



Climate 21

- i et Supply Chain-perspektiv

Trond Røvang
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PUBLIC

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs

Our Common Future, 1987. The first modern definition of the term



Situation

Sustainability trends are shifting markets

- ❑ Consumers are shifting to more sustainable products and services while investors are demanding the same.

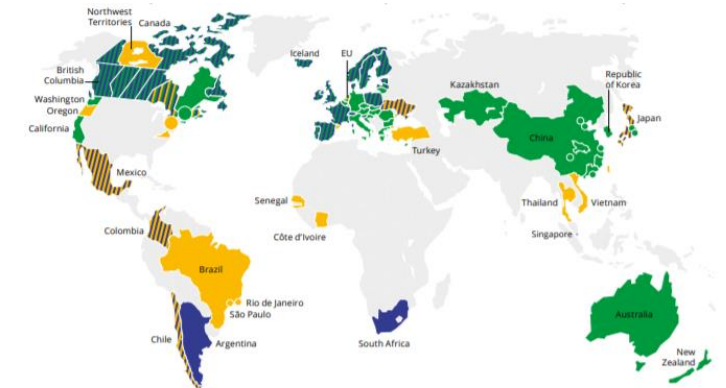
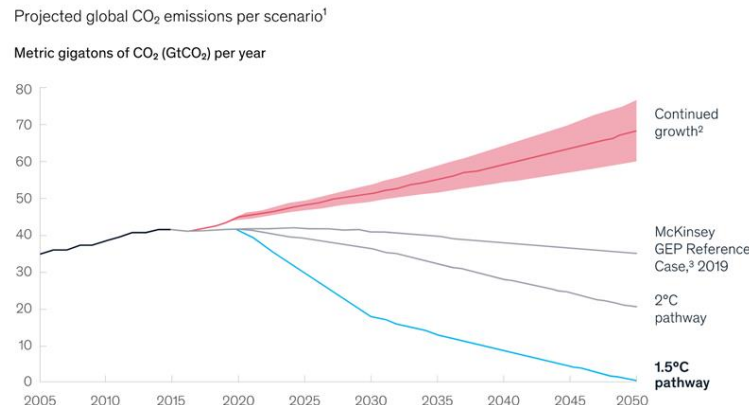
43%
of consumers walk away when disappointed by a brand's words or actions on a social issue

Climate action is high on the CEO agenda

- ❑ ~ 50% reduction in CO₂e is needed over the next 10 years for a 1.5 degree pathway

Climate Action requires a coherent global strategy

- ❑ Local complexities are creating new pressures to steer planning and decision making globally with greater transparency



Source: World Bank Carbon Markets

Why SAP?

75% of the worlds transactions touch a SAP system

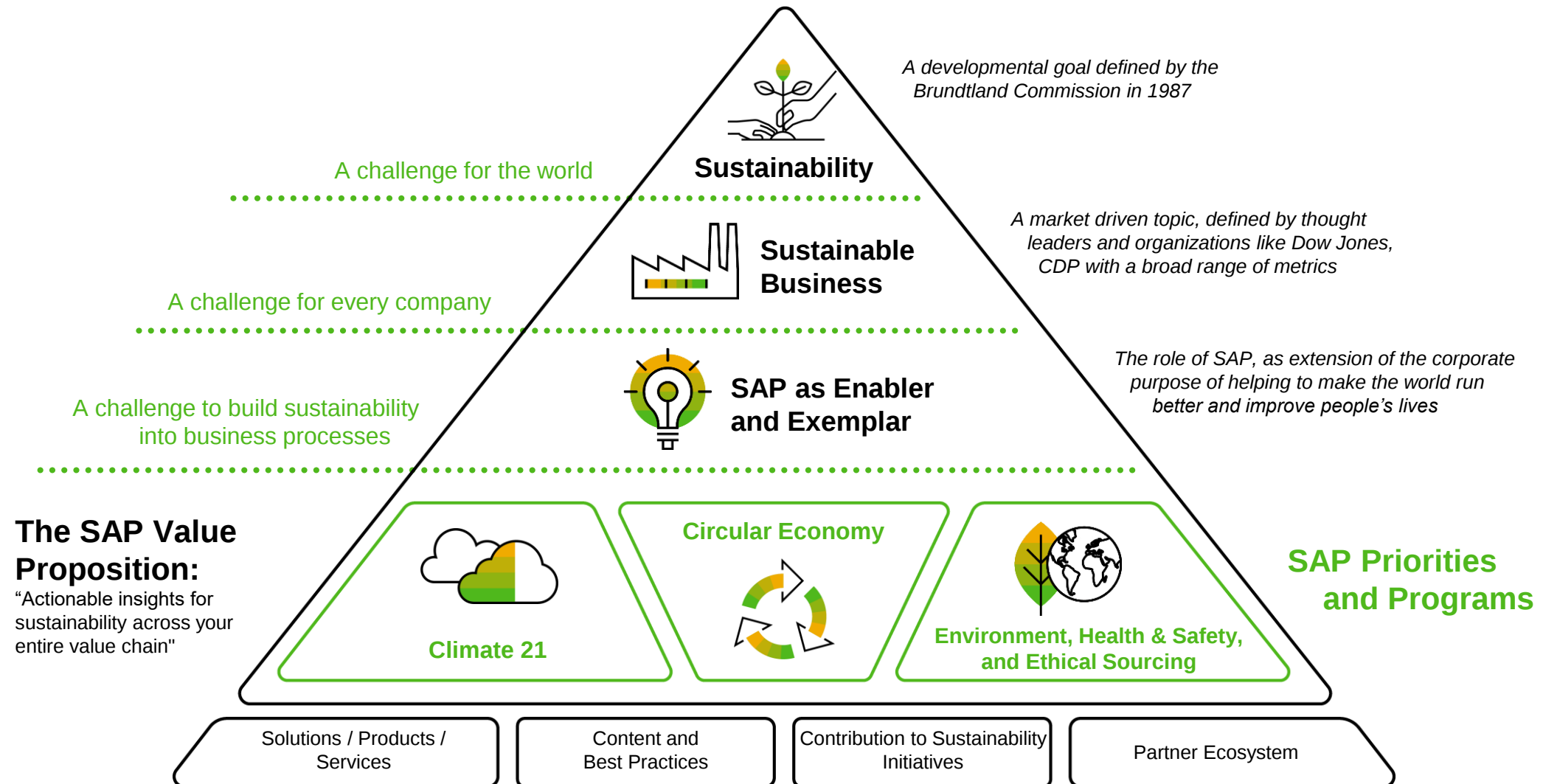
We have the **analytical tools**
and **transaction systems**
to help our customers
on a global scale



