



# SAP Sustainability Control Tower

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# What's on our customer's minds...



## Compliance

Meet mandatory regulatory requirements across different regions



## Transparency

Create transparency across the complete extended supply chain.



## Data Sharing

Ability to communicate with common standards, Interoperable and seamlessly regardless of IT infrastructure of the supply chain members



## Business Transformation

Identify products or processes with high potential for becoming green. Creating goals and optimization scenarios



# What's on our customer's minds...

## RECORD

Move from averages to actuals  
with data across the value chain

**88%** of the World's Supply Chains  
networked through SAP

Public

## REPORT

Incorporate relevant frameworks  
with built-in audit & assurance

**>600** ESG frameworks & standards  
simplified on extensible data foundation

## ACT

Embed sustainability into your  
business DNA

**50 years** of market leadership  
in enterprise processes & applications

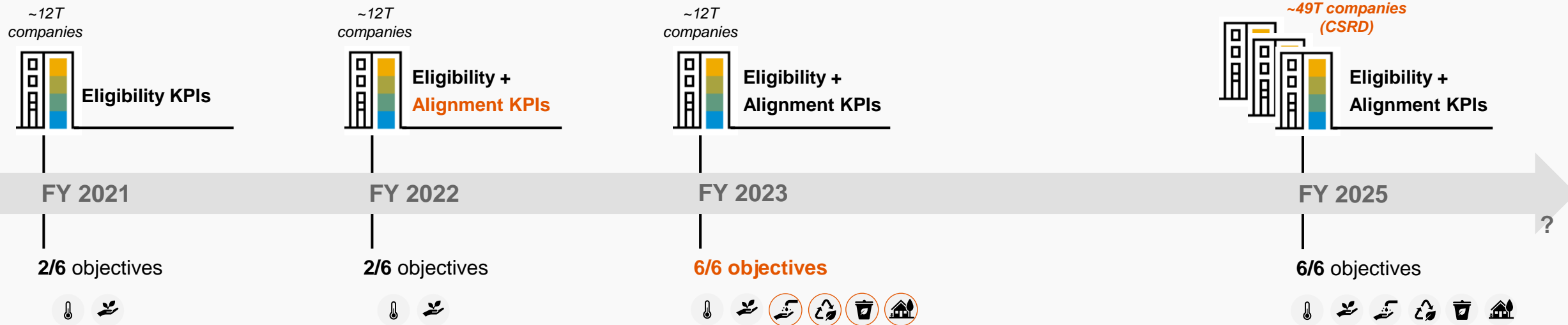


# The EU Taxonomy represents a major, mandatory and evolving mechanism for assessing sustainability and increasing transparency



- EU Taxonomy introduces a **new sustainability classification system** that requires companies to integrate financial, sustainability and operational data at an unprecedented level of detail.
- The aim of this system is to **provide transparency to the EU market** on what should be considered sustainable (according to the Taxonomy) so that capital can be **reallocated** accordingly.
- To this end, the requirements for the Taxonomy and its coverage are being **significantly expanded in the coming years**.

