Virtual Customer COE Event

RISE with SAP

### What is really different?

THE BEST RUN **SAP**

Disclaimer

The information in this presentation is confidential and proprietary to SAP and may not be disclosed without the permission of SAP. Except for your obligation to protect confidential information, this presentation is not subject to your license agreement or any other service or subscription agreement with SAP. SAP has no obligation to pursue any course of business outlined in this presentation or any related document, or to develop or release any functionality mentioned therein.

This presentation, or any related document and SAP's strategy and possible future developments, products and or platforms directions and functionality are all subject to change and may be changed by SAP at any time for any reason without notice. The information in this presentation is not a commitment, promise or legal obligation to deliver any material, code or functionality. This presentation is provided without a warranty of any kind, either express or implied, including but not limited to, the implied warranties of merchantability, fitness for a particular purpose, or non-infringement. This presentation is for informational purposes and may not be incorporated into a contract. SAP assumes no responsibility for errors or omissions in this presentation, except if such damages were caused by SAP's intentional or gross negligence.

All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates, and they should not be relied upon in making purchasing decisions.

MOVING TO THE CLOUD – IT'S A JOURNEY NOT A MOMENT IN TIME

Moving to the cloud – It's a journey not a destination

On Prem
Monolithic architecture

Customization

Industry specific capabilities

SAP S/4HANA

Cloud
Modular architecture

SAP S/4HANA Cloud

Industry Cloud
3rd Party and SAP

SAP LOB Solutions

Business Technology Platform

Cloud Benefits

▶ Continual innovation ▶ Easily extensible ▶ Cloud economics
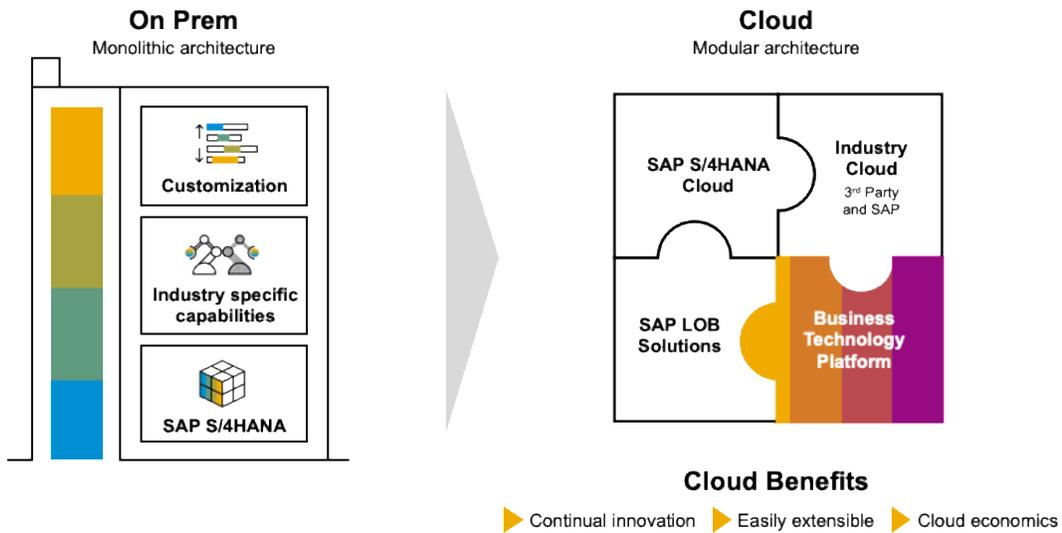
Customer Journey to the Cloud

All customers have different starting points

Optimize existing systems

Situation: Multi-step cloud transition

Start fresh

Situation: Single step transition

End State Cloud
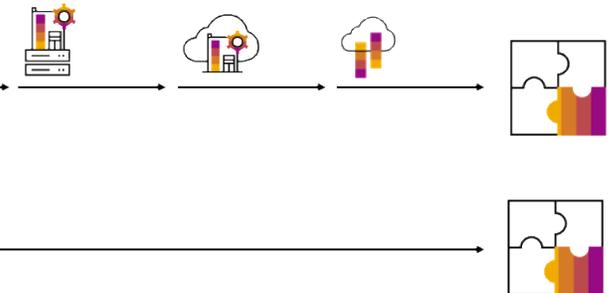
Lead with Modular Cloud ERP ….   **Industry Cloud as our "Unfair Advantage"….**   **With Multiple Cloud Journeys**

