements such as the German Supply Chain Act.

Complaints raised through our internal grievance process are addressed by appropriate organizations at SAP, such as the Office of Ethics and Compliance (OEC), People Compliance, and Corporate Security Investigations.

SAP manages actual and potential impacts in accordance with legal requirements, such as the German Supply Chain Act, and, presumably from 2027, the EU's Corporate Sustainability Due Diligence Directive. We will set targets to address material impacts on value chain workers in line with the prioritized risks described in the Human Rights section.

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Security, Cloud Compliance, and Data Protection and Privacy

In this section, we disclose information about SAP's material IROs related to our entity-specific topic of Security, Cloud Compliance, and Data Protection and Privacy. The material IROs with the identifiers SP-1 to SP-7 can be found in the IRO table in the Double Materiality Assessment section. Unlike IROs SP-1 to SP-6, which are addressed in this section, IRO SP-7, which covers responsible marketing practices, is addressed in the Incorporation by Reference section of our Appendix ⤴.

Our Approach and Policies

We strive to protect the rights of data subjects and meet applicable local requirements in both our product and service portfolios. Our approach to data protection, privacy, and security aligns with our overarching business strategy and supports our aim of strengthening SAP's reputation as a sustainable and trustworthy partner in the market.

Everyone has the right to have their personal data protected. For more information about SAP's commitment to respecting human rights, see the Human Rights section.

We address and manage the material IROs outlined above by establishing policies and frameworks, implementing them throughout the organization, monitoring compliance, and maintaining a clear chain of responsibility to promote accountability at every level.

To further enhance our commitment to security and compliance, security considerations are integrated into every stage of the software development lifecycle. We utilize various methodologies, guidelines, processes, and tools to address and adapt effectively to evolving cybersecurity threats.

These safeguards were designed and implemented to protect the fundamental rights of everyone whose data is processed by SAP, and of those who use SAP's products, including customers, suppliers, partners, prospects, employees, and applicants.

SAP Global Security Policy Framework

The SAP Global Security Policy Framework is a layered structure of documents consisting of the SAP Global Security Policy and of security standards, procedures, and good practices that define the objectives, values, minimum requirements, and obligations we follow to protect SAP against security threats.

- The **SAP Global Security Policy**[1] is a high-level security document aligned with SAP's overall strategy and vision to maintain the highest level of security. It defines management intent, expectations, direction, and a responsibility matrix.

- **SAP Security Standards**, owned by central service leaders in SAP Global Security and Cloud Compliance (SGSC) define the minimum security requirements for numerous domains, including risk management, asset management, information classification, physical security, threat detection, and vulnerability management. Requirements are regularly reviewed to ensure they are appropriate, adequate, and effective.

SAP Global Security Policy

SAP Security Standards

SAP Security Operating Procedures

SAP Security Good Practices

- **SAP Security Procedures** set out detailed steps for implementing and operationalizing the security standard requirements.

- **SAP Security Good Practices** are checklists designed to simplify the implementation process.

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[1] The policy was not extended to the acquired companies Taulia or WalkMe.

The objectives of the SAP Global Security Policy Framework are to:

- Preserve the confidentiality, integrity, and availability of SAP information and of information entrusted to SAP

- Protect all SAP assets from internal and external threats, deliberate or accidental, based on a risk assessment

- Fulfill the legal, regulatory, operational, and contractual requirements of SAP

The SAP Executive Board is responsible for SAP's security strategy and endorses the Global Security Policy. The Chief Security Officer and Chief Security Compliance and Risk Officer oversee the policy, ensuring its definition, implementation, monitoring, and development in line with industry standards. Business Information Security Officers (BISOs) lead the security strategy in their respective lines of business and ensure adherence to the policy. All SAP employees and external workers must familiarize themselves with the policy and complete security awareness training. The Global Security Policy Framework is published internally, with regular updates communicated to key stakeholders.

SAP Global Data Protection and Privacy Policy

The SAP Global Data Protection and Privacy Policy[1] sets a Group-wide governance standard and creates a structure for the handling of personal data in accordance with data protection and privacy requirements. Where applicable, it references the SAP Global Artificial Intelligence (AI) Ethics Policy, which reflects the guiding principles of the International Bill of Human Rights.

The SAP Global Data Protection and Privacy Policy sets out:

- The rules and principles for the processing of personal data in the SAP Group. The rules also apply to the personal data of customers, partners, and other third parties to ensure compliance with applicable data protection and privacy laws.

- Responsibilities within the organization for the processing of personal data

- Guidelines for the organizational execution of data protection and privacy principles

The SAP Global Data Protection and Privacy Policy applies to all SAP Group companies and is rolled out to all SAP employees globally by Data Protection and Privacy. All SAP employees and other individuals working on behalf of SAP are obligated to familiarize themselves with this policy and other internal policies governing the handling of personal data. They must commit to keep personal data confidential and not to collect, process, or use personal data without authorization.

The global Data Protection Officer (DPO) is responsible for monitoring compliance with data protection laws and regularly reports to the CFO, who is the Executive Board member responsible for data protection compliance matters and the enforcement of data protection and privacy. The DPO is responsible for the SAP Global Data Protection and Privacy Policy, which addresses SAP's data protection governance, and regularly reports to the CFO on data protection compliance in the SAP Group. To ensure consistent security and data protection compliance, SAP has implemented a formal governance model that assigns clear responsibilities across the SAP Group.

Management plays a critical role in establishing data protection requirements and business processes to ensure compliance with applicable data protection and privacy laws. To implement data privacy requirements effectively, management can delegate these responsibilities to various levels of management in the organization. In accordance with these principles, the individual global SAP lines of business (LoBs) have a mandate to implement data privacy requirements within their area of responsibility.

At local level, operational responsibility for compliance is transferred to the local CFOs, who are supported by a network of local Data Protection and Privacy Coordinators (DPPCs). Unless one has already been appointed by the Data Protection and Privacy team (DPP), each CFO must appoint a local Data Protection and Privacy Coordinator (DPPC), who conducts audits to ensure compliance with

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[1] The policy was not extended to the acquired companies Taulia or WalkMe.

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regulations. The CFO is also tasked with facilitating these audits and implementing the measures necessary to address compliance gaps.

Our Actions and Targets

Processes for Engaging with Stakeholders

SAP provides users with various external and internal channels to access information about security, privacy, and cloud compliance, and to report security-related incidents. Examples of these channels are listed below.

Audience	Channel	Description
Customers, partners, and suppliers	SAP Trust Center	A central, market-facing website where customers and prospects can initiate requests and access information about security, privacy, and compliance for cloud services and on-premise software
Customers and partners	My Trust Center	A password-protected extension of SAP Trust Center that gives customers and partners access to specific tools, information, and resources for their environments. SAP provides regular updates to registered users on, for example, changes to policies, frameworks, and sub-processors
Employees, customers, partners, and end-users	SAP Help Portal	Provides the latest self-service information on product maintenance, onboarding, and support-related news
Customers and partners	SAP for Me Portal and Security Notes	A central access point for customers, with personalized alerts, metrics, and information about SAP products, including a list of security notes
SAP users and employees	SAP Community	A forum open to SAP users to share knowledge, connect, and get help with SAP products, services, and technology
Customers, partners, and end-users	SAP HotNews	Information from SAP experts about action items and patches to help resolve and prevent security problems involving SAP systems
Employees, customers, and partners	SAP Global Security Incident Management Tool	A tool for customers to report security incidents to experts, and a form to report website and product vulnerabilities

In addition to offering the internal channels outlined above, SAP also engages with external stakeholders, including customers, users, and government agencies, to proactively gather feedback. In sessions carried out in multiple organizations across different Board areas, we collect feedback, assess it to set or adjust targets and determine the action we need to take, and keep stakeholders informed about initiatives that address their concerns.

