

Corporate Social Responsibility SAP México 2020 Report







Table of Contents

The responsibility that brings us together

Message from Raquel Macias, Head of Corporate Affairs and Social Responsibility, SAP México

- Sustainability through purpose
- SAP's Guiding Principles of Corporate Social Responsibility

 Building digital skills

Accelerating best-run nonprofits and social enterprises Connecting employees with purpose

15 Strategic partnerships

Social Partners
Impact through collaboration

18 Initiatives for Mexico

Quality Education

17th EDUCA Conference

Becapoyo at Christmas

Women's economic empowerment

Innovation and digital adoption for businesswomen

Mentoring for female entrepreneurs

Entrepreneurship and digital inclusion

Acelera UNAM: innovation and entrepreneurship

International Entrepreneurship Forum

Women in technology

Closing the gender gap through education and technology

Women in Data Science

WeSports

Digital transformation and diversity in supply chains

Global Month of Service



43 Regional initiatives

Latin Code Week
SAP Innomarathon

52 Appendix

Technology as an enabler of sustainability

Actions for the environment

Our people

Acknowledgements

500 Empresas más Importantes 2020 (Mexico's Top 500 companies)

CFO del Año (CEO of the Year)

Empresas más Éticas 2020 (Most Ethical Companies 2020)

HRC equidad MX (HRC equality MX)

Integridad Corporativa (Corporate Integrity)

Ranking PAR

Súper Espacios de Trabajo (Super Workspaces)

The responsibility that brings us together



Raquel Macias
Head of Corporate Affairs and
Social Responsibility
SAP México

SAP's purpose to help the world run better has become more relevant in the face of a pandemic that has upended all our lives. Access to health and security services; job and educational opportunities; ecosystem disturbances; these are just some of the challenges that were aggravated by the current health crisis. Today, the call to action to close these gaps is more urgent than ever.

In order to face up to this responsibility, particularly in the private sector, it is essential to forge alliances with the civil society, the academia and the public sector that allow us to share our expertise and take part in initiatives with a long-term impact.

At SAP we are aware that following this path requires sound self-knowledge, but above all, a deep sense of collaboration. That is why, more than five years ago, we responded to the United Nations' call to achieve sustainable development by implementing the 17 goals at the heart of the 2030 Agenda. From that moment on, SAP has been incorporating sustainability, both into its internal processes and into the measurement of its impact on all the countries where it operates.

In this sense, our Social Responsibility programs focus on three main cornerstones, so as to leave no one behind and contribute to closing the digital gap:

- Promoting the development of digital skills through education
- Contributing to the growth of civil society organizations and social enterprises to accelerate the economy
- Encouraging involvement in volunteering as part of the company's DNA

These cornerstones speak to the responsibility that comes with being one of the largest business software companies in the world. And we know that this mission can only be accomplished with the commitment of our people and the support of the organizations we partner with. Thanks to the sum of these efforts, in a year as complex as 2020, SAP México made a positive impact on the lives of over 79,000 people through 3,000 hours of volunteer work.

This report was prepared to share our experiences and the achieved results, but also to show our appreciation to the people who have contributed to the fulfillment of this purpose. Their empathy and resilience will serve as inspiration to continue fostering, through technology, a more competitive and inclusive society.

SAP SE established an emergency fund to cope with COVID-19

In addition to 2020's volunteer initiatives, the company contributed 3 million euros to support the World Health Organization (WHO), the CDC Foundation and other non-profit organizations or companies that have supported local communities during the pandemic.

Learn the full story here



Sustainability through purpose



There was already talk in the world about the urgency of closing existing social and economic gaps and addressing environmental challenges, as well as the need to strengthen supply chains and develop the talent and skills required to fuel the digital economy. Then, with the outbreak of a health crisis, all these challenges were heightened.

In this context, innovation and technology play a decisive role, first because they contribute to making the processes themselves more efficient, facilitate fast decision-making, and open the door to real-time information and resilient production chain management; and second, because they democratize access to opportunities, from incorporating diverse suppliers into global supply chains and continually providing learning opportunities regardless of geographic or social barriers, to boosting economic growth by creating dignified jobs.

To achieve this, companies should not only listen to and inspire their people, but also work closely with the academic and the public sectors, and of course the civil society, to pursue truly sustainable development.

SAP's technology enables organizations to create more sustainable businesses and a more equitable and thriving society.





Learn more about our global initiatives aligned to our purpose:



Leading with Purpose

We applaud our network of customers and partners leading with purpose



Circular Economy

We aspire to a world with zero waste



Climate Action

We help companies reduce their carbon footprint



Equality for All

We aspire to a world where everyone is equal



Social and Inclusive Entrepreneurship

We promote innovative entrepreneurship



Learning for Life

We aspire to create opportunities through learning and development for all



Mental Health and Well-Being

Working to eliminate the stigma around mental health disorders in the workplace



UN Sustainable Development Goals as a global framework



















SAP's Guiding Principles of Corporate Social Responsibility

The digital economy presents to us significant challenges, such as the fast and constant transformation of skills and competencies necessary to successfully enter the job market. Faced with this reality and in line with its company purpose, the SAP Corporate Social Responsibility (CSR) strategy focuses on three interconnected pillars that strive to advance digital inclusion: quality education, social enterprises, and corporate volunteering.

While CSR programs have been powered by these pillars for some years, the disparities heightened by the current health emergency meant we urgently needed to respond with initiatives designed to soften the effects of the pandemic on these groups, including students, teachers, small enterprises and NGOs.



Building digital skills



Accelerating best-run nonprofits and social enterprises



Connecting employees with purpose

SAP México among the "Most responsible ever" companies Expansión magazine, in collaboration with the Schulich School of Business, evaluated and prepared a list of the companies in Mexico with the best sustainability and corporate social responsibility practices, and SAP's subsidiary in that country was ranked 92, moving up 20 positions with respect to 2019.

The ranking was based on these pillars:



Economic

This category assessed corporate governance, wages and salaries, taxes, ethics, and compliance. This is a "long-term capitalism" pillar used to analyze the alignment of the company's financial performance with its sustainability goals and objectives.



