

**Simple. Sustainable. SAP.**



# Safe Harbor Statement

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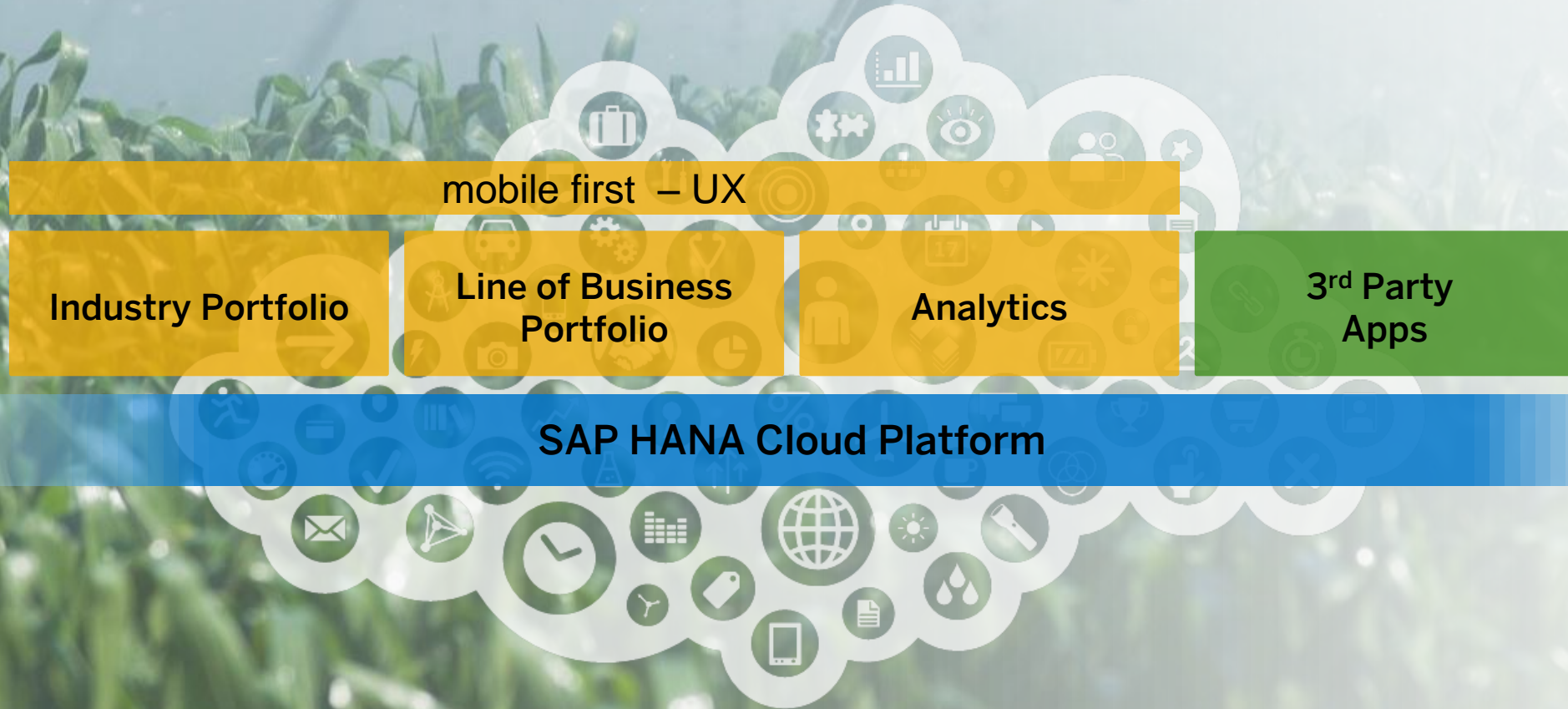
Any statements contained in this document that are not historical facts are forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. Words such as “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plan,” “project,” “predict,” “should” and “will” and similar expressions as they relate to SAP are intended to identify such forward-looking statements. SAP undertakes no obligation to publicly update or revise any forward-looking statements. All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. The factors that could affect SAP’s future financial results are discussed more fully in SAP’s filings with the U.S. Securities and Exchange Commission (“SEC”), including SAP’s most recent Annual Report on Form 20-F filed with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates.