## Scope of the EU Taxonomy increases over time:



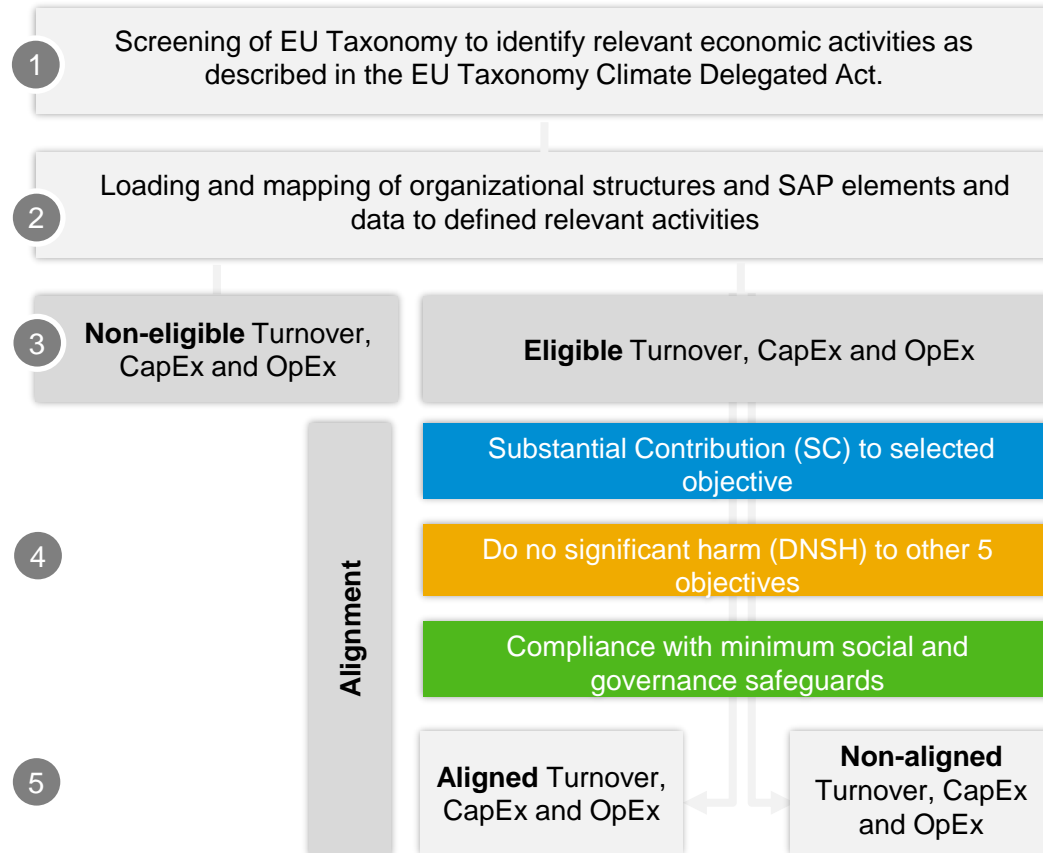
CSRD: Corporate Sustainability Reporting Directive

# What do customers require?

## High degree of flexibility & pre-integration as well as rigor of a financial close



### End-to-end EU Taxonomy Process



### Customer Requirements

- **Easily consumable EU-T regulatory content**
- **Workflows** that can "guide" the identification of relevant activities.
- **Integration** of relevant SAP data entities (master data)
- **Flexibly assign / link EU Taxonomy activities** to SAP entities
- **Prepare financials** according to the EU Taxonomy definitions (e.g. OpEx calculations, elimination of intercompany transactions).
- **Pre-defined end-to-end process enabling rigor of a financial close**
- **Transparent flexible alignment options – e.g. screening on any level**
- **Customizable, questionnaire workflow for de-central screening**
- **Integration / link of evidence documentation** for criteria fulfilment.
- **Allocations and aggregation of results for reporting**

