

sas corporate
social responsibility
summary
2009



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SAS' ongoing commitment to sustainability is reflected in its third *Corporate Social Responsibility (CSR) Report*. In tough economic times, SAS was able to retain economic growth, maintain a low employee turnover rate in a world-class work environment and continue investing in efforts to mitigate the environmental impacts of its operations. This year's full report enables stakeholders to access key information and navigate across varying aspects of the business. The full report reflects our performance on key issues around education, employees, the environment, suppliers and customers. The following is a summary of the 2009 CSR Report.

Summary of highlights from this year:

- Participated in COP 15 in Copenhagen.
- Constructing two new SAS buildings, following LEED guidelines.
- Donated \$16 million cash, \$3 million in-kind and over \$650,000 in laptops and surplus equipment.
- SAS US was named No. 1 on the 2010 FORTUNE 100 Best Companies to Work For list. SAS Belgium, SAS Norway and SAS Sweden were all named No. 1 in their countries on the Best Place to Work For list by the Great Place to Work Institute. SAS offices in nine other countries have also been recognized for their workplace cultures.
- Achieved an employee turnover rate of 2 percent compared to industry average of 22 percent*.
- Achieved 94 percent customer satisfaction rating.
- Realized US\$2.31 billion in global revenues, maintaining an unbroken chain of growth and profitability for 34 years since the company was founded.

* Data is supplied by the U.S. Department of Labor, Bureau of Labor Statistics (BLS).



Governance

As in 2008, corporate social responsibility initiatives and priorities are set at board level with the SAS Executive Sustainability Council serving as the key body for establishing policies, programs and practices. This year, an additional group was formed – the CSR Task Force mandated to provide strategic advice, communications and manage reporting. Both the council and the task force are made up of representatives from across the business.

The council's charter is to set global direction for corporate social responsibility. The 2009 focus on environmental awareness and stewardship resulted in the following accomplishments:

- Set environmental strategy and oversaw companywide environmental programs.
- Promoted sustainability in the planning, development and operation of company facilities.
- Reviewed existing or proposed additions to corporate sustainability programs.
- Guided future investments.
- Determined participation in global reporting organizations.
- Communicated internally and externally about environmental issues.

Throughout 2009, stakeholder engagement continued to provide SAS with a better understanding of risks, areas of opportunity and important feedback on performance. SAS participated with key organizations including the World Economic Forum, World Resource Institute, World Wildlife Fund and Environmental Defense Fund. SAS made additional efforts around customer satisfaction and employee engagement. Below are examples of stakeholder engagement from 2009.

Stakeholder	Engagement	Examples from 2009
Communities	Employee volunteering Grants Donations Training	Engaged with Cary Academy to host the Literacy Council of Wake County's Corporate Spelling Bee, which raised more than \$13,000 to assist in programs for more than 100,000 people who are illiterate in the county.
Customers	Webcasts Users groups meetings Training courses Surveys Feedback forms	In April 2009, SAS conducted an internal survey to understand how our corporate social responsibility practices affect customer engagement and what information is commonly requested by external stakeholders, in order to improve data collection and information dissemination practices internally.
Employees	SAS Internal Web site Webcasts Webzines Blogs	SAS hosted more than 600 blogs to share news, insights, announcements and thought leadership.
Regulators and government	Regular meetings and briefings Membership in trade associations and business organizations	SAS participated in COP 15, the global climate change summit hosted by the United Nations in Copenhagen. As one of three global IT companies allowed to participate in the conference, SAS addressed the need to integrate measurement and metrics as fundamental elements to any global solution to climate change.
Industry organizations	Interviews, meetings and briefings White papers and articles	In March 2009, SAS contributed to the ongoing development of a framework for the Shared Environmental Information System (SEIS), sponsored by the European Union. The collaboration of EU member states, technical partners from private companies, and nongovernmental organizations continues to pursue the goals of an open, distributed environmental intelligence system.
Business partners and suppliers	Meetings Webcasts Representation on boards Membership in key minority and women's business networks	Worked with the Minority/Women Business Enterprise (MWBE) to achieve over 5 percent subcontracting spending on construction projects.



