Go Global Confidently with SAP Localization

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Product Manager - Localization Cross Product Strategy
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SAP Globalization Services
Local Solutions. Global Success.

THE BEST RUN **SAP**

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Content

Global Dynamics & Digital Transformation

Software Localization at SAP & Regulatory

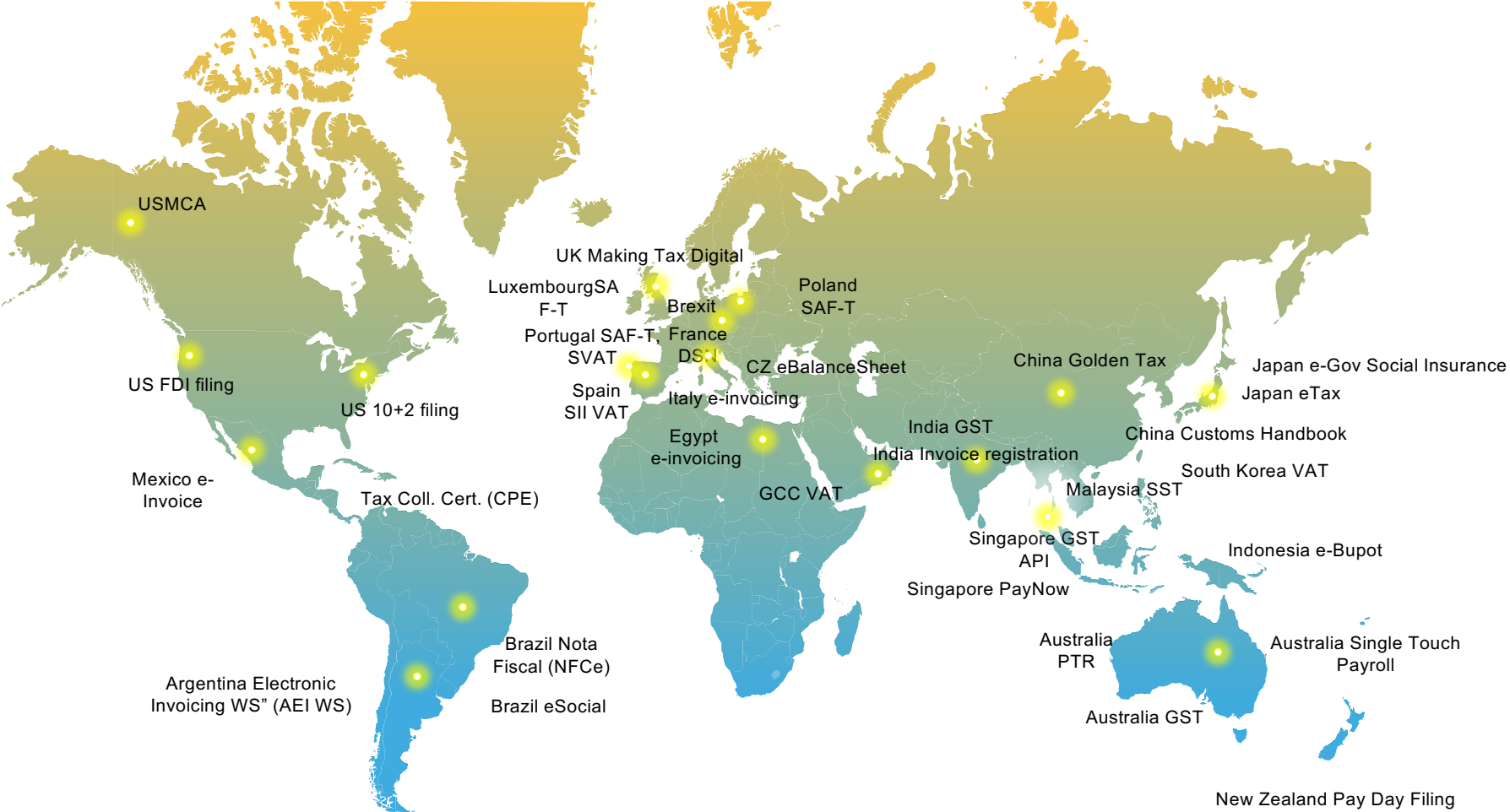Relief as a Service

Local Solutions for Global Success

Engage with Us

We are Surrounded by Drivers of Transformation

Digitalization of Businesses & Governments

Sustainability & Climate Change

Trade and Policy Reforms

Global Economic Disruptions

Emerging Technological Trends

Evolving Regulations Require Constant Attention

USMCA

UK Making Tax Digital

LuxembourgSA F-T

Brexit

Poland SAF-T

US FDI filing

Portugal SAF-T, SVAT

France DSI

CZ eBalanceSheet

China Golden Tax

Japan e-Gov Social Insurance

Japan eTax

US 10+2 filing

Spain SII VAT

Italy e-invoicing

India GST

China Customs Handbook

Mexico e-Invoice

Egypt e-invoicing

India Invoice registration

South Korea VAT

Tax Coll. Cert. (CPE)

GCC VAT

Malaysia SST

Singapore GST API

Indonesia e-Bupot

Singapore PayNow

Brazil Nota Fiscal (NFCe)

Australia PTR

Australia Single Touch Payroll

Argentina Electronic Invoicing WS" (AEI WS)

