

SAP Adriatic Utility Conference

SAP Roadmap for Utilities & Cloud for Energy

Holger Schweinfurth, SAP SE
May 15, 2018

PUBLIC

THE BEST RUN



Legal Disclaimer

The information in this presentation is confidential and proprietary to SAP and may not be disclosed without the permission of SAP. 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 document or any related presentation, or to develop or release any functionality mentioned therein. This document, or any related presentation 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 document is not a commitment, promise or legal obligation to deliver any material, code or functionality. This document 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 document is for informational purposes and may not be incorporated into a contract. SAP assumes no responsibility for errors or omissions in this document, except if such damages were caused by SAP's willful misconduct 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.

The Re-definition of the Energy Market Transforms Utilities IT

MARKET TRENDS

Shrinking margins
Increasing competition
Disruption of traditional market model
Seeking for the business model of the future
Diversification of products and services
Massive and frequent regulatory changes
New collaboration models
Cloud-First Strategies

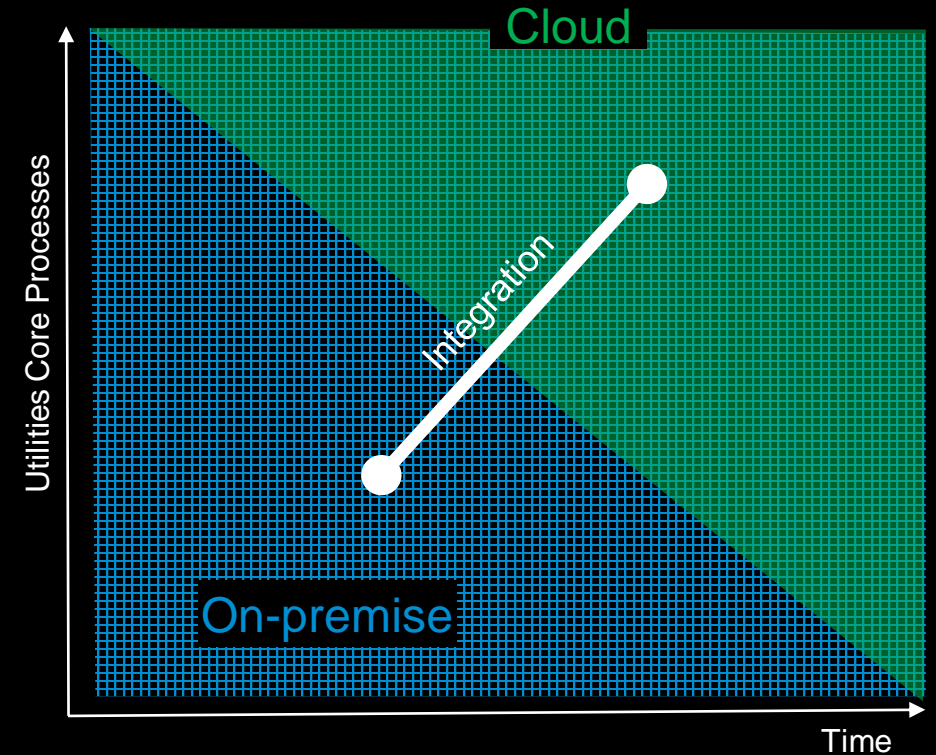


NEW BUSINESS KPIs

Lower “Costs to Operate”
Standardized core processes for commodity services
Faster product and process innovation
Business Network integration



IT TRANSFORMATION



The Shift of Business Process Intelligence in the Utilities Industry

Strategic IT Focus Yesterday and Today

1997

Billing-centric Logic

- Efficient management of mass processes (meter reading, billing, collections)
- Definition and implementation of complex products (tariffs) in billing component
- High level customer segmentation, customer interaction limited to few channels

Sales and
Customer
Service

Meter and
Consumption
Data
Management

Billing and
Collections
Management

Business Process Intelligence ↑

Sales and
Customer
Service

Meter and
Consumption
Data
Management

Billing and
Collections
Management

2018

Customer/Product-centric Logic

- Differentiation through highly individualized products and services
- Definition and implementation of digital products in CRM components
- Billing and Revenue Management became commodity
- Individual customer in focus, interaction across all possible channels

