

2011 Corporate Social Responsibility Report



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About this Report

The SAS 2011 Corporate Social Responsibility (CSR) Report is based on the calendar year Jan. 1 to Dec. 31, 2011. All data and information pertains to SAS Institute Inc., the US-based parent company for SAS, except for environmental data or unless otherwise stated. There have been no significant changes during the reporting period.

The report was developed using [Global Reporting Initiative](#) (GRI) G3 sustainability reporting guidelines and is self-declared at application level C.

SAS' CSR efforts focus on four core areas: governance, employees, environment, and education and philanthropy. Content relating to the company's values, structure and employee benefits sits in the CSR overview site, while content specifically relating to 2011 is contained here.

As in previous reports, [SAS® for Sustainability Management](#) was used to provide the facts and figures regarding SAS' environmental footprint. Executive leaders and other relevant internal stakeholders have reviewed all content.


SAS received [numerous awards and recognition](#), which can be found on its website.

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.

Letter from CEO

Now in our 36th year of operations, SAS remains focused not only on providing innovative, high-quality products but on a deep commitment to corporate social responsibility. At SAS, we want to be the company others call first to solve complex business problems. SAS produces software that is second to none because people are our No. 1 priority. Employee and customer satisfaction are at the heart of SAS' success and sustainability. SAS' structure allows us to use the risk and volatility of a challenging economy as opportunities, not constraints. This applies to sustainability practices as well. By embedding sustainable principles into our business decisions – particularly those that involve employees and capital investments – organizations can emerge from uncertain times on a foundation of stability and prosperity.

A key factor for SAS has always been and will remain our employees. SAS retained its No. 1 position on the [Fortune Best Companies to Work For list](#) in the US and secured the No. 2 spot on the first-ever Top 25 World's Best Multinational Workplaces list from [Great Place to Work](#). In line with these achievements, in 2011 we grew our workforce by more than 9 percent while maintaining a low turnover rate of 3 percent.



This year we continued our efforts as a leader in sustainability by further investing in innovative technologies that help minimize the environmental impacts of our business. 2011 saw the completion of a new LEED®-certified building. The building is expected to use 50 percent less water and 40 percent less energy compared to industry standards and incorporates solar-generated hot water and electricity, a building cooling system and a one-acre green roof that filters and slows the rate of stormwater run-off.

We will continue to implement LEED guidelines and best practices in the pursuit of formal certification for new and existing buildings, as well as leased and owned office renovations.

At SAS, we believe in improving lives through learning and, by focusing on one particular area of concern – education – we believe we can be more effective in making a difference in our community. Our education initiatives inspire more students to study science, technology, engineering and math (STEM) – knowledge required to solve global concerns about limited natural resources. We continue to provide 21st century technology, expertise, professional development and instructional materials to prepare students for college and their careers; collaborate with Change the Equation national initiative to define metrics for evaluating and sustaining viable STEM initiatives; and engage the global corporate community in prioritizing efforts that strengthen education and increase the numbers entering careers in STEM. This year we donated nearly \$20 million in grants, software, equipment and training for students and educators.

Furthering our commitment to international efforts on corporate responsibility, SAS joined the UN Global Compact, an initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption.

This CSR report, our fifth, reflects our commitments and performance as well as future goals to ensure that our business incorporates operating both responsibly and sustainably while contributing to the communities where we work.

Jim Goodnight
CEO

Global Reporting Initiative (GRI) Index 2011 Report

Indicator	Description	Reference
Strategy and Analysis		
1.1	Statement from the most senior decision maker of the organization	From the CEO
Organizational Profile		
2.1	Name of the organization	Governance
2.2	Primary brands, products and services	Products & Solutions
2.3	Operational structure	Governance
2.4	Location of headquarters	Governance
2.5	Number of countries where organization operates	Governance
2.6	Nature of ownership and legal form	Governance
2.7	Markets served	About SAS
2.8	Scale of organization	Governance
2.9	Significant changes during reporting period	About This Report
2.10	Awards received during reporting period	Awards and Recognition
Report Parameters		
3.1	Reporting period	About This Report
3.2	Date of most recent previous report	About This Report
3.3	Reporting cycle	About This Report
3.4	Contact person	About This Report
3.5	Process for defining content	About This Report
3.6	Boundary of the report	About This Report
3.7	Limitations on scope or boundary	About This Report
3.8	Basis for reporting on entities that can significantly affect comparability	About This Report
3.9	Data measurement techniques and bases of calculations	About This Report
3.10	Re-statements of information provided in earlier reports	Not relevant
3.11	Significant changes from previous reporting periods	About This Report
GRI Content Index		
3.12	Standard disclosure tables	GRI Index
Governance, Commitments and Engagement		
4.1	Governance structure	Governance Structure
4.2	Executive officer	Governance Structure
4.3	Unitary board structure	Governance Structure
4.4	Mechanisms for employees to provide recommendations to the governance body	Governance Structure
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance	Governance Structure
4.14	Stakeholder groups	Governance
4.15	Basis for identification and selection of stakeholders with whom to engage	Governance

Economic Performance Indicators		
EC1	Direct economic value generated and distributed	Company>About SAS> Statistics
Environmental and Performance Indicators		
EN3	Direct energy consumption by primary energy source	Environment > Energy
EN4	Indirect energy consumption by primary source	Environment > Energy
EN5	Energy saved due to conservation and efficiency improvements	Environment > Energy
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services	Environment
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	Environment > Energy
EN8	Total water withdrawal by source	Environment > Water
EN16	Total direct and indirect greenhouse gas emissions by weight	Environment > Energy
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	Environment
EN22	Total weight of waste by type and disposal method	Environment > Waste
EN26	Initiatives to mitigate environmental impacts of products and services	Environment > Waste
EN28	Fines and sanctions for noncompliance with environmental laws and regulations	Environment
Labor Practices and Decent Work Performance Indicators		
LA1	Workforce by employee type, employee contract and region	Employees
LA2	Number and rate of employee turnover by age group, gender and region	Employees > Hiring & Retaining Staff (Partially)
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SAS Family > Benefits
LA7	Rates of injury, occupational diseases, lost days and absenteeism, work-related fatalities by region	Employees > Health and Safety
LA8	Education, training, counseling, prevention and risk-control programs regarding serious diseases	Employees > Health and Safety
LA11	Programs for skills management	Employees > Skills Development
Society Performance Indicators		
SO4	Actions taken for incidents of corruption	Governance > Ethics and Compliance
SO7	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices	Governance > Ethics and Compliance
SO8	Fines or sanctions for non-compliance with laws	Governance

Governance and Management

Highlights

	2011 Goals	Performance Highlights	2012 Goals
Initiative Compliance	Maintain “zero tolerance-zero fines” for noncompliance with environmental, anti-corruption, trade and privacy laws.	Achieved goal.	Maintain “zero tolerance-zero fines” for noncompliance with environmental, anti-corruption, trade and privacy laws.
Ethics and Compliance – Training	Increase compliance course training and completion rates.	Released a Social Media Responsibility course. Released an International Traffic in Arms Regulations course. Initiated translation of a global Privacy course.	Release the global Privacy course in seven languages.
Anti-Corruption	“Zero tolerance-zero fines” for anti-corruption for US and international operations.	Accomplished goal of posting anti-corruption due diligence screening program and policy for Alliance Partner candidates. Expanded third-party due diligence efforts. Expanded US lobbying, gift and campaign law compliance measures by engaging a specialized firm that helps SAS manage these matters in the US. Began development of a specific SAS UK anti-corruption program and SAS Italy code of ethics program. Completed initial review of high-spend suppliers.	Refining third-party due diligence program and expanding it for use with partners and subcontractors with due consideration of proportionality and risk for each market served by SAS and its subsidiaries. Continue review of mid-tier and mid-low-tier suppliers, and new suppliers.
Fair Trade Laws, International Peace Accords, Anti-Aggression Laws and Sanctions, and Anti-Boycott Laws	Maintain “zero tolerance-zero fines” for Fair Trade Laws, International Peace Accords, Anti-Aggression Laws and Sanctions, and Anti-Boycott Laws.	Accomplished. Revised initial processes to allow real-time (or near-real-time) updates to external Export Commodity Classification Number (ECCN). Completed improvements to the internal ECCN assignment and data storage application to streamline product classification process and improve timeliness and accuracy of classification posting and reporting.	Continue to have no government fines. Continue work on next phases involving creation of a system to enable near-real-time updates to external ECCN chart.
Privacy Protection Laws	Advance awareness of SAS privacy and security practices (internal and external audiences). Develop new mechanisms to communicate these policies and practices.	Achieved goal through: Updated SAS OnDemand’s Business Customer Privacy Policy to align with new data retention policy. Completed first phase of providing privacy training and policy upgrade assessment for select offices. Conducted annual in-person privacy training of SAS OnDemand personnel. Assist offices in filing required documents and notifications as needed. Conduct annual in-person privacy training of SAS OnDemand personnel.	Conduct annual in-person privacy training of SAS OnDemand personnel. Translate global privacy course into seven languages and assign it to all employees worldwide if pertinent for their responsibilities.

Overview

SAS maintains its commitment to corporate social responsibility. In 2011 the Executive Sustainability Council continued its role ensuring that sustainability goals and priorities permeate every aspect of the company's operations. The Corporate Social Responsibility (CSR) Task Force is an interdepartmental group that meets regularly to integrate these efforts across the business.

