Diversity + Inclusion

LGBT Leadership

Frankfurt, October 20, 2017

#DiversityatSAP #LifeatSAP #RunProuder

Miguel Castro
Inclusion increases Customer Satisfaction, drives Employee Engagement, and inspires Innovation

Managers most impact employee engagement via diversity and inclusion. (Catalyst)
A 1%-point increase in Employee Engagement results in an operating profit impact of € 35 - 45 million (BHCI)

350 million people with disabilities to enter the workplace over the next 10 years
Gartner Maverick Research

35% Ethnically diverse companies more likely to outperform their peers
McKinsey analysis

48% Higher operating margins generated by gender diverse management teams.
McKinsey

+3% Companies that embrace pro LGBT policies outperform those without them in the stock market
Credit Suisse ESG Research

$12 trillion added to global economy if gender equity achieved
McKinsey

36% digital leaders more likely to link financial performance to diversity
Oxford Economics

25% The Diversity Inc. Top 50 companies outperform stock exchange performance by an average of 25%.
Diversity Inc.

85% CEOs whose organizations have a diversity and inclusiveness strategy say it’s enhanced performance.
PwC, 18th Annual Global CEO Survey

23% digital leaders more likely to value diversity and inclusion as key to success
Oxford Economics

25% The Diversity Inc. Top 50 companies outperform stock exchange performance by an average of 25%.
Diversity Inc.
Diversity + Inclusion

87 percent of SAP employees embrace workforce diversity

5 generations of workers creating a new dynamic

25 percent women in leadership

87 thousand + SAP employees in 150+ countries

130 plus SAP colleagues employed via the Autism at Work program

150 plus nationalities of SAP employees in 130+ countries

33 percent women in the workforce

355 thousand + customers in 180+ countries

* October 2017
What we stand for

**SAP’s Purpose:**
Help the world run better and improve people’s lives

**SAP’s Promise:**
Drive continuous innovation to help our customers run at their best

**SAP’s Global Diversity & Inclusion Strategy:**
Enabling people, processes and technology to ensure a bias-free business
SAP Diversity & Inclusion Portfolio

- Gender Intelligence
- Cross-Generational Intelligence
- Culture & Identity
- Differently Abled People
- Cross Topics & Enablement
- Employee Network Groups
- Culture and Ethnicity
- LGBT Community
LGBT Inclusion also increases Customer Satisfaction, drives Employee Engagement, and inspires Innovation

**LGBT INCLUSION IMPROVES PRODUCTIVITY**

- SAP’s vision is to make the world run better and improve people’s lives
- LGBT inclusion is linked to average individual productivity increase of 24%¹
- LGBT-inclusive companies are up to 72% better at attracting allies as employees²
- LGBT people who are not out are 17% more likely to leave than non-LGBT³

**LGBT-INCLUSIVE COMPANIES OUTPERFORM**

- LGBT-inclusive companies outperform on the stock market by 3% a year when compared to companies without LGBT inclusive policies in the stock market⁴
- 71% LGBT individuals & 82% allies are more likely to purchase goods and services from LGBT-friendly companies⁵
- 85% of enterprises agree that diversity results in the most innovative ideas⁶
- The global LGBT population is estimated at 450 million people worldwide representing $3.7 trillion spending power annually⁷
LGBT D&I at SAP

Companies should...

- RESPECT HUMAN RIGHTS of LGBTI workers, customers and community members
- ELIMINATE DISCRIMINATION against LGBTI employees in the workplace
- SUPPORT LGBTI STAFF at work
- NOT DISCRIMINATE against LGBTI customers, suppliers and distributors—and insist that business partners do the same
- STAND UP FOR HUMAN RIGHTS of LGBTI people in the communities where they do business

Supporting the standards:

Gap Inc., Baker McKenzie, Microsoft, SAP, accenture
LGBT D&I at SAP

<table>
<thead>
<tr>
<th>Country</th>
<th>Programmes</th>
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<tbody>
<tr>
<td>Germany</td>
<td>PRoUT AT WORK, Unicorns in TECH</td>
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<tr>
<td>Netherlands</td>
<td>Workplace Pride</td>
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<td>UK</td>
<td>Stonewall, outstanding</td>
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<td>Spain</td>
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<td>Mexico</td>
<td>Pride Connections</td>
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<td>Brazil</td>
<td>Fórum de Empresas e Direitos LGBT</td>
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<td>Australia</td>
<td>pride in diversity, Australian Marriage Equality</td>
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Using SAP SuccessFactors technology to drive Business Beyond Bias
At SAP, we need leaders who embody the SAP Leadership Principles; who drive business and people performance to achieve ONE SAP and become the most innovative cloud company powered by SAP HANA.
Leadership development is a journey, not an event.

