§sas

THE POWER TO KNOW®

SAS Corporate Social Responsibility Report

2014

§sas

SSas

THE POWER TO KNOW.

The three pillars of sustainability – economic, environmental and social – are cornerstones of the SAS business model, fueling both decisions and practices to support our world and our people. SAS' commitment to a sustainable future is evident through our corporate responsibility efforts to prepare employees and our business.

Our interactions, thoughts and activities are driven by data — data that is doubling almost every other year within the digital universe. Knowledge gleaned from our company data helps us serve as environmental stewards, spanning efforts across numerous global offices. From incorporating the best design, engineering, materials and technology available to recycling and energy usage, we follow green building standards for our design, construction and renovation projects. Protecting our planet is as important to us as we know it is to our community.

SAS continues to invest in our greatest asset — our people. Through better employee health, well-being and work-life balance, we help our employees perform and excel. SAS continues to rank at the top of a variety of best places to work lists in the US and around the world. Happy employees help us maintain an exceptional retention rate, far above the industry average. That loyalty translates into satisfied customers who benefit from long relationships with experienced, committed employees.

As one of the world's best workplaces, we can attract and retain superb people who are inspired to develop great software. Our business grew from managing and analyzing large amounts of data, and even today SAS still leads the ever-expanding analytics market. In 2014, we experienced a record 39th consecutive year of growth and profitability, with approximately US$3.09 billion in worldwide revenues.

We are passionate about our responsibility in preparing the next generation of innovators, which is why education is our primary philanthropic initiative. To support that effort, in 2014 we introduced SAS® Analytics U, which provides students and teachers free and low-cost options for accessing SAS Analytics software and training. Additionally, SAS supports a host of education initiatives promoting science, technology, engineering and math.

As our world expands and evolves, I am proud and excited about our company's future and the opportunities we all have to contribute to a strong community and a sustainable planet.

Sincerely,
Jim Goodnight
CEO of SAS

ᏚᎦᎦ sas.
THE POWER TO KNOW.

Report basics

The SAS 2014 *Corporate Social Responsibility Report* is based on the calendar year Jan. 1 to Dec. 31, 2014 and updated annually. All data and information pertains to SAS Institute Inc., the US-based parent company for SAS, except for environmental data or unless otherwise stated. The most recent report was the 2013 CSR report, which was published online in June 2014. That data is now being updated for the 2014 report. In 2014, SAS made strides to improve global reporting of its programs and initiatives, and will continue to improve reporting on offices outside of the US. There have been no other significant changes during the reporting period.

The report was developed using Global Reporting Initiative (GRI) G4 sustainability reporting guidelines and was prepared in accordance with Core GRI requirements. SAS' CSR efforts focus on four core areas: governance and ethics, employees, environment, and education philanthropy. In prior reports, the company published a PDF document containing critical information on programs and annual initiatives. In order to provide greater transparency, SAS has expanded its Corporate Responsibility section to include both programmatic information and annual updates, which can be viewed in a PDF document by separate sections or as a complete report. The purpose for this change is to make the information more accessible and customizable. The website format allows for greater explanation and transparency on SAS' practices and policies and provides space for updates to relevant and material topics. Over time, this website will evolve in response to the needs of stakeholders, employees, customers and the community.

SAS® Visual Analytics data visualization software is used to generate charts and graphs to illustrate the data and provide additional analytics capabilities. This provides far greater visibility, transparency and accuracy in reporting SAS' environmental impact. Charts and graphs included in the PDF documents reflect a specific time frame for gathering and analyzing data for this report. Executive leaders and other relevant internal stakeholders have reviewed content in this report.

SAS welcomes your comments and questions regarding this report and its corporate responsibility efforts. For questions about this report or its contents, please email globalreporting@sas.com.

Scope and Boundaries

Since SAS' headquarters are in Cary, NC, the scope of this CSR report focuses primarily on SAS United States operations. Where available, global data is provided and appropriately labeled. There have been no significant changes to the scope and boundaries for SAS; however, there have been improvements in the reporting of such boundaries.

Because SAS is a software company, much of the company's impact is related to the operation of the company rather than the products and services provided to customers. Externally, impacts generally occur related to the business practices of suppliers.

Examples of various impacts include:

- Environmental impacts: energy use in offices and data centers, waste, and construction of new buildings.
- Societal impacts: compliance with local, national and international laws; ethical treatment of employees, customers, suppliers, partners and communities; supporting and fostering a strong workforce.
- Financial impacts: creating value in communities where SAS operates; job creation and economic growth; supporting the community through philanthropy.

At this time, SAS does not collect environmental information on suppliers or partners; however, the company seeks to work with organizations that have a similar approach to reducing their environmental impact. All suppliers must abide by required ethics and compliance rules, which can be found in the Supply Chain section under Governance & Management of the Corporate Responsibility website.

This report contains restatement information on energy consumption and water usage in 2013. Updated energy data and water consumption has been provided in the Environmental section of the CSR website.

Restated resource consumption in the US includes:

- Energy overstated by 10,127 gigajoules and related emissions 1,727 tCO2e in 2013 due to duplicated meter report.
- Ground water overstated by 12,632 cubic meters in 2013 due to incorrect well meter report.

Materiality Matrix

The CSR Task Force, a cross-departmental sustainability team based in the US, underwent a facilitated process to determine the primary issues that affect SAS and its stakeholders. This included issues that affect the industry as a whole, peer businesses, communities, customers, employees and management. Through this process, the team determined areas where SAS has a significant environmental, social or economic impact. These issues were then rated to determine their importance to stakeholders and/or SAS' operations. Using the G4 guidelines, these issues have been reported as "material aspects."

Each team member then gathered information specific to these areas of impact for inclusion in this report. The focus areas of this report include:

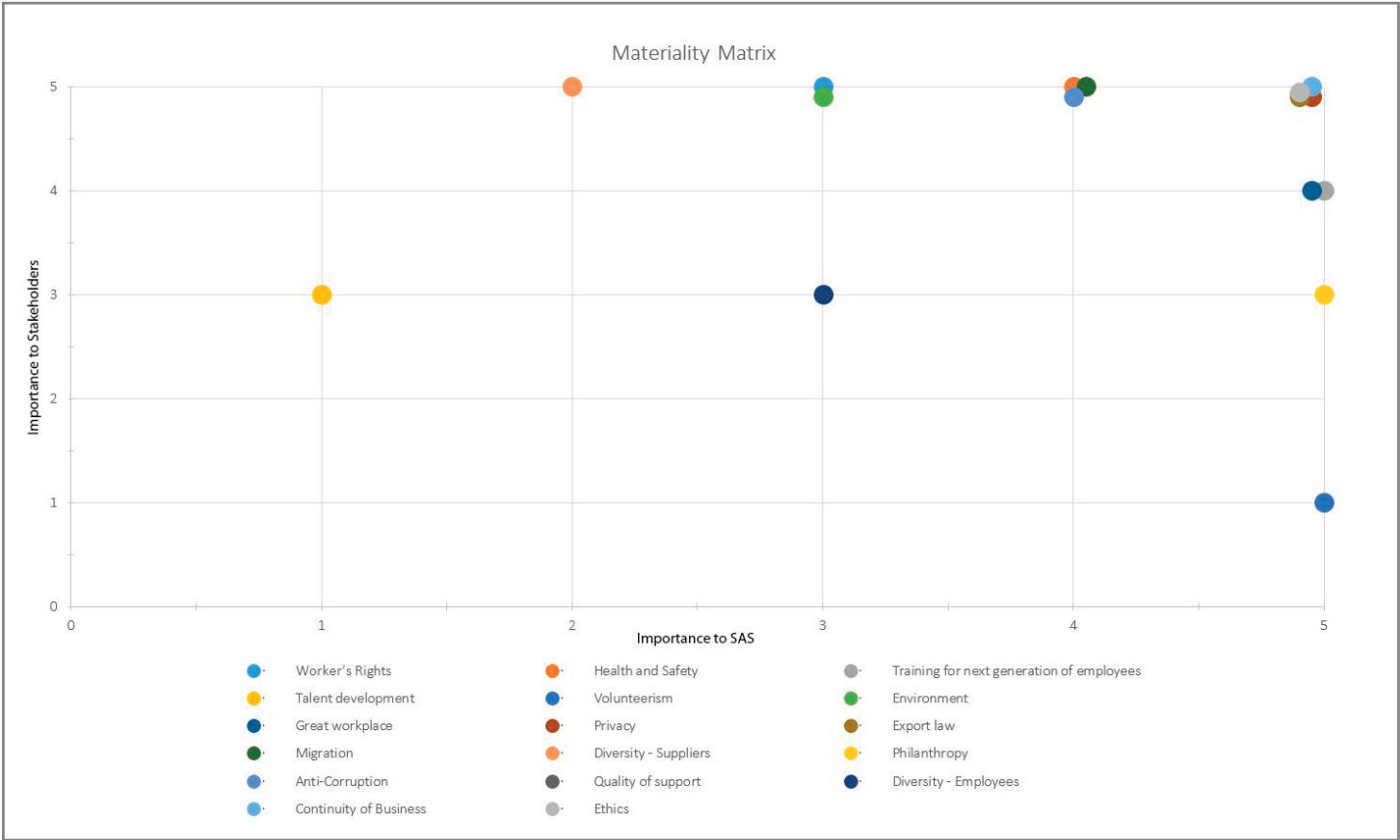Internal: Issues Relevant to Employees and Management

- Workers' rights
- Health and safety

- Training for next generation of employees
- Talent development
- Volunteerism and community engagement
- Environment
- Energy and Emissions
- Water
- Waste
- Green building
- Great workplace

External: Issues Relevant to Other Stakeholders, Including Customers, Communities, Governments, Partners, Subcontractors, Suppliers, Etc.

- Privacy
- Ethics
- Anti-Corruption
- Bribery
- Gift law
- Lobbying
- Campaign contributions
- Export law
- Continuity of business
- Migration
- Quality of support
- Diversity
- Philanthropy
- Environment

2014 Materiality Matrix

Materiality Matrix

Importance to SAS (x-axis, 0 to 5)
Importance to Stakeholders (y-axis, 0 to 5)

Legend:
- Worker's Rights
- Talent development
- Great workplace
- Migration
- Anti-Corruption
- Continuity of Business
- Health and Safety
- Volunteerism
- Privacy
- Diversity - Suppliers
- Quality of support
- Ethics
- Training for next generation of employees
- Environment
- Export law
- Philanthropy
- Diversity - Employees

Stakeholder Engagement

SAS' stakeholders include communities, employees, regulatory and governmental bodies, industry organizations, students and teachers, and business partners and suppliers. Engagement with stakeholders provides SAS with the opportunity to gain a greater understanding of the needs in the community and in the market. It allows the company to build strong partnerships with regulatory bodies and organizations within the industry, and lasting relationships with communities, employees, partners and suppliers.

SAS continues to engage with stakeholders both internally and externally, including:

Stakeholder	Engagement	2014
Communities	Employee volunteers, community grants, in-kind donations and training, fundraising.	Employee donations and corporate matching for DonorsChoose.org totaled nearly $135,000, funding 836 classroom projects and benefiting 95,000 students in 49 states. SAS employees volunteered 29,000 hours, resulting in $91,750 donated to education from the Employee Volunteer Fund.
Employees	Enhance the SAS workplace culture by communicating with and informing employees about company activities and internal and external programs.	Intranet, webcasts, videos, webzines, blogs and The Hub, an enterprisewide social networking platform.
Regulatory and government	Domestic and international policy and legislation development on topics that affect SAS customers and the development of new products.	Data protection and privacy; big data; copyright protections; review of legislation targeting frivolous patent lawsuits; revision of administrative policies to ensure strong, quality patents are issued.
Industry organizations	Industry associations, think tanks and academia.	Public speaking engagements, development or contribution to industry position papers, and one-to-one meetings.
Business partners and suppliers	Meetings, webcasts and representation on boards.	Executive vice president for G-SIBs is a member of the boards of directors of the Atlantic Council and of the US Council for International Business.
Customers	Host ongoing dialogue with customers to answer questions and gather input for product improvement.	SAS interacts with customers through the SAS Global Forum conference, self-help and assisted-help resources, focus groups, training, books, technical papers, social media, support communities, samples, SAS notes and focus areas, and more.
Analysts	Inform and solicit feedback from industry analysts.	SAS' Analyst Relations group is responsible for informing, influencing and soliciting feedback from industry analysts and thought leaders with the purpose of validating technology and corporate direction and to provide SAS with a crucial third-party perspective. By identifying important initiatives and ensuring the company's vision and messages are understood, Analyst Relations seeks to expand analyst coverage and favorable recommendations for SAS products. Through facilitating research and disseminating findings, Analyst Relations augments the formation of marketing, sales, and R&D strategies.
Students and teachers	Free online and mobile curriculum resources, free SAS software, teacher and professor training, summits and meetings, classroom volunteers.	SAS® Curriculum Pathways® provides free online resources and mobile apps for K-12. SAS Analytics U offers free software, training and communities for people to gain valuable analytics skills, and supports analytics degree and certificate programs at colleges and universities around the world. SAS is a regular convener of important education meetings, and focuses volunteer efforts on education.
Media Relations	Build awareness and shape the SAS brand through public relations.	Public relations helps build awareness and shape the SAS brand by influencing what others think and say about the company. SAS uses PR to guide the flow of information to educate and persuade various public stakeholders, including the news media, bloggers, customers, prospects, analysts and partners.