# Our customers

- 253,500 companies and organizations
- 400 of the Global Fortune 500 run SAP
- 80% are small to midsize businesses
- 100% of the top scoring companies in the Dow Jones Sustainability Index



# Simplify everything so you can do anything



# Helping the world run better and improving people's lives

## Innovate...



### ...customer solutions:

Lead the market of software solutions for sustainable businesses



### ...SAP operations:

Avoid emission-related costs of €260 million in past 6 years. Drive employability & engagement



### ...social investing:

Use social projects to develop leadership skills.

# Our four main KPIs

## Sustainability's contribution



### Revenue

- 2013: €16.9 billion
- Sustainability solutions on-premise and in the cloud
- Embedded sustainability



### Margin

- 2013: 32.6%
- Cost avoidance (since beginning of 2008: €260 m)
- Healthy and engaged employees contribute to efficiency



### Customer loyalty

- 2013: 12.1% NPS
- Sustainability exemplar
- SAP runs SAP for sustainability
- Efficiency/safety at customer



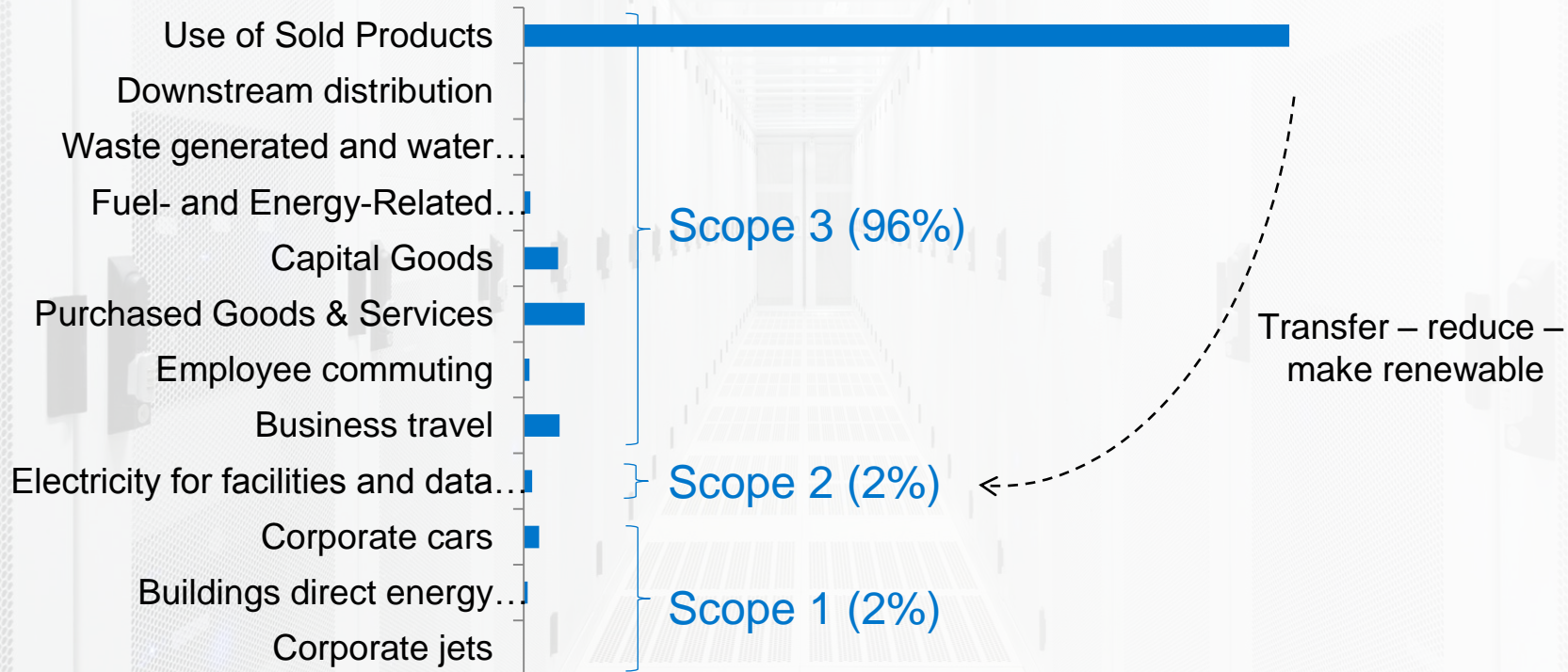
### Employee engagement

- 2013: 77%
- High importance of sustainability for our employees
- Diverse teams more successful
- Values and leadership principles

