



SAP Globalization Services

Localization – Essential for Enterprises and A Strategic Priority for SAP

Shyam Ravindranathan, SAP
October 2022

PUBLIC



SAP Globalization Services

Local Solutions. Global Success.

THE BEST RUN



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.

Content

Global Dynamics & Digital Transformation

Software Localization at SAP

Local Solutions for Global Success

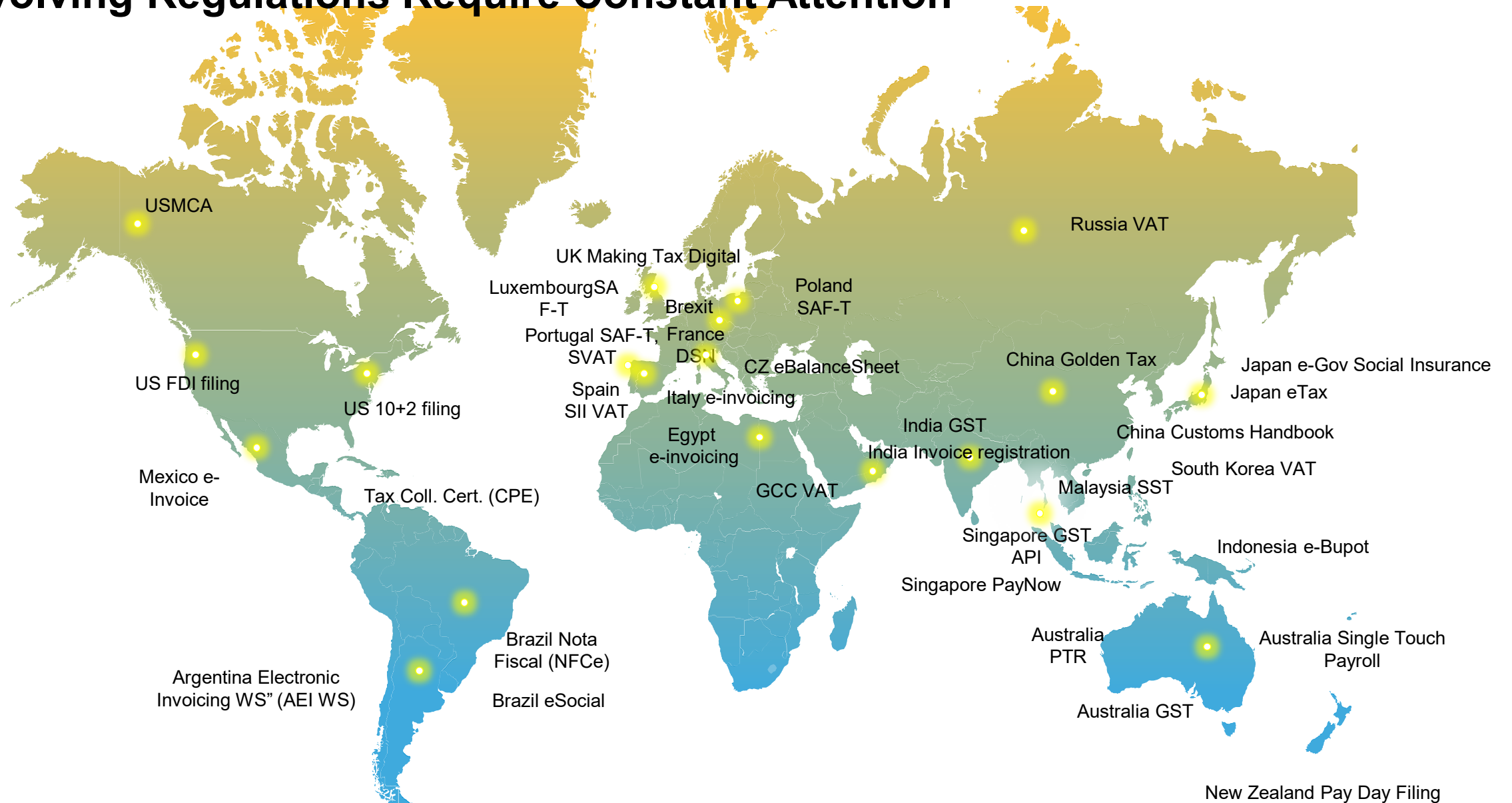
Engage with Us



We are Surrounded by Drivers of Transformation



Evolving Regulations Require Constant Attention



Common Regulatory Pain Points For an Enterprise

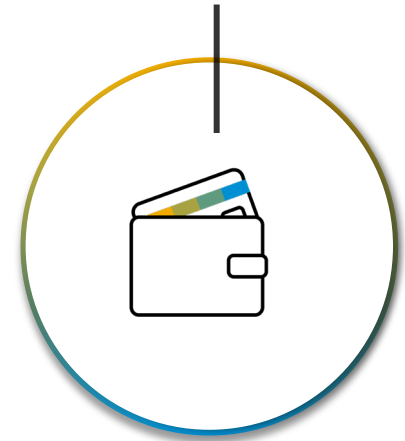
Payroll Processing



Order Invoicing



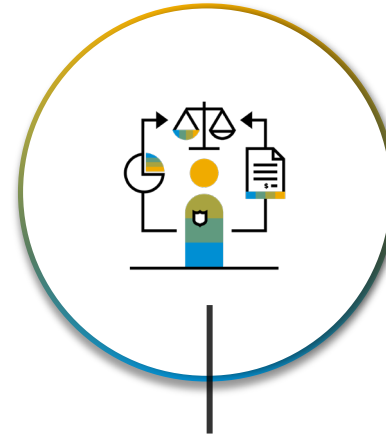
Payments



**Transaction Tax
Calculation and Reporting**



Regulatory Audits



SAP Empowers Every Customer to Succeed Locally and Globally



440,000 customers in 180+ countries

200 million users worldwide

22,200 SAP partner companies in 140 countries

Content

Global Dynamics & Digital Transformation

Software Localization at SAP

Local Solutions for Global Success

Engage with Us



What Is Software Localization?



SAPs Localization portfolio consists of several capabilities...

- Finance
