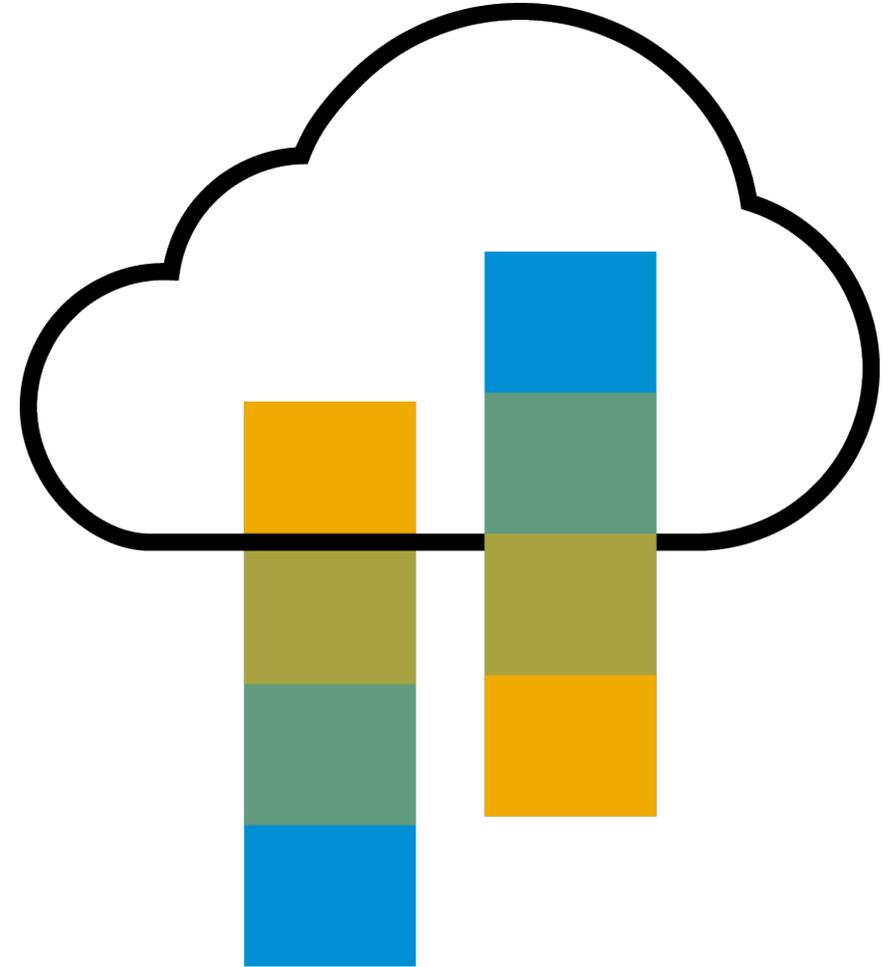


S/4HANA Cloud Overview

Sven Denecken,
SVP, Head of S/4HANA Cloud Product Management
September 2017
@SDenecken



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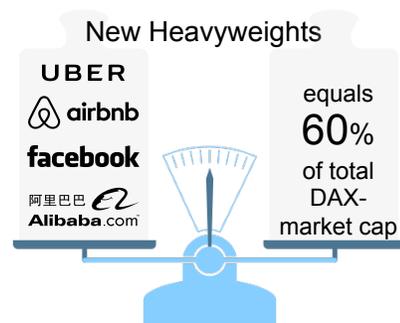
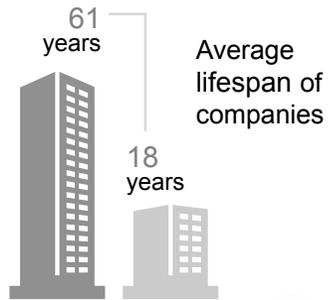
Introduction to SAP S/4HANA

Today's Reality

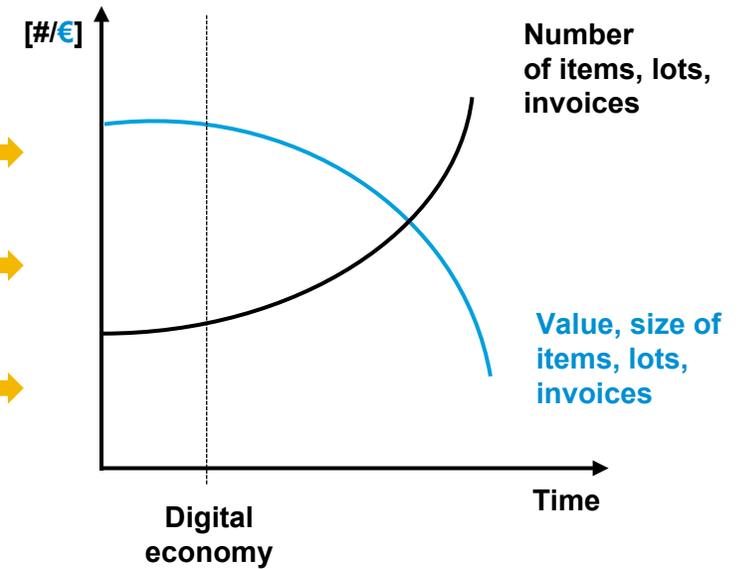
In the last 60 years:

90%

Fortune 500 companies have disappeared, merged, or contracted



Source: Innosight



Businesses are ready for the ERP game changer: **Public Cloud**

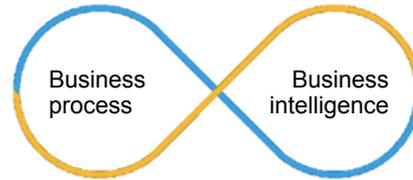
Customers' New Business Needs:

Agile innovation and evolution

Insights into what's happening in their business right now

Informed action / response in real time

Next Gen Digital Business Framework



Digital Economy's Demands:

Accelerated innovation

Flexible and extensible platform

Real time information flows

\$20 B

2015 Cloud ERP market prediction; 15% YoY growth to \$40 B by 2020⁴

70%

Enterprise IT infrastructure and software spend for cloud by 2020⁵

60%

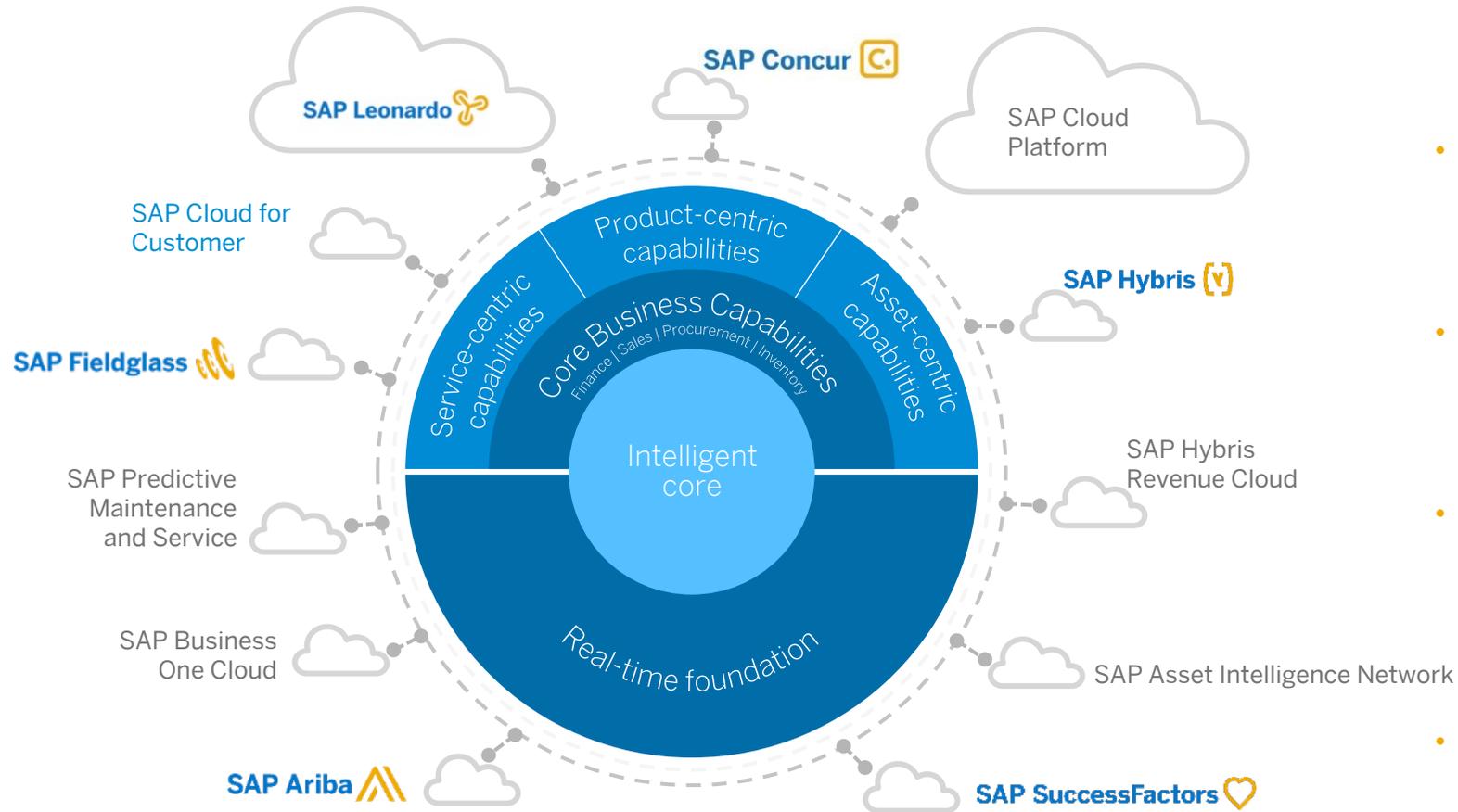
ERP applications in Public Cloud by 2020 for 40% of large organizations⁶

⁴ IDC Worldwide and Regional Public IT Cloud Services Forecast, 2016-2020 (December 2016)

⁵ IDC FutureScape: Worldwide IT Industry 2017 Predictions (November 2016)

⁶ IDC FutureScape: WW Intelligent ERP 2017 Predictions (November 2016)

Intelligent ERP delivered with SAP S/4HANA



- **Intelligent ERP in Public Cloud**
New dimension in predictive and assistive Cloud ERP
- **Integrated LOB Cloud**
Focusing on customer success and business value
- **Analytics Innovation**
Delivering innovative contextual analytics with intuitive end-user experience
- **SAP Cloud Platform with SAP API Business Hub**
Investing in open APIs & microservices as well as leveraging other SAP Cloud assets
- **Machine Learning**
Offering next generation intelligence that automates manual tasks

MOD Pizza: Achieving Smart and Profitable Growth with SAP S/4HANA® Enterprise Management Cloud and SAP SuccessFactors®



Company

MOD Super Fast Pizza Holdings LLC

Headquarters

Bellevue, Washington

Industry

Retail – fast casual restaurant

Products and Services

Pizza and simple food

Employees

3,500

Web Site

www.modpizza.com

Objectives

- Gain full financial insight at corporate and store levels through a strong ERP solution with HR functionality that supports enterprise-class restaurant operations
- Upgrade to enterprise-grade purchasing processes for stores, including PO requisition, goods receipt, and invoice approval
- Implement financial solution that fully supports Sarbanes-Oxley (SOX) compliance audits

Why SAP

- SAP® solutions demonstrating superior functionality to scale with growth, serving all enterprise restaurant needs at the corporate and store levels
- Integrated functionality of SAP Cloud Identity Access Governance software for governance, risk, and SOX compliance
- Exact cloud solution portfolio that includes ERP and HR, which are critical to MOD's ability to save costs
- Preconfigured best practices built on 40 years of ERP expertise
- Executive alignment and trust built with SAP team

Resolution

- Gained global, real-time visibility into critical financial and resource availability data with SAP S/4HANA® Cloud suite, a modern, scalable platform with native integration to SAP SuccessFactors® Employee Central solution
- Replaced old HR system with SAP SuccessFactors Employee Central and SAP SuccessFactors Recruiting solutions
- Filled important needs around financial, HR, and compliancy requirements under the digital core framework in the cloud as a service

Future plans

- Bring core business processes and analytics into real time, including workforce engagement, customer experience, and supplier networks
- Enhance recruiting practices to fill critical employee gap

“By choosing SAP S/4 HANA Enterprise Management Cloud, we are arming ourselves with an enterprise system that will support our aggressive growth and align with our business requirements both today, as well as years into the future.”