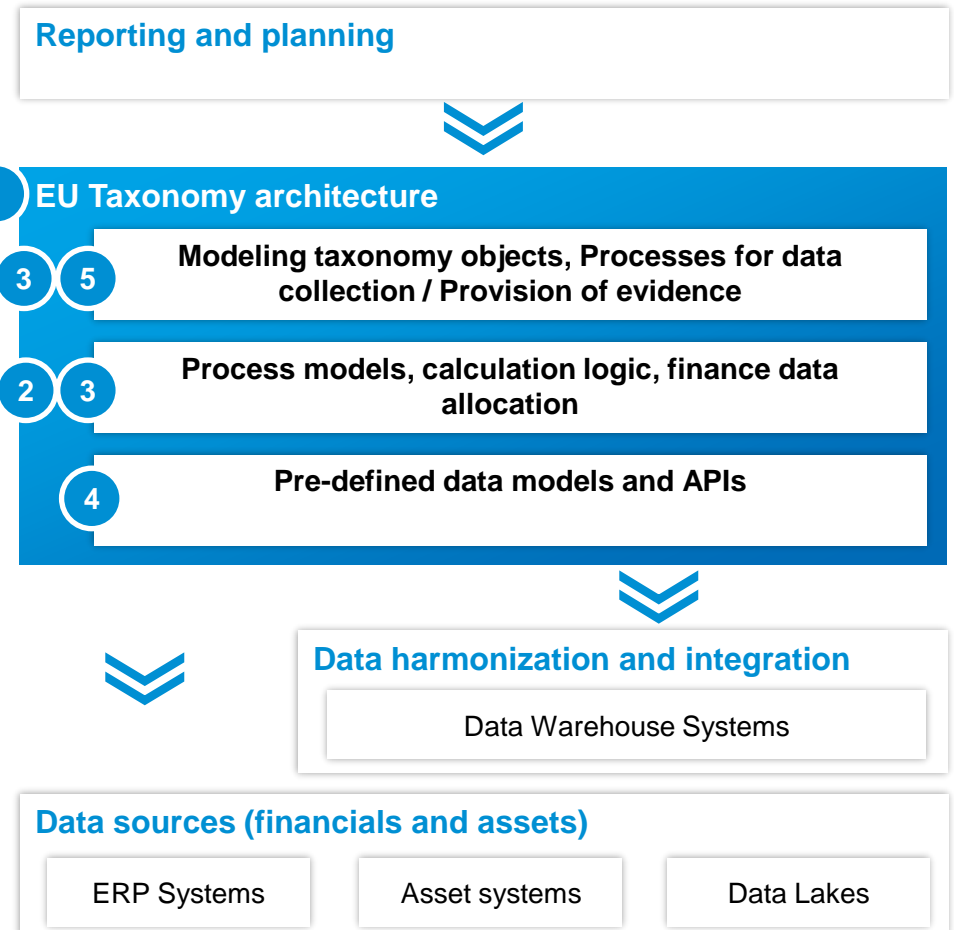
# The EU Taxonomy requires a flexible data and process architecture, based on the principles of financial reporting



## Requirements to IT

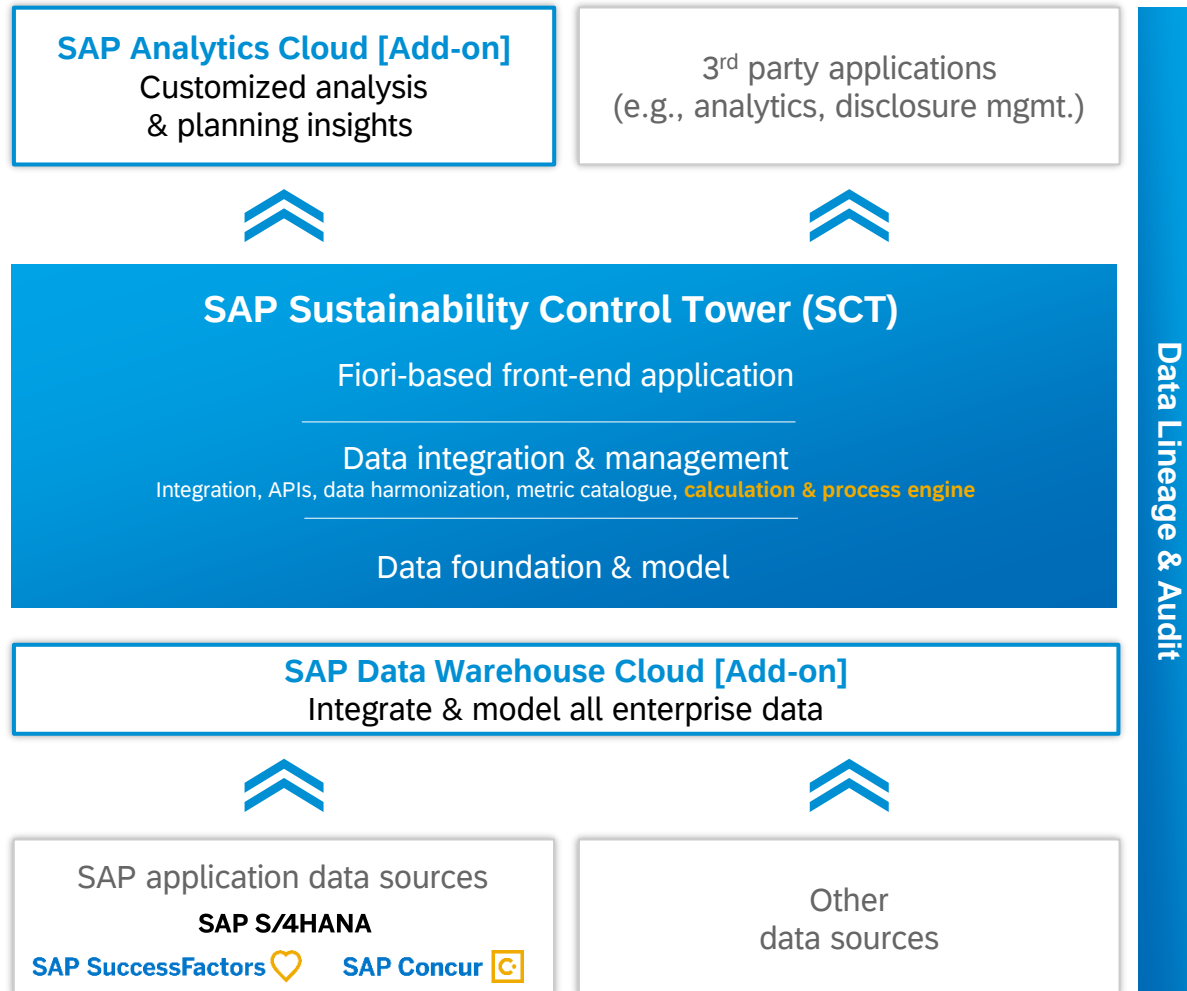
- 1) **Architecture:** Taxonomies always require two elements – the evaluation of taxonomy objects and assignment of financial flows
- 2) **Process:** The EU-T process should follow the same rigor as financial reporting (pre-defined steps, roles, status control) and corresponding data maintenance, validation and release mechanisms.
- 3) **Auditability:** The taxonomy requires traceability and life-cycle control of data per taxonomy (assurance relevant).
- 4) **Automation:** Much of the needed information is already available in customer's business systems and should be integrated into the process.
- 5) **Taxonomy object modeling:** Flexible definition and modelling of taxonomy objects is critical