- Document and Reporting Compliance
- Spend Management
- Internationalization Standard I18N
- Human Resources
- Customer Experience
- Languages

...is delivered to customers and partners in different ways...

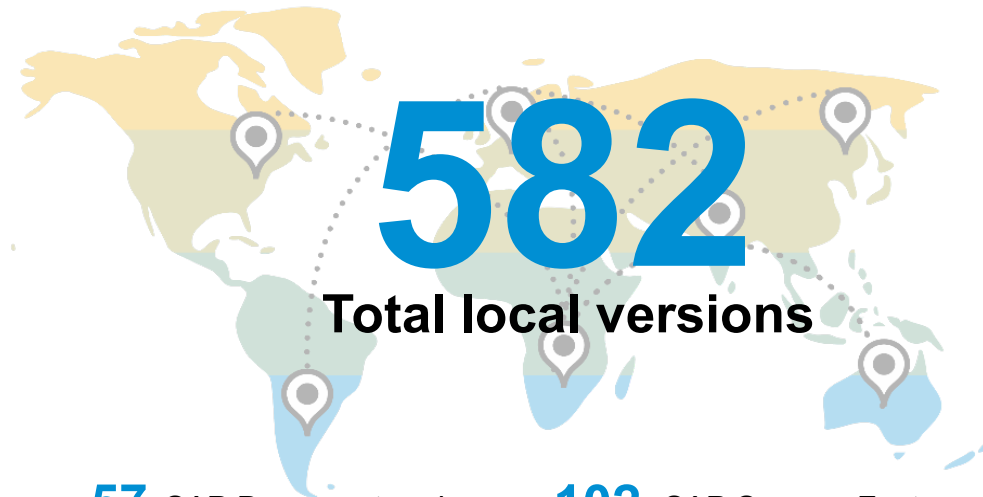
- Built-in and 'Off-the-Shelf'
- Configuration
- Extensibility

...touches core E2E processes worldwide

- Lead-to-Cash
- Source-to-Pay
- Recruit-to-Retire
- Design-to-Operate
- Sustainability Reporting

SAP Software Localization

Providing a Holistic Localization Experience Contributing to Customers' Global Success



47 SAP S/4HANA Cloud

64 SAP S/4HANA

70 SAP Business ByDesign

57 SAP Document and Reporting Compliance

40 SAP Business Network

24 SAP Concur Spend Management

102 SAP SuccessFactors Employee Central

52 SAP SuccessFactors Employee Central Payroll

105 SAP ECC Human Resources

16 SAP Billing and Revenue Innovation Management

5 SAP Responsible Design and Production

SAP Globalization Services – Key Values



Enable Adherence to Legal Mandates

for new and evolving regulations for the lifespan of an SAP solution providing customers with peace of mind



Scale with confidence

with efficient and integrated business processes locally and globally, leading to sustainable business practices