along the **full supply chain**
and **across all industries**

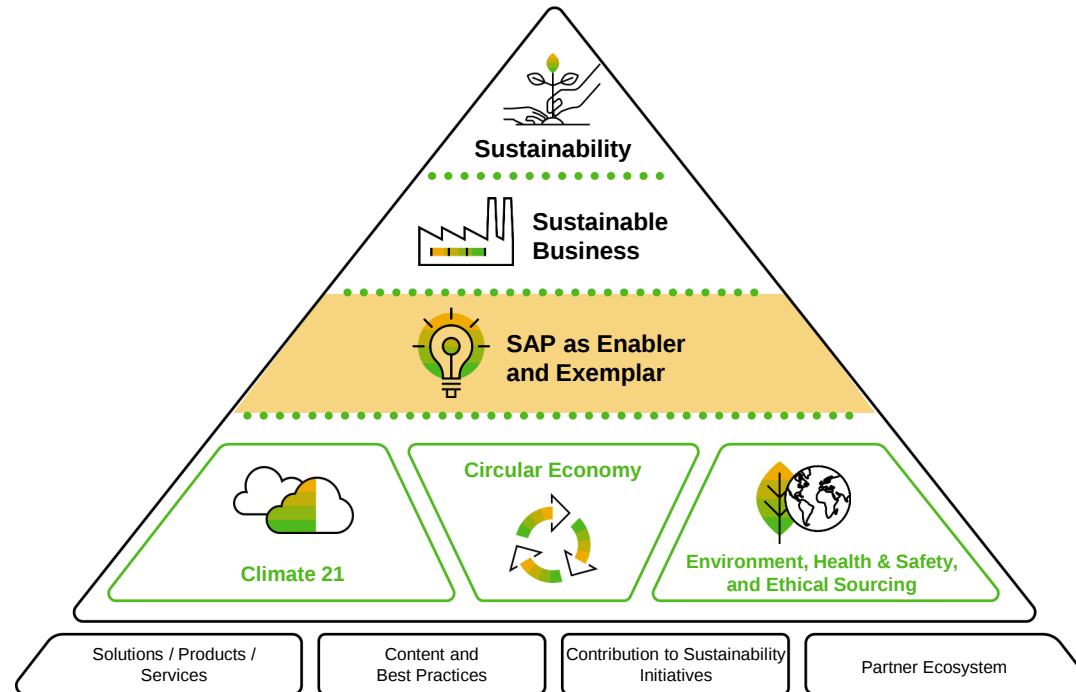


Sustainability – from top to bottom





SAP's contribution to Sustainable Business



SAP's Sustainability Approach – Our Dual Role

SAP's purpose is to help the world run better and improve people's lives

Sustainability

Creating Positive Economic, Environmental and Social Impact
within Planetary Boundaries

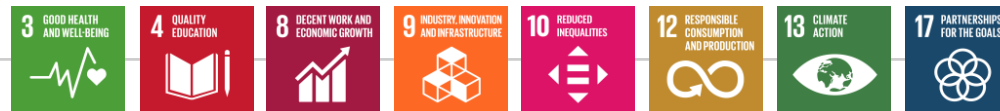
Enabler

Providing products and services
that meet the sustainability challenges
and opportunities of our customers

Exemplar

Leading by example in our own
sustainable business operations
and practices

UN Sustainable Development Goals as common global framework



SAP can directly or indirectly impact progress on all 17 UN SDGs

Sustainability at SAP – Our Focus Areas and Selected Initiatives

Holistic Steering and Reporting

- Value Balancing Alliance
- ■ Integrated Reporting

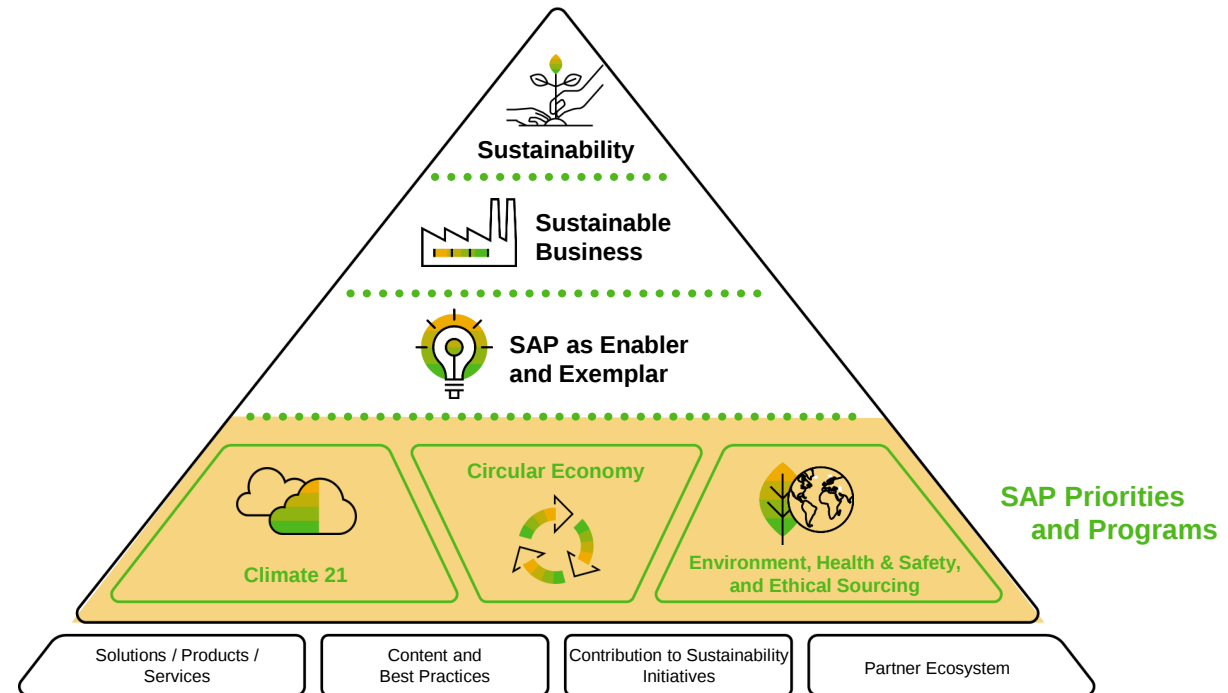
Take Climate Action	Enable Circular Economy	Foster Equality for All	Build a Skilled and Inclusive Workforce	Promote Social and Inclusive Entrepreneurship
Taking action to combat climate change and its impacts and reducing our environmental footprint ■ <u>Climate 21 - S/4HANA for a Low Carbon Planet</u> ■ <u>Carbon Neutrality by 2025</u> ■ <u>Environmental Management System at 55 sites</u>	Managing limited resources productively to lead the transition to a circular economy ■ <u>Plastics Cloud & Zero Waste</u> ■ <u>Phase out single-use Plastics by 2020</u>	Committed to diversity and inclusion and both internally and externally promote business beyond bias ■ <u>Equality for All</u> ■ ■ <u>Diversity & Inclusion</u>	Ensuring that everyone has the skills to thrive and secure meaningful work in a digital world ■ ■ <u>Learning for Life and Programs for Digital Skills</u>	Offering programs that range from inspiring early stage innovation to scaling mature social enterprises ■ ■ <u>Inclusive and Social Entrepreneurship (including 1 Billion Lives)</u>