Environment

This pillar analyzed key indicators such as waste generation, water and energy use, as well as use of renewable energies



Social Impact

This factor assessed diversity and inclusion, labor policies and practices, health and security, and social responsibility

Building digital skills

According to a document recently published by the UN, close to 1.6 billion students worldwide have been affected by school closures imposed in response to the pandemic, which have immediate and long-term consequences in areas such as nutrition and child marriage, as well as gender equality.

Given the urgency, not only to ensure access to education, but also to provide tools and skills necessary for remote access, SAP implemented training programs enabling students and teachers to continue with their lessons using technology and bringing innovation to their traditional work model.

"We face a generational catastrophe that could waste untold human potential, undermine decades of progress, and exacerbate entrenched inequalities."

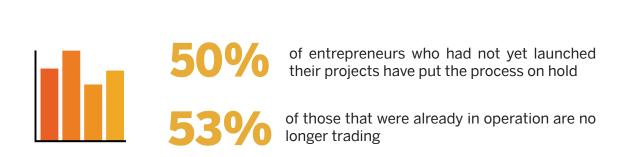
António Guterres, Secretary-General of the United Nations, in a message on the impact of COVID-19 on education



Accelerating best-run nonprofits and social enterprises

Adding to the challenges in the education sector, government-imposed disease prevention measures have affected economic activities worldwide. For Mexico, where small and medium-sized enterprises contribute around 52% of the GDP and account for 70% of all formal jobs, entrepreneurs and the role they play can help accelerate economic recovery.

However, according to a study conducted by the Inter-American Development Bank (IDB) $^{\rm 1}$ in Latin America, approximately



This shows how hard it has been for small and medium-sized enterprises to adapt to the "new normal," facing challenges such as digital transformation, lack of funds to continue operations, and troubles to hire talent with the required skills.

In this context, SAP worked closely with NGOs and universities with nationwide presence to support enterprises that currently benefit their communities from a sustainable development perspective. Entrepreneurs in receipt of this support were given training and mentoring in areas such as technological skills, digital transformation and market access.

¹ The study gathered information on the impacts, responses and support requests for entrepreneurs in the region during the current crisis. A total of 2,232 companies from 19 countries, including Mexico, took part in this survey.



With society facing so many uncertainties, the desire to volunteer has permeated the lives of millions of people around the world. Some shared their knowledge by offering workshops, training and mentoring; there were also others who gave their time, materials or money to hospitals or organizations on the frontline against COVID-19.

Undoubtedly, the work and the commitment of the volunteers are invaluable, particularly during this time of uncertainty when, as agents of change, they are essential to building a society based on equality.

of coworkers took part in a corporate volunteering initiative

hours of volunteering work

9 K impacted lives

All this, as a result of corporate culture is also reflected at a global level:

93%

of SAP's talent worldwide is aware of the importance of sustainability and of having a purpose It is worth mentioning that all initiatives implemented within each pillar are in line with the framework of the UN 2030 Agenda, with a focus on three of its 17 goals: quality education (SDG 4); decent work and economic growth (SDG 8); and partnerships for the goals (SDG 17).



Following this direction, SAP's CSR strives, working closely with NGOs, customers and partners, universities and other ally organizations:



To achieve sustainable impact aligned with the company's strategy and expertise



To contribute to the digital inclusion of all



To match its coworkers with social transformation and volunteering opportunities for the benefit of the community



To work in collaboration with multiple stakeholders, both within the company and outside of it, practicing intersectionality and innovation





Strategic partnerships



Given that the deadline set to achieve the Sustainable Development Goals is fast approaching, the government, as well as the social and the private sectors, must work in close collaboration. In this context of urgency, SAP has prioritized working together, strategic partnerships, and the construction of bridges as key elements of its CSR practices.

The expertise that all stakeholders bring to the table, as well as their varied perspectives, are combined together to build programs with huge social impact that are also sustainable in the long term, developing at the same time the potential of each organization involved.

Social partners

















Impact through collaboration



"Accelerated digitization provides a great opportunity to create a better future for all people. At Accenture we are proud to partner with SAP in order to achieve positive and scalable social impact. We are convinced that, through valuable collaborations like this one, we as companies meet our inescapable responsibility to build an inclusive society and a more sustainable world."

Mariana Alarcón Corporate Citizenship Project Lead Accenture México



"It is of the essence that the social and the private sectors come together to devise comprehensive solutions for huge challenges such as the digital and gender gaps. Our collaboration with SAP in promoting the inclusion of more women in the tech industry is an example of this practice."

María Elena Estavillo General Director Centro-i para la Sociedad del Futuro



"Working with SAP, one of the most innovative organizations in the technological sector for years, strengthens the entrepreneurial environment of the National Autonomous University of Mexico, contributing to the development and training of young people who are already providing solutions to our country's problems through their entrepreneurial efforts."

Manuel Martínez Director Facultad de Estudios Superiores Acatlán



"Organizations, like people, come together around one purpose. That is why SAP is not only a business partner, but also a strategic partner that shares our commitment to positively change the lives of millions of people through innovation and technology, therefore promoting diversity and inclusion in our industry and in our country."

Martha Enríquez
Director and consulting partner
SAP Deloitte México



Initiatives for Mexico

4.1 Quality Education











EDUCA Annual Conference

The EDUCA Conference is a space designed to strengthen teachers' skills with the purpose of closing education gaps in Mexico, particularly in the context of the current pandemic, as organizations devoted to education face new challenges and opportunities.

In this sense, the 2020 EDUCA Conference held between September 24th and October 10th was focused on nurturing and developing the technological, academic and socioemotional competencies of over one thousand Mexican teachers, walking with them through their digitization process.



Topics and specific objectives of the EDUCA Conference



Teaching and learning in the context of COVID

strengthen teachers' competencies so that they can plan their distance teaching and assess learning considering the characteristics and needs of their students and families, as a result of COVID-19



Socioemotional education

strengthen teachers' competencies, both for work and for their personal life, around self-knowledge, self-care, emotions, interpersonal and intrapersonal relationships, to promote personal and social well-being



Academic competencies

strengthen competencies to design strategies and assess learning in connection with reading comprehension, logical mathematical reasoning, sciences or languages



Environmental education

strengthen competencies to promote and assess environmental education learning linked to the Sustainable Development Goals



Distance learning strategies

strengthen competencies to use distance learning tools and strategies innovatively and collaboratively



Workshops for people in leadership

strengthen leadership competencies to manage and coordinate work groups remotely using a resilient approach

Within the framework of this event, experts from SAP spoke about very relevant topics,

such as inclusion in the digital economy, further exploring the use of technological tools to optimize distance learning, and the importance of teachers in the education of future talent.