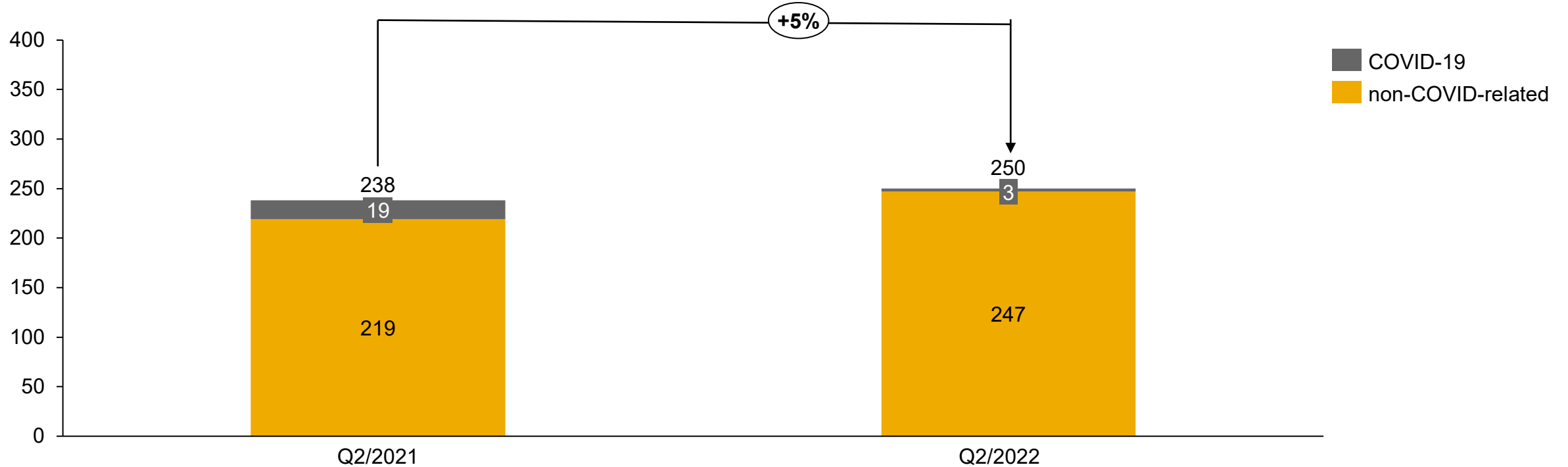


Automate

repetitive tasks, such as payroll, Business-to-Government interaction and free capacity for value creating tasks

Legal Change Delivery

- 250 Legal Changes delivered in Q2/2022 (+12/+5% YoY).
- 247 non-COVID-related Legal Changes delivered in Q2/2022 (+28/+13% YoY).



Delivering Peace of Mind

E2E Business processes

Lead-to-Cash

Source-to-Pay

Recruit-to-Retire

Design-to-Operate

Legal Mandates



Robust up-to-date accounting processes generate audit-proof financial statements across all global entities



Cross-country transparency on existing and upcoming legal reports



Global workforce paid according to complex local regulations in over 100 countries



Employees run global discretionary expense claiming as a “non-event”



Electronic business documents are submitted in line with legal mandates and auditable

Content

Global Dynamics & Digital Transformation

Software Localization at SAP

Local Solutions for Global Success

Engage with Us



Globalization as a Key Strength for SAP S/4HANA Cloud, public edition

SAP S/4HANA Cloud, public edition localization is provided out of the box for many local versions offering enterprises the ability to scale their business processes across the globe by addressing country-specific requirements and regulatory needs.

- Today **47 SAP Delivered Local Versions** are available for SAP S/4HANA Cloud with **12 additional local versions planned**.
- In addition, SAP facilitates Customer Local Versions via **Localization as a self-service for SAP S/4HANA Cloud, public edition**.