Indicator	Description	Reference
Strategy and Analysis		
G4-1	Statement from the most senior decision maker of the organization	From the CEO
Organizational Profile		
G4-3	Name of the organization	Governance and Management>Governance Structure>Company Profile
G4-4	Primary brands, products and services	Governance and Management>Governance Structure>Company Profile
G4-5	Location of headquarters	Governance and Management>Governance Structure>Company Profile
G4-6	Number of countries where organization operates	Governance and Management>Governance Structure>Company Profile
G4-7	Nature of ownership and legal form	Governance and Management>Governance Structure>Company Profile
G4-8	Markets served	Governance and Management>Governance Structure>Company Profile
G4-9	Scale of organization	Governance and Management>Governance Structure>Company Profile
G4-10	Size and composition of workforce	Employees and Culture>Hiring and Retaining Staff
G4-11	Percentage of employees covered by collective bargaining	None
G4-12	Organization's supply chain	Governance and Management>Supply Chain
G4-13	Significant organizational changes during the reporting period	None
G4-14	Precautionary approach or principle is addressed by the organization	Environmental Program>Environmental Governance>Precautionary Approach
G4-15	Externally developed economic, environmental, and social charters the organization endorses	Governance and Management>Supply Chain Management
G4-16	Memberships and Associations	Education Philanthropy>Community Engagement
Identified Material Aspects and Boundaries		
G4-17	List all entities and explain omissions	Governance and Management>Company Profile; About This Report
G4-18	How report content was defined	About This Report>Scope and Boundaries
G4-19	List of material aspects	About This Report>Materiality Matrix
G4-20	Aspect boundary within the organization	About This Report
G4-21	Aspect boundary outside the organization	About This Report
G4-22	Restatements	About This Report>Scope and Boundaries
G4-23	Significant changes in scope or boundary	About This Report>Scope and Boundaries

Indicator	Description	Reference
Stakeholder Engagement		
G4-24	List of stakeholders	About This Report>Stakeholder Engagement
G4-25	Basis for identification and selection of stakeholders with whom to engage	About This Report>Stakeholder Engagement
G4-26	Approach to stakeholder engagement	About This Report>Stakeholder Engagement
G4-27	Key topics and concerns raised by stakeholders	About This Report>Materiality Matrix
Report Profile		
G4-28	Reporting Period	About This Report
G4-29	Date of most recent previous report	About This Report
G4-30	Reporting cycle	About This Report
G4-31	Contact point	About This Report
G4-32	GRI 'in accordance' option	About This Report
G4-31	External assurance	None
Governance		
G4-34	Governance structure of the organization	Governance and Management>Governance Structure>Company Profile
Ethics and Integrity		
G4-56	Organization's values, codes of conduct and codes of ethics	Governance and Management>Ethics and Regulatory Compliance
Economic Impact		
G4-EC1	Direct economic value generated and distributed	CEO Letter; Philanthropy
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Not applicable
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Governance and Management>Supply Chain Management - North Carolina only
Environmental - Energy		
G4-EN3	Energy consumption within the organization	Environmental Program>Energy and Emissions
G4-EN5	Energy Intensity	Environmental Program>Energy and Emissions
G4-EN6	Reduction of Energy consumption	Environmental Program>Energy and Emissions
G4-EN7	Reductions in energy requirements of products and services	Environmental Program>Energy and Emissions
Environmental - Water		
G4-EN8	Total water withdrawal by source	Environmental Program>Water Conservation
G4-EN10	Percentage and total volume of water recycled and reused	Environmental Program>Water Conservation
Environmental - Biodiversity		
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Environmental Program>Biodiversity
Environmental - Emissions		
G4-EN15	Direct greenhouse gas emissions (scope 1)	Environmental Program>Energy and Emissions
G4-EN16	Scope 2	Environmental Program>Energy and Emissions

Indicator	Description	Reference
G4-EN19	Reduction of GhG emissions	Environmental Program>Energy and Emissions
Environmental - Effluents and Waste		
G4-EN23	Total weigh of waste by type and disposal method	Environmental Program>Landfill Diversion
Environmental - Compliance		
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Governance and Management>Ethics and Regulatory Compliance
Environmental - Transport		
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	Environmental Program>Energy and Emissions
Environmental - Supplier Environmental Assessment		
G4-EN32	Percentage of new suppliers screened using environmental criteria	About this Report
Environmental - Environmental Grievance Mechanism		
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanism	Governance and Management>Ethics and Regulatory Compliance
Social - Employment		
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region	Employees and Culture>Hiring and Retaining Staff
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employees and Culture>Hiring and Retaining Staff
G4-LA4	Type of injury and rates of injury, occupational diseases, lost days , and absenteeism	Employees and Culture>Health and Safety
Social - Training and Education		
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Employees and Culture>Skills Development
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Employees and Culture>Skills Development
Social - Labor Practices Grievance Mechanisms		
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanism	Governance and Management>Ethics and Regulatory Compliance
Social - Non-Discrimination		
G4-HR3	Total number of incidents of discrimination and corrective actions taken	Governance and Management>Ethics and Regulatory Compliance
Social - Local Community		
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Education Philanthropy; partial reporting

Indicator	Description	Reference
Social - Anti-Corruption		
G4-SO4	Communication and training on anti-corruption policies and procedures	Governance and Management>Ethics and Regulatory Compliance>Anti-Corruption
G4-SO5	Confirmed incidents of corruption and actions taken	Governance and Management>Ethics and Regulatory Compliance
G4-SO6	Total value of political contributions by country and recipient/beneficiary	Governance and Management>Governance Structure>Public Policy
Social - Anti-Competitive Behavior		
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices and their outcomes	Governance and Management>Ethics and Regulatory Compliance
Social - Compliance		
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Governance and Management>Ethics and Regulatory Compliance
Social - Supplier Assessment for Impacts on Society		
G4-SO9	Percentage of new suppliers screened using criteria for impacts on society	Governance and Management>Supply Chain
Social - Grievance Mechanisms for Impacts on Society		
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	Governance and Management>Ethics and Regulatory Compliance
Social - Customer Privacy		
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Governance and Management>Ethics and Regulatory Compliance
Social - Compliance		
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Governance and Management>Ethics and Regulatory Compliances
Philanthropy and Community Engagement		
PH 1	Areas of focus for philanthropy activities	Education Philanthropy
PH2	Monetary value of charitable contributions	Education Philanthropy>Philanthropy
PH3	Employee engagement in philanthropic activities	Education Philanthropy>Community Engagement
PH4	Board memberships by employees	Education Philanthropy>Community Engagement
PH5	Process for engagwing philanthropy in communities	Education Philanthropy>Donation Process

Ethics, compliance and continuity of business

SAS is committed to high ethical standards in its dealings with colleagues, customers, suppliers and competitors. Robust regulatory compliance practices ensure that SAS conducts business in an honest, respectful, fair and safe manner. Guided by the company's Code of Ethics, SAS' compliance practices have earned the company its exceptional reputation as an ethical and responsible employer and business partner.

SAS is also committed to building long-term relationships with both direct and indirect suppliers. There are a wide range of best practices to ensure the supply chain remains strong and the company is identifying the best fit for all procurement needs. Continuity of business is paramount as well, with a focus on corporate governance, information security and corporate social responsibility.

![SAS - THE POWER TO KNOW]

Governance Structure

SAS is the leader in business analytics software and services, and the largest independent vendor in the business intelligence market. SAS is committed to employing high ethical standards in its dealings with colleagues, customers, suppliers and competitors. Maintaining the great workplace at SAS requires an ethical commitment and accountability across all departments, positions and countries.

Company Profile

SAS Institute Inc. is a North Carolina corporation that has been privately held since its inception in 1976. Headquartered in Cary, NC, the company operates through functional divisions that include Worldwide Marketing, Sales, Research and Development, Finance, Legal and Corporate Services. SAS delivers software and related services to customers throughout the world. Sales activities are conducted primarily through SAS Institute Inc. and its controlled sales subsidiaries in approximately 140 countries. The sales subsidiary entities are grouped into three regional sales divisions: the Americas; Europe, Middle East and Africa (EMEA); and Asia Pacific.

SAS Americas includes nine companies – SAS Institute Inc. and eight operating subsidiaries – that provide software and services to customers in specific territories. The EMEA and the Asia Pacific divisions together include approximately 45 operating subsidiaries. SAS has a number of representative and branch offices in the above regions, with a total corporate presence in approximately 60 countries. Additional subsidiaries in the EMEA and Asia Pacific regions are dedicated to conducting research and development activities for SAS and its affiliates.

2014 Data: With approximately US$3.09 billion in worldwide revenue in 2014, SAS remains an industry leader in advanced analytics and one of the largest independent vendors in the business intelligence market.

Learn more about SAS software products.

Industries served:

Automotive	Health Care Providers	Manufacturing
Banking	Health Insurance	Media
Capital Markets	High-Tech	Oil and Gas
Casinos	Higher Education	Retail
Communications	Hotels	Small and Midsize Business
Consumer Goods	Insurance	Sports
Defense and Security	K-12 Education	Travel and Transportation
Government	Life Sciences	Utilities

Jim Goodnight, CEO, and John Sall, co-founder and Executive Vice President, constitute the board of directors of SAS Institute Inc. They also serve as executive officers, overseeing corporate performance and investment decisions across environmental, social and economic interests. Goodnight and Sall are the company's principal shareholders.
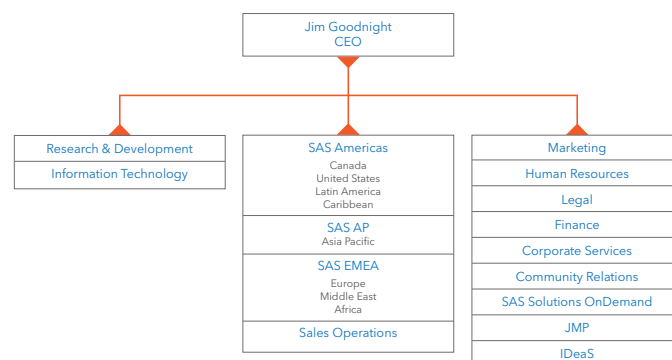
Employee rights, including employment-based compliance issues, are managed through SAS' Human Resources Division. The Ethics and Compliance group in the SAS Legal Division manages other compliance responsibilities, including anti-corruption, privacy, trade, lobbying, gifts and anti-aggression laws. Environmental conservation is managed through the Facilities group in the Corporate Services Division.

Corporate Social Responsibility Governance

SAS maintains a Corporate Social Responsibility (CSR) Task Force comprising employees across business functions, including internal communications, legal, facilities, marketing and public relations. This group meets bimonthly to advance annual goals and priorities, and to address topics related to sustainability throughout the year. The group's function is to ensure the integration of sustainability efforts across the business. This team works closely with various departments and communicates with SAS executive leadership to ensure that CSR policies and initiatives are considered in all aspects of the business.

Public Policy

SAS actively engages in public policy discussions, particularly related to the role of technologies in solving larger societal issues that challenge local, state, federal and international agencies. These challenges include delivering better and safer health care while minimizing fraud, waste and abuse; mitigating environmental impacts while consuming scarce resources more efficiently; providing better stewardship of taxpayer resources with greater government accountability; and helping governments make better use of their data assets to fulfill their missions, such as helping detect terrorist financing and money laundering schemes. SAS actively engages in public policy discussions to help protect the valuable intellectual property resources that are the underpinning of its business.

SAS abides by political contribution laws and prohibits the use of corporate funds for political contributions to individual candidates. Corporate contributions may be made to political parties or national or state political party organizations if approved through established procedures. SAS records and reports all corporate political contributions in accordance with applicable local laws.

SAS complies with applicable lobbying laws in its operations. Lobbyist registrations and disclosure reports are filed by SAS on a regular and timely basis.

Ethics & Regulatory Compliance

Robust regulatory compliance and training practices ensure that SAS conducts business in an honest, respectful, fair and safe manner. Guided by the Code of Ethics , SAS' compliance practices have earned the company its valued reputation as an ethical and responsible employer and business partner. SAS is committed to maintaining this reputation and conducting all aspects of the business in a way that promotes and reflects ethical practices. SAS compliance programs use training, policies, processes and audits to ensure compliance in areas such as anti-corruption, international trade and privacy.