Carole McCluskey, CTO, MOD Super Fast Pizza Holdings LLC

\$400K

Savings expected over 3 years

Lower

TCO to run processes in the cloud

Scalable

Platform with native integration

Triple-digit

Year-over-year growth

S/4HANA Cloud Customer Examples

Plaut IT



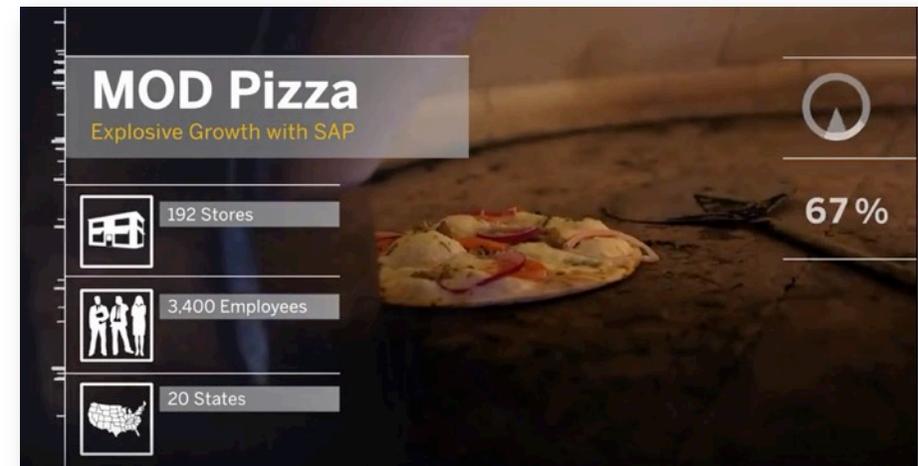
Birchman Group



Delaware Consulting

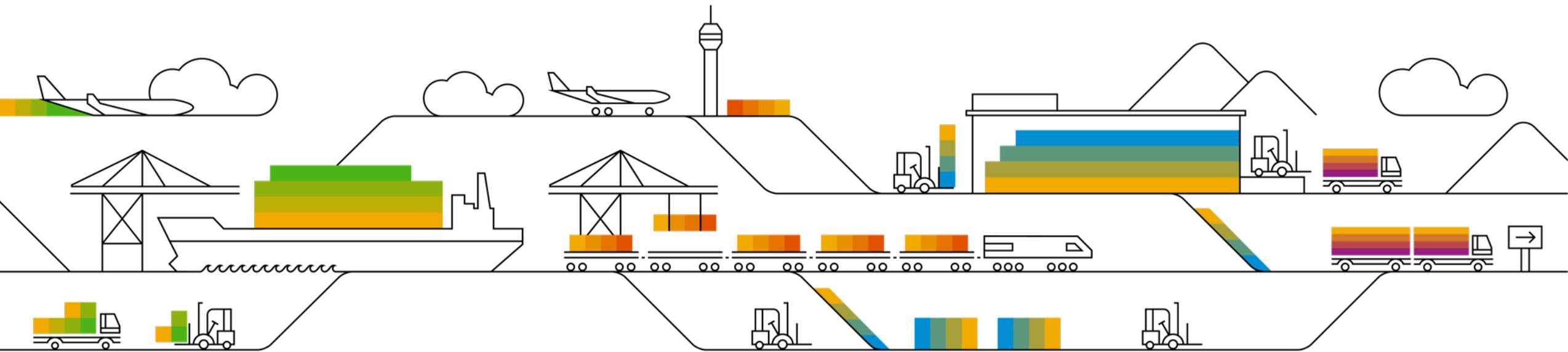


MOD Pizza



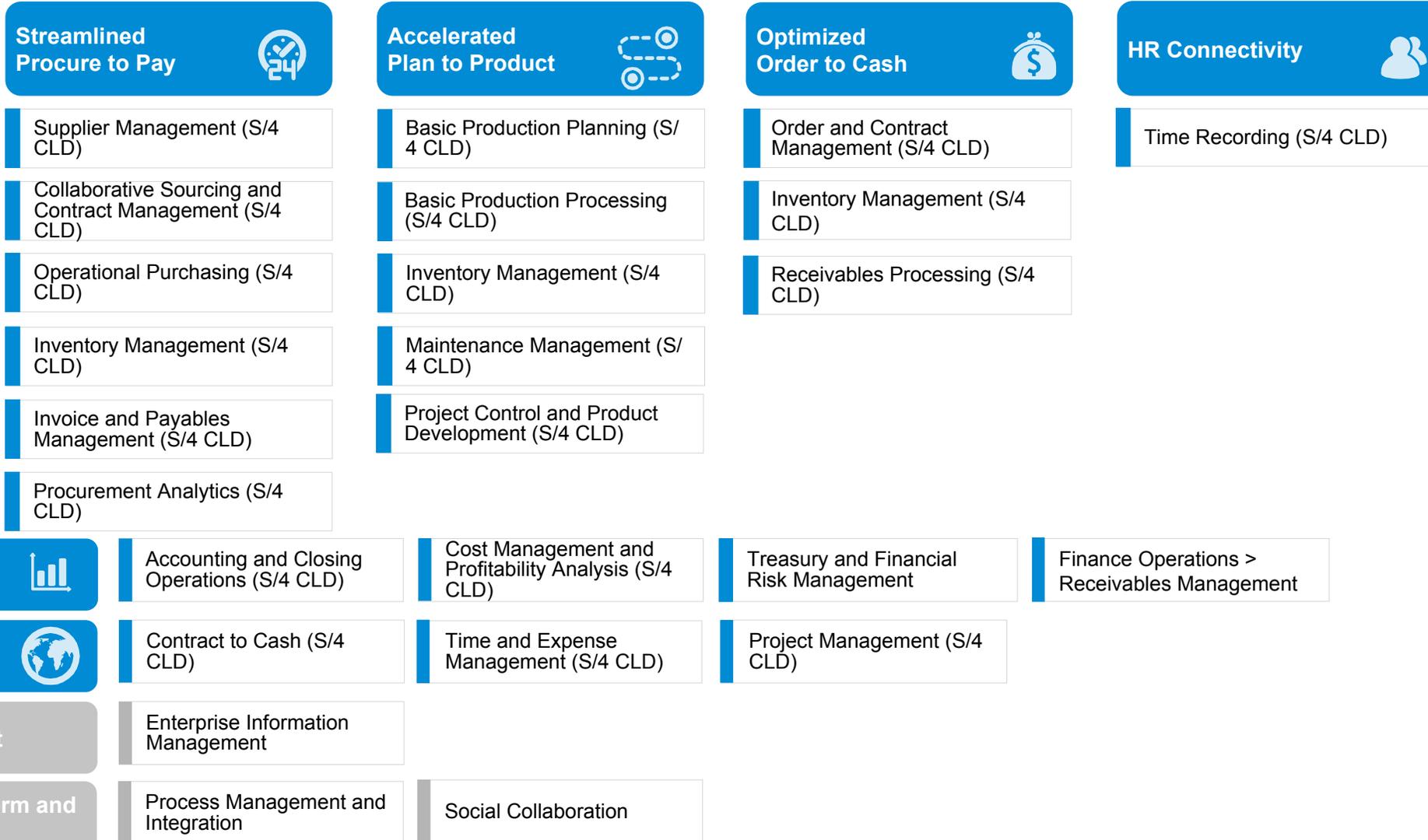
SAP S/4HANA Cloud

Scope - Today



SAP S/4HANA Enterprise Management Cloud

Product Map



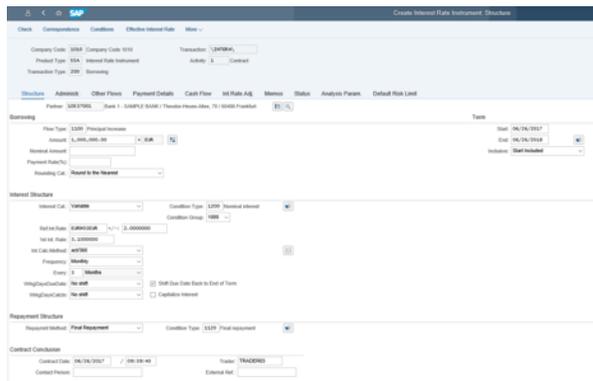
Business Priority

End to End solution

SAP S/4HANA Cloud 1708 - Release Highlights

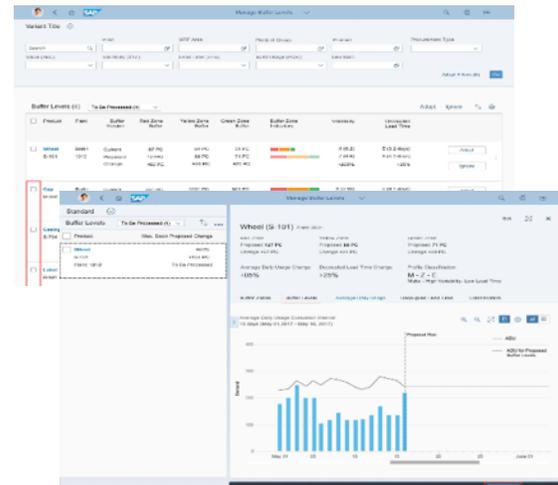
Large Enterprise Financials Treasury & Risk Management

Another important milestone for large Enterprises in Finance, Treasury & Risk Management. From 1708 we support complex processes to manage financial risks and investments, such as:
foreign currency risk management, market data for treasury & risk management, interest rate derivatives management and debt & investment management.



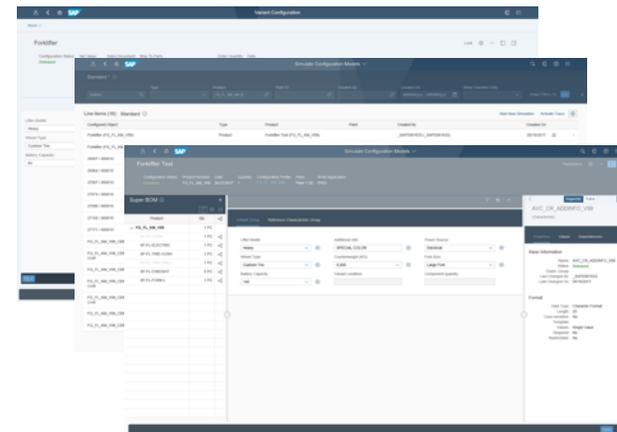
Supply Chain Management Demand-Driven Buffer Level Management

The end-to-end experience is the new core brand and increasing service level is at the heart of every manufacturer. Demand-driven replenishment (DD) helps digital transformed companies to plan and manage supply chains efficiently based on customer demand. This is in contrast to traditional “First Come First Serve” concepts. It creates the basis for a reliable material flow by defining buffers at strategically important points and adjusting these buffers points regularly.



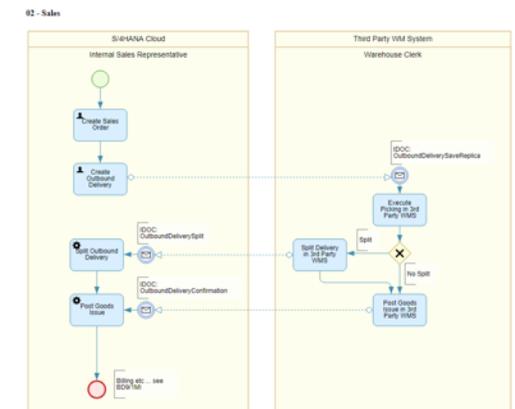
Simulation capabilities Advanced Variant Configuration

With advanced variant configuration, companies can improve sales, product management and product engineering performance. Product Modeling is possible with advanced configuration capabilities in a comprehensive simulation environment.