Run Globally

Run business operations globally with ease utilizing SAP delivered localizations



Keep Up with the Legal Mandates

Address increasing legal changes part of SAP Delivered Local Versions



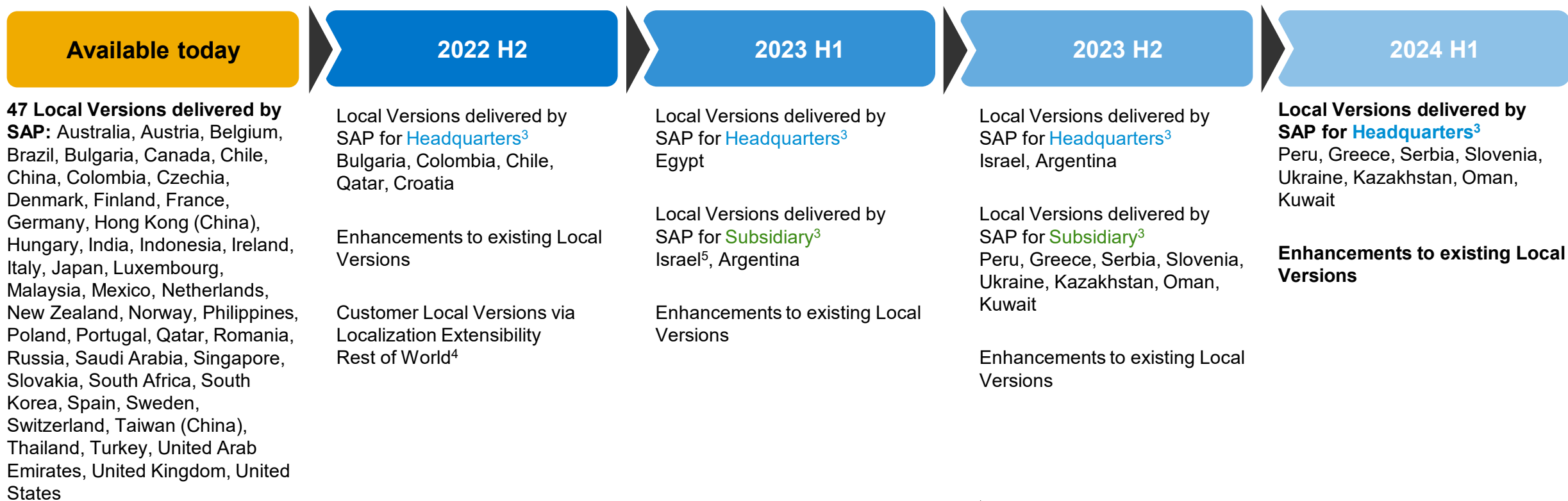
Benefit from Standardization

Leverage standard processes and automation for e-invoicing, statutory reporting, and tax management worldwide

SAP S/4HANA Cloud, public edition: Localization Coverage

SAP S/4HANA Cloud, public edition localization is provided out of the box for many local versions offering enterprises the ability to scale their business processes across the globe by addressing country-specific requirements and regulatory needs.

- 47 local versions available as of August 2022, 48 as of November 2022, 11 additional local versions on the roadmap for 2023 and 2024
- In addition, SAP facilitates Customer Local Versions via **Localization as a self-service for SAP S/4HANA Cloud, public edition.**