RISE WITH SAP | Business Transformation as a Service

Intelligent
ENTERPRISE

Business Process Redesign   **Technical Migration**   **Build your Intelligent Enterprise**

BUSINESS
PROCESS
INTELLIGENCE

TOOLS &
SERVICES

INFRASTRUCTURE
& OPERATIONS

SAP
BUSINESS
TECHNOLOGY
PLATFORM

SAP
BUSINESS
NETWORK

SAP S/4HANA
CLOUD

ALL
Starting Points

Lean
vs.
Complex

RISE with SAP for Industrial Manufacturers
Unlocking two sources of differentiating value

SAP S/4HANA
Cloud

SAP Business
Technology
Platform

On Infrastructure
Provider of
Choice

**RISE
WITH
SAP**

SAP Business
Network
Starter Pack

Business
Process
Intelligence

Custom Code Analyzer,
SAP Readiness Check, SAP Learning Hub
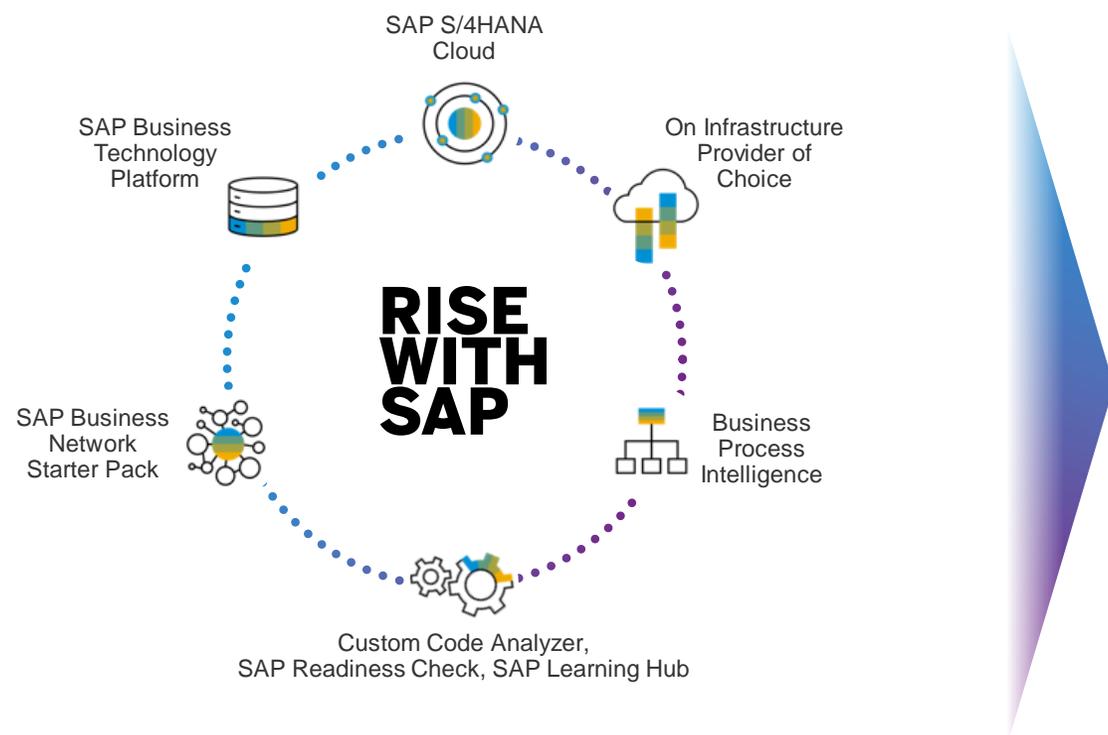
A   **Enabling Value Creation with Differentiating Business Capabilities**