Large Enterprise Manufacturing Third-Party Warehouse Management Integration

Enables the integration of physical warehouses operated by third-party warehouse management solutions (Warehouse Management Systems, WMS) to SAP S/4HANA Enterprise Management Cloud.



SAP S/4HANA Cloud Roadmap

A New Industry Standard for customers

Rolling 4Q roadmap transparency to our customers
[website:](#)

Complete public release information page:
www.sap.com/s4-cloudrelease

Top Innovations highlighted
All relevant information in one place
Release delivery schedule available to customers

Dynamic Online Tool for SAP External Release Roadmap

[Access Innovation Discovery \(external\)](#)

[Tool Documentation](#)

SAP S/4HANA Cloud

LoB: Sales

1611 – Recent innovations*

- Sales order processing: sales overview and manage sales orders without charge
- Accelerated returns processing: manage sales orders without charge
- Sales billing and invoicing: process flow for billing document
- Analytics for sales documents: sales volume – detailed analysis
- Standard sales KPIs for sales contracts, outbound deliveries, debit memo requests, and credit memo requests
- Print customer-specific partners on sales and billing documents

1702 – Planned Q1/2017**

- Sales inquiry processing: new contextual information and ability to navigate to related information and transactions for sales inquiry
- Analytics for sales documents: analyze sales order confirmations
- Sales order processing: scheduled sales document output
- Intercompany sales processing – international
- Intercompany sales processing – domestic

1705 – Planned Q2/2017**

- Ariba Network seller-side integration for SAP S/4HANA Cloud
- Sales inquiry processing: manage sales inquiries
- Sales billing and invoicing: manage invoice lists
- Sales order processing: manage incomplete sales documents and track sales orders
- Sales master data management: manage customer material information records
- Convergence of external billing data, sales orders, sales contracts, and outbound deliveries into one invoice
- Analytics for sales documents: analyze sales and budget

1708 – Planned Q3/2017**

- Analytics for sales documents: sales overview and approval workflows
- Sales master data management: material listing and exclusion, and item proposal
- Sales order processing: fast sales order entry
- Accelerated returns processing: enhancements to manage customer returns
- Enhancements to convergence of external billing data, sales orders, sales contracts, and outbound deliveries into one invoice
- Sales billing and invoicing: create billing documents with references to invoices and perform split analyses

Feature Highlights for SAP S/4HANA
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Hello Bert Schulze from SAP
Welcome to Innovation Discovery

Find the innovations and features that you can turn into tangible value for your business

DISCOVER INNOVATIONS

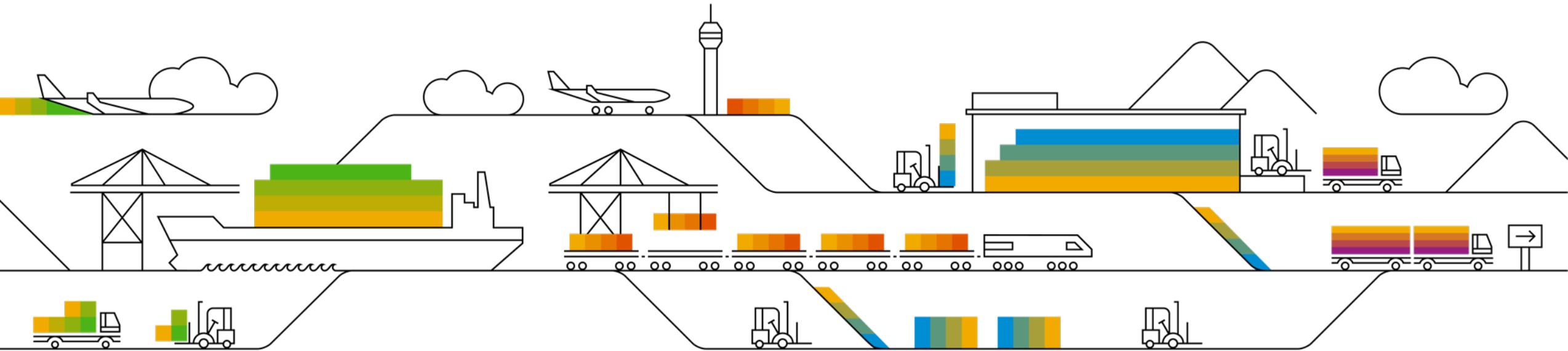
HOT TOPICS

Category	Innovations
SAP S/4HANA	997
User Experience	674
Digital Transformation	314

Innovations related to SAP S/4HANA
Innovations related to user experience
Innovations related to digital transformation

SAP S/4HANA Cloud

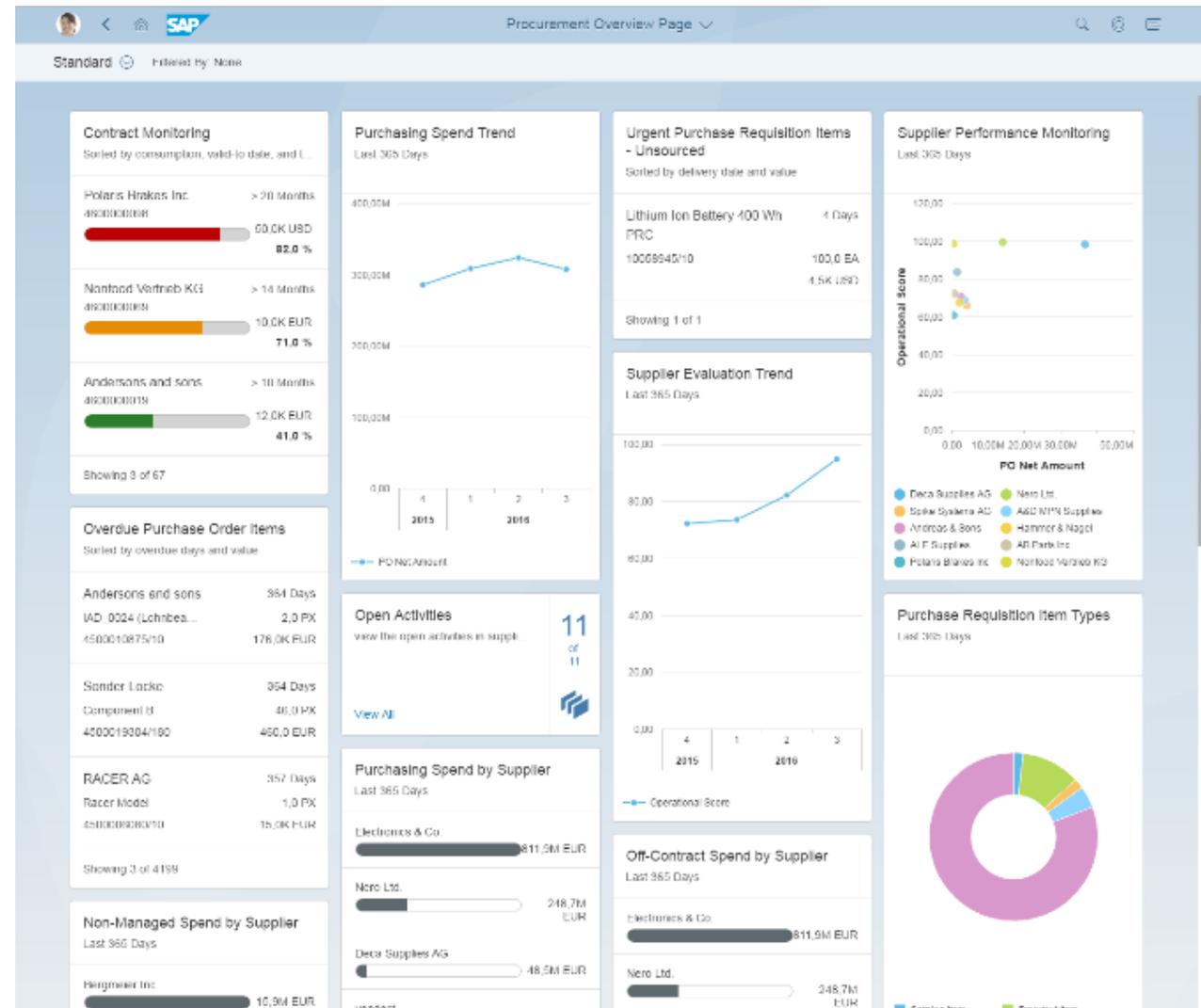
Some recent Innovations



S/4HANA Cloud UX – Fiori Overview Page

The Overview Page aggregates domain-specific information

- Immediate insight on what needs attention
- Access the most important applications in the current business context
- Trigger quick actions or drill down to next level of detail
- Cards efficiently combine information and different visualizations e.g. charts, tables, lists
- Set filters for the whole page and save them as variants, to only show relevant information – e.g. for an individual supplier



SAP Project Companion



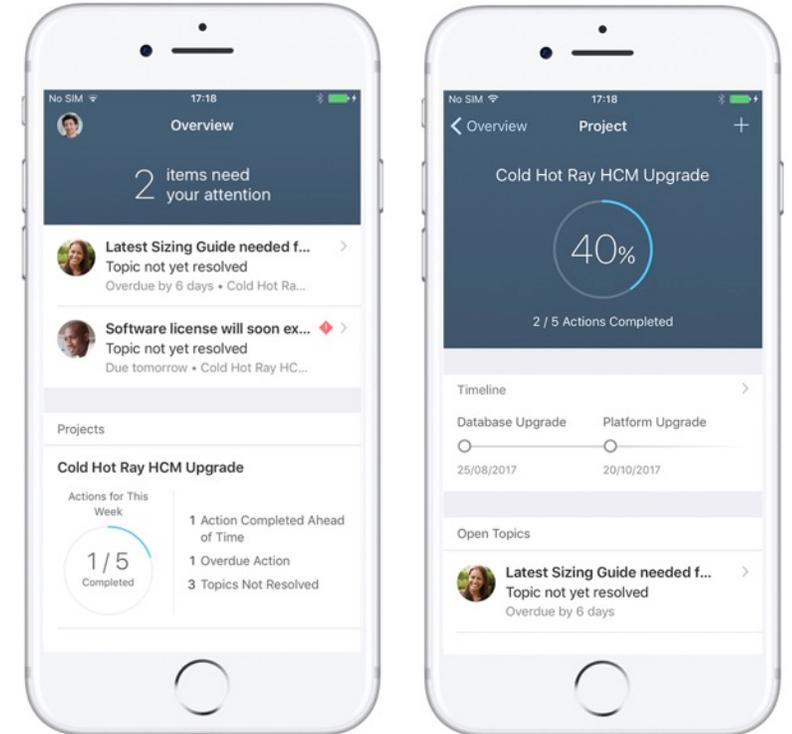
SAP Project Companion mobile app – facilitating day-to-day actions and communications for the project team in customer projects. Comes in two different role-based versions – SAP Project Companion for Managers and SAP Project Companion for Consultants.