Ethical business practices

Respecting and promoting human rights and safeguarding responsible business practices along the value chain

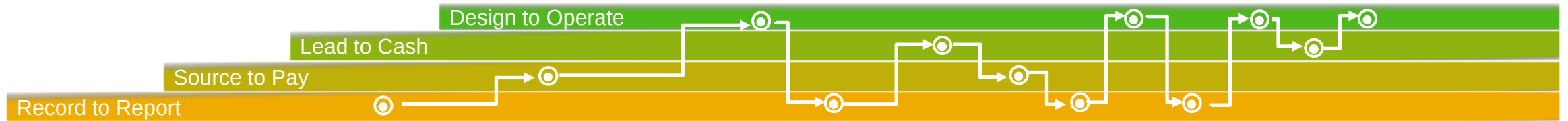
- Ten Principles of the UN Global Compact
- Respecting Human Rights
- AI Ethics Principles
- Ethical Sourcing
- Environment

SAP Solution Strategy for Sustainability



SAP Product Strategy for Sustainability

Integrate sustainability data to business processes across all value chains to drive performance, new products, new markets



Climate and Natural Capital Accounting



Build true cost values into end to end management of enterprises and across business networks

Climate 21

Generate value through enabling “Low to No” Carbon and Environmental footprint businesses

Resource Productivity, Tracking and Reuse



Building resilience and circularity principles into supply chain, material flows, markets and resource consumption

Circular Economy

Generate value through enabling a zero-waste world

Protecting People Communities and Societies



Ensuring continuous improvement in safe equitable and compliant businesses, within the company and across the value chain

EHS & Ariba

Zero incidents, accidents and harm to communities, people and environment.

Next Generation Sustainability Reporting and Steering

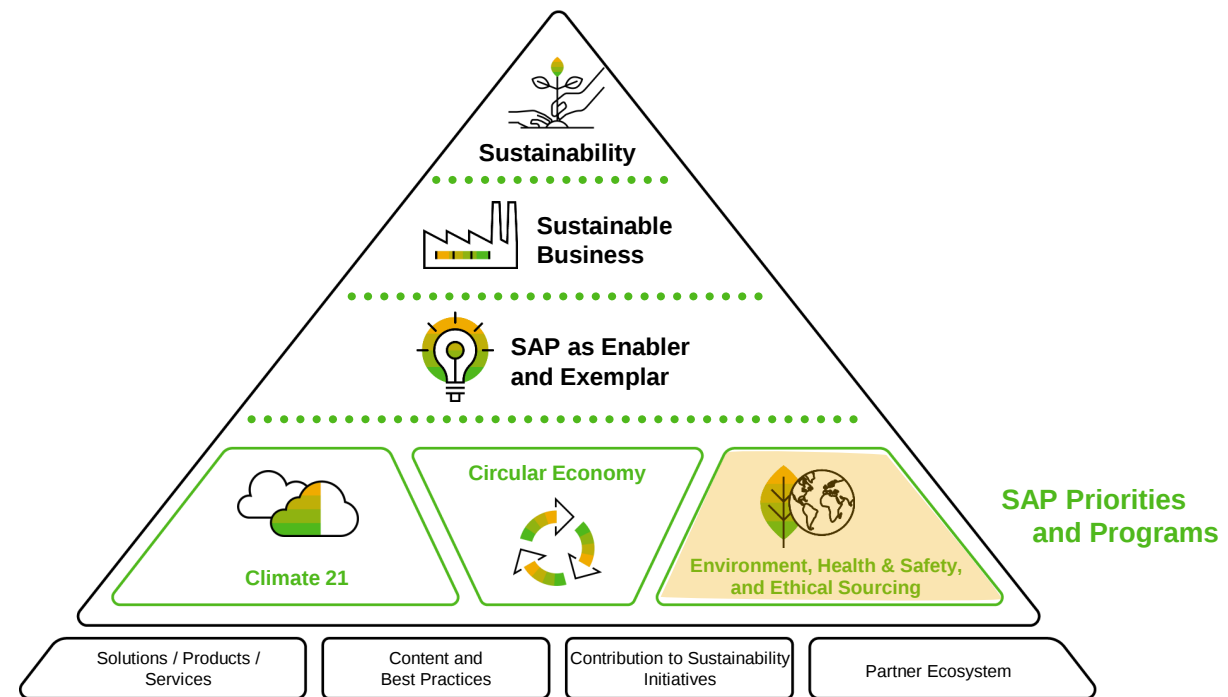
Mapping operational data to show impact with holistic sustainability reporting enabling sustainable business steering and decisions

Sustainable and profitable business transformation towards a Sustainable Intelligent Enterprise

SAP Analytics Cloud / Sustainable Impact Management



Environment, Health & Safety



SAP Environment, Health, and Safety

Move beyond compliance to operate more safely and reliably

Make operations safer



Engage the workforce and identify and act on hazards before they have a negative impact.