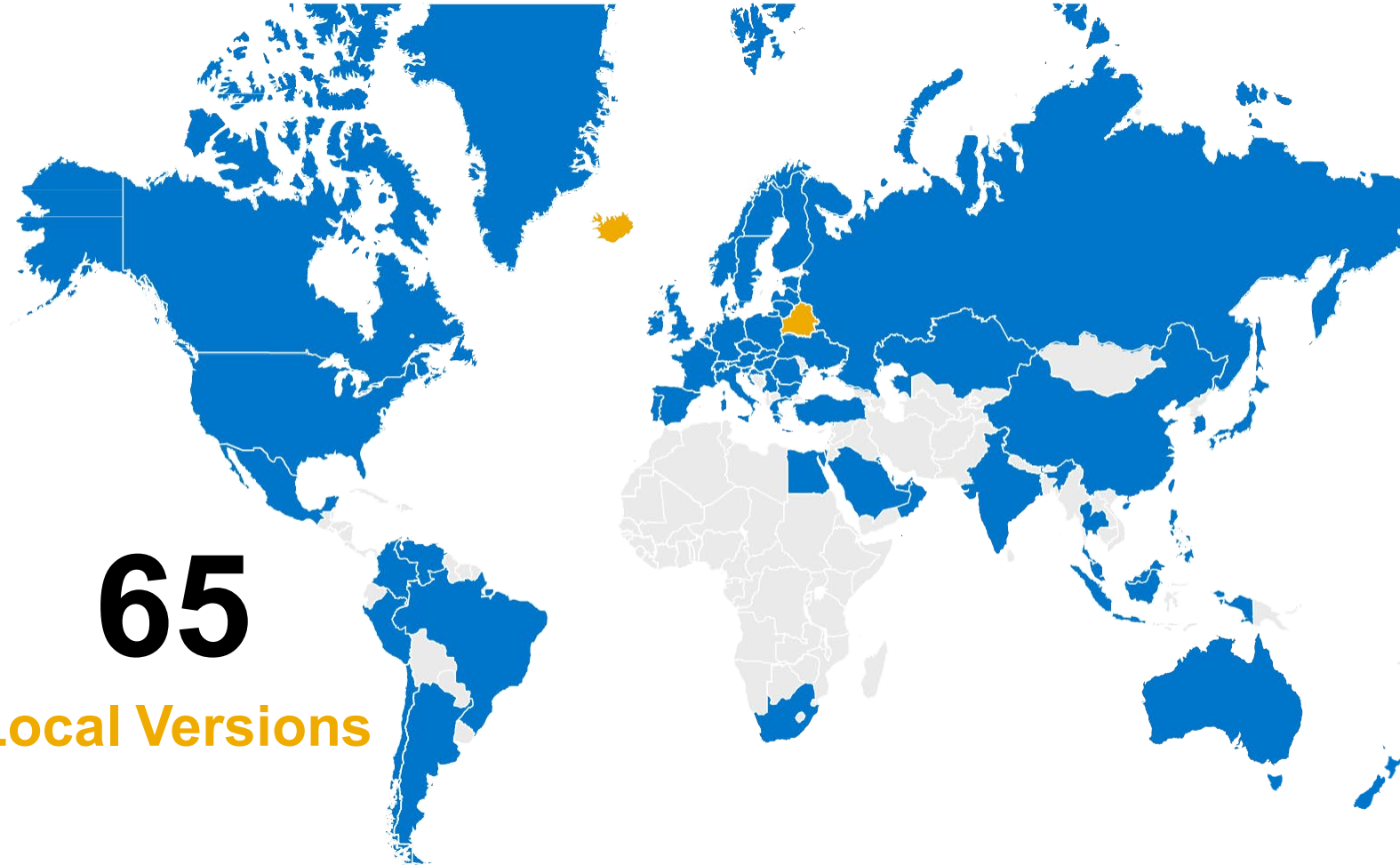


Customer Local Versions via Localization Extensibility Rest of World² (Early Adoption)

¹ As per current planning, subject to change. Refer to [scope](#) for planned local versions.
² Current S/4HANA Cloud customers using SAP Central Business Configuration (CBC) with 3-system landscape environment can participate in early adoption program by reaching out to [DL](#). Refer [note 3107866](#) for scope and restrictions. Belarus, Venezuela, [embargo countries](#) and SAP delivered/planned Local Versions are excluded.
³ [Scope](#) includes mandatory localizations to go-live for a Headquarter/subsidiary in the country/region
⁴ As per current planning, CBC-Configuration Localization Tool to be generally available with SAP S/4HANA Cloud 2208.3 for 3-system landscape installations only and will support [expanded scope items](#). Subject to change.
⁵ Asset Accounting and Form 6111 are not included

SAP ERP Central Component (ECC)

Including SAP and Partner Local Versions



65

Local Versions

- | | | |
|------------------|-------------|----------------------|
| Argentina | India | Qatar |
| Australia | Indonesia | Romania |
| Austria | Ireland | Russia |
| Belgium | Israel (*) | Saudi Arabia |
| Brazil | Italy | Serbia |
| Bulgaria | Japan | Singapore |
| Canada | Kazakhstan | Slovakia |
| Chile | Kuwait | Slovenia |
| China | Latvia | South Africa |
| Colombia | Lithuania | South Korea |
| Croatia | Luxembourg | Spain |
| Czech Republic | Malaysia | Sweden |
| Denmark | Mexico | Switzerland |
| Egypt | Netherlands | Taiwan, China |
| Estonia | New Zealand | Thailand |
| Finland | Norway | Turkey |
| France | Oman | Ukraine |
| Germany | Peru | United Arab Emirates |
| Greece | Philippines | United Kingdom |
| Hong Kong, China | Poland | United States |
| Hungary | Portugal | Venezuela |

SAP Partner Solutions:

- Belarus (EPAM)
- Iceland (Nyherjihf)

Remark:

(*) Functionality fully covered in SAP ERP Standard. For specific category details please contact Globalization@sap.com.

SAP Human Capital Management for SAP S/4HANA, on-premise edition



Continuity and investment protection for HCM on-premise customers

Solution will be based on SAP ERP HCM **with selected** SAP HANA database related **enhancements**.

This option is intended to serve those customers who are not yet ready to partially or fully transform their HR processes into a cloud-based model.

The future of digital HR in the cloud is powered by SAP SuccessFactors.