Value Proposition:

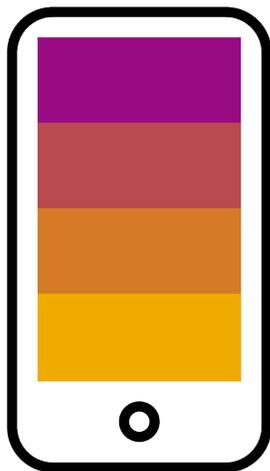
- Engages the entire project team to effectively collaborate on daily activities for successful project delivery – ranging from project issues and tasks to short-term problems that arise
- Facilitates collaboration between project managers and project consultants including assignment of actions and topics to team members, tracking of task execution, and prioritization for focus on issues most relevant to success

Capabilities:

- Attention and notification item overview – gain quick insights into what is important in the project through push notifications and react instantly
- Action and topic handling – track, create, and update planned project elements together with unplanned problems that arise
- Project information and key execution figures
- Personalized timeline showing important project milestones and other actions and topics that the user selects
- Ability to request instant updates on topics and actions through mobile devices – avoid searching for lost papers
- Siri software dictation in notes for easy capture of thoughts



SAP S/4HANA Cloud with SAP Leonardo: SAP Co-Pilot



SAP Co-Pilot – One Digital Assistant with One Personality Across All Products and Solutions, Industries and LoBs



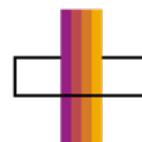
Business context awareness

Understanding the business context, and pro-actively suggesting solutions using predictive functionality



Conversational (multi-modal) UI

Conversational UI using Natural Language Processing functionality with a focus on the next-gen UX to create a human-like experience



Cross Applications

Allows seamless transition across platforms; start a task on a mobile device and continue later, on a desktop or vice versa



Self Learning

Using machine learning functionality to gain knowledge based on historic data, experience, and take action in response to new or unforeseen events

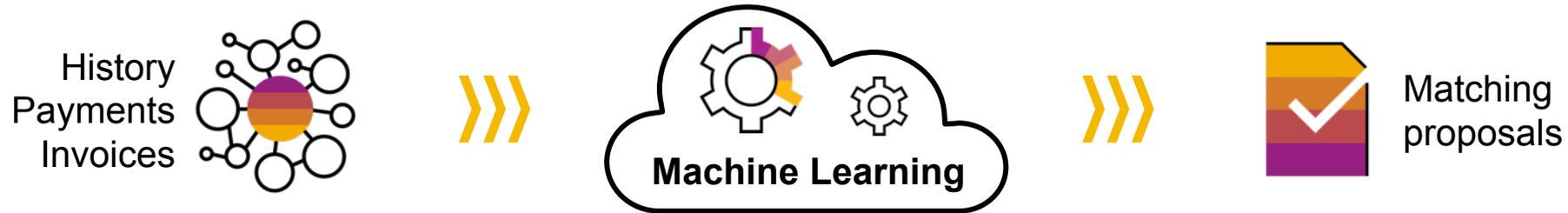


Simple Access to Enterprise AI Platform

Integration to SAP and Non-SAP Solutions
Simple access to Natural Language Processing and Machine Learning functionality via APIs

SAP S/4HANA Cloud with SAP Leonardo: SAP Cash Application

Next-Generation Intelligent Invoice Matching Powered by Machine Learning



SAP Cash Application intelligently learns matching criteria from your history and automatically clears payments.

 Improves days of sales outstanding

 Integrated with SAP S/4HANA for reduced TCO and time to value

 Allows shared services to scale as the business grows

 Empowers finance to focus on strategic tasks and service quality

We are building the next set of ML use cases



Remittance advice scanning automatically extracts payment information from unstructured data for further processing.



SAP Accounts Payable is an expanding suite of services that automate the accounts payable processes.

SAP Accounts Payable

Automate the accounts payable processes

SAP Accounts Payable is an ever-expanding suite of machine learning services that automate accounts payable processes. Based on deep learning it processes incoming invoices and extracts important information. For a high level of compliance it also supports matching invoice vendors to your master database.

- Automates and speeds up the process from minutes to seconds
- Reduces number of errors and effort when posting invoice data to record with higher accuracy
- Increases quality and compliance, number of matches in a shorter amount of time and potential throughput of invoices

Expenselt – Receipt Processing

Automatically create expense reports

A mobile application that allows end users to take a picture of a receipt and upload it to SAP Concur for automatic processing.

- Extracts text from the receipt image
- ML algorithms used to extract information from receipt
- End user only has to add individual expenses & submit the report

Remittance Advice Extractor

Extract payment information from unstructured documents

It drastically lowers manual efforts by automatically extracting additional information about payments from unstructured advice (email, PDF, paper, etc.), and use it to automate the clearing process.

- No manual input of remittance advice required
- Makes information available for further automatic processing in SAP applications
- Reduces manual efforts and errors and leverage further process automation, e.g. SAP Cash Application

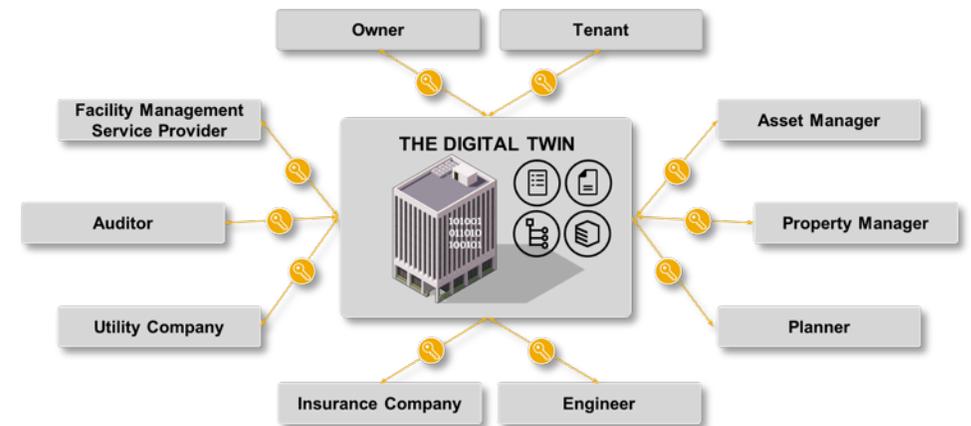
SAP Cloud for Real Estate Integration – Utilizing Blockchain

Value Proposition

- Optimize your real estate portfolio
- Manage space more efficiently
- Quickly evaluate the financial performance of buildings

Capabilities:

- New integration capabilities with SAP S/4HANA Cloud to gain real-time financial insights (cost centers, internal orders, WBS elements)
- High-level view of buildings in the portfolio alongside capacity and costs performance indicators
- Assessment of key measures for overall portfolio performance in one concise View
- Simplified access to the most important contract details for each leased building



Dickinson & Associates: Achieving Better Business Outcomes with SAP S/4HANA® Professional Services Cloud



SAP Partner

Dickinson & Associates Inc.

Headquarters

Chicago, Illinois

Industry

Professional services

Products and Services

Consulting firm specializing in SAP® Business Suite applications, business analytics, enterprise mobility, and support for corporate and public sector clients

Employees

160

Web Site

www.dickinson-assoc.com

Objectives

- Replace disparate, homegrown technology systems that could not be scaled and did not support rapid-growth objectives
- Avoid additional hardware costs and the development of new homegrown solutions
- Improve visibility into profitability, which previously required extensive analysis offline

Why SAP

- SAP S/4HANA® Professional Services Cloud solution for long-term business support
- Reputation for innovative, solid, scalable solutions, which aligned with the Dickinson & Associates technology approach
- Prescriptive solution that allows business processes to be standardized

Resolution

- Better visibility into resource scheduling, enabling more-agile planning and delivery, improved responsiveness, and better service management
- Mobile time reporting in the field, helping ensure deadlines are met
- Real-time view of the business, providing a better understanding of markets and investment requirements to support rapid growth

Future plans

- Move more services into the cloud in partnership with SAP
- Attract more top talent with SAP SuccessFactors® and SAP Fieldglass® solutions to source and manage the acquisition of contract labor and Concur® solutions to manage expenses
- Place analytics on top of the digital core with more cloud planning solutions

"We needed to scale, but we didn't want to take on the additional hardware costs or the cost of developing our own solutions. With the constant releases and innovations that come from SAP S/4HANA Professional Services Cloud, it gave us the opportunity to have a long-term solution for our business."

Don Dickinson, President, Dickinson & Associates Inc.