Industry best and next practices that create new revenue streams and maximize existing ones, improve assets efficiency, enhance productivity and allow for running sustainably

+

B   **Mitigate Risk, Reduce IT Cost and Accelerate Time to Value with Cloud Delivery Capabilities**

Capabilities that maximize transformation readiness, simplifies consumption through "as a service experience", ensures operational resilience and reduces overall TCO

RISE with SAP enables differentiated business outcomes that maximize shareholder value through SAP's industry best and next practices

The Top Line

Increased upsell and cross-sell opportunities, increased portfolio of products/services, new revenue streams, increase in service revenue

- 2-15 Reduction of manufacturing cycle time
- 10-20% Increase in service revenue from new business models
- 1-30% Reduction in revenue loss due to stock-outs
- 2-10% Increase in revenue from cross-sell/up-sell
- 2-15 Reduction of time to market for new products

The Bottom Line

Reduced costs, optimized R&D spend, high cash conversion cycle efficiency

- 1-10% Reduction of inventory carrying cost
- 1-5% Reduction of total logistics cost
- 2-20% Reduction of finance cost
- 0.1-0.5% Reduction in Manufacturing Costs
- 0.5-5% Optimization Research & Development expense
- 1-10% Reduction in service and support cost
- 2-15% Reduction of days in inventory
- 2-10% Reduction of days sales outstanding

The Green Line

Optimized environment impact, more resilient & circular value chain, reduced waste, increased compliance

- 3-10% Reduction in energy cost
- 3-10% Reduction in emissions cost
- 5-30% Reduction in EH&S penalties & fines
- 1-5% Reduction in un-planned downtime/outages
- 5-30% Improve environmental safety and compliance
- 10-20% Reduce product compliance cost

Strategic & Transformational

Improved customer satisfaction, improved agility, reduced business & technology risk, improved decision making

- 3-35% Increase in sales forecast accuracy
- 15-40% Improvement in customer satisfaction
- 5-30% Improvement of on-time delivery performance
- 5-50% Reduce order fulfillment lead time

Details on differentiating technologies enabling the value drivers are available in the appendix

Note: Benefits are conservative outside-in estimates of the benefits of moving from a traditional ERP system to enhanced SAP S/4HANA with line-of-business and cloud capabilities. As each enterprise is at a different level of maturity, our recommendation is that you work with SAP to determine the value case for your enterprise