Leadership Development Roadmaps: tailored to the responsibility and development needs of leaders at every level:

- Aspiring leaders
- First level leaders
- Mid level leaders
- Executive level leaders
- Global and Senior Executive Team leaders

First Level Leader

A first level leader manages a team of individual contributors. First level leaders primarily focus on team performance and getting the best results from individual contributors. In the HR system, a first level leader has the designation of Manager Managing Team (MMT) and may be any level up to and including TS.
LEADERSHIP EXERCISE (1)

1. Self-Reflection: What have been the “ups” and “downs” in your life so far?
2. Self-reflection: How important was your LGBT identity in these moments?
3. In groups: Share among each other your reflection (to the extent that you feel comfortable) – And choose one from the group to share with everyone.
4. All: Let’s discuss the outcome.
5. Questions:
   1. How did you feel in this exercise? Was it uncomfortable?
   2. What did you learn?
   3. What would be different if we shared more openly with each other?
LGBT Leaders
Some facts and figures

- According to the UK Office for National Statistics (2013), **gay people** as:
  - being **better educated**, with 38 per cent holding a degree.
  - more likely to be in **managerial** or **professional occupations** – 49 % vs 30 % for straight workers.

- 41% of US LGBT workers and 72% of senior LGBT executives say they have not come out openly at work – Credit Suisse ESG Research, 2016

- “**The Lesbian Premium**” (WEF 2017): Lesbian women earn more than heterosexual ones in US (+20%), Canada (+15%), Germany (+11%), UK (+8%), Netherlands (+3%) – but still, same as gay men, less than heterosexual men in all those countries!
  - However, in Australia lesbian women earn 28% less and in Greece 8% less.
What are the main characteristics of gay leaders?

The G Quotient


5-year study: 1,048 employees of non-closeted gay male executives.

<table>
<thead>
<tr>
<th>Result in:</th>
<th>US-Wide</th>
<th>G Quotient</th>
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<tbody>
<tr>
<td>Engagement</td>
<td>21%</td>
<td>85.30%</td>
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<tr>
<td>Job Satisfaction</td>
<td>45%</td>
<td>81.39%</td>
</tr>
<tr>
<td>Workplace Morale</td>
<td>40%</td>
<td>84.82%</td>
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What are the main characteristics of **gay** leaders?  
The G Quotient

The seven principles:

1) Inclusion
2) Creativity
3) Adaptability
4) Connectivity
5) Communication
6) Intuition
7) Collaboration
LGBT Leadership at SAP
Out Executives and Future LGBT Leaders

DEUTSCHLANDS TOP 10 OUT-EXECUTIVES
#StolzeVorbilder

Präsentiert von
RAHM - Der weltweit erste LGBTI Leadership Contest & STICKS & STONES - Europas größtes LGBTI Karriere-Event

- Harald Christ, Vorstandsvorsitzender | ERGO Beratung und Vertrieb AG
- Barbara Hendricks, Bundesumweltministerin
- Niek Jan van Damme, Vorstandsmitglied | Deutsche Telekom AG
- Susanne Baer, Richterin | Bundesverfassungsgericht
- Ernesto Marinelli, Senior Vice President | SAP SE
- Katrin Suder, Staatssekretärin | Bundesministerium der Verteidigung
- Thomas Sattelberger, Ex-Telekom-Vorstand, Bundestagskandidat | FDP
- Miriam Meckel, Herausgeberin | WirtschaftsWoche
- Sadiq Gillani, Senior Vice President | Lufthansa Gruppe
- Michael Roth, Staatsminister für Europa | Auswärtigen Amt

Ernesto Marinelli, Senior Vice President, SAP SE

Jenny Dearborn
@DearbornJenny
Honored to be #21 most influential global Executive Ally - list from the Financial Times. @FT @lifeatsap #runprouder
twitter.com/OUTstandingiB/…
2:54 AM - Oct 26, 2016

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Out Executives and Future LGBT Leaders
Leaders 2020: The next-generation executive
By Oxford Economics for SAP SuccessFactors

Leaders 2020
The next-generation executive: How strong leadership pays off in the digital economy
LEADERSHIP EXERCISE (2)

Whose success drives you to give your best at work?

• Your Own
• Your Team
• Your Company
• Your Customers
• The World

Based on the exercise shared by Dennis Layton at the LGBT@Work Conference 2016 at the IE Business School in Madrid
7 Leadership lessons from the CEO of SAP, Bill McDermott

Article in inc.com

1. Lead with a higher purpose
2. Surround yourself with better people
3. Learn from others, but be authentic
4. Don’t mess up the business strategy
5. Make trust as the linchpin
6. Focus on the root cause of success
7. Remember, it’s a work in progress
Thank you!

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