Join the SAP S/4HANA Movement Secure your seat in the SAP S/4HANA Adoption Starter Engagement

Q2 2020



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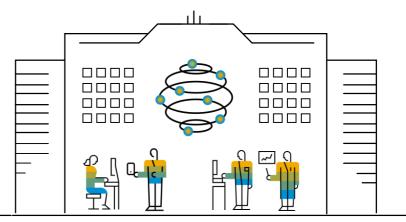
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SAP S/4HANA MOVEMENT PROGRAM

A standardized approach to move to SAP S/4HANA

Intelligent Enterprise



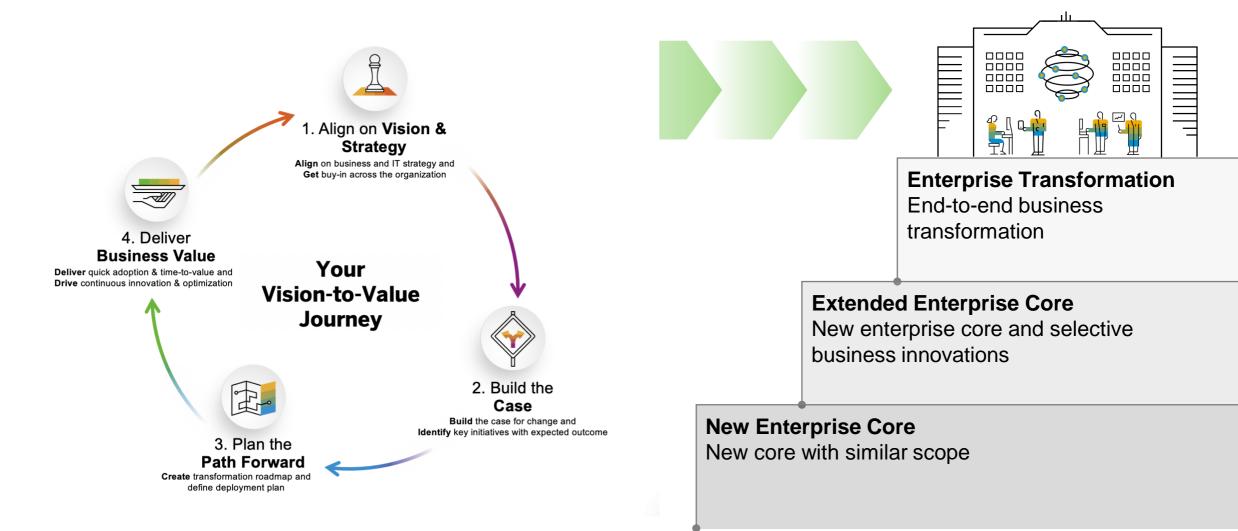


Main activities: All program activities are linked to the questions above:

Continue to enhance SAP S/4HANA product attractiveness Optimize tools for the entire customer journey Optimize & scale customer engagement frameworks Engage & educate the ecosystem

