



2021

## Modern Slavery Statement

This statement is made on behalf of SAP Australia Pty Ltd (“**SAP Australia**”) and is made pursuant to s.13 of the *Modern Slavery Act 2018 (Cth)* (“**MSA 2018**”). It sets out the steps that SAP Australia has taken and is continuing to take to mitigate risks of modern slavery and human trafficking existing within SAP Australia’s business or supply chain.

SAP Australia has prepared this statement with input from SAP’s parent company, SAP SE. SAP Australia has also consulted and aligned with SAP (UK) Limited in preparing this statement. SAP Australia does not own or control any other operating entities.

### SAP Business Structure

SAP Australia is a subsidiary of SAP SE, a European multinational software and services corporation and a market leader in enterprise application software as well as in enterprise resource management applications, supply chain management applications, procurement applications software, travel and expense management software, and enterprise resource planning software, among others. SAP SE is headquartered in Walldorf, Germany and has a global presence. SAP Australia has offices located in Sydney, Melbourne, Brisbane, Canberra and Perth. SAP Australia together with SAP New Zealand serves over 6000 customers within the Australia and New Zealand (ANZ) region, over ninety per cent of which are small or medium enterprises. The customer base also comprises customers in major industries, including public services, energy and natural resources, retail and consumer packaged goods, utilities and telecommunications, and financial services and insurance. SAP Australia has been in operation for over 30 years.

SAP’s purpose is to “help the world run better and improve people’s lives.” SAP strives to achieve this as both an enabler and an exemplar of sustainable business. Our products and services aim to help our customers both meet the challenges and take advantage of the opportunities presented by today’s rapidly changing world. SAP is committed to the goal set by the Paris Agreement of limiting global warming to 1.5 degrees Celsius in comparison to pre-industrial levels. In March 2021, SAP announced the intention to become carbon neutral in our own operations by the end of 2023 –two years earlier than previously stated. Further, in January 2022, SAP announced its commitment to achieve net-zero along their value chain in 2030; 20 years earlier than originally targeted. SAP also supports the United Nations Sustainable Development Goals (UN SDGs). Together with our customers and partners, we are engaged in initiatives across the UN SDGs.

SAP has the technologies, products, footprint, and experience to combine four essential end-to-end business processes to create not just one intelligent enterprise, but a global ecosystem of intelligent enterprises:

- SAP S/4 HANA Cloud provides modular cloud ERP in the areas of finance, supply chain, and sustainability among others –and can enable customers to adjust and adopt business process and business models.
- SAP SuccessFactors Human Experience Management (HXM) Suite provides cloud-based solutions, such as a human resources management system (HRMS) for core HR and payroll, talent management, employee experience management, and people



analytics, by aiming to create differentiated employee experiences across the employee lifecycle.

- SAP's intelligent spend management applications aim to provide a more unified view of a customer's spending to reduce costs, mitigate risks, improve collaboration, and make sure every spend decision is aligned with the business strategy.
- Our SAP Customer Experience solutions deliver a personalized view across customers and business partners, connecting the front-and back office with solutions spanning from the point of sale, to manufacturing, to logistics, customer experience, and returns management.
- SAP Business Technology Platform (SAP BTP) is a business-centric and open platform that enables customers and partners to extend and customize SAP applications in a cloud-native way. It allows shared data and insights, AI-powered experiences, as well as partner solutions and customer-led customizations. Specifically, it provides capabilities in four key areas: database and data management; analytics and planning; application development and integration; and intelligent technologies such as AI, all bundled into one platform offering.
- SAP's Industry Cloud provides the opportunity for SAP and our partners to extend our core with modular solutions addressing industry-specific functions, built on SAP BTP.
- SAP Business Network is a network of enterprises. The interactive community helps enable companies to extend their ecosystem, react to supply chain disruptions, discover new trading partners, and find new opportunities, all through a unified, role-based experience.
- SAP's Business Process Intelligence (BPI) application portfolio, which has been significantly expanded with the integration of Signavio solutions, helps our customers enable their business transformations. We support analysis of current processes, benchmarking against best practices, and reconfiguring current processes towards future processes.
- Our sustainability management solutions empower customers to integrate sustainability into their business processes –from ethical sourcing and inclusive hiring to visibility into and management of a company's overall ecological footprint. The solutions aim to help our customers minimize carbon emissions, reduce waste through responsible supply chain management, and enable diversity across all business practices.