These teams continue to work closely with all aspects of the business, engaging with various departments and ensuring policies and initiatives regarding CSR are considered in all aspects of the business.

As part of its CSR commitment, SAS senior management is represented on the boards of leading conservation organizations, such as [The Nature Conservancy](#), and provides influence on the global stage through organizations such as the [World Economic Forum](#), [World Resources Institute](#) and the [Environmental Defense Fund](#).

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

Stakeholder	Engagement	2011
Communities	Employee volunteers, grants, donations and training.	SAS employees volunteered 22,700 hours through the Employee Volunteer Fund (EVF), resulting in \$90,500 paid to schools across North Carolina.
Employees	Intranet, webcasts, webzines and blogs.	790 blogs; 1,304 intranet stories; 502,207 hits to the US SAS Family and three employee morale programs held.
Regulatory and government	Regular meetings and briefings, membership in trade associations and business organizations.	SAS joined the UN Global Compact.
Industry organizations	Interviews, meetings, briefing papers, white papers and articles.	
Business partners and suppliers	Meetings, webcasts and representation on boards.	

Governance Structure

SAS Institute Inc. is a North Carolina corporation that has been privately held since its inception in 1976.

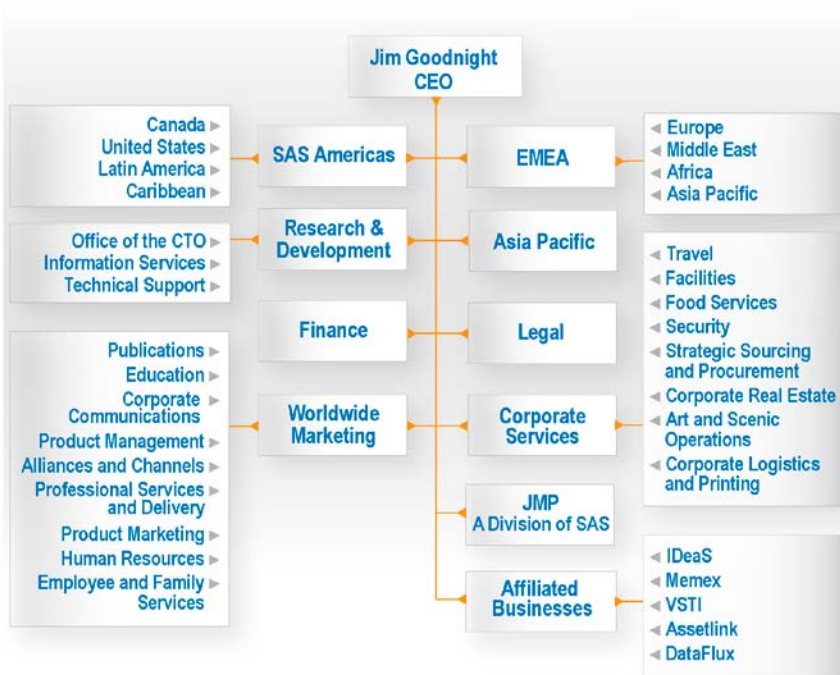
SAS is headquartered in Cary, NC. The company operates through functional divisions that include Worldwide Marketing, Research & Development, Finance, Legal, and Corporate Services. SAS delivers software and related services to customers throughout the world. These sales operations are conducted primarily through SAS and its controlled sales subsidiaries, which operate in 57 countries. These entities are grouped into three regional sales divisions – the Americas; Europe, Middle East, and Africa (EMEA); and Asia Pacific.

The SAS Americas division includes 12 companies (SAS Institute Inc. and 11 operating subsidiaries), which provide software and services to customers in specific territories. The Europe, Middle East and Africa division and the Asia Pacific division together include approximately 48 operating subsidiaries. SAS also has a number of representative and branch offices in the above regions, with a total sales presence in more than 55 countries. SAS also has subsidiaries in the Asia Pacific region that are dedicated to conducting research and development activities for SAS and its affiliates.

[DataFlux](#), [IDeaS](#), [Memex](#), [VSTI](#), [Assetlink](#), [JMP](#) and [Teragram](#) are separately branded but affiliated lines of business that are operated either through dedicated wholly owned subsidiaries of SAS or as integrated divisions of SAS.

Jim Goodnight, Chief Executive Officer, and John Sall, co-founder and Executive Vice President, are the company's principal shareholders and constitute the board of directors serving as executive officers, overseeing corporate performance and investment decisions across environmental, social and economic interests.

Corporate social responsibility initiatives and priorities are set by the board, working with Senior Vice President and Chief Marketing Officer Jim Davis. The SAS Executive Sustainability Council, formed in 2008, continues to ensure that SAS' global operations conduct business in a sustainable manner. This group includes representation from senior-level executives. Read more on SAS' [sustainability initiatives](#). Employee rights are managed through Human Resources; ethics and compliance are managed from Compliance in Legal (covering compliance with anti-corruption, privacy and anti-aggression laws); sustainability and environmental conservation are managed through Facilities.



Ethics and Compliance

SAS has a corporate culture based on trust between its employees and the company. SAS employs the highest ethical standards in its dealings with customers, suppliers and competitors.

To help SAS maintain its high standards for respect, honesty, fairness and accountability, the company created the SAS Code of Business Ethics and related training courses. The Code of Business Ethics provides guidance to SAS employees and its subsidiaries on how to comply with all laws, rules and regulations of the countries in which SAS does business to ensure legal and ethical behavior.

SAS offers courses and training to help employees better abide by the SAS Code of Business Ethics, applicable external rules and regulations. SAS provides this training to help all employees make the right choices when ethical and regulatory challenges arise. SAS also provides certain ethics and regulatory compliance training to employees and certain contract workers to protect SAS' business partners' interests, as well as government and societal responsibilities. Training is provided worldwide online to all employees, and targeted training is also provided in person to particular groups on specific issues, such as gift laws relating to government officials or export laws on encryption software exports.

Training courses are provided on the SAS Code of Business Ethics, including:

- Information security.
- Export control awareness.
- Ethics in selling, buying and competing.
- Respect in the workplace.
- US Foreign Corrupt Practices Act.
- Defense export controls (International Traffic in Arms Regulations).
- Executive compliance training.

SAS has strict regulations on gifts, bribery and how to conduct business fairly and to avoid undue influence when dealing with third parties. In 2011, SAS expanded its domestic lobbying, gift and campaign law compliance measures by engaging a specialized firm to help manage these matters in the US.

SAS also operates an ethics hotline where employees are encouraged to report any violations of the Code of Business Ethics. SAS will not retaliate against anyone who makes a good faith report of ethical, regulatory or legal compliance issues.

In 2011 there were no violations in the areas of corruption, ethics, bribery, anticompetitive behavior, antitrust or monopoly practices; SAS was not fined for noncompliance with any laws or regulations.

SAS Conflicts of Interest Policy

"Employees, subcontractors, or agents will not knowingly make, receive, provide, or offer gifts for the purpose of influencing any act or decision with respect to any government contract, any other contract, or otherwise act in any manner inconsistent with Company policies. No employee shall offer any gift to any local, state, federal, or foreign government employee, official, or any foreign political party except as authorized by the employee's manager and the Company's Legal Department."

Because the term gift is defined so broadly and in varied forms under the laws of the several jurisdictions where SAS does business, and because gifts from vendors to customers, especially in transactions with governments, have in many jurisdictions been deemed illegal or unethical, SAS has implemented a broad provision against providing gifts to persons who might have influence over awarding a contract. The anti-bribery, lobbying, gift, and campaign financing laws that give rise to gift restrictions are further explained in SAS' compliance group's Web guidance materials and in targeted training for affected employees.

Privacy

Privacy is part of the mainstream business culture at SAS as companies respond to emerging state, federal and international privacy and data protection legislation; rapid changes in technology and security; and growing consumer and employee concern about the collection, storage, use and sharing of personal information. The Legal Department, along with other divisions, periodically reviews SAS' and its various business units' information collection practices to ensure that SAS' Privacy Statement accurately reflects the practices and informs individuals who provide SAS with personal information. It also guides what SAS does with that information: how it is collected, used and shared; what choices exist with respect to personal information; and how to contact SAS with any questions or concerns they may have.

Our current Privacy Statement is global and applies not only to SAS Americas, but to its foreign subsidiaries and other business units who maintain a separate online website. Translated versions of the Privacy Statement with country-specific requirements are also made available.

In 2011 there were no material complaints regarding breaches of privacy or losses of customer data.

Education Philanthropy

Education continues to be the prime focus for SAS' community and philanthropic work. SAS believes that by focusing on one particular area of concern, it can be more effective in making a difference in its community.