SAS is committed to demonstrating honesty, fairness and accountability in every decision and action, including each interaction with employees, customers, suppliers and competitors. The SAS Code of Ethics helps the company define and maintain high standards for respect, honesty, fairness and accountability. This SAS Code of Ethics applies to every employee – at every subsidiary and in every region – as well as all members of the board of directors, officers appointed by the board of directors and agents. Failure to comply with the SAS Code of Ethics or other applicable policies can result in disciplinary action, up to and including termination.

UPDATE! SAS recently substantially updated its Code of Ethics. The internal version, which includes links to SAS policies and procedures, serves as a central reference for employees to respond to situations in an ethical manner consistent with SAS standards. The external version of the Code of Ethics is available as part of this report and demonstrates to customers, suppliers and other stakeholders SAS' commitment to being a great place to work, a great business partner, and a valued community member.

2014 Data: In 2014, SAS did not have any substantiated and materially negative incidents with regard to public policy, privacy, corruption, ethics, bribery, anti-competitive actions, anti-trust violations or monopoly practices, societal impacts, the environment, labor practices, or employee discrimination or harassment; nor were there any sanctions or fines for noncompliance.

Training

The Ethics and Compliance group at SAS has developed courses to help employees abide by the SAS Code of Ethics and applicable external rules and regulations. SAS provides this training to equip all employees to make the right choices when ethical and regulatory challenges arise.

Online training was developed under the management and oversight of the vice president and general counsel for ethics and compliance, with input from many departments across SAS, and with ultimate approval by the chief legal officer. All training courses developed since 2012 are available in English, simplified Chinese, French, German, Italian, Japanese, Portuguese and Spanish.

How SAS monitors completion and renewal of training varies, depending on relevant policies, strategies, trainings and codes. Online training completions are tracked by the third-party vendor that helped to create them, as well as by the company's internal learning management system. Automated reminders are sent to those who have not completed training as the deadline approaches, and managers are contacted as trainings become overdue. Employees and certain contract workers are required to take some or all of the following training:

- Code of Ethics
- Information Security
- Export Controls Awareness
- SAS Business Ethics in Selling, Buying and Competing
- Respect in the Workplace
- Foreign Corrupt Practices Act
- Privacy and Data Protection for Global Companies

In addition, all employees and certain contract workers are required to take periodic refresher ethics training.

SAS provides specialized training for personnel as needed. For example, California employees take Sexual Harassment: Promoting Appropriate Behavior, as required by California law.

In-person, targeted compliance training is conducted periodically. These courses are developed by the Ethics and Compliance group in the Legal Division with input from the relevant functional business units. For example, in 2014, SAS conducted anti-corruption training for government sales and marketing groups, privacy training for IT staff, and HIPAA training for employees interacting with data in the company's health care center or associated with its health care industry solutions.

Employee Feedback

Employees are responsible for appropriately communicating concerns regarding suspected unethical or illegal conduct to a supervisor, Human Resources or the Legal Division. Specific procedures for reporting concerns are displayed on the Legal Division's internal website. Employees may submit comments via email, telephone help line, or an anonymous report or online form.

SAS does not retaliate against anyone who reports suspected violations in good faith. All reports of misconduct are investigated in a timely fashion. Unless the complaining individual chooses to remain anonymous, he or she receives feedback on the results of the investigation, to the extent allowed by applicable law.

Anti-Corruption

SAS has an anti-corruption program to provide training and monitoring across the company. This program includes an online anti-corruption course for all new employees and certain third parties, and in-person, targeted training for sales, marketing, finance and other affected groups. In addition, SAS has implemented gift, marketing event, "revolving door," and donation policies – as well as review procedures – to comply with applicable laws and customer requirements. These documents are available to all employees on the Ethics and Compliance internal website.

SAS conducts advance and ongoing due diligence on subcontractors, partners and other third parties to verify their reputability and identify and mitigate anti-corruption risks. SAS also contractually requires that its subcontractors comply with the principles set forth in its Code of Ethics, including anti-bribery provisions.

UPDATE! SAS recently expanded its anti-corruption program by improving its audit processes, enhancing its transaction-by-transaction due diligence measures and augmenting travel and hospitality expense review processes.

Export Controls

SAS maintains an export management system complete with product licensing and screening processes that include checking employees, customers and suppliers against the Office of Foreign Asset Control (OFAC) Specially Designated Nationals and Blocked Persons list and certain other government lists of prohibited parties. SAS also files regular and timely anti-boycott reports as required by US law.

SAS classifies its products according to US export laws and makes such classifications available to its customers at the SAS Current Export Designation Information page.

Privacy

The Ethics and Compliance group in the SAS Legal Division works to ensure that SAS' use of personal data complies with applicable laws, SAS policies and customer expectations. SAS Global Information Security establishes processes and deploys technologies to protect the confidentiality, availability and integrity of data in the custody or control of SAS.

These groups work closely together to manage data privacy issues and security by, among other things, establishing information governance policies, standards, guidelines and processes based on regulations, business needs and industry best practices. Periodic privacy and security-related assessments and compliance reviews include privacy impact assessments for newly developed or modified applications that may affect individual privacy interests.

The Ethics and Compliance group ensures that SAS' externally posted privacy statement accurately reflects its information collection and use practices with respect to external parties. SAS' privacy statement is global, covering SAS US and its foreign subsidiaries and other business units. Translated versions of the privacy statement with country-specific requirements are linked to the English version.

To ensure adequate protection for the personal information of employees and workers that SAS receives in the United States from its subsidiaries in the European Economic Area and Switzerland, SAS has certified that its privacy practices comply with the US-EU and US-Swiss Safe Harbor frameworks as set forth by the US Department of Commerce. SAS has also certified to the Safe Harbor frameworks for personal information that SAS' Solutions OnDemand business unit receives in the United States from customers in the European Economic Area and Switzerland in connection with its hosted software operations.

SAS requires all its employees to complete training on privacy and information security. SAS Global Information Security publishes a monthly information security awareness newsletter to inform employees about information security and privacy issues.

Supply Chain

SAS builds long-term relationships with both direct and indirect suppliers. There are a wide range of best practices, tools and policies to ensure the supply chain remains strong and the company is identifying the best fit for all procurement needs. Direct suppliers provide products or services used in creating the services SAS sells. This can include software, hardware, consultants or IT infrastructure. Indirect suppliers in areas such as food services, legal and accounting, real estate, facilities services, or travel provide support for running the business. SAS also supports local business.

SAS uses mechanisms such as service level agreements, benchmarking and supplier relationship management to monitor and manage suppliers' results. Suppliers are subject to ongoing anti-corruption due diligence, which, proportionate to the level of the supplier's business and risks presented, screens prospective suppliers and relevant or high-risk individuals within those organizations.

The company also has an advance due diligence process for suppliers engaged to assist in sales efforts and potential acquisitions. The process involves investigation of the supplier in levels that are proportionate to the risks presented by the supplier, including investigating the supplier's background, qualifications, conflicts of interest, financial condition and history of regulatory violations.

The supply chain compliance program also consists of contractual requirements for anti-corruption and ethics rules compliance for all contractors and consultants. SAS also conducts in-person and online training, expense record and expenditure reviews, and audits, as well as global outreach through organizations like the UN Global Compact. SAS voluntarily provides supply chain information for the Carbon Disclosure Project (CDP) and Great Places to Work.

SAS uses competitive bidding to help ensure competition and fairness in the marketplace for suppliers. SAS' request for proposal template emphasizes the importance of corporate social responsibility, including environmental stewardship and promotion of supplier diversity. Additionally, if the bidder is not a diverse company, it must provide a statement regarding its active supplier diversity programs or opportunities it has to subcontract to diverse suppliers.

2014 Data: 51 percent of SAS' US spending was with suppliers whose remit-to address is in North Carolina.

Supplier Diversity

As part of the Corporate Services Division, the manager of supplier diversity is responsible for SAS' supplier diversity process, including:

- Reviewing RFPs and contracts and responding to customers with diversity requirements.
- Preparing and providing diversity spending reports to customers.
- Providing information and access to SAS' procurement opportunities by supporting and conducting various diversity activities and events (e.g., sponsorships, education and attendance).
- Providing internal training to buyers and stakeholders regarding the importance and value of providing access to and utilization of diverse suppliers and small businesses.

By developing and maintaining effective relationships with suppliers, the company aims to create value throughout the life of each contract based upon economy, quality, environmental preservation and social values. SAS is a member of the National Minority Supplier Development Council (NMSDC) and the Women's Business Center of North Carolina (WBC-NC). SAS is also represented on the boards of various minority supplier development councils and economic development initiatives.

SAS' supplier diversity program has earned several accolades and service awards, including: Triangle Business Journal's 2014 Leaders in Diversity Award, Small Business Administration's 2012 North Carolina Veterans Business Champion of the Year; Small Business Administration's 2011 North Carolina Minority Small Business Champion of the Year for both North Carolina and SBA's Southeast Region IV; Advocate of the Year by the Carolinas Minority Supplier Development Council; and Woman Business Advocate of the Year by the Women's Business Center of North Carolina.

Supplier Diversity Policy Statement

SAS customers represent a wide range of industries, people and locations – and the company seeks this same level of diversity in its supplier community. Unlike a typical manufacturing environment, the creation of SAS products does not require purchasing materials or component parts, but rather relies on a highly skilled staff of technical professionals. SAS complies with federal laws and regulations that prohibit discrimination in employment based on race, color, religion, gender, national origin, age, disability or veteran status.

As a federal contractor, SAS complies with Executive Order 11246, as amended, and the implementing rules and regulations of the Office of Federal Contract Compliance, Vietnam Era Veterans' Readjustment Assistance Act of 1974, and the Rehabilitation Act of 1973.

In the area of professional services offered to its customers, SAS provides small business concerns owned and controlled by socially and economically disadvantaged individuals and woman-owned small businesses the opportunity to participate in the subcontracts it awards to the maximum practicable extent, consistent with efficient performance of the contract.

Regarding the procurement of goods and services to support corporate operations, SAS continually seeks ways to make business opportunities available to small businesses and businesses that are:

- Minority-owned.
- Woman-owned.
- Disabled-owned.
- HUBZone-certified.
- Veteran or service-disabled veteran-owned.

SAS encourages diverse businesses interested in more information about potential working opportunities and relationships to email supplierdiversity@sas.com.

Suppliers and the Environment

The environmental impact of business activities extends beyond the SAS campus and workspaces to the entire supply chain, from suppliers to distribution channels to product use. The Environmental Management Program researches ways to incorporate corporate social responsibility into procurement and reduce the environmental impact of supply chain processes. To accomplish this, SAS:

- Strongly encourages employees to give consideration and preference to suppliers with environmental practices and programs.
- Promotes the adoption of environmental principles by contractors and suppliers, encouraging or requiring improvements.
- Completes the annual Carbon Disclosure Project (CDP) supply chain questionnaire related to greenhouse gas (GHG) emissions inventory and related climate change management.
- Makes extensive use of green products, such as environmentally friendly cleaning supplies and low-emissions paints and products for campus buildings. The procurement teams routinely assist with finding the most efficient and earth-friendly options.
- Maximizes investments by eliminating unnecessary purchases, extending the life of assets through repurposing, selling outdated equipment to employees, and donating materials to educational institutions. Only then are materials processed for responsible recycling.

As a software company, SAS has limited risks and concerns in regard to raw materials, hazardous wastes and supplier practices. Because the primary input to SAS products is intellectual property, SAS does not currently collect data on GHG emissions and climate change strategy from suppliers.

2014 Data: In 2014, SAS continued to research options for incorporating corporate social responsibility elements into procurement processes and reducing environmental impact of supply chain processes. As in years past, SAS completed its annual CDP supply chain questionnaire related to greenhouse gas emissions inventory and related climate change management. SAS achieved a CDP disclosure score of 88 and a B performance rating, a 6 percent disclosure score improvement from last year. The average score/rating of more than 3,400 supplier responses was 53/C.

Continuity of Business

At SAS, continuity of business (COB) is paramount, addressing threats or hazards that may affect employees and customers and disrupt business operations. COB planning incorporates corporate governance, information security and corporate social responsibility.

Customers can trust us with the viability of their operations because of the company's ability to provide vital customer-facing services and continue core operations. Even if SAS never experiences a business disruption, the organization continues to improve and standardize processes through planning and training on how to respond and recover from one.

SAS' global business continuity program goals are to:

- Prepare employees to know what to do in a crisis.
- Provide timely communications between local offices and SAS world headquarters.
- Put plans in place to recover SAS' most critical business operations that support customers. This includes annual qualification of key partner and supplier dependencies to support strategies for continued operations.
- Develop backup strategies, such as providing support to customers from another office until the affected office can resume normal operations.
- Avoid and minimize business interruptions through greater awareness and risk management.

SAS' COB initiative extends to all SAS offices, involving response and recovery teams from Security, Facilities, IT and Communications. These business units work together proactively to develop resilience and mitigation strategies, and, in the event of a business disruption, coordinate to execute recovery plans.