18 years

In partnership with SAP

Increased

Revenue with less money spent on IT staff

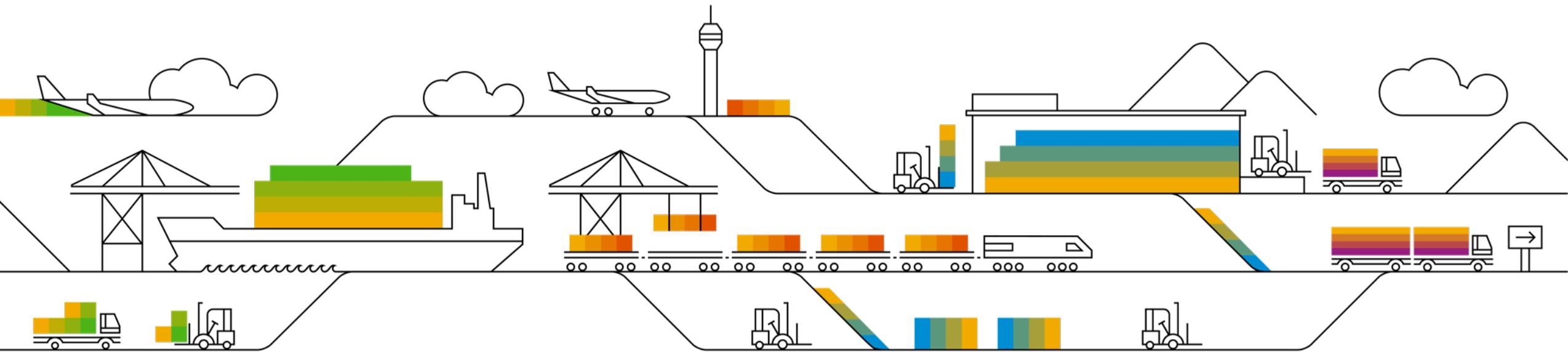
Better

Visibility into resource scheduling

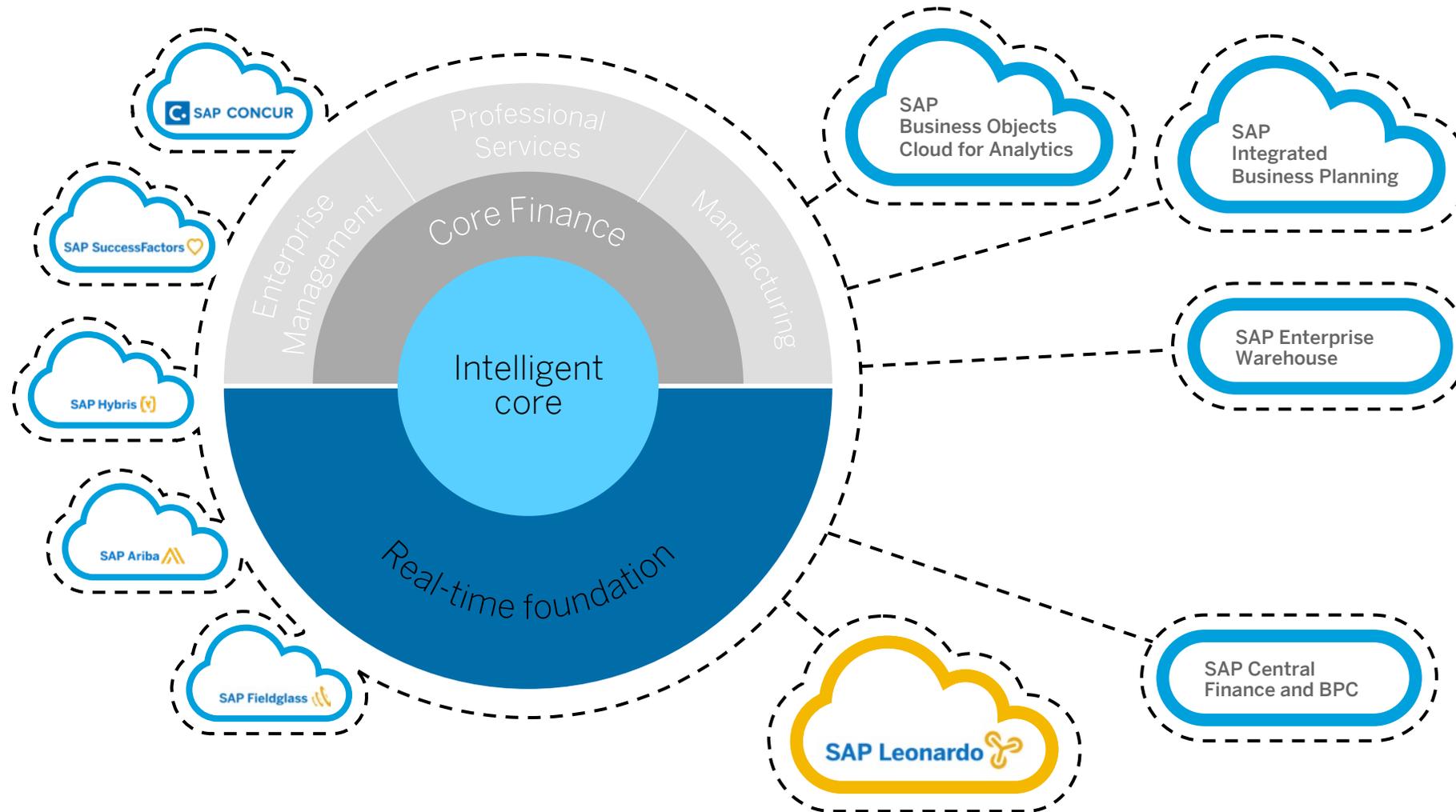


SAP S/4HANA Cloud

Integration and Extensions

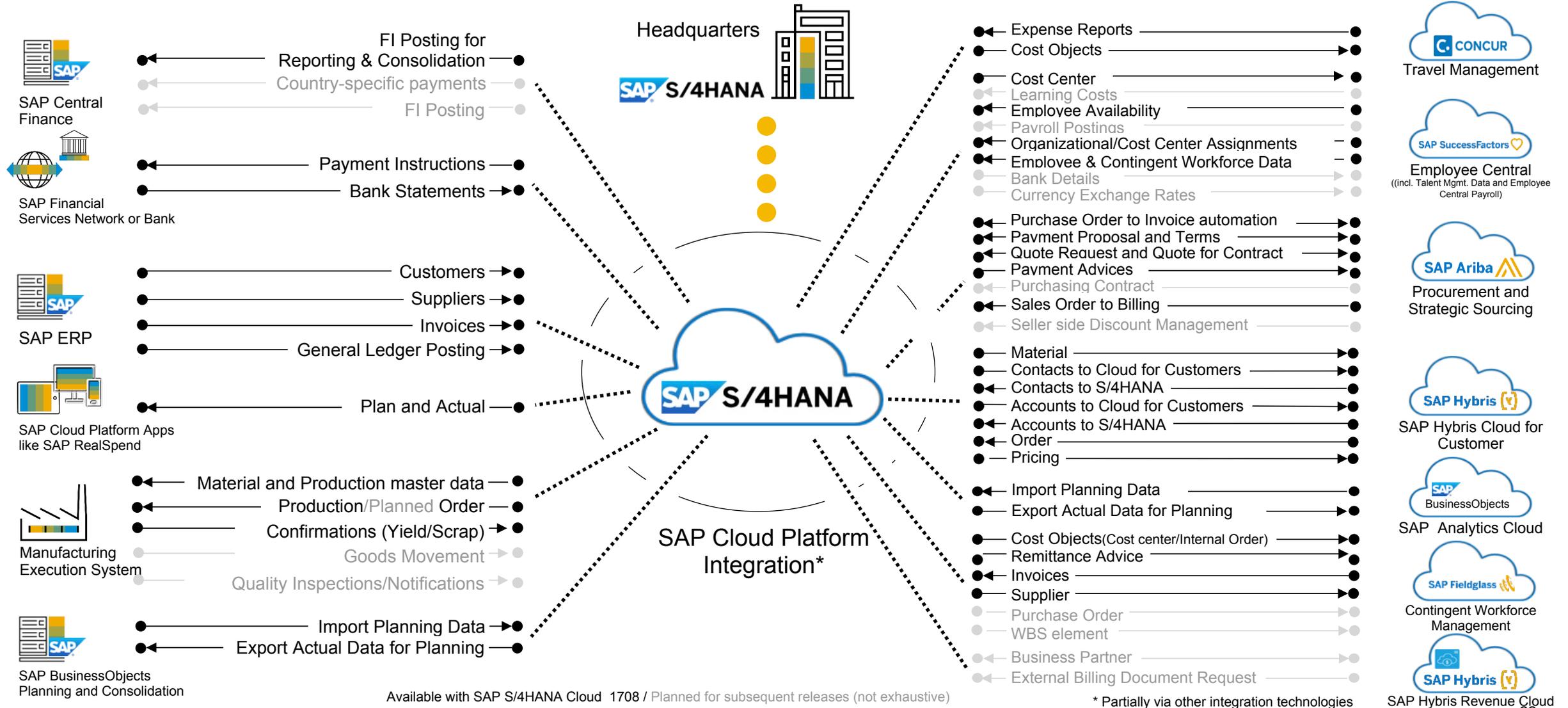


SAP S/4HANA Cloud – Native integration & side-by-side extension



Integration Roadmap for SAP S/4HANA Cloud

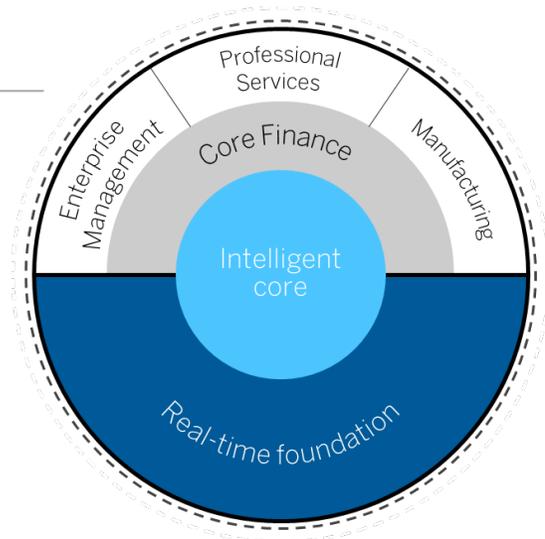
Native Integration – what we delivered and what is on the roadmap



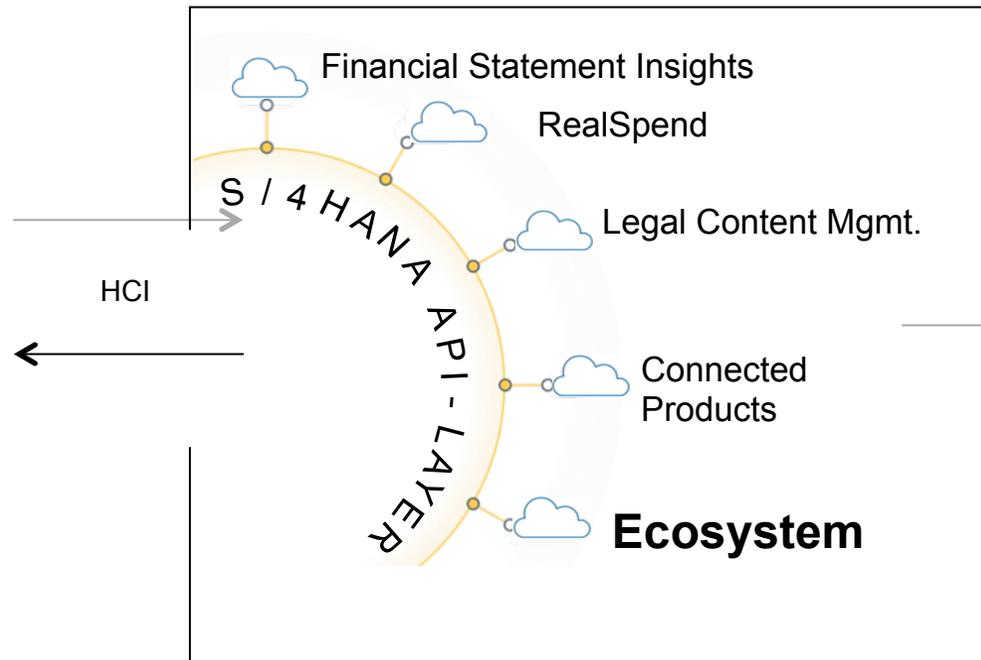
Available with SAP S/4HANA Cloud 1708 / Planned for subsequent releases (not exhaustive)

Differentiate via S/4HANA Native SAP Cloud Platform Applications

Run
Scalable
Automated

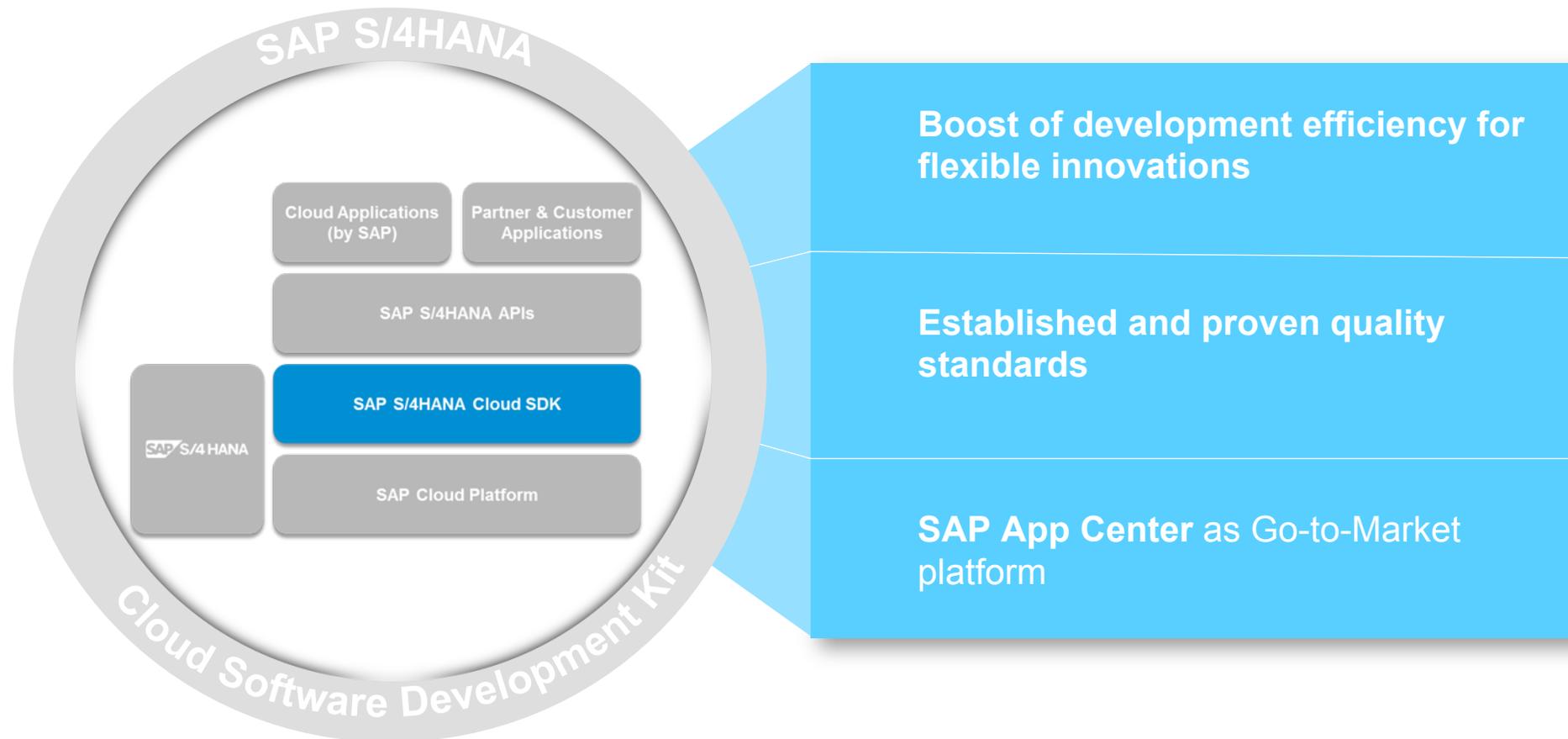


SAP S/4HANA Cloud



Differentiate
Agile innovation
User centric
Elastic

SAP S/4HANA Cloud Software Development Kit - S/4HANA SDK



Delaware Consulting: Growing Bigger and Getting Better with SAP S/4HANA® Cloud



Company

Delaware Consulting

Headquarters

Kortrijk, Belgium

Industry

Professional services

Products and Services

IT solutions and business consulting services provider

Employees

1,300

Revenue

€120 million (2015)

Web Site

www.delawareconsulting.com

Objectives

- Be a primary advisor for customers on challenges and innovation
- Automate financials, receivables, and administrative follow-up processes
- Provide real-time analytics
- Provide a mobile solution for employees to work anytime, anywhere
- Enable employees to complete administrative tasks at any time

Why SAP

Ability to be future ready with the SAP S/4HANA® Professional Services Cloud solution as an early adopter as well as a partner

Resolution

- Replaced a legacy system with SAP S/4HANA Professional Services Cloud in phases
- Became the first live user of SAP S/4HANA Professional Services Cloud
- Maintained deployment goals during the phased rollout

Future plans

- Implement the SAP SuccessFactors® Employee Central solution, SAP HANA® Cloud Platform, and the SAP BusinessObjects™ Cloud solution, which will all be integrated to support scenarios and analysis
- Use SAP HANA Cloud Platform for application development (time sheet) and reporting purposes
- Evaluate SAP BusinessObjects Cloud with SAP HANA Cloud Platform for visualizing reports

“We're quickly expanding into new countries. By deploying SAP S/4 HANA Professional Services Cloud, we help ensure that the solution can support us in a fast and agile way and that administrative tasks are supported. Our vision is to be our customers' primary advisor for their challenges when it comes to innovation. We want to build amazing things, and with SAP we can.”