Highlights

Initiative	2011 Goals	Performance Highlights	2012 Goals
<p>Support for K-12 Education</p>	<p>Continue support for programs that help schools integrate technology and more engaging curriculum materials into the classroom.</p> <p>Collaborate with NC Virtual Public School to provide math expertise, product development staff and technology support for the development of an online Algebra I course based on the new Common Core State Standards for Mathematics. Expand SAS® Curriculum Pathways® offerings to middle schools. Engage employees in campaign to increase teacher access to SAS Curriculum Pathways at no cost to educators.</p> <p>Collaborate with Change the Equation national initiative to define metrics for evaluating and sustaining viable STEM initiatives. Publish and disseminate best practices, rubrics and guidelines for implementing successful 1:1 technology initiatives based on research and evaluation from the NC 1:1 Learning Technology Initiative.</p> <p>Host the second annual Algebra Readiness Summit featuring nationally recognized experts in math instruction.</p> <p>Continue to provide support for research-based after-school programs that increase student achievement.</p>	<p>Partnered to develop an online Algebra I course based on the new Common Core State Standards for Mathematics available at no charge in 2012.</p> <p>Launched new resources in SAS Curriculum Pathways in English Language Arts, mathematics, science, social studies and Spanish available at no cost to all US middle schools.</p> <p>Served on Change the Equation Committee to define design principles and rubric of successful STEM projects.</p> <p>Worked with five school districts to increase the number of students taking Algebra I in middle school by 38 percent.</p> <p>Hosted the second annual Algebra Readiness Summit providing professional development for 400 math educators on SAS campus.</p> <p>Provided continued support, professional development and technology for the NC 1:1 Learning Technology Initiative.</p> <p>Worked with North Carolina State University to publish and disseminate best practices, rubrics and guidelines for implementing successful 1:1 technology initiatives based on research and evaluation from the NC 1:1 Learning Technology Initiative.</p> <p>Industry thought leaders from SAS worked with teams of educators to update Career Technical Ed courses made available at no cost to schools.</p>	<p>Continue support for programs that help schools integrate technology and more online learning materials into the classroom.</p> <p>Host a summit focused on implementing the Common Core State Standards for Mathematics. This two-day event will offer professional development for 800 math teachers. Content will be provided by a cadre of math faculty from six North Carolina public universities who will collaborate on designing the sessions.</p> <p>Continue to provide support for research-based after-school programs that increase student achievement.</p> <p>Launch online Algebra I course based on Common Core Math Standards. Build awareness that this course is available at no cost to schools, and conduct training to encourage widespread use.</p> <p>Promote importance of computer science skills through involvement with Computer Science Education Week.</p> <p>Partner with Ready by 21 to analyze community data to support the alignment of resources and programs that prepare young people to be productive in work and life by the age of 21.</p> <p>Launch mobile applications to support P-20 education.</p>

Initiative	2011 Goals	Performance Highlights	2012 Goals
<p>Support for K-12 Education</p> <p>(con't.)</p>		<p>Expanded the number of schools with access to SAS Curriculum Pathways to 74 percent, from 10,819 to 18,839 schools.</p> <p>Donated \$50,000 worth of laptops to high schools; contributed \$1,971,586 in cash donations and \$248,945 in surplus equipment/hardware.</p> <p>Served on boards of the National Board for Professional Teaching Standards; NC e-Learning Commission; JOBS Commission; NC Science, Math and Technology Center; NC Science Festival and other boards focused on improving public education.</p> <p>Served on Computer Science Education Week committee to spread the word of the importance of computer science skills in today's workforce.</p>	
<p>Support for Higher Education</p>	<p>Continue support for programs that provide SAS software, databases and educators for mathematics, computer science and statistics students at the college, university and graduate school levels.</p> <p>Continue support for full and partial scholarships and summer employment opportunities for talented university students.</p> <p>Provide SAS Analytics at no cost to qualified US higher education researchers through SAS OnDemand for Academics.</p>	<p>Provided instructional materials, software, hosted applications and guest lecturers at no cost to universities and community colleges in North Carolina and elsewhere.</p> <p>Continued support of the Institute for Advanced Analytics at North Carolina State University and more than 40 other certificate and degree programs around the country.</p> <p>Sponsored 10 scholarships at three Research Triangle Park area universities to support top students in computer science and statistics.</p> <p>Launched sustainability solution for higher education.</p> <p>Developed SAS OnDemand for Professionals for training to obtain or improve highly marketable analytics skills.</p>	<p>Continue support for programs that provide SAS software, databases and educators for mathematics, computer science and statistics students at the college, university and graduate school levels.</p> <p>Continue support for full and partial scholarships and summer employment opportunities for talented university students.</p> <p>Provide SAS Analytics at no cost to qualified US higher education researchers through SAS OnDemand for Academics.</p> <p>Launch new Master of Science in Analytics degree at major US university.</p> <p>Launch mobile apps to support P-20 education.</p>

Initiative	2011 Goals	Performance Highlights	2012 Goals
Employee Volunteerism	<p>Promote employee volunteerism in schools by donating funds based on a minimum number of volunteer hours per employee.</p> <p>Promote employee educational philanthropy by matching donations to classroom projects highlighted in DonorsChoose.org.</p>	<p>Provided incentive and awareness programs that encouraged employees to volunteer more than 22,000 hours of their time, which largely focused on education programs and netted \$91,750 for schools through the Employee Volunteer Fund.</p> <p>Partnered with The Umstead Hotel in cleaning up Umstead State Park outside SAS' headquarters.</p> <p>Employees volunteered at UNC-TV Festival 2011 during SAS night, raising \$159,017 in financial support for public television.</p> <p>Matched employee donations made through DonorsChoose.org for a total impact of \$60,233 contributed to 428 classroom projects across the US.</p>	<p>Continue to promote employee volunteerism in schools by donating funds based on a minimum number of volunteer hours per employee.</p> <p>Continue to promote employee educational philanthropy by matching donations to classroom projects highlighted in DonorsChoose.org.</p> <p>Participate in fundraising efforts for educational programs such as UNC Public Television.</p> <p>Encourage grass-roots volunteerism among employees by way of internal communication vehicles.</p>

Overview

Education remains the prime focus of SAS' community engagement. This year, a total value of \$19,218,163 was donated. Here are some examples of projects supported in 2011:

Algebra Readiness/Triangle High Five

Triangle High Five's goal is to support the development and sustainability of professional learning communities within the North Carolina Triangle Region and across the state.

In August 2011, the 2nd Annual Algebra Readiness Summit was held on SAS campus, bringing 400 educators together to share best practices and research-based instructional strategies for preparing more students to be successful in Algebra I. Plans are underway to host Math Summit 2012, an event for 800 math teachers that will focus on preparing teachers to implement the new Common Core Math Standards.

Change the Equation

SAS continues to support Change the Equation, a national nonprofit coalition of corporate CEOs who are committed to improving science, technology, engineering and mathematics (STEM) learning for every child, with a particular focus on girls and students of color.

The Director of SAS Education Initiatives served on national committees that produced two deliverables that will benefit any corporation wishing to invest in effective, sustainable STEM Initiatives. The [Design Principles for Effective STEM Philanthropy](#) and the companion [rubric](#) draw on research and the collective experience of the leaders in corporate philanthropy. They aim to define a framework for corporate engagement that has the best chance of addressing the profound challenge we face as a nation.

[DonorsChoose.org](#)

SAS employees support specific education areas in their community through DonorsChoose.org, a national nonprofit organization that connects individuals with classrooms in need. The site enables public school teachers to submit “wish lists” for materials that will help their students learn. SAS began matching employee donations in December 2008.

In 2011, SAS matched 107 employee contributions totaling more than \$25,000, which provided more than \$60,000 toward resources for the classroom. Since 2008, 221 employees have donated to more than 530 projects, netting more than \$160,000.

[National Board for Professional Teaching Standards](#)

The aim of the [National Board for Professional Teaching Standards](#) (NBPTS) is to advance the quality of teaching and learning by developing professional standards for accomplished teaching, creating a voluntary system to certify teachers who meet those standards and integrating certified teachers into educational reform efforts. SAS sponsored the 2011 National Conference (\$50,000) and covered the costs, including travel, for two teachers to attend.

[YMCA](#)

The YMCA of the Triangle “We Build People” program received \$200,000 in proceeds from the annual SAS Championship golf tournament, part of the PGA Champions Tour. Donations from SAS have allowed the YMCA to expand its after-school tutoring program by adding 107 children who have been identified by their schools as being at risk of failing. Currently serving 1,057 children, the program is achieving impressive results, with 85 percent of children in the YMCA Learning Program passing their end-of-grade math tests. Beyond financial support, many SAS employees volunteer their time in various YMCA efforts across the country in programs and serving on boards.

Community Engagement

Donations, Volunteering, Empowering Others

In 2011, SAS donated the following:

Donations	Type	Amount
Cash including community grants		\$1,971,586
In-kind donations	Software and services	\$4,539,552
	Value in-kind of training for students and educators	\$12,458,080
	Surplus equipment/furniture/hardware	\$248,945
Total		\$19,218,163

Volunteering

As part of the culture at SAS, employees are encouraged to donate time and/or money to projects supporting not only education, but also the environment and social welfare. In 2011, SAS employees volunteered more than 22,700 hours through the Employee Volunteer Fund (EVF), resulting in more than \$90,000 paid to schools across the US, primarily in North Carolina. EVF is a special volunteer program that provides a cash contribution to education-based nonprofit organizations where an employee has provided at least 50 hours of volunteer support in three out of four quarters over a 12-month period. Here are some examples of SAS volunteering projects in 2011:

Umstead Park

Every day, SAS employees take advantage of the William B. Umstead State Park, nearly 5,600 acres of wilderness with hiking, biking and horseback riding trails. In 2011, a group of SAS volunteers gave back to the park, “unmaking” unofficial trails and installing a fence to ensure that runners and hikers stay on the designated trails. The volunteer event was part of National Trails Day, sponsored by the American Hiking Society.