Through business continuity planning, SAS exercises operational controls to ensure its long-term viability and meet the expectations of its customers in an increasingly risk-conscious regulatory environment.

More information on SAS' COB program can be found in the *Continuity of Business* white paper (PDF).

§sas

THE POWER TO KNOW®

Protecting the environment for a brighter future

SAS reduces its environmental footprint with multiyear programs focused on energy conservation and solar projects, emission management, pollution mitigation, water conservation, waste reduction and recycling, procurement and green building. View environmental performance reports using SAS® Visual Analytics to see how SAS uses its own software to collect, manage, calculate and report its global environmental footprint. Top 2014 achievements:

- Generated 3.8 million kWh of clean, renewably sourced energy from rooftop and ground-mounted solar systems.
- Decreased energy consumption and related greenhouse gas emissions despite adding office space. Improved CDP score to 88 with a B performance rating.
- Diverted 50 percent of operational waste and 88 percent of construction waste from landfills globally.
- Decreased global water consumption by 1.9 percent while reclaimed water usage increased by 41 percent.
- Achieved LEED® Gold certification for new office building.
- Installed 18 new charging stations for employee use and dedicated premium parking for electric vehicle plug-in stations globally.

Corporate Responsibility

Environmental Governance

SAS' sustainability performance is reviewed by an executive sustainability council chartered to provide guidance on conducting global operations in a sustainable manner.

Implementing environmental strategies is largely the domain of the SAS Corporate Services Division Environmental Management Program. The program facilitates environmental efforts at company headquarters in the US, collects and reports key environmental indicators for global operations, and provides guidance and support to offices worldwide. Offices around the globe have personnel who manage site-specific environmental initiatives.

Members of the Environmental Management Program are part of the CSR Task Force that meets regularly to address environmental and social responsibility initiatives throughout SAS' business operations.

Environmental Policy

SAS is an active and committed partner in communities where employees live, work and conduct business. SAS recognizes that environmental responsibility is a continuous effort that requires prudent use and preservation of natural resources. The company encourages business operations around the world to minimize environmental impacts by exceeding all environmental regulations. To accomplish this, all employees are asked to adhere to the company's environmental mandates, integrate environmentally responsible practices, and seek innovative solutions to optimize operational efficiencies.

Environmental Mandates

The following corporate mandates provide guidance for adhering to policy and establishing priorities for environmental initiatives.

- Corporate priority. Establish policies, programs and practices for conducting operations in an environmentally sound manner.
- Integrated management. Integrate environmental policies, programs and practices into all functions, business units and global offices.
- Continual improvement. Continue to raise the bar on performance, aligning with technological developments, scientific understanding and stakeholder expectations.
- Employee education. Educate, train and motivate employees to conduct activities in an environmentally responsible manner.
- Assessment. Conduct impact assessments before starting a new activity or project and before decommissioning a facility or leaving a site.
- Products and services. Provide products or services that have no undue environmental impact throughout the product life cycle – from development to delivery, use and disposal.
- Customer support. Advise and educate customers, distributors and the public in the safe and environmentally responsible use, transportation, storage and disposal of SAS products.
- Facilities and operations. Develop, design and operate facilities and conduct activities with continual consideration for minimizing resource consumption, adverse environmental impact, and waste.
- Research. Conduct or support research on the environmental impacts of SAS activities and how to minimize adverse impacts.
- Contractors and suppliers. Promote these principles to SAS contractors and suppliers, encouraging and (where appropriate) requiring improvements.

Precautionary Approach

SAS supports a precautionary approach to minimizing anthropogenic impacts from business operations. This aligns with SAS' philosophy in five meaningful ways:

1. To ensure business operations do not expose the public and environment to harm.
2. To comply with environmental regulations.
3. To encourage the development and diffusion of environmentally friendly technologies.
4. To promote environmental awareness via increased transparency and access to meaningful data so analytics can be used to make intelligent and responsible decisions.
5. To show that environmental responsibility is not just goodwill; it makes good business sense.

ISO Compliance

The Environmental Management Program applies best practice ISO 14001 Environmental Management System (EMS) processes and structure to include:

- Using SAS® software solutions and other tools to measure and improve environmental performance.
- Ensuring environmental affairs are addressed by executive management.
- Addressing immediate and long-term impacts of products, services and processes on the environment.
- Providing global direction about addressing environmental concerns through the allocation of resources, assignment of responsibility, and ongoing evaluation of practices, procedures and processes.
- Enabling continual improvement of environmental processes.

Naturally, SAS uses its own technology to measure and analyze the performance of its sustainability initiatives. SAS software calculates the company's global carbon footprint and the impacts of business processes and mitigation initiatives. SAS solutions support the application of global standards such as the Greenhouse Gas Protocol and the Global Reporting Initiative. Adherence to global standards provides for measurement and reporting in the countries in which SAS operates.

SAS
THE POWER TO KNOW®

Energy & Emissions

SAS' Environmental Management Program assigns top priority to minimizing energy consumption and related emissions from its operations. The energy and emissions management program includes energy sourcing, conservation and generation, policy compliance, and employee education and engagement.

SAS® software improves processes for collecting, understanding and managing energy and emissions requirements for facilities worldwide, increasing the ability to report and proactively influence consumption trends. The program uses SAS software to identify reduction strategies, develop and monitor performance indicators, understand relationships between measures, determine initiatives with the greatest effect, and communicate strategy, goals and objectives to facilitate execution.

Key energy and emissions mitigation initiatives include calculating and reporting global carbon footprint, building and maintaining facilities to LEED® guidelines, investing in renewable energy, pursuing new, energy-efficient technologies for operating buildings and data centers, and proactively maintaining facilities to the highest efficiency standards.

Emissions Management and Emissions Mitigation

SAS decreased energy consumption by 3 percent for the past four years, despite staff growth of 10 percent, facilities growth of 9 percent, and rapidly expanding data center operations to satisfy growing customer demand for computing and storage solutions.

In 2014, 76 percent of SAS energy consumption was sourced from electricity suppliers and on-site solar generation.

2014 Data:

- SAS' environmental footprint was mitigated by ongoing investment in energy-efficient technologies, solar, retro-commissioning of primary office buildings, and adoption of LEED best practices. Gains in energy efficiencies for office buildings globally reduced energy consumption more than 22,000 gigajoules.

- Emissions were reduced by more than 1,900 t CO_2e.

- Global energy use and related emissions decreased in 2014, with energy consumption decreasing by 4.3 percent and carbon emissions decreasing by 3.2 percent, despite adding more than 5 percent or 228,000 square feet of office space.

- SAS achieved LEED Gold certification for its newest office building at its Cary, NC, headquarters. Building Q features rooftop solar photovoltaic panels, highly insulated exterior wall and roofing systems, highly efficient heating and air conditioning, mechanical systems, energy recovery units and a water-side heat exchanger. The building also makes extensive use of LED lighting and uses reclaimed water for cooling towers, irrigation and toilets.

- Use of renewable energy remains a priority for SAS as an integral part of a strategy to reduce emissions. In 2014, SAS added a solar rooftop system on its newest LEED Gold certified office building, bringing the worldwide total to nine solar energy systems. Clean, renewable energy generation totaled more than 3.8 million kWh this past year.

- SAS continued support for electric vehicles by installing 18 new charging stations and dedicating premium parking for electric vehicle plug-in stations. Through 2014, employees at the world headquarters campus own approximately 4 percent of registered plug-in electric vehicles in the state of North Carolina. SAS joined the US Department of Energy (DOE) Workplace Charging Challenge and was awarded the DOE Leading the Charge recognition.

Energy Efficiency

SAS analyzes operational data to optimize development and delivery of its products and services to customers. The efficiency chart below highlights a sustainable trend of decreasing energy growth against increasing revenues.

In 2014, SAS' revenue increased, but its energy use decreased, making services more energy efficient for customers.
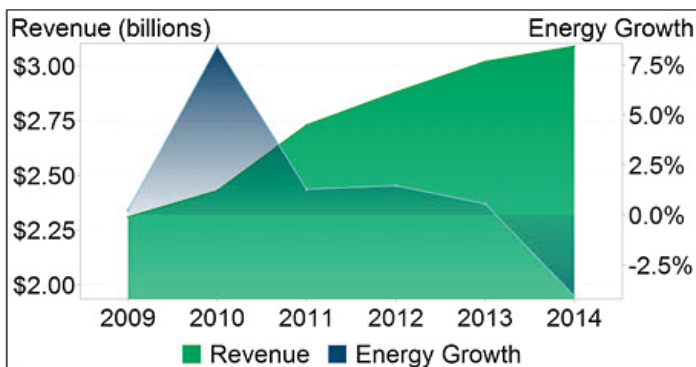
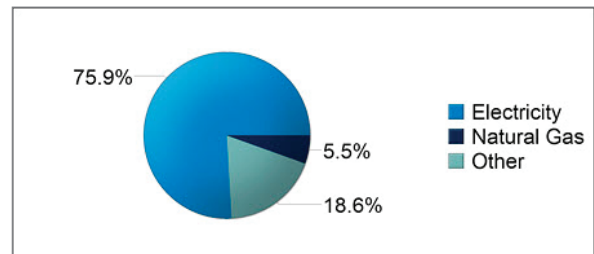View dynamic SAS Visual Analytics reports on SAS energy or see static charts and tables below.

Region	2014	2013	2012
Asia Pacific	30,029	31,506	24,846
Canada	9,956	8,991	10,369
EMEA	97,864	106,390	101,135
Latin America	4,196	4,417	4,537
United States	219,552	231,194	242,899
US Data Center	124,352	125,267	119,779
Total	**485,949**	**507,764**	**503,565**

Energy Trend (Gigajoules)

| Region	2014	2013	Variance	Variance %
Asia Pacific	30,029	31,506	-1,477	-4.7%
Canada	9,956	8,991	965	10.7%
EMEA	97,864	106,390	-8,526	-8.0%
Latin America	4,196	4,417	-221	-5.0%
United States	219,552	231,194	-11,642	-5.0%
US Data Center	124,352	125,267	-915	-0.7%
Total	**485,949**	**507,764**	**-21,815**	**-4.3%**

Energy Variance (Gigajoules)

Restatement: For the US in 2013, energy was overstated by 10,127 gigajoules and related emissions by 1,727 t CO2e due to duplicated meter data.

2014 Energy by Type
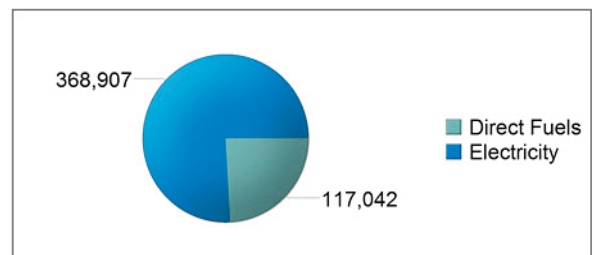

2014 Energy by Source (Gigajoules)
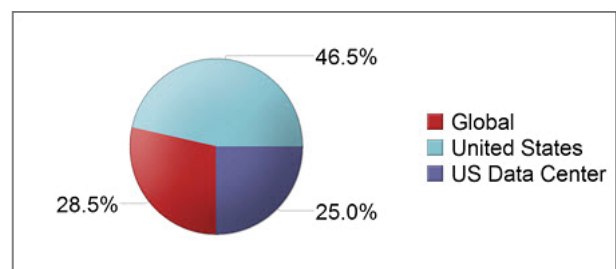
2014 Energy by Region

View dynamic SAS Visual Analytics reports on SAS emissions or find static charts and tables below.

CDP

SAS annually completes the CDP Supply Chain questionnaire related to greenhouse gas (GHG) emissions inventory and related climate change management. This past year, SAS achieved a disclosure score of 88 and B performance rating, a 6 percent disclosure score improvement from last year. The average disclosure score for more than 3,400 supplier responses was 53 and a C performance rating.

