

SAP Case Study GoldPower

Greening the energy footprint with GoldPower



The Brief

Who is the client?

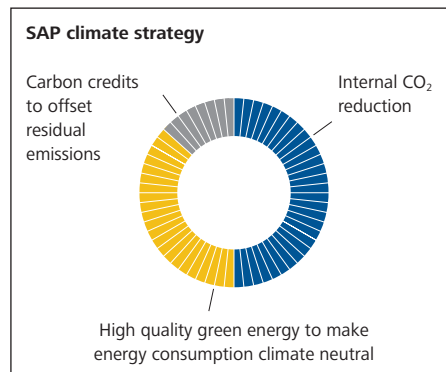
SAP is a global multinational software corporation that makes enterprise software to manage business operations and customer relations. Headquartered in Walldorf, Germany, the company operates regional offices and data centres all over the globe. With annual revenues of 16.8 billion Euros and over 66,000 employees, SAP is one of the largest software companies in the world. SAP's vision is to help the world run better and improve people's lives. Innovation and sustainability are at the core of its philosophy.

What is the context?

The global cloud computing business continues to grow at astonishing rates. The IT sector is responsible for 2% of global greenhouse gas (GHG) emissions. Over the last few years, SAP has expanded rapidly. For the period 2011–2013, total energy consumption declined thanks to significant efficiency gains. More recently however, the sheer scale of the company's growth has led to increased electricity use and CO₂ emissions.

What was the challenge?

CO₂ is a core sustainability metric for SAP. Electricity use represents a substantial proportion (25%) of SAP's global CO₂ emissions. Furthermore, cloud solutions with their energy-intensive data centres represent a major growth opportunity for SAP, where the use of green energy can be leveraged as a powerful differentiator for attracting and retaining customers, employees and investors. In 2009 the company announced that by 2020 it wants to reduce its carbon footprint to its year 2000 level. SAP has a three-pronged global climate strategy that is displayed in the following figure.



Given the significance of electricity consumption, both operationally and commercially, the company decided to look for a way to power its operations worldwide with 100% renewable electricity, starting in 2014.

How did SAP proceed?

Having established this strategic goal, the company conducted a screening of available market alternatives. Different solutions were identified and compared with respect to their fit with SAP's strategic priorities.

What solution did SAP choose?

The company decided to go for high quality renewable energy certificates (REC) as their option of choice. SAP defined their internal selection criteria for securing high quality and opted for buying south pole group's GoldPower, a premium renewable energy certificate.

Why did SAP select RECs?

Developing proprietary sources of renewable energy would require significant amounts of investment. The production of renewable energy is not part of SAP's core business and even with major investment it would not meet the company's global energy demand. Furthermore, SAP did not want to compete with power utilities, since many of them are SAP clients.

RECs on the other hand provide a convenient, readily available and cost-effective solution, which guarantees the production of an amount of renewable energy equivalent to the amount of energy consumed by the buyer. The matching of these two amounts independent of the locations of energy production and consumption is one of the key strengths of RECs.

"The procurement of renewable electricity is an important part of SAP's carbon reduction strategy."

Jonas Dennler

SAP's global environmental manager



What convinced SAP to buy GoldPower?

SAP is a global company with operations in a host of different locations. GoldPower is a globally applicable product, which provides access to high-quality renewable energy, even in markets where no other comparable product is available.

GoldPower combines the general advantages of RECs with additional benefits, persuading SAP to select it as their high quality renewable electricity solution.

"SAP chose GoldPower because it is a great offering for Asia."

Jonas Dennler

SAP's global environmental manager

GoldPower guarantees SAP the following benefits

- 1 Powering all operations and events with 100% renewable energy including data centres
- 2 Centralised procurement of globally applicable renewable energy
- 3 Covers all SAP global locations, including countries where access to local renewable energy is difficult
- 4 Competitive prices
- 5 Genuine display of SAP's corporate social responsibility commitment → demonstrate civic leadership
- 6 Compelling stories to engage staff and customers
- 7 Clear and transparent public register of purchased certificates
- 8 Support projects with a proven social impact in developing countries
- 9 Dedicated marketing and communication support
- 10 Opportunity to join the RE100 initiative and to position SAP as a sustainability leader

What motivated SAP to choose GoldPower?

With GoldPower, SAP wants to run its business with renewable energy. Its commitment in that respect goes hand in hand with the company's quality guidelines. GoldPower enables SAP to join the RE100 initiative and have a critical role in helping the world move towards a low-carbon economy.

"SAP is satisfied with GoldPower because it offers us a high quality solution we can source with reasonable effort at a competitive price."

Jonas Dennler

SAP's global environmental manager

Green IT, SAP data centre location



What is GoldPower?

GoldPower is the world's first global renewable energy label. It is geared towards leading businesses who want to demonstrate their commitment to a sustainable energy future.

GoldPower comes from grid-connected renewable electricity projects in developing countries. It guarantees that each renewable energy purchase provides truly additional reductions in carbon emissions as well as delivering significant, verified environmental, social and economic benefits to the local community. These benefits can include health clinics, employment and education for local people, as well as new infrastructure such as power supply and roads.

Summary of GoldPower features

- 1 Premium renewable energy certificate
- 2 Matches electricity consumption and carbon emissions on a country-by-country basis
- 3 Includes wind farms, hydro-electric plants, solar farms, biogas and geothermal
- 4 Supported by major NGOs such as WWF, UNEP, UNGC
- 5 Projects certified by the Gold Standard: guaranteed additionality
- 6 Reportable under the CDP, WWF Climate Savers, WindMade
- 7 Audited annually by PWC
- 8 All electricity generated by plants no older than 10 years
- 9 All electricity produced in the same year or a maximum of two years before the buyer's reporting period
- 10 Enables signatories of RE100 to achieve the 100% renewable energy objective set by the initiative

South Pole Group delivers GoldPower for SAP data centres



Why work with us

Global team

We are a truly global provider of sustainability solutions and services. Our team is made up of over 100 skilled and enthusiastic professionals from a host of different countries, based in offices spanning 6 continents.

Proven impact

Since 2006, we have measured the climate impact of countless companies and products worldwide. We have screened USD 30 bn+ of investments for their climate impact and we have developed 270+ projects in renewables, forestry, agriculture, industry and households. Through our efforts, 50 million tonnes of CO₂ have been saved, almost as much as the annual CO₂ emissions of Portugal. We have enabled the production of 35,000 GWh of renewable energy (more than the annual electricity consumption of Denmark), and mobilized over USD 6 bn for clean energy investments in emerging markets. In total, our projects have helped create almost 20,000 jobs in developing countries and we have saved 17,000+ hectares of forest from deforestation, about the size of 24,000 soccer pitches.

Added value

We help you grow with groundbreaking solutions that benefit your business, the environment and society.

GoldPower credentials

Projects certified by



Reportable under