UNC-TV Festival 2011

SAS volunteers helped raise \$159,017 for UNC-TV, the statewide public television network. Volunteers from SAS and The Umstead Hotel and Spa answered 347 calls during the SAS challenge from 8 to 11 p.m., raising \$30,000 more than was raised in 2010. The evening was part of UNC-TV's annual fundraiser, which SAS has been a part of for the last 12 years.

Customer Marketing Food Drive

The Corporate Executive and Customer Marketing Department held a food drive for a month involving 40 people and garnering more than 9,000 items, which translated into 3,896 pounds of food for the homeless and hungry of North Carolina.

Eco Advocates

SAS celebrated a second year of the Eco Advocate Volunteer Program in April 2011. This program is a grass-roots effort led by employees for the purpose of participating in companywide green activities, including coordinating campus recycling efforts, generating innovative ideas for improving processes and information sharing. The program now has more than 135 volunteers.

Empowering Others

SAS® Software Helps Fight Cancer

In 2011, SAS is teamed up with the University of North Carolina's (UNC) Lineberger Comprehensive Cancer Center to develop a new product designed to improve treatment for cancer patients.

UNC Lineberger and SAS are building on the capabilities of SAS Health Outcomes Analysis, currently in development, which will eventually provide information from a larger cohort of patients with similar treatment, health and demographic profiles. The software helps researchers and medical practitioners easily and dynamically apply advanced analytical techniques to observational patient data.

This partnership will allow researchers and physicians to better understand how a cancer's genetic cause interacts with a patient's therapeutic combinations or sequences of therapies. Analysis will result in better patient outcomes and a road map to help patients graduate from active therapy and join the more than 12 million cancer survivors in the United States. The ultimate goal is to improve cancer outcomes in North Carolina and elsewhere.

JMP® Pro Helps the Charlotte Rescue Mission 'Boost' Contributions

The Charlotte Rescue Mission aims to help individuals caught in the cycles of poverty, hopelessness and chemical addiction by meeting their spiritual, physical, emotional, social and vocational needs. It provides shelter and other forms of assistance to 152 clients at two facilities. The organization is devoted to spending as little as possible on overhead and as much as it can on helping people turn their lives around. JMP Pro, created by SAS, helps the organization achieve its goals. With approximately 110,000 people in its database who have donated at least once, the rescue mission is using the software to optimize direct mailing lists, enable more targeted communications and reduce costs of postage and printing. Direct mail is also used to communicate to the public how the shelter works and how donations will be used.

JMP Pro offers a new software option for organizations that need automated techniques for data mining and predictive modeling. It includes techniques that allow the user to mine and model data with greater accuracy and flexibility. The rescue mission uses the software to determine which factors contribute most to a donor's response to a solicitation and to classify donors by expected profitability. The software also provides data on how much the rescue mission should spend on a contributor over the course of that person's lifetime.

Go to jmp.com/software/success/ for more information on how JMP software is used in education, conservation and health care.

Employees

Overview

For the 14th year in a row, SAS has been ranked on Fortune's list of 100 Best Companies to Work For in the US, enjoying the No. 1 spot in 2011. SAS offers an environment that inspires employees, allowing them to build long-term relationships with customers and focus on solving their business problems. In addition, SAS secured the No. 2 spot on the first ever Top 25 World's Best Multinational Workplaces list from Great Place to Work. www.greatplacetowork.net

"Our employees are the lifeline of our success. As we enter our 36th year of business, we look forward to continuing our deep investment in employee satisfaction, wellness and creativity."

Jim Goodnight CEO, SAS.

Learn more about SAS employee culture and benefits in the [Employee and Retiree Services](#) website.

2011 Highlights

Initiative	2011 Goals	Performance Highlights	2012 Goals
Talent Management	<p>Enhance current leadership essentials program targeted to mid- and senior-level high-potential leaders in US.</p> <p>Build standardized core and leadership competencies for all global SAS employees.</p> <p>Deliver Management Fundamentals training for US; Europe, Middle East and Africa (EMEA); and Asia Pacific.</p> <p>Expand the rollout of the Global Career Framework to Worldwide Marketing, Research and Development, Information Systems Division, and Technical Support.</p>	<p>Delivered 44 leadership development workshops to more than 1000 participants</p> <p>Enhanced leadership development with two new offerings: Leadership & Energy for Performance (LE4P) alumni workshops and Energy Management workshops.</p> <p>Global Career Framework: completed infrastructure implementation for 30 percent of US.</p> <p>Delivered Management Fundamentals program to 135 US managers.</p>	<p>Increase leadership development offerings through blended model strategy: Launch Manager Portal of HR Website. For the Global Career Framework, expand infrastructure implementation to EMEA and Asia Pacific</p>
Organizational Development	<p>Achieve 100 percent usage of online performance management system worldwide.</p>	<p>Developed and successfully piloted new organizational talent review process and tools.</p> <p>Created development paths for core revenue-generating functions</p>	<p>Increase development paths to support employee development in other functional areas of the business. Implement new global HR system -- US (Phase I). Identify critical experts and high-potential employee</p>

Initiative	2011 Goals	Performance Highlights	2012 Goals
Employee Engagement	<p>Launch an internal social network site with the aim of having 25 percent of all employees registering within the first 90 days.</p> <p>Conduct additional surveys on connectivity to global colleagues and leadership communication.</p> <p>Commemorate SAS' 35th anniversary with employees around the world through celebrations, webcasts and employee-generated memorabilia.</p> <p>Involve employees in news generation by launching "Report It" feature for intranet site and encouraging 50 submissions in the first year.</p>	<p>Launched SAS' first-ever internal social media network, called The Hub, in February 2011. Within the first 60 days, more than 5,800 employees had registered for accounts.</p> <p>Survey conducted in May 2011. Summary of results: 95 percent agree - I am adequately informed about the company from direct internal sources (e.g., webcasts, podcasts, SAS Wide Web articles, blogs, etc.); 85 percent agree - Our senior company executives communicate openly; 92 percent agree - I am adequately informed about the company from CEO Jim Goodnight's quarterly Executive Update webcasts.</p> <p>Celebrated SAS' 35th anniversary with employees around the world with a global webcast and employee-generated content that fed articles, photos, video and trivia on the company intranet around the theme of "Transforming the World™."</p> <p>Launched the "Report It" feature for the intranet, which received 107 employee submissions in the first year.</p>	<p>Hold a virtual communications summit to share ideas and best practices in global communications strategies.</p> <p>Hold an employee video contest to share ideas for talking about the SAS story externally.</p> <p>Incorporate live questions on screen during executive update webcasts via our new social media network, The Hub.</p> <p>Launch a new "Name that Executive" series on the intranet, whereby SAS leaders answer 20 questions, and employees guess which exec gave each answer.</p> <p>Incorporate "like it" and "thank you" features into The Hub.</p> <p>Launch live, on-site coverage of events to share information with employees via our intranet site.</p> <p>Create videos to inform, motivate and engage employees with what's going on at SAS.</p>

US Staff Headcount 2011

Type	Numbers
Full-time employees	6,105
Part-time employees	102
Gender	
Female	2,723
Male	3,587
Age	
19-31	463
32-44	2,293
45-63	3,287
64 and up	164
Average (mean) Age	45
Total	6,207

Hiring and Retaining Staff

In 2011, SAS maintained a low turnover rate while growing the worldwide staff by 9.2 percent. From on-site amenities such as health care, a fitness center, subsidized child care to non-discrimination policies and same-sex partner benefits, people stay at SAS because they are happy and feel respected. By reducing turnover, SAS reduces recruitment costs, retains knowledge and delivers deeper, longer-term customer relationships. SAS sees a strong connection between employee loyalty and business success. In 2011, SAS received 61,446 resumes and filled 973 positions.

SAS's extensive internal communications programs enable staff to be informed, engage in all aspects of the business and interact with executive leadership. In 2011 there were:

- 790 internal blogs, up from 700 in 2010 and 596 in 2009.
- 1,304 SWW intranet stories published.
- 502,207 hits to the US SAS Family site, up 154 percent from 2010.
- Three employee morale programs held: Eco Advocates Recognition at the Solar Farm, 35th Anniversary Celebration and Education Fair.

US Staff Type Turnover	2011	2010	2009	2008
Turnover number	184	144	112	200
Turnover percentage	3%	3%	2%	4%
By age group				
Gen Y (19-31)	32	14	17	26
Gen X (32-44)	72	63	45	84
Boomers (45-63)	72	54	40	77
Matures (64 and up)	8	13	10	13
By gender				
Female	68	54	53	99
Male	116	90	59	101

Diversity/Equal Opportunity

SAS continues to provide equal employment opportunity for all employees without regard to age, race, color, gender, 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. In 2011, there were zero reports or incidents of harassment or discrimination.

The following are examples of some of the programs or initiatives that SAS is involved in promoting diversity and equal opportunities:

Veterans Focus Group: In 2011, a group of interested veterans partnered with SAS Human Resources to discuss innovative ways to recruit more veterans to SAS. The group meets regularly to share information to develop best practices for SAS to recruit and hire veterans.