Addressing Material Impacts

To address the negative impacts and risks, SAP takes preventive measures and mitigation and remediation actions. Preventive measures are put in place on multiple levels and include embedding security considerations in the product lifecycle, offering training and content on data privacy, publishing security information through the various channels set out above, and providing consultation and training on data privacy and security topics. To mitigate and remediate risk, SAP operates an incident management tool for incident reporting so that it can take appropriate steps to address incidents, as outlined in the policy.

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The table below contains continuous preventive, mitigation, and remedial actions.

Action	Description	Objective	Metric/Target/Measure of Policy Effectiveness
SAP's cyberthreat intelligence initiatives and operations	An advanced initiative designed to proactively manage cybersecurity threats. It integrates various cybersecurity services, incorporates event, incident, threat, and vulnerability management, and ensures 24/7 security monitoring. Security incidents are handled through a structured incident management process aligned with ISO/IEC 27035 principles.	To enable SAP to promptly identify, assess, and address potential security threats and disruptions to minimize adverse impacts on business operations.	Due to the confidential nature of these KPIs, they cannot be disclosed.
	Managing customer-reported incidents and data subject requests involves cooperation with customers and regulatory authorities. Customers can submit security incidents through Customer Support, and SAP then works with the data subjects or relevant regulatory bodies. SAP provides functionality for customers to correct or remove personal data from cloud services or restrict its processing in alignment with data protection law. If such functionality is not available, SAP acts on the customer's instructions and legal requirements.		
SAP Security Risk Management	SAP Security Risk Management is a critical process that involves identifying, assessing, prioritizing, and addressing risks to SAP, and facilitating qualitative and quantitative analysis methods. Its primary goal is to minimize, monitor, and control the impact of uncertain events or outcomes. In this process, risk managers and business units collaborate to ensure that all of SAP is covered and that the individual subject-matter experts are involved.	To create a risk culture and processes that enable us to identify, assess, and address risks in a structured and proactive manner so that we can achieve our objectives, comply with legal and regulatory requirements, protect assets, and create value for our stakeholders.	Annual ISO 27001 recertification. Seven LoBs were identified for a pilot and successfully onboarded to the process, with more LoBs planned in 2025[1].
Development Quality Management System (QMS)	The Development Quality Management System (QMS) guides product development to ensure high-quality products, services, and adherence to corporate standards. Our ISO 9001 certification demonstrates our commitment to quality and customer satisfaction. Development QMS applies globally and promotes best practices, thorough documentation control, continuous improvement, and leadership commitment. QMS activities focus primarily on customers but extend to all users of our products and services that come under this system.	To develop high-quality products and services that meet corporate standards and customer expectations.	Recertification and continuous adherence to standards. The most recent surveillance audit was in 2024, and the certificate is valid until the end of October 2025.
Integrated Information Security Management System (IISMS)	Our Integrated Information Security Management System (IISMS) and framework, which are based on international standards, ensure consistent, secure services that meet customer and regulatory requirements. The framework integrates principles of information security, quality management, business continuity, as set out in our Security Policy, Security Standards, Quality Policy, and Business Continuity Management Standards. The IISMS applies company-wide and involves other groups at SAP to ensure enterprise-wide adoption and mitigate operational risk. Certifications such as ISO 9001:2015, ISO 27001:2013, ISO 27017:2015, ISO 27018:2019, and ISO 22301:2019 attest to our commitment to high quality, security, and business continuity for the delivery of critical solutions and services.	To deliver consistent, secure, and high-quality services that align with customer expectations and meet regulatory requirements.	Recertification and continuous adherence to standards.

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Action	Description	Objective	Metric/Target/Measure of Policy Effectiveness
Compliance with industry standards and regulations	To ensure effective implementation of the SAP Cybersecurity Framework we: - Provide our cloud and IT units with operational controls that are monitored and tested for design and operational effectiveness - Have established an independent internal audit function that reports the audit planning and audit results to the board of directors (the SAP Executive Board) on a regular basis - Engage external internationally accredited auditors to regularly assess the design and operational effectiveness of the Framework - Offer service organization control (SOC) reports – such as SOC 1 Type II/ISAE 3402 and SOC 2 Type II/ISAE 3000 for our cloud services, issued by external internationally accredited auditors - Publish certificates attesting to our compliance with international standards, such as ISO 9001, ISO 27001, ISO 27017, ISO 27018, ISO 22301, and BS 10012 - Offer further industry-specific and regional compliance attestations, certifications, and reports on SAP Trust Center.	To adhere to industry and international standards on information security and data protection as part of a proactive approach to managing risk and maintaining operational integrity for the benefit of everyone who uses our systems.	Recertification and continuous adherence to international standards. Details can be found on SAP Trust Center.
Data Protection Management System (DPMS)	Framework that brings together activities, tools, and methodologies to help the business achieve specific data protection and privacy goals and compliance with applicable data protection and privacy requirements. The framework is continuously being improved to increase our data protection compliance level based on the annual recertification of DPMS by the British Standards Institute (BSI). SAP is audited by BSI annually and has been awarded certifications according to BS 10012 since 2011. The most recent certification is valid until the end of 2025. The certificate can be found on SAP Trust Center.	To provide guidance to all employees on meeting data protection requirements across SAP and to ensure a robust approach to data privacy compliance.	The system is audited annually by internal and external auditors. Internal audits are regularly assessed by an external certification body and according to the applicable industry standard.
Records of processing activities	SAP monitors compliance with data protection procedures across SAP and maintains a record of processing activities (in a procedure enrollment tool) involving different categories of personal data (applicants, customers, employees, partners/suppliers, and other data subjects). These records contain general information about the procedure according to defined criteria that are necessary to meet proper documentation. The records are reportable and regularly reviewed.	To fulfil transparency and documentation requirements related to processing activities across SAP.	The Data Protection and Privacy team is able to report on the procedures.
SAP Third-Party Risk Management Process	A process that follows SAP's own quality standards and international regulations, which require the careful selection and monitoring of subprocessors who handle personal data on behalf of SAP and SAP's customers.	To ensure that all subprocessors meet the necessary data protection and security requirements for the processing of personal data, thereby safeguarding the interests of SAP, its customers, partners, employees, and end users.	Any supplier who has access to SAP data or SAP customer data must complete the SAP Third-Party Risk Management process.
Data processing contracts	Data processing contracts are concluded in the processing chain and involve customers and service providers engaged in further processing of data to ensure compliance with the SAP Data Protection and Privacy policy. Data processing contracts are available on SAP Trust Center.	To ensure that all parties involved in the data processing chain adhere to established data protection standards, thereby safeguarding compliance and enhancing data security.	Any customer or supplier who indicates that they process personal data must conclude a data processing contract.