Brazil eSocial

Australia GST

New Zealand Pay Day Filing

Common Regulatory Pain Points For an Enterprise

Payroll Processing
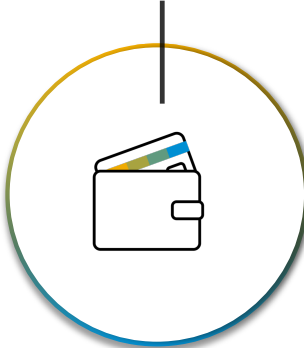
Transaction Tax Calculation and Reporting

Order Invoicing

Regulatory Audits
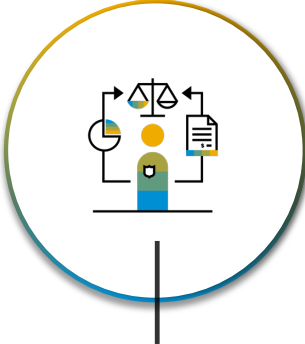
Payments

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Global Dynamics & Digital Transformation

Software Localization at SAP & Regulatory

Relief as a Service

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

Enabling customers to get value from their core business applications across geographies

…is delivered to customers and partners in different ways…

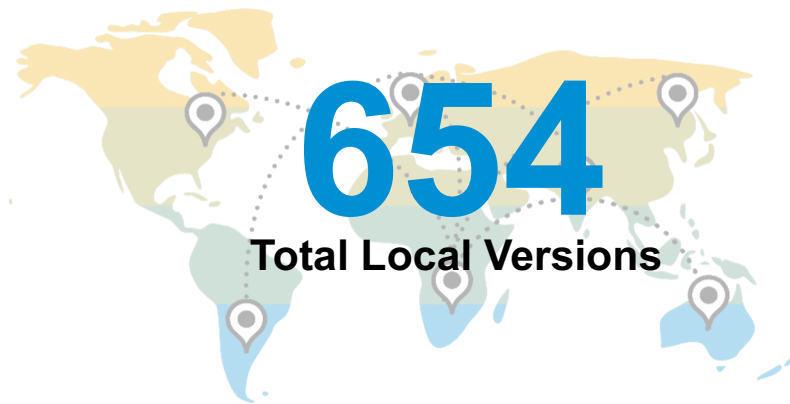- Built-in and 'Off-the-Shelf'
- Configuration
- Extensibility

…touches core E2E processes worldwide

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

SAP Offers a Compelling Portfolio of Localized Versions Across Products

654

Total Local Versions

64 SAP S/4HANA Cloud, private edition	**58** SAP Document and Reporting Compliance	**104** SAP SuccessFactors Employee Central	**16** SAP Billing and Revenue Innovation Management
51 SAP S/4HANA Cloud, public edition	**40** SAP Business Network	**52** SAP SuccessFactors Employee Central Payroll	**5** SAP Responsible Design and Production
65 SAP ERP	**24** SAP Concur Spend Management	**105** SAP ECC Human Resources	**70** SAP Business ByDesign