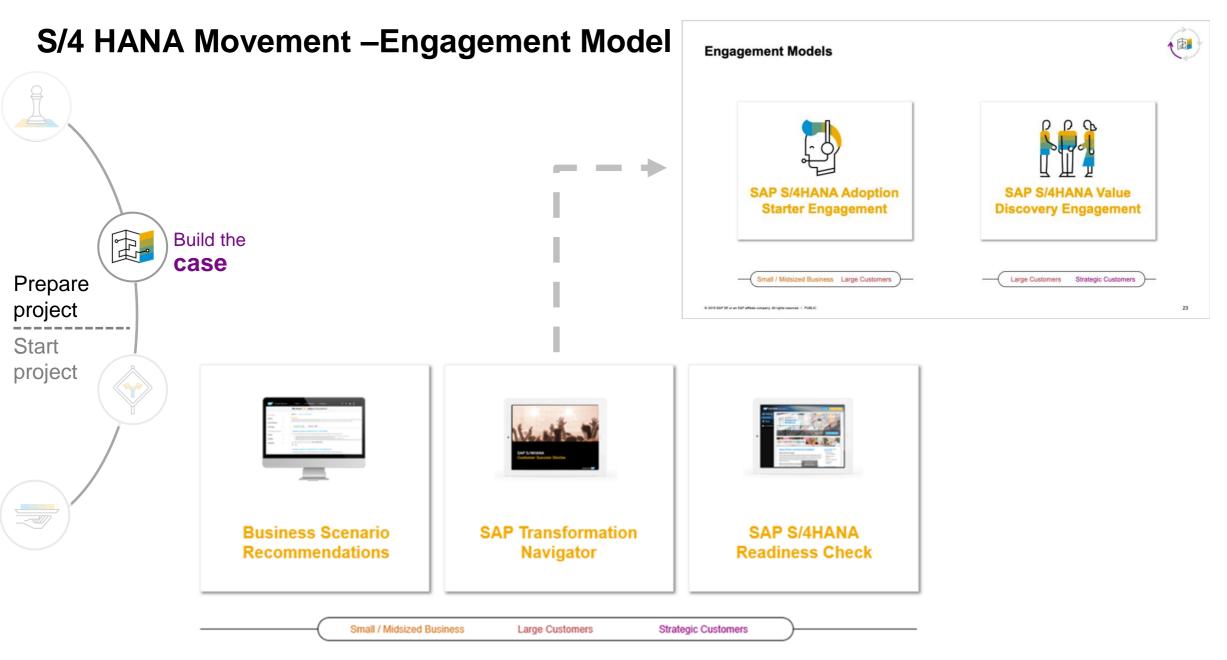
SAP S/4HANA Movement Program

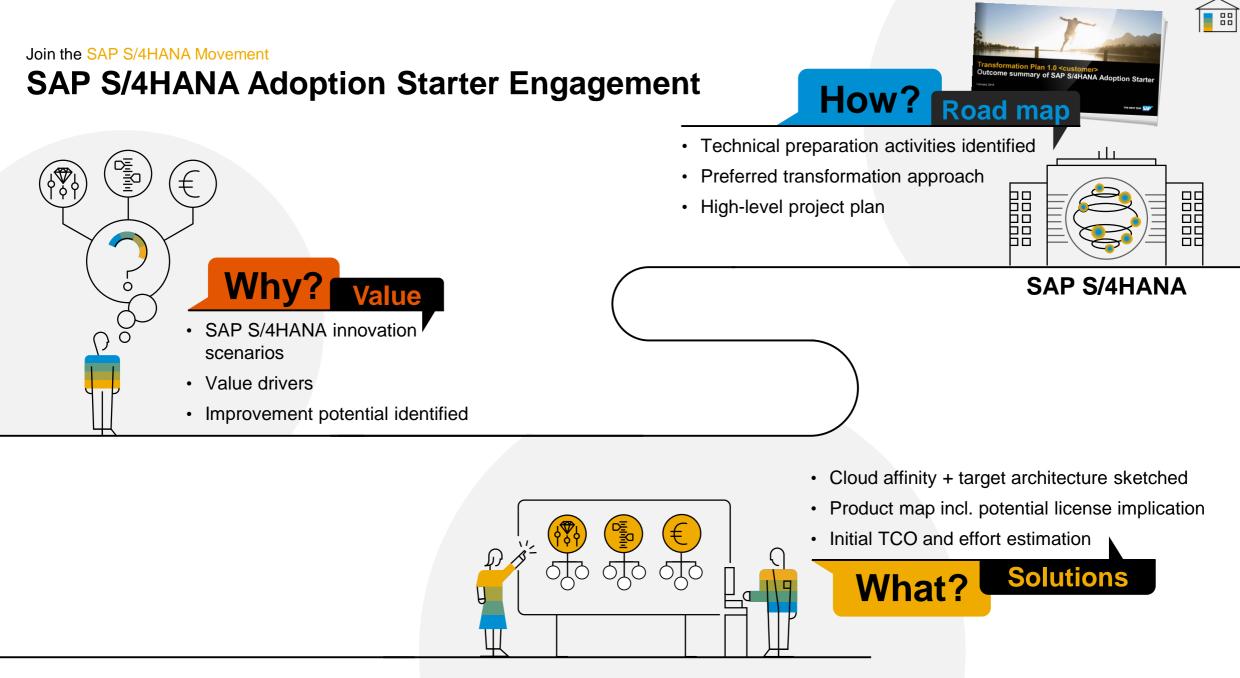
Follow a standardized approach to move to SAP S/4HANA



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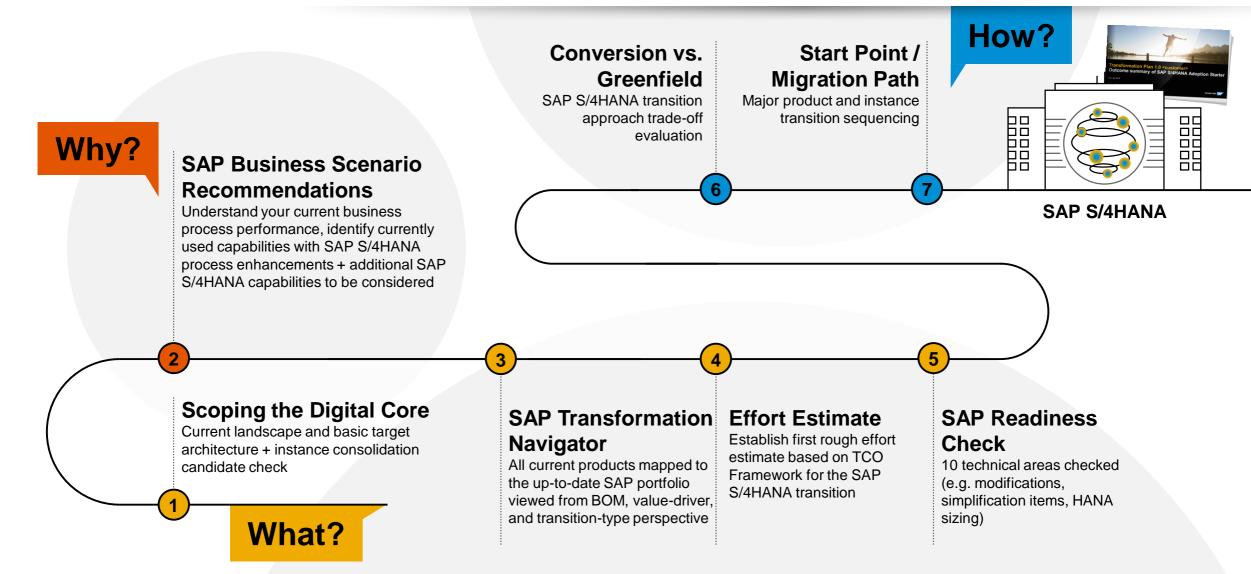
Intelligent Enterprise