Filip Decostere, Partner Delaware Consulting and Managing Partner Delaware China

Reduced

Manual processes, such as reconciling bank statements

Increased

Automation

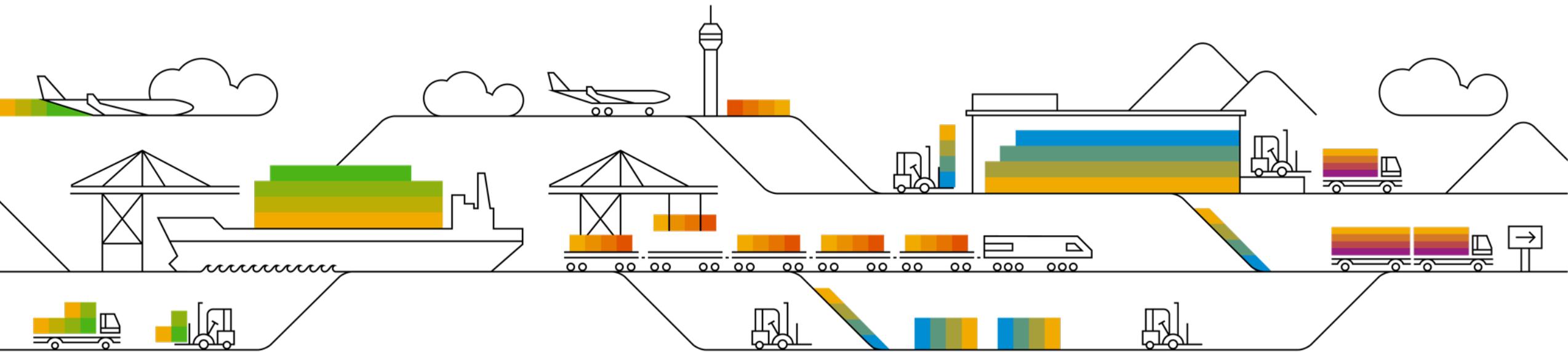
Real-time

Operational insight into project status at any given time for customer reports, with input of hours available on any device



SAP S/4HANA Cloud

2 Tier ERP

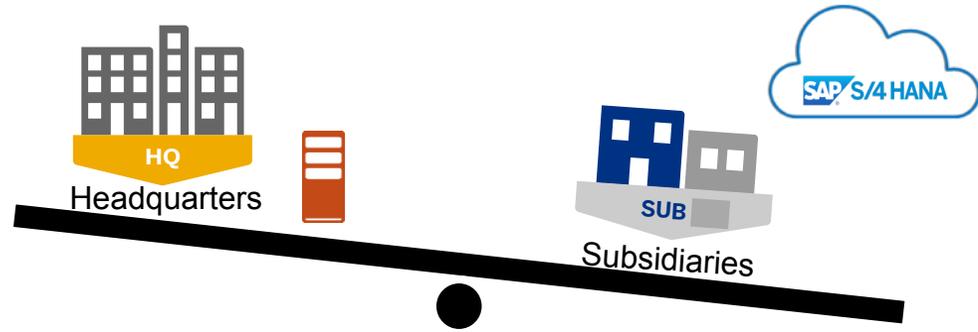


Enterprises Adopted Two-Tier Approach to ERP Strategy

where Managing Subsidiaries from One Central ERP is Not Optimal

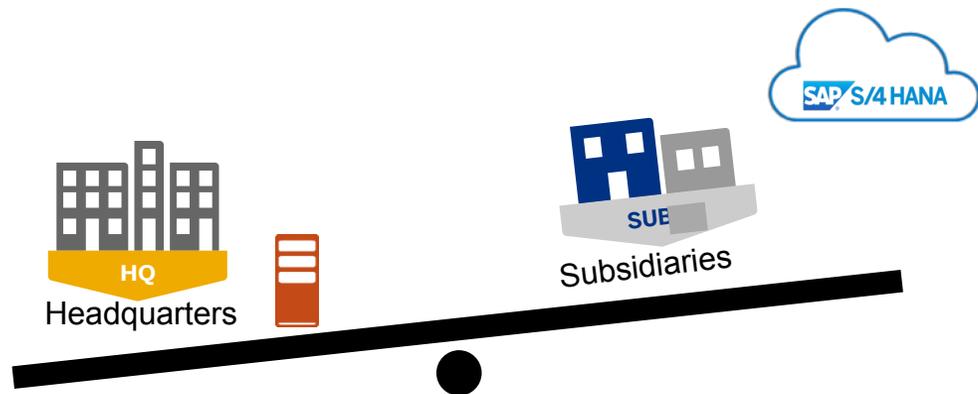


Headquarters and subsidiaries approach



Independent subsidiaries

- Runs processes independently in the subsidiary
- Typically seen in case of MNCs engaging in constant M&A, Groups with several companies



Headquarters driven (dependent) subsidiaries

- Runs planning and part of execution at headquarters with parts of processes at subsidiaries with templates rolled out to subsidiaries
- Consolidation, transparency and reporting back to headquarters
- Typically seen in MNCs with organically grown subsidiaries

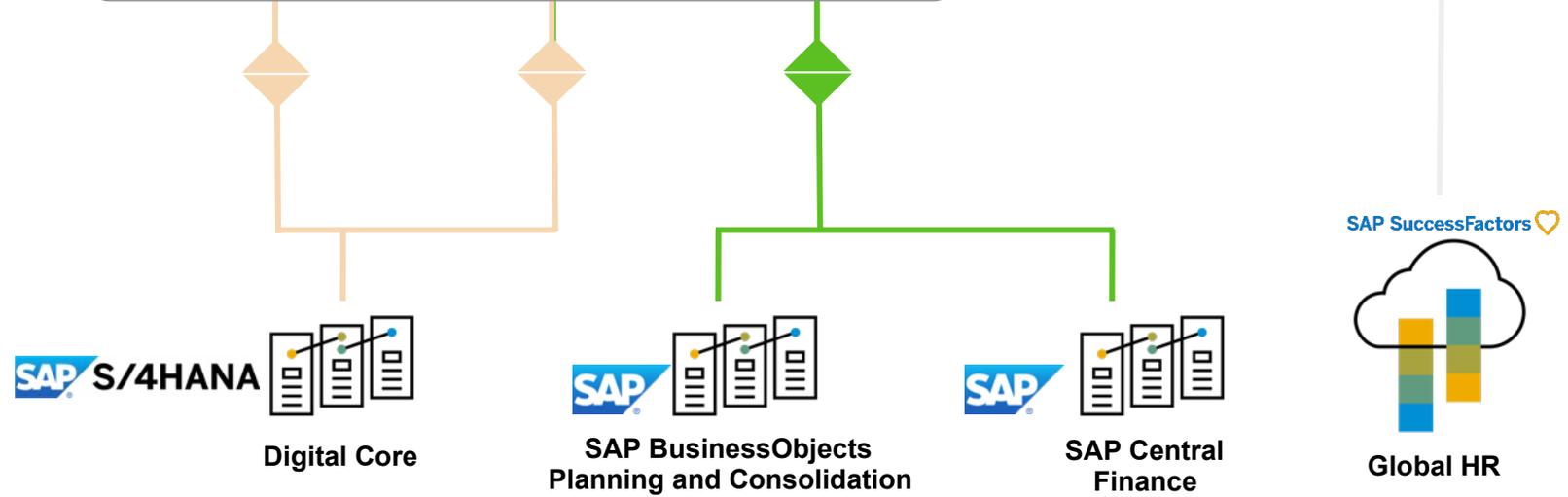


Integrating the de facto system landscape in two tiers

Subsidiaries
Tier Two



Corporate
Tier One



S/4HANA Cloud Two-tier pre-delivered scenarios

Core Finance

- **Financial Planning, Consolidation, and Profitability**
 - Group consolidation at HQ from subsidiary and upload of planned data to subsidiary
 - Local profitability and enabling group profitability at HQ
- **Cash Management**
 - Cash allocation to subsidiaries based on cash visibility at HQ

Order to Cash

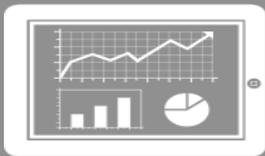
- **Subsidiary as Local Sales Office**
 - Sale from local (goods & basic Services) with returns (credit & debit memos)
 - Sale from central stock (drop shipment from HQ) with returns (credit & debit memos)
 - Intercompany STO with HQ (1708)

Procure to Pay

- **External and Basic Internal Procurement**
 - Procurement directly by subsidiary with process visibility to HQ
 - HQ as internal supplier to subsidiary via central contract

Manufacturing

- **Basic Manufacturing**
 - Subsidiary as a production unit and internal supplier to HQ
 - Subsidiary acting as sub-contractor to HQ (with production at subsidiary)



The future of the connected company a case study

Objective

Equip subsidiaries with a low-cost, scalable Enterprise Management platform to drive consistent supply chain management across the organization

Why SAP?

- Prescriptive solution drives process standardization
- Accounting, Finance, Sales, Sourcing, Procurement and Supply Chain unified on a single cloud solution
- Rapid deployment with minimal configuration

Expected benefits

- Unified two-tier ERP strategy for corporate and subsidiaries
- Real-time view of the business
- Ability to support future growth with low TCO

Profile:
U.S.
manufacturer with
global operations

\$10B+

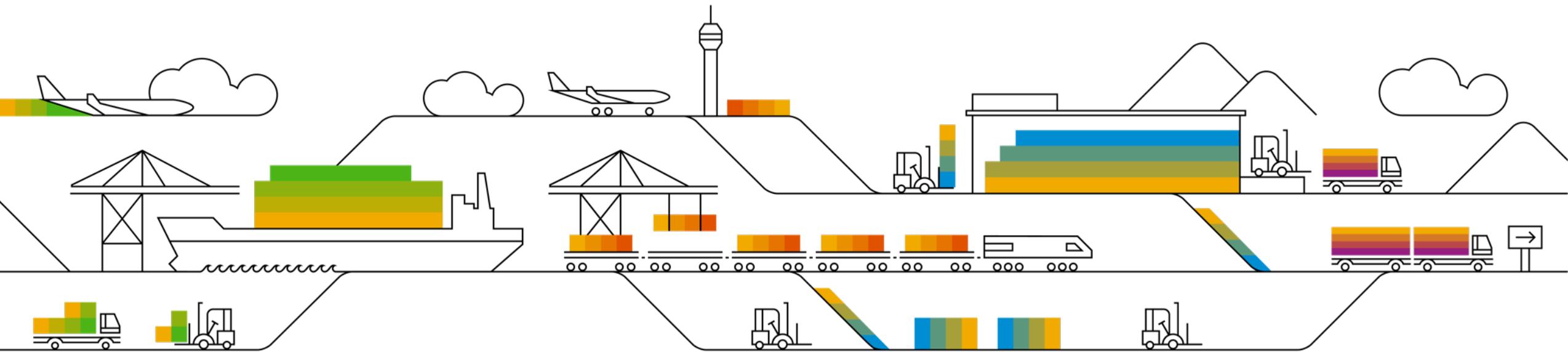
Annual Revenue

“We had more than 26 supply chains across our company. We looked at S/4HANA® Cloud as an opportunity to free up capacity in IT, to rationalize our environment.”