Women's Initiative Network: The Women's Initiative Network (WIN) fosters a global community across SAS to develop leadership capabilities among female workers and to contribute to community efforts to attract young women to careers in science and technology. 2011 events included:

- WIN, North Carolina State University's The Science House and other professional women participated in the Expanding Your Horizons event with more than 100 seventh-grade girls to generate excitement about science, technology, engineering and math (STEM). SAS volunteers guided groups of girls to breakout sessions where presenters led hands-on activities to spark curiosity about STEM applications. A group of SAS representatives presented such topics as how to predict the next American Idol and how a computer works from the inside out.

R3 (Recognize, Recruit and Retain): R3 is a summer student program which prepares women, minorities, students with disabilities and former military students for professional careers in the technology industry. Students receive core skills training, professional development and mentorship. In 2011, there were 10 new students and five returning students.

Disability Mentoring: SAS partnered with Enable America to participate in the national Disability Mentoring Day. This program gives people with disabilities the opportunity to come into the workplace and explore a potential career path, evaluate personal goals, and participate in training sessions that strengthen their skills and help prepare them for employment. SAS provides mentors who spend time with mentees in job shadowing and career exploration.

ARC of Wake County in the OCS (Occupational Course of Study) Program: By following SAS' regular cafeteria schedule and receiving a paycheck from ARC of Wake County, six students filled a requirement of their OCS diploma schedule. Two of the students were homeschooled, so coming to SAS would not have been an option if not for this program. This program was so well-received by ARC that SAS is looking for ways to expand the program with other departments including the recreation and fitness center, the warehouse and landscaping.

SUCCEED: The SUCCEED program is for adult students with developmental disabilities from the Compensatory Education Program through Wake Technical Community College. These students need work experience that will help them find full-time jobs. SAS employees worked alongside six students in 2011.

TEACCH: The Treatment and Education of Autistic and Related Communication Handicapped Children program, through the University of North Carolina, helps people with autism. Seven autistic employees worked for SAS in 2011 and were supported by TEACCH job coaches.

F.A.S.T. (Food And Service Training): Students from Wake Tech and Wake County Schools receive credit for their Occupational Course of Study for graduation. SAS employed 46 students from eight high schools with 13 SAS employees serving as mentors in 2011. Each student completed 100 hours toward their OCS requirements.

Skills Development

As part of SAS' culture and benefits for employees, the company continues to provide training for leadership development, sales, technical and interpersonal development. Training ranges from instructor-led classrooms to e-learning and live Web training. Having several options enables employees to find their best learning method and to meet work and career goals.

Interpersonal Development

Interpersonal development assists employees in enhancing how they communicate with one another to build understanding and effective relationships. SAS provides workshops that help employees develop effective communication and conflict resolution techniques, as well as demonstrate coaching conversations, to ensure that these skills are transferred to the job.

SAS Leadership Series

Focusing on business topics facing global leaders, this series unites influential industry thought leaders with SAS leaders to share insights on challenges and innovative solutions to spur positive business outcomes. In 2011, SAS hosted Sir Ken Robinson, PhD, an internationally recognized leader in creativity and innovation, who shared his insights on:

- Promoting and sustaining a culture of innovation.
- How to get better at innovation.
- How to reconnect with your creativity.
- The role of leadership.

The Leadership Challenge

The goal of the Leadership Challenge is to teach leaders about the five practices that will transform values into actions, visions into realities, obstacles into innovations, separateness into solidarity, and risks into rewards.

Leadership & Energy for Performance (LE4P)

This 90-day program teaches leaders how to enhance and manage their physical, emotional and mental energy to more effectively lead themselves and others. The goal is to provide our leaders with a ritual-forming model that can be used for repeatable results, continuous personal growth and consistent leadership enhancement. The alumni of this program are then invited to participate in quarterly development sessions, regularly scheduled focus discussions after campuswide events and bimonthly boot camps. As a result, leaders are given the opportunity to continue their development, stay connected with current and future LE4P graduates, and discuss new ideas, current goals and challenges in an environment that respects maintaining personal energy and increasing team and organizational performance.

The Management Fundamentals Program

This program continues to educate new managers on their roles and responsibilities as they enter into a leadership position. In 2011, each class invited a seasoned manager to provide their own experience in a particular field. New managers had the opportunity to learn from their peers and seasoned managers were coaching and mentoring the next generation of SAS leaders. Participants also learn about energy management and taking care of their physical selves as they continue to manage their SAS department groups.

Sales Training

SAS Global Sales Training provides programs and services to enhance the knowledge and skills of SAS' global sales force and partners. A blended approach of instructor-led classroom training, self-directed e-learning, Live Web training and self-study materials provides training according to each student's schedule, regardless of time zone or location.

Training and development initiatives are focused on helping the SAS sales force and partners improve and apply their product knowledge, business acumen, industry expertise and sales skills in the areas of data management, business intelligence, analytics and SAS' horizontal and vertical industry solutions.

Technical Training

Technical skills development and training programs help organizations boost employee performance and effectiveness, increase employee morale and retention, and increase revenue.

SAS technical professionals receive the technical training they require to successfully meet their business needs. These services maximize the use of SAS technologies, prepare SAS professionals for certifications and advance SAS careers with innovative technical training.

In 2011, 64 percent of full- and part-time employees took some type of professional training. Of the full-time employees that took training, the average time spent in training was 19 hours. Of the part-time employees that took training, the average time spent in training was eight hours. Including all employees, the average number of hours of training was 12 hours for full-time and four for part-time per employee. The total professional training hours for 2011 was 76,885. For leadership development there were 44 workshops and 1,019 participants.

Training	Breakdown
Classroom	33%
Webcast and video	46%
E-learning	15%
Reading material	5%

Health and Safety

SAS provides a safe working environment for all its employees. An on-site health care center is provided at the worldwide headquarters in Cary, NC, and strives to provide comprehensive health care services that promote optimal health. Health care staff includes family nurse practitioners, physicians, registered dietitians/nutritionists, nurses, medical laboratory technologists, a psychologist and physical therapists.

The Security and Safety Departments investigate any incidents that pose a danger to company employees or third parties and take measures to reduce or eliminate these hazards. The Risk Management Department provides additional training and resources to help identify and prevent similar incidents from causing injury or damage to individuals or property, seeking reimbursement for loss or damage whenever possible.

Injuries/Lost Days	2011	2010	2009
Total employees	6,207	5,804	5,566
Compensation claims	22 = .0035%	18 = .003%	33 = .006%
Lost working days	328	407	314

In 2011, US operations had 22 workers' compensation claims following injury-related incidences. The rate of compensation claims was 22 out of 6,207 US employees, or 0.3544 percent. Among those claims, eight resulted in a total of 328 lost days.

Environment

Overview

SAS strives to be a leader in environmental sustainability. From its US headquarters to its offices around the world, SAS is committed to making a difference. This year saw the installation of new solar arrays, completion of a new office building that was awarded the Leadership in Energy and Environmental Design (LEED) Platinum certification and continued efforts to manage water consumption, waste and improved energy efficiency.

Highlights from 2011 at the Cary, NC, world headquarters included:

- Generated 3,833 megawatt hours of renewably sourced solar power from rooftop and ground-mounted solar installations.
- Installed additional building rooftop solar thermal hot water system.
- Installed two additional building rooftop solar photovoltaic systems.
- Awarded LEED Platinum certification for a newly constructed office building.
- Awarded LEED Gold certification for a newly constructed Data Center.
- Initiated a preferred parking program for qualifying eco-commuters. Employees with energy-efficient and earth-friendly vehicles, participants in the vanpool program, and active carpoolers have access to premium parking and electric vehicle charging stations.
- Installed numerous environmentally friendly and energy-efficient technologies in new and existing buildings.

In addition to employing various sustainability measures at its headquarters, SAS takes pride in supporting environmental education and awareness efforts. In 2011, SAS supported numerous environmental speaking engagements, visits to the SAS solar farms, companywide Earth Day celebrations, featured articles posted on the internal green website, and published 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 did not receive any sanctions or fines in 2011 for noncompliance with environmental laws and regulations in the United States.

Green Buildings

SAS continues to deliver on a commitment to customers, employees, and the environment with Building C at SAS world headquarters in Cary, NC. With minimal impact to the surrounding natural environment, this showcase of sustainability and style includes an office tower, a socially conscious café and the SAS Executive Briefing Center, which is used by customers, partners and the community.

SAS strives to be a sustainability leader by investing in innovative technologies that help minimize the environmental impacts of its business. This commitment led the design and construction decisions for Building C, resulting in LEED certification at the Platinum level by the US Green Building Council (USGBC). Built with minimal environmental impact, this “green building” was designed to consume 40 percent less energy and 50 percent less water by integrating numerous, highly efficient technologies and sustainable features, including:

- Rainwater is captured from roof drains and stored in two 20,000 gallon underground cisterns for non-potable water use in bathrooms.
- High-efficiency plumbing and electronically activated fixtures reduce employee water consumption and the amount leaving the building for wastewater treatment – resulting in 63 percent savings compared to EPA standards.
- A 655,000 gallon retention pond collects stormwater runoff to minimize erosion impact and pollution of local water sources; it also provides landscape irrigation. Building C’s design will reduce landscaping irrigation demand by at least 75 percent.
- 405 solar photovoltaic panels feed power to the building for lighting and building systems.
- A solar thermal system uses the sun’s energy to preheat the hot water supply for the cafeteria.
- To decrease the load on heating and cooling systems, fresh air is pre-conditioned with heat and humidity from the building’s exhaust air.
- With highly efficient motors to reduce energy usage, regenerative drive elevators generate electricity during their descent to help power lighting, computers and other electrical equipment.
- With high-performance spandrel glazing backed with semi-rigid insulation, exterior glass reflects a substantial amount of heat.
- A one-acre living sedum green roof minimizes stormwater runoff; it also increases the building’s insulation, absorbs CO₂ and provides a natural habitat for wildlife. White reflective membranes on rooftops reflect the sun’s energy and keep the roof cool. The reflective nature of the membrane helps increase the efficiency for the solar photovoltaic systems. Green roofs significantly minimize the heat island effect – the thermal increase between developed and undeveloped areas that can cause smog and increase ambient temperatures.
- Thermal slab floor cooling uses water cooled in off-peak hours by building chillers to help maximize air conditioning efficiencies.