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Action	Description	Objective	Metric/Target/Measure of Policy Effectiveness
Data subject rights request process	The data subject rights request process is managed across lines of business and helps customers, employees, and end users exercise their right to receive information about how their personal data is processed, where legally applicable. This process ensures that the rights of data subjects under the applicable data protection laws are upheld, and that all necessary information is easily accessible on SAP's websites and through other sources. The process is validated as part of the DPMS audit carried out by BSI.	To empower customers and end users to exercise their data subject rights and to ensure transparency on and compliance with data protection regulations.	We assess the number of requests submitted in our ticketing system[2]; this number increased 200% from 2023 to 2024.
Global data protection and privacy training	Global data protection and privacy training is mandatory for SAP employees. It is conducted every two years, most recently in 2023. New hires are required to complete the training when they join the Company. The training is validated as part of the DPMS audit carried out by BSI.	To ensure that all SAP employees have the necessary level of knowledge about data protection so that our workforce can handle personal data with due care and in accordance with the law, and therefore comply with data protection requirements in its daily work.	We aim for completion rates of above 95% for our global data protection and privacy training[3]. Completion is tracked in the online training system. For the 2023 training, which ended in February 2024, the course completion rate was 97.66%. The completion rate for new hires in 2024 was 94.71%.
Security compliance training	Security compliance training comprises five different sets of online courses that are held annually, with extra sessions for new hires and employees who are changing roles. The courses are tailored to different roles as follows: The Information Security Fundamentals course is for all employees. The Practicing Secure Software Development and Supporting Secure Software Development courses are for developers and people in developer-adjacent roles, such as product managers. The Executive Management Security and Compliance Training course is aimed at executive roles. The Executive Support Security and Compliance training is designed for executive support roles, such as executive assistants and management support specialists. Course content and completion is validated by BDO as part of an assurance process that is separate from that for the Group Sustainability Statement.	Ensure compliance with regulatory requirements for security awareness and training, specifically related to security protocols and cloud compliance.	We aim for 95% completion rates for the below trainings. In 2024, we achieved the following completion rates: Information Security Fundamentals[3] training, which is due to be completed in 2025: 69.54%; 76.56% for new hires Practicing Secure Software Development[3]: 97.37%; 89.82% for new hires Supporting Secure Software Development[3]: 91.49%; 83.03% for new hires Executive Management Security and Compliance Training[4]: 86.93% Executive Support Security and Compliance Training[4]: 92.88% Completion is tracked in the online training system.
Phishing awareness campaign	SAP holds a phishing awareness campaign at least three times a year that targets all SAP employees. The campaign simulates phishing attacks, and features different tactics each time, with targeted training provided to employees identified as more susceptible to such attacks.	Minimize the risk of security breaches and data compromises by training employees to recognize and report phishing attempts effectively, which supports the objective of the SAP Global Security Policy Framework of protecting all SAP assets from deliberate or accidental internal or external threats.	For security reasons, KPIs cannot be disclosed.

[1] This number excludes Taulia, Emarsys, WalkMe, LeanIX, and Volume Integration
[2] This process does not include the acquired companies Taulia, Emarsys, WalkMe, LeanIX, or Volume Integration
[3] This training was not extended to the acquired companies Taulia, WalkMe, or Volume Integration
[4] This training was not extended to the acquired companies Taulia, Emarsys, WalkMe, LeanIX, or Volume Integration

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Resources to Manage IROs

To manage associated impacts, risks, and opportunities effectively, SAP has made significant investments in dedicated resources. Our teams include approximately 775 professionals across SAP Global Security and Cloud Compliance organization focused on security and cloud compliance, and over 100 experts and dedicated data protection and privacy coordinators. We will continue to invest in this area and expect to strengthen our teams further in 2025.

This investment in resources reflects our commitment to safeguarding sensitive data, ensuring compliance with industry standards and regulatory requirements, and maintaining the trust of our customers and stakeholders.

Metrics on Material Topics

The policies and initiatives described above are aimed at reducing negative impacts and advancing positive impacts on security, privacy, and data protection, all of which ultimately influence customer satisfaction. To assess overall customer satisfaction, SAP uses the Customer Net Promoter Score (NPS) metric, which is validated as part of the regular financial audit carried out by BDO. For details about the customer NPS see the Incorporation by Reference section of our Appendix.

Separately from the NPS, which primarily focuses on our customers, we also continuously monitor data protection incidents in accordance with the GDPR, data breach notifications, and our overall security posture to assess wider impacts.

In 2024, there were nine notifiable data protection incidents under the GDPR for data that SAP processes for its own purposes and one notifiable data protection incident under the Singapore Personal Data Protection Act and related regulations and guidelines for data that SAP processes for its own purposes. All ten incidents were reported to the relevant supervisory authorities.

SAP's overall security posture is the primary indicator defined by SAP and based on industry best practices, by which we assess our security. We measure our posture using a combination of strategic metrics, some of which are not disclosed here due to confidentiality reasons. In addition, we use strategic security initiatives to continuously improve our security posture and to address the security risks we identify. The Executive Board receives regular updates on the security posture, including the strategic metrics and on the progress of the strategic initiatives. In 2024, our strategic metrics followed a positive trend that led to an overall improvement in our security posture.

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Responsible AI

In this section, we disclose information about SAP's material IROs related to our entity-specific topics. The material IROs with the identifiers AI-1 to AI-3 can be found in the IRO table in the Double Materiality Assessment section.

Our Approach and Policies

At SAP, we believe that AI has great potential to create opportunities for businesses, governments, and societies. However, for people to trust in AI, the development, deployment, use, and sale of AI systems must be governed by clear ethical rules. To ensure adherence and accountability, our implementation of AI systems is built on three core principles: relevance, reliability, and responsibility.

Foundational to our approach to AI ethics is our commitment (through our Global Human Rights Commitment Statement) to uphold and support the Universal Declaration of Human Rights. This commitment includes prohibiting discrimination and harassment that is based on personal factors such as race, ethnicity, religion, age, gender, and more. For more information about our Human Rights commitment statement, see the Human Rights section.

In 2024, SAP sharpened its focus on strategic growth areas, especially the accelerated development and implementation of SAP Business AI, which is a core component of our strategy. At the SAP Sapphire conference in June 2024, we showcased the use of AI in various products. For more information about SAP solutions with implemented AI, see the Our Product Strategy section in our Combined Management Report.

Understanding of Potentially Affected Stakeholders

Responsible AI matters are relevant to every end-user of SAP solutions with embedded AI systems and any individual affected by them. Examples include our own employees and customers (including their employees), and the customers and users of our customers.

Our opportunity is highly dependent on our customers and other stakeholders and is directly linked to the positive impact that SAP creates by making AI relevant, reliable, and responsible. To pursue this positive impact, we develop, deploy, use, and sell AI systems accordingly. SAP has established a robust governance framework to build AI on global ethical principles, adopted from UNESCO's[1] recommendation on ethics of AI, and privacy standards. This development and deployment follow the policies and actions described further on in this section. For more information about SAP Business AI, see the Our Product Strategy section in our Combined Management Report.

There is an inherent potential of negative impact on human rights (for example, discrimination) of consumers, end-users, and affected individuals. This understanding is based on external market research. However, this impact is associated with a minimum number of high-risk use cases.

Global AI Ethics Policy

SAP's Global AI Ethics Policy helps ensure that our AI systems are developed, deployed, used, and sold in line with the ethical and trustworthiness standards laid out in our guiding principles. The policy applies to SAP and its employees worldwide, and all our relevant subsidiaries[2] must comply with it. It may also be used to provide guidance and counsel to our customers, suppliers, and partners.

Our AI Ethics Handbook serves as a practical and accessible resource for SAP and its partners involved in the development and deployment of AI solutions at our Company. It provides clear guidance on how to implement SAP Business AI features and solutions that align with our AI Ethics Policy.

In 2024, we updated our policy and handbook to adhere to UNESCO recommendations on AI ethics. As such, our policy is now guided by several international standards.

The policy's guiding principles listed below steer the development and deployment of our AI solutions:

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[1] United Nations Educational, Scientific and Cultural Organization

[2] The policy does not apply to Taulia, Volume Integration, LeanIX, or WalkMe.

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1) Proportionality and do not harm

2) Safety and security

3) Fairness and non-discrimination

4) Sustainability

5) Right to privacy and data protection

6) Human oversight and determination

7) Transparency and explainability

8) Responsibility and accountability

9) Awareness and literacy

10) Multistakeholder and adoptive governance

In ensuring the rights of our customers to own and manage their own data, we may have limited knowledge of how they ultimately use our AI products and services. SAP endeavors to educate and advise its customers and partners based on the principles in this policy, recognizing that specific use-case responsibility lies with the customer or partner, acting in good faith in accordance with local laws and regulations. SAP may issue specific terms and conditions for the acceptable use of AI systems that are binding to customers.