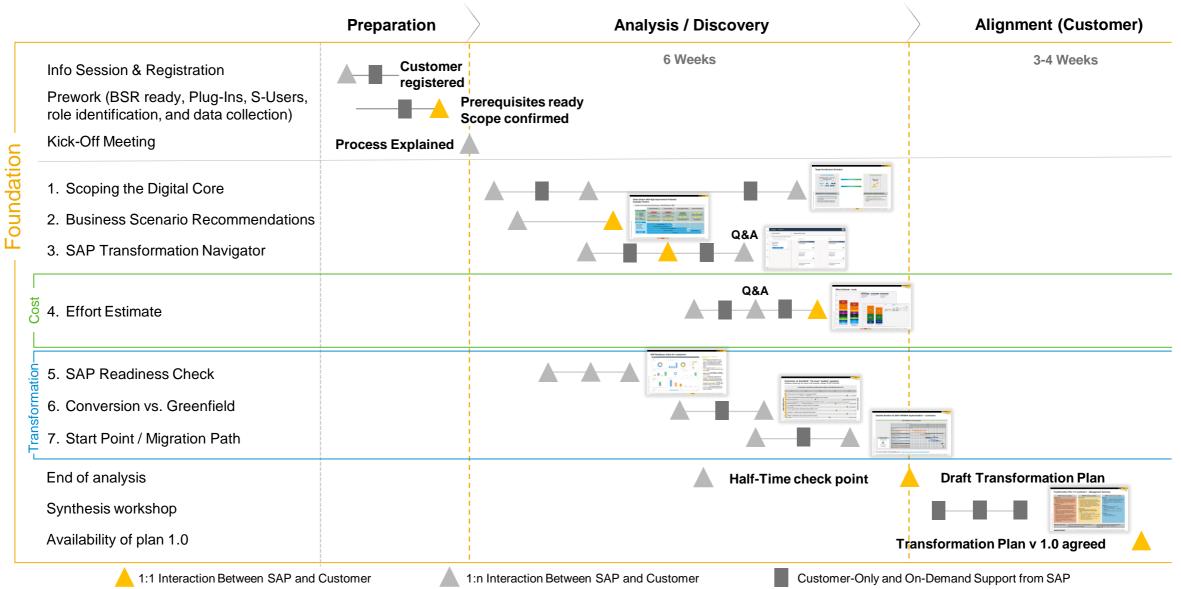




SAP S/4HANA Adoption Starter Engagement - Exploration Journey

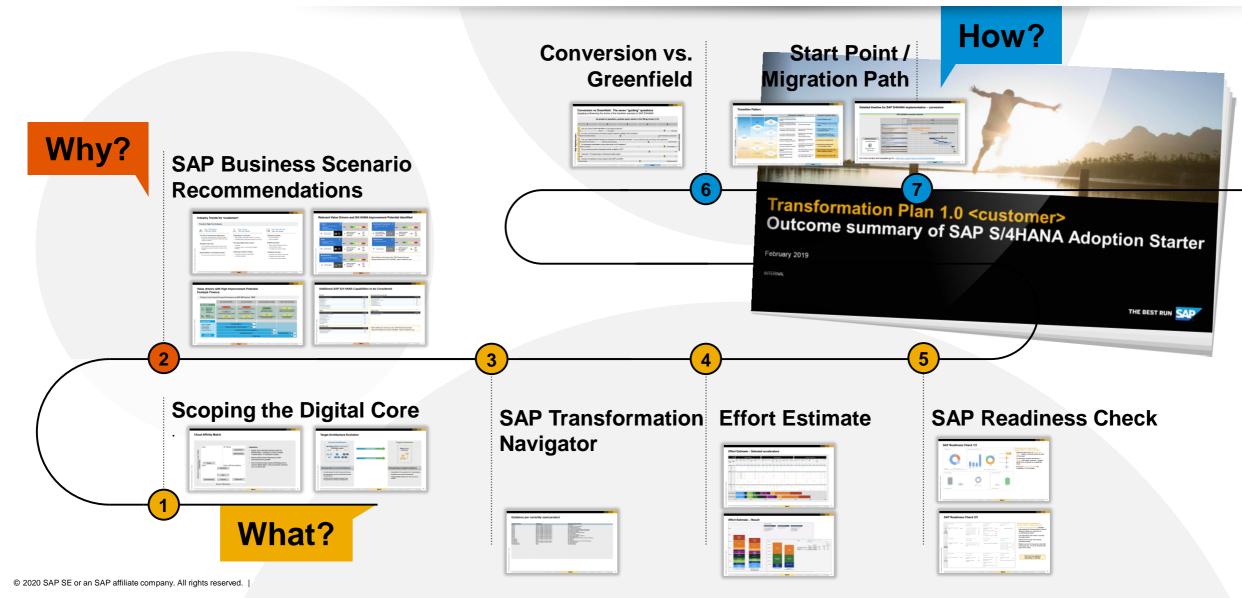


SAP S/4HANA Adoption Starter Engagement - Exploration Journey

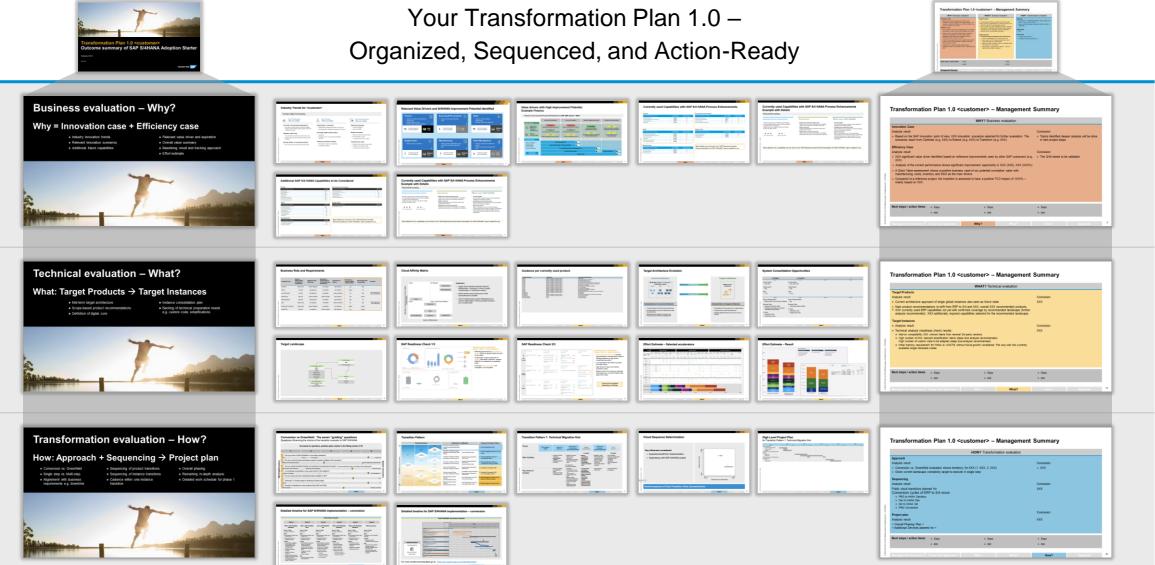




SAP S/4HANA Adoption Starter Engagement - Exploration Journey



What is the result of the SAP S/4HANA Adoption Starter Engagement



What is the result of the SAP S/4HANA Adoption Starter Engagement

Your Transformation Plan 1.0 – Organized, Sequenced, and Action-Ready



Business Evaluation – Why?

Innovation Case & Efficiency Case

- Relevant innovation scenarios
- Relevant value drivers
- Future capabilities
- Baseline results and tracking approach



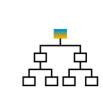
Technical & Cost Evaluation – What?