RISE with SAP offers cloud delivery capabilities that enable the journey to the Intelligent Enterprise - mitigating risk, reducing cost and accelerating time to value
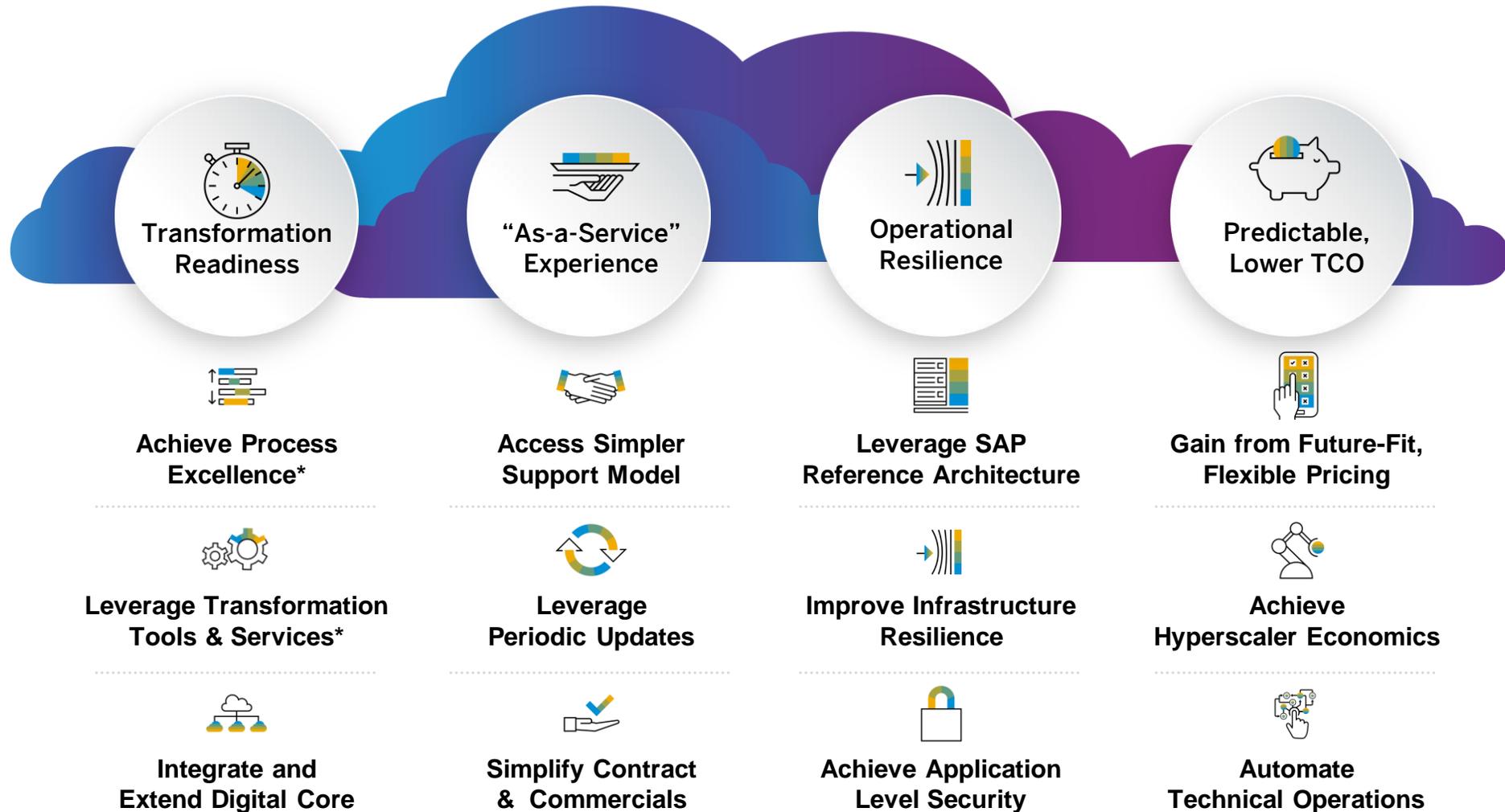
Transformation Readiness	"As-a-Service" Experience	Operational Resilience	Predictable, Lower TCO
Achieve Process Excellence*	**Access Simpler Support Model**	**Leverage SAP Reference Architecture**	**Gain from Future-Fit, Flexible Pricing**
Leverage Transformation Tools & Services*	**Leverage Periodic Updates**	**Improve Infrastructure Resilience**	**Achieve Hyperscaler Economics**
Integrate and Extend Digital Core	**Simplify Contract & Commercials**	**Achieve Application Level Security**	**Automate Technical Operations**

SAP Private Cloud Edition provides Clariant Unique Benefits for the Journey to the Lean Cloud ERP

One-stop accountability and Cloud transformation partner

Real cloud experience for Clariant by taking one-stop accountability for SAP Cloud services including DC, OS, DB, connectivity, backup, patching, technical upgrade, SAP software maintenance, support services & migration. No ping-pong between infrastructure, operations and software support in case of issues, helping Clariant to reduce partner and services management & synchronization efforts.

One-stop Service Level Agreements (SLA) on application level

Managed by SAP for the SAP Cloud services across the stack of provided services, helping Clariant to simplify its SLA management (default SLA 99.7 on application level, optional 99.9 on application level).

Security and compliance with S/4HANA Cloud

Compliance and certificates supported today: SOC 1/ ISAE3402 Type II, SOC 2 Type II · ISO 27001:2013, ISO 22301:2012, ISO 9001:2015, ISO 27017:2015, ISO 27018:2019, C5 Type II; GxP. Local / regional regulations: EU-Access, C5 BSI, FEDRAMP, DFAR, BAFA

SAP Reference Architecture leveraging embedded hyperscaler services

Enabling leading cloud qualities, scalability and frequent innovations by SAP. We enable Clariant to consume latest innovations of S/4HANA Cloud and Industry Cloud as well via the Business Technology platform included.
SAP to leverage hyperscaler's experiences and efficiency for leading infrastructure and data center services, embedded in SAP's overall cloud services.

