SAP BTP and Generative Al Strategy & Vision

Arne Stich 8th Feb 2024



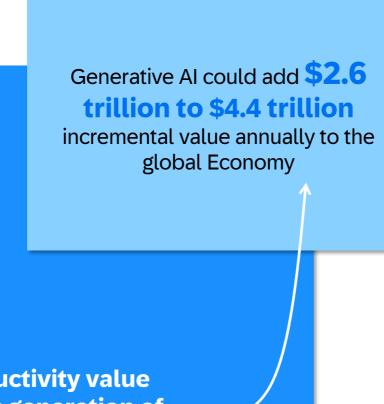
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AI adoption is accelerating in the industry



WIDESPREAD ADOPTION, DESPITE EARLY DAYS

1/3

companies globally are using Generative AI regularly in at least one business function

40%

organizations will increase their investment in AI overall because of advances in Generative AI

60% organizations with AI adoption are using Generative AI

Existing productivity value from previous generation of AI and analytics

Source: McKinsey, State of AI in 2023, 1,684 participants globally

The Future with SAP Business AI

The most important business insights delivered with perfect clarity





Employee productivity is augmented delivering improved outcomes Entirely new processes are generated to transform business performance





Relevant

The most relevant AI delivered in the context of your business processes.

Reliable

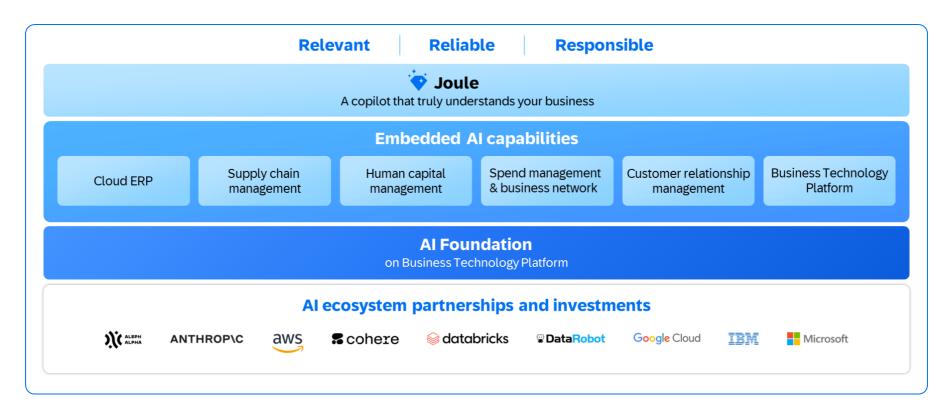
Uniquely reliable AI trained on the industry's broadest business data sets.

Responsible

AI built on leading ethics and data privacy standards.

Real business results

Our business AI is embedded across the portfolio



Joule

A digital assistant that provides intelligent insights and fast business outcomes offered with seamless user experience across the entire portfolio.

Embedded AI capabilities

Solution Areas **Business Processes**

Al optimization based on unique business data and enable new business models. business process context.

Business capabilities in every solution powered by AI to

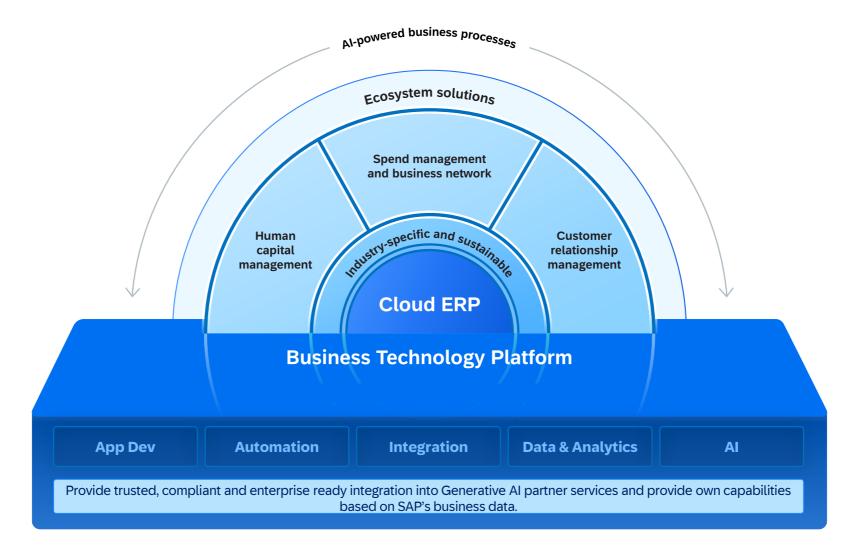
AI infused in all components, from code development to analytics.