SAPs four Investment Focus Topics for Utilities

SAP Hybris for Utilities

- SAP Hybris Sales Cloud
- SAP Hybris Service Cloud
- SAP Hybris Marketing Cloud
- SAP Hybris Commerce Cloud
- SAP Hybris Revenue Cloud

SAP for Utilities Cloud

- End-2-End SaaS Utilities Portfolio

**Customer
Engagement**
(SAP Hybris)

**IoT
Integration**
(SAP Leonardo)

IoT / SAP Leonardo for Utilities

- SAP Cloud for Energy
- Energy Analysis
- Energy- and Measurement Data Management
- PdMS for Utilities

SAP S/4HANA for Utilities

- SAP for Utilities Integration with SAP S/4/HANA
- New User Interface (SAP Fiori)
- Operational Analytics
- Process Simplification
- Process Automatization / Machine Learning
- S/4HANA Customer Management

SAP for Utilities Cloud - A holistic End-2-End-SaaS-Portfolio as alternative to SAP S/4HANA for Utilities on Premise

SAP Labs preview

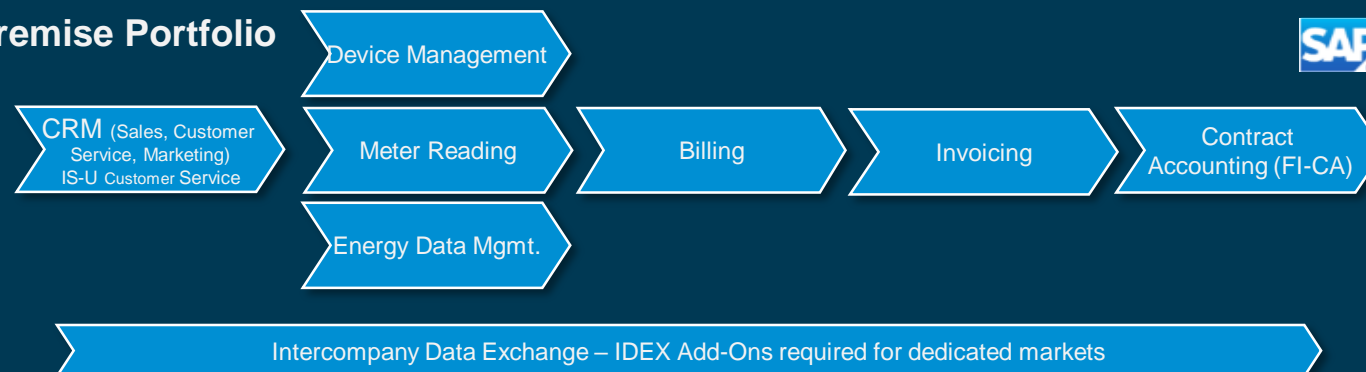
SAP for Utilities Public Cloud Portfolio (SaaS)

SAP CLOUD



SAP for Utilities On Premise Portfolio (On Premise/HEC)

SAP S/4 HANA



- Focus on **Multi-Service-Utilities** (*Commodity + Non-commodity products*) consumed as SaaS only (*simplified processes!*) or in Hybrid-Scenarios with S/4HANA Utilities

- Autonomous **E2E-solution**, optionally deployable in **hybrid-scenarios** with IS-U on S/4HANA

- SAP continues to invest in IS-U on **S/4HANA!**

SAP for Utilities Cloud - A holistic End-2-End-SaaS-Portfolio as alternative to SAP S/4HANA for Utilities on Premise