Regulatory Relief as a Service

Collaborate with local legislatures and monitor for regulatory changes

Notify of relevant regulatory changes

Deliver software updates to enable compliance with legal changes

1243 **Regulatory changes delivered in 2022 (+8% YoY)**

Content

Global Dynamics & Digital Transformation

Software Localization at SAP & Regulatory Relief

as a Service

Local Solutions for Global Success

Engage with Us

Localization is a Key Strength of SAP S/4HANA Cloud

Run Globally

Steer business operations globally with ease utilizing SAP delivered localizations and extensibility

Keep Up with the Legal Mandates

Address increasing legal changes and compliance requirements on time

Gain flexibility

Via localization as a self service to address your specific local business needs

IDC, Gartner: Globalization / localization is recognized as a **key strength and differentiating factor for SAP**

2020 ERP Vendor Assessment Reports, IDC MarketScape, Sept 2020

2021 Magic Quadrant for Cloud Core Financial Management Suites, Gartner, May 2021

SAP S/4HANA Cloud, public edition: Localization Coverage
2302 Release
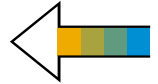
51 local versions delivered by SAP

Currently available

Argentina[4,5]	Egypt[4]	Greece[4,5]	Australia	Austria
Belgium	Brazil	Bulgaria[3,4]	Canada	China
Czechia	Chile[4]	Colombia[4]	Croatia[3,4]	Denmark
Finland	France	Germany	Hong Kong (China)	Hungary
India	Indonesia	Ireland	Italy	Japan
Luxembourg	Malaysia	Mexico	Netherlands	New Zealand
Norway	Philippines	Poland	Portugal	Qatar[4]
Romania	Russia	Saudi Arabia	Singapore	South Africa
South Korea	Slovakia	Spain	Sweden	Switzerland
Taiwan (China)	Thailand	Turkey	United Arab Emirates	United Kingdom
United States				

Planned[1, 4]

Israel	Kazakhstan	Kuwait	Oman	Peru
Serbia	Slovenia	Ukraine		

Supporting 32 languages

Currently available

Arabic	Bahasa (Malaysia)	Bulgarian	Chinese (simplified)	Chinese (traditional)
Croatian	Czech	Danish	Dutch	English
Finnish	French	German	Greek	Hebrew
Hungarian	Italian	Japanese	Kazakh	Korean
Norwegian	Polish	Portuguese	Romanian	Russian
Serbian	Slovak	Slovenian	Spanish	Swedish
Thai	Turkish			

Planned[1]

Ukrainian

Customer Local versions
via localization as a self-service for SAP S/4HANA Cloud

Currently available

Rest of World[2]

SAP S/4HANA Cloud Localization Road Map[1]

Available and Planned Local Versions

Available Today 2302 rel	2308	2402

51 Standard Local Versions delivered by SAP
NEW: Egypt[2], Argentina[3], Greece[3]

Customer Local Versions via localization as a self-service for SAP S/4HANA Cloud
Rest of World[4] (Early Adoption)

32 Languages delivered by SAP

Local Versions delivered by SAP for Headquarters[5]
Israel, Peru

Local Versions delivered by SAP for Subsidiary[5]
Argentina, Greece, Serbia, Ukraine

Enhancements to existing Local Versions

Languages delivered by SAP
Ukrainian

Local Versions delivered by SAP for Headquarters[5]
Argentina, Greece, Serbia, Slovenia, Ukraine, Kazakhstan, Oman, Kuwait