"Becapoyo" at Christmas

Since 2012, every year SAP has worked with Fundación EDUCA to give out toys to boys and girls from low-income households at Christmas and for the Epiphany (Día de Reyes). In 2020, their pledge to give out smiles and a boost to the future of children in Mexico remained intact.

Therefore, to fight the effects of the pandemic on students throughout the country, the traditional toy giveaway was branded "Becapoyo at Christmas," a specific initiative to help hundreds of boys and girls in the EDUCA network to finish their school year.

"Working with SAP has helped us make our dreams come true and share the benefits with the boys, girls and teachers we support every day.

We have completed several projects, achieving amazing results training students and teachers, organizing volunteering activities with their team, and implementing programs to help incorporate technology into school processes.

I would say the biggest gift SAP has given us is that they remind us every single day that we can change the world."

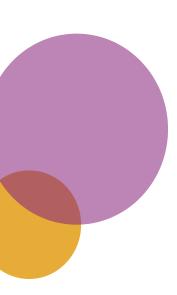
Mónica Cinco Basurto General Director Fundación EDUCA México

4.2 Women's economic empowerment

According to data from the 2018 Enaproce National Survey (on the productivity of small and medium-sized enterprises), in Mexico there are more than 4.1 million economic units that belong to this group, 60% of which are women-led. However, precisely these enterprises have more difficulties to access financial services, including credit and insurance, networks that may boost their growth, and the adoption of technology in their processes.

Today more than ever, devising initiatives aimed at promoting women's economic empowerment is crucial to address existing inequalities, which are heightened by emergency situations like the pandemic. Collaboration between organizations from the social and the private sectors provides an example of the kind of support that we can offer women, specifically those with entrepreneurial spirit, to become involved in the economic activities of our country, and therefore have a positive impact on society.











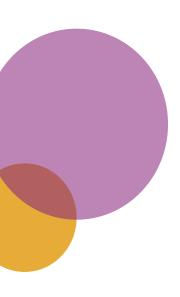


Programa **Mujeres+ Innovación**

Innovation and digital adoption for businesswomen

If we are going to help women-owned businesses overcome the difficulties caused by the COVID-19 pandemic, it is vital that they accelerate their digital adoption strategy. This is why SAP, Victoria147, a business school for women, and Laboratoria, a leading Latin American startup devoted to training and helping women launch a career in the tech sector, set out to select 25 women-led companies seeking to strengthen their technological skills to adapt their businesses to the new market conditions.





The companies selected took part remotely in a 2-month course on digital innovation, communication with teams, and expertise management. Then, in phase two, SAP México offered mentoring on business competencies and digital transformation to the best six projects.

Program results



Learning appropriation



Applicability



Transformation



Collective learning



"Victoria147 is always open to strategic partnerships that may help women running businesses, irrespective of their stage, gain new knowledge and be prepared to play a part in this digital age. Our partnership with SAP is a clear example of how, through collaboration, we can promote innovation within their companies."

Úrsula Quijano Director, Strategy and Impact Victoria147











Mentoring for female entrepreneurs

SAP took part for the second consecutive year in the annual mentorship program for the development of female entrepreneurs in Mexico. For over four years now, people from multinational corporations as well as independent specialists have offered mentoring in collaboration with this initiative.

This project, which combines the work, talent and expertise of various corporate firms and professionals, provides an example of how to boost women-led small and medium-sized enterprises. The program, which ran for nine months, helped more than 14 female entrepreneurs prepare an emergency plan to face the pandemic, bring innovation into their operations in order to adapt to the "new reality", and play a role in the creation of business solutions.

Mentorship program



14 fe

female entrepreneurs

who prepared an emergency plan to face the pandemic and adapt to the "new reality"



months

of mentoring to create solutions aimed at moderating the effects of the pandemic

Through initiatives like this, SAP seeks to boost women's economic empowerment, a key aspect to reduce the gender gap.

4.3 Entrepreneurship and digital inclusion













The National Autonomous University of Mexico and SAP México signed a collaboration agreement with the purpose of promoting, strengthening and accelerating enterprises within the university community. This partnership led to the creation of a program called "Acelera UNAM: innovation and entrepreneurship", implemented with Endeavor México, a leading NGO in high-impact entrepreneurship and SAP's Social Responsibility partner.

This initiative focuses on two factors:

Strengthening the mentorship scheme

Both students and teachers were asked to share their experiences with program participants through mentoring, so that their knowledge is passed down to future generations to promote entrepreneurship.



With the support of the 15 incubators that are part of the InnovaUNAM system, the entire university community was invited to register; then, 10 finalists were selected and, after a deep diagnostic analysis, five winners were selected based on factors such as impact, scalability and sustainability. The five start-up businesses selected will take part in a comprehensive acceleration process comprised of mentoring and workshops delivered by SAP and UNAM experts and experienced organizations such as Endeavor. Then, the participants will have tools ranging from human resources and sales to finance and technological transformation, to consolidate their business model.





This is one of the programs run by SAP in collaboration with Endeavor México, a non-profit NGO specialized in high-impact entrepreneurship and a key ally for SAP in its Social Responsibility initiatives since 2016.





"In times of uncertainty and challenges like the one we are experiencing, entrepreneurs are the invisible heroes that come to rescue our economies. In this sense, Endeavor, with the help of great partners such as SAP, enrich Mexico's entrepreneurial ecosystem, thus fostering the transformation of our country."

Vincent Speranza Mexico's Managing Director & LATAM Regional Advisor Endeavor











International Entrepreneurship Forum

Junior Achievement Mexico runs an educational program called, The International Entrepreneurship Forum designed to develop entrepreneurial skills in 15- to 23-year-old participants and help them strengthen their values. Throughout the 35 years it has been held, over 20,000 young people have been able to attend the International Entrepreneurship Forum in person. This year, owing to the COVID-19 health crisis, we saw the first ever digital edition of this forum, **"FIE @Home, juntos a la distancia"**.

For four days, from June 25th to 28th, more than 900 young people from 11 Latin American countries took part simultaneously in various activities to nurture their entrepreneurial and work skills, therefore contributing to their training as agents of change. The themes for this year were social entrepreneurship, inclusion and sustainable development.