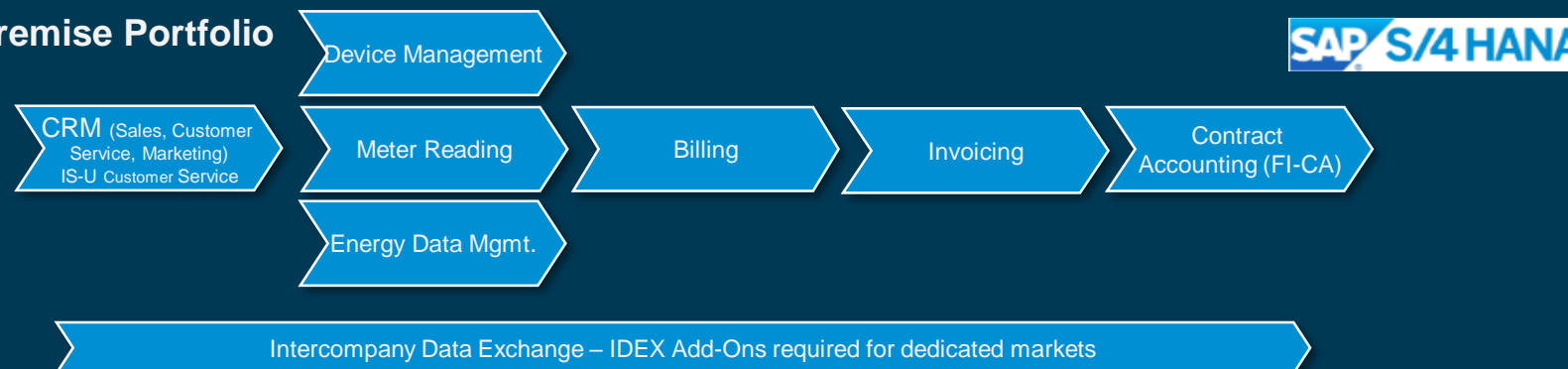
SAP Labs preview

SAP for Utilities Public Cloud Portfolio (SaaS)



- Focus on **Multi-Service-Utilities** (*Commodity + Non-commodity products*) consumed as SaaS only (*simplified processes!*) or in Hybrid-Scenarios with S/4HANA Utilities

SAP for Utilities On Premise Portfolio (On Premise/HEC)



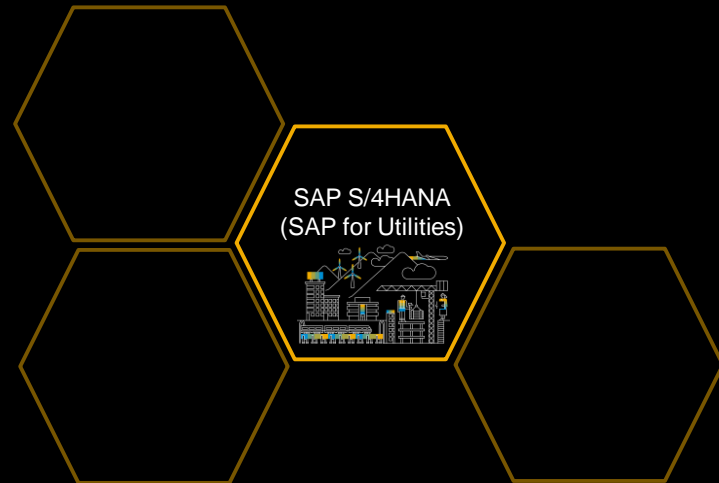
- Autonomous **E2E-solution**, optionally deployable in **hybrid-scenarios** with IS-U on S/4HANA
- SAP continues to invest in IS-U on S/4HANA!