## Reference architecture (Top-down)



# Achieving Holistic Steering and Reporting

Empower your business to act with ESG transparency along the value chain



- **Harmonized insights** by consolidating, modelling and enriching ESG, financial and operational data enabling boardroom and business-level decisions
- **ESG performance management** with enterprise planning, predictive forecasting, what-if simulations and impact analysis across the value chain
- **Pre-built data models** to support established reporting frameworks and customer-specific adaptations based on SAP, non-SAP, structured and unstructured data

# SAP Sustainability Control Tower | EU Taxonomy Preview Content

Kick-start content for EU Taxonomy enabling exploration of the end-to-end process with pre-configured process steps and sample data

## Pre-configured process templates for EU Taxonomy

Explore the end-to-end process via six pre-configured process flows, including all required data collection and data processing steps

## Pre-configured data models with sample data

Sample data for demo company and pre-defined data models for all process steps (incl. EU-T regulatory, master data, financials, alignment results)

## Simple workflows for eligibility and alignment

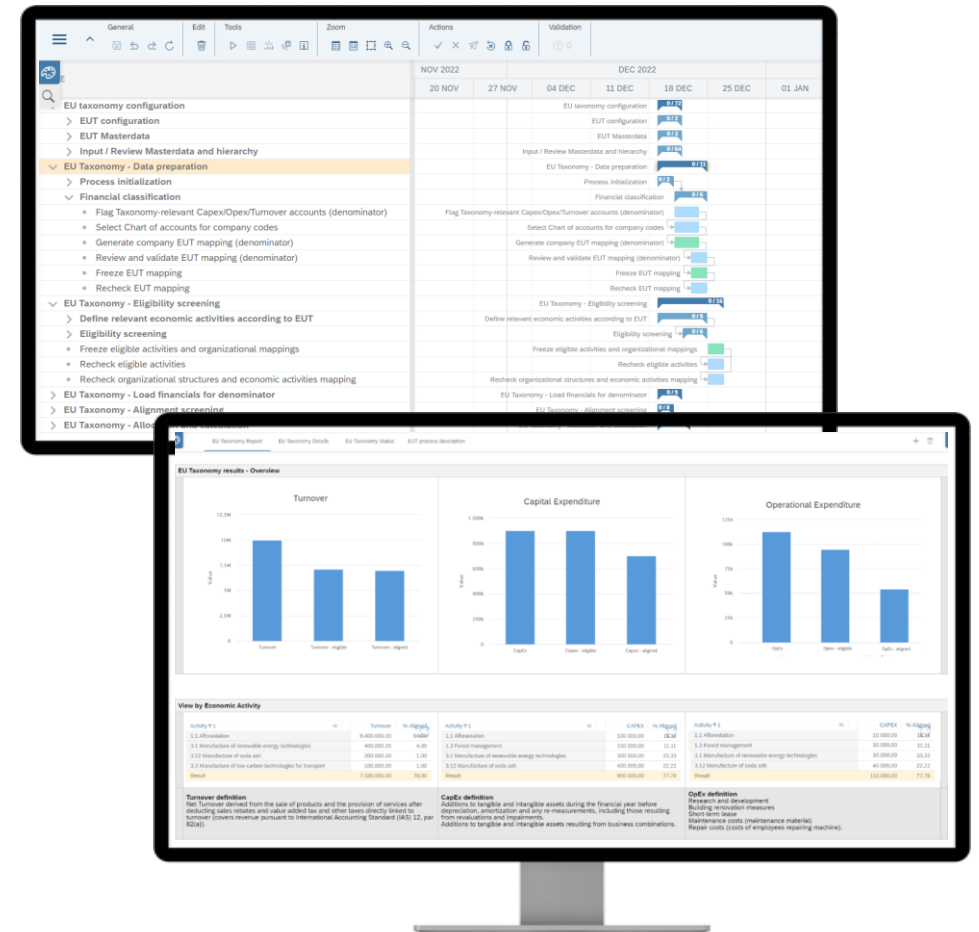
Model and prepare the corporate structures, map to EU Taxonomy requirements and perform SC and DNSH criteria evaluations

## Sample reporting content for results analysis

Analyze results via sample reports and dashboards on different levels of granularity (including organization, activity, objective, asset)

## Integration of customer specific data via file upload

Integrate your own customer specific data via flat file upload and explore process flow and results



Note: Some capabilities are planned as part of Sustainability Control Tower roadmap and may not be available today.