No data and system lock-in

Clariant' ERP data and system is your asset; we do not lock you in on one data and infrastructure aaS provider, but keep the choice.
We enable for you IaaS specific capabilities in the context of your business application.

Update Signavio – what is included into RISE with SAP

Business Process Intelligence is an end-to-end transformation suite

PROCESS INSIGHTS
Locate and prioritize process improvement potential for including recommendations including pre-built content (bots, workflows, Fiori apps

PROCESS MANAGER
Capture, document, compare, and simulate your process portfolio

WORKFLOW ACCELERATOR
Leverage a human-centric workflow engine to execute tasks and enable your integrated governance

COLLABORATION HUB
Enable insights consumption and enterprise collaboration

PROCESS IMPROVEMENT
Repair and enhance processes to improve effectiveness and efficiency, and improve business user productivity

PROCESS INTELLIGENCE
Embrace a data-driven approach to discover, analyze, and monitor your end-to-end processes

Process Discovery for SAP S/4HANA Transformation

SAP Process Insights for ECC & S/4HANA

SAP Process Manager by Signavio

SAP Workflow Accelerator by Signavio

HUB

SAP Process Intelligence by Signavio

SAP Process Automation Low code, RPA and workflow

SAP Business Network Starter Pack

Help customers extend transformation beyond the four walls of their business by creating dynamic, digital connections with trading partners

The Offer

Adding incremental value to an SAP S/4 transformation while providing a ramp to the full SAP Business Network with limited offerings from each of these networks:

- Digital Supplier Network
- Logistics Business Network
- Asset Intelligence Network

Key Benefits

- Collaborate and transact seamlessly with suppliers to **bring speed, savings, and innovation to the entire source-to-pay process**

- Connect with shippers and carriers to **bring full transparency, tracking, and traceability to freight logistics**

- Connect and share asset usage information to **improve service, support, and performance for all your critical equipment**

Enabler of the Intelligent Enterprise
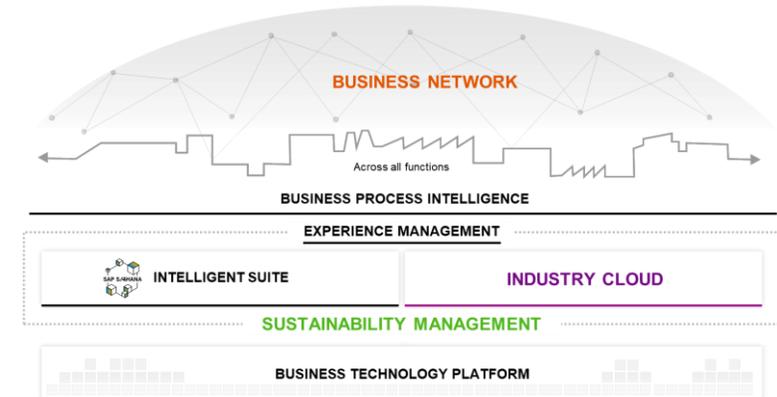
To learn more about SAP Business Network visit: sap.com/businessnetwork

S/4HANA Cloud supports multi-cloud scenarios based on customer's point of departure

SAP S/4HANA Cloud

Customer's
Starting Point

S/4HANA Cloud

PRIVATE Edition

Customer has…

Ability and mindset for transformational project

Low landscape complexity, potential to go with a greenfield approach

e.g. Digital Business, Services Industries

Customer has…

Plans for an evolutionary journey to the Cloud

High landscape complexity, mostly complex and fragmented, highly customized systems

e.g. Large Global Manufacturers

SAP Modular Cloud ERP: A New Way of Working

Solution
Brings core module across LoBs together. enhanced suite qualities integration, data model consistency, security, etc. and backend integration via BTP

