

ESG@SOW

For a smarter and better tomorrow

September 2024



Mission & vision

Connecting strategy and stakeholders

Sustainability Mission

Sustainability and responsible action are guiding principles that are central to Software AG. We are certain that moral principles and economic success belong together. To protect future generations and our planet, we are committed to creating not only economic, but also ecological and social value.



Vision

"Our vision is for Software AG to take a leading role in the global search for technological solutions to the most pressing social and environmental challenges, and to support our customers and partners in their sustainability efforts. Renewing our commitment to creating ecological and social value will contribute to Software AG's economic success."

- Sanjay Brahmawar, CEO Software AG

Sustainability Strategy

Our action plan for a truly connected and sustainable world

We empower.

Supporting **our employees** in unleashing their full potential and promoting digital skills in **society**.

We enable.

Deploying our **technology** and solutions to support **our customers** in doing business more sustainably.

We preserve.

Minimizing our **environmental** footprint and working towards achieving net-zero emissions.



Strategy

Creating economic as well as ecological and social value

- ✦ **Our commitment:**
creating not only economic, but also ecological and social value
- ✦ **Our guiding principles** in creating economic success:
sustainability and responsible action
- ✦ **Our key** to increasing business revenue and growth:
sustainability – because it is a strong driver of innovation and
a fundamental requirement for long-term profitable growth



Highlights 2023

Impact on value creation

Economic value

LEADERSHIP AND GOVERNANCE

- Maintenance of AAA score in the MSCI ESG Rating; ISS ESG Rating upgraded to C in Apr 2023 (vs C- in 2022); stable low risk score in Sustainalytics ESG Risk Rating
- Information security training rate 93% (vs. 88.5% in 2022)
- Data protection training rate 75% (vs 80% in 2022)

CUSTOMERS AND TECHNOLOGY

- All-time high NPS (net promoter score) of 65 (vs 61 in 2022)
- NRR (net retention rate) of 107 (vs 104 in 2022)

Environmental value

IMPACT ON ENVIRONMENT

- Increased energy consumption per employee and year of 2,240 kWh (2022: 1,969 kWh) as well as per square meter and year of 93 kWh (2022: 93 kWh), decreased overall annual energy consumption of 7,545,717 kWh (2022: 7,662,965 kWh)

Social value

VALUE FOR SOCIETY

- Give-back-to-the-world projects: 18 (vs 15 in 2022)
- Move Your Feet: staff members covered a distance of 7,028 (vs 6,865 in 2022) kilometers and raised a donation of €28.200 (vs €28,500 in 2022)
- University Relations Program (software free of charge for teaching and research purposes) reach: 2,200+ universities in 104 countries and a total of 270,898 academic contacts (2022: 247,682)
- 14 research projects out of 21 (vs 13 of 21 in 2022) in total contributed to the UN SDGs; R&D investments amounted to 19.4% (vs 18.9% in 2022) of total revenue

OUR EMPLOYEES

- Employee satisfaction weakened in annual employee survey:
 - participation: 81% (vs 86% in 2022)
 - engagement score: 4.05 (vs 4.21 in 2022)
 - DE&I score: 4.48 (vs 4.56 in 2022)
 - work-life balance score: 4.02 (vs 4.7 in 2022)
- Glassdoor employer rating decreased to 4.0 (vs 4.2 in 2022)

Green innovation

SDG alignment of ongoing R&D projects

Our target for R&D investment:
minimum 15% of our total revenue

Commitment to SDG alignment:
at least 80% of our research projects to be aligned by 2025 with the United Nations Sustainable Development Goals (SDGs)



CLiCE-DiPP

Climate-neutral Circular Economy enabled by Digital Product Carbon Pass. [Find out more](#)



HYSouthMarmara

Innovative project aiming to create a regional "hydrogen economy" with green hydrogen production. [Find out more](#)



DESPRIMA

Flexible energy consumption adaptation for beverage bottling industries. [desprima.de](#)



iECO

Data space for the construction industry based on Gaia-X and a digital twin of a building's life cycle



KI4ETA

Artificial Intelligence for Energy Technologies and Applications in production. [Find out more](#)



KLIPS

Digital platform for localization, prognosis and simulation of heat islands in urban areas. [klips-projekt.de](#)



REVAMP

Remanufacturing of variant-rich battery modules with automated assembly and testing processes. [Find out more](#)



SynErgie 3

Synchronized and energy-adaptive manufacturing engineering for flexible alignment to a fluctuating energy supply. [Find out more](#)



SENATOR

Governance schemes for urban planning policies. [senatorproject.eu](#)



Click to find out more about our research activities in sync with the SDGs.

DE&I and Human Rights

Diversity, equity and inclusion

- Global **Diversity, Equity & Inclusion initiative** with appointment of corresponding management position and 24 DE&I ambassadors, development and implementation of global and regional diversity concepts and activities
- Member of **The Valuable 500** that puts the inclusion of people with disabilities on the agenda of managers.
- Signatory to the "Charter of Diversity" (**Charta der Vielfalt**) that promotes recognition, appreciation and integration of diversity in business culture
- Founding member of "Alliance for Chance" (**Allianz der Chancen**) that assists workers across a variety of industries in adapting to the rapid changes in the employment landscape
- Member of the initiative **Women into Leadership** (IWIL) that supports the sustainable development of female leaders
- Signatory of the **UN Global Compact** that promotes alignment with universal principles on human rights, labour, environment and anti-corruption in the business world. (Go to our [Human-Rights Commitment](#))



WE SUPPORT



Carbon neutrality

A step-by-step approach

#1 Establishing our Corporate Carbon Footprint

CO2 emissions (tCO2e)				
	2021	2022	2023	
Scope 1	3,062	3,048	1,541	
Scope 2	location-based	3,654	3,068	3,250
	market-based	2,197	2,114	2,327
Scope 3	excl. use of sold products	8,373	15,310	15,348
	incl. use of sold products (estimate)	13,632	20,472	31,042

#2 Submission of our CCF data to CDP

CDP 2022+23: **C**
Awareness score

Emissions data reported for 37 countries (96% of our office footprint)

(Reports, incl. the as yet not evaluated 2024 submission, available [via the CDP website](#))

#3 Defining our path to net zero

A reduction path to net zero CO2 emissions plus key indicators relevant to governance are high on our priority list once we have access to robust scope-3 emissions data in their entirety.

Find out more via our
[ESG webpage](#)