Grounded in our commitment to respecting human rights, SAP's **Artificial Intelligence (AI) Ethics Steering Committee** guides our internal efforts to implement and enforce AI ethics in our operations, solutions, and policies. Under the stewardship of the global head of sustainability, the committee comprises SAP executives from all Executive Board areas and relevant LoBs, who provide supervision on topics relevant to guiding and implementing AI ethics.

Within SAP, accountability for the impacts of AI rests with the Executive Board. Acting on behalf of the Executive Board, the committee provides long-term strategic direction regarding AI ethics at SAP, advancing our commitment to the ethical and responsible use of AI. One of its duties is to inform the SAP Supervisory Board and SAP Executive Board about AI ethics matters upon request.

SAP's CEO is an executive sponsor of our Global AI Ethics Policy. The AI Ethics Steering Committee is responsible for overseeing policy updates to guide implementation of ethical AI in all LoBs that develop, deploy, or sell AI systems. SAP LoB management is responsible for establishing the business processes to ensure compliance with this policy.

Through the SAP Global Data Protection and Privacy Policy, SAP respects international regulations on data protection and privacy. For more information, see the section Security, Cloud Compliance, and Data Protection and Privacy.

The SAP Global AI Ethics Policy and the SAP AI Ethics Handbook are available internally on our intranet and externally on SAP's website.

Our Actions and Targets[3]

Processes for Engaging with Stakeholders

At SAP, we believe that cultivating a better understanding of human-centered AI will allow individuals, business, and society to benefit fully from the technology, and allay any concerns that our users may have.

Our primary internal stakeholders are our employees, the SAP Executive Board, and the AI Ethics Steering Committee. Engagement with these stakeholders is continuous and is organized through the standard AI systems development process to make sure that the relevant groups are part of the process chain. The objectives here are for all key stakeholders to contribute directly to and shape the development process, foster collective decision-making, and implement AI ethically and responsibly.

Outside the Company, our primary stakeholders are our customers, who contribute significantly to the development of our products. We work closely with them throughout the development process to understand their needs, expectations, and concerns. We also engage with our **AI Ethics Advisory Panel** to understand how high-risk use cases might impact society, and to gather feedback with a view to improving our internal governance structure and risk mitigation processes. For more information about our AI Ethics Advisory Panel, see the section Sustainability Strategy and Governance.

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[3] Unless otherwise stated, actions do not apply to Taulia, Volume Integration, LeanIX, or WalkMe.

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Drawing on outside expertise, we research the impact of artificial intelligence on privacy and data protection to ensure we implement AI ethically and properly address any potential human rights concerns associated with it through, among others, collaboration with BSR Human Rights Working Group.

These efforts are intended to ensure that our products meet the needs of our customers as closely as possible and avoid bias and other unintended outcomes.

Due Diligence

We strive to ensure transparency and adherence to AI guiding principles in third-party system integration by means of our Supplier Code of Conduct. For more information, see the SAP Supplier Code of Conduct section. Suppliers who supply software with embedded AI capabilities need to comply with local laws on ethical and responsible AI. The AI capabilities should also meet the requirements of SAP's guiding principles and policies. If no local laws exist, suppliers need to follow global guidelines from international institutions, such as those of the Institute of Electrical and Electronics Engineers or the OECD. This requirement also extends to their own supply chain's third-party software with embedded AI.

In 2024, we established a due diligence process to support our commitments to upholding responsible and ethical AI. Specifically, before incorporating any third-party systems, we aim to ensure that their AI systems align with our ethical principles. This scrutiny extends into continuous oversight even after integration.

Besides its suppliers, SAP has also onboarded its partners to its AI guiding principles and policies and, in 2024, introduced a certification program for partner applications developed on SAP Business Technology Platform (BTP) using SAP Generative AI Hub that includes checks for compliance with the principles of responsible AI. This certification program enables our relevant partners to offer trusted, compliant, and enterprise-ready applications powered by AI services. Furthermore, solutions created by our partners and resold by SAP undergo additional rigorous checks. This ensures alignment with the same stringent responsible AI product standards we uphold throughout our own development lifecycle.

Use Case Review

Our internal procedures follow a use-case-based approach to upholding our standards as described in the SAP Global AI Ethics Policy and the SAP AI Ethics Handbook. Therefore, each AI use case review process includes an assessment of the developed case. The use cases are classified according to their risk and reviewed. All high-risk use cases are discussed with the AI Ethics Steering Committee for final recommendations and decisions.

The SAP Executive Board reviews and ratifies the Committee's recommendations for any issues that have wider implications for the Company. If no ethically acceptable trade-off can be identified, the development, deployment, use, or sale of the AI system cannot proceed in that form. The Committee continually reviews the appropriateness of the ethical decision made, to ensure that suitable changes can be made where necessary based on evolving circumstances. Such activity ensures our compliance with the SAP Global AI Ethics Policy, which fosters ethical and responsible implementation of AI.

In 2024, 41% of all relevant use cases were recognized as high-risk and reviewed.

Any employee can report a concern in relation to execution or breach of our AI Ethics Policy directly to immediate management, to the AI Ethics Steering Committee, AI Ethics Office or through our Speak Out at SAP tool anonymously if desired; their issue is then be raised with the AI Ethics Steering Committee. For more information about our Speak Out at SAP tool, see the Speak Out at SAP. In 2024, two concerns were reported to the AI Ethics Office but neither of them was substantiated.

Training and Communication

SAP provides various training courses to its stakeholders (that is, employees and customers) to raise their awareness about ethical AI. SAP introduced a mandatory compliance training course, for all employees, on its AI ethics policy and governance in November 2024. By the end of December 2024,

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and before its 2025 due date, 44% of existing employees and 58% of new hires had already taken this course.

In 2024, SAP also introduced a publicly available course on ethical AI to educate its ecosystem.

In 2023, we set up our AI Ethics Community, which is an internal platform that fosters discussions on responsible AI, provides compliance resources, and organizes talks by internal and external domain experts.

For more information about SAP Business AI, see the section in our Combined Management Report.

Resources to Manage IROs

To ensure we implement responsible AI practices, including adherence to existing policies, we have established two main teams to drive compliance.

The AI Ethics team in our Corporate Sustainability unit is responsible for establishing efficient, scalable, and compliant governance processes, for ensuring a best-in-class ethical framework for SAP Business AI, for establishing strategic external partnerships, and for addressing the sustainability impacts of AI.

The AI Ethics team in our SAP Business AI unit is responsible for facilitating the creation of responsible AI systems, and for ensuring the relevance of SAP's efforts regarding AI ethics by maintaining a continuous dialogue with our external ecosystem. The AI Ethics Advisory Panel and AI Ethics Steering Committee are engaged in managing responsible AI.

Lastly, adhering to ethical AI practices is a focus across our Company, and our employees help manage responsible AI matters in their day-to-day operations and decision-making processes. Ultimately, every person involved in the development, deployment, use, and sale of AI systems bears this responsibility.

We are currently discussing specific targets and ambitions related to responsible AI. In the meantime, we are ensuring effectiveness through the active integration of AI ethics into process orchestration systems, existing policies, such as our SAP Global Procurement Policy, and by making our policies accessible to all users.

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Governance Information

In this section, we disclose information about SAP's material impacts, risks, and opportunities (IROs) related to governance topics and responsibilities.

Business Conduct

In this section, we disclose information about SAP's material IROs related to our business conduct-specific topics. The material IROs with the identifier G1-1 to G1-4 can be found in the IRO table included in the Double Materiality Assessment section.

Our Approach and Policies

In an increasingly complex business environment, making the right decisions and abiding by ethical choices has never been more important. As a company operating in numerous countries across the globe, SAP is required to adhere to strict international legislation that defines acceptable business conduct and practices.