SAP Human Capital Management for SAP S/4HANA – Localization Aspects

Key capabilities

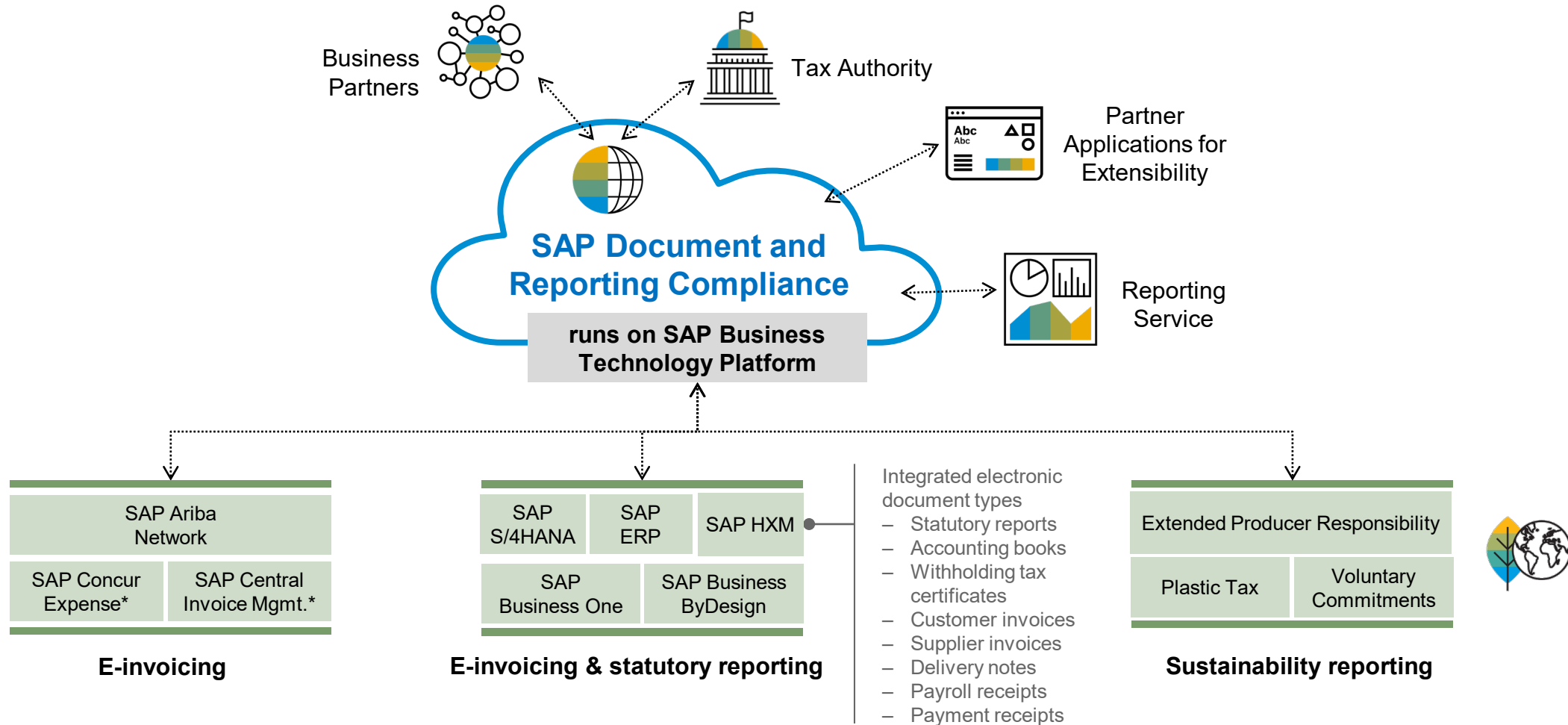
Product

- Scope matches the SAP S/4HANA Compatibility Pack and the key functionality of SAP ERP HCM
- Supports all SAP standard payroll local versions for SAP HCM
- Selective enhancements and localization across Core HR and Payroll processes to support continuity
- Available in Q4 2022 for OnPremise and follows SAP S/4HANA maintenance strategy until 2040