Target Products & Target Instances

- Midterm target architecture
- Scope-based product recommendations
- Definition of digital core
- Instance consolidation plan
- Technical preparation needs such as custom code and simplification

Cost

Effort Estimate



Transformation Evaluation – How?

Approach & Sequencing of Project Plans

- Conversion vs. Greenfield
- Sequencing of product transitions
- Sequencing of instance transitions

Tools

Expert Advice and Guidance



What is the result of the SAP S/4HANA Adoption Starter Engagement

Industry Trends – SAP Business Scenario Recommendations

Industry innovation trends and relevant innovation scenarios are identified



Business Evaluation – Why?

Key questions to answer:

- What are the big technology trends in digitalization and how are they used?
- What are concrete innovation scenarios SAP provides already today?
- Which innovation scenarios are relevant for my company?

Results:

 List of innovation scenarios to be considered/evaluated during/after SAP S/4HANA migration





The shift to broad-based applications

 This shift is causing investors to place incredible scrutiny on the research spent in nearly every semiconductor company

Hardware sales drop

- · -50% profits from hardware over the past 5 years
- Where is the next wave of profit to be found in the industry?

Several billions of connected devices

· How can we be sure they are safe and secure?

Key Trends within your industry

Subscribing to outcomes

· Selling highly configurable software-rich products

· Operating highly configurable software-rich products

Providing digital smart product

- Designing
- Operating secure, connected and intelligent products

Achieving customer intimacy

- · 360 degree customer understanding
- Continuous upselling



Optimize processes

- · Increases efficiency
- Improve reliability

Extend processes

- · Extend current business processes
- Beyond efficiency gains
- · To capture new sources of value

Transform the value

- Transform the company's value chain
- Transform the business model
- · To capture new revenue streams



What is the result of the SAP S/4HANA Adoption Starter Engagement

Efficiency Case – SAP Business Scenario Recommendations

Relevant S/4HANA Improvement Potential Identified

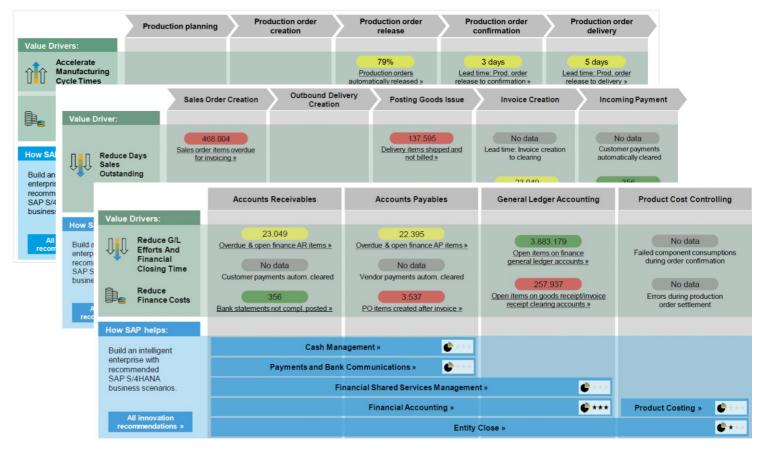


Business Evaluation - Why?

Key questions to answer:

- How is my company performing with respect to business key figures relating to the relevant value drivers?
- What is the potential improvement?
- What is the usage intensity of existing ERP capabilities?

- Relevant process KPIs mapped to possible helpful S/4HANA scenario recommendations
- Improvement potential identified and applicable solution capability proposed
- Footprint of currently used and not used capabilities identified





What is the result of the SAP S/4HANA Adoption Starter Engagement

SAP S/4HANA Innovations – SAP Business Scenario Recommendations

Currently used capabilities with SAP S/4HANA Process Enhancements identified!



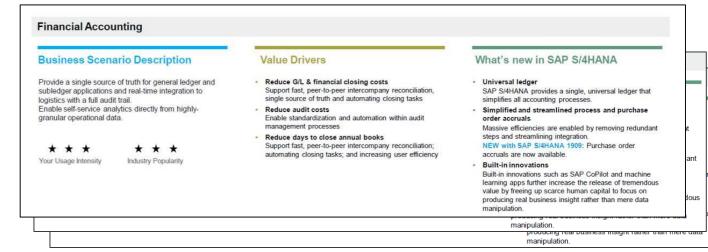
Business Evaluation - Why?

Key questions to answer:

 What are the currently used capabilities that are enhanced by SAP S/4HANA?

- Shortlist of currently used capabilities with SAP S/4HANA process enhancements
- Usage of currently used capabilities identified
- Description on how the currently used capabilities are enhanced by SAP S/4HANA
- Qualitative description on how relevant value drivers can be improved by enhancing currently used capabilities trough SAP S/4HANA

SAP S/4HANA BUSINESS SCENARIO	YOUR CURRENT USAGE INTENSITY	BASED ON USAGE OF TRANSACTIONS	
Financial Accounting	***	256	
Sales Order Management and Processing	***	73	
<u>Delivery Management</u>	***	38	
<u>Sales Billing</u>	***	26	
Real-Time Reporting and Monitoring	***	14	
Real-Time Reporting and Monitoring	***	14	





What is the result of the SAP S/4HANA Adoption Starter Engagement

SAP S/4HANA Innovations – SAP Business Scenario Recommendations

Additional SAP S/4HANA Capabilities to be Considered



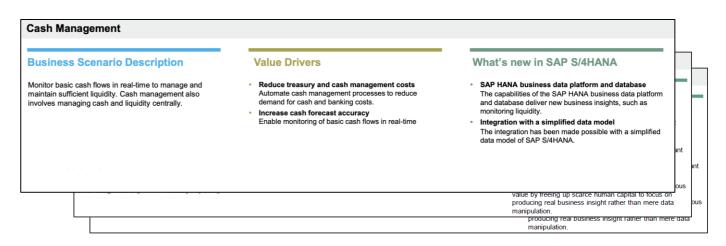
Business Evaluation – Why?