SAP BTP

AI Foundation on SAP BTP

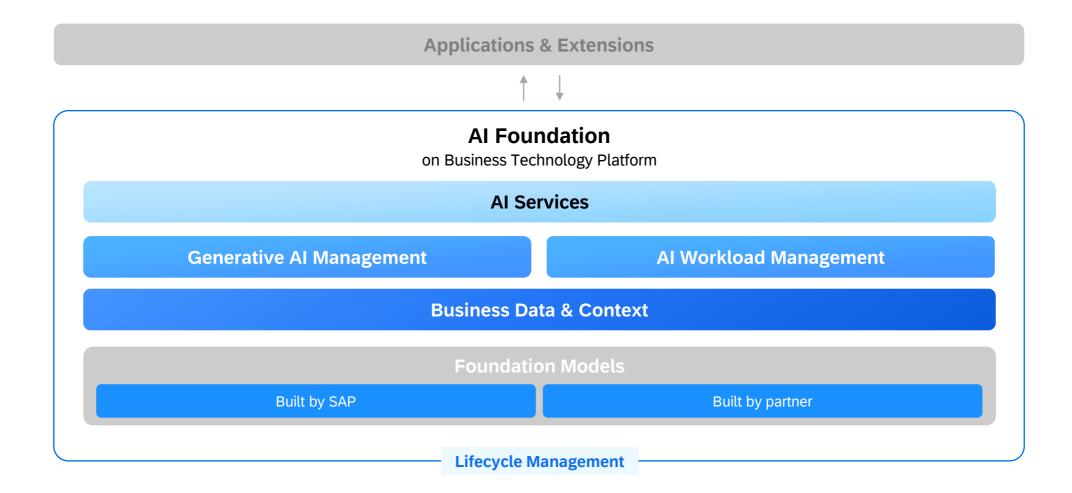
SAP BTP as the enabler for the development of Generative AIpowered business applications across our ecosystem.

BTP as enabler to infuse Generative AI into our entire portfolio





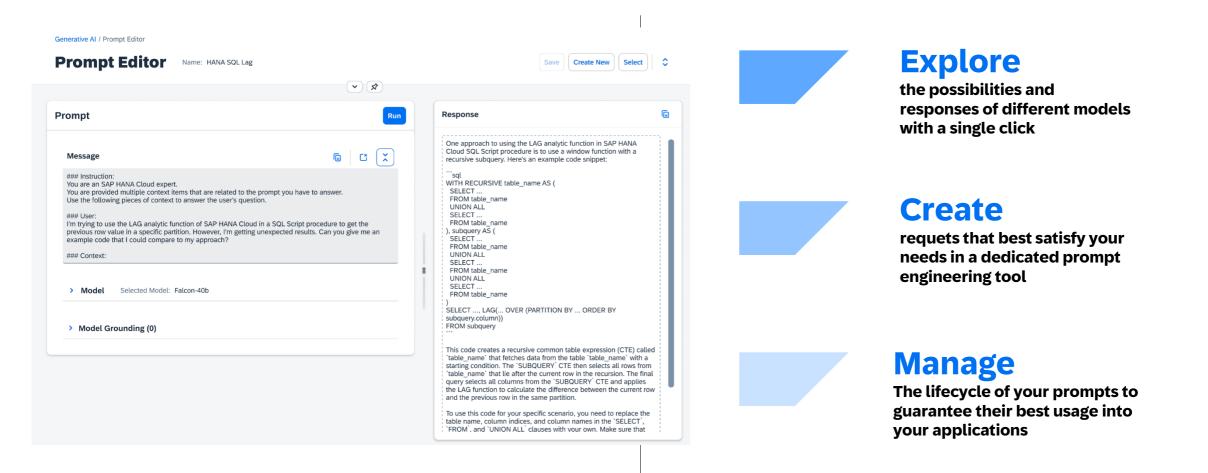
A complete set of services for AI developers on SAP BTP