Target Market
Net New Names and installed base (ECC customers using the finance, HR and procurement functionality today and need a path to the cloud)
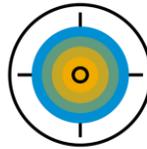
Commercially
Flexible bundle with special bundle discount. Customer can choose from available modules

SAP Ariba Guided buying

RISE WITH SAP
SAP S/4HANA, BTP, BPI, Business Network

SFSF Employee Central

SAP identity Access Governance

SAP Analytics Cloud

Business Performance
Maximize business performance by aligning people strategy with financial outcome

Smarter Decisions
Make faster decisions based on live trusted data and smarter with AI-driven insights and advanced modeling

Openness and Modularity
Flexible core extensions. partner sourced apps and agile development

(Choice, Flexibility & Control)

Definition — Benefits

Vision-to-value Engagement Model

1	2	3	4	5
Initialize the transformation	**Align on vision and desired outcomes**	**Build the value case**	**Plan the path forward**	**Deliver business value**
Provide our POV on the case for change in the context of industry and customer needs	Align on business and IT strategy and get buy-in across the organization	Build the case for change and identify key initiatives with expected outcomes	Create transformation road map and define deployment plan	Deliver quick adoption and time to value, and drive continuous innovation and optimization

1 — Initialize the transformation

- **Provide** high-level value cases for change based on industry requirements and customer needs
- **Align** teams on the vision-to-value approach

2 — Align on vision and desired outcomes

- **Articulate** business strategy and required business outcomes to underline digital ambition
- **Share** Intelligent Enterprise and cloud vision and demonstrate the art of the possible
- **Set** engagement direction and expected results
- **Align** on scope, resources, and timeline

3 — Build the value case

- **Conduct** discovery workshops to uncover business process improvement opportunities and desired business outcomes
- **Explore** the art of the possible with technology innovations to address current challenges and achieve desired outcomes
- **Baseline** current technology landscape (capability and TCO assessment)
- **Develop** value-centric journey and case for change

4 — Plan the path forward

- **Agree** on target end state, enterprise architecture, and transformation road map
- **Define** target operating model, technical migration, and deployment strategy
- **Validate** outcomes, priorities, and business case with executive sponsors

5 — Deliver business value

- **Transition** to delivery and customer success team
- **Utilize** best practices for deployment and project governance
- **Support** customer success and value realization
- **Assess** enablement, onboarding, and change management

RISE with SAP - Customer adoption Framework
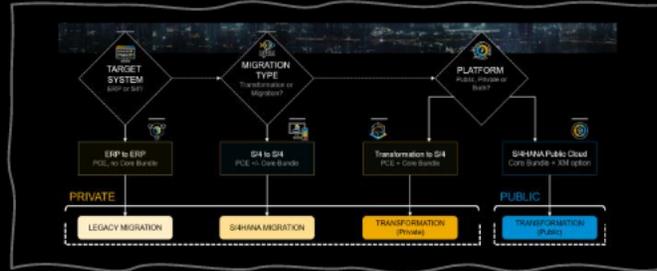
CUSTOMER JOURNEY

- Identify, validate and plan for the RISE with SAP journey that each customer will take, ensuring clarity during the sales process

- Align all internal SAP stakeholders in the VAT team according to the defined customer journey

- Ensure early engagement and alignment with the Partner where involved, and start planning the Customer Adoption Plan along the defined customer journey

ACTIVITY MAP

- Baseline template of the minimum set of activities required for a successful journey – a Minimum Viable Service (MVS)

- Clearly define the tailored distribution and ownership of activities between the Customer, Partner and SAP

- Outline the SAP activities delivered as part of the baseline subscription as well as recommended and premium options

ADOPTION PLAN

- Define and agree the 30/60/90/120 day plan between the Customer, Partner and SAP and build it into the RACI and Governance model

- Highlight key touchpoints for the customer and validate the adoption start point (project plan, usage of bundle elements, governance cadence) and adoption metrics (project start, consumption etc.)

- Proactively follow up with Direct Customers at milestones throughout the Adoption Plan

Thank you!