# Green Cloud

Our commitment to mission critical business execution and zero emission IT

**SAP total 2013 GHG emissions by source (7.2 megatons CO2e)**



# Customers are running better and improving people's lives



- Sustainability reporting
- Better management of emissions



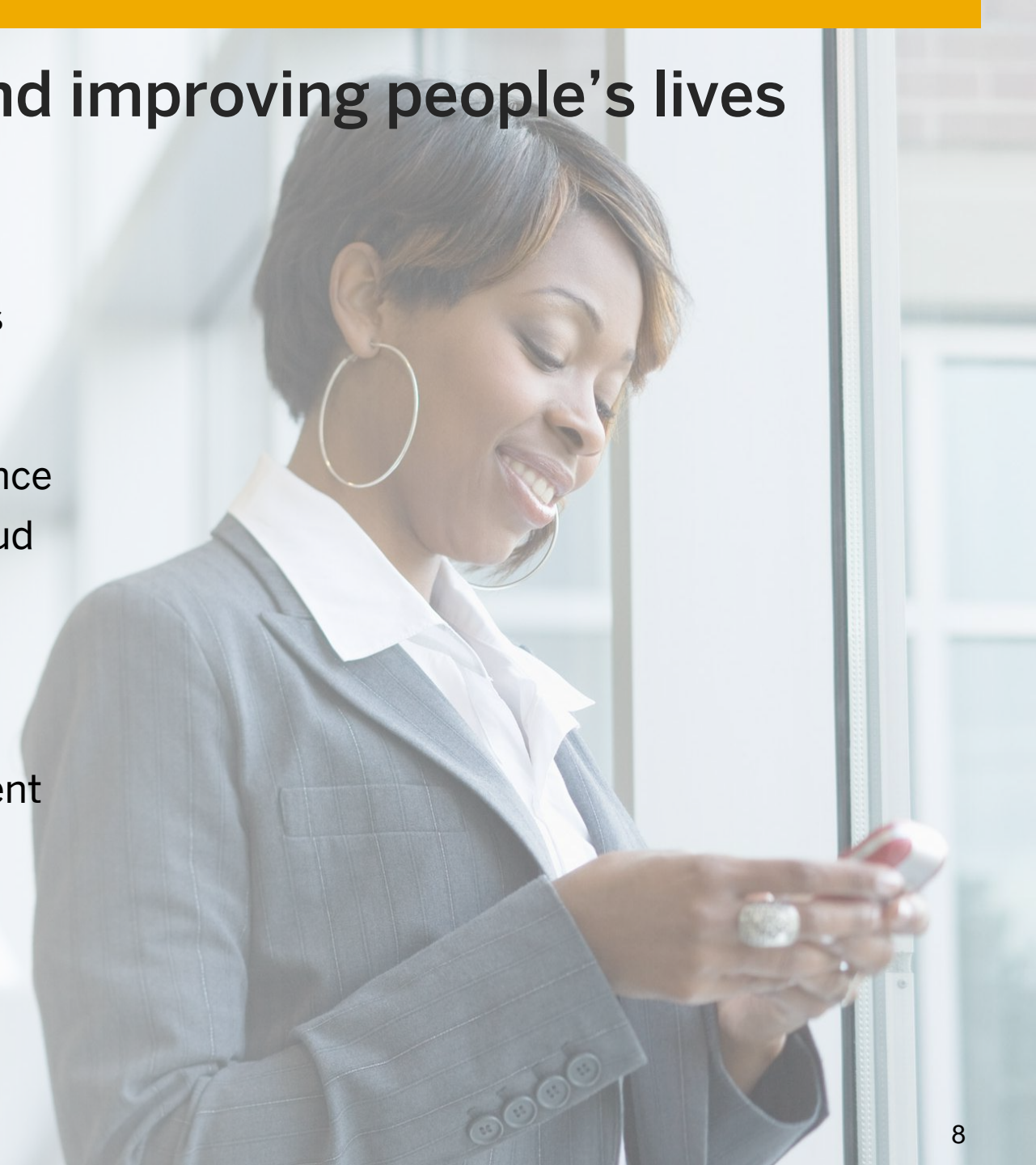
- Ensuring global product compliance
- Sustainable innovation in the cloud