INTERNAL – SAP and Partners Only

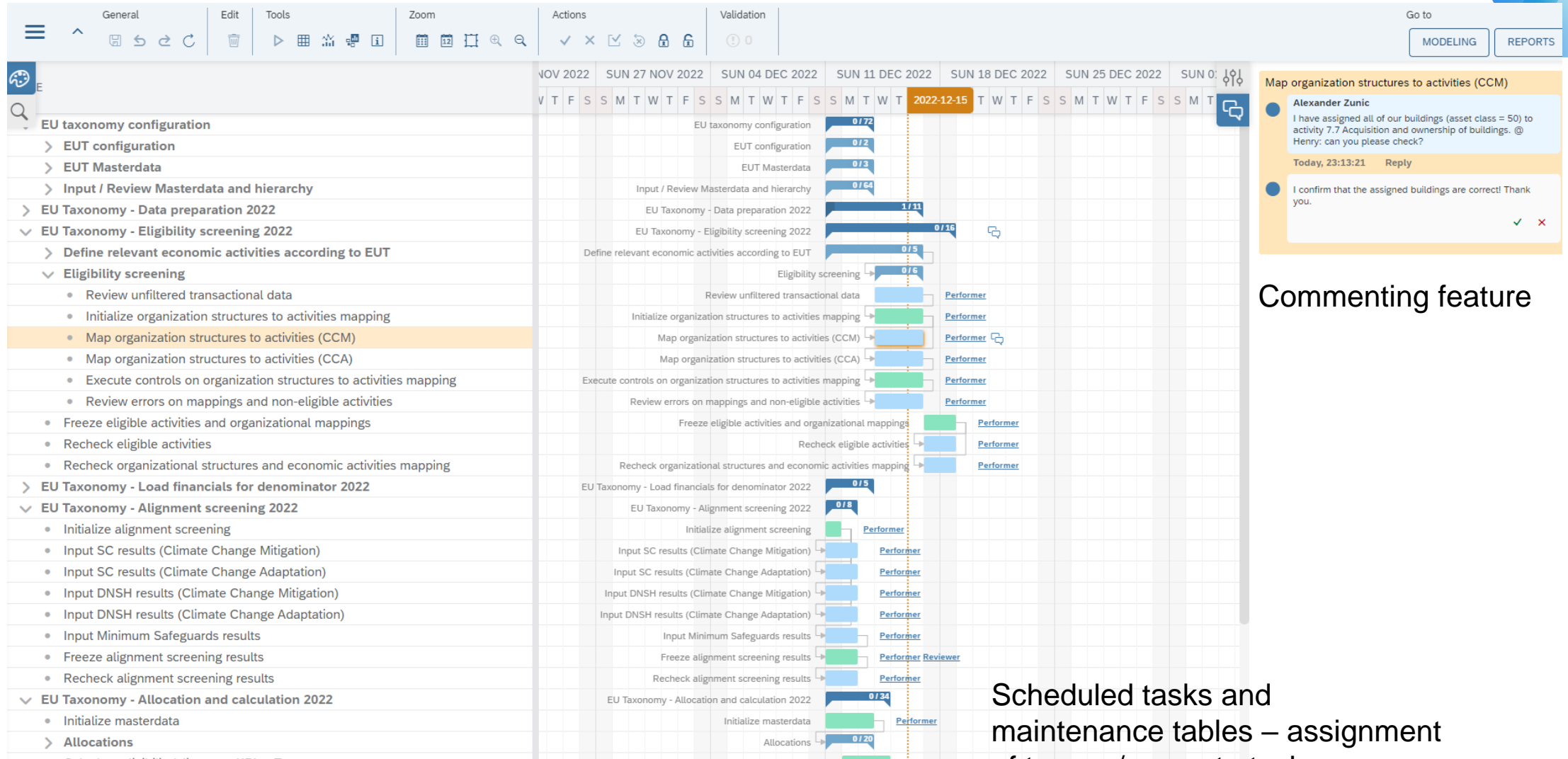


# Overview SCT for EU-Taxonomy Content (1/2) – as of 12'2022

## E2E Process Template



Pre-defined process steps



Commenting feature

Scheduled tasks and maintenance tables – assignment of teams / users to tasks

# Overview SCT for EU-Taxonomy Content (2/3) – as of 12'2022

## Pre-defined data models and configuration options



EU Taxonomy  
regulatory content

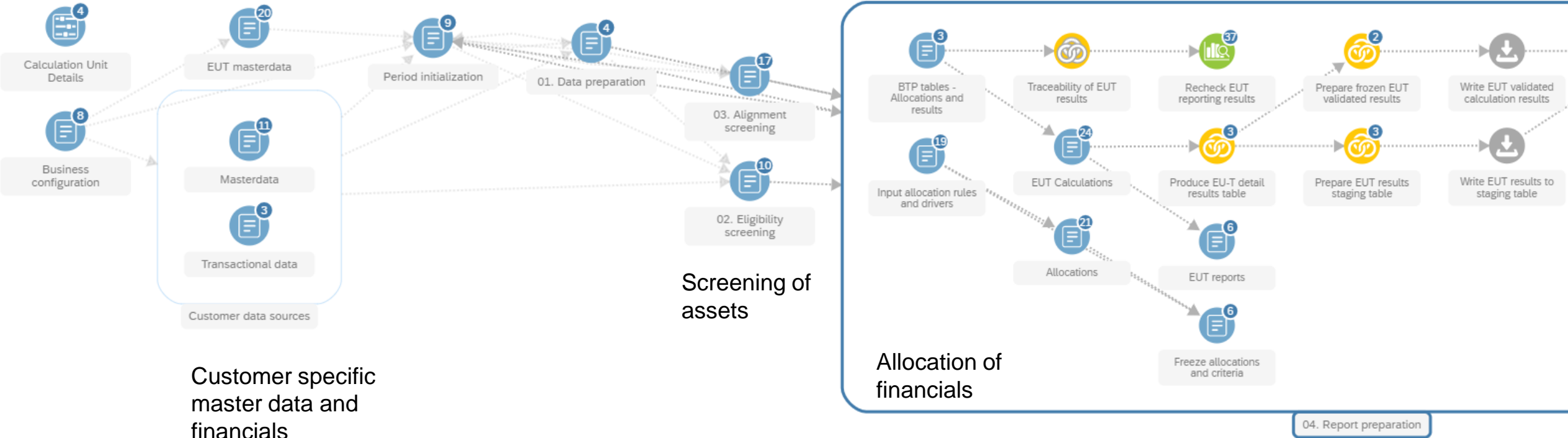
Mapping organizational  
structures/assets to EU-T  
activities