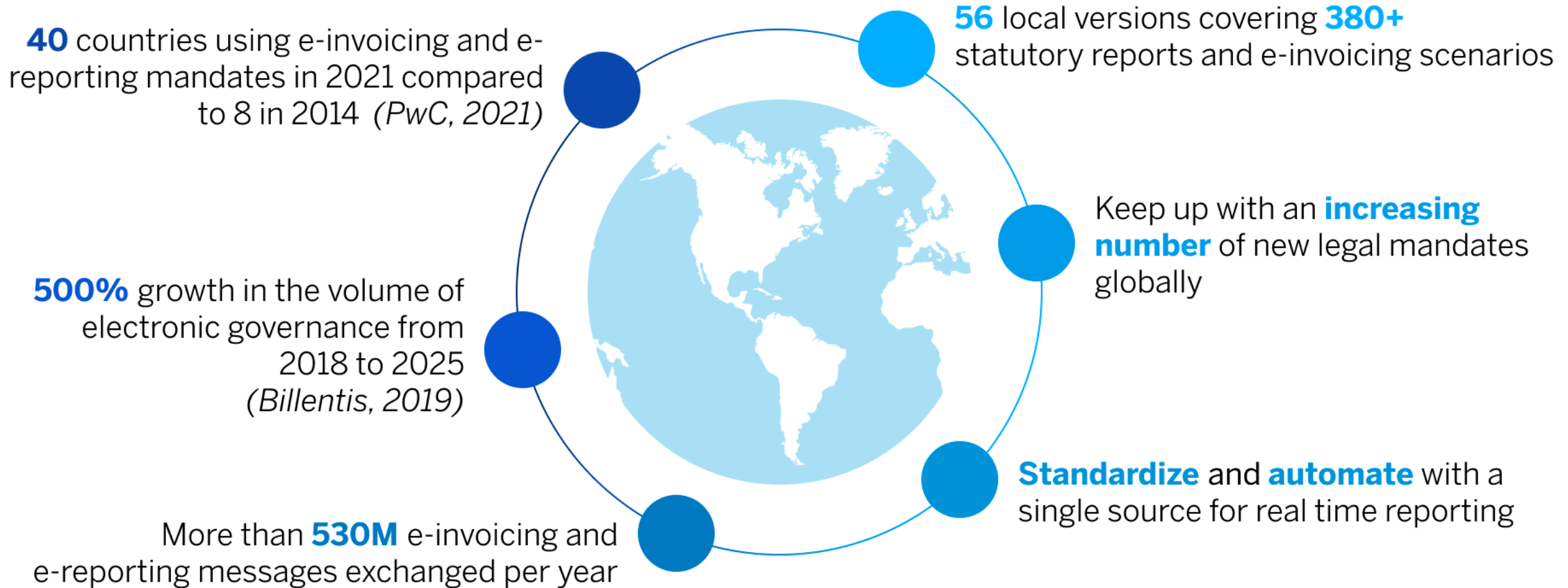


SAP Document and Reporting Compliance

Enables companies to adhere to evolving legal mandates driven by global digitalization



SAP Document and Reporting Compliance



SAP Document and Reporting Compliance

Global Coverage for SAP S/4HANA

Compliance obligations

- **Statutory reporting**

- VAT, GST & Withholding Tax Reports
- Audit files (SAF-T)
- Electronic accounting reports
- Financial Statements
- Fixed Assets Reports
- Payments Reports
- Ledgers & Sales Lists
- Cashflow Reports
- Sustainability Reports

- **E-Invoicing scenarios**

- Customer Invoices
- Supplier Invoices
- Consumer Invoices
- Credit Invoices
- E-Reporting scenarios
- Delivery Notes
- Payment Receipts
- Tax Certificates
- Tax Register Books
- Electronic Payroll



Reports and scenarios
enabled in 56 countries

Localization coverage

- **Americas**

- Brazil, Chile, Colombia, Mexico, Peru, Argentina, Canada, US, Venezuela

- **APJ**

- Australia, India, New Zealand, Singapore, South Korea, Taiwan, Thailand, China, Indonesia, Japan, Malaysia, Philippines

- **Europe**

- Austria, Belgium, Denmark, France, Germany, Greece, Hungary, Ireland, Luxembourg, The Netherlands, Norway, Poland, Portugal, Spain, Sweden, Turkey, Czech Republic, Finland, Israel, Kazakhstan, Romania, Russia, Serbia, Slovakia, Switzerland, Ukraine, United Kingdom, Italy

- **Middle East & Africa**

- Saudi Arabia, Egypt, Qatar, South Africa, United Arab Emirates, Oman, Angola

SAP Document and Reporting Compliance – Customer Story

A US Based Chemical Manufacturer with multiple subsidiaries abroad

Before: Challenges

- Increase in mandatory e-invoicing legislation worldwide
- Multiple disparate solutions for document compliance management in different countries
- Use of manual processes, third-party services, and custom software created in-house

Why SAP

- Standardized framework offered by the SAP Document & Reporting Compliance solution supporting operations in multiple countries with a wide array of compliance management capabilities through a single solution
- Ability to create legal XML files that are directly based on transactional system data from SAP solutions
- Single communication layer with content that users can submit directly to authorities or local partners when required
- Regular updates on new legal mandates and mandate changes

After: Value-Driven Results

- Improved control through the ability to communicate information directly to authorities, without relying on third parties
- Reduced compliance risk and significant time and cost savings as a result of more-efficient management of global document compliance processes
- Streamlined IT landscape, with document compliance activities supported by a single solution
- Improved user experience, with country-specific scenarios managed in an e-cockpit within
- SAP Document and Reporting Compliance

“We saw SAP DRC as an opportunity to optimize operational performance and resource management. The solution exceeds expectations by **streamlining our response to an increasing number of regulations** that differ by country.”