- HR transformation
- Increased speed and focus in talent management



- Regulating pollution
- Improving lives in a livable city





# Comprehensive security practices



## Secure cloud

- Cloud operations standards for availability, security, data protection among highest in industry
- Servers meet highest physical and technical security standards



## Mobile security

- SAP helps customers manage mobile security



## Data protection and privacy

- SAP adheres to global data protection and privacy policy based on strictest laws in the world
- Data protection management system

# Our results

	2010	2011	2012	2013		Target
<b>ECONOMIC</b>						
Total Revenue (non-IFRS, billion EUR)	12.5	14.3	16.3	<b>16.9</b>	↗	At least €22 billion by 2017
Operating Margin (non-IFRS, %)	32	33	32	<b>32.6</b>	↗	35% by 2017
Customer Loyalty (Net Promoter Score) (%)	n.a.	n.a.	8.9	<b>12.1</b>	↗	+4pp in 2014
<b>SOCIAL</b>						
Employee Engagement (%)	68	77	79	<b>77</b>	↘	82% by 2015
Employee Retention (%)	92.9	92.8	94.0	<b>93.5</b>	→	Remain at this level
Women in Management (%)	18.7	19.5	20.8	<b>21.2</b>	↗	25% by 2017
<b>ENVIRONMENTAL</b>						
Greenhouse Gas Footprint (kt CO <sub>2</sub> e)	455	490	485	<b>545</b>	↗	2000 levels by 2020
Renewable energy (%)	32	32	51	<b>43</b>	↘	100% in 2014

# SAP's path to integrated reporting



**1988**  
1st Annual Report

**2007**  
1st Sustainability Report

**2008**  
Sustainability Report online only

**2011**  
Integration of some content in Annual Report and Sustainability Report

**2012**  
1st Integrated Report

**2013**  
2nd Integrated Report

# SAP Integrated Report 2013



## SAP Integrated Report 2013 published March 21, 2014

- Alignment with IIRC framework and GRI G4 standards
- Integrated thinking
- Focus on short-, mid-, long-term value creation
- Navigation filters

# Alignment with IIRC Framework

## IIRC framework: 8 content elements

Organizational overview  
and external environment

Performance

Governance

Outlook

Risks and opportunities

Strategy and resource allocation

Business model

Basis of preparation and  
presentation

## SAP Integrated Report: 6 sections

SAP Group and Market Environment

Performance

Governance

Outlook: Opportunities and Risks

Strategy and Business Model

About This Integrated Report

# Alignment with IIRC Framework

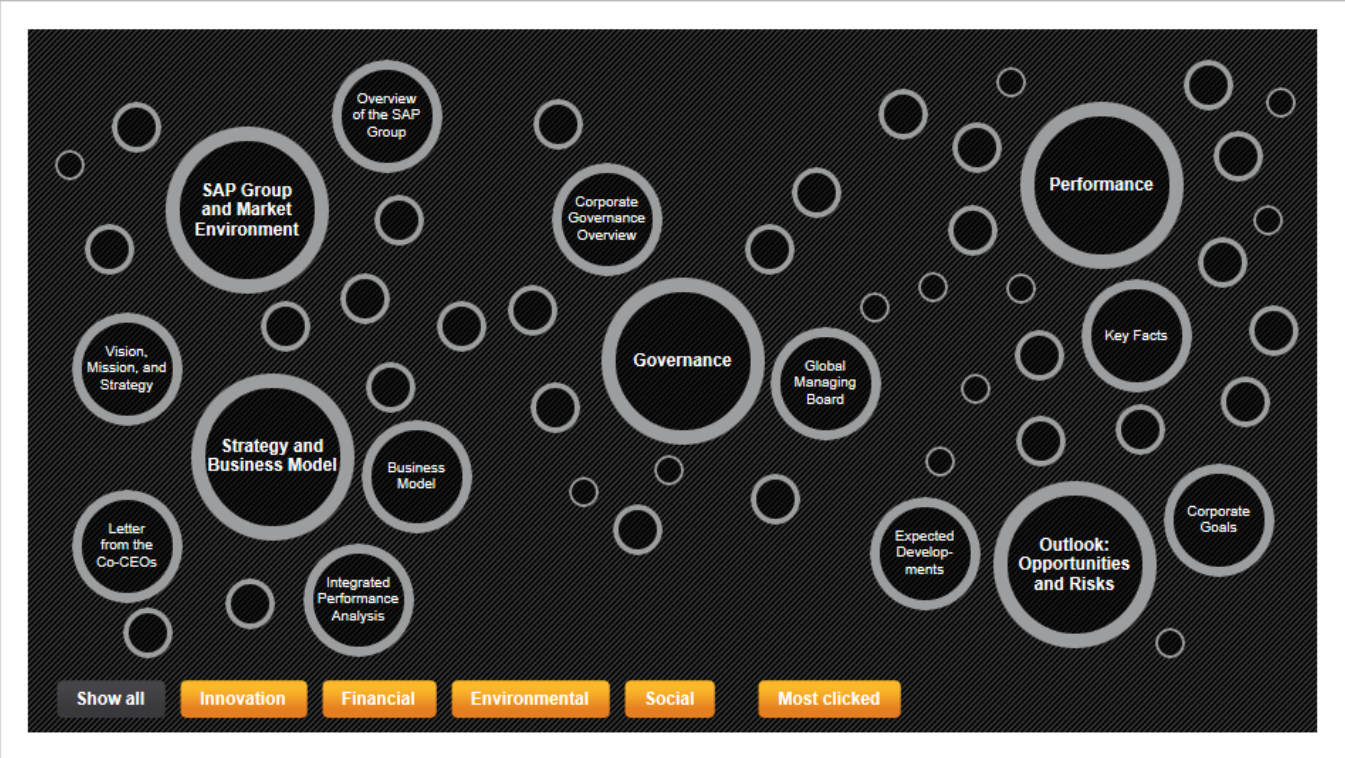
**SAP** Integrated Report 2013  
Financial and Non-Financial Performance