Customer specific  
master data and  
financials

Screening of  
assets

Allocation of  
financials

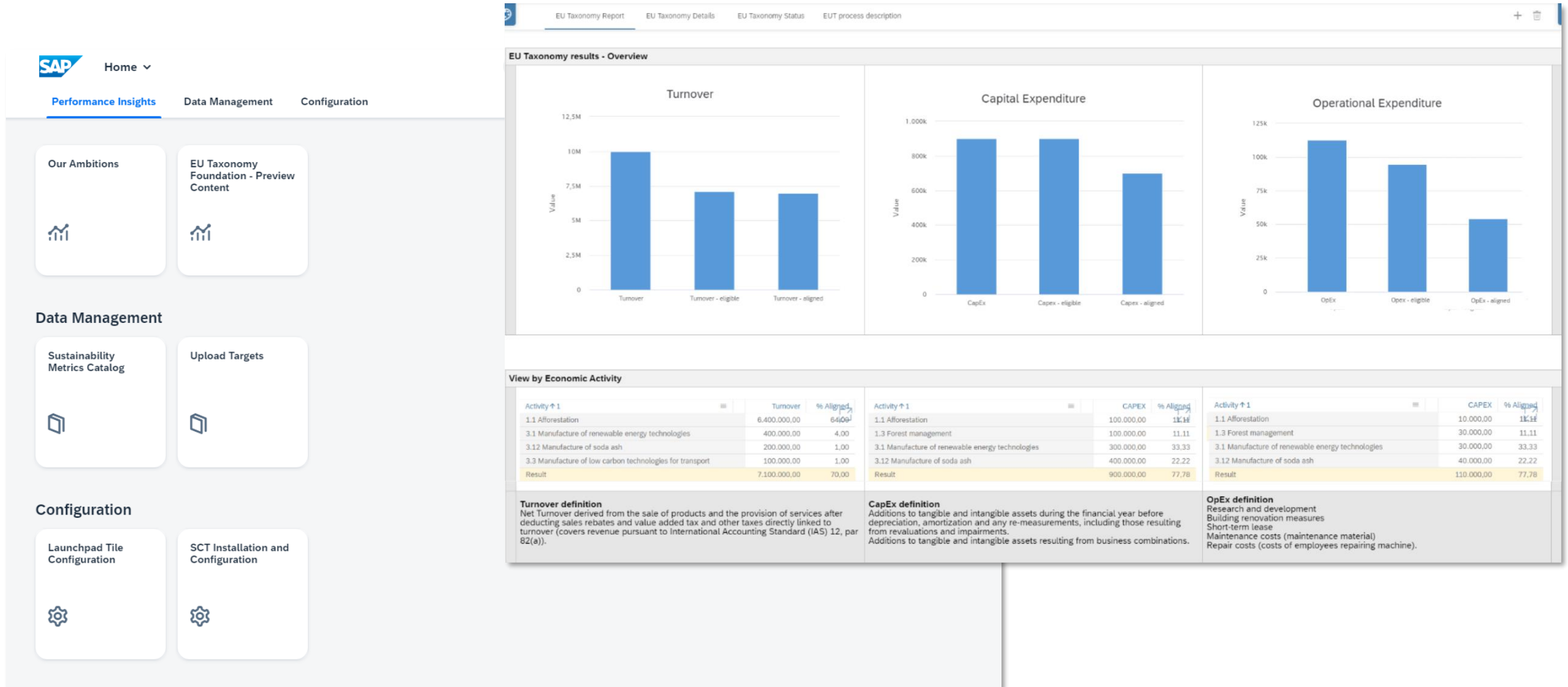
04. Report preparation





# Overview SCT for EU-Taxonomy Content (3/3) – as of 12'2022

## Pre-defined sample reports







# Thank you.

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