Solution

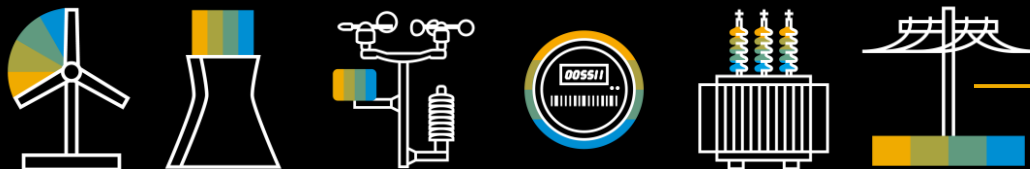
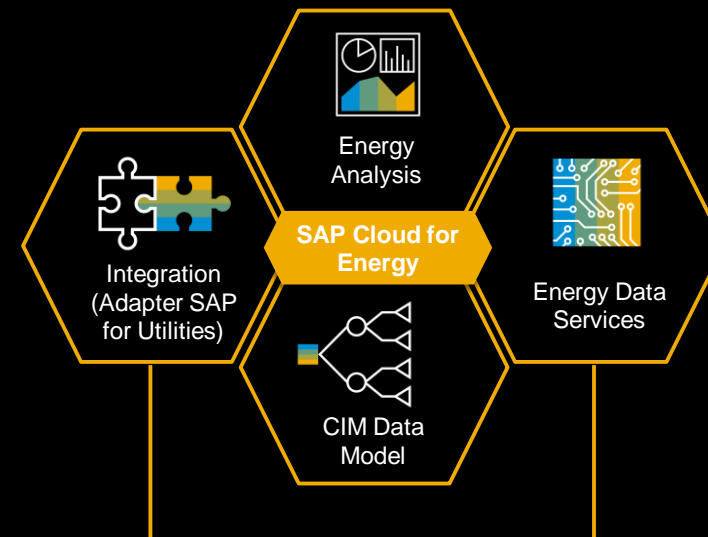
SAP Cloud for Energy

SAP Data Hub and SAP Cloud Platform as Underlying Technology

Efficiently manage Core Processes in SAP for Utilities (SAP S/4HANA)



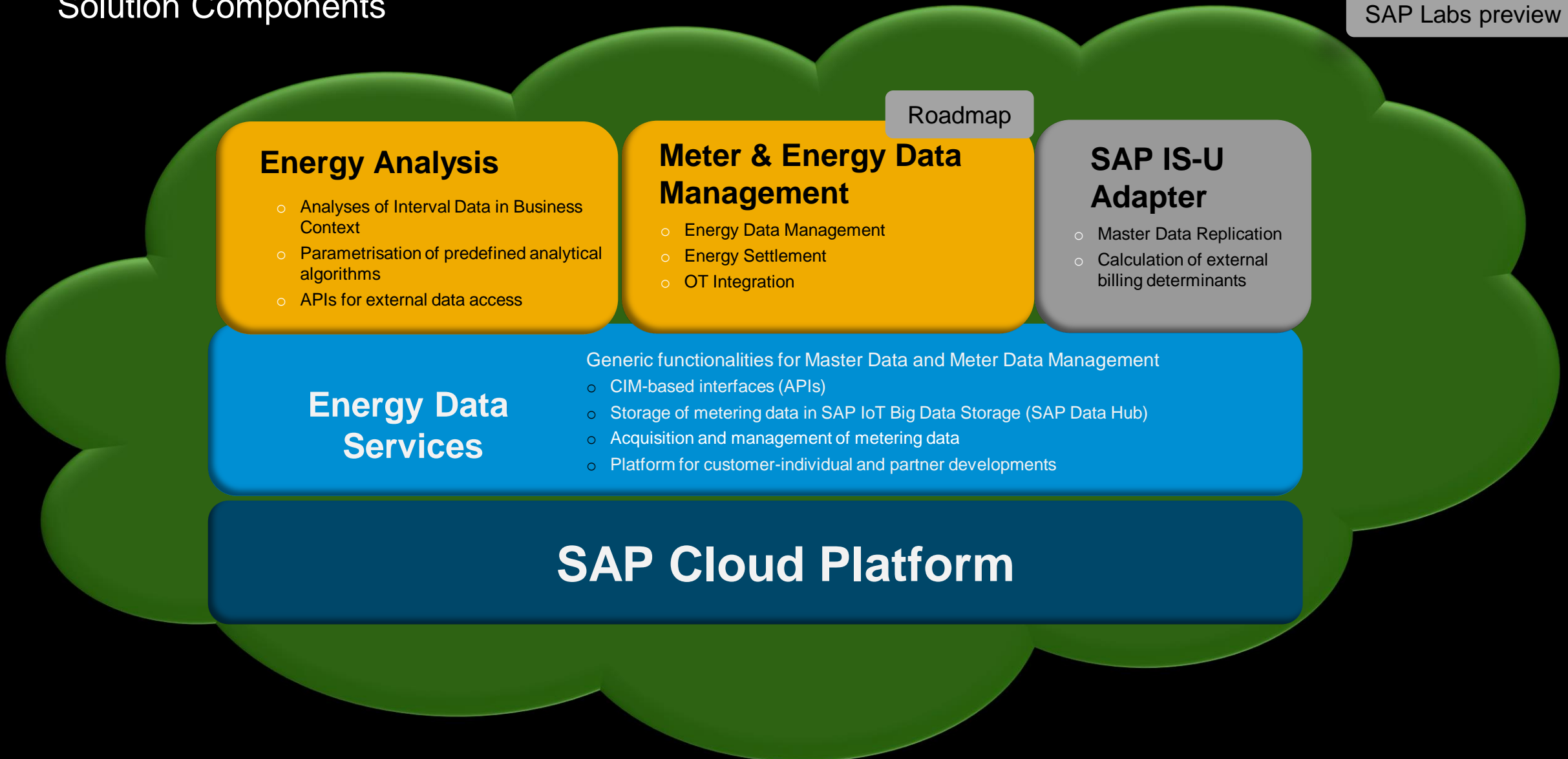
Innovate with Cloud for Energy applications