Home Contact English Deutsch Search

SAP Group and Market Environment Governance Strategy and Business Model  
Performance Outlook: Opportunities and Risks About This Integrated Report

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# Navigation filters

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SAP Group and Market Environment Performance Governance Outlook: Opportunities and Risks Strategy and Business Model About This Integrated Report My Download Center 0

Share this page

Performance

Key Facts

Governance

Strategy and Business Model

Financial

Environmental

Most clicked

# Navigation filters

The screenshot displays the SAP Integrated Report 2013 website. At the top left is the SAP logo and the title "Integrated Report 2013" with the subtitle "Financial and Non-Financial Performance". Navigation links for "Home", "Contact", "English", and "Deutsch" are present, along with a search bar. A secondary navigation bar contains dropdown menus for "SAP Group and Market Environment", "Performance", "Governance", "Outlook: Opportunities and Risks", "Strategy and Business Model", and "About This Integrated Report". A "My Download Center" button shows 0 items. Social sharing icons are also visible.

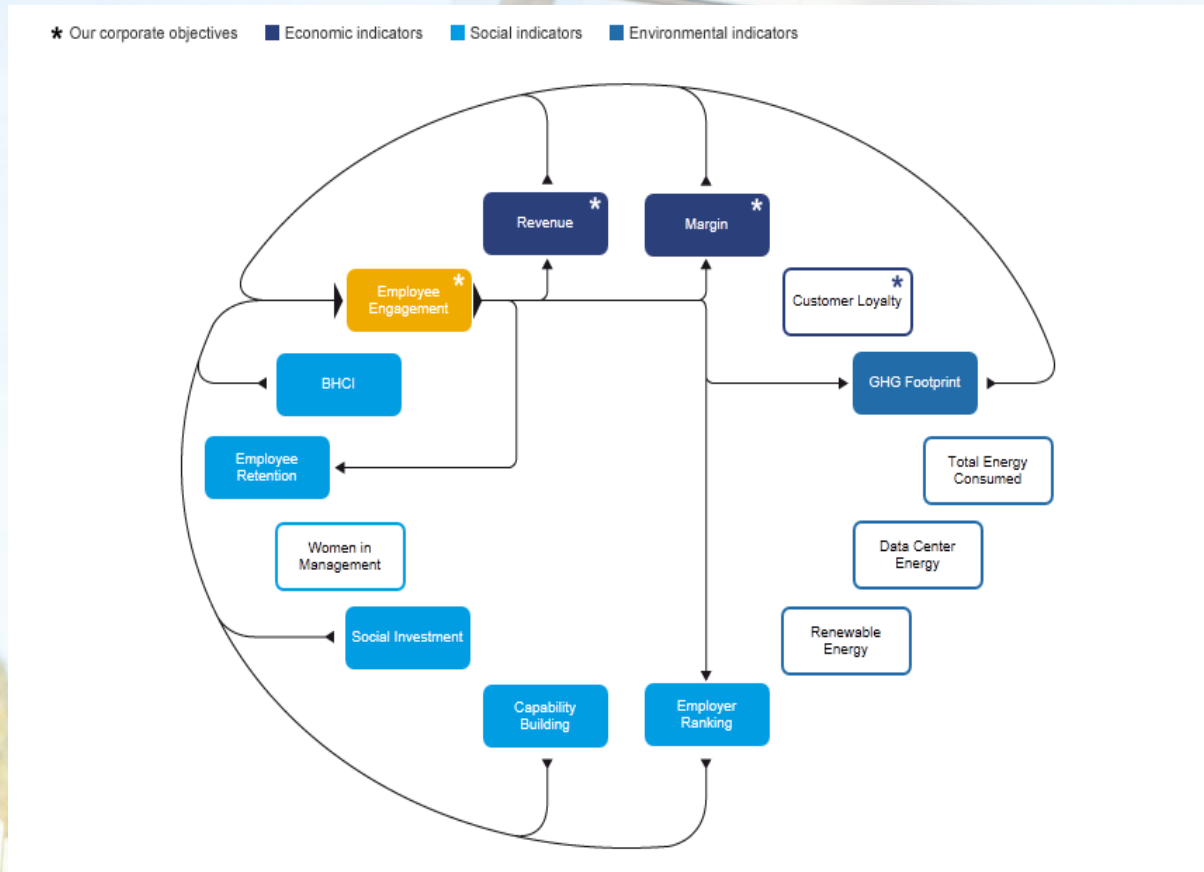
The main content area features a circular navigation menu with the following items: "Overview of the SAP Group", "SAP Group and Market Environment", "Vision, Mission, and Strategy", "Letter from the Co-CEOs", "Strategy and Business Model", "Integrated Performance Analysis", "Business Model", "Governance", "Global Managing Board", "Corporate Governance Overview", "Expected Developments", "Outlook: Opportunities and Risks", and "Corporate Goals".

A highlighted content preview for "Employees and Social Investment" is shown, with the text: "We are refining our approach to managing talent to respond to demographic change and support our cloud strategy and future growth." and a "Read more >" link.