Relive the experience of the International Entrepreneurship Forum



Listen to
Mauricio Alvarado, Director of
Solutions and Digital Transformation for
SAP México, in the conference
"Inclusion in the digital economy".



Integrating technology into high-impact business ventures

SAP experts noted how new technologies, such as artificial intelligence and machine learning, have transformed entrepreneurship and business models. As part of this workshop, participating students identified the most useful technologies for developing and setting up their social enterprises.

Technological tools for teachers

In order to help Latin American teachers navigate new technologies, volunteers from the company shared with them the technological tools available to optimize the planning and execution of their online courses.





"SAP has been a key partner for Junior Achievement due to its commitment to the development of Mexico by supporting young people. This collaboration has enabled hundreds of students to develop skill sets in areas of entrepreneurship, technology and financial knowledge, which have been decisive in unlocking their potential. As an NGO, we are grateful for this partnership that contributes to the advancement of practical and high-value learning to train agents of change in our country."

Silvia Novoa General Director Junior Achievement México

4.1 Women in technology













<Laboratoria>

Closing the gender gap through education and technology

Promoting the involvement of female talent in STEM careers (Science, Technology, Engineering, and Math) is essential to attaining sustainable development, with SDG 5 — which focuses on gender equality and is pivotal to the rest of the goals established in the 2030 Agenda — as the key to handling an organization's Social Responsibility efforts with a gender perspective. In this sense, SAP's alliance with Laboratoria, an NGO that promotes diversity and inclusion in the digital economy, reaffirms the company's commitment to the development and integration of women in the tech industry, thus helping to bridge the digital and gender gaps.

Closing the gender gap could increase Mexico's GDP by 70%







In the technology sector women represent

10% of all programming professionals

14% of all ICT professionals

In February 2020, as a result of this collaboration, SAP and Laboratoria issued a report titled: "The future is diverse: Women in the technology industry", which lays the foundations to counter the barriers and hurdles that women face to join and grow in this sector. The report shows how there are still stereotypes that hinder women's access to careers in science and technology, as well as to formal and well-paid jobs, ending with five recommendations to narrow the gender gap:



Take concrete action to attract and hire diverse talent



Introduce inclusive policies to retain and develop female talent



Collaborate and build bridges with other stakeholders and sectors



Ensure male involvement



Collect and itemize data with a gender perspective



Download the full report

Income investment by

gender



their income in family needs, food, and education

It is a proven fact that women invest a greater percentage of



Hecela Hecela Fabiola Gonzalez Fabiola Gonzalez Monica Rodrígu. Paola Tapia Maria Alejandra Salomen Moreno

Learn more about the Virtual Talent Fest and relive the Demo Night

More on this collaboration

SAP supported more than 40 students from Laboratoria's ninth graduating class in Mexico City with mentoring in English and specialized workshops on SAP technologies and the soft skills required to enter the job market.

For the second consecutive year, SAP accompanied one of the participating teams in the **Virtual Talent Fest**, a six-day hackathon, during which Laboratoria graduates developed technological solutions for challenges assigned by SAP and other participating companies. This rally, held at the end of each Laboratoria Bootcamp, seeks to build bridges between its graduates and organizations in search of diverse talent.

According to figures from the Statistical Yearbook of Higher Education 2017-2018, of all students pursuing information technology, engineering, manufacturing and construction.

75% 25% women

Certainly, for thousands of women across Mexico and Latin America Laboratoria represents an opportunity to obtain better employment and pay, which are essential to close the gender gap that has deepened in the country and the rest of the world due to the pandemic.





"SAP has been a key partner in promoting a greater awareness of the importance of including women in Mexico's tech industry. The attention and dedication it has shown to the professional development of our students also reaffirms its genuine commitment to our work. I really look forward to everything we'll conquer together in the future".

Gabriela Rocha Partner & COO Laboratoria













Women in Data Science

Bridging the digital gender gap requires a paradigm shift in terms of women's representation in Communication and Information Technologies, as well as in STEM careers. Whether they are opinion leaders, entrepreneurs, or scholars, encouraging female participation in these fields is one of the best inclusive development policies. However, achieving this goal calls for greater visibility on the subject, as well as an increase in data analysis to have the best possible information.

As an international model for digital transformation, SAP organized WiDS Mexico City, an event that featured leading women in academia, civil society organizations and businesses. Speakers addressed the latest trends in data analysis applied in areas such as security, development, and gender-based violence.





has been replicated in more than 150 locations in 50 countries around the world

and it features presentations, an annual datathon and a streaming podcast series

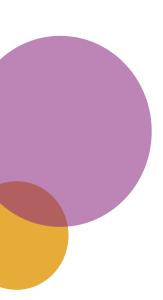


For Mexican women of all ages who are interested in the subject, WiDS was an opportunity to learn about how companies and organizations use data science to successfully attain their goals. The event also allowed them to meet and connect with potential mentors.



"While technology offers the possibility to make progress toward equality, it cannot solve the existing structural problems and gaps. Hence the importance of efforts like this one, which generate solutions and promote policies that contribute to closing the gender gap through the collaboration with various actors of society".

Mariagrazia Squicciarini, Head of Unit at the OECD Directorate for Science, Technology and Innovation during her speech at WiDS Mexico City @ SAP













WeSports

WeSports. Women in eSports: Betting on the future of women in STEAM careers is an initiative geared towards driving female talent in electronic sports. It has been proved that young girls and women who have an affinity for video games are three times more likely to study a STEAM career. Hence the power of eSports, as that industry has become a gateway for them to take an interest in science and technology.

The first edition of this program targeted female Mexican gamers interested in joining this industry in a professional capacity. The 50+ selected young women participated in five modules focused on strengthening their skills and leadership, consolidating the country's first community of women in eSports.

As part of its commitment to gender equality, SAP is one of the participating organizations of the program, seeking to empower a new generation of female gamers.



"As women we face gaps in technology, sports and the job market. However, when we come together with a purpose, we immediately create networks and develop business opportunities across several generations. Thanks to the collaboration with organizations like SAP and WEConnect International, Mexico launched its first initiative to bring girls closer to sports and STEAM careers through eSports".