Strong governance and compliance practices ensure that SAS conducts business in an honest, respectful, fair and safe manner. The SAS Code of Business Ethics helps the company maintain these standards. The corporate ethics and compliance program provides education to employees on the Code and other regulatory issues related to their work. An internal web portal also exists for further information and guidance on compliance.

In 2009, employees participated in the following courses:

- Code of Business Ethics
- SAS Business Ethics in Selling, Buying and Competing
- Foreign Corrupt Practices Act
- Export Controls Awareness
- Information Security
- Respect in the Workplace
- Sexual Harassment

In addition to the Code of Business Ethics, SAS has established a Supplier Procurement Guide to help create and maintain value-based relationships with suppliers that will foster long-term commitment to SAS ethics. The guide also outlines SAS' drive to make purchasing opportunities available to minority-owned, women-owned, small disabled-owned, HUBZone-certified and small disabled-veteran-owned businesses. In further support of diversity, SAS is a member of the National Minority Supplier Development Council (NMSDC) and the Women's Business Enterprise National Council (WBENC). In 2009, SAS surpassed the 5 percent subcontracting goal for Minority Women Business Enterprise spending for a construction project, and the program received the MBE (Minority Business Enterprise) Advocate of the Year Award from the Carolinas Minority Supplier Development Council.

SAS® software is in use at approximately 45,000 customer sites worldwide representing 92 of the top 100 FORTUNE Global 500® companies. Given these numbers, SAS has developed an extensive network of consultants who engage with customers to help develop and maintain their analytical applications. Even in tough economic times, SAS maintained its commitment to product quality and meeting customer needs by reinvesting 23 percent of revenue in R&D activities. These activities were guided by customer input received via account teams, product managers and an ongoing SASware Ballot® program, where users describe what capabilities they want to see in the next software release.

Highlight of customer support:

- Customer satisfaction rating: 94 percent
- Average wait time for support calls: less than 30 seconds
- Issues resolved on primary contact: 50 percent

Education and Community Engagement

SAS has prioritized education to promote innovation, creativity and economic development. This long-standing commitment goes back to when the company was founded with the aim to extend the benefits of academic discovery to the world. While a global company, SAS has adopted the “think global, act local” approach and primarily supports initiatives in North Carolina, where its headquarters is located.

Donations

Worldwide cash donations: \$16 million

In-kind donations of software and services: \$3 million

Value of in-kind training for students and educators: \$9.4 million

Donations of surplus equipment: \$650,000

The focus is on four areas: education initiatives, charitable donations, in-kind donations and employee volunteering. One example is SAS® Curriculum Pathways®, an interactive resource for educators and students, providing Web-based curriculum resources in the core disciplines of English, math, science, social studies/history and Spanish. It is available free to every educator in the US. Winner of the 2009 Award of Excellence from *Tech & Learning* magazine, SAS Curriculum Pathways was used in nearly 6,000 schools by more than 35,000 teachers in 2009.

Another example is the Employee Volunteer Fund, a program whereby SAS provides cash contributions to education-based nonprofit organizations where employees have volunteered. In 2009, SAS employees recorded a total of 14,900 hours.

SAS employees also contribute thousands of hours and financial support to other community organizations and charities. To assist employee volunteering, SAS provides an internal mailing list and held a weeklong education fair to showcase SAS contributions and opportunities to volunteer in the communities.

Employees

SAS believes that a healthy workplace environment is critical for employees and for the business. Focusing on people and relationships leads to more productive, satisfied and dedicated employees. A healthy work-life balance is critical to this success. As a result of this commitment, SAS U.S. was named

No. 1 on the 2010 FORTUNE 100 Best Companies to Work For list. SAS Belgium, SAS Norway and SAS Sweden were all named No. 1 in their countries on the Best Place to Work For list by the Great Place to Work Institute. SAS offices in nine other countries have also been recognized for their workplace cultures. While other companies were forced to let go of talent to cut costs, SAS actually added staff in high-priority areas and emerging markets.