At the bottom of the content area, there are filter buttons: "Show all", "Innovation", "Financial", "Environmental", "Social", and "Most clicked".



# Integrated thinking



**Establishing connection between financials and non-financials central to the report.**

**Example: Per 1 percentage point gain/loss of employee retention SAP observes a financial impact of €60 million.**

# Integrated thinking

## OUR VISION AND MISSION

SAP's vision is to help the world run better and improve people's lives. Our mission is to help every customer become a best-run business. We do this by delivering technology innovations that address the challenges of today and tomorrow without disrupting our customers' business operations. For example, enterprise mobility is transforming usage of IT; in-memory technology is simplifying the IT architecture in the enterprise and driving high-value applications; and cloud delivery of IT solutions is simplifying the consumption of technology. We offer solutions that drive business outcomes and enable our customers to run better. We help our customers derive value from their SAP solutions in a cost-effective and predictable way, with our professional services, support, and cloud delivery.

## OUR GOALS FOR SUSTAINED BUSINESS SUCCESS

SAP has strong ambitions for sustainable business success, both for our company and for our customers. We believe the most important indicators to measure this success comprise both financial and non-financial indicators: revenue, margin, customer loyalty, and employee engagement.

### Revenue

We aim to achieve at least €22 billion total revenue by 2017. SAP still aims to achieve at least €20 billion total revenue by 2015 (2013: €16.9 billion non-IFRS total revenue). An important part to achieving this is our continued focus on innovations, as we expect to become the cloud company with €3.0 to €3.5 billion total revenue from our cloud business by 2017. In 2014, we expect to increase non-IFRS software and software-related services (SSRS) growth by 6% and 8% at constant currencies.

