



February 19, 2010

The Honorable Richard J. Durbin
Room 309 Hart Senate Building
United States Senate
Washington, DC 20510

Dear Chairman Durbin:

Thank you for your letter regarding Internet freedom in China and around the world.

At SAP, we are deeply committed to running our business in a responsible manner consistent with the principles of ethics and sustainability, including a commitment to human rights. Responsible values and the highest standards are at the heart of our products and services, which enables our customers to greatly improve the transparency, accountability, and sustainability of their operations.

Over the years, SAP has collaborated in several initiatives that have dealt with human rights. For example, since 2003 SAP has been an active member of the UN Global Compact, which brings together businesses that are committed to aligning their operations and strategies with universally accepted principles in the areas of human rights, labor, environment and anti-corruption. SAP has also been active in the Global Reporting Initiative in its development of standards that organizations can use to publicly report their social and environmental performance.

Internally, SAP has a global team sponsored by senior management with a mandate to oversee all aspects of sustainability across our business, including solutions development, environmental performance (both in our software and SAP's internal operations), economic impact, and social performance including human rights, labor practices, and SAP's relationship with society. Further information about our governance, sustainability, and corporate social responsibilities efforts can be found online at <http://www.sap.com/about/csr/index.epx> and <http://www.sap.com/about/SAP-sustainability/index.epx>.

With regard to the specific issues you raise, it is important to understand the nature of our business. SAP is the world's leading provider of business software solutions, helping public and private sector organizations manage functions such as financial accounting, enterprise resource planning, human resources, supply-chain coordination, and legal compliance. SAP does not provide Internet services, networking equipment or services, or telecommunications equipment or services; and thus SAP is not directly involved in matters of Internet freedom.

SAP has had operations in China since 1995, and today serves hundreds of public and private sector customers with a wide array of SAP products and services. SAP China employs approximately 2,500 people, most of whom are local hires. SAP Labs China, located in Shanghai, employs 1,200 people who develop functionality and modifications to SAP software for the Chinese business market, just as other SAP regional labs localize our products for their regions' needs.

Regarding the Global Network Initiative (GNI), SAP has not been actively involved in this effort because we are not an Internet services or network services provider. However, the GNI's principles are consistent with SAP's own principles and values, and we will continue to follow the progress of GNI's implementation dialogue.

Senator, before closing, I would like to mention that SAP America has more than 9,400 employees in the United States, including nearly 800 in Illinois, and we pay an average salary that is well above the national average. At a time when the entire country is concerned about jobs and solid careers, we are proud of our jobs growth in the United States in recent years. In addition, SAP's University Alliance annually gives more than \$100 million in in-kind donations and grants to US schools and universities, including Southern Illinois University in Edwardsville, to develop the next generation of business and technology leaders.

Thus, we are proud to say that SAP is a global company with a strong commitment to helping people in every market we serve – including the United States and China -- and to upholding human rights, sustainability, and the highest ethical standards in all that we do.

Thank you again for the opportunity to share our views on issues of mutual concern.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill McDermott". The signature is written in a cursive, flowing style.

WRM/br