Employee statistics

- Average tenure of 10 years.
- 2009 turnover of 2 percent (industry average of 22 percent).
- 44.5 percent of employees are female.
- 109 courses attended by 1,816 employees (roughly 1/3 of all staff).
- .006 percent injury claim rate.

SAS has a wide range of employee benefits, from comprehensive medical coverage and on-site health care centers to learning and development opportunities and services to retirees.

Examples of employee-friendly benefits: free on-site health care, subsidized on-site childcare for more than 600 children, subsidized cafés and free counselling.

SAS is an equal opportunity employer promoting diversity among employees at all levels. Initiatives include training and employment for individuals with autism, supporting women and minorities to enter professional careers, use of a recruitment tool that helps identify successful job posting sites that will assist in generating highly qualified female, minority, veteran and disabled applicants, and innovative solutions to assist the hearing impaired.

SAS values employee feedback and has extensive tools available for communications. The company intranet is the day-to-day source for employees and contains additional resources. The site received recognition as the runner-up in the Best Company Intranet category from Ragan Communications. In addition, SAS hosts Webcasts, podcasts, blogs, Webzines and meetings both online and in person. The wide use of social media as a communications tool allows for more immediate and interactive information. In a 2009 employee poll, 91 percent of respondents agreed that they were adequately informed about the company via direct internal channels.

Environment

SAS is fully committed to minimizing the environmental impacts of the business. While the IT sector represents only about 2 percent of the world's carbon emissions, SAS actively supports the sustainability efforts of other industrial and services sectors – those that account for the remaining 98 percent of greenhouse gas emissions. In 2009, SAS delivered two significant new components for the SAS® for Sustainability Management suite, the analytic software solution that helps organizations measure and manage their environmental impact:

1. SAS Sustainability Reporting, which uses generally accepted reporting metrics, with predefined analytics for better reporting about sustainability performance.
2. SAS Energy and Emissions Management, which provides activity-based capacity and resource planning models to help organizations choose between alternatives-based on predicted resource requirements.

Highlights from 2009:

- Generated 1.7 million equivalent kilowatt-hours (kWh) of sustainable energy from a five-acre photovoltaic solar farm and rooftop solar thermal systems.
- Developed additional solar installations to ultimately generate 3.7 million kWh annually – enough to reduce CO2 emissions by more than 3,500 tons a year.
- Continued construction of a 280,000-square-foot Executive Briefing Center and 38,000-square-foot cloud computing center, both designed to high-level LEED standards.
- Saved more than 19 million gallons of water through wise landscaping practices, low-flow water fixtures and employee awareness.

Projects initiated or ongoing in 2009 focused on water conservation, energy conservation and solar power, waste reduction and recycling, and habitat protection. A significant focus was the construction and renovation of company buildings to LEED (Leadership in Energy and Environmental Design) certification standards.

SAS uses its own analytics technology to measure and analyze the performance of its sustainability initiatives. SAS for Sustainability Management provides built-in templates created around the Greenhouse Gas Protocol framework and the Global Reporting Initiative indicators, among other standards.

Performance summary:

- Total direct and indirect greenhouse gas emissions – 56,358 CO2e tons.
- Total global electricity consumption – 94,812,161 kilowatt hours.
- Electricity used by data centers – 28,876,000 kilowatt hours.
- Total water consumption (SAS-owned offices) – 51,584,969 gallons.
- Total municipal water consumption (SAS-owned offices) – 40,855,269 gallons.
- Water reclaimed, recycled or reused – 252,128 gallons.
- Percent of wastewater recycled and reused – 1 percent.

Employee involvement on environmental issues is important for SAS. In 2009, the company hosted a companywide Earth Week event to highlight SAS environmental activities and generate awareness. The Eco Advocates employee volunteer program was also launched to boost recycling over and above the corporate program, in every office building at SAS world headquarters.

For more detailed information on the 2009 report, please go to www.sas.com/csr or contact globalreporting@sas.com.

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