Angélica González Managing Director BNR Boutique de Negocios Responsables

4.5 Digital transformation and diversity in supply chains













Applying technology to create diverse supply chains is essential. IDB data shows that companies led by women obtain less than 1% of the purchases made by the public and private sectors. Moreover, in addition to the limitations they face to access financial resources, the exclusion of women in supply frameworks generates greater inequality and lack of growth in Latin America.

In order to bolster diverse and sustainable supply chains, SAP is continually seeking to forge alliances such as the one it has established with WEConnect International, to offer training and help make technology one of the main enablers of businesswomen development.

The III Regional Conference on Supplier Diversity and Inclusion for Latin America and the Caribbean, held in September 2020, was an example of these efforts. The virtual gathering managed to summon WEConnect International's female entrepreneur network, as well as more than 30 multinational corporations and organizations that work on the economic empowerment of women in 14 countries across the region. As a result of the effort, 300 business meetings were conducted between women-led companies and corporate buyers, in addition to multiple training sessions for network entrepreneurs focused on digital transformation, experience economy and digital marketing, among other topics.



"The collaboration between SAP and WEConnect International has been key to the development of the organization's female entrepreneur network in Mexico, particularly in terms of their digital skills and their ability to respond to the demands of large buyers and a market that is increasingly dependent on technology".

Andrea Lizarzaburu Regional Director for Latin America and the Caribbean WEConnect International



WECommunity

Another example of these worldwide efforts is SAP's initiative, in conjunction with USAID and WEConnect International's global network, to promote more transparent, ethical and unbiased processes as a means to further include women-owned businesses and promote greater democratization and equality in the supply chain. To this end, WECommunity, a platform run by SAP Ariba and other corporations, was recently launched with the purpose of connecting female entrepreneurs to business opportunities around the world.

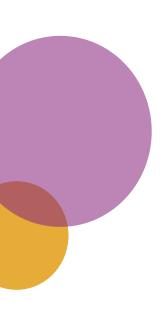




"Technology and collaboration with organizations like WEConnect International are crucial to making the necessary connections between buyers and suppliers more sustainable. When the pandemic disrupted global trade and supply chains, we further confirmed the importance of including women in the digital economy and providing them with the necessary resources and networks to overcome these current challenges".

Cristina Palmaka President of SAP Latin America and the Caribbean

during her opening remarks at WEConnect International's III Regional Conference on Supplier Diversity and Inclusion.





Globally, by 2025, SAP plans to allocate up to 60 million dollars through its "5 & 5 by 25" initiative. The intent is to direct 5% of its annual addressable spend towards social enterprises led by underserved or underrepresented groups, such as indigenous peoples or women, for instance, which will have an immediate positive social impact in the communities it serves.

This will allow SAP to expand, along with its customers, partners and suppliers, its acquisitions towards social enterprises in countries where adequate infrastructure is available; wherever it is not, these capabilities will be developed.

Initiative 5 x 5 by 25

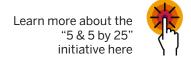


60 million dollars
SAP intends to allocate globally



of annual addressable spend

towards social enterprises led by underserved or underrepresented groups



4.6 Global Month of Service



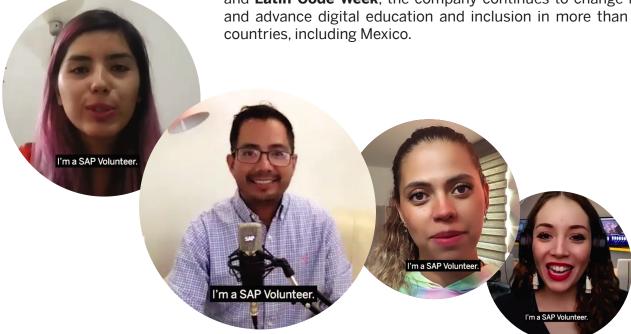


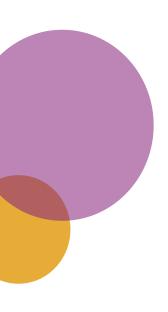




According to a recent report published by the International Labor Organization, more than 50% of the world's youth do not have the basic skills demanded by the job market. Additionally, one in six people aged from 18 to 29 (17%) has stopped working since the pandemic started, which shows the impact COVID-19 is having on such relevant issues as education, labor insertion and digital inclusion.

With millions of young people experiencing a disruption in education and employment, SAP launched its sixteenth edition of the "Global Month of Service," an effort that promotes volunteering for a full month –Oct. 1 through 31– among the company's coworkers. With major initiatives such as **Africa Code Week, Code Unnati, Meet and Code, Digital Skills for Today**, and **Latin Code Week**, the company continues to change lives and advance digital education and inclusion in more than 105 countries, including Mexico.







Unite for Our Future

Faced with the "new normal" and in the spirit of, not only learning, but also taking meaningful action to close the gaps in the country, SAP México adapted the activities planned for Month of Service 2020 to a remote format, managing to link its coworkers with multiple volunteering opportunities to benefit the communities most in need, as well as generating spaces for discussion and learning.

The initiatives were focused on societal challenges that have been aggravated by the pandemic, and that are in desperate need of improvement if sustainable development is to be achieved:



Digital and inclusive education



Equality for all people



Social entrepreneurship



Climate action

Month of Service in Mexico

Our impact



+ 2,800 impacted lives



social partners



volunteer hours

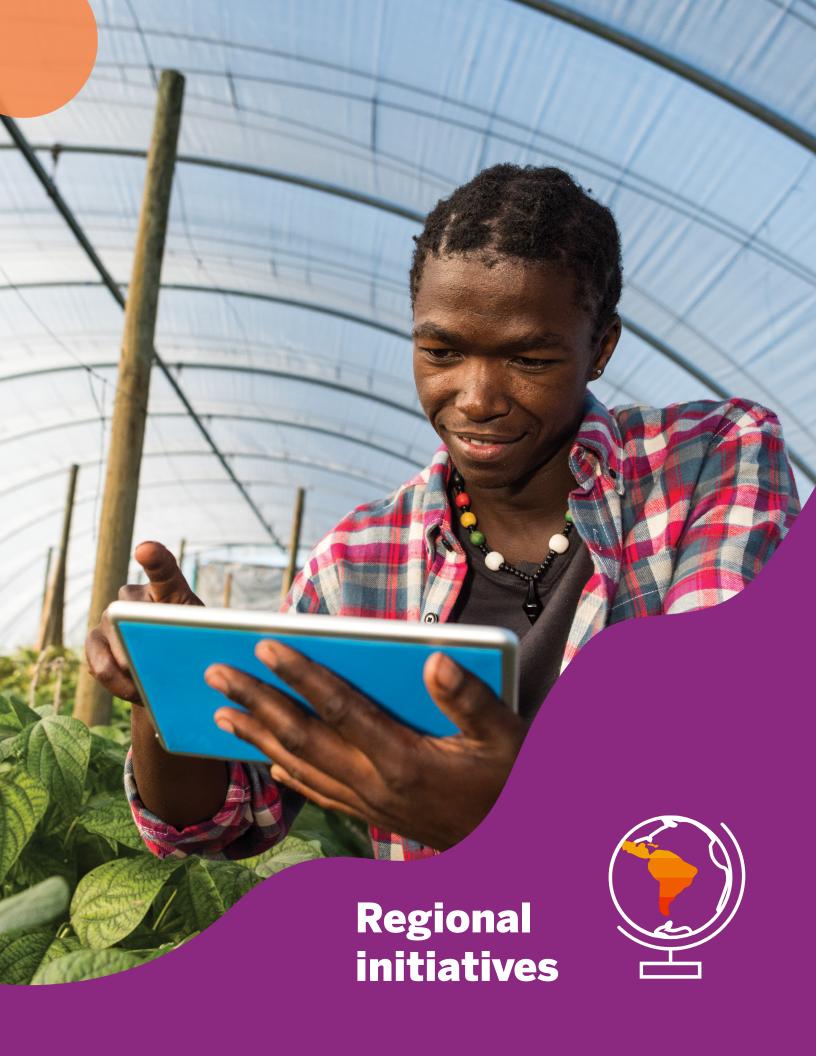
We contributed to the following SDGs











Regional Initiatives













Latin Code Week

Mexican students' performance in the 2015 PISA test put the country below the average for OECD member states; and while young people's performance between 2002 and 2015 improved in mathematics, their performance in science did not make any progress during the same period.

In order to foster interest in STEM careers, social entrepreneurship, and job skills, SAP and Junior Achievement co-created Latin Code Week, a program that has trained more than 5,000 young people in 11 Latin American countries, including Mexico, since 2016. This initiative encourages students to identify and analyze their day to day problems so they can come up with innovative and scalable solutions that benefit the whole of society.

Program since 2016

5 thousand young people have been trained in

11 countries including Mexico

The theme for the 2020 edition was climate change; according to the Intergovernmental Panel on Climate Change, if global warming is not limited to less than 2°C above pre-industrial levels, coral reefs will be nearly wiped out, sea levels will rise by 46 centimeters, oceans will acidify, there will be a drop in the productivity of corn, rice or wheat, among other consequences.



In 2020, SAP México conducted two editions of this program, the first one was an in-person event held in February, with more than 90 students from CECyT 13 of the National Polytechnic Institute; the second one was done remotely in September, with more than 300 students from 11 Mexican states. Both editions of the program had students participate in Design Thinking, business model, Elevator Pitch and SAP Build workshops in order to generate an app-based business idea to help fight climate change.

Generate an app-based business idea to help fight climate change.

The program's remote iteration in September involved and trained over 40 teachers to strengthen their skills in entrepreneurship and technology, effectively turning them into mentors for their students.



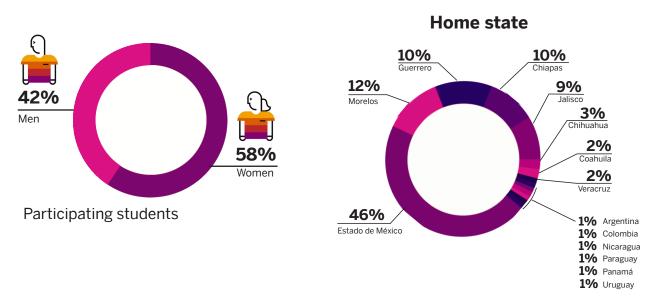


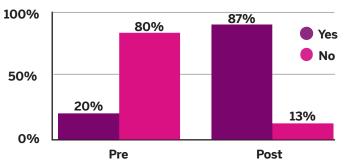
"Climate change was the thematic axis of the program in 2020. It is a problem that affects the whole world, given its negative impact on the economy and people's lives. During Latin Code Week, students participate in high-impact activities that encourage them to find innovative social impact solutions and develop teamwork, as well as creative thinking skills."

Lautaro Spotorno Corporate Social Responsibility Director SAP Latin America



Latin Code Week's Impact on Mexico





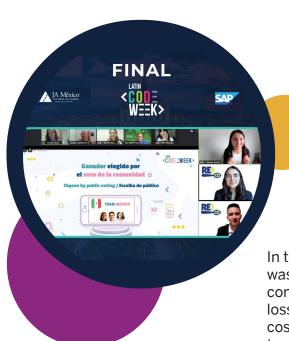
At the onset of the program only 20% of young people knew what STEM areas were; by the end of Latin Code Week, this figure increased to 87%

At the end of the program





Thanks to SAP México's more than 60 colleagues and strategic partners – such as Accenture México, American Tower, Fundación EDUCA, Mano Amiga and Mondelēz – as well as over 600 hours of volunteer work, Mexican students improved upon their job, entrepreneurial and technological skills.





In the regional closing of the program, RedCo, the Mexican team, was crowned the winner by the audience vote. Their project consists of an app that helps food businesses avoid economic losses by selling food residues that are still safe to eat at low costs, as well as organic waste that would normally end up in the trash, generating carbon dioxide (CO²) emissions.

Join the #LatinCoder community and take part in upcoming editions of Latin Code Week













SOCIAL Innomarathon

Social Innomarathon

SAP Innomarathon is the regional competition organized by SAP, in partnership with Socialab, which aims to promote Latin American start-up businesses focused on solving social or environmental issues through sustainable B2B business models in which technology plays a leading role. In the 2020 edition, 400 applications were submitted from more than 19 countries across the region, out of which eight finalists were selected to participate in a six-week program to fine-tune their enterprises.