More information on SAP's business structure and offerings can be found in the [SAP Integrated Report 2021](#).

References in this statement to "SAP", "we", "us" and "our" are to SAP SE and, as applicable, the SAP group companies.



## Modern Slavery and Human Rights

At SAP, we believe we have a responsibility to respect human rights throughout all of our business operations. We have a number of policies and procedures to mitigate the risk of slavery or human trafficking occurring in our business or any of our supply chains and to ensure a healthy working environment for all our staff and contracts, which together set out the standards that we expect our people and all who work with us, or on our behalf to support and uphold.

SAP is a signatory of the United Nations Global Compact. This is a voluntary undertaking to align our strategies and operations with universal principles on human rights, labour, the environment, and anticorruption.

By integrating human rights considerations into SAP's standard business practices, we also support the values of the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work. To ensure that SAP's commitment to human rights translates into practice, we take guidance from the United Nations "Protect, Respect and Remedy" framework.

The Human Rights Commitment Statement details SAP's response to the international standards mentioned above. The statement focuses on three main areas: SAP's employees, SAP's ecosystem of partners and suppliers, and SAP's solutions.

At SAP, we strive for constructive labour relations across the world, working within each country's requirements. We currently have social partners in 37 countries in Europe, Asia, and the Americas. These employee representative bodies consist of elected union members and/or non-union members, and are consulted by SAP management mainly on topics that define the work environment and work processes. Collective bargaining agreements with unions are only made in countries where legally required. Overall, about 49% of our employees are represented by works councils or an independent trade union, or are covered by collective bargaining agreements.

## Risk Assessment and Management

[SAP's Global Human Rights Commitment Statement](#) applies to all of SAP's operations and subsidiaries globally and is updated on a regular basis. SAP regularly reviews its performance in relation to human rights, including considering external benchmarks, performance ratings, audit results, and stakeholder feedback. In addition, since 2012, we have conducted regular internal audits to verify that SAP adheres to its human rights standards and to check internal compliance with our human rights policy. In 2018, SAP conducted labour audits across nine countries in the Middle East and North Africa region. In 2019, labour audits were conducted in Mexico and Columbia. There were no findings of labour rights abuses in either the 2018 or 2019 audits. In 2020, SAP conducted a labour audit at SAP Argentina, which included review of labour conditions, wages and hours, health and safety, the environmental management system and business practices. SAP did not encounter any abuses in these areas. At the end of 2021, SAP commenced a labour audit at SAP China, whereby SAP reviewed labour conditions, wages and hours, health and safety, environmental management system, and business practices. The audit has been finalised in the first quarter of 2022 and the results will be published in SAP's 2022 Integrated Report. SAP's global internal audit program is also in the process of being updated.



## Key Performance Indicators

Following SAP Australia's due diligence and auditing procedures, no reports have been received by SAP Australia from employees, the public, our suppliers, or law enforcement agencies to indicate that any modern slavery practices have been identified.

Examples of other performance indicators SAP Australia has in place include:

- Keeping record and measuring percentage of completion rate of employees conducting their annual compliance training;
- Number of whistleblowing alerts;
- Number of complaints to the AHRC; and
- Number of employee discrimination complaints.

We encourage all employees, including temporary external staff, to report conduct that violates our policies. Our whistleblower reporting tool is also available to external groups.

## Our Suppliers and Partners

We expect all of our suppliers and partners to respect human rights and to avoid complicity in human rights abuses. Our [Supplier Code of Conduct](#) and [Partner Code of Conduct](#) require our suppliers and partners to uphold labour rights and to provide a safe and healthy work environment for all employees.

We work collaboratively with our suppliers and partners on the implementation of these codes. In addition, we may carry out onsite audits to assess performance. As a business software company, we are committed to respecting human rights throughout the lifecycle of our products – from design through development to use. We develop innovative solutions that help customers embed human rights standards into their business and supply chain strategies.

SAP Australia requests that its suppliers confirm compliance with SAP's Supplier Code of Conduct, in addition to any other applicable laws, statutes, regulations and codes in respect of anti-slavery.