A complete set of services for AI developers on SAP BTP

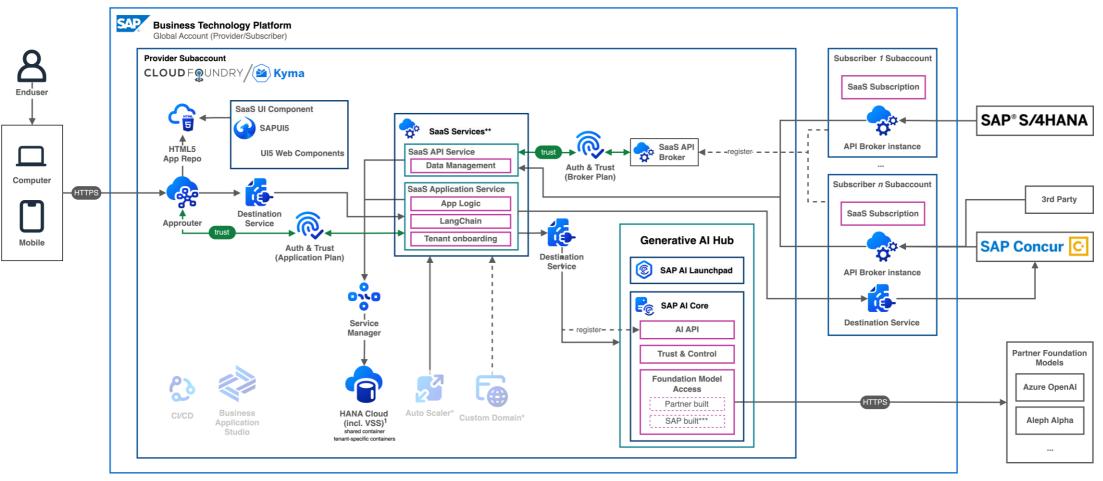
AI Foundation on Business Technology Platform						
AI Services						
Document Processing	Recon	nmendation	Machine Translation			
Generative AI N Toolset Trust & Co	_	A	Al Workload Management			
i i i i i i i i i i i i i i i i i i i	Access					
	Business Data & Context					
Vector Engine						
	Data N	lanagement				
Foundation Models						
Built by SAP	Hosted	Remote	Fine-tuned			
Lifecycle Management						

Explore models and engineer better prompts with generative AI hub playground in SAP AI Launchpad



Reference Architecture

Target Architecture (Multitenant SaaS application)



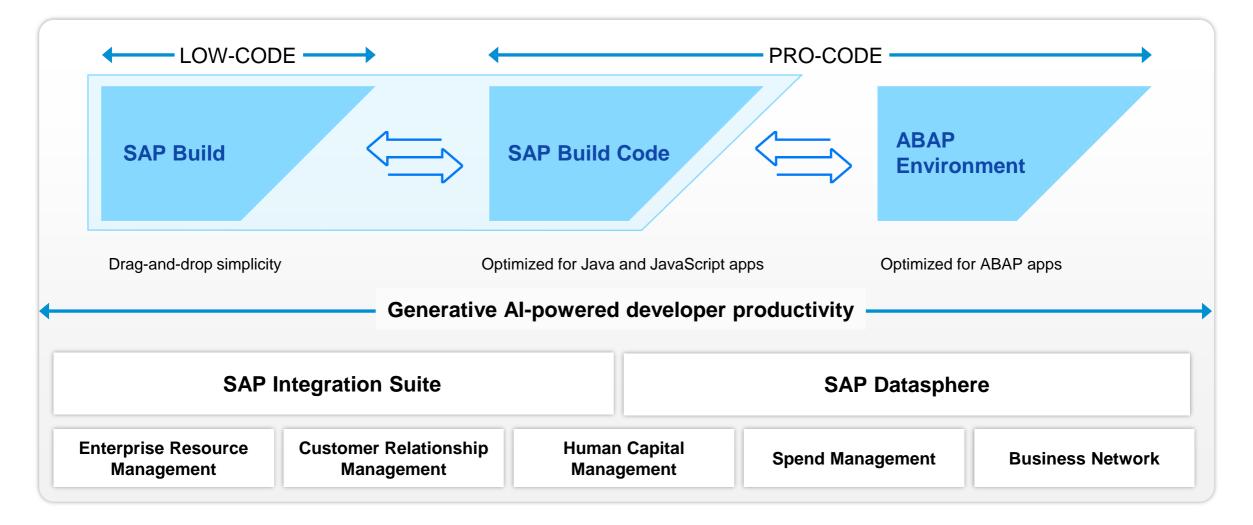
*Cloud Foundry only **Using SAP Cloud Application Programming Model (CAP) ***planned