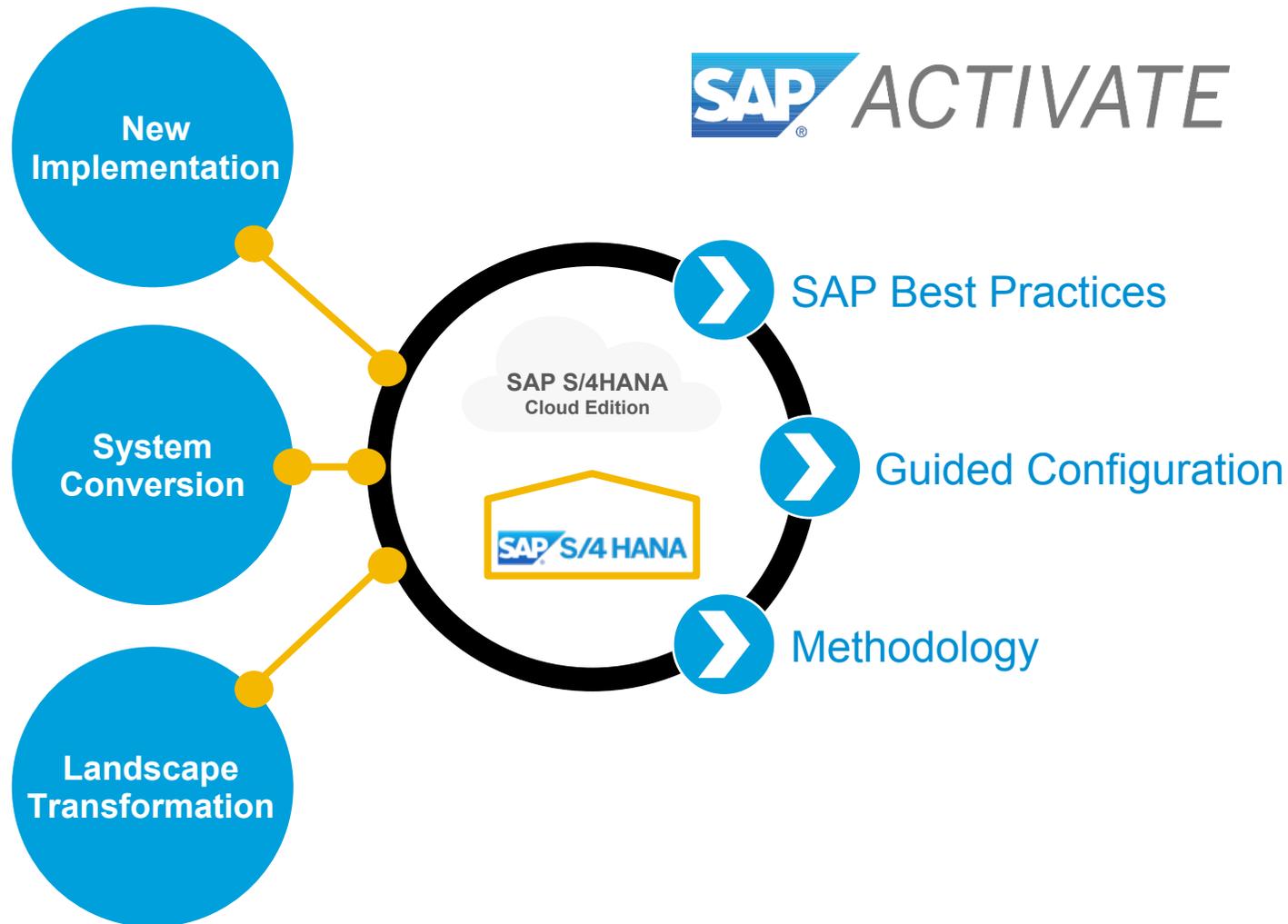
CIO, Information Technology

SAP S/4HANA Cloud

SAP Activate



SAP ACTIVATE the innovation adoption framework



Business Value

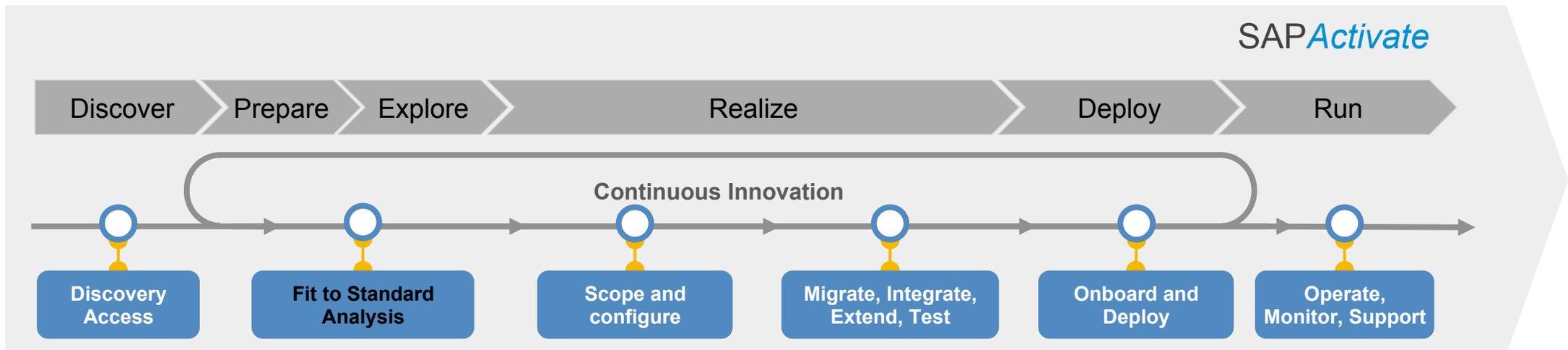
- Faster, less service intensive initial implementation in the cloud or on-premise
- Rapid adoption of innovations throughout the entire product lifecycle
- Extensible framework for partners



- Accelerated **Time-to-Value**
 - (initial and ongoing)
- Reduced **Total-Cost-of-Ownership**
(over total lifecycle cloud and on-premise)

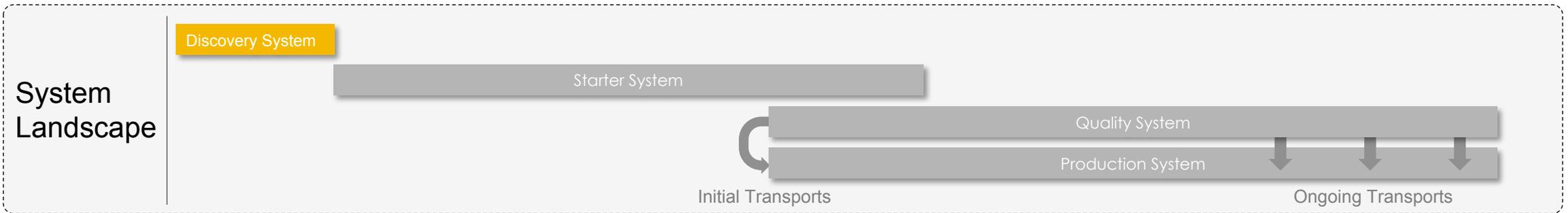
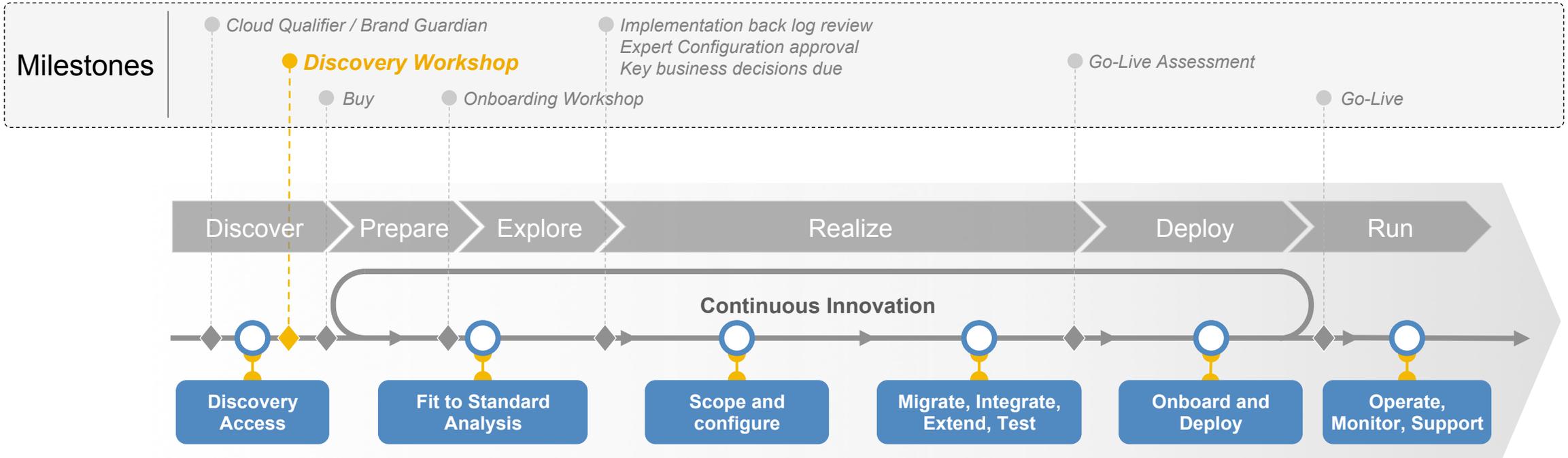
Cloud Implementation Experience with SAP Activate

-  **SAP Best Practices** Fit-to-Standard approach based on pre-configured SAP Best Practices to realize key cloud capabilities for an accelerated adoption of SAP S/4HANA Cloud
-  **Guided Configuration** Tools for a guided configuration in the cloud - self-service configuration to adapt pre-configuration to customer environment where needed
-  **Methodology** Agile implementation methodology with prescriptive and comprehensive implementation tasks and how to-do documents / accelerators

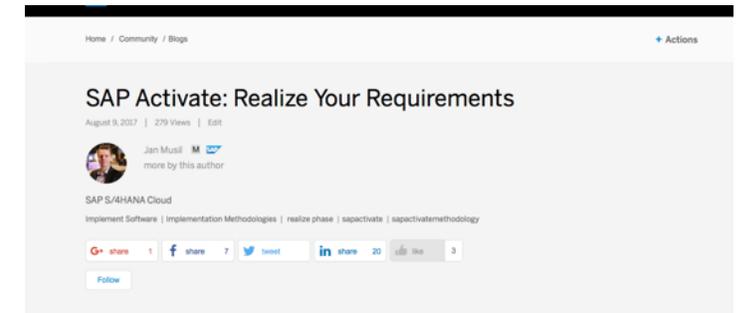
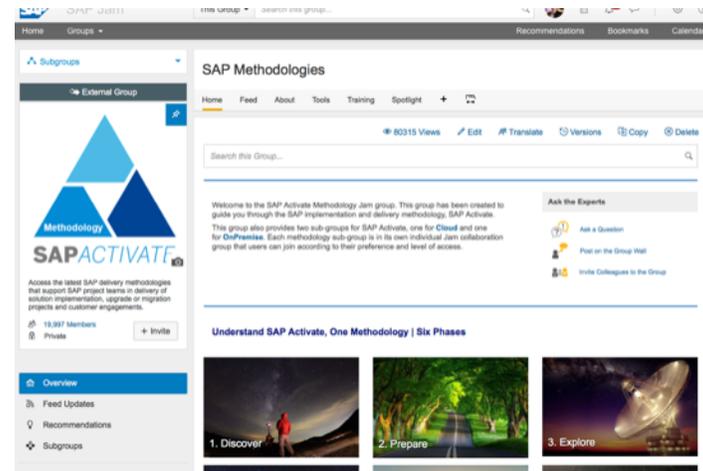