Key questions to answer:

 What are additional SAP S/4HANA capabilities to be considered

- Shortlist of additional gained capabilities with SAP S/4HANA based on the current usage of ERP
- Description on how the additional gained capabilities are improving currently implemented business scenarios
- Qualitative description on how relevant value drivers can be improved by enhancing currently used capabilities trough SAP S/4HANA

SAP S/4HANA BUSINESS SCENARIO	INDUSTRY POPULARITY	
Cash Management	***	~
Collections Management	$\star \star \star$	RY
Commodity Sales	$\star \star \star$	RITY
Convergent Invoicing	$\star \star \star$	K
Corporate Close	$\star \star \star$	
Credit and Collection Management	***	_
Convergent Invoicing	**	*
Classification and Segmentation		New



What is the result of the SAP S/4HANA Adoption Starter Engagement

Your Transformation Plan 1.0 – Organized, Sequenced, and Action-Ready



Business Evaluation – Why?

Innovation Case & Efficiency Case

- Relevant innovation scenarios
- Relevant value drivers
- Future capabilities
- Baseline results and tracking approach



Technical & Cost Evaluation – What?

Target Products & Target Instances

- Midterm target architecture
- Scope-based product recommendations
- Definition of digital core
- Instance consolidation plan
- Technical preparation needs such as custom code and simplification

Cost

Effort Estimate



Transformation Evaluation – How?

Approach & Sequencing of Project Plans

- Conversion vs. Greenfield
- Single step vs. Multi step
- Sequencing of product transitions
- Sequencing of instance transitions

Tools



What is the result of the SAP S/4HANA Adoption Starter Engagement

Target Products – Scoping the Digital Core

Affinity to Cloud Products documented!



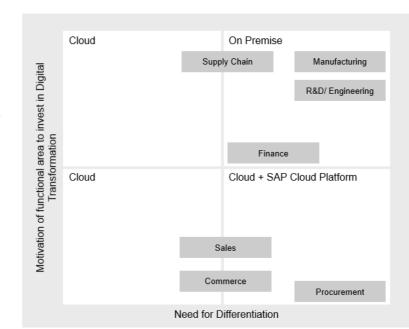
Technical Evaluation - What?

Key questions to answer:

- How does your future landscape look like based on your business needs and core IT strategy?
- In which areas you may consider the use of Cloud products?

Results:

Affinity to Cloud Products is documented



Implication:

- Sourcing & Procurement: Mismatch between Need for Differentiation / motivation to invest in Digital Transformation → Clarification needed
- Only 2 functional areas require OnPremise due to need for differentiation. Discuss possible scenarios, e.g. Functional split
- Supply Chain may be split between S/4HANA for gATP and PP/DS and Integrated Business Planning for DP and SNP



What is the result of the SAP S/4HANA Adoption Starter Engagement

Target Products – SAP Transformation Navigator

Tailored SAP product guide that includes business, technology and transformation aspects

SAP Custo

SAP FRE

SAP ERP SAP ERP SAP ERP SAP ERP SAP ERP SAP ERP SAP ERP

SAP ERF

SAP ERF SAP ERF

SAP ERP SAP ERP SAP ERP



Technical Evaluation - What?

Key questions to answer:

- What are the recommended products in a SAP S/4HANA centric landscape?
- Which are relevant additional new capabilities?
- What are the transition preferences?

- Scope-based product recommendations
- Definition of the digital core
- Possible license implication identified
- Tailored guide summarizing the results along Business, Technology and Transformation

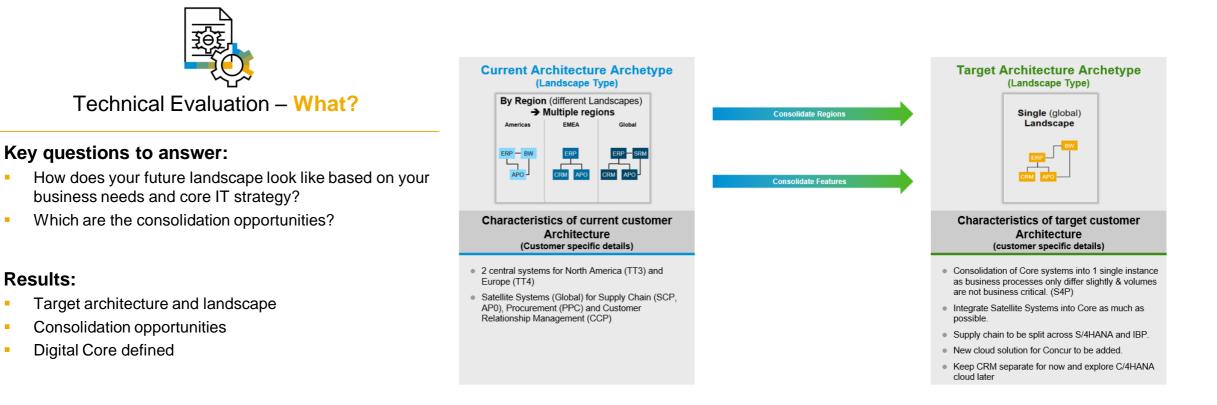
Current Product	Capability selected	d Deployme	nt Preference		Recommend	ed Capability			commended Product	
	Employee Travel Safety	Cloud		Employee Travel Safety (C	Concur)			Concur Travel		
	Expense Management	Cloud		Expense Management (Co				Concur Expense		
	Legal Content Management	On Premise		Legal Content Manageme	nt (S/4 OP)			SAP S/4HANA		
	Single Sign-On	On Premise		Single Sign-On				SAP Single Sign-On		
mer Relationship Management	Audience Targeting and Segmentat			Audience Targeting and Se				SAP S/4HANA Cloud		
mer Relationship Management	Campaign Management and Optim			Campaign Management a	nd Optimization (Ma	rketing CLD)		SAP S/4HANA Cloud		
ner Relationship Management	Channel Marketing	On Premise		Channel Marketing					ionship Management	
ner Relationship Management	Loyalty Management	On Premise		Loyalty Management (CRM					ionship Management	
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	Accounts Receivable	On Premise		Accounts Receivable with		Matching (S/4 OP, I	Leonardo)	SAP S/4HANA		
	Chargeback Management	On Premise		Chargeback Management				SAP S/4HANA		
	Collections Management	On Premise		Collections Management (SAP S/4HANA		
	Commodity Procurement Current Product	On Premise Recommende		Commodity Procurement		Units		SAP S/4HANA	Conversion Product Conv	
C4D C			a Product				Туре			version
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	mer Relationship Management	SAP S/4HANA Cloud		8005616		flat Fee	Subscription		-	
SAP ERP		SAP S/4HANA		8007179		UE Users	Subscription		-	
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SAP ERP		SAP S/4HANA Current Pro		oducts Recommended Products						
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SAP ERP		SAP S/4HANA								
SAP ERP		SAP S/4HANA	 Products with ' 	Transformation Recommend	dation					
	y Chain Management	SAF Integrated	CRM and C	ustomer Experience		Current Quarter			2019 Q3	
	y Chain Management	SAP Integrated		assored aspectation		Garnene Quarter			2015 Q3	
SAP Suppl	y Chain Management	SAP Integrated			3	SAP REFERENCE	PRODUCT		SAP REFERENCE PRODUCT	
SAP Suppl	y Chain Management	SAP Integrated	SAP Custom				terselectrology a			
SAP Supply	y Chain Management	SAP S/4HANA	Relationship			SAP S/4HANA			SAP S/4HANA	
SAP Suppl	y Chain Management	SAP S/4HANA	Managemen	nt						
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What is the result of the SAP S/4HANA Adoption Starter Engagement