Manage EHS more efficiently



Improve EHS performance by incorporating risk management into daily operations.

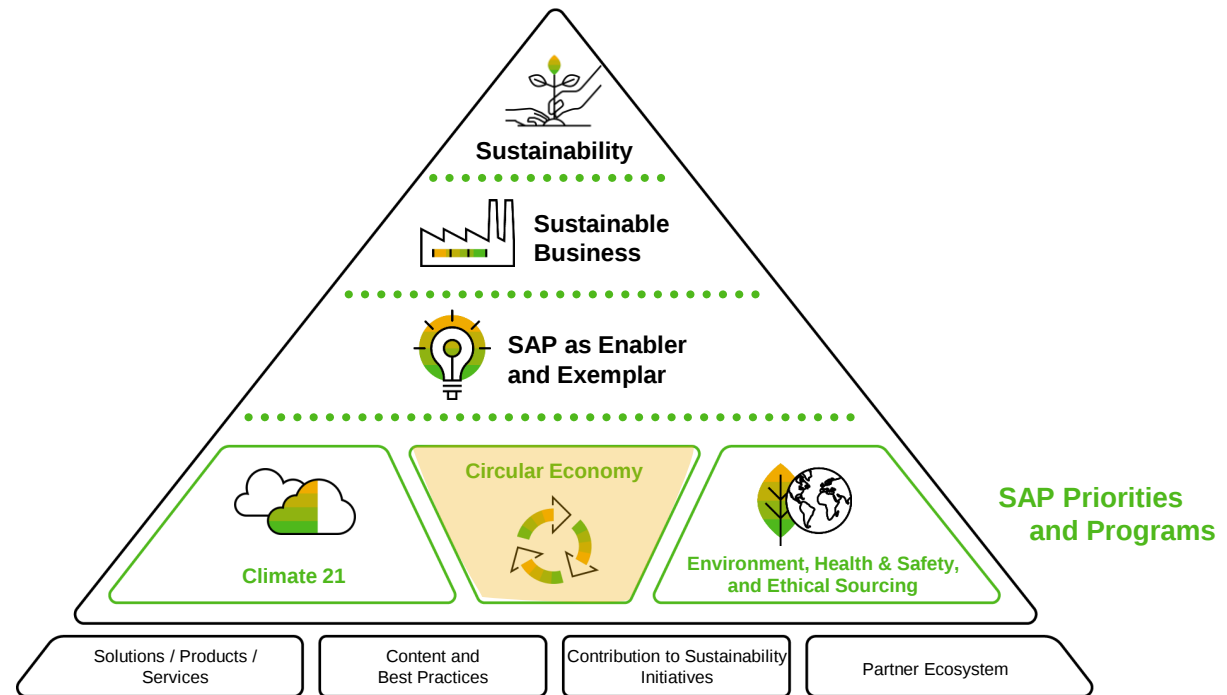
Safeguard operational continuity



Protect asset integrity and optimize production by reducing unplanned downtime and outages.