30%

Faster document processing for the accounts payable department

10%

Reduction in the invoice processing cycle

24,000

Low-value activities eliminated

SAP Software Localization

Providing a Holistic Localization Experience Contributing to Customers' Global Success



47 SAP S/4HANA Cloud

64 SAP S/4HANA

70 SAP Business ByDesign

57 SAP Document and Reporting Compliance

40 SAP Business Network

24 SAP Concur Spend Management

102 SAP SuccessFactors Employee Central

52 SAP SuccessFactors Employee Central Payroll

105 SAP ECC Human Resources

16 SAP Billing and Revenue Innovation Management

5 SAP Responsible Design and Production

SAP Globalization Services

High-level Roadmap for 2022+

SAP S/4HANA

- Deliver on **Localization as a self-service** for SAP S/4HANA Cloud as per roadmap
- Strengthen localization capabilities for in-market local versions and deliver **5 local versions in 2022**
- Deliver on *SAP Billing and Revenue Innovation Management (SAP BRIM)* localization as per roadmap

SAP Document and Reporting Compliance

- Expand local version coverage for **SAP Spend Management** solutions
- Continue to enable customer and partner **extensibility**

Human Experience Management

- Strengthen localization for **SAP HXM for SuccessFactors Employee Central, SuccessFactors Employee Central Payroll, and HCM On Premise**

Spend Management

- Deliver Localized Solution for **digital document and tax compliance within SAP Concur Spend Management**
- Deliver customer and partner **extensibility of SAP Business Network** and new country specific e-Invoice mandates

Sustainability

- Enhance country coverage for *Sustainability* for France, Canada, United Kingdom, EMF (Ellen McArthur Foundation) and Plastic Taxes for United Kingdom, Spain and Italy
- Kickstart execution on Social Sustainability (Lieferkettengesetz - Supply Chain due Diligence Act)

Content

Global Dynamics & Digital Transformation

Software Localization at SAP

Local Solutions for Global Success

Engage with Us



Where to Find Us

SAP Globalization Services Support Portal

Access all localization focused information e-books, service offerings & products in one place



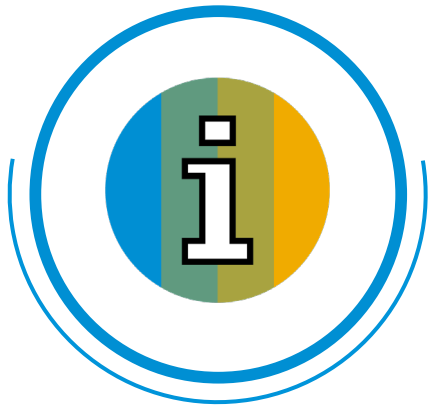
Legal Change Notification

Get hold of updated information on legal changes & maintenance across SAP's solutions



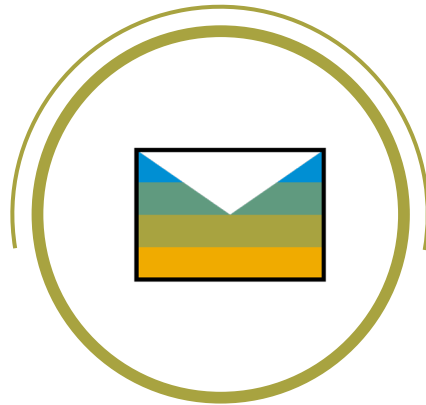
SAP Localization and Country-Specific Collaboration Groups

Tap into the full list of Country/Region specific collaboration groups and connect with your peers and SAP experts



SAP Globalization Mailbox

Reach out to the experts from SAP Globalization Services to address your queries around legal changes



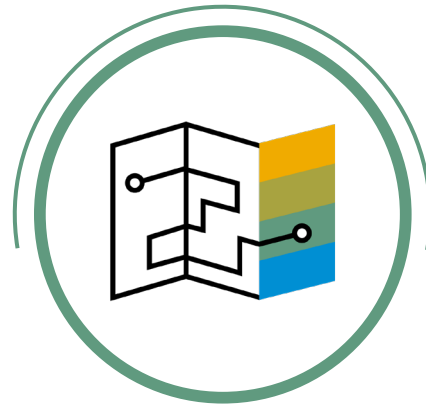
Influence SAP Software Development

Adopt new innovations early on and influence SAP software development



SAP Roadmap Explorer

Find the latest Innovations and outlook on planned innovations



Open Forum – Questions and Feedback

Thank you.

Contact information:

Shyam Ravindranathan

Product Manager for Cross Products and Strategy

Shyam.Ravindranathan@sap.com