Target Instances – Scoping the Digital Core

Assumptions for a target architecture are documented! Digital Core defined!





What is the result of the SAP S/4HANA Adoption Starter Engagement

SAP S/4HANA Readiness – SAP Readiness Check

SAP S/4HANA readiness of your ERP System in 10 technical areas is checked!

Technical Evaluation - What?

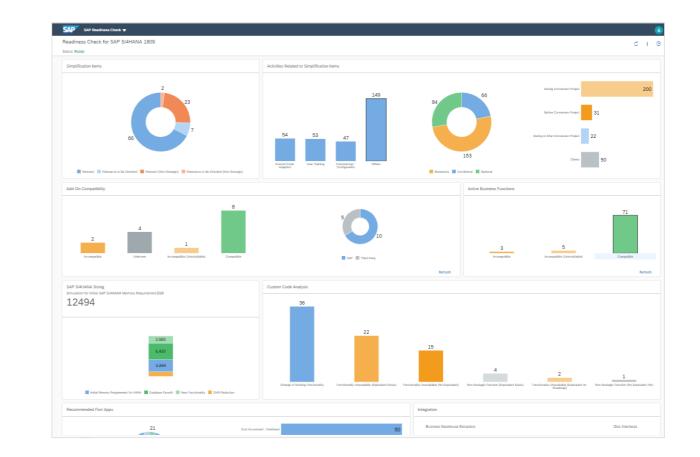
Key questions to answer:

What is the status of my ERP system with regards to the aspects relevant for a SAP S/4HANA conversion?

- Compatibility of Add-on/Active Business Functions
- Simplification Items
- Sizing
- Custom Code / Custom Development projects
- Business Process Improvements to be done before conversion
- Recommended Fiori Apps

Results:

SAP Readiness Check Dashboard and Report



What is the result of the SAP S/4HANA Adoption Starter Engagement

B HW / SW One

ASPIRATION FOR \$/4 TRANSFORMATIO

PAST PROJECT REFERENCE

TCO Explorer for SAP S/4HANA Transformations / Accelerators

10%

Efficiency Case – Effort Estimate

Initial TCO and Effort Estimate is created!

TCO Evaluation – What?

Key questions to answer:

- What are the accelerators helping me to reduce implementation effort in comparison to former "traditional" implementations?
- What are the implications from a hardware/software cost perspective?
- What are the implication for ongoing operations?

Results:

Indication of change in cost distribution / first rough estimate



TCO Changes

HW/SW Invest

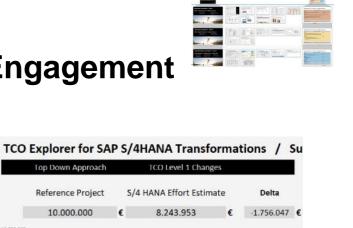
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Implementatio

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What is the result of the SAP S/4HANA Adoption Starter Engagement

Your Transformation Plan 1.0 – Organized, Sequenced, and Action-Ready



Business Evaluation – Why?

Innovation Case & Efficiency Case

- Relevant innovation scenarios
- Relevant value drivers
- Future capabilities
- Baseline results and tracking approach



Technical & Cost Evaluation – What?

Target Products & Target Instances

- Midterm target architecture
- Scope-based product recommendations
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- Instance consolidation plan
- Technical preparation needs such as custom code and simplification

Cost

Effort Estimate





Transformation Evaluation – How?

Approach & Sequencing of Project Plans

- Conversion vs. Greenfield
- Sequencing of product transitions
- Sequencing of instance transitions



What is the result of the SAP S/4HANA Adoption Starter Engagement

Transformation Approach & Sequencing – Conversion vs. Greenfield

Preferred Transformation Approach identified!



Transformation Evaluation – How?

Key questions to answer:

 What is the right approach for the transition to SAP S/4HANA (Conversion or Greenfield)

Results:

 8-question framework from which guidance for the right approach can be derived

		As ans	wer to questions, p	osition green marker ir	the fitting column (1-5)	
	1		2	3	4	5
1	Can you move to SAF	P S/4HANA i	n a one-step procedı	ıre?		
R/3 4	.x	<ecc 6.x<="" td=""><td>Non-Unicode</td><td></td><td></td><td>>=ECC 6.0></td></ecc>	Non-Unicode			>=ECC 6.0>
2	Do your current busin	ess process	es support long-term	strategy of the company	?	
Rede	sign of core business processes					Current Processes are a good long term fit
3	Can you adopt the Be	st Practices	to modernize Core E	Business Process? Or are	you planning to take over existing	custom applications?
Mode	el Company / Back to Standard	Redev	elop Custom Applications			Take over custon
4	Is Landscape consolid	dation a key	value driver for SAP	S/4HANA adoption?		
4+ sy	stems to consolidate		3		2	No Consolidation 1.2
5	Do you require previo	us transactio	onal data to be availa	ble in SAP S/4HANA?		
No						Yes
6	Technical / IT funded	project or Bu	usiness funded proje	ct		
Busir	ness					n
7	Number of interfaces	to other syst	tems (Non-SAP and	SAP)		
few/li	ttle complexity					Many/high complexity
8	Can your company su	istain a mult	iyear innovation plan	with incremental innovat	ions	
No						Yes

System Conversion



What is the result of the SAP S/4HANA Adoption Starter Engagement

Transformation Approach & Sequencing – Start Point / Migration Path

Preferred Transition Pattern identified!