At SAP, ethical behavior is an integral part of the cultural values that influence our daily decision-making at every level of the business and in every market. We expect our business practices to not only meet international legal requirements, but to adhere to our internal high standards of ethics and integrity. We understand that our customers expect this as well. SAP's reputation for doing business the right way is one of our most important assets. Our Global Code of Ethics and Business Conduct (CoEBC) clearly states that SAP has a zero-tolerance policy toward unethical business behavior, including all forms of bribery and corruption.

The **Office of Ethics and Compliance** (OEC) develops, implements, oversees, and enforces an effective compliance management program that is designed to mitigate bribery, corruption, and fraud risks faced by SAP. The OEC contributes to SAP's success by providing trusted advice to SAP managers, leaders, and employees across the entire business.

The following section describes how we mitigate negative impacts and risks, and how we pursue positive impacts and opportunities.

Policies and Corporate Culture

In 2024, we continued to focus on strengthening our robust compliance program, which is based on our corporate values and voluntary commitments as well as on international standards and regulatory requirements. In January 2024, SAP reached a settlement with the Securities and Exchange Commission (SEC) and entered a three-year self-monitorship under a deferred prosecution agreement (DPA) with the United States Department of Justice (DOJ). Throughout the settlement discussions, SAP fully cooperated with law enforcement authorities and took immediate consequence management steps, including terminating the contracts of all those implicated in potential law violations, and terminating partners. In line with the DPA, SAP has continued to enhance its compliance program and related internal controls. In accordance with DOJ and regulatory expectations and requirements, SAP's CEO and CFO are responsible, together with the Group Chief Compliance Officer (GCCO), for ensuring that the requirements of the DPA are met. To this end, the GCCO continues to align closely with the Executive Board and provides regular reports and updates to both the CEO and the Executive Board on compliance matters and, specifically, on the requirements of the DPA. Separately, in December 2024, SAP's Brazilian subsidiary reached a settlement with the Office of the Comptroller General of the State of Minas Gerais (CGE) and the State of Minas Gerais Public Prosecutor's Office (MPMG) in Brazil. The settlement relates to issues identified in the tender process. SAP similarly fully cooperated with CGE and MPMG, applied appropriate consequence management, and enhanced its compliance program. SAP Brazil entered into a leniency agreement with CGE that requires SAP Brazil to continue cooperating with the authorities' investigations, and agreed to a one-year self-monitorship. CGE recognized the strength of SAP's compliance program, noting that it meets 95% of CGE's expectations. For further information, see the Notes to the Consolidated Financial Statements, Note (G.3).

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Compliance matters are discussed with Executive Board and Supervisory Board members at quarterly Audit and Compliance Committee meetings, and at regular touchpoints with Executive Board and Supervisory Board members. Quarterly meetings of the Global Compliance Governance Committee, which are attended by members of Global Finance, Customer Success, Global Communications, and GR&AS, provide a further forum for addressing and discussing compliance matters.

Outside SAP, our OEC regularly exchanges ideas and best practices for compliance processes with relevant peers in the software industry and beyond. SAP is a corporate member of the Association of Certified Fraud Examiners (ACFE), while the GCCO is also a member of the European Chief Compliance and Integrity Officers Forum (ECCIOF), the United Nations (UN) Global Compact's Think Lab, which focuses on transformational governance, and the World Economic Forum's Partnering Against Corruption Initiative (PACI).

SAP's Global Code of Ethics and Business Conduct (CoEBC) continues to be the primary ethical and legal framework within which SAP conducts business and remains on course for success. Available on SAP's internal employee portal and SAP's website in 23 languages, it is one of several global policies that provide clear guidance to our employees.

The OEC owns the global policy governance process and works with and guides policy owners accordingly. Accountability and responsibility for policy content is managed by multiple teams across the company. Accountability for OEC-related topics lies with the OEC.

Office of Ethics and Compliance (OEC)

The **Office of Ethics and Compliance** (OEC) strives to advance SAP's business goals by promoting a strong culture of integrity and providing trusted guidance to help SAP "Win the Right Way." To help nurture this environment, the OEC continually addresses compliance challenges and improves policies, guidelines, systems, and measures related to their implementation. The team grew from 157 employees in 2023 to 161 in 2024. The GCCO continues to report to the group CEO. The work of OEC is subject to SAP's internal audit, for more information see the Risk Management and Risks section in our Combined Management Report.

The OEC has field compliance officers (FCOs) across the globe, in both high- and low-risk jurisdictions. The FCOs are often the first point of contact for the business when compliance matters arise. In high-risk countries in which the OEC is not physically represented and where local language needs might arise, the OEC operates a network of compliance stewards drawn largely from SAP's legal, finance, and HR departments. Compliance stewards liaise with the OEC's field compliance officers and provide support by offering advice on basic, specific, and straightforward compliance matters. Working alongside a global network of compliance ambassadors (drawn from all areas of the Company), they amplify compliance messages and serve as a further point of contact for local employees to the relevant field compliance officer.

As part of the DPA, SAP will continue to enhance its compliance program, including related internal controls, policies, and procedures, and report to and cooperate with relevant regulators. To help SAP meet these requirements, the OEC has set up the Monitorship Compliance Office, a dedicated team that closely oversees both existing and newly implemented compliance measures and initiatives.

Communication

In 2024, we further enhanced our compliance-related communication to help strengthen employees' understanding of everyone's responsibility to contribute to ethical and compliant business across the Company.

The OEC's dedicated communications team supports messaging on compliance topics by distributing integrity-related and business-enabling communications at all levels of the Company regularly and consistently – including to senior leaders, managers, and employees. Topic-related content is also provided to SAP partners and suppliers.

Executive Board members and senior leaders regularly host global and regional employee meetings, leadership team meetings, and smaller gatherings that address integrity-focused topics, thereby demonstrating their commitment and dedication to ethical business.

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The OEC's quarterly newsletter informs all SAP employees about a range of compliance-related topics. In addition, a quarterly newsletter focusing on leadership and management topics is sent specifically to executive and senior management. The significant open rates for these newsletters clearly demonstrate the importance of compliance topics for employees, and their interest in them. Quarterly 'toolkits' provide topic-focused resources to communicators Company-wide to further amplify compliance messages in business-owned channels.

Furthermore, all Executive Board areas have recommitted their support for the OEC's Compliance Ambassador Program. In 2024, we introduced a seventh cohort of ambassadors. The overall number of participants – past and present – rose from over 1,500 in 2023 to over 2,300 in 2024. This program is designed to give employees a further point of contact in the business when compliance matters arise. Ambassadors participate in an extensive curriculum of monthly onboarding sessions over a 15-month period. They are expected to cascade and transfer information on the importance of compliance and ethics throughout their teams and lines of business. Launched in 2023, the Extended Compliance Ambassador Network, which convenes on a quarterly basis, provides compliance ambassadors who have completed the curriculum with a forum to meet in. Participation in both programs is entirely voluntary and is open to all employees irrespective of their seniority or role in the Company.

Investigations at SAP

The OEC's independent and autonomous investigation team is comprised of dedicated investigators who probe allegations of misconduct within the OEC's area of responsibility. The source of allegations or concerns varies and could arise from the activities of any one of the teams within the OEC. Alternatively, they could originate as allegations made by individuals (internal or external) through the Speak Out at SAP whistleblower reporting tool. Regardless of the source, all allegations and concerns are subject to appropriate in-depth examination or investigation.

Where appropriate, the OEC engages the assistance of an external law firm to investigate certain allegations of non-compliance with SAP's policies and procedures or applicable laws.

Our Actions and Targets

Prevention and Detection of Corruption and Bribery

All employees are bound by the CoEBC; they are required to acknowledge its contents and confirm their commitment to it on an annual basis. In 2024, we continued to monitor employee certification of the CoEBC worldwide, recording a 99.99% certification rate for permanent SAP employees. Employees of acquired companies are also required to certify the CoEBC within 90 days of acquisition. The 99.99% certification rate includes Emarsys and Volume Integration employees because the annual certification process for these employees is identical to the one used for SAP employees.