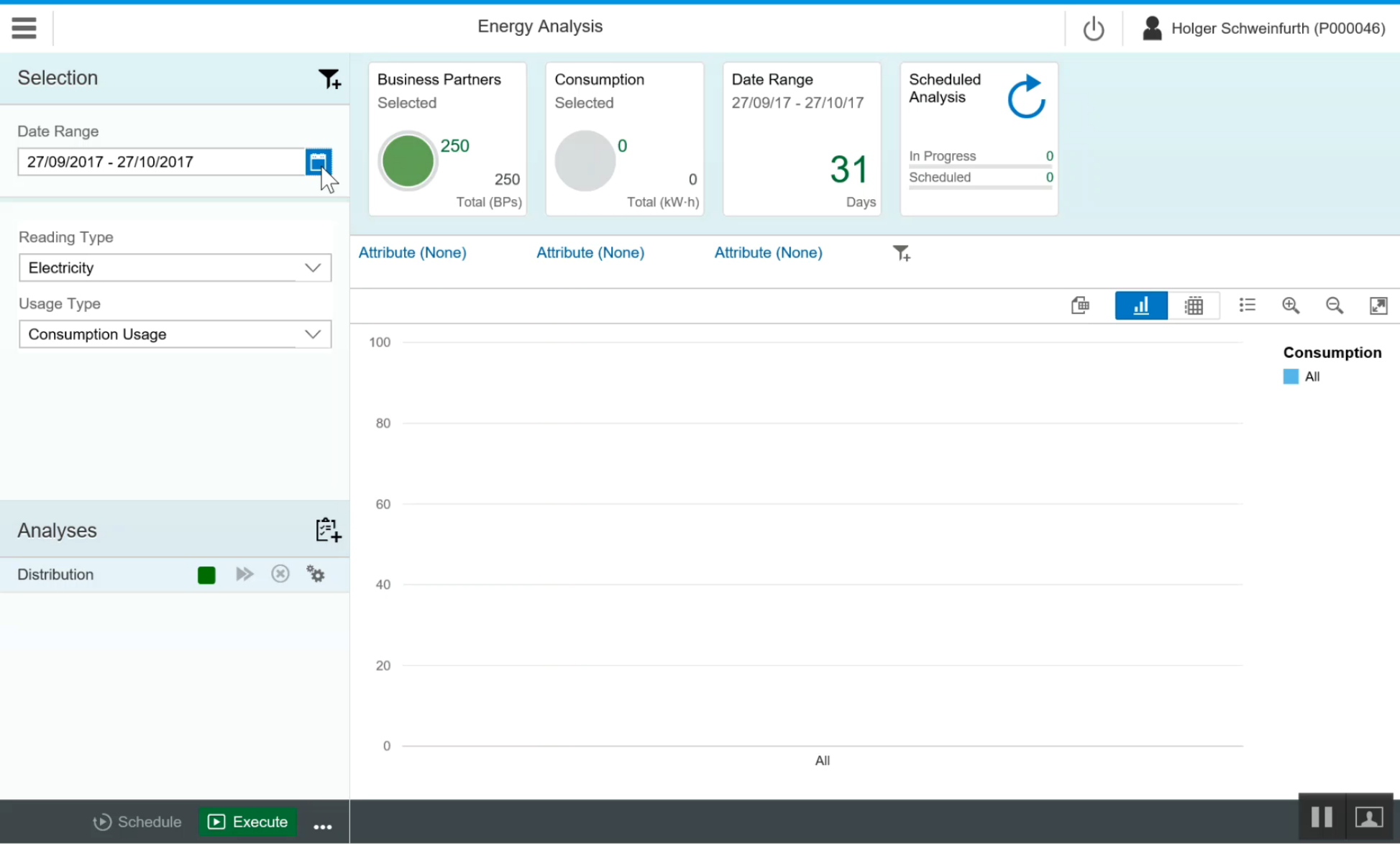
Building Block: SAP Cloud for Energy (first shipment planned Q2/2018)