Transformation Evaluation – How?

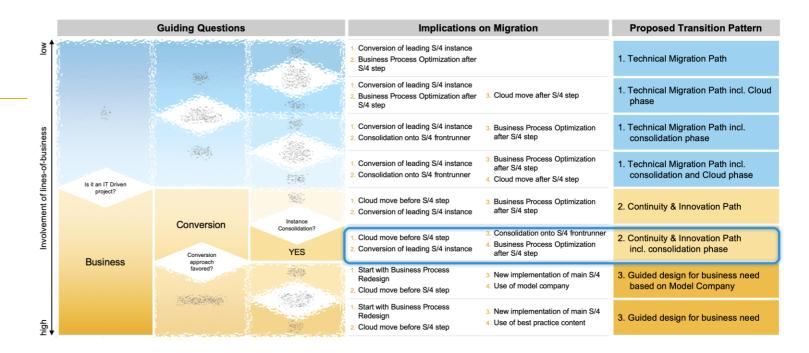
Key questions to answer:

What is the right sequence of transitions to get from the current landscape to the target landscape?

- Sequencing of product transitions
- Sequencing of instance transitions

Results:

Preferred Transition Pattern identified





What is the result of the SAP S/4HANA Adoption Starter Engagement

Transformation Approach & Sequencing – Start Point / Migration Path

Determination of a high-level project plan for transition to your SAP S/4HANA centric landscape



Transformation Evaluation – How?

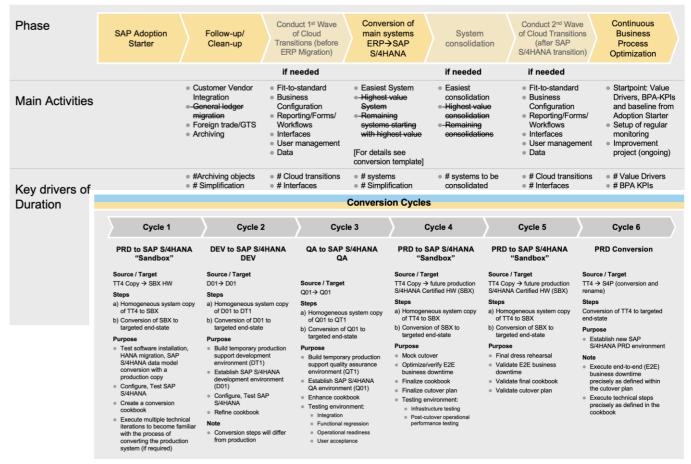
Key questions to answer:

What is the right sequence of transitions to get from the current landscape to the target landscape?

- Sequencing of product transitions
- Sequencing of instance transitions

Results:

Main activities identified





What is the result of the SAP S/4HANA Adoption Starter Engagement

Transformation Approach & Sequencing – Start Point / Migration Path

Determination of a high-level project plan for transition to your SAP S/4HANA centric landscape



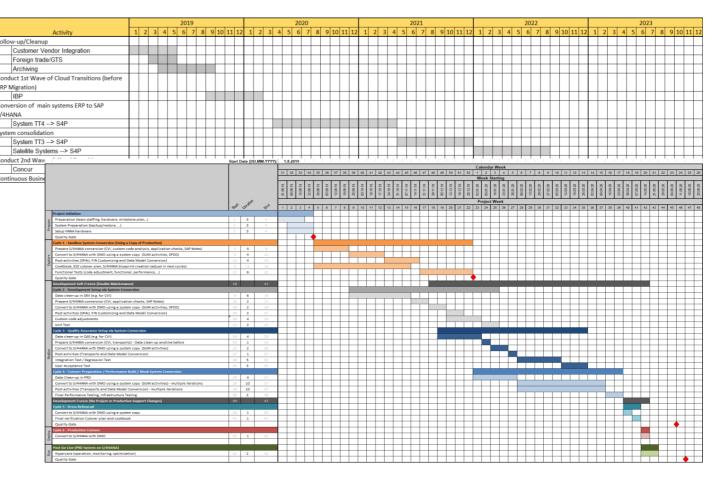
Transformation Evaluation – How?

Key questions to answer:

What is the right sequence of transitions to get from the current landscape to the target landscape?

- Sequencing of product transitions
- Sequencing of instance transitions

- High-level project plan
- Detailed timeline for SAP S/4HANA



What is the result of the SAP S/4HANA Adoption Starter Engagement

Your Transformation Plan 1.0 – Organized, Sequenced, and Action-Ready



Business Evaluation – Why?

Innovation Case & Efficiency Case

- >15 Value Drivers are mapped to business key figures!
- SAP S/4HANA improvement potential identified!
- Footprint of currently used ERP capabilities analyzed!
- Currently used capabilities with SAP S/4HANA process enhancements identified!
- Relevant SAP S/4HANA innovation scenarios and capabilities identified!



Technical & Cost Evaluation – What?

Target Products & Target Instances

- Cloud affinity documented!
- Instance consolidation plan and potential target architecture sketched!
- Product Map incl. potential licenseimplication reflecting business, technology and transformation aspects created!
- Technical preparation activities identified!

Cost

Initial TCO and Effort Estimate created!



Transformation Evaluation – How?

Approach & Sequencing of Project Plans

- Preferred Transformation Approach identified! (Conversion vs. Greenfield)
- Preferred Transition Pattern identified!
 - Sequencing of product transitions
 - Sequencing of instance transitions
- High-level project plan for transition of the SAP S/4HANA centric landscape sketched!

Tools

Expert Advice and Guidance



Join the SAP S/4HANA Movement SAP S/4HANA Adoption Starter Engagement - References

Join the SAP S/4HANA Movement today

With clear steps, prescriptive guidance, and expert enablement, you can feel confident that you have the right planning foundation from the Adoption Starter Engagement to move to SAP S/4HANA.