Region	2014	2013	Variance	Variance %
Asia Pacific	6,498	6,813	-315.28	-4.6%
Canada	526	475	51.10	10.8%
EMEA	8,729	9,335	-606.21	-6.5%
Latin America	332	349	-17.46	-5.0%
United States	24,339	25,234	-894.60	-3.5%
US Data Center	17,922	18,054	-131.90	-0.7%
Total	58,346	60,260	-1,914.36	-3.2%

Global Emissions Variance (t CO2e)
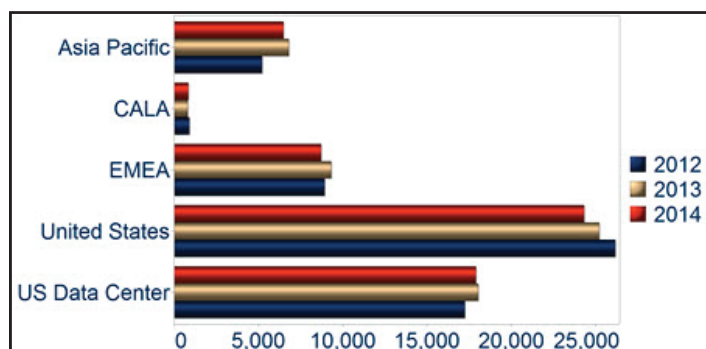
Global Emissions (t CO2e)

Restatement: For the US in 2013, energy was overstated by 10,127 gigajoules and related emissions by 1,727 t CO2e due to duplicated meter data.
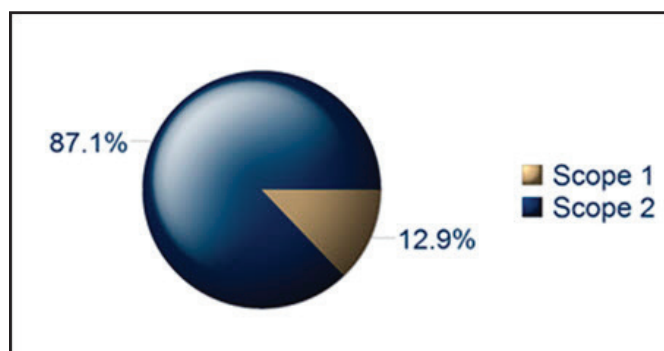
2014 Emissions by Scope

SAS conducts ongoing greenhouse gas (GHG) emissions inventory of its Scope 1 and Scope 2 emissions.

Data Center Operations

Energy for data center operations is the largest contributor to SAS' environmental footprint. Over the past decade, the challenge of delivering timely information to support enterprise analytics has increased exponentially. Additional computing and storage solutions, combined with IT globalization, has increased demand for energy and data center space. To maintain the support expected by customers, SAS invested in high-efficiency technologies and design to construct a new, dedicated computing facility, emphasizing efficiency, flexibility and sustainability.

Data center operations regularly achieve an average power usage effectiveness (PUE) of 1.35 or better. A PUE of 2.0 means that for every watt of IT power consumed, an additional watt is consumed to cool and distribute power. Thus a PUE closer to 1.0 indicates greater efficiency.

Solar and Renewable Energy

Since 2008, when SAS broke the solar energy 1 megawatt barrier for the Southeast US, the capacity of solar installations in North Carolina has grown to 953 MW, ranking fourth nationally in 2014. SAS proved solar was viable, and the community responded.

2014 Data: SAS' nine solar installations generated 757 gigajoules of clean renewable energy – a 27 percent increase from 2013.

At a combined 2.2 MW in capacity, SAS' solar farms are located on 12 acres at world headquarters in Cary, NC. The photovoltaic (PV) solar arrays generate 3.6 million kilowatt-hours of clean, renewable energy each year, reducing carbon dioxide emissions by more than 2,000 tons annually – the amount of emissions produced by consuming more than 367,000 gallons of gasoline.

- Solar Farm I (December 2008): 1 MW in capacity, 5 acres, and 5,040 panels; generates 1.7 million kWh of clean renewable energy each year.
- Solar Farm II (July 2010): 1.2 MW in capacity, 7 acres, and 5,236 panels; generates 1.9 million kWh of clean renewable energy each year.
- Building C: 405 roof-mounted panels, 74 KW-capacity solar PV system; generates 100,000 kWh of electricity annually.
- Building R: 702 roof-mounted panels, 169 KW-capacity solar PV system; generates 200,000 kWh of electricity annually.
- Building Q: 176 roof-mounted panels, 45 KW-capacity solar PV system; generates 60,000 kWh of electricity annually.
- SAS Sweden: 80 roof-mounted panels, 20 KW-capacity solar PV system generates 25,000 kWh of electricity annually.
- Building T: 24 roof-mounted 4-by-10-foot solar thermal panels provide hot water for on-site cafeteria.

- Building G: 42 roof-mounted 4-by-10-foot solar thermal panels provide hot water for showers and laundry for the campus gymnasium.
- Building C: Eight roof-mounted 5-by-6-foot evacuated-tube type solar thermal panels produce hot water for on-site cafeteria. The system works in concert with a building HVAC chilled water system and uses additional heat extracted from water-to-water heat pumps.

Solar Arrays ▲	2014 ▾	2013	2012
Solar Farms	696,799	553,899	412,351
Rooftop PV	35,042	23,002	11,542
Rooftop Thermal	25,158	20,134	14,877
Total	756,999	597,035	438,770

Solar Energy Trend (Gigajoules)

Solar Arrays ▲	2014 ▾	2013	Variance	Variance %
Solar Farms	696,799	553,899	142,900	26%
Rooftop PV	35,042	23,002	12,040	52%
Rooftop Thermal	25,158	20,134	5,024	25%
Total	756,999	597,035	159,964	27%

Solar Energy Variance (Gigajoules)

Landfill Diversion

The SAS Waste Management Program at world headquarters measures and monitors the waste stream, with significant environmental benefits resulting from efforts at individual and local levels. For example:

- SAS provides on-site recycling for aluminum, batteries, cardboard, electronics, magazines, glass, newspaper, pallets, paper, plastic bottles, printer cartridges, scrap metal and more.
- SAS strives for 100 percent e-waste recycling by repurposing equipment for internal use, recycling with responsible vendors, and donating to educational institutions.
- Polystyrene-based disposables have been replaced with compostable options.
- Cafeteria food waste is composted and used by SAS landscapers; waste vegetable oil is recycled and converted into biodiesel fuel.
- Online resources reduce paper consumption globally.
- SAS strongly encourages the use of biodegradable and recyclable materials.
- Building construction projects regularly exceed 85 percent waste diversion from landfills.
- Grassroots programs for employees reduce waste and encourage recycling efforts.
- Since 2009, operational waste diverted from landfills has increased from 26 to 50 percent.

View dynamic SAS® Visual Analytics reports on SAS landfill diversion or see static charts and tables below.

2014 Data: Globally, SAS disposed of 2,572 metric tons of operational waste in 2014 – paper, food, cardboard, composting, aluminum and plastic, and other nonconstruction waste material. This amount is 12 percent or 352 metric tons less than 2013.

Highlights from 2014 include:

- SAS diverted slightly more than 50 percent of waste (almost 1,300 tons) from landfills through recycling and waste management worldwide.

- Construction projects at world headquarters achieved an astounding 87.8 percent landfill diversion rate on more than 360 metric tons of waste.
- SAS diverted 100 percent of e-waste from landfills by repurposing equipment for internal use, recycling and donating to educational institutions.
- Since 2008, the employee electronics recycling program (US) has collected more than 70 metric tons of personal electronic hardware for recycling. In 2014, a record 17 metric tons of equipment was collected from environmentally responsible employees.
- SAS expanded the Green2Go program to a second headquarters café. The reusable alternative to food to-go plastic containers has helped more than 500 participating employees eliminate thousands of containers from landfill disposal.
- A waste audit conducted for a primary headquarters building resulted in a landfill diversion rate of 58 percent.

Region	2014	2013	2012
US	1,277.0	1,563.6	1,438.7
LA	79.7	93.3	96.7
EMEA	770.8	818.6	911.1
CAN	46.1	66.1	69.1
AP	398.1	382.1	441.3
Total	2,571.7	2,923.8	2,956.9

Operational Waste Disposal by Year (Metric Tons)

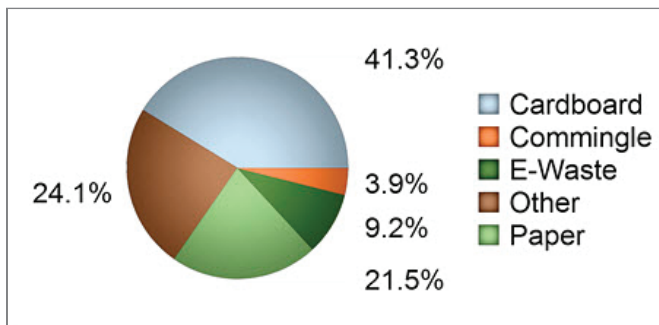| Region	2014	2013	Variance	Variance %
US	1,277.0	1,563.6	-286.6	-18.3%
LA	79.7	93.3	-13.6	-14.6%
EMEA	770.8	818.6	-47.8	-5.8%
CAN	46.1	66.1	-20.1	-30.3%
AP	398.1	382.1	16.0	4.2%
Total	2,571.7	2,923.8	-352.0	-12.0%

Operational Waste Variance (Metric Tons)
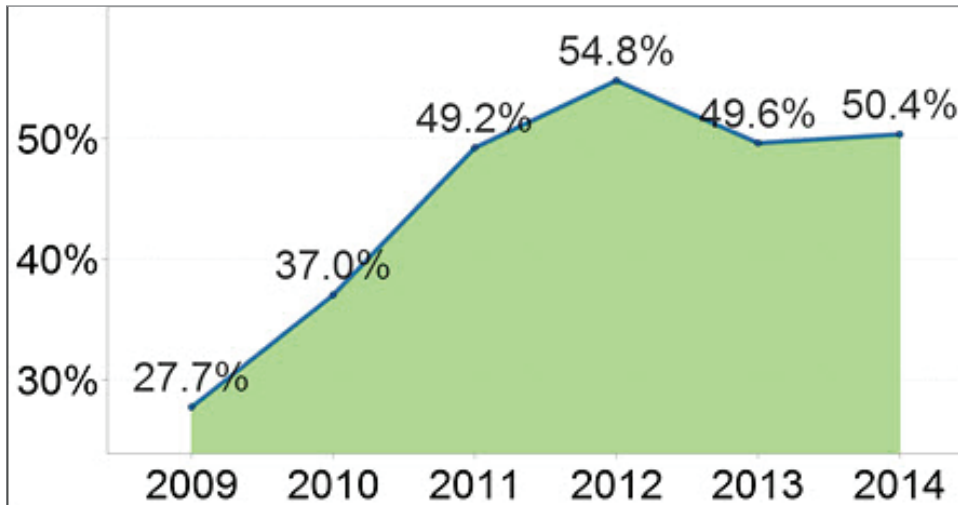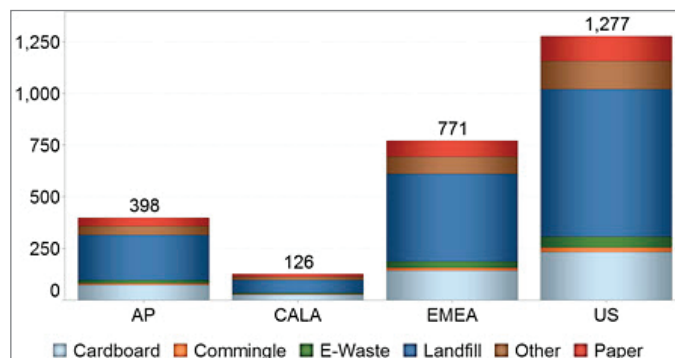
Landfill Diversion Rate Trend
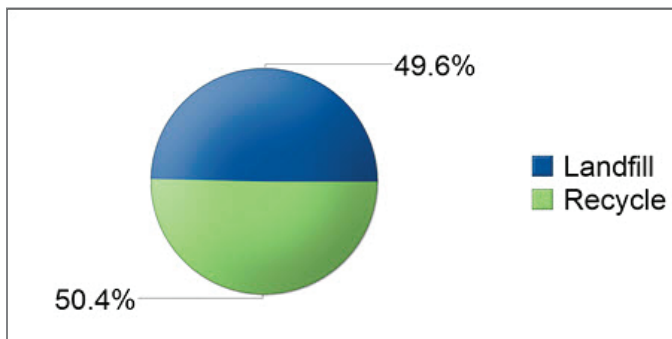
2014 Landfill and Recycling Rate

2014 Recycling by Material Type

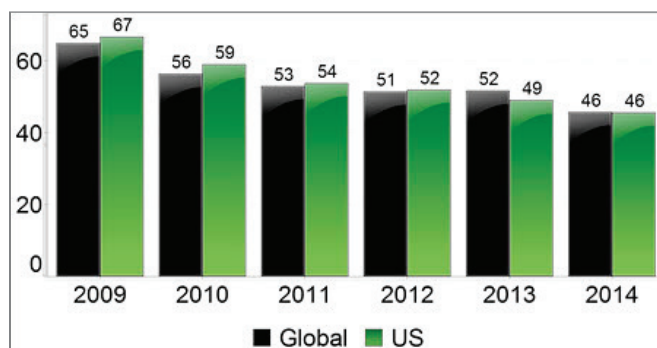**2014 Operational Waste (Metric Tons)**

Paper Consumption

Like most businesses, SAS is dependent on paper products to conduct business operations. SAS is making progress in three key ways:
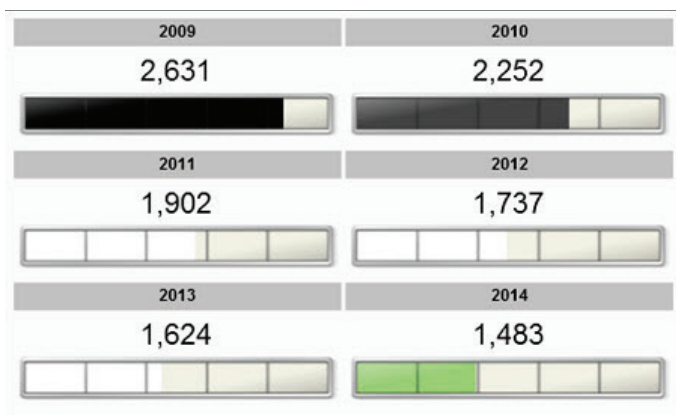
Reduce. SAS has significantly reduced print volumes by delivering less physical media to customers. This includes reducing inventories and increasing efficiencies by using a print-on-demand model; convenient access to online documentation; education and awareness campaigns; and personal choices. Since 2009, the average annual pages of paper used by employees has dropped from 2,631 to 1,483 – a 47 percent decrease. Globally, SAS used 173 metric tons of paper for printing in 2014.