Solution Components

SAP Labs preview



Energy Analysis – Demo Example



Key Take Aways

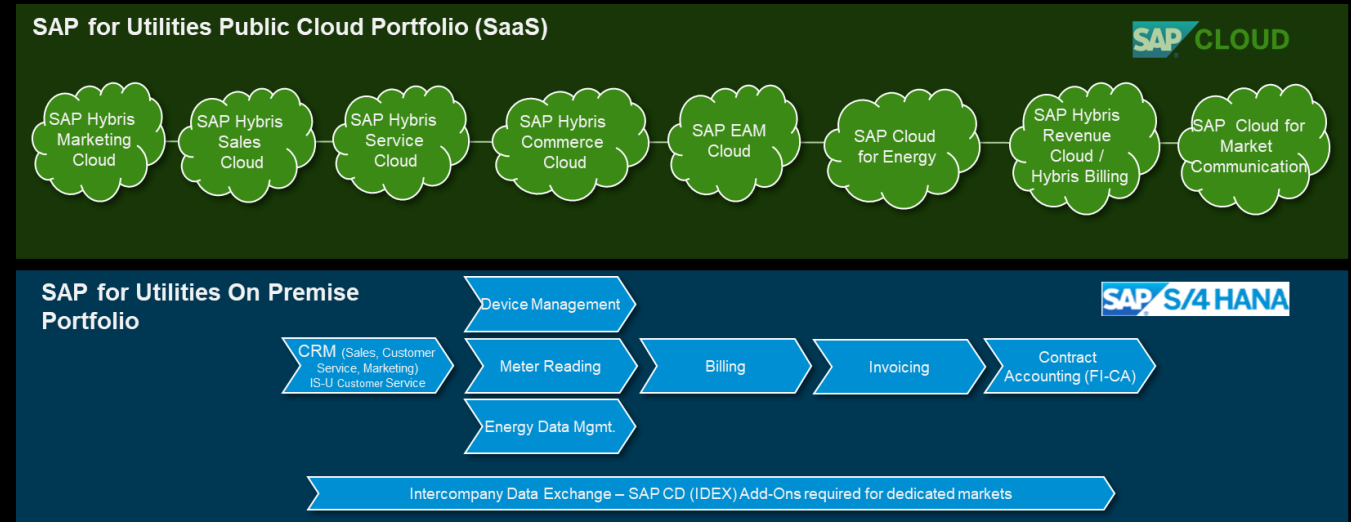
SAP invests bimodally in future solutions for Utilities

Ongoing sustainable investments in Digital Core (IS-U and CRM) based on S/4HANA On Premise

Flexible, modular extensions of On Premise portfolio with new SaaS components

Holistic, newly developed End-to-End solution portfolio for Utilities in the Public Cloud (SAP Cloud for Utilities) by 2020

Seamless support of hybrid landscapes based on standard APIs



Thank you.

Contact information:

Holger Schweinfurth

Chief Solution Expert, IBU Utilities

h.schweinfurth@sap.com

Phone number +49 160 8896614