Adoption starter | What customers say

"Using SAP S/4HANA Adoption Starter Engagement, we got access to all the relevant tools and information from SAP needed to provide successful outcomes and to prepare a tailored road map for our SAP S/4HANA transition in just three months."

Alexander Peters, Vice President, Otto Group IT

Watch the video:

ome summary of SAP S/4HANA Adoption Starte

Join the SAP S/4HANA Movement SAP S/4HANA Adoption Starter Engagement - References

IPHŒNIX

Michael Wulf, Information Technology, PHOENIX CONTACT GmbH & Co. KG (Germany): "Transformation planning was standardized and **done** *in record time*! We have achieved transparency and added value with SAP S/4HANA Adoption Starter Engagement.."

Suresh Kutam, Associate Project Controller SAP; Prestige Estates Projects Limited (India): "Structure and expert guidance from SAP S/4HANA Adoption Starter Engagement enabled us to build the foundation for our planned migration to SAP S/4HANA. We gained insight into our business value and priorities, as well as an overall technical evaluation"

otto group

Alexander Peters, Vice President, Otto Group IT (Germany): "Using SAP S/4HANA Adoption Starter Engagement, we got access to all the relevant tools and information from SAP needed to provide successful outcomes and prepare a tailored road map for our SAP S/4HANA transition in just three months."

Anoja Basnayake, Director of IT, A. Baur & Co. (Pvt.) Ltd. (Sri Lanka): "Structured expert guidance from SAP S/4HANA Adoption Starter Engagement helped us build a foundation for migrating to SAP S/4HANA. With the right tools and metrics, we created the right plan for our company's unique migration needs."

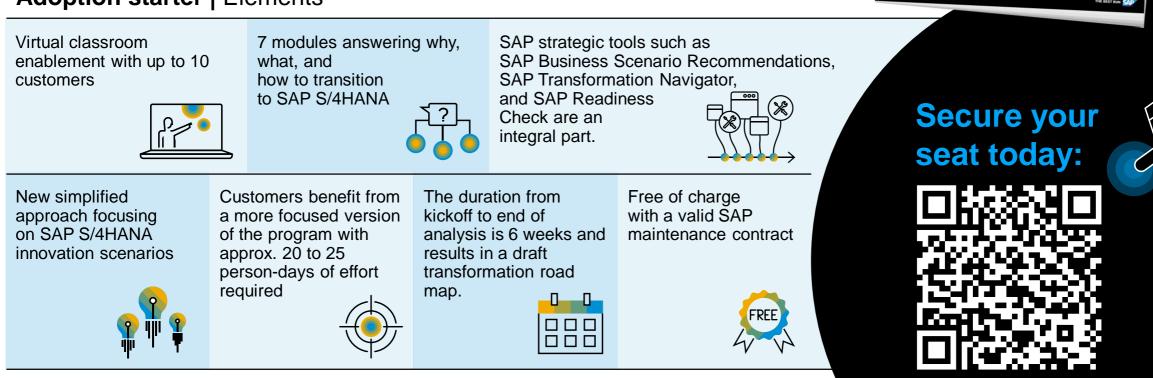




Join the SAP S/4HANA Movement program today

With clear steps, prescriptive guidance, and expert enablement, you can feel confident that you have the right planning foundation from the Adoption Starter Engagement to move to SAP S/4HANA.

Adoption starter | Elements



tcome summary of SAP S/4HANA Adoption Starte

Join the SAP S/4HANA Movement SAP S/4HANA Adoption Starter Engagement – Assets

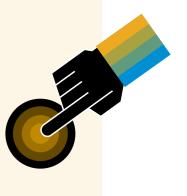


Where to find information | Assets

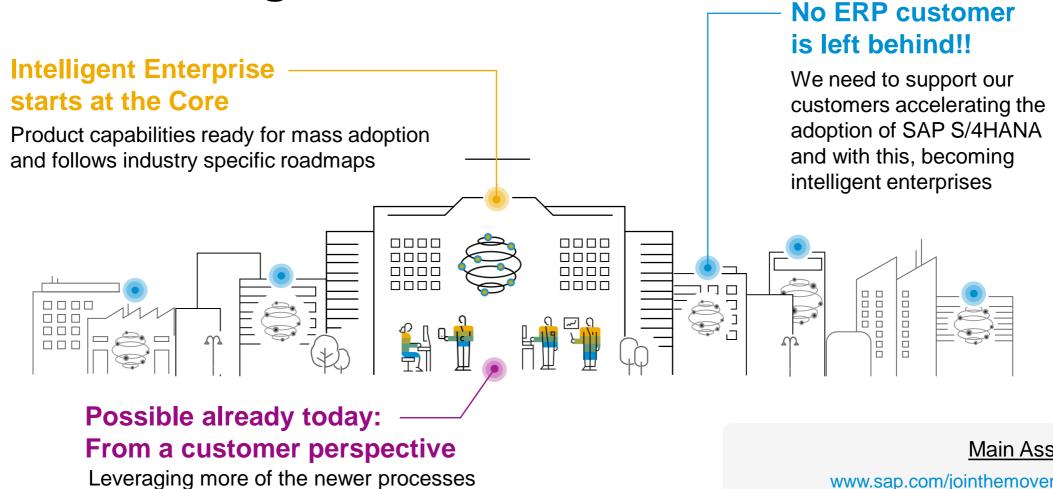
- SAP S/4HANA Adoption Starter Engagement Landing Page (link to all information always up to date)
- Weekly instructor lead Info Sessions (direct link) / On Demand Info Sessions (direct link)
- Class registration Sessions (link)

Other assets

- Adoption Starter @ Glance 7 minutes recorded session (link)
- SAP S/4HANA Adoption Starter @ a Glance slide deck (link)
- SAP S/4HANA Adoption Starter Introduction slide deck (link)
- SAP S/4HANA Adoption Starter Result Document (link)



Let's MOVE together



and capabilities by moving to SAP S/4HANA

Main Assets:

www.sap.com/jointhemovement www.sap.com/s4hana-starter SAP S/4HANA Manifesto

> Contact us via: S4MOVE@sap.com

Questions!





www.sap.com/contactsap

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