Enhancements to existing Local Versions

[1] As per current planning. subject to change.
[2] Focuses on finance-led ERP and service-centric industries scope. Refer to solution scope in Best Practice Explorer
[3] In early adoption program. Refer to influence program to participate
[4] Current S/4HANA Cloud customers with 3-system landscape environment can participate in Customer Local Version Early Adoption Program.. Belarus, Venezuela, embargo countries and SAP delivered/planned Local Versions are excluded.
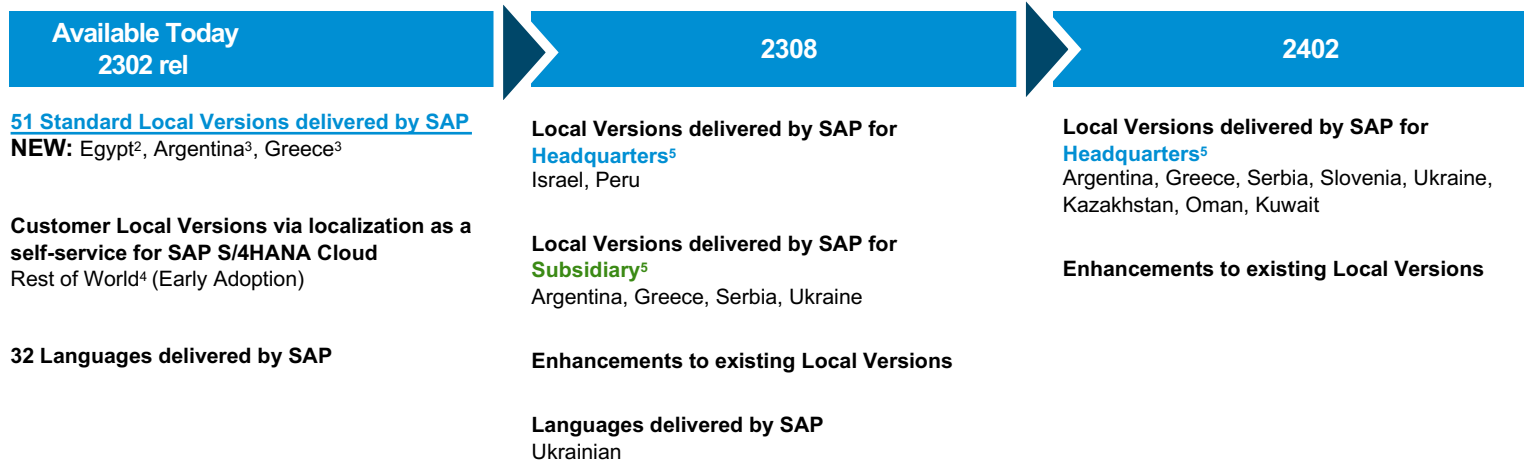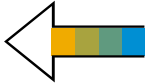[5] Scope includes mandatory localizations to go-live for a Headquarter/subsidiary in the country/region – focuses on finance-led ERP and service-centric industries scope

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 Document and Reporting Compliance for S/4HANA

is SAP's solution to manage e-invoicing, real-time reporting and statutory reporting worldwide. **One solution globally applicable, locally compliant.**

- Transform and digitalize the end-to-end process
- Enable standardization, efficiency and automation
- Provide transparency on compliance status and fulfill audit trail requirements
- Reduce ongoing compliance costs

One solution to:

✓ Support the transition from periodic statutory reporting to continuous transaction controls

✓ Ensure consistency between real-time, business document submissions and statutory reports