The OEC also evaluates SAP's third-party service providers to assess whether SAP's compliance standards are being met. New suppliers and third parties seeking a partnership with SAP are scrutinized according to a risk-based compliance due diligence process, which is repeated every two to five years thereafter. Supplier and partner relationships are formally defined in contracts that outline their obligation to abide by SAP's compliance requirements. In almost all cases, these include a "right to audit" clause. The OEC also has a dedicated team that conducts compliance audits of partners and suppliers to assess adherence to SAP's requirements and to identify and address compliance risks.

Moreover, we require all our partners and suppliers to commit to meeting our high standards of integrity. To this end, we have the SAP Partner Code of Conduct (PCoC) and the SAP Supplier Code of Conduct (SCoC) in place so that partners and suppliers understand what is expected of them. For more information, see the Workers in the Value Chain section.

The OEC's Compliance Monitoring & Analysis (CMA) team monitors the effectiveness of SAP's compliance processes and related controls through regular testing of high-risk transactions, identified using a data analytics tool and through manual sampling. The CMA team also analyzes findings from investigations, audit reports, and partner audit reports to identify potential enterprise-wide process deficiencies and patterns of misconduct that indicate a compliance risk. The team then conducts root cause analyses on the highest-risk topics and recommends remediation actions to mitigate the risks.

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Speak Out at SAP

Speak Out at SAP is SAP's independently managed whistleblower reporting tool, through which any matters or concerns can be reported easily, and, if desired, anonymously. The tool is available 24 hours a day, seven days a week, both internally to SAP employees and externally to concerned parties, including customers, suppliers, and partners. It is available in multiple languages and is intuitive to use.

Individuals can submit reports either directly through the Internet-based portal or by phone, with local language support in 61 languages across the globe for maximum accessibility. In all cases, SAP maintains a strict non-retaliation policy.

Beyond Speak Out at SAP, we provide further reporting channels, including an internal ticketing system, a postal address for written submissions, and local contact persons worldwide.

SAP communicates information about its whistleblower reporting tool and other complaints channels regularly throughout the year in newsletters, portal articles, communication toolkits, and compliance training courses. Partners, suppliers, and external stakeholders can find detailed information about the reporting mechanisms on SAP's Web site.

Cases Reported in 2024

In 2024, the number of reports submitted through Speak Out at SAP continued to increase. This was largely due to increased communication in the Company of the availability of the tool, as well as the subsequent better awareness of its availability both internally and externally.

The OEC reviews all the allegations and concerns it receives and allocates them to the appropriate teams for further action according to areas of responsibility and expertise, as required. Concerns pertaining to bribery, corruption, and fraud are reviewed in detail by the OEC, which then considers the next steps, including the decision to start an investigation.

When allegations or concerns are substantiated, we initiate consequence management accordingly. Depending on the type and level of severity of misconduct, examples might include a formal letter of warning to the employee concerned, a requirement to participate in additional training, and, in serious cases, separation from the Company. Consequence management steps could also include (among other steps deemed appropriate) adapting or adjusting relevant policies, creating or adapting training content, or otherwise further raising employees' awareness of specific topics.

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Training Offerings

Our training programs cover topics such as anti-corruption and anti-bribery, conflicts of interest, governance for customer commitments, working with public sector customers, and compliant partner engagement.

In addition to our Conflicts of Interest mandatory online training course that is held every two years for all SAP employees, a new Travel with Integrity workshop was delivered live in 2024 for a defined group of employees and their managers. We selected these employees based on their frequent and extensive business travel obligations. We continue to train all new hires globally and to hold Ethical Leadership workshops for new people managers and Ethical Success workshops for new colleagues in Sales and Presales.

Additionally, our field compliance officers hold live training courses, both in person and virtually, according to a risk-based approach for the specific teams and countries they support. These courses target employees across the organization, from customer-facing staff to individuals in supporting roles, such as Finance, Marketing and Legal. Beyond this, particular attention is given to the training needs of colleagues who work or operate in high-risk countries or with government customers.

	Conflicts of Interest eLearning[1]	Travel with Integrity Live Training[2]	New Hires Introduction to Compliance[2]	Ethical Leadership for New Managers[2]	Ethical Success for New Sales[2]
Training coverage					
Total	100,802	9,296	5,152	1,400	2,419
Total receiving training	100,169	9,289	5,005	1,340	2,363
Completion Rate	99.37%	99.92%	97.15%	95.71%	97.68%
Delivery method and duration					
Classroom training		1 hr	30 mins	1 hr	1 hr
Computer-based training	30 mins				
Frequency					
How often training is required	Every two years	Every three years from 2024	On joining SAP	Every three years from 2022	Every three years from 2023
Topics covered					
Definition of corruption			✓	✓	✓
Conflicts of Interest	✓	✓	✓	✓	✓
Code of Ethics & Business Conduct	✓	✓	✓	✓	✓

[1] Of our acquired companies, these numbers exclude Taulia and WalkMe
[2] Of our acquired companies, these numbers exclude Taulia, WalkMe, LeanIX, and Volume Integration

Whilst completion rates provided above do not include all acquired companies (Taulia, WalkMe, LeanIX, Volume Integration), these acquired companies all follow comparable training requirements and goals. Assigned due dates and methods of delivery may vary, hence their exclusion from the above table.

Metrics

There were no convictions for the violation of anti-corruption and anti-bribery laws in 2024.

Detailed and exhaustive information pertaining to fines for the violation of anti-corruption and anti-bribery laws committed by employees in previous years and which were the subject of the DPA is provided in the Incorporation by Reference section of our Appendix ⤓.

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In this section, we disclose tables listing ESRS Datapoints in Cross-Cutting and Topical Standards that Derive from Other EU Legislation and our Incorporations by Reference.

ESRS Datapoints in Cross-Cutting and Topical Standards That Derive from Other EU Legislation

The following table contains references to all disclosures from other legislation or other generally accepted sustainability reporting pronouncements.

Datapoint that Derives from Other EU Legislation	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Reference to Group Sustainability Statements	Page
GOV-1 Gender diversity on the Board	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		Governance	228
GOV-1 Percentage of Board members who are independent			Delegated Regulation (EU) 2020/1816, Annex II		Governance	228
GOV-4 Statement on Due Diligence	Indicator number 10 Table #3 of Annex 1				Statement on Due Diligence	127
SBM-1 Involvement in activities related to fossil fuel activities	Indicator number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material	
SBM-1 Involvement in activities related to chemical production	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
SBM-1 Involvement in activities related to controversial weapons	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1); Delegated Regulation (EU) 2020/1816, Annex II		Not material	
SBM-1 Involvement in activities related to cultivation and production of tobacco			Delegated Regulation (EU) 2020/1818, Article 12(1); Delegated Regulation (EU) 2020/1816, Annex II		Not material	
E1-1 Transition plan to reach climate neutrality by 2050				Regulation (EU) 2021/1119, Article 2(1)	Transition Plan for Climate Change Mitigation	156 - 158

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Datapoint that Derives from Other EU Legislation	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Reference to Group Sustainability Statements	Page
E1-1 Undertakings excluded from Paris-aligned benchmarks		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions, and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Transition Plan for Climate Change Mitigation	156 - 158
E1-4 GHG emission reduction targets	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Baseline for Net Zero	161 - 162
E1-5 Energy consumption from fossil sources disaggregated by sources for high climate impact sectors	Indicator number 5 Table #1 and Indicator number 5 Table #2 of Annex 1				Not material	
E1-5 Energy consumption and mix	Indicator number 5 Table #1 of Annex 1				Energy consumption and mix	163
E1-5 Energy intensity associated with activities in high climate impact sectors	Indicator number 6 Table #1 of Annex 1				Not material	
E1-6 Gross Scope 1, 2, 3, and total GHG emissions	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions, and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6, and 8(1)		Gross Scopes 1, 2, 3, and Total GHG Emissions	161
E1-6 Gross GHG emissions intensity	Indicator number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		GHG Intensity per Net Revenue	162