- Radiant floor heating is used in the atrium to maintain floor-level heat for greater occupant comfort and minimize 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.
- Energy is saved by using T5 fluorescent and LED lighting fixtures along with individual lighting controls, motion sensors and automatic timers.
- Night light pollution is reduced by using full cut-off exterior lights and an automated system to turn off all interior lights at night.
- Designated preferred parking spaces and electric car charging stations are available for eco-commuters. Bike racks and showers encourage employees to bike to work.
- The cafeteria provides a low-carbon menu and serves locally grown vegetables from the one-acre organic culinary farm at SAS headquarters.
- The dining area's food waste is composted and used by SAS landscapers to enrich soil throughout the SAS campus – waste vegetable oil is recycled and converted into biodiesel fuel.
- 82 percent of construction waste was diverted from the landfill.
- The Building C site preserved almost 1 million square feet of open space to help maintain local ecosystems.
- The landscape planting for the project has been developed with native plants that are predominantly medium- to highly drought tolerant.
- All trees removed from site were reused for accent walls and furniture inside the building, donated to Warmth for Wake (a seasonal energy assistance outreach program) or chipped for landscape in plant beds.
- Artisans crafted the site's timber into the building's indoor furniture and wall panels.
- All office furniture purchases were Green Guard Certified, but most of the building's furniture came from employees' previous offices, a reuse practice that minimizes waste to landfills. In addition, the majority of the new furniture was manufactured locally in North Carolina. 69 percent of wood products used in doors, casework and blocking are certified by the Forest Stewardship Council (FSC), ensuring that sustainable harvesting practices were met.
- 27 percent of materials purchased for this project came from within 500 miles of the project.
- 23 percent of materials purchased had recycled content.
- All carpet installed was Carpet and Rug Institute's Green Label Plus certified and all composite woods were free of urea-formaldehyde, which ensured the indoor air was as free from unnecessary odors and chemicals as possible.
- CO2 sensors and demand-controlled ventilation supplies outside air into the building as needed, which helps save energy while also providing optimal air quality for employees and guests.
- During construction, the contractor implemented an Indoor Air Quality Plan that addressed HVAC protection, source control, pathway interruption, housekeeping and scheduling issues.

In addition to Building C's achievements, the newest SAS Data Center received LEED Gold Certification. SAS is also embracing LEED guidelines for remodeling and retrofitting existing buildings. In 2011, SAS registered five existing buildings for future LEED certification consideration.

2011 Highlights

2011 Goals	Performance Highlights	2012 Goals
<p>Achieve LEED New Construction certification from the USGBC for Data Center.</p> <p>Achieve LEED New Construction certification for Building C.</p> <p>Register five owned facilities for Existing Buildings: Operations and Maintenance (EBOM) certification.</p> <p>Register two non-US offices for EBOM certification.</p>	<p>Awarded LEED Gold certification for Data Center.</p> <p>Awarded LEED Platinum certification for Building C.</p> <p>Completed registration for one new international construction project, one US leased space, seven new construction projects and four existing buildings on campus. All projects are considering LEED certification over the next three years.</p>	<p>Achieve LEED certification for at least one existing building in 2012.</p> <p>Conduct enhanced commissioning for two owned buildings globally.</p>

Water

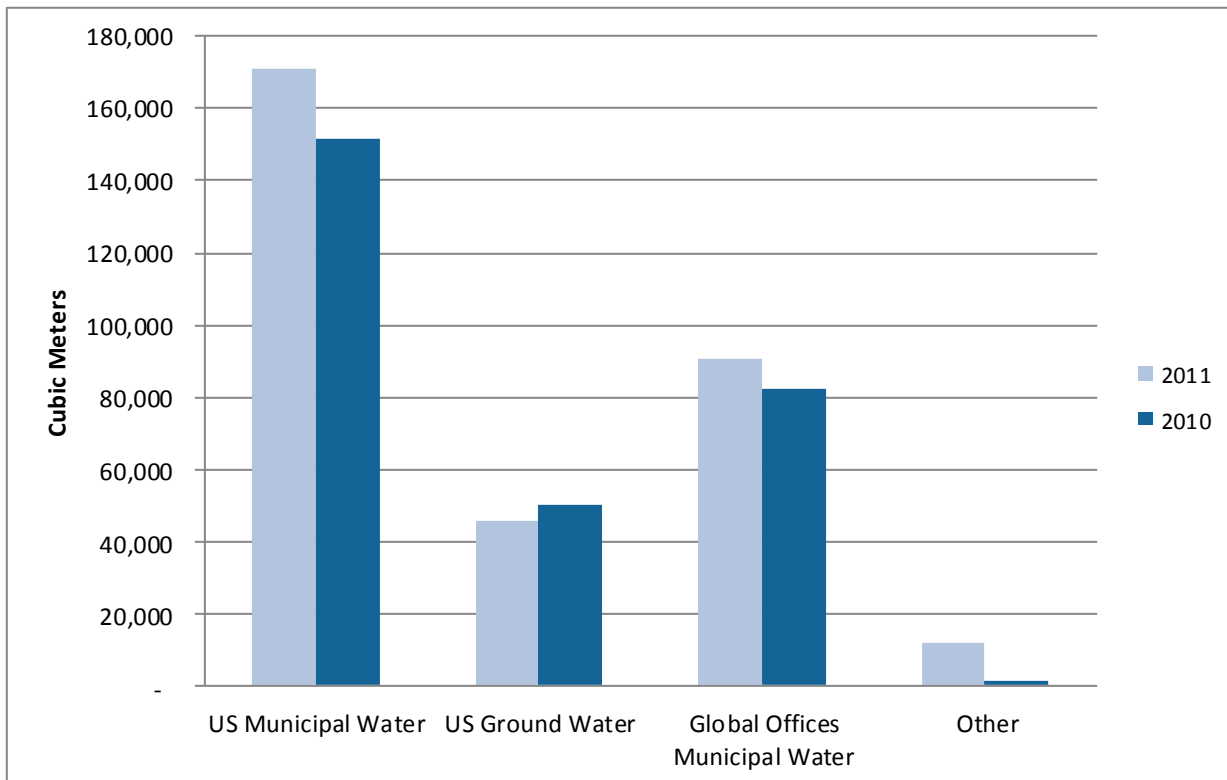
SAS' 900-acre campus in Cary used 171,378 cubic meters of municipal water and approximately 45,800 cubic meters of ground water from 15 wells in 2011. For 13 other owned facilities worldwide, SAS used 55,844 cubic meters of municipal water in 2011. In addition, SAS:

- Reduced landscape irrigation volume by 9 percent despite additional requirements from two new buildings.
- Completed installation of a rainwater-capture system for office buildings at SAS world headquarters, which collected 1,932 cubic meters in 2011.
- Replaced two antiquated building-cooling towers with higher-efficiency models designed to use less water and accept reclaimed water as an alternative.
- Renovated 12 restrooms with high efficiency and electronically activated plumbing fixtures, which are estimated to reduce employee water consumption by 37 percent and reduce the amount of water leaving the building for wastewater treatment by 26 percent.
- Expanded use of native drought-tolerant plants and planted large expanses of prairie grasses instead of the more traditional turf grasses.

2011 Highlights

2011 Goals	Performance Highlights	2012 Goals
<p>Renovate 12 restrooms in major office buildings at Cary headquarters with low-flow technologies.</p> <p>Supplant 5 million gallons of potable water to new Data Center cooling towers with reclaimed water.</p> <p>Connect reclaimed water line to another building on campus. Projected annual usage of 11 million gallons.</p>	<p>Facilities renovated 12 restrooms with low-flow technologies – all restrooms at Cary headquarters are now retrofitted with high-efficiency plumbing fixtures.</p> <p>Data Center used 2.2 million gallons of reclaimed water. Highly efficient cooling systems reduced anticipated water load for building by 50 percent.</p> <p>A rainwater collection system at one building used two 20,000 gallon cisterns to capture over 500,000 gallons of rainwater. The rainwater was used to supply non-potable water to the low-flow bathroom flushing fixtures.</p>	<p>Replace two antiquated building-cooling towers with higher-efficiency models designed to use less water and accept reclaimed water as an alternative.</p> <p>Connect reclaimed water line to Building R, the largest building at Cary headquarters.</p> <p>Increase reclaimed water usage by 100 percent.</p> <p>Increase rainwater capture by 50 percent.</p>

Water Consumption (cubic meters)



The increased water consumption in 2011 is attributed to SAS adding 287,190 square feet of building space, hiring 445 new employees and expanding the cooling needs for increased data center capacity in new and existing facilities.