Circular Economy



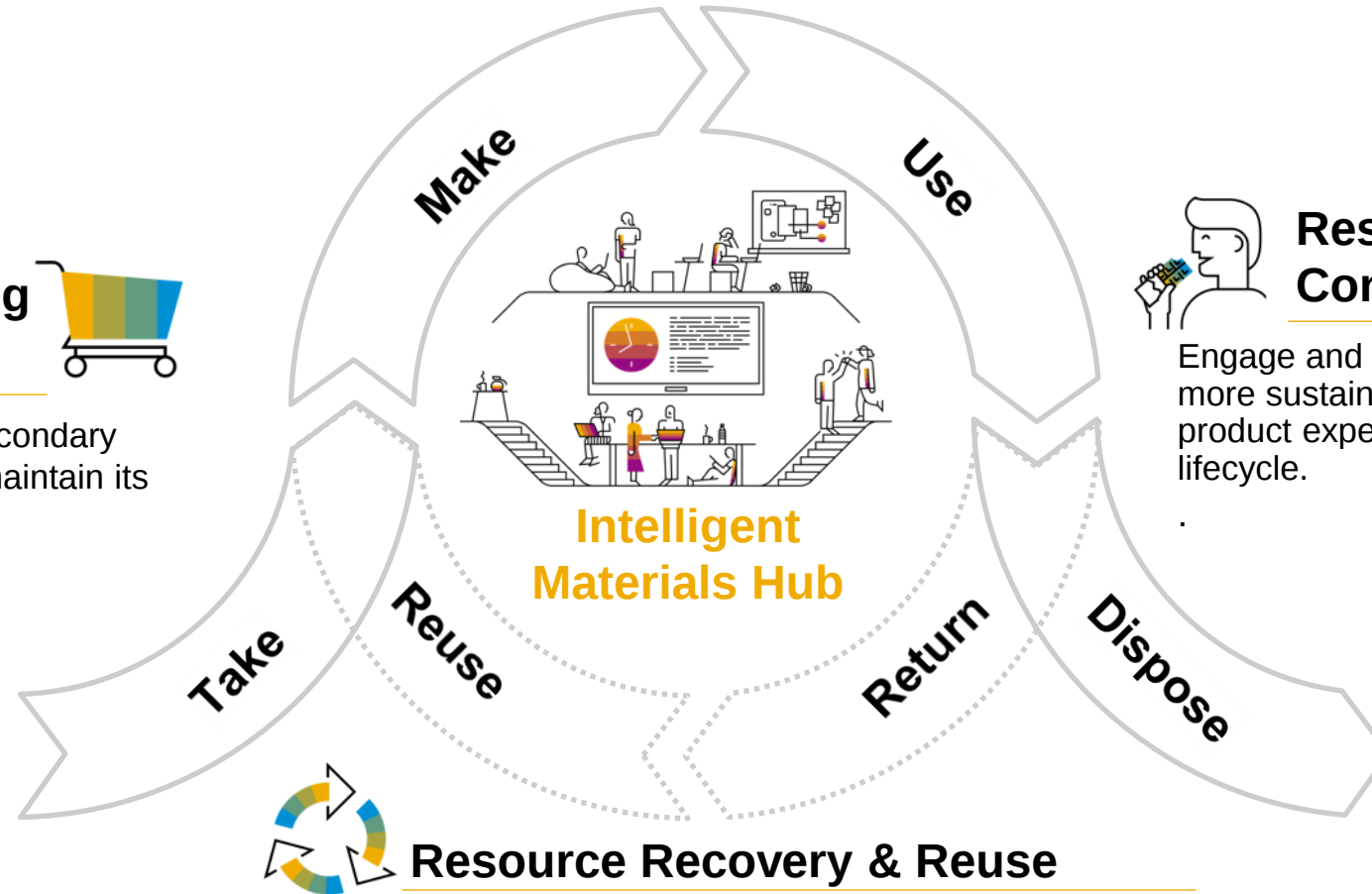
Responsible Design and Production

Provide visibility into product use & fate and insight into material value maintenance or loss at end-of-life. Provide material, product and customer insights to create new value and develop innovative business models.

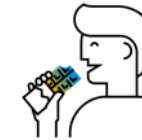
Responsible Sourcing and Marketplace



Ethically connect sources of secondary material demand to supply to maintain its highest value.



Responsible Consumption



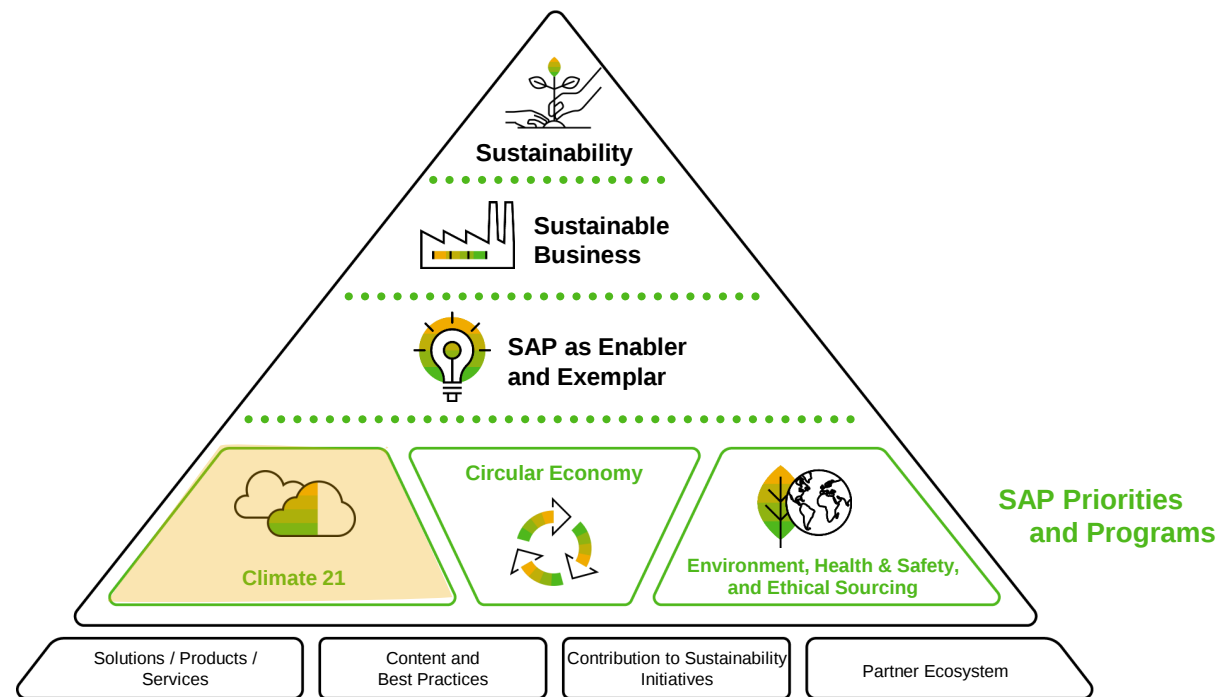
Engage and empower consumers to choose more sustainable products and improve product experience across the entire product lifecycle.



Resource Recovery & Reuse

Provide insights businesses need to deliver collection, processing, recycling and composting infrastructure to increase cycling of material flows at their highest value.

Climate 21



Climate 21 Vision – CO2e Transparency end-to-end

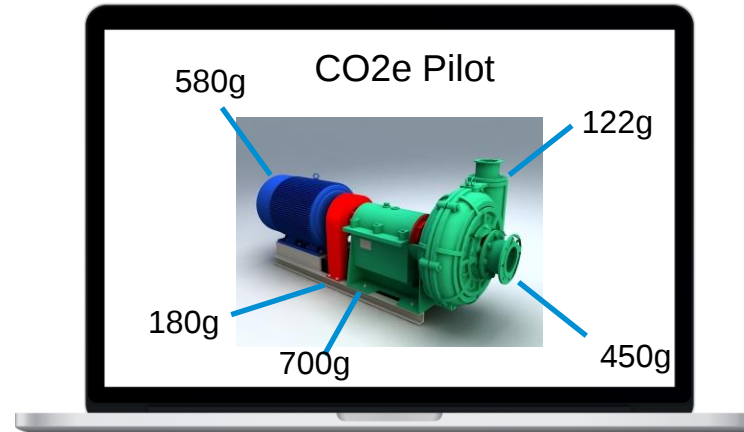
Enterprise

Safeguard the license to operate by making business models, product portfolio, and operations resilient to carbon regulation.