(1) In the interim using pgvector



Application development and automation on SAP BTP

Integrated solutions enabled by generative AI



Application Development: Boost development productivity GPT-based CAP model, data, service and application logic generation

JOULE	ං Stor		■ Generative Al Powered Development ×		
	G	enerative Al Powe	ered Development		
+	ب	u can try the functionalities of	generative AI using the high productivity too	ols available in SAP Business Application Studio.	
		 One-Step Project Creation 			
Welcome to Joule!	dedicated to enhancing	Provide the definition for the pro-	epict you want to build. The AI Assistant will provide the		
your experience in generating a sample data, and UI annotations	lata model, service,		mple data, and services for the project.	ie reietkalit	
application in SAP Business Appl	ication Studio.				
I'm here to help you get started v Though I strive for perfection, I m					
right all the time.		✓ Sample Data			
Create an app with entities, where each book is linked to		 Application Logic 			
Create an app where custor Each incident includes replace	ners can report incidents.				
replacement is linked to a pro entity."		 Unit Testing 			

Challenge

- Writing code is hard and requires upfront learning. Even experienced developers regularly need to consult the documentation which slows down the development process.
- Test data creation is tedious. One must always ensure that data fits the model and is up to date.

Solution

- Integrated in SAP BTP Business Application Studio & CAP
- Create all necessary CDS files which define the entities, relations and service projections according to your prompt
- Generation of business logic in services, generate sample data
- Even existing models can be changed, just by providing descriptions
- Supports developers to generate unit tests for business in services

Outcomes

Up to 30%

time reduction to generate data models and services

Improve

Developer experience

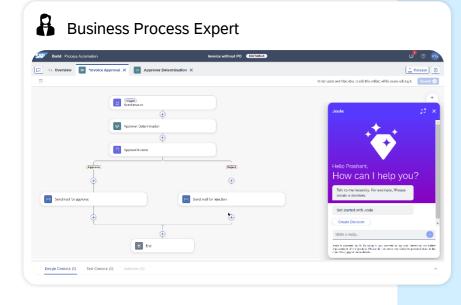
Empower

Users to answer their technical and business questions



Automation: Executable Process AI & More

Generate processes, automations and decisions



Challenge

- Business processes and automations can be complex to model
- Business users need to ramp-up on tools to model their processes or automations
- Even the tooling experts require time to build executable process automations and decisions

Labs Dreujeu

Solution

Interactive modeling with proactive recommendation and validation

- Generate processes, automations, forms and decisions (business policies) using the inputs provided in natural language by the business experts
- Generate artifacts which can be reviewed and modified as per need
- Recommendation of pre-built content from the store, real-time identification of gaps and out of the box capability to test and simulate

Support in the generation and summarization of complex artifacts

• Summarization of complex artifacts in natural language (e.g., summary of complex decision table)

Document Information Extraction

• Action processes with data from structured documents like invoices or payment records

Outcomes

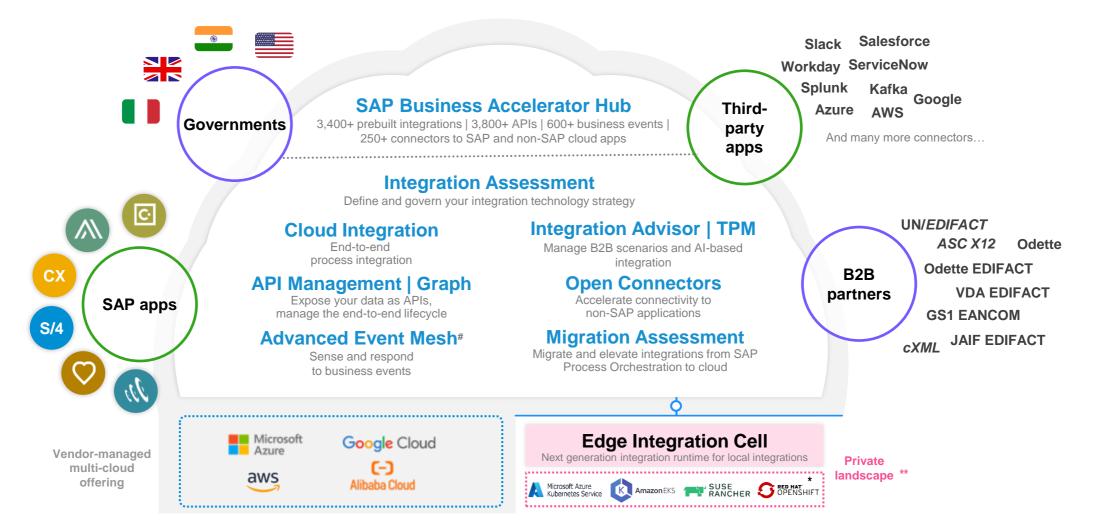
Faster time in design-to-execution Improved Quality