✓ Facilitate reconciliation between internal records and records available on tax authorities' platforms
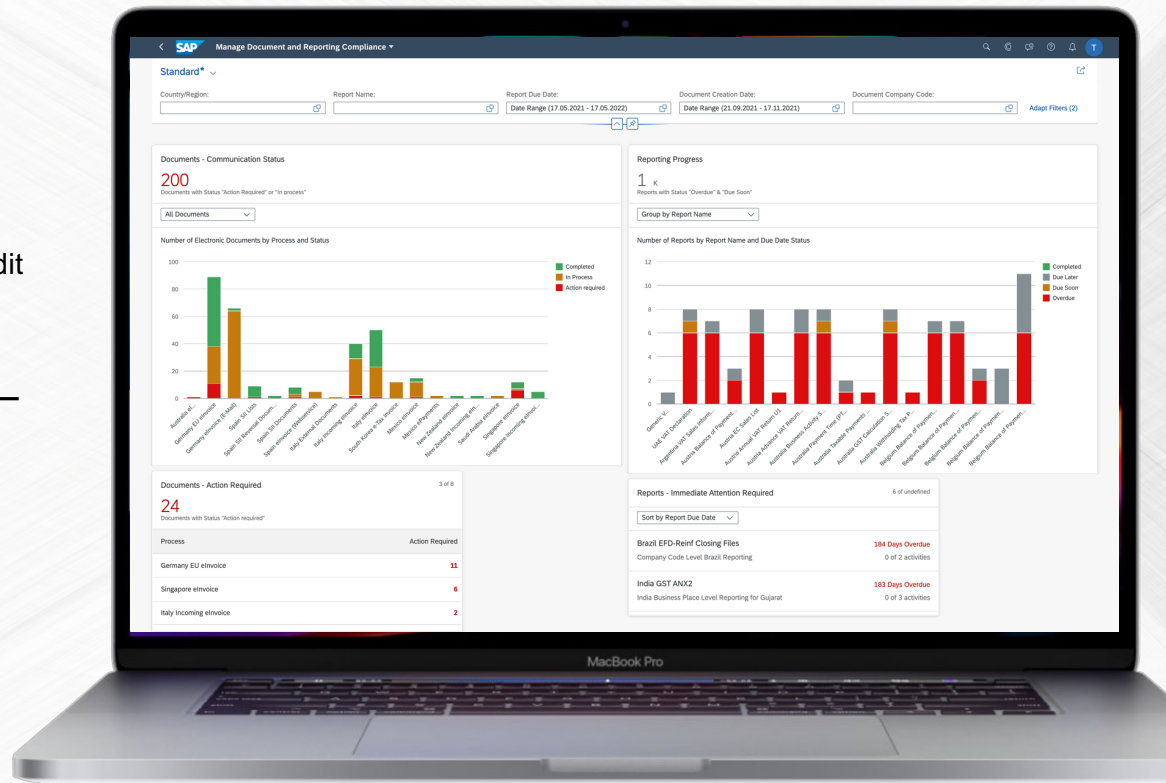
SAP Document and Reporting Compliance
Global Coverage for SAP S/4HANA

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

416
Reports and scenarios enabled in 57 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

Business Payment Coalition ("BPC"): Overview

In August 2021 the Business Payment Coalition along with the Federal Reserve Bank of Minneapolis/St. Paul launched an **e-Invoice Exchange Market Pilot Program** with voluntary participants to create a B2B electronic E-Invoicing Platform for the United States.

 Participating companies in the program include national and international e-Invoicing service providers, private companies and subject matter individuals on a voluntary basis as well as SAP. This is an endeavor NOT tied to governmental mandatory requirements today, but rather a process automation, cost efficiency and interoperability driven private initiative.

Business Payments Coalition

Goals and Value Proposition:

❑ Addressing barriers that make difficult the digital adoption in B2B transactions

❑ Developing and promoting the adoption of electronic standards for invoices, remittances and payments

❑ Make a straight-through automation process of invoices and payments
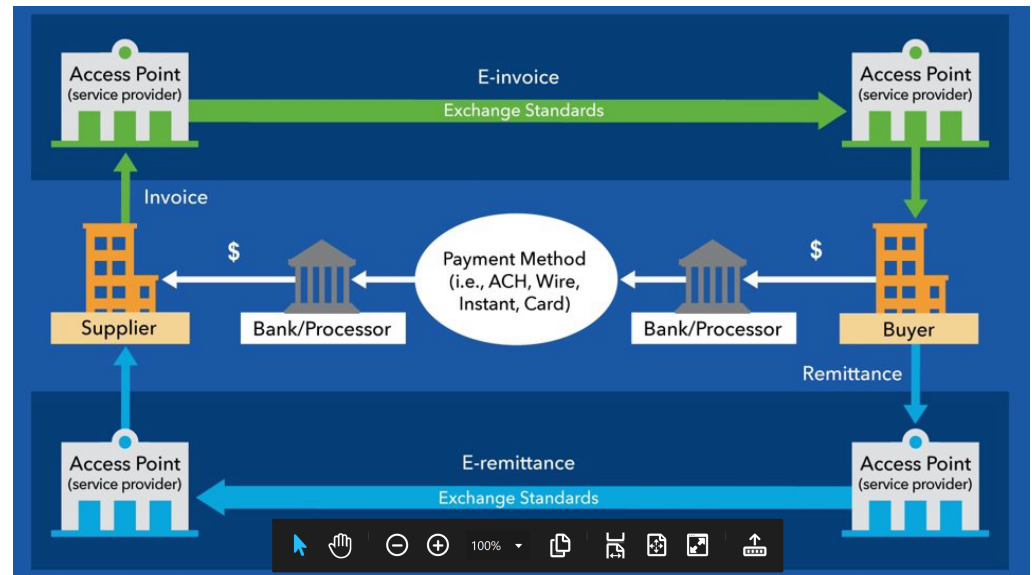
BPC Video Presentation