Business Operations

Track and optimize the carbon footprint of products and services from cradle to gate.

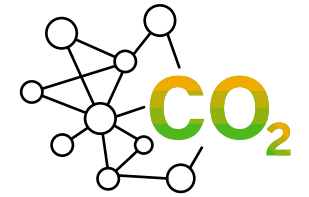


Consumers

Empower consumers to make responsible buying decisions with carbon footprint information about products and services.

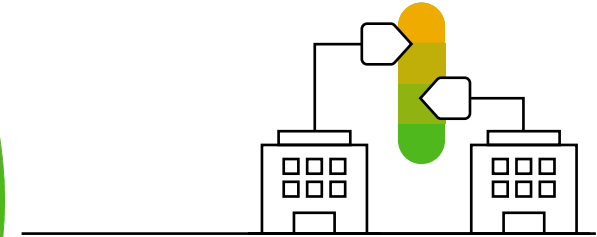
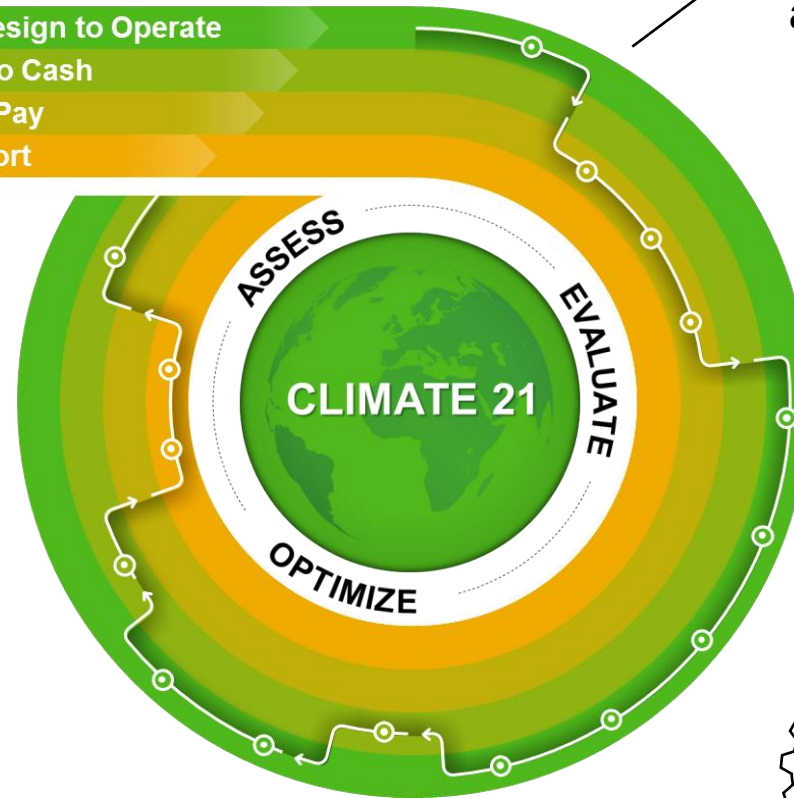


Climate 21 – Product Direction & Vision

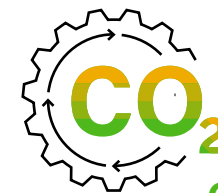


Assess: aggregate information of the CO₂e footprint of their inputs and products

We will embed **sustainability** as a new dimension of success into analytical and transactional applications to enable an Intelligent Enterprise to minimize CO₂e, across entire value chains – from **cradle to gate**.



Evaluate: understand their operations based on benchmarks



Optimize: Transform operations to minimize CO₂e footprint and improve product portfolio

Use Case - From Ideation to Standard Products



SAP Logistics Business Network, material traceability option

Improve transparency, trust, and sustainability by connecting your end-2-end supply chain