### Margin

We aim for 35% non-IFRS operating margin (2013: 32.6%). In order to capture growth opportunities in the cloud, we expect to reach this goal in 2017 instead of 2015, as previously stated. In 2014, we expect between €5.8 billion to €6.0 billion non-IFRS operating profit at constant currencies.

### Customer Loyalty

We use the Net Promoter Score (NPS) to measure customer loyalty. In 2014, we are aiming for an increase in NPS by four percentage points (2013: 12.1%).

### Employee Engagement

We use the employee engagement index to measure motivation and loyalty of our employees, how proud they are of our company, and how strongly they identify with SAP. We are committed to achieving a score of 82% in 2015 (2013: 77%). Despite the slight drop in employee engagement in 2013 compared to 2012, we expect to see an incremental increase in our industry-leading score in 2014.

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# Focus on value creation

## Strategy and Business Model

### Business Model

✓ Assured

Creating economic, social, and environmental value over the long-term is central to our vision of helping the world run better and improving people's lives. To realize our vision, SAP provides software and services to customers throughout the world, all based on our deep expertise in business processes spanning 25 industries.

To provide software and related services to our customers, we rely on financial capital provided by investors. We leverage our intellectual capital to continually increase our knowledge base and expertise. Engaged, highly skilled, and agile employees are central to innovating with and building relationships with our customers and partners, and ultimately to our business success.

Our direct sales organizations drive most business development. Sales go-to-market strategies are established at the global level, and adapted and executed by the regional subsidiaries. Our customer-facing employees, in close collaboration with sales support and marketing, drive demand, build pipeline, and enhance relationships with customers within our target industries. Our marketing efforts cover large enterprises as well as small and midsize enterprises. We believe our broad portfolio of solutions and services enables us to meet the needs of customers of all sizes and across industries.

In addition, our extensive ecosystem provides scalability to meet the demand for SAP innovation and provide customers with a wide selection of third-party competencies. We have developed an independent sales and support force through independent value-added resellers. We have also established partnerships with hardware and software suppliers, system integrators, and third-party consultants. For more information, see the [Partner Ecosystem](#) section.

Our sales model has been focused on charging a one-time, upfront fee for a perpetual license to our software that is typically installed at the customer site. In addition, the customer usually concludes a maintenance contract that covers support and software updates. As we see customers' preferences evolve, we are expanding the delivery of our solutions in the cloud, which we believe is a simple and efficient software consumption

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#### RELATED LINKS

[Overview of the SAP Group](#)

[Partner Ecosystem](#)