Source	Water Consumption (cubic meters) for 2010	Water Consumption (cubic meters) 2011	Variance	Variance %
US Municipal Water	151,426	171,378	19,952	13%
US Ground Water	50,283	45,800	-4,483	-9%
US Rainwater	0	1,932	1,932	N/A
US Reclaimed Water	175	8,247	8,072	4611%
Global Offices Municipal Water	82,375	89,532	7,157	9%
Global Rainwater Capture & Reuse	1,003	1,003	0	0
Global Surface Water	151	151	0	0%
Totals*	285,413	318,043	32,630	11%

**Note: 2010 municipal and ground water consumption reported in last year's report was reduced by 3,872 cubic meters to better reflect the adoption of more consistent data collection methodologies*

Energy and Emissions

Finding ways to conserve energy and implement more energy-efficient initiatives are ongoing objectives for SAS. This year, SAS installed numerous environmentally friendly and energy-efficient technologies in new and existing buildings. The new Data Center has allowed SAS to consolidate IT equipment from other locations and retire antiquated equipment.

In 2011, SAS generated 3,833 megawatt hours of renewably sourced solar power from rooftop and ground-mounted solar installations. Three new rooftop systems were activated in 2011:

- A 169 kW photovoltaic system was installed on the office roof of Building R and will provide approximately 208,000 kWh annually for use within the building.
- A 74 kW photovoltaic system was installed on the office tower roof at Building C and will provide approximately 100,000 kWh annually for use within the building.
- Another building rooftop solar thermal hot water system was installed. Solar water heat is used on sunny days to help supply the estimated 3,000 gallons of hot water used primarily in the kitchen.

SAS continues to implement LEED guidelines and best practices in the pursuit of formal certifications for new and existing buildings, as well as leased and owned office renovations.

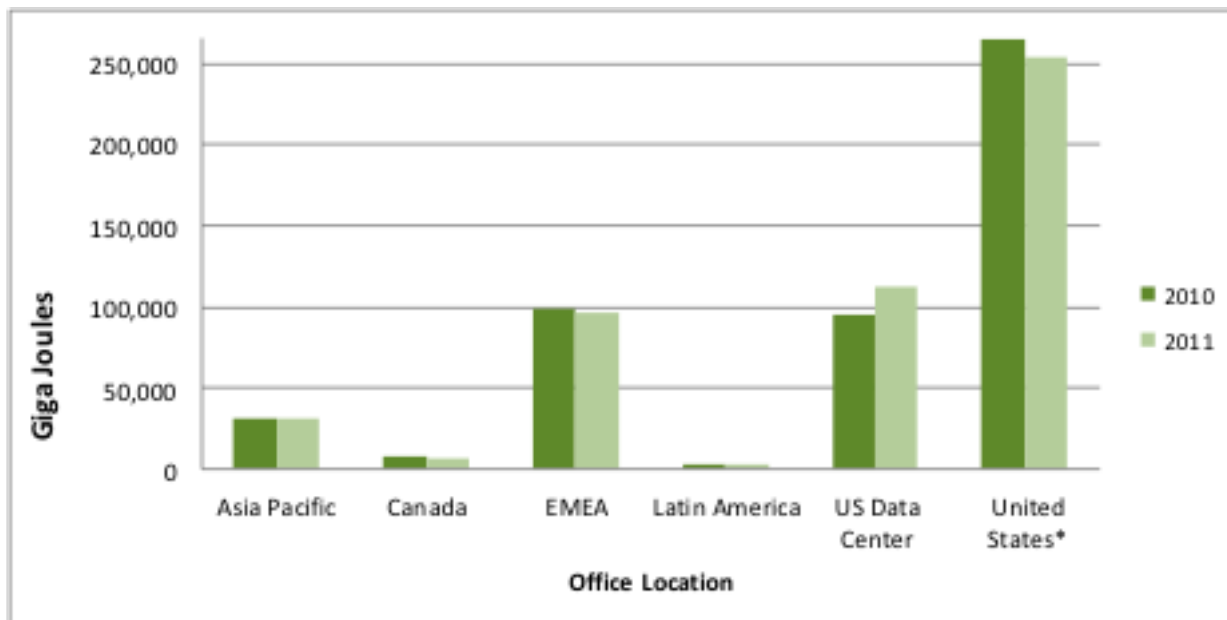
- SAS has expanded use of energy-efficient lighting technologies such as LED, fluorescent and metal halides.
- SAS installed two elevators with regenerative drive technologies.

- The elevators generate electricity on descent for use within the building.
- The thermal slab floor cooling system installed last year uses water cooled in off-peak hours by building chillers to help maximize air conditioning efficiencies.
- Radiant floor heating is used in a building atrium to maintain floor-level heat for greater occupant comfort and minimize heat loss through the roof.
- Highly efficient HVAC systems in several buildings integrate economizers, enthalpy wheels, variable speed drives and various heat-recovery systems to increase energy savings.

2011 Highlights

2011 Goals	Performance Highlights	2012 Goals
Install an additional 1.0 megawatt of solar photovoltaic (PV) capacity to the existing solar farm.	Solar farm expansion didn't happen due to building expansion plans to accommodate employee growth.	
Complete installation and activation of solar PV rooftop system. Install solar PV system on one additional building rooftop at Cary headquarters. Install solar thermal hot water system for one additional campus building.	Installed a 72 kW photovoltaic system on the roof of Building C. The system will provide approximately 100,000 kWh annually for use within the building. Installed a 168.5 kW photovoltaic system on the roof of Building R. The system will provide approximately 208,000 kWh annually for use within the building. Installed solar thermal panels to heat an estimated 3,000 gallons of hot water for use primarily in the kitchen of Building C.	
Install at least two electric vehicle charging stations.	Installed two electric vehicle charging stations at Building C.	Install two more charging stations at campus headquarters.
Purchase plug-in electric vehicles for fleet operations in 2012.	Completed evaluation and procurement initiation.	
Deploy custom energy scorecards and dashboards to all globally owned offices.	Created energy dashboards for all owned SAS offices	
Decommission approximately 7,000 square feet of older, less efficient Data Center space and consolidate services in new Data Center.	Decommissioned Building E Data Center and consolidated services in new Data Center.	Replace two antiquated building-cooling towers with energy-efficient models designed to use 25 percent less energy. Expand reporting capabilities of existing campus building management system to enable data archiving and automate ETL process into SAS Forecasting tools to achieve improved analytics. Improve on Carbon Disclosure Project score of 71.

Global Energy Consumption (gigajoules)



*Does not include Data Center

Region	2010	2011	Variance	Percent Difference
Asia Pacific	30,777	30,598	-179	-0.6%
Canada	8,367	7,174	-1,193	-14.3%
EMEA	99,410	96,322	-3,088	-3.1%
Latin America	3,083	3,083	-	0.0%
US Data Center	95,938	110,123	14,185	14.8%
United States*	264,999	256,362	-18,637	-3.3%
Totals	502,574	503,662	1,088	0.2%

*Does not include Data Center

Note: 2010 energy consumption reported in last year's report has been reduced slightly because of restated values reported by global offices.

Electricity Efficiency – SAS headquarters

	2011	2010	2009	2008	2007
Kilowatt hours (kWh)	66,233,024	61,620,698	57,890,219	55,652,476	53,408,077
Revenue (US\$ Billion)	\$2.73	\$2.43	\$2.31	\$2.26	\$2.15
kWh growth	7.5%	6.4%	4%	4.2%	5%
Efficiency: \$ earned per 1 kWh	\$41.10	\$39.40	\$39.90	\$40.61	\$40.26
Efficiency: kWh consumed per \$1 earned	0.024	0.025	0.025	0.025	0.025

Increased energy use was due primarily to the Data Center expansion. Over the past decade, the challenge of delivering timely information to support enterprise analytics has increased exponentially. The deployment of additional computing and storage solutions, combined with IT globalization at corporate headquarters, has increased demand for energy and data center space. Existing facilities were reaching capacity and could not be efficiently expanded to maintain the high level of support expected by SAS' customers. The solution was to design and construct a dedicated computing facility, emphasizing efficiency, flexibility and sustainability.

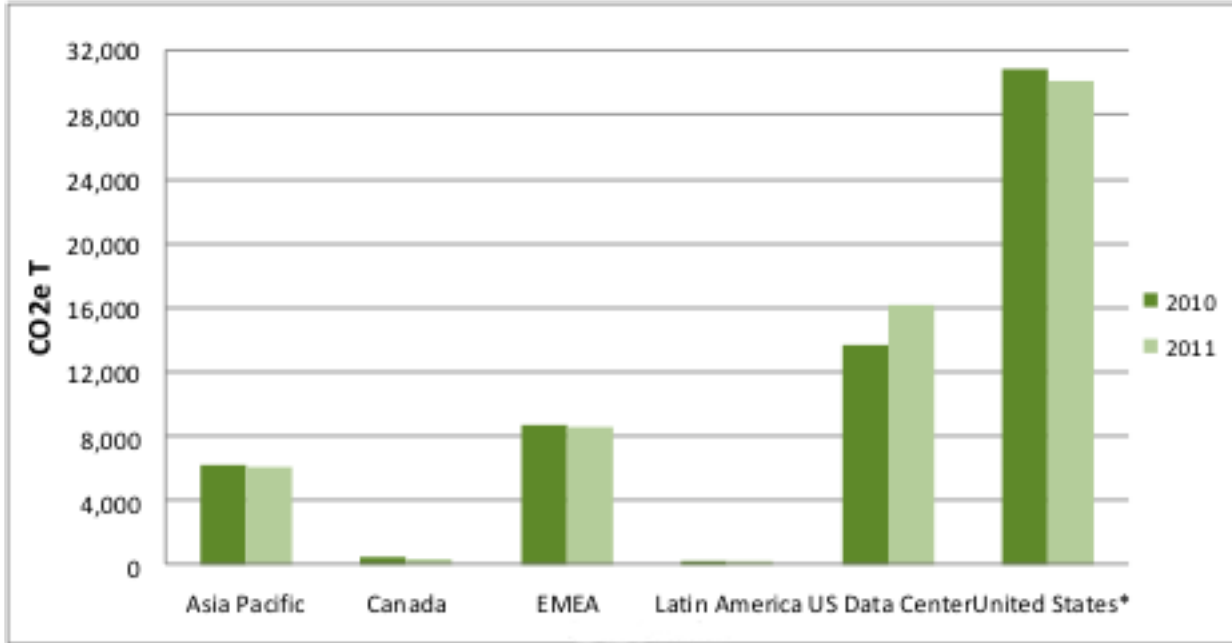
This past year, the new Data Center achieved an average Power Usage Effectiveness (PUE) of 1.35.