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Datapoint that Derives from Other EU Legislation	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Reference to Group Sustainability Statements	Page
E1-7 GHG removals and carbon credits				Regulation (EU) 2021/1119, Article 2(1)	Carbon Credits	165
E1-9 Exposure of the benchmark portfolio to climate-related physical risks			Delegated Regulation (EU) 2020/1818, Annex II; Delegated Regulation (EU) 2020/1816, Annex II		Relevant from IR25 onward	
E1-9 Disaggregation of monetary amounts by acute and chronic physical risks		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Relevant from IR25 onward	
E1-9 Location of significant assets at material physical risk						
E1-9 Breakdown of the carrying value of real estate assets by energy-efficiency classes		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralized by immovable property – Energy efficiency of the collateral			Relevant from IR25 onward	
E1-9 Degree of exposure of the portfolio to climate-related opportunities			Delegated Regulation (EU) 2020/1818, Annex II		Relevant from IR25 onward	
E2-4 Amount of each pollutant listed in Annex II of the European Pollutant Release and Transfer Register (E PRTR) Regulation emitted to air, water, and soil	Indicator number 8 Table #1 of Annex 1, Indicator number 2 Table #2 of Annex 1, Indicator number 1 Table #2 of Annex 1, and Indicator number 3 Table #2 of Annex 1				Not material	
E3-1 Water and marine resources	Indicator number 7 Table #2 of Annex 1				Not material	
E3-1 Dedicated policy	Indicator number 8 Table 2 of Annex 1				Not material	
E3-1 Sustainable oceans and seas	Indicator number 12 Table #2 of Annex 1				Not material	

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Datapoint that Derives from Other EU Legislation	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Reference to Group Sustainability Statements	Page
E3-4 Total water recycled and reused	Indicator number 6.2 Table #2 of Annex 1				Not material	
E3-4 Total water consumption in m3 per net revenue on own operations	Indicator number 6.1 Table #2 of Annex 1				Not material	
IRO-1 List of material sites and biodiversity-sensitive areas	Indicator number 7 Table #1 of Annex 1				Not material	
IRO-1 Material negative impacts with regards to land degradation, desertification, or soil sealing	Indicator number 10 Table #2 of Annex 1				Not material	
IRO-1 Operations affecting threatened species	Indicator number 14 Table #2 of Annex 1				Not material	
E4-2 Sustainable land and agriculture practices or policies	Indicator number 11 Table #2 of Annex 1				Not material	
E4-2 Sustainable ocean and sea practices or policies	Indicator number 12 Table #2 of Annex 1				Not material	
E4-2 Policies to address deforestation	Indicator number 15 Table #2 of Annex 1				Not material	
E5-5 Non-recycled waste	Indicator number 13 Table #2 of Annex 1				How SAP Measures Performance and Progress	169
E5-5 Hazardous waste and radioactive waste	Indicator number 9 Table #1 of Annex 1				Not material	
SBM-3 Risk of incidents of forced labor	Indicator number 13 Table #3 of Annex 1				Own Workforce	174 - 201
SBM-3 Risk of incidents of child labor	Indicator number 12 Table #3 of Annex 1				Own Workforce	174 - 201
S1-1 Human rights policy commitments	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Human Rights	172 - 174
S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II		Human Rights	172 - 174
S1-1 Processes and measures for preventing trafficking in human beings	Indicator number 11 Table #3 of Annex 1				Human Rights	172 - 174
S1-1 Workplace accident prevention policy or management system	Indicator number 1 Table #3 of Annex 1				Own Workforce – Health, Safety, and Well-Being	199 - 201
S1-3 Grievance and complaints handling mechanisms	Indicator number 5 Table #3 of Annex 1				Own Workforce – Global People Compliance	181 - 183
S1-14 Number of fatalities and number and rate of work-related accidents	Indicator number 2 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material as SAP is an enterprise software company	
S1-14 Number of days lost to injuries, accidents, fatalities, or illness	Indicator number 3 Table #3 of Annex 1				Not material as SAP is an enterprise software company	

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Datapoint that Derives from Other EU Legislation	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Reference to Group Sustainability Statements	Page
S1-16 Unadjusted gender pay gap	Indicator number 12 Table #1 of Annex 1				Own Workforce – Total Rewards	186 - 190
S1-16 Excessive CEO pay ratio	Indicator number 8 Table #3 of Annex 1				Own Workforce – Total Rewards	186 - 190
S1-17 Incidents of discrimination	Indicator number 7 Table #3 of Annex 1				Own Workforce – Global People Compliance	181 - 183
S1-17 Non-respect of U.N. Guiding Principles on Business and Human Rights, ILO principles, and/or OECD guidelines	Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818 Art 12 (1)		Human Rights	172 - 174
SBM-3 Significant risk of child labor or forced labor in the value chain	Indicator number 12 and number 13 Table #3 of Annex 1				Workers in the Value Chain, Our Approach and Policies	202 - 203
S2-1 Human rights policy commitments	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Human Rights	172 - 174
S2-1 Policies related to value chain workers	Indicator number 11 and number 4 Table #3 of Annex 1				Workers in the Value Chain – Our Approach and Policies	202 - 203
S2-1 Non-respect of U.N. Guiding Principles on Business and Human Rights, ILO principles, and/or OECD guidelines	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Art 12 (1)		Human Rights	172 - 174
S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II		Human Rights	172 - 174
S2-4 Human rights issues and incidents connected to the upstream and downstream value chain	Indicator number 14 Table #3 of Annex 1				Workers in the Value Chain – Our Actions and Targets	203 - 204
S3-1 Human rights policy commitments	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	
S3-1 Non-respect of U.N. Guiding Principles on Business and Human Rights, ILO principles, and/or OECD guidelines	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
S3-4 Human rights issues and incidents	Indicator number 14 Table #3 of Annex 1				Not material	
S4-1 Policies related to consumers and end-users	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Security, Cloud Compliance, and Data Protection and Privacy; Responsible AI – Our Approach and Policies	206 - 208 213 - 214

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Datapoint that Derives from Other EU Legislation	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Reference to Group Sustainability Statements	Page
S4-1 Non-respect of U.N. Guiding Principles on Business and Human Rights, ILO principles, and/or OECD Guidelines	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material as our business model is B2B	
S4-4 Human rights issues and incidents	Indicator number 14 Table #3 of Annex 1				Not material as our business model is B2B	
G1-1 United Nations Convention against Corruption	Indicator number 15 Table #3 of Annex 1				Business Conduct – Policies and Corporate Culture	217 - 218
G1-1 Protection of whistleblowers	Indicator number 6 Table #3 of Annex 1				Business Conduct – Speak Out at SAP	220
G1-4 Fines for violation of anti-corruption and anti-bribery laws	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Business Conduct – Metrics	221
G1-4 Standards of anti-corruption and anti-bribery	Indicator number 16 Table #3 of Annex 1				Business Conduct – Speak Out at SAP	220