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 Localization: High-level roadmap for 2023

SAP S/4HANA
- Scale localization coverage for in-market local versions and delivery of 3 new local versions in H1/2023 (and 5 new local versions in H2/2023)
- Enable customers and partners to create and extend local versions with Localization as a Self-Service for SAP S/4HANA Cloud, public edition
- Support automation for revenue management with SAP Billing Revenue & Innovation Management localization for SAP S/4HANA with 3 new local versions in H1/2023 (and 4 new local versions in H2/2023)

SAP Document and Reporting Compliance
- Enable electronic document processing and reporting for new local versions in SAP S/4HANA Cloud, public edition (Argentina, Chile, Colombia, Egypt and Peru)
- Poland: Support of the new B2B e-Invoicing mandate for SAP S/4HANA and SAP Business Network
- Japan: Support of the B2B e-invoicing process via Peppol for SAP S/4HANA, SAP Business Network and SAP Concur

Spend Management
- Japan: Concur Invoice will be integrated with SAP Document and Reporting Compliance to receive invoices through the Peppol Network
- Mexico: Improved user experience enabling E-Mail capture, validation, automatic creation of expenses based on CFDI document in Concur Expense
- Poland: Provide the e-Invoice solution for the new Polish mandate (inbound process)
- Germany: Provide the Central Invoice Management integration with SAP Document and Reporting Compliance for the Peppol Network

Human Experience Management
- USA and Canada: SAP SuccessFactors Employee Central Time will cover requirements related with Short Term Disability policy configuration
- USA: legal changes for annual compliance forms as part of SAP SuccessFactors Onboarding
- UK: a new feature for Seniority calculation for SAP SuccessFactors Employee Central

Sustainability
- Release of the next Phase of Plastic Taxes for Spain in SAP Responsible Design and Production
- SAP Responsible Design and Production EPR (Extend Production Responsibility) Declaration for Italy (CONAI)
- SAP Responsible Design and Production EPR (Extend Production Responsibility) Declaration for Spain (ECOEMBES)
- Release of Plastic Taxes for Italy in SAP Responsible Design and Production

Go Global Confidently with SAP

440,000 customers in
180+ countries

200 million users worldwide

22,200 SAP partner companies
in **140** countries
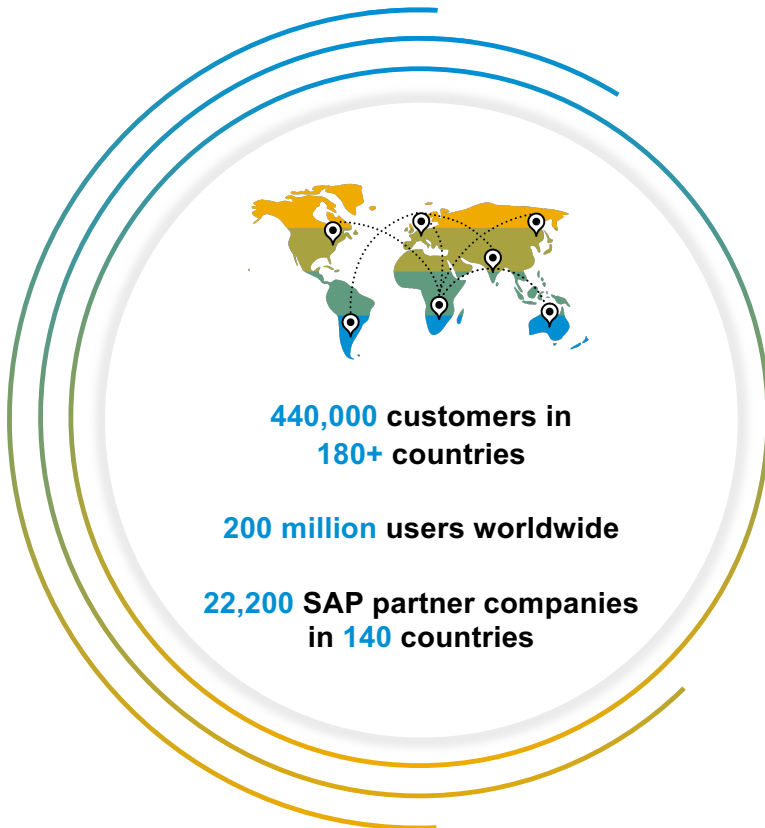
Scale with Confidence
with efficient and integrated business processes locally and globally – and increase resilience and sustainability of your business practices