The final showcase with the winning teams from each country was held in a virtual format. This year's other finalists were Caecuslab (Argentina), 7Waves (Brazil), Tu Consejería (Guatemala), ArDown (Mexico), Lavadero Arcoiris 21 (Uruguay), KitSmile (Colombia) and Banco del Estudiante (Peru).





Winning Startup

Safe Drinking Water For All (SDW), a Brazilian startup focused on promoting the democratization of access to safe drinking water and basic sanitation in the most deprived communities through innovative solutions, was the winner of Social Innomarathon's fourth edition. The startup, also recognized by the UN, developed Aqualuz, a device that allows people to drink water from deposits that use a solar radiation filter based on SODIS (solar water disinfection) technology. This solution offers various benefits such as ease of use, practical maintenance and an estimated shelf life of 20 years. Aqualuz reaches more than 400 families in six states across Brazil.



SDW was awarded US\$5,000 to invest in its project, along with three months of personalized accompaniment by Socialab and one year of virtual consultancy from SAP Labs Latin America experts, in addition to the possibility of becoming an authorized partner of the company with a chance to do business with its clients and participate in the Partner Edge program and SAP App Center marketplace.



Anna Luísa is a young scientist with extensive experience in social projects. At 15, she developed Agualuz; at 17, she created SDW to develop technologies aimed at turning access to water and sanitation into a universal right; and at 18, she became MIT's youngest Brazilian graduate in New Business Leadership. Her social impact work earned her a UN Young Champions of the Earth Award in 2019, UNEP's top accolade for that age group. SDW also launched the Aguasolina solar desalination device, a new technology designed to fight and prevent among COVID-19 homeless people, Aguapluvi, a rainwater harvesting and treatment system at bus stops for hand hygiene.



Appendix

1. Technology as an enabler of sustainability

SAP México reflected on the enabling power of technology in the fulfillment of the Sustainable Development Goals of the United Nations. As a result, it published a report entitled "Technology, the key to sustainable development," which compiles the visions of five of the most innovative organizations in the country: **CEMEX, CHRISTUS MUGUERZA, Grupo Financiero Banorte, Grupo México and Nacional Monte de Piedad**.

While each of these organizations works towards a particular purpose, guided by their mission and the specific features of their sector, they have something in common: they see technology as a crucial ally to make progress on the goals they have set for themselves. SAP tools have been a core component, since they not only create more efficient solutions for their specific production procedures, but also provide the opportunity to advance in the achievement of the UN SDGs.







This report identifies three major areas in which organizations can innovate in their processes and incorporate the technology that would allow them to have a direct impact on the sustainable development goals.

People

Human capital as a transversal axis



Develop a competent workforce considering the various types of necessary skills: a) technological, b) cognitive and c) social and emotional intelligence



Guard the safety of underrepresented groups including women and members of the LGBTQ+ community or people with disabilities



Cultivate transparency in human capital management practices



Ensure equality for all people

Operations

End-to-end measurement of operations and their contribution to reducing the environmental footprint



Take action to address **climate change**



Participate in **new business models** to enter a circular economy

Impact on the economic and social environment

Promote social development and entrepreneurship through your ability to positively influence supply chains



Raise ethical and compliance standards by fostering the best business practices and making processes transparent.



Seek **economic inclusion** by identifying opportunities in your supply chains, and accelerating the development of micro, small and medium-sized enterprises



Create spaces to **encourage dialogue** and contribute to policy reinforcement to reach the Sustainable Development Goals through the input of think tanks, associations, or multidisciplinary work groups

See full report and learn more about how these organizations innovate to achieve social, economic, and environmental development goals



2. Actions for the environment

The pandemic the world is currently experiencing has caused enormous economic and human losses, but the impact on the environment is not less serious. It is therefore important to have a health crisis response that considers and reinforces actions against climate change by governments, companies, and society itself, in order to avoid a global catastrophe in the coming years.

Given the urgency of designing and implementing strategies to face climate change, particularly in Mexico, the company has carried out actions such as:



Continuing its recycling program of solid waste such as paper, cardboard, or aluminum, alongside the proper management of hazardous waste



Affirming its global ISO 14001 certification, seeing its Mexico City and Monterrey branches as key to this international distinction



Reducing its carbon footprint impact in 2021 through steps like downsizing physical spaces



Contributing local actions to the global Single use plastics strategy aimed at eliminating plastic use

Furthermore, the company has taken global action to contribute to environmental sustainability. For example, in 2020 it launched the **Climate 21** program, which provides information to help companies compile data, assess it and act on their CO_2 footprint throughout the supply chain. The program's goal is to help other organizations transform their businesses in order to minimize emissions. In addition, the company aims to achieve carbon neutrality by 2025, reduce water consumption and develop solutions to help its customers achieve sustainability.



2020, at the World Economic Forum in Davos, Christian Klein, SAP's CEO, announced the organization's commitment to making oceans cleaner and plastic-free by 2030. As part of this commitment, SAP has undertaken projects such as **Plastics**

Cloud - which helps customers handle materials in much more effective ways through collaboration between companies, governments and consumers throughout the plastics value chain – as well as joining the **Ellen MacArthur Foundation Network**, a leading circular economy initiative sponsored by ocean activist Emily Penn.

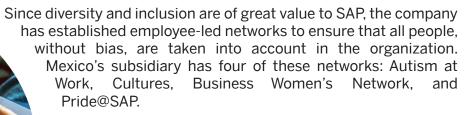
The company is also an official signatory of the Together With Nature Principles for Nature-Based Solutions agreement to fight climate, health and biodiversity crises.

Finally, through its global champions program, company coworkers from different regions participate as ambassadors to enrich and contribute to these sustainability practices. This is how SAP is moving forward with concrete actions to fight climate change.

3. Our people

An organization's most important asset is its people, so it is undoubtedly essential that they feel free to be authentic, and that they have the support and tools for their professional growth, as well as a healthy work-life balance.

SAP México, with more than 900 coworkers of over 16 different nationalities, has adopted diversity as one of its key elements and has promoted inclusion as a representative practice of the company. This unique combination of cultures, races, ages, genders, sexual orientations, identities, etc., is one of the organization's greatest strengths, ensuring a positive work environment and a strong sense of belonging.



In addition to these inclusion practices, one of SAP's parameters to ensure talent development is connecting its coworkers to social impact initiatives, effectively turning them into agents of change. This way, the company manages to transfer its internal practices to the community, contributing to the construction of a more equitable and inclusive society.