of processes and automations



SAP Integration Suite

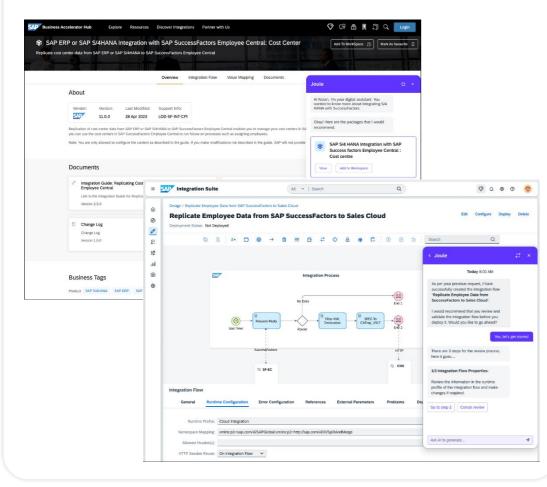
SAP's hybrid integration platform for the Intelligent Enterprise



Integration Suite: Generate Integration Flows

Leverage pre-built integration content and accelerate developer efficiency

Integration Developer



Challenge

• Customers face complex integration challenges with the diverse applications and systems in their landscape. Developers need to spend lot of time and effort to design integrations & APIs and need to have the right domain & technical expertise to model transformations.

Labs Dreilien

Solution

Recommend standard integration content

• Leveraging **SAP Integration Suite**'s 3000+ pre-built integrations to provide recommendations for required integration use cases.

Generate Integrations

- Based on the specific integration scenarios, different connecting applications and business partners, generate interface mappings, scripts, and integration flows.
- Potential to leverage integration data, to generate test cases and mocking backend systems to accelerate developer productivity.

Outcome

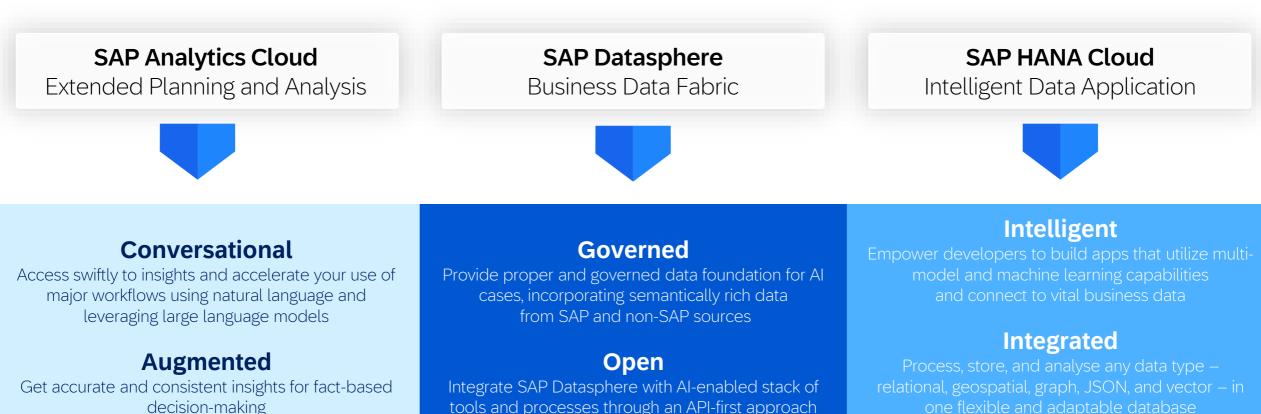
3x Faster time to design

6x Cost Savings

with reduced effort to implement



Unlock insights with AI-infused SAP Data & Analytics Portfolio



Predictive

Predict potential outcomes, generate forecasts and automate predictive planning

Public

tools and processes through an API-first approach

Simple

Achieve business outcomes faster and easier with innovations, such as automated modeling