Cloud Implementation Experience

Discovery on the road to S/4HANA Cloud



Valuable SAP Activate Marketing and Enablement Assets



SAP PRESS e-book
[SAP S/4HANA Cloud:
Implementation with SAP
Activate](#)

Available as of August 2017

**Direct engagement with SAP
Activate end users in [SAP Jam](#)**

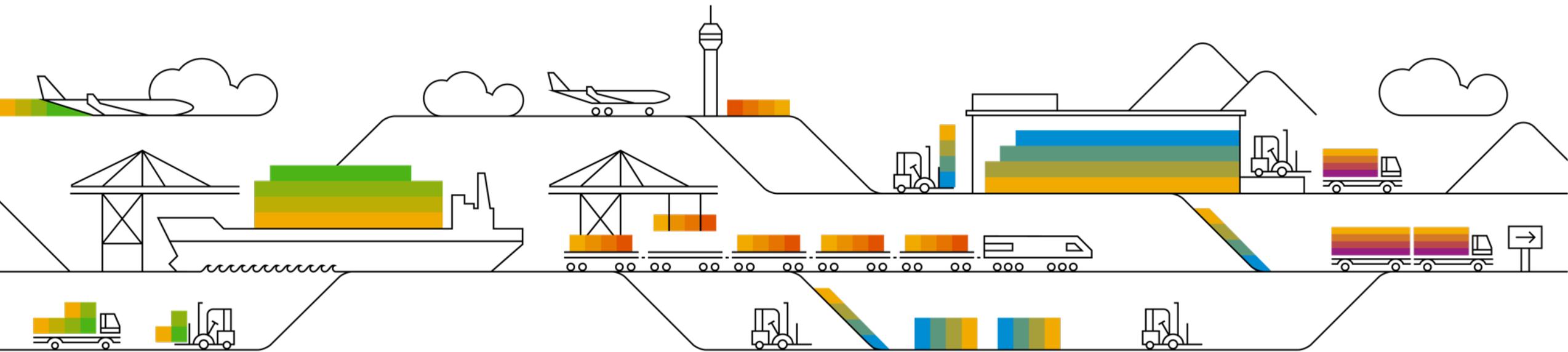
- 20k registered users
- Active engagement

**[#sapactivate](#) blog series on
sap.com Communities**

**Engagement with users on
Social Media (Twitter, LinkedIn)**

SAP S/4HANA Cloud

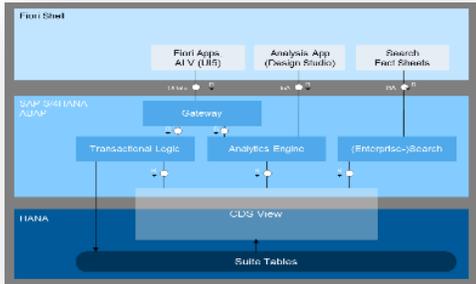
Summary



Drivers for the Digital Core in the cloud

The foundation for next generation value levers

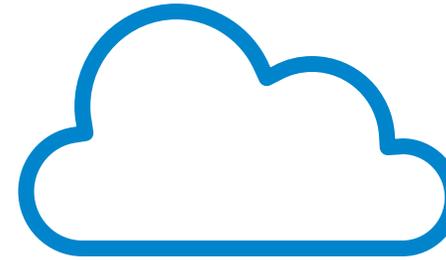
Digital Core Architecture



New User Paradigms



Cloud Value Proposition



Technology innovations



■ **Robust and Scalable**



■ **Elimination** of aggregates



■ **Simplification** of master data



■ **Unification** of tables



■ **OLAT & OLTP merger**



■ Role-based engagement across business



■ **Insight to Action**



■ Any device and browser



■ Decision Support and Prediction



■ Built for **Scalability**



■ Time to value and Time to market



■ Simplification of consumption



■ Agility and speed of Innovation Adoption



■ Always on latest and greatest



■ IoT Integration



■ CoPilot as digital assistant



■ Machine Learning (on SAP Leonardo)



■ Automation based on Insight to action



■ Blockchain

SAP S/4HANA Cloud is the next-generation cloud ERP

SAP S/4 HANA Cloud



Intuitive

FIORI award-winning user interface delivers a unique, powerful experience across all devices and drives insights-to-action

Instant

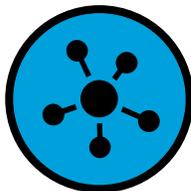
- Fast Deployment
- Quarterly Releases
- Dynamic Extensibility

Intelligent

- Machine Learning
- Digital Assistant
- Artificial Intelligence

Innovative

- In-memory Database
- Real-time Analytics
- Native Integration

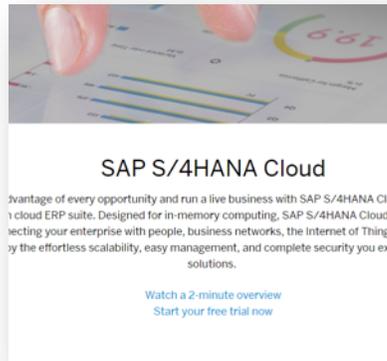


Industry-Leading

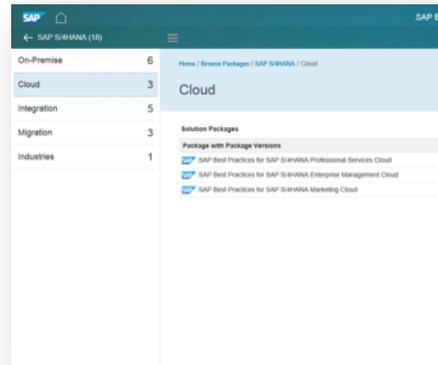
Reducing complexity of the digital agenda by leveraging our unique expertise from the last 43 years and our value visibility globally

More information...

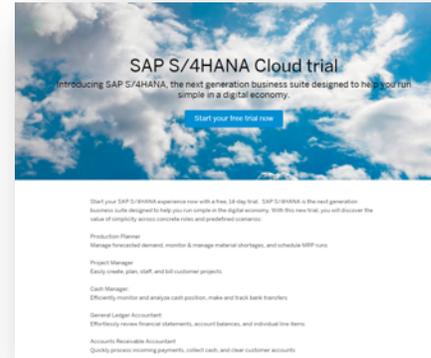
[SAP S/4HANA Release Info](#)



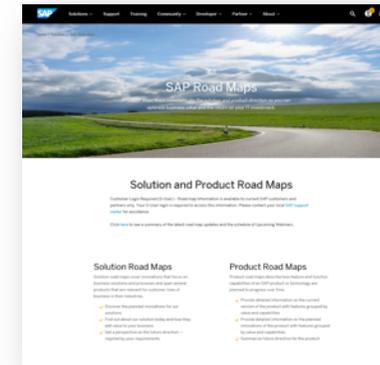
[Best Practices Explorer](#)



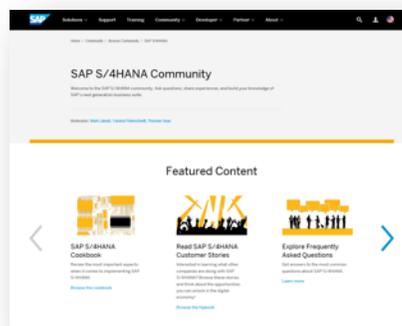
[SAP S/4HANA Trials](#)



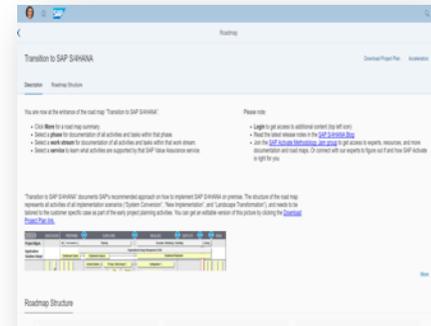
[SAP S/4HANA Roadmaps](#)



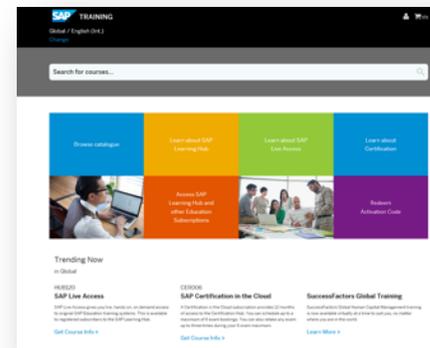
[Join the SAP S/4HANA Community](#)



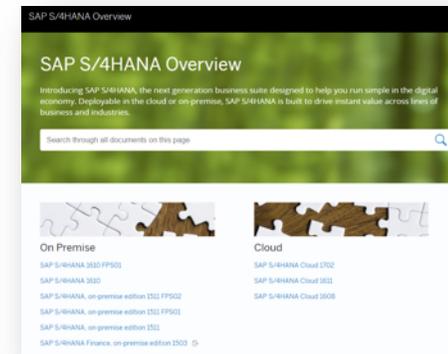
[S/4HANA Roadmap Viewer](#)



[SAP Learning Hub](#)

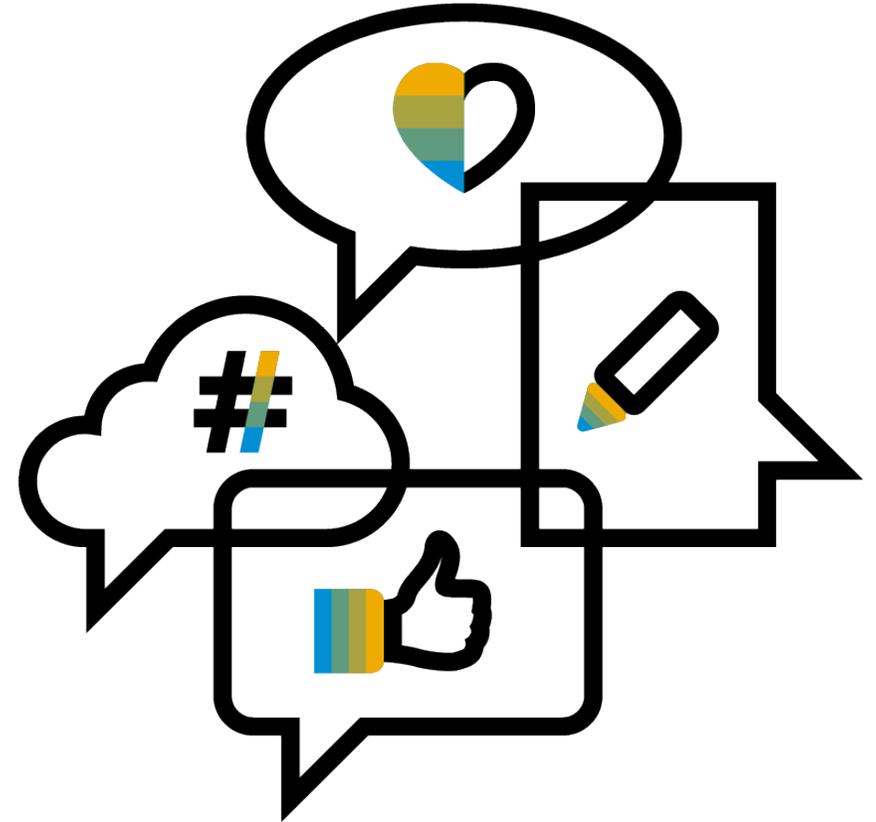


[SAP Help Portal](#)



QUESTIONS?

Sven Denecken, SVP, Head of S/4HANA Cloud Product Management



S/4HANA Cloud Overview

Sven Denecken,
SVP, Head of S/4HANA Cloud Product Management
September 2017
@SDenecken