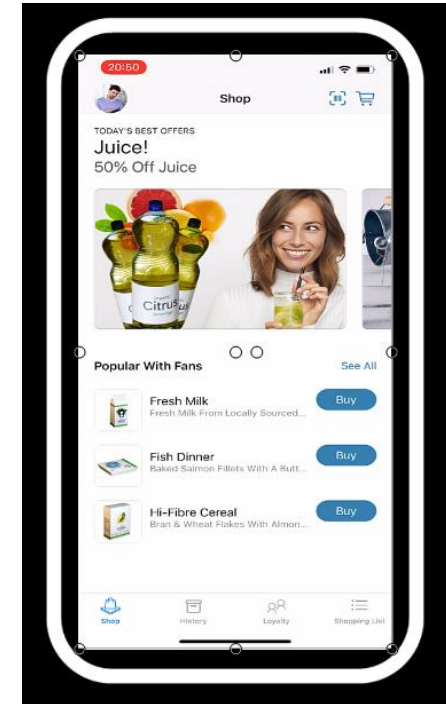
Climate 21 Program

Tackling the Challenge of the 21st Century Together



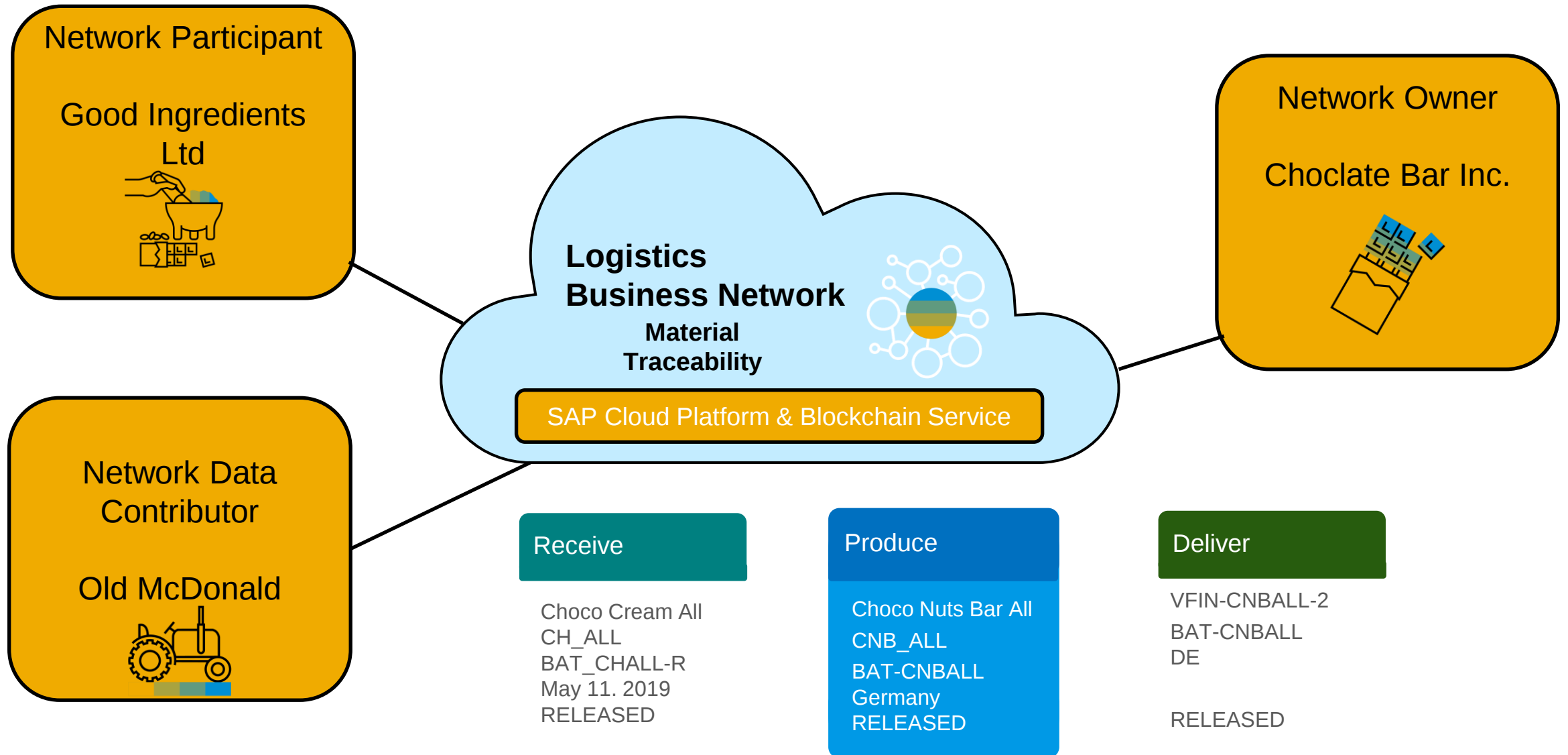
SAP Launches Carbon Emissions Accounting System to Address Climate Change

Establish a repository of sustainability data as a foundation for continuous improvement

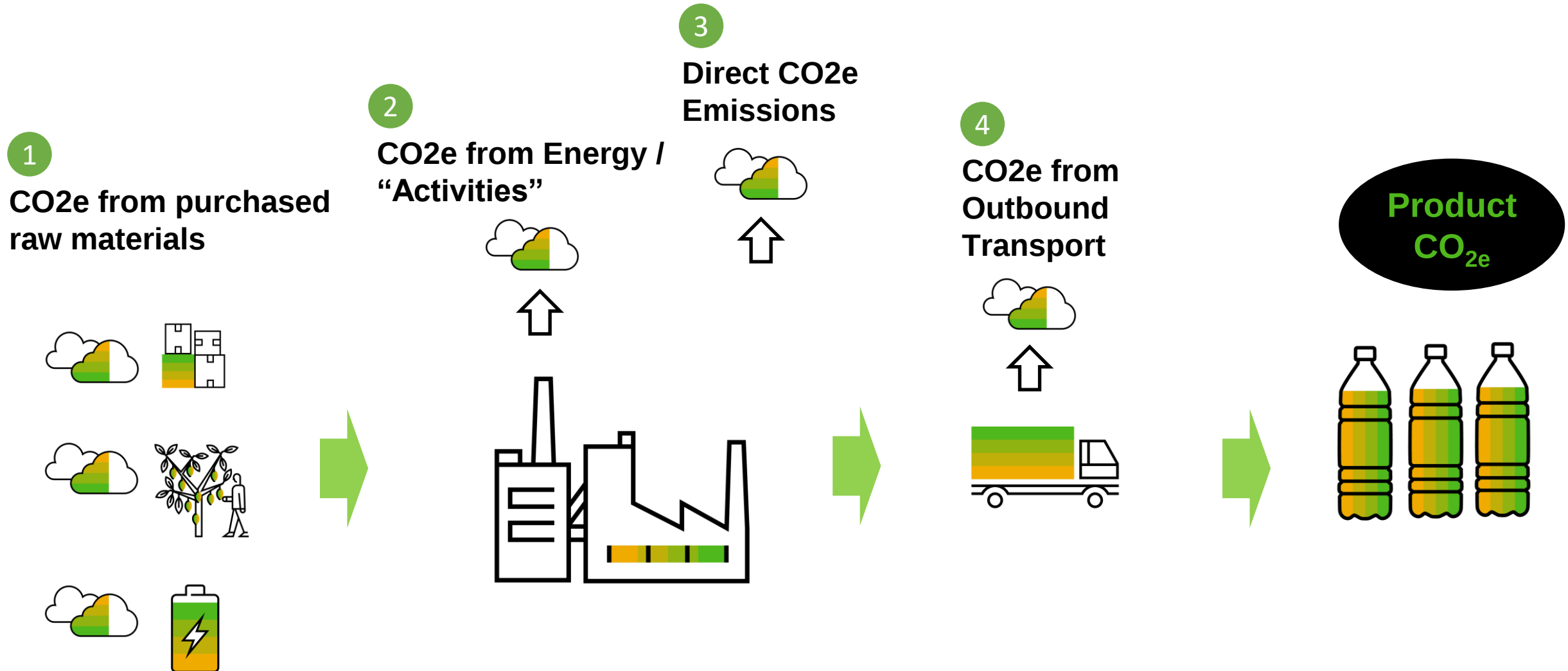


Help consumers making informed decisions, by providing them all relevant data.