Secure

Provide private context to generative AI applications

Get answers to business questions in natural language in SAP Analytics Cloud

AI-powered queries for analytics in natural language

SAP & Hom	e		
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	Glasses Predicted/Fle	xFit Kids Glasses	O1, 2023
Actual/FlexFit Kids			Actuals

CHALLENGE

- Information consumers have little to no experience with analytics tools
- Information consumers access to insights is limited to existing dashboards
- IT teams face challenges to keep up with growing business demand for insights

SOLUTION

Just Ask for SAP Analytics Cloud

- Empower Information consumers to get answers on their own
- Scale the use of analytics & fully leverage your data assets
- Analytics teams can focus on delivering strategic insights

OUTCOMES

Accelerate

Access to relevant insights

Increase

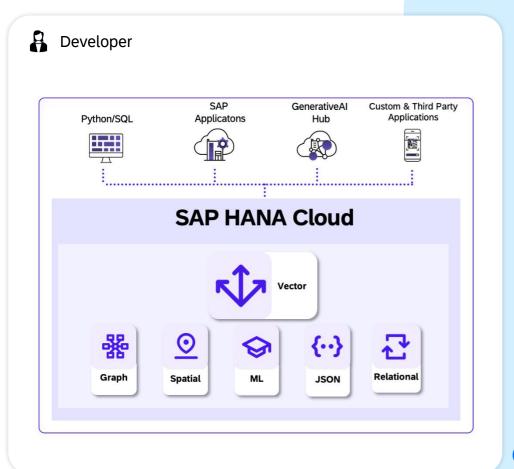
Analytics adoption for the 80% occasional users

Empower

Users to answer their business questions

SAP HANA Cloud Vector Engine

Storing Embedding Vectors and Similarity Search



CHALLENGE

- Generative AI Retrieval Augmented Generation (RAG) scenarios by providing business context using embedding vectors
- Semantic search, clustering, outlier detection, ...

SOLUTION

- Store high-dimensional vectors along enterprise data
- Run fast vector searches using SQL
- Combine results from vector-based similarity search with other SQL operations like joins, filters, aggregations
- Enable Generative AI applications with out-of-the-box vector engine capabilities in SAP HANA Cloud

OUTCOMES

Generate

Coherent and fact based responses with business context

Reduce Significantly the model 'hallucination' behavior

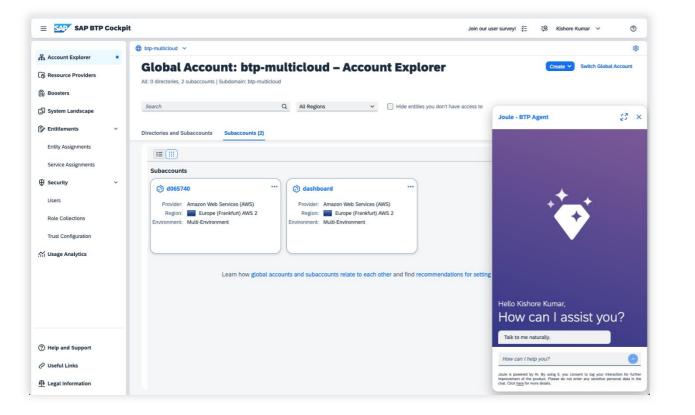
Secure

Sensitive and confidential information

P1 P024



Simplify administration in the BTP cockpit with AI using Joule





Reduce time needed for BTP Administration

Interact with BTP from any other SAP Solutions



Empower

Users to get faster value from BTP with the help of AI

Bers Q1 RORD

Generate automation flows with the assistance of AI in SAP Automation Pilot

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R Operators	G ^	ApplicationInputTransformer	Description: welcome-T000153R2	
Service Accounts	G ^	BashScriptCommandExample	Used to recover CF application and its HANA Cloud database welcome-T000153R2	
Alert Notification	G ^	BashScriptExampleCommand	Bootstrap with Generative AI:	
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Boost

DevOps and SRE efficiency by generating automation flows from a concise user prompt

Empower

Users to create complex automation flows with the user friendly and integrated interface

Optimize

Natively automation flows with the AI knowledge of coding, APIs and SAP Automation Pilot concepts

Public

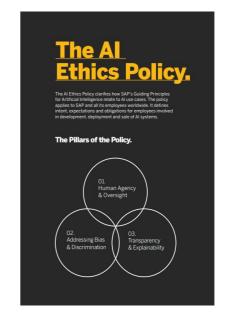


AI built on leading ethics and privacy standards

Guiding principles and policies that steer the development and deployment of our AI software

Data protection and privacy standards that you can trust to run your business on

Governance model with external AI ethics advisors and cross-functional operationalization





Ensuring data privacy for Generative AI

RESPONSIBLE AI

SAP's use of **generative AI follows the same principles of business AI.**

A rigorous development and responsible AI review processes.