The data center industry uses the PUE calculation as a measure of efficiency. A PUE of 2.0 means that for every watt of IT power consumed, an additional watt is consumed to cool and distribute power in support of the IT equipment. A data center is more efficient when it uses less energy to run the facility than to power the IT equipment. So, the closer it gets to a PUE of 1.0, the more efficient it is.

Managing Greenhouse Gas Emissions

SAS completed the Carbon Disclosure Project (CDP) Supply Chain questionnaire related to greenhouse gas (GHG) emissions inventory and related climate change management in response to customer requests. SAS' overall score was 71 out of 100, up from 65 last year and well above the average of 51.

Global Emissions Summary, CO2e T



*Does not include Data Center

Region	2011	2010	Variance	Percent Difference
Asia Pacific	6,117	6,163	-46	-1%
Canada	377	443	-66	-15%
EMEA	8,614	8,735	-121	-1%
Latin America	177	177	-	0%
US Data Center	15,837	13,797	2,040	15%
United States*	30,637	30,637	-244	-1%
Totals	61,759	60,196	1,563	3%

*Does not include Data Center

Note: 2010 energy consumption reported in last year's report has been reduced slightly because of restated values reported by global offices.

Waste

SAS continues to invest in waste management program initiatives to reduce waste and encourage recycling at all its facilities.

- SAS successfully diverted all electronics waste from landfills by repurposing equipment for internal use, recycling with responsible vendors and donating to educational institutions.
- SAS eliminated the purchase of polystyrene-based disposables in favor of earth-friendly compostable options.

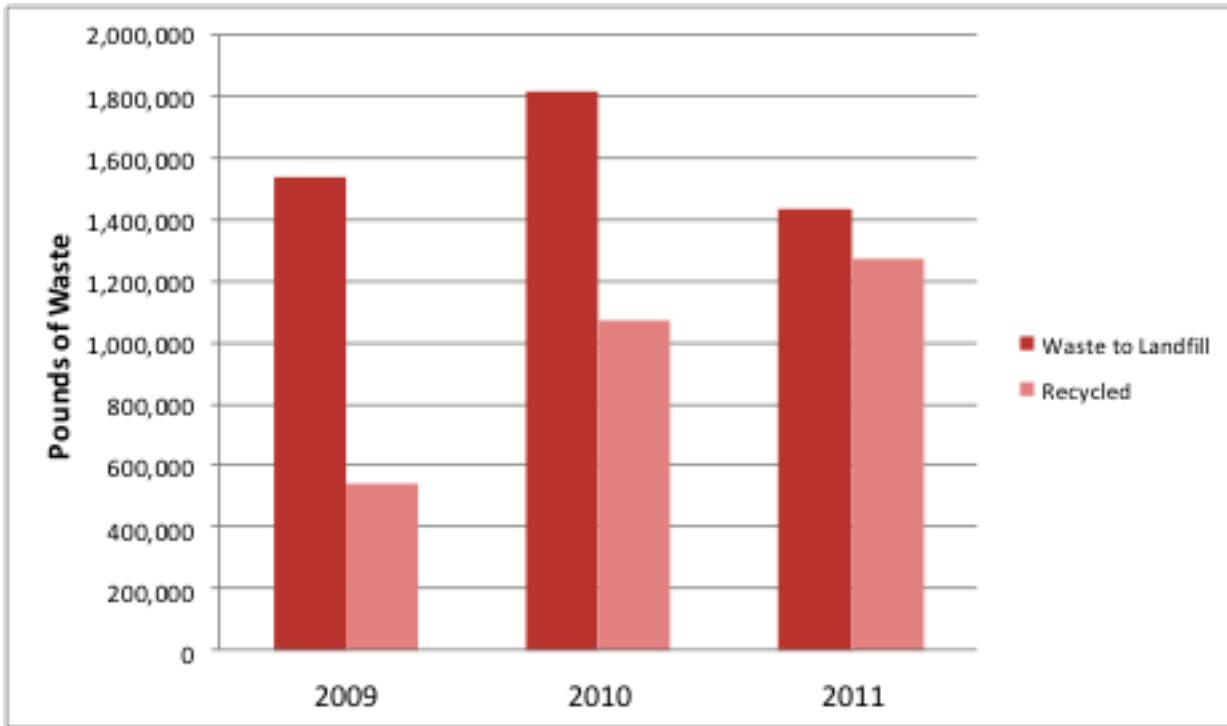
- On-site composting of cafeteria waste increased by almost 100 percent in 2011. It increased from 43,750 pounds to 84,500 pounds.
- The battery recycling program doubled annual volumes for the third consecutive year. The 900 pounds from the initial effort in 2008 has grown to more than 6,500 pounds in 2011.
- SAS initiated a pen recycling program this year to collect used pens for a provider that will donate 1 cent for every pen collected to a local SAS nominated charity.
- Of the 1,980 tons of total construction waste for SAS Building C, 82 percent was recycled – resulting in 1,616 tons diverted from the landfill.
- Campus renovation projects achieved 89 percent diversion from landfill in 2011. Of the 1,402,960 pounds of construction waste, 1,248,006 were recycled.
- Food waste from the cafeterias is composted and used by SAS landscapers to enrich soil throughout the SAS campus – waste vegetable oil is recycled and converted into biodiesel fuel.

SAS takes pride in its education and awareness efforts on environmental issues. The company engaged in a yearlong campaign of education and communication through speaking engagements, visits to the SAS solar farms, a companywide event for Earth Day, featured articles posted on the internal green website, published white papers and webcasts.

2011 Highlights

2011 Goals	Performance Highlights	2012 Goals
Expand program to measure globally owned offices.	Developed survey tool to collect volumes from owned offices.	Collect, analyze and report global waste volumes in 2012 CSR report.
Expand Eco Advocate participation to US regional and global offices.	Employees in global offices actively participated in office-specific environmental initiatives.	Continue to promote environmental initiatives with active employee participation.
Increase volume of materials diverted from landfill by 10 percent.	Diverted additional 21.2 percent (386,000 pounds) of waste from local landfills.	Increase landfill diversion by another 5 percent in 2012.
Conduct intensive recycling effort at Cary headquarters to “clean house” prior to opening of new building.	“Clean house” effort coordinated with office moves, along with education campaigns and improved recycling processes, increased operational waste landfill diversion from 37 percent to 47 percent.	
Add two new initiatives to increase recycling options for Eco Advocates.	Added separate pen and seasonal card recycling programs.	Add two new initiatives to increase recycling options for Eco Advocates.
Develop reporting to measure waste by building.	Worked with local waste processing vendor to develop protocol for reporting waste and recycling by building.	Develop internal waste landfill and recycling dashboards with detail by building.

Cary Headquarters Waste Disposal by Year



Type and Disposal Method	2011 lbs	Percent of Total	2010 lbs	Percent of Total	2009 lbs	Percent of Total
Operational waste recycled	1,270,969	47%	1,070,130	37%	542,372	26%
Operational waste sent to landfill	1,433,326	53%	1,818,981	63%	1,538,880	74%
Total	2,704,295		2,889,111		2,081,252	

Note: These figures differ from the 2010 report in order to reflect the consolidation of waste mulched and composted under Waste Recycle and to correct previously overstated volumes from the waste management provider.

Overall volumes for recycling stayed high in 2011 due to an increased focus on the treatment of operational and construction waste, a campuswide cleanup to prepare for the 2011 opening of Building C, increased participation from the Eco Advocate employee volunteer program, and employee awareness campaigns.

Other Initiatives

In 2011, SAS established a culinary farm at SAS world headquarters where the produce grown is used in various SAS food service locations. Sustainable agriculture practices – including applying site-specific organic applications, cover cropping, crop rotation and companion planting – will continue to be used on the farm.

About SAS

SAS is the leader in business analytics software and services, and the largest independent vendor in the business intelligence market. Through innovative solutions, SAS helps customers at more than 60,000 sites improve performance and deliver value by making better decisions faster. Since 1976, SAS has been giving customers around the world THE POWER TO KNOW®. For more information on SAS® Business Analytics software and services, visit sas.com.



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