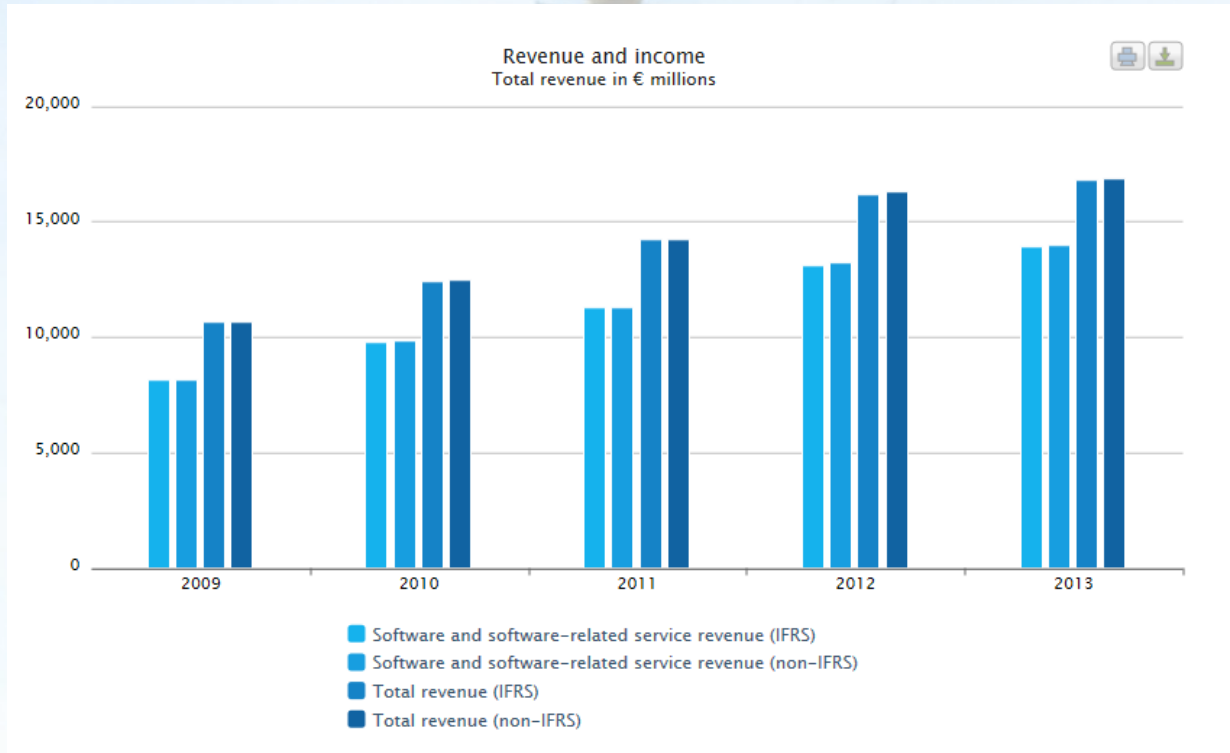


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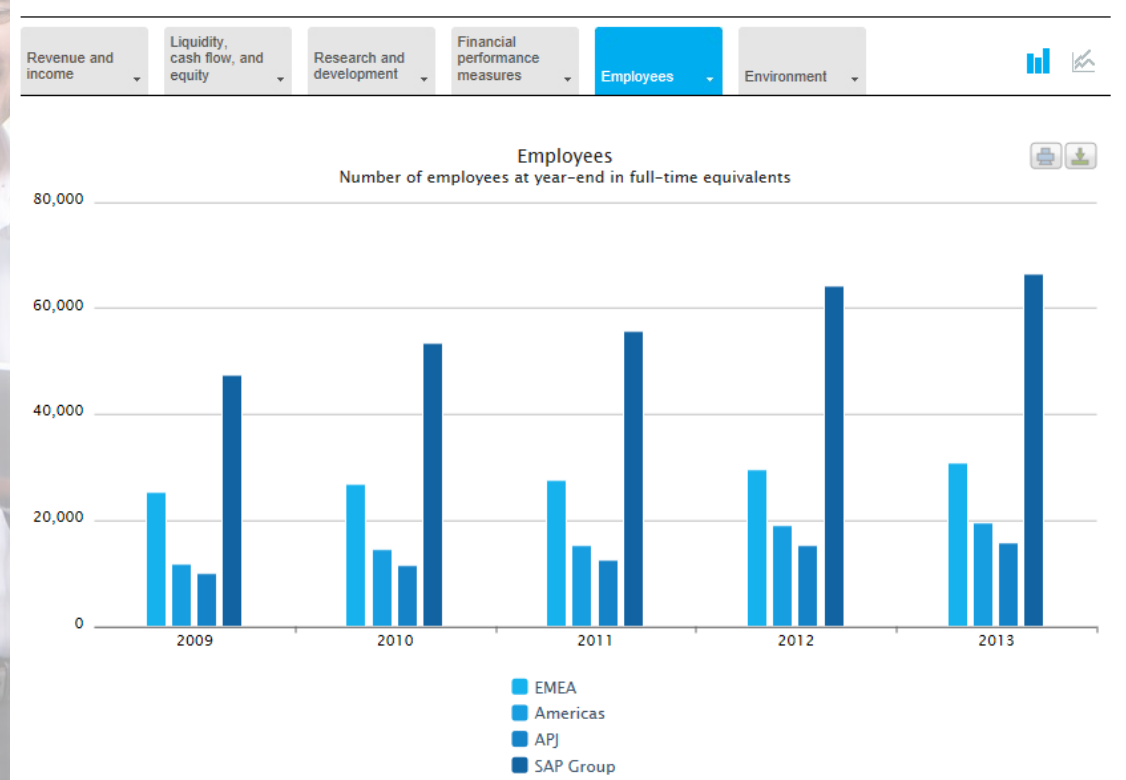
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# Focus on value creation



**Chart Generator allows for quick graphical comparison of many financial and non-financial metrics**





# Thank you!

We invite you to read the SAP Integrated Report 2013 at [www.sapintegratedreport.com](http://www.sapintegratedreport.com)

We will publish an OpenSAP course on Sustainability starting April 29 at [open.sap.com](http://open.sap.com)