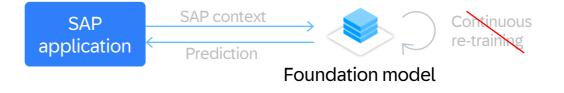
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SAP Global AI Ethics Policy SAP Product Standards

DATA USAGE

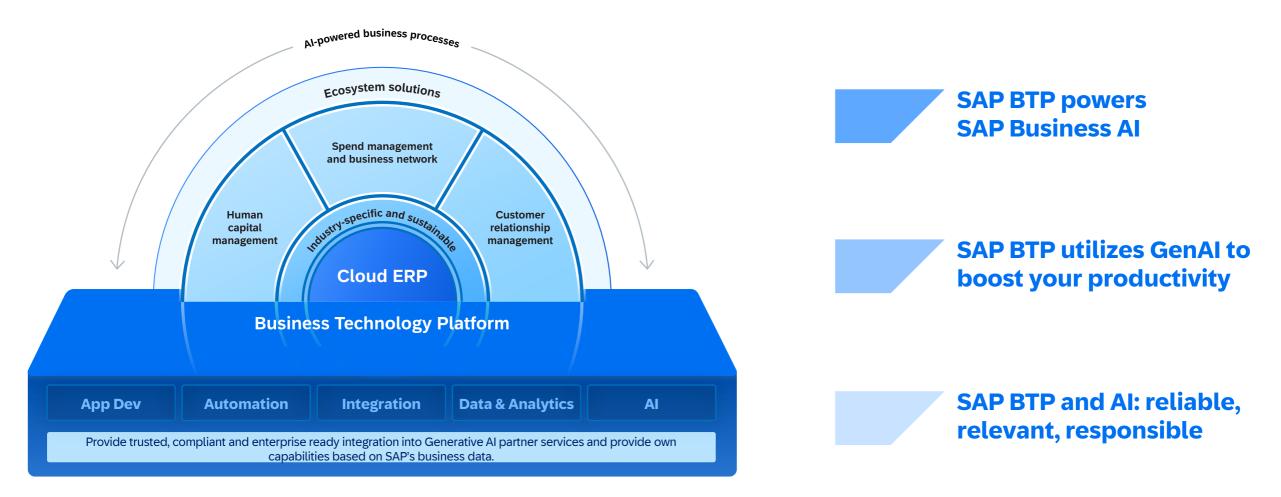
For predictions, customer data and context is required to receive meaningful results.

SAP ensures that **no customer data is used** by third-party vendors to train foundation models.



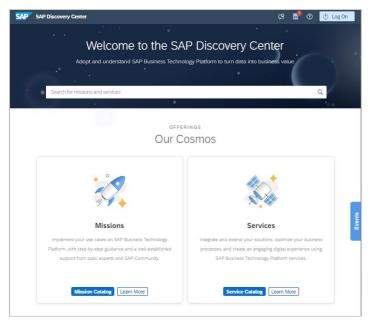


BTP as enabler to infuse Generative AI into our entire portfolio



SAP Discovery Center – one-stop shop for all SAP BTP resources

Explore BTP Use Cases & Services



SAP Discovery Center

Find all SAP BTP related information

- Use cases
- Free Tier Services



Discovery Center Demo Video



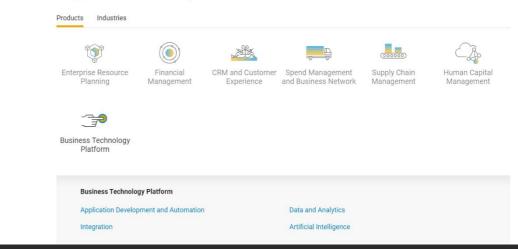
Explore our SAP BTP road map



Scan this code or visit roadmaps.sap.com to learn more

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SAP Road Maps support the journey to SAP's future prod Enterprise. Explore our road maps to learn more.	luct portfolio and the Intelligent			
Business Technology Platform				Q
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Explore Road Map Priorities



Thank you.