Reuse. When SAS does print, employees are encouraged to find creative ways to reuse scrap paper. Ideas include using scrap paper for notes, reprinting, packaging material for shipping and on-site composting.

Recycle. SAS recycled 249 metric tons of paper materials in 2014 – 10 percent more than 2013. The standard office paper ordered for copiers and printers has 30 percent post-consumer recycled content.

Hazardous Materials

As a software company, SAS does not handle raw materials, conflict minerals, hazardous wastes or related supplies typical of traditional manufacturing. While risks are minimal, SAS places the utmost importance in abiding by industry best practices and governing regulations, including:

- Compliance with all Occupational Safety and Health Administration (OSHA) regulations for handling hazardous materials.
- Plans for Spill Prevention, Control, and Countermeasure (SPCC) that meet US Environmental Protection Agency (EPA) regulations.

2014 Data: SAS did not have any spills of hazardous materials, oil, fuel, waste or chemicals, and did not have any fines for noncompliance with environmental legislation. SAS is very careful to minimize environmental impact as the company continues to grow. The company strictly adheres to environmental regulations.

Paper Use Trend (Metric Tons)

Paper Use Trend (Sheets per Employee)

Water Conservation

SAS' 900-acre headquarters in Cary, NC, and 13 owned sites globally use water for office and data center cooling, cafés, gymnasiums, landscaping and employee consumption. Water conservation is of paramount importance to SAS, with many facilities operating in communities where water shortfalls and water use restrictions are standard. At SAS headquarters, coupling water-saving technologies and practice with increased employee awareness has resulted in significant savings. For example:

- Low-flow and electronically activated plumbing fixtures greatly reduce employee water consumption, saving 63 percent more compared to standard fixtures.
- Rooftop rainwater collection systems capture water for use in bathrooms.
- Cooling towers are replaced with high-efficiency models that use reclaimed water.
- Wastewater options such as reclaimed and gray water lower potable water consumption.
- Reducing and customizing irrigation schedules avoids over-watering plants.
- Collecting rainwater in retention ponds and cisterns minimizes stormwater runoff and provides water for landscape irrigation.
- Native and drought-resistant plants and warm-season grasses require less frequent irrigation.
- Timely repair of leaking pipes and the installation of low-flow toilets, shower heads and faucet aerators save at least 1.4 million gallons each year.

View dynamic SAS® Visual Analytics reports on SAS water conservation or see static charts and tables below.

2014 Data:

- SAS water use decreased by 1.9 percent in 2014, resulting in 5,456 cubic meters of water savings. This reduction reflects efficiency gains from investments in water-saving technologies, timely repairs to leaking pipes and reduced irrigation schedules.
- SAS' expanding use of reclaimed water and wastewater helps reduce the impact on local reservoirs and minimize the energy needed to treat water to potable quality. In 2014, extending a

reclaimed water line to additional buildings increased reclaimed water usage 41 percent – from 26,113 to 36,915 cubic meters.

- SAS installed an electrolyzed water system in a headquarters' café to clean, degrease and sanitize without the use of harmful chemicals. The system greatly reduces the amount of chemical-based cleaning supplies used for café operations.

Region ▴	2014	2013	2012
AP	19,801	19,934	15,423
CAN	9,339	5,092	6,672
EMEA	54,767	57,654	54,924
LA	2,483	2,706	2,780
US	194,362	200,823	206,526
Total	280,753	286,209	286,325

Water Trend (Cubic Meters)

Region ▴	2014	2013	Variance	Variance %
AP	19,801	19,934	-133	-0.7%
CAN	9,339	5,092	4,247	83.4%
EMEA	54,767	57,654	-2,887	-5.0%
LA	2,483	2,706	-222	-8.2%
US	194,362	200,823	-6,461	-3.2%
Total	280,753	286,209	-5,456	-1.9%

Water Variance (Cubic Meters)
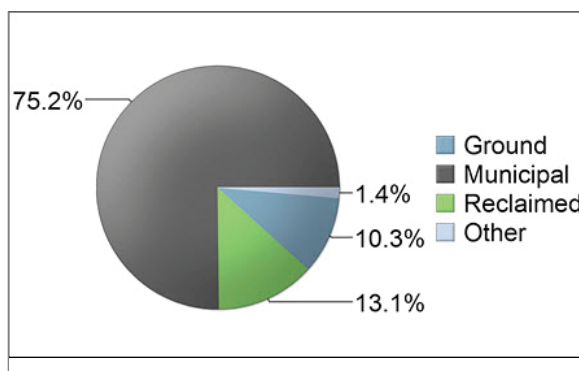
2014 Water Percentage by Source

Restatement: Groundwater was overstated by 12,632 cubic meters in 2013 due to an incorrect well meter report.

Green Building Practices

SAS strives to be a leader in environmental sustainability. Around the world, SAS is committed to making a difference. To achieve this goal, SAS embraces Leadership in Energy and Environmental Design (LEED®) guidelines for new construction and remodeling and retrofitting existing buildings.

SAS' six LEED certified buildings include Platinum-level certification for the Executive Briefing Center at world headquarters. Platinum is the highest level awarded by the US Green Building Council. SAS holds a Silver level national membership with the US Green Building Council. For offices located in countries that do not use LEED, SAS is incorporating country-specific best practices and pursuing equivalent certifications for new construction and maintenance.

Examples of SAS' commitment to green building practices include:

SAS US, Cary, NC, Headquarters: Building C – LEED Platinum Certified Office Building

Building C includes the Executive Briefing Center, café and an office tower for employees. The Executive Briefing Center uses cutting-edge technologies to help customers learn about SAS software. Building C achieved LEED Platinum certification for water and energy conservation, the first for any building in Wake County and only the fifth in North Carolina at the time. The building consumes 40 percent less energy and 50 percent less water by integrating highly efficient technologies and sustainable features:

- Photovoltaic panels generate 100,000 kWh annually to support lighting and building systems.
- Solar thermal panels provide hot water for the café.
- Thermal slab floor cooling uses water cooled in off-peak hours by building chillers to help maximize air conditioning efficiency.
- Radiant floor heating is used in the atrium for greater occupant comfort and minimizes heat loss through the roof.
- Highly efficient HVAC systems integrate economizers, enthalpy wheels, variable speed drives, and various heat recovery systems to increase energy savings.

- T5 fluorescent and LED lighting fixtures – along with individual lighting controls, motion sensors and automatic timers – save energy.
- A 1-acre sedum green roof minimizes stormwater runoff and insulation, significantly reducing the heat-island effect for this microclimate.
- Low-flow and electronically activated plumbing fixtures greatly reduce employee water consumption, saving 63 percent more compared to standard fixtures.
- A rainwater collection system with two 20,000-gallon cisterns captures water for use in bathrooms.
- A 655,000-gallon retention pond collects stormwater runoff for landscape irrigation.

SAS US, Cary, NC, Headquarters: Building D – LEED Gold Certified Data Center

The 38,660-square-foot facility includes two server farms, providing additional data handling for expanded SAS OnDemand offerings, hosted solutions and continued R&D growth. Environmental technology designed into the building, which earned LEED Gold certification by the USGBC, include a reclaimed water system and mechanical and electrical systems emphasizing efficiency of operation.

SAS US, Cary, NC, Headquarters: Building Q – LEED Gold Certified Office Building

The 220,660-square-foot office building features rooftop solar photovoltaic panels, highly insulated exterior wall and roofing systems, highly efficient heating and air conditioning, mechanical systems, energy recovery units and a water-side heat exchanger, extensive use of LED lighting, and reclaimed water use for cooling towers, irrigation and toilets. The parking lot has 12 spaces designated for plug-in electric vehicles with access to electric vehicle charging stations.

SAS US, Cary, NC, Headquarters: Building T – LEED Silver Certified Office Building

Building T, at world headquarters in Cary, NC, was the first SAS building to be awarded LEED certification for an existing building. Building T is also Energy Star certified and features solar thermal

hot-water panels, energy-efficient lighting and automation controls, and low-flow bathroom fixtures. Building T completed advanced retro-commissioning to ensure optimal performance for all building systems.

SAS Solna, Sweden: LEED Gold Certified Office Building

Sweden's newest office building was awarded LEED Gold certification. The facility features geothermal energy wells for efficient heating and cooling, rooftop solar photovoltaic panels, a sedum-covered green roof, and even on-site beehives, which provide natural honey for the cafeteria.

SAS Toronto, Canada: LEED Silver Certified Office Building

SAS Toronto was the first LEED-certified new office building in Canada. With rainwater harvesting and energy conservation measures saving more than 6 million kWh of energy per year, the SAS building has served as an inspiration for many other new buildings in Toronto.

SAS São Paulo: LEED Certified Office Building Renovation

SAS' leased office in São Paulo received LEED certification for an office renovation project in 2013.

2014 Data:

Green building highlights from 2014 include:

- LEED Gold certification for SAS Building Q, the newest building at SAS headquarters. Building features include rooftop solar photovoltaic panels, highly insulated exterior wall and roofing systems, highly efficient heating and air conditioning, advanced mechanical systems, energy recovery units and a water-side heat exchanger, extensive use of LED lighting, electric vehicle charging stations, and reclaimed water use for cooling towers, irrigation and toilets.
- Energy Star certification for another existing building at SAS headquarters.
- Initiating efforts to pursue LEED certification for three existing buildings at SAS headquarters.

§sas®
THE POWER TO KNOW®

Biodiversity

SAS is careful to minimize impact on biodiversity and surrounding habitats as it grows and expands its operational footprint. SAS adheres to the US Green Building Council LEED guidelines for protecting natural environments and promoting biodiversity in areas where the company operates. Of approximately 900 acres at SAS headquarters, about 100 acres feature buildings, roads or other impervious surfaces. The remaining 800 acres are retained as old-growth woodland, lakes and streams, farmland, natural areas and approximately 60 acres of maintained lawns, primarily for employee recreation and landscaping.

The company applies LEED best practice guidelines for new and existing building projects, smart land use planning and campus landscaping, such as:

• Preserving large areas of open space in construction projects to minimize disruption to local ecosystems.
• Reducing the heat island effect by installing white reflective materials and planting sedum on rooftops. Sedum increases insulation, minimizes stormwater runoff and provides habitat for wildlife.
• Collecting rainwater from rooftop systems, retention ponds and cisterns to minimize stormwater runoff and provide water for landscape irrigation.
• Harvesting timber from construction sites so artisans can craft unique pieces of furniture and accent walls for buildings.
• Restoring land disturbed by construction projects with native and adaptive drought-tolerant plants that help local ecosystems thrive and reduce dependence on water and chemicals.
• Growing local produce for SAS cafeterias in the on-site culinary farm.

The SAS Austin, TX, office is located on 94 acres of mostly undisturbed land where deer and other wildlife freely roam. Only about 3 acres are used for facilities and access roads. The property has intentionally been left wild and features a long, winding driveway and natural walking trails surrounding the more landscaped areas around the building.

The Austin property is home to several types of endangered birds and spiders, which are protected by landscaping and conservation guidelines, such as the Balcones Canyonlands Conservation Plan (BCCP). The BCCP is a joint venture of the City of Austin and Travis County that protects habitats for locally occurring species protected under the federal Endangered Species Act. SAS works closely with BCCP to maintain the natural integrity of these important habitats.

2014 Data: In 2014, the completion of SAS' Building Q LEED Gold certified office included a substantial effort to minimize environmental impact for both construction and ongoing operation. The building design and construction process ensured a minimal site footprint, higher than mandated erosion and stormwater controls, reduced heat island impact, maximized green space, use of native and drought-tolerant plants, and more.

Awareness & Engagement

In addition to employing sustainability measures globally, SAS promotes environmental education and awareness. Activities include educational campaigns, speaking engagements, SAS solar farm visits, companywide Earth Day activities, articles on the internal green website, white papers and webcasts. By engaging with customers, employees, industry leaders and world leaders, SAS seeks to extend the reach of its sustainability initiatives.