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Incorporation by Reference

Topic	Item	Link and Content	Text, If Applicable
General Information			
Scope of consolidation	Scope of consolidation of SAP's Group Sustainability Statement	Combined Management Report – General Information About This Management Report	N/A
		Consolidated Financial Statements – Note G.9 – Scope of Consolidation	As at December 31, 2024, 182 entities are in the scope of this report and of our financial statements.
Sustainability Strategy			
Business model	Business model	Combined Management Report – Strategy and Business Model	N/A
	Inputs and outputs	Combined Management Report – Our Investment in Innovation	N/A
Interests and views of stakeholders	Amendments to strategy and business model	Combined Management Report – Strategy and Business Model	N/A
Engaging with customers	Customers	Combined Management Report – Our Customers	N/A
Revenue by sector	SAP's revenues	Combined Management Report – Operating Results (IFRS)	N/ A
Number of employees	Employee headcount by region and function	Consolidated Financial Statements – Note B.1 – Employee Headcount by Region and Function	Cloud and Software: 4,543 (EMEA); 4,339 (Americas); 4,764 (APJ) Services: 8,485 (EMEA); 4,719 (Americas); 5,566 (APJ) Research and Development: 18,819 (EMEA); 5,677 (Americas); 13,094 (APJ) Sales and Marketing: 12,042 (EMEA); 9,801 (Americas); 5,139 (APJ) General and Administration: 3,836 (EMEA); 1,836 (Americas); 1,300 (APJ) Infrastructure: 3,076 (EMEA); 1,164 (Americas); 921 (APJ) Full-time equivalents
Sustainability Governance			
Board-composition and diversity	Number of executive and non-executive	Corporate Governance Statement	Number of executive members (= Executive Board): 5 Number of non-executive members (= Supervisory Board): 18
	Representation of employees	Corporate Governance Statement	Nine out of 18 Supervisory Board members are employee representatives.
	Relevant experience	Corporate Governance Statement	**Experience relevant to:** - **Sectors and products:** In the software industry field of expertise, SAP-specific requirements include substantial experience in the software and IT sector; knowledge of international markets, customers, and competitors; product expertise, including SAP's sustainability products and the use of AI; experience with consumer markets; and experience and expertise in the areas of security, cloud compliance, data protection and privacy, and responsible AI. - **Geographic locations:** To ensure an international composition of the Supervisory Board, it should comprise at least three persons who do not originate from Germany. In addition, the SAP SE Employee Involvement Agreement stipulates that the employee representatives on the Supervisory Board must come from different EU countries (currently, at least two representatives must originate from EU member states other than Germany).
	Percentage by gender	Corporate Governance Statement	Executive Board 4 Men = 80% 1 Women = 20% — Supervisory Board 13 Men = 72% 5 Women = 28%
	Percentage of independent Board members	Corporate Governance Statement	Furthermore, in the context of the independence assessment, the shareholder representatives found that all of the shareholders' representatives serving on the Supervisory Board of SAP SE during the fiscal year 2024 also were independent according to the ESRS. (this equals 50% independent Supervisory Board Members)
Sustain-ability-linked incentive plans for	Key characteristics of the incentive plans	Compensation Report – Compensation for Executive Board Members, Compensation for Supervisory Board Members	Executive Board: annual base salary, benefits, pension-related commitments, and performance-based compensation (short- and long-term incentive) Supervisory Board: fixed compensation only, based on role (for example, chairperson) and committee membership

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Topic	Item	Link and Content	Text, If Applicable
Board members	Performance assessed against sustainability-related targets	Compensation Report – Compensation for Executive Board Members	Non-financial KPIs are the following performance measures, which are important in terms of SAP's long-term, sustainable performance: the Customer Net Promoter score, which measures the satisfaction of SAP customers; the Employee Engagement Index, which reflects employees' commitment, their pride in the Company and their loyalty; and CO2 performance, which tracks SAP's greenhouse gas emissions.
	Proportion of variable compensation dependent on sustainability-related targets	Compensation Report – Compensation for Executive Board Members	A target is set for each non-financial key performance indicator (KPI). These targets are defined based on SAP's long-term strategic planning and taking into account the full-year values achieved. Based on the target value required for 100% target achievement, target achievement curves are also defined for the non-financial KPIs. These specify a cap if target achievement reaches 140%. The relevant period is the fiscal year for which the STI is being awarded. The non-financial KPIs have a total weighting of 20%, within which the respective weightings of the individual non-financial KPIs may vary.
	Explanation of how climate-related considerations are factored into Supervisory and Executive Board compensation	Compensation Report – Compensation for Executive Board Members, Compensation for Supervisory Board Members	The payout under the STI (short-term incentive) is determined based on several financial and non-financial KPIs. The STI is awarded in the form of a weighted target amount specified in the Executive Board member's service contract that is paid out if the total of the weighted target achievement for financial and non-financial KPIs (total target achievement) is 100%.
	Governance body at SAP that approves incentive plans	Corporate Governance Statement	The compensation system for the members of the Executive Board was put to SAP SE's Annual General Meeting of Shareholders most recently on May 11, 2023, and approved by a clear majority (92.80% of the valid votes cast).
Sustainability matters and SAP's Boards	The expertise and skills of SAP's Executive and Supervisory Boards on sustainability matters, and access to such expertise and skills	Corporate Governance Statement	Collectively, the **Executive Board** possesses adequate and sufficient expertise in the sustainability topics that are material for SAP, our products for the sustainability sector, and our sustainability reporting. As far as these topics pertain to their respective areas of responsibility, the Executive Board members are supported by experts from the specialist departments and, if necessary, by external consultants. Furthermore, due to their professional experience and education, they also possess their own unique expertise on the mentioned topics. The respective information was gathered from a questionnaire completed by the Board members. The **Supervisory Board** members, as a group, possess the knowledge, ability, and expert experience required to properly perform their duties. Not only are they collectively familiar with the IT sector, but they also have extensive knowledge in various professional areas and many years of international experience, and thus bring a broad range of skills and experience to their Supervisory Board roles. In particular, the Supervisory Board collectively also fulfills all sustainability-related requirements that were identified as material for SAP in the double materiality assessment performed under the ESRS, that is, with regard to security, cloud compliance, data protection and privacy, responsible AI, business conduct, climate change, resource use and circular economy, and own workforce and workers in the value chain. In addition, the Supervisory Board possesses the competencies required in the context of sustainability reporting and SAP's sustainability products.
	How the Executive and Supervisory Boards are informed about sustainability matters	Corporate Governance Statement	**Executive Board** members with a sustainability topic in their area of responsibility are informed on these matters by their respective direct reports. For example, with regard to climate change, resource utilization, and the circular economy, Christian Klein can draw on the expertise of SAP's Chief Sustainability and Commercial Officer and their organization, which is part of Christian Klein's Executive Board portfolio. The **Supervisory Board** of SAP SE appoints, advises, and monitors the Executive Board. It seeks regular, full, and timely reports from the Executive Board on strategy (including sustainability strategy) and the status of its implementation, on business planning, profitability, and all aspects of business performance that are material for the SAP Group.
Internal control system	SAP's ESG compliance framework and internal ESG controls	Combined Management Report – Risk Management and Risks	N/A
Risk management system	Further Information about SAP's risk management system and	Combined Management Report – Risk Management and Risks	N/A

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Topic	Item	Link and Content	Text, If Applicable
Own Workforce			
KPI	Employee engagement index (EEI)	Combined Management Report – Performance Management System	N/A
Security, Cloud Compliance, and Data Protection and Privacy			
KPI	Customer Net Promoter Score (NPS)	Combined Management Report – Our Customers Combined Management Report – Performance Management System	N/A
Responsible marketing practices	Global Experience Management (XM) Program	Combined Management Report – Our Customers	N/A
Business Conduct			
Other litigation, claims, and legal contin-gencies	Fines for violation of anti-corruption and anti-bribery laws	Consolidated Financial Statements – Note G.3 – Other Litigation, Claims, and Legal Contingencies	In January 2024, following comprehensive and exhaustive investigations, dialogue, and corresponding remediation activities, SAP entered into a final settlement agreement with the U.S. SEC and the U.S. DOJ, as well as with local authorities and parties in South Africa, to resolve the criminal and civil claims fully and finally against SAP. Under this agreement, SAP has been required to make payments amounting to €207 million and will continue to enhance its compliance program, including related internal controls, policies, and procedures. It will also report to and cooperate with relevant regulators.