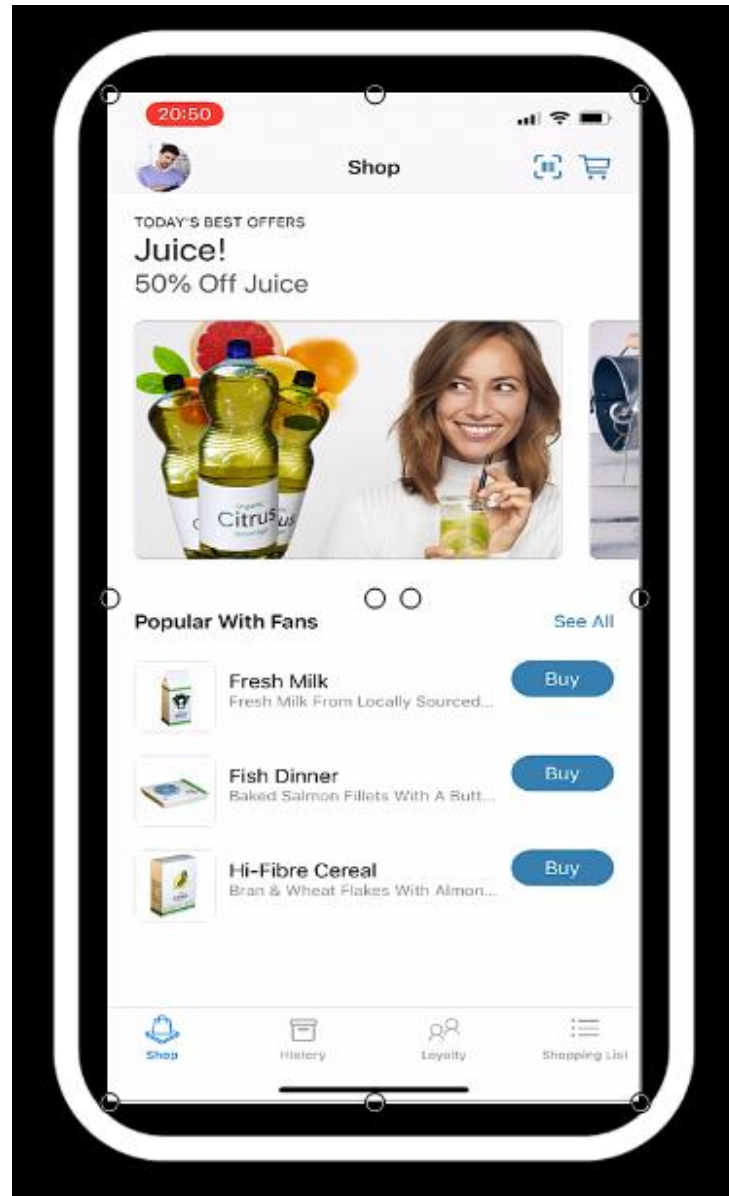
SAP Logistics Business Network – Material Traceability



SAP Product Carbon Footprint



Help Customers Make Informed Decisions

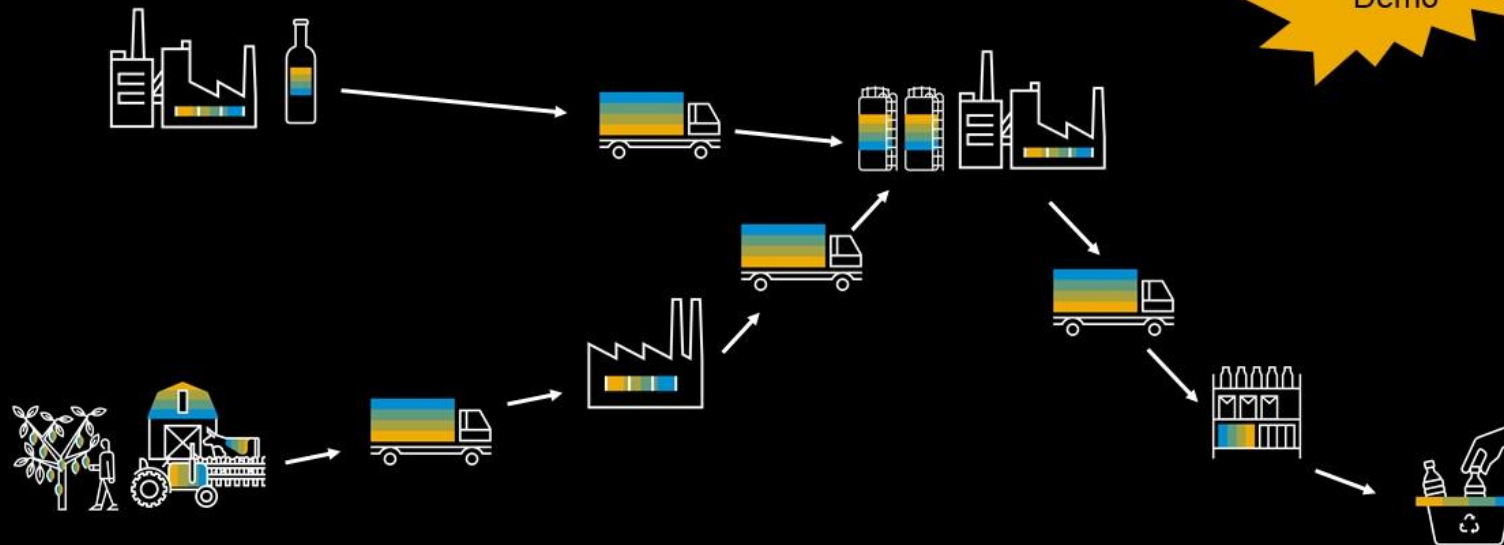


Use Case: Bumble Bee Seafoods - From Ocean To Table



https://www.youtube.com/watch?v=n_XnEKJVKXo

SAP Logistics Business Network



Material Traceability Option

featuring SAP Analytics Cloud and Consumer App

Thank you.

Contact information:

trond.rovang@sap.com