SAS works with leading international organizations to apply technology to address greenhouse gas emissions, as well as other environmental and social concerns. Customers use SAS® software to generate power efficiently, promote better use of critical resources, minimize waste, assist environmental protection agencies, and improve the production and delivery of goods.

2014 Data: In 2014, SAS employees joined in various activities to raise awareness about reducing waste, conserving energy, reducing water use, and protecting the environment. SAS held weeklong Earth Week celebrations at its world headquarters campus, while offices around the globe engaged employees with stewardship initiatives. Some US activities included:

- To help celebrate Earth Day, a new and improved SAS Green Initiatives website was launched, giving employees a one-stop resource for learning about all things sustainable at SAS. The new global site features environmental performance reports, tools to help employees share ideas and get involved, and links to important resources to help SAS minimize the environmental footprint from its operations.
- SAS' annual company celebration was a corporate social responsibility and sustainability themed festival. Employees celebrated with environmental stewardship in mind by indulging in local produce, learning about volunteer opportunities with environmental organizations, and participating in a SAS sustainability facts scavenger hunt to win prizes.
- At SAS' fourth annual Junk Swap, employees donated gently used, unwanted items that were offered free to other employees

or donated to the Salvation Army. More than 300 employees donated household items, including furniture and kitchen appliances, sporting goods, books and loads of toys.
- With support from the SAS employee volunteer Eco Advocates group, SAS conducted a dumpster dive for one of its campus office buildings.
- SAS volunteers spent a day revitalizing trails in the state park adjacent to the Cary, NC, campus.
- SAS hosted conferences for numerous environmental organizations, including the Research Triangle Cleantech Cluster (RTCC), EarthShare North Carolina and the Duke Nicholas Institute for Environmental Policy Solutions.

Electric Vehicle Support and the Eco-Commuter Program

SAS assigns top priority to minimizing energy consumption and related emissions from its operations. The SAS Eco-Commuter Parking Program encourages employees to mitigate the environmental impacts of their daily commute by providing specially marked preferred parking spaces for plug-in electric vehicles (PEVs), low-emission vehicles, and active carpool participants. Eco-Commuter parking includes 100 designated PEV spaces with access to 48 charging stations. SAS provides free charging for all employees and visitors.

Through 2014, employees at SAS headquarters in Cary, NC, own approximately 4 percent of PEVs in North Carolina.

Employees share the charging station infrastructure by following the SAS EVSE Use Policy and Guidelines.

The SAS Eco-Commuter Program also provides subsidized employee vanpools and bike racks at all office buildings.

View SAS' participation in the Department of Energy's Workplace Charging Challenge.

Work-life balance fosters creativity and innovation

SAS is recognized not only as the pioneer in analytics, but also for its corporate culture, which is anchored by meaningful work, trusted leadership and a world-class environment. The company has been ranked on Fortune's 100 Best Companies to Work For in the US since the list's inception, as well as several country and multinational lists that acknowledge a commitment to work/life balance.

By promoting the philosophy that satisfied employees mean satisfied customers, SAS has seen a direct correlation between its workplace culture and business success, which has resulted in 39 years of uninterrupted revenue growth and profitability. CEO Jim Goodnight firmly believes that if you treat employees like they'll make a difference, they will.

Workplace Culture

SAS' engaging environment enables employees to build lasting relationships with customers and drive the innovation that sustains the company's leadership in advanced analytics. SAS is recognized worldwide for being a great workplace and for working to ensure employees stay healthy, active and engaged.

2014 Data: In 2014, SAS earned 17 workplace culture awards, including the No. 2 ranking on the Great Place to Work Institute's list of the World's Best Multinational Workplaces. SAS Greece, SAS Netherlands and SAS Poland were all ranked No. 1 on their countries' Great Place to Work lists.

As part of the Great Place to Work program, SAS participates in GPTW's Trust Index Survey. This survey aggregates data from the Fortune 100 Best Companies to Work For list to rate participating companies. SAS' results demonstrate why it is annually recognized as a top employer in the US and beyond.

Great Place to Work Trust Index Survey (US only)

	SAS US Score	100 Best Companies US (Average
Credibility	87	85
Respect	90	86
Fairness	86	84
Pride	92	89
Camaraderie	92	89
This is a great place to work	96	91

Hiring & Retaining Staff

SAS cultivates the optimal environment for creativity, encouraging employees to take risks and exceed expectations while helping them balance work and life. SAS not only invests in employee career development, but also health and well-being through several services, programs and benefits.

2014 Data: In 2014, SAS maintained its perennially low turnover rate while sustaining its worldwide headcount. In 2014, SAS did not have any substantiated and material negative incidents with regard to employee discrimination or harassment. At the end of 2014, SAS had 13,741 employees worldwide and 6,862 US employees.

Voluntary Employee Turnover

In the US, the average employee tenure is 11 years, compared to an industry average of 4.6 years.[1] Reducing turnover reduces recruitment costs, helping the company retain knowledge and deliver deeper, longer-term customer relationships. This means SAS employees spend more time on productivity and less time training new hires on their roles in the company. SAS sees a strong connection between employee loyalty and business success.

2014 Data: In 2014, SAS' voluntary employee turnover rate was 5.2 percent. The average industry turnover rate is 16.2 percent.[1]

US Turnover Summary – 2014

US staff turnover	2012	2013	2014
Type			
Turnover number	220	300	349
Turnover percentage	3%	4.5%	5.2%
By age group			
19-31	32	50	45
32-44	98	105	124
45-63	77	112	128
64 and up	15	33	52
By gender			
Female	85	126	156
Male	135	174	193

Diversity and Equal Opportunity

SAS' work teams thrive on a diverse interplay of ages, backgrounds and perspectives. Employees' collective strength and passion for what they do ignites big ideas and powerful bonds. SAS continues to provide equal employment opportunity for all employees regardless of age, race, color, gender identity, religion, creed, ancestry, national origin, citizenship, marital status, sexual orientation, disability, medical condition, veteran status, pregnancy or any other protected class as defined by federal, state or local law.

[1] US Bureau of Labor and Statistics

To promote diversity and equal opportunity, SAS engages in the following:

- Standing Behind Veterans.
- Women's Initiative Network (WIN).
- Treatment and Education of Autistic and Related Communication Handicapped Children (TEACCH).
- Food and Service Training (FAST).
- Arc of Wake County to help match people in the community with disabilities who are seeking competitive employment.
- TOPS program for Wake Adult Compensatory Education. SAS provides placement opportunities for this organization.
- R3, a summer student program that symbolizes SAS' commitment to "Recognize, Recruit and Retain" women and minorities in fields of technology.

Skills Development

SAS supports the idea that all employees have a natural desire to learn and grow. As part of its culture and benefits for employees, SAS provides many opportunities for employees to develop, whether for specific job skills, business acumen or interpersonal competence. Training includes instructor-led classes, e-learning and live web training. Employees at all levels are encouraged to pursue training to keep their skills sharp and learn new techniques to improve their professional capabilities.

2014 Data: In 2014, SAS employees in the US devoted 162,224 hours to professional training.

Employee Type	Average Time in Training
Full-time	23 hours
Part-time	7 hours
95% of employees participated in professional training	162,224 hours

In addition to skills training, SAS has created a program specifically for employees pursuing leadership and management training. Courses are offered at different levels within the organization to cultivate and nurture internal talent. In 2014, SAS held 87 leadership development offerings, including 26 courses, training 854 people.

SAS offers a wide array of training options that enables employees to find their best learning method to meet work and career goals.

Training	Breakdown
Classroom	20%
Webcast and video	15%
E-learning	63%
Reading material	2%

Training programs include:

- Leadership development.
- Interpersonal development.
- Sales training.
- Technical training.

Health & Safety

Around the globe, SAS provides a safe and healthy working environment for all its employees. Each SAS office manages its own health and safety programs. Resources and best practices are available from the headquarters office in the US; however, each program is designed to fit the needs of that particular location.

Many SAS offices around the globe have exercise facilities on-site or have access to regional fitness clubs. All employees have access to health care coverage that is tailored to the cultural norms and local laws of each region. At the worldwide headquarters in Cary, NC, an on-site health care center provides comprehensive services that promote optimal health. The staff includes family nurse practitioners, physicians, registered dietitians/nutritionists, nurses, medical laboratory technologists, a psychologist and physical therapists.

The Security and Safety and Risk Management departments investigate any incidents that pose a danger to company employees or third parties and take measures to reduce or eliminate these hazards. These departments provide additional training and resources to help identify and prevent similar incidents from causing injury or damage to individuals.

SAS also has an Ergonomics department that supports employees through personal assessments and training. The department provides further educational resources through an intranet site, which includes FAQs, tips and information about a safe work skills program for manual labor employees. It also provides an assessment request form that employees can complete for a personal work-site evaluation by one of two full-time ergonomics specialists.

Absenteeism

By providing a safe, nurturing work environment, SAS strives to keep employees productive and effective in their roles. One measure of that success is the absenteeism rate.

2014 Data: In 2014, SAS recorded an absence rate of three days per full-time employee. This accounts for all types of nonvacation and holiday time, including sick, bereavement, jury duty, military leave of absence and workers' compensation.

Injuries/Lost Days – US[2]	2012	2013	2014
Total Employees	6,556	6,716	6,862
Compensation Claims	39 = 0.59%	30 = 0.45%	22 = 0.32%
Lost Working Days	334	116	129

[2] Numbers may vary based on a dynamic time frame.

§sas

THE POWER TO KNOW.

Meeting the challenges of the new millennium

SAS CEO Jim Goodnight refers to education as the engine of economic growth. By supporting efforts that prepare more graduates for college, work and success in the 21st century, SAS continues to play a vital role in the global community. SAS focuses its philanthropic activities on creating programs at its headquarters in Cary, NC, that can be replicated elsewhere. The company provides materials and best practices to help employees at any office launch a program that is a good fit for the community and meets local educational needs.

In North Carolina and around the world, SAS targets education initiatives in science, technology, engineering and math (STEM) to ensure the next generation of computer innovators has the knowledge and skills to succeed.

K-12 Education

The quality of education in the K-12 system directly affects economic growth and prosperity. In its effort to increase access to skills in the critical areas of STEM, SAS offers several products and services at no cost to schools.

SAS® Curriculum Pathways® and SAS® Mobile Learning Apps

SAS Curriculum Pathways provides interactive, standards-based resources in the core disciplines for middle and high school students in traditional, virtual or home learning environments. From preschool children to lifelong learners, SAS mobile learning apps engage students of all ages. SAS Curriculum Pathways and SAS mobile learning apps are available to every educator in the world at no cost. In 2014 nearly 253,000 teachers and students used the free digital resources for K-12.

SAS® Programming for High School

SAS provides five days of training, all instructional materials, assessments and teaching guides necessary to teach SAS programming to high school students. Students will leave this course with skills that allow them to sit for the SAS Certification exam, a globally recognized certification. These resources are available to educators at no cost.

STEM Career Showcase for Students With Disabilities

SAS partnered with the North Carolina Museum of Natural Sciences to create an annual event where students with disabilities, grades three to 12, interact with college students and professionals with a variety of disabilities who have forged successful career paths in STEM fields. Students network with role models who are pushing the boundaries of knowledge, building innovative products, and creating the technologies of the future. More than 200 students and chaperones attended either virtually or in person in 2014.

Support for 1-to-1 Learning

SAS was a founding partner of the North Carolina 1:1 Learning Collaborative, a public-private partnership providing laptops, professional development and critical support to schools in rural areas. The results from the project, now freely available, have become best practices for schools and districts undertaking a 1-to-1 initiative.

Triangle High Five Math Collaborative

This collaborative effort helps mathematics teachers identify and engage highly effective instructional practices and address disparities in math achievement related to race and income. Schools in the Triangle High Five partnership, which includes five public school districts, are striving to prepare more students to be successful in math and achieve their highest potential. Nearly 800 elementary and middle school teachers attended the fifth annual Math Summit at SAS, a two-day professional development event.

Support for STEM Careers

SAS again held a SAS STEM Career Day, in conjunction with Hour of Code and Computer Science Education Week, where volunteers ventured into classrooms to generate enthusiasm about careers in STEM. In 2014, SAS expanded the scope and impact of this event by incorporating activities and content from Code.org, as well as new computer science and statistics lessons. Volunteers engaged students with real-world examples, shared insights from their own careers and emphasized how school prepared them for success. Volunteer participation increased from 25 volunteers at one site in 2013 to over 100 volunteers at 30 schools in 2014.

SAS also supports other efforts devoted to improving the quality of education, including BEST NC, e-Learning Commission, Wake Education Partnership, NC Public School Forum, Business Roundtable and other nonprofits.

Higher Education

SAS® Analytics U

Big data has created an unprecedented demand for analytics talent that outpaces qualified applicants. To help fill the skills gap, SAS launched SAS Analytics U, a broad higher education initiative that includes free SAS software, university partnerships and engaging user communities that support the current and next generation of SAS users.