SAP Australia also requests its significant suppliers provide additional information regarding modern slavery, including information on:

- due diligence procedures and mitigation plans they follow for their suppliers, subcontractors and other participants in their supply chain to mitigate risks of modern slavery, and
- testing measures they have in place to assess the effectiveness of actions taken against modern slavery in their supply chain and operations.



## SAP Code of Business Conduct for Employees

SAP's [Global Code of Ethics and Business Conduct For Employees](#) outlines our continued commitment to ethical business practices and legal compliance. Approved by the Executive Board at SAP, the Global Code of Ethics and Business Conduct for Employees sets the standard for our employees in their dealings with customers, partners, competitors, and vendors. It is adapted locally and translated into local languages.

We have developed a compliance management system for enforcing ethical business conduct. This includes detailed policies and procedures to ensure that SAP does business the right way. Audited regularly, the system encompasses all aspects of compliance management. From the analysis of compliance risks and defining objectives to running compliance programs as well as ongoing monitoring, this comprehensive framework enables us to be a responsible compliance organisation.

Every SAP employee is made aware of the Global Code of Ethics and Business Conduct for Employees that applies to them and is under an obligation to comply. SAP's Office of Ethics and Compliance monitors both the Global Code of Ethics and Business Conduct and compliance.

SAP also has in place a Code of Business Conduct for External Workers that is required to be signed prior to the onboarding of contractors.

### Training

A code of business conduct is only effective if everyone knows about it. That is why we strive to make sure all of our employees receive training on the standards that we expect.

### Risks of Modern Slavery in our Supply Chains

SAP Australia has identified the following areas where modern slavery risks may be present:

- Employees and contractors who support SAP's internal business operations, which includes labour in developing countries who provide software IT/ HR/ Finance shared service support services to SAP;
- Employees and contractors who support maintenance of SAP's software and development of solutions for SAP's customers which includes software development and maintenance personnel in developing countries;
- Suppliers of corporate and facilities management services to SAP such as cleaning and facilities contractors;
- Suppliers who provide data centre facilities and services to SAP;
- Suppliers who provide external staffing to SAP;
- Suppliers of stationery, kitchen supplies, marketing supplies; and
- Other suppliers located in developing countries.

SAP Australia believes there is a low risk of modern slavery with its suppliers due to the processes in place as outlined above. In relation to labour provided to SAP Australia from developing countries, the majority of this workforce are employees of the SAP global group of companies and the SAP Group has policies and processes in place to ensure compliance with all applicable labour laws in relation to its employees.



SAP Australia assesses the effectiveness of its actions by monitoring whether any incidences of modern slavery have been identified through its risk assessment and audit processes. We have also implemented questionnaires for our significant suppliers to complete, and we continue to review our processes and frameworks, in conjunction with the broader SAP group or companies, to help assess and address modern slavery risks in our operations and supply chains.

SAP Australia takes the risk of modern slavery in our supply chains very seriously and has processes in place to support investigation of suspicious behaviour and appropriate steps will be taken if needed, which may include termination of a contract with a supplier.

## Remediation

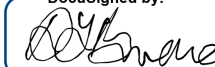
- Actions taken by SAP Australia to assess and address modern slavery risks include having a policy requiring SAP Australia's suppliers comply with SAP's Supplier Code of Conduct or equivalent standards (for example where a supplier has its own code of conduct that substantively addresses the modern slavery requirements), and implementation of a questionnaire for completion by SAP Australia's significant suppliers. SAP Australia will take appropriate steps to address any adverse findings, as appropriate.
- SAP raises awareness among SAP employees about policies (e.g. Global Code of Ethics and Business Conduct) during onboarding session and during refresher sessions.
- If SAP Australia identifies that an existing supplier does not comply with Anti-Slavery Legislation or Labour Hire Licensing Laws, SAP Australia may terminate the Supplier's services agreement with SAP Australia or take other appropriate steps.

This statement was approved by the board of **SAP Australia Pty Ltd** effective 30 June 2022.

**Name:** Damien Bueno

**Title:** President and Managing Director, SAP Australia & New Zealand

**Signature:**

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**Date:**