At SAP, we are convinced that our commitment to diversity and inclusion is essential to our success

Appendix / Our people 57

Diversity and inclusion networks in Mexico



Autism at Work

In 2013, SAP set out to achieve that people with ASD had a representation of 1% in its worldwide workforce. This objective led to Autism at Work, a program that currently has more than 178 autistic coworkers in 15 countries. Today, the program is proud to have a retention rate of 90% thanks to its support and accompaniment system.

This project was launched in Argentina in 2017, and it started in Colombia and Mexico in 2019. SAP México has currently hired 6 people on the autism spectrum in total for its Mexico City and Monterrey branches.

Business Women's Network



In order to promote professional development among female coworkers in the company, SAP created the Business Women's Network (BWN), a network that promotes gender equality within the organization. BWN has more than 60 iterations around the world, which generate personal and professional development opportunities for SAP coworkers through mentoring, courses, training, and networking sessions.

Since its foundation in Mexico in 2015, the second one in Latin America, this network has established itself as an initiative that promotes an equitable and inclusive work environment with the support of over 170 allies.

Cultures@SAP



This network's purpose is to encourage SAP México's coworkers to promote a sense of inclusion and multicultural understanding by embracing the vision of the 16 nationalities that make up the company's staff. Its Mexican chapter was launched in 2020.

Pride@SAP



In 2001, the Pride@SAP movement was born in Germany with the aim of promoting LGBT+ inclusion in the company. This network currently has more than eight thousand members and allies around the world and seeks to raise awareness, attract, and retain diverse talent, regardless of their gender identity and expression or sexual orientation. The Mexican chapter, which will celebrate its fifth anniversary in 2021, is one of 39 around the world.

With Pride@SAP, the company is a member of Pride Connection, the largest business network for LGBT inclusion best practices in Latin America since 2016; it also hosted the Pride Connection Summit 2020, which was virtually attended by over 1,000 people who gathered to discuss and learn about the importance of creating diverse and inclusive spaces in organizations and in society.



4. Acknowledgements

500 Empresas más Importantes

(Most Ethical Companies 2020)

is a ranking that comprises for-profit organizations, goods or services providers that make income or sales reports, offering an overview of Mexico's main companies in the various economic sectors. More than 2,500 public and private, national and transnational companies participated in 2020's open call.

In the midst of the deepest economic recession in decades, this ranking shows these companies' growth and their focus on maintaining it despite the economic impact of the "new normal". SAP México ranked 295th on the list as a leading company in the technology industry.

CFO del Año

(CFO of the Year)

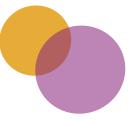
This award was granted to leading and outstanding professionals of the financial field. This included SAP México's CFO in 2020, who was honored as one of the top 5 CFOs in her category: billing 1.5 to 15 billion Mexican pesos in 2019.

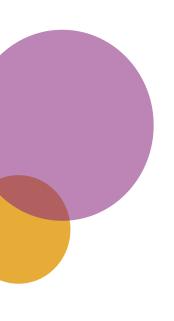
Empresas más Éticas 2020

(Most Ethical Companies 2020)

Amitai, provider of Integrity, Ethics and Compliance solutions and services, along with the Spanish edition of Fortune magazine, released the first Empresas más Éticas 2020 ranking, where SAP México ranked 18th, as one of the country's leading company in this field.

The companies acknowledged in this list stand out due to their furtherance of better ethics and compliance practices, as well as their promotion of values within the company, emphasizing the difference between law-abiding regulatory compliance and organizational ethics.





HRC equidad MX

(HRC Equality MX)

For the fourth consecutive year, SAP México received the highest rating (100 points) in the HRC Equidad MX report from the Human Rights Campaign Foundation in Mexico, an annual survey that assesses LGBT inclusion in the country's main companies.

SAP México's efforts resulted in a 100% rating, which positioned the company among the country's 212 leading organizations in terms of inclusion. The companies that obtain the highest ratings receive the distinction of "Best Places to Work for LGBT employees."

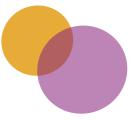
Moreover, for the first time ever, this report provided mentoring by companies that already have experience with the best inclusive practices in the workplace. SAP México therefore collaborated with other companies to strengthen their diversity policies, which allowed them to obtain the HRC certification.

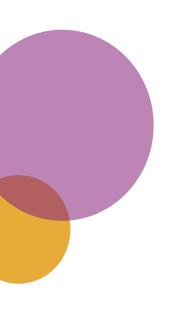
Integridad Corporativa

(Corporate Integrity)

Integridad Corporativa 500 (IC500) is a joint initiative of Mexicanos Contra la Corrupción y la Impunidad and Transparencia Mexicana that validates the existence and assesses the quality of anti-corruption policies within the 500 largest companies with a presence in Mexico according to Expansión.

Based on the review of SAP México's advertising of its integrity policies – not strictly on enforcement or compliance – IC500 ranked it 229th after analyzing said policies and their adequacy according to Transparency International's criteria.





Ranking PAR

For the third consecutive year, SAP México was recognized as one of the country's most committed companies in terms of gender equality, landing the first spot on Ranking PAR's Top 5 Private Companies with 201-1000 coworkers, and second place on the Top 10 Private Companies in Mexico category.

Since 2015, this ranking has been a tool that measures gender equality performance in private companies, public entities, and SMEs. The report rewards and publicizes the organizations' good labor practices as they promote and defend equality.

Súper Espacios de Trabajo

(Super Workspaces)

At a time when home offices are the norm for many organizations, Expansión presents this ranking focused on measuring how coworkers live, relax and work in the corporate offices of Mexican companies.

Based on a methodology developed by TOP Companies, a leading firm in assessment and consultancy on Organizational Culture and Climate, SAP México ranked 27th on this list, in the "over 500 coworkers" category.





In 2020, Great Place to Work® and Fortune recognized SAP SE as one of the greatest places to work in the world, ranking it 12th out of 25. SAP SE was selected from over 10,000 organizations that participated in the survey, which gave voice to 10.2 million employees in 92 countries.

To be part of the list, the company must be included in five or more Great Place to Work® national rankings, have 5,000 or more employees worldwide, and at least 40% of its workforce, or 5,000 coworkers, must be outside the country where the company is based.



about SAP's social impact around the world.



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