Free Software for Higher Education and Adult Learners

Through SAS University Edition and SAS OnDemand for Academics, professors, students, researchers and independent learners have free access to SAS software for teaching and learning valuable analytics skills. Students and independent learners can jump-start careers and make themselves highly attractive to talent-hungry employers by building analytics expertise. SAS University Edition was downloaded nearly 161,000 times in 2014. Also, free SAS e-learning courses in statistics and programming were downloaded nearly 28,000 times.

Support to Universities and Community Colleges

The SAS Education Division provides training and teaching materials to help professors and instructors incorporate SAS into their teaching. Resources include slides, data sets and printable/editable files of the student manual. These materials are provided free of charge, with copyright permission for professors to use any of the content in their own class notes. SAS also provides numerous guest lecturers to universities and community colleges – at no cost to the institutions. SAS trained more than 1,100 professors in the use and instruction of analytics in 2014.

Analytics Degree Programs

SAS partners with traditional and nontraditional graduate and undergraduate programs around the world to create degree and certificate programs that generate the analytical talent organizations need to make the most of big data. SAS has helped launch more than 30 master's and undergraduate degrees and 60 certificate programs in analytics and related disciplines. New programs in 2014 include ones at Capella University, George Washington University, Indian Institute of Management, University of Maryland, Michigan State University, University of Missouri, Shiv Nadar University and University of South Australia.

SAS Student Programs and Scholarships

SAS has many programs that recognize, support and propel students toward a career in analytics or other STEM fields. Through opportunities such as the SAS Student Ambassador Program, the SAS Scholar Award Program, the SAS Data Mining Shootout, the SAS Global Forum Student Scholarship Program and others, students receive valuable assistance, experience, networking and professional exposure at major SAS events.

SAS
THE POWER TO KNOW.

Philanthropy

SAS provides support to sustainable programs that help students succeed in the classroom and graduate from high school. In particular, SAS champions programs that focus on the integration of technology that will strengthen the education system and increase the number of students entering careers in science, technology, engineering and mathematics (STEM). Programs must generate a long-term impact and affect significant numbers of people, without discrimination. Examples include:

- #GivingTuesday, a global day of giving.
- Communities in Schools, the nation's largest dropout prevention organization.
- Computer Science Education Week – SAS joins this national effort by providing volunteers with training, activities and materials to work with students and pique their interest in computer science.
- College and Career Ready Standards, an effort to define higher learning standards.
- DonorsChoose.org, a national nonprofit that connects donors with classrooms in need. Each year, SAS matches employee contributions to the cause.
- In-kind donations for nonprofit organizations that need computer equipment or software. SAS gives hundreds of thousands of dollars in surplus computer hardware, office equipment and other tangible items to community groups that can benefit from the donation.
- Donations of money, software and expertise to numerous colleges, universities and community colleges around the world.
- North Carolina Center for International Understanding, a program to ensure that North Carolina is the most globally engaged state in the nation.
- Mapping the Nation, an online resource that reveals the importance of a globally competent workforce and citizenry.
- North Carolina Science Festival, a statewide showcase of science activities.

- University of North Carolina Data Dashboard – Built by SAS, this interactive, online database gives students, parents, policymakers and taxpayers expanded access to detailed UNC system data to track system performance.
- University of North Carolina Educator Quality Dashboard – Built with SAS data visualization software, this interactive online tool enables citizens to analyze and display data on the UNC system's efforts to prepare more and higher-quality teachers and school leaders for the state's public schools.
- Triangle High Five, a partnership committed to seeing that students graduate from high school ready for higher education and careers of their choice.
- University of North Carolina Public Television broadcasts award-winning, educational programs that are watched by more than 4 million viewers each week.
- Wake County Public Schools, the largest school district in North Carolina and the 16th largest in the nation.
- Wake Education Partnership, an independent nonprofit organization that mobilizes business and community involvement in Wake County schools.
- YMCA of the Triangle, with 16 facilities to meet community needs through programs that promote good health, strong families and solid communities.

Contributions

2014 Data: In 2014, SAS donated nearly $31 million dollars to nonprofits across the globe. Nearly $5.3 million in community grants was managed by local offices worldwide. In the US, SAS donated more than $25 million of in-kind training, software, hardware, services, volunteer time, and surplus equipment and furniture.

2014 Donations	Type	Global Total
Cash donations	Worldwide cash	$5,275,290
In-kind donations (US only)	Software, hardware and services	$10,068,883
	Additional JMP® software donated	$61,285
	Value of in-kind of training for students and educators	$15,101,505
	Surplus equipment/ furniture/hardware	$282,015
Total		$30,788,978

Community Engagement

As an integral part of SAS culture, the company encourages employees to donate their talent, time and/or finances to projects supporting education, the environment and social welfare. Offices across the globe manage programs tailored to fit the needs of their communities and the interest of SAS employees.

To foster a culture of volunteerism at SAS, the company manages the Employee Volunteer Fund (EVF), which contributes cash to education-based nonprofit organizations after an employee has provided at least 50 hours of volunteer support in three out of four quarters over 12 months.

2014 Data: In 2014, SAS employees in the US volunteered more than 29,000 hours through the EVF program, resulting in more than $91,750 paid to schools across the country. Globally, SAS employees volunteer their time in the community. Whether it is collecting toys at Christmas in France, adopting a local school in Canada, raising money for the food bank in Pittsburgh, collecting coats for kids in North Carolina, or building Habitat for Humanity homes across the US, SAS employees generously give their time to improve their communities.

Some SAS volunteer projects in 2014 include:

- #GivingTuesday represented the company's most audacious global philanthropy effort. SAS employees in 18 countries and more than a dozen US offices joined more than 18,000 organizations around the world for this global day of giving. International SAS efforts include:
  - Argentina gathered shoes for families.
  - New Zealand and Australia participated in blood, food and gift drives.
  - China gathered winter clothing for children and families.
  - Austria supported an organization that provides education opportunities to needy African children.
  - Czech Republic participated in a slew of activities benefiting senior citizens, seriously ill and disabled people.

- France donated food and toys.
  - Greece collected and delivered food to a home for orphans and abandoned children.
  - Hungary collected toys, clothes, shoes, sporting goods and books for an orphan's home, as well as donations to a home for the elderly and an animal rescue organization.
  - India supported a drive to increase registrations of organ and eye donors.
  - Ireland collected donations and launched a social media campaign to combat homelessness.
  - Mexico donated gifts for babies or mothers as part of a massive baby shower to be held for pregnant low-income women at a women's hospital.
  - Slovakia donated blood and collected winter clothes and school bags for needy children.
- In the US, regional offices participated in blood, toy and food drives, collected clothes for the homeless, and supported animal rescues and domestic violence shelters. At SAS world headquarters, the numbers tell the story:
  - 400 children received clothing as part of the Salvation Army Angel Tree collection.
  - On #GivingTuesday, employees contributed nearly $10,000 to DonorsChoose.org, which SAS matched.
  - 20 employees worked with 100 girls on STEM activities.
  - 136 pints of blood were donated to the American Red Cross.
  - Employees donated 4,338 pounds of canned goods as part of the CanOrnament display.
  - The SAS child care centers collected 750 pounds of canned goods.
  - Virtual Food Drive monetary donations totaled $3,505.
  - The Food Bank was able to create nearly 22,000 meals from these donations.
- In 2014, SAS employees donated over $67,000 to DonorsChoose.org for classroom projects; SAS matched those donations, resulting in almost $135,000 for 836 projects. A total of 94,450 students in 49 states have benefited from the partnership.

- SAS volunteers helped raise $153,775 for UNC-TV, the statewide public television network. Since 2000, SAS has helped raise more than $2 million for public television.
- SAS STEM Career Day. SAS STEM volunteers visited schools and described their careers, how they chose their career paths, and how SAS and its customers use math, science and technology. The goals are to increase student interest in STEM careers and courses, to help students connect what they do in school with an exciting STEM career pathway, and to familiarize them with the varied STEM careers at SAS and other organizations. SAS also provided a STEM Career Day for Teachers on the SAS campus.

Community Board Membership

SAS staff members carry the company's corporate responsibility values outside the office by serving on the boards of community organizations that support education, disaster relief, the arts, science innovation, environmental conservation and other issues important to employees.

2014 Data: Following are some of the boards on which SAS employees served in 2014:

- American Chamber of Commerce to the European Union (AmCham EU) Executive Council
- Atlantic Council Board of Directors Member
- American Statistical Association
- BEST-NC (Business for Educational Success and Transformation in North Carolina)
- CARE
- Cary Academy Board of Directors
- CSC Strategic Advisory Board at North Carolina State University – Board Emeritus
- EDF National Council
- Friday Institute for Educational Innovation (NC State)
- Gillings School of Public Health (University of North Carolina at Chapel Hill)
- Kids 'N Community Foundation, Carolina Hurricanes
- Nicholas School of Environment
- North Carolina Community College System
- North Carolina Marbles Kids Museum Board of Directors
- North Carolina Museum of Art
- North Carolina Museum of Natural Sciences – Friends
- North Carolina Public School Forum
- North Carolina Science Festival
- NC State Board of Trustees

- Sall Family Foundation
- Smithsonian National Museum of Natural History, Advisory Board
- The Center for International Understanding Council
- The Nature Conservancy Africa Council
- US Council for International Business Board of Directors – Executive Council
- UNC Board of Governors
- Wake Education Partnership
- WildTrack
- World Wildlife Fund US
- YMCA of the Triangle

Donation Process

SAS' corporate philanthropy supports strategic initiatives that increase interest and achievement in STEM, with an emphasis in the region surrounding SAS world headquarters.

If your organization meets all the below criteria, proceed with the donation application process outlined under the next section, "SAS Community Relations Program."

- Have nonprofit tax exemption status under Internal Revenue Service code 501(c)(3).
- Have a responsible board of directors serving without compensation.
- Show financial stability as evidenced by annual financial statements.
- Employ ethical methods of publicity, promotion and solicitation of funds.
- Raise funds without payment of commissions, street solicitations or mailing of unordered tickets.
- Operate from a detailed annual budget.
- Request funds for programs or operations with a minimal portion applied to overhead.
- Use the in-kind donation to benefit organizational members or constituents.
- The SAS Community Relations program does not consider funding or in-kind donations for the following:
  - Sponsorship of professional athletic or amateur sports teams or individuals.
  - Single events such as walk-a-thons, fundraisers, workshops, seminars, etc.
  - Religious causes.
  - Political parties, candidates or issues.
  - Organizations that are in any way exclusive.
  - Trips, tours.
  - Independent film/video productions.
  - Requests from individuals.

SAS Community Relations Program: Criteria for Donations Related to Education

If your organization meets the above criteria, follow these steps to apply for a donation:

1. **Complete the SAS Donation Application** listed below, making sure to provide all information requested.

2. **Prepare a brief description** (three pages or less) of the project/program to be funded or for the in-kind request, including answers to the following questions:
   - What is the primary mission of your organization? Describe your current programs and significant accomplishments.
   - What issue or problem does your program/project address?
   - How does this issue relate to SAS' educational focus, priorities and criteria?
   - What is the scope of your program? Who is your audience and/or the population to be served? (Include any available program or policy statements that reference geographic location, socioeconomic status, or other factors that identify the target audience.)
   - What is the program goal or expected outcome of the program for which support is requested?
   - What is the track record of the project/program to be funded? (If new, discuss accomplishments of the organization.)
   - How will you measure the success of the program/project and report the results to SAS?

3. **Provide the following supporting documentation:**
   - A photocopy of the IRS 501(c)(3) letter.
   - Evidence of current accreditation (for educational institutions).
   - An audited financial statement or detailed information on finances.
   - A list of those currently on the board of directors and their professional affiliations.
   - A separate project/program budget, if applicable.

4. **Return** (1) the completed application; (2) description; and (3) all required supporting documentation. Incomplete applications will not be considered. Completed applications are reviewed in the order they are received.

Mailing address:
Community Relations
SAS Campus Drive
Cary, NC 27513
Note: Submitted materials will not be returned.

For further information, contact CommunityRelations@sas.com.

Donation Application

Date: _____

Name of Organization: _____

Address of Organization: _____

Contact Person: _____

Title/Position: _____

Address (if different from above): _____

Telephone: _____ Fax: _____ Email Address: _____ Website: _____

How long has this organization operated in this community? _____

The funds being sought are to be used for: _____

Capital Campaign _____ Operating Budget _____ Special Project – project start and end dates: _____

Total budget for current project: $ _____

What percentage is being requested from businesses? _____

Dollar amount or description of in-kind donation requested from SAS: _____

How was this amount calculated? (include overall budget if requesting partial funding): _____

Has your organization received previous support from SAS?   Yes _____ No _____

If yes, list year(s) and amount(s): _____

List three to five other major business contributors to this program and the amounts contributed: _____

List names and positions of any SAS employees involved with your organization: _____

Name _____

Title _____

Return completed Donation Application, together with all required supporting documentation, to:

Community Relations
SAS Campus Drive
Cary, NC 27513