Comply with Legal Regulations
for the entire lifespan of SAP solutions – and gain peace of mind

Boost Efficiency Globally
by adapting best practices and automating repetitive tasks frees resources to focus on value-adding tasks

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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 S/4HANA Cloud Localization Community

One-stop for all localization relevant resources and an interactive space to address your questions anytime

Influence SAP Software Development

Adopt new innovations early on and influence SAP software development
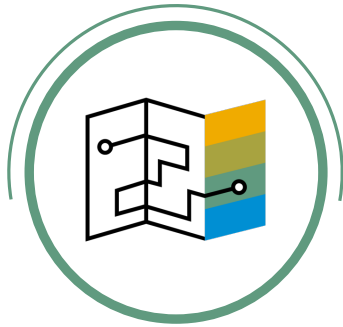
SAP Roadmap Explorer

Find the latest Innovations and outlook on planned innovations

Thank you.

Contact information:

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David.Branley@sap.com

SAP Document and Reporting Compliance – Future Vision

Business Partners

Tax Authority

SAP Document and Reporting Compliance

Harmonized communication service for electronic submissions of both electronic invoices and statutory reporting (**existing** and **new** scenarios)

Automated reconciliation between SAP S/4HANA / SAP ERP and Tax Authorities (consistency checks on transactional data)

E-invoicing

E-invoicing & statutory reporting

Sustainability reporting

SAP Business Network

Centralized compliance across business systems
- SAP Concur Expenses
- SAP Concur Invoice
- SAP Central Invoice Management

SAP S/4HANA / SAP ERP / etc.

Further automation
- E-ordering in more countries
- Withholding adjustments for more countries
- Additional corrections (errors preview, add/remove rows)

Additional regulations*
- **E-invoices in 6+ countries**: Poland, Philippines, Japan, Romania, Slovakia, France
- **16+ reports across 8+** countries
- FI-CA/BRIM Localization

Extended Producer Responsibility

Plastic Packaging Tax

Extensibility to scale to further use-cases
- Cloud design time to expand extensibility to sources other than SAP S/4HANA

*Complete Roadmap: link. *This is the current state of planning and may be changed by SAP at any time without notice.*

Localization as a self-service for SAP S/4HANA Cloud

Accounting **Tax** **Payments** **Invoicing** **Reporting**

<div>Configuration Content</div>

Configuration Localization Tool[1] (SAP Central Business Configuration) – Create Customer Local Versions **Early Adoption**

Extensibility Integrated in SAP S/4HANA Cloud | Side-by-Side Extensibility

SAP S/4HANA Cloud ABAP Environment | **SAP Business Technology Platform[4]**

<div>Country/Region-specific Functions</div>

Key User Extensibility

- UI field layout, custom forms and templates
- Custom Business Objects
- Custom CDS views
- Custom business logic using Cloud BADIs

Developer Extensibility[1]

- Develop custom ABAP code
- Extensions of SAP S/4HANA Cloud solutions
- Partner extensions
- Directly on SAP S/4HANA stack

Side-by-Side Extensibility

Integration with SAP BTP services

- AI business services
- Data marts and analytics
- IoT and Big Data

Develop custom code

- Develop extensions and SaaS solutions in ABAP, Java, or Node.js

Localization Extensibility

- **Taxes:** Tax ID format validation | Calculating indirect taxes | Determining tax code automatically in purchase orders
- **Payments:** Create, copy and extend payment medium formats
- **Invoicing[3]:** Print billing document forms with custom field | Extending Electronic Outgoing invoices
- **Statutory Reporting[3]:** Creating a new Withholding Tax report using Document and Reporting Compliance | Creating new Cash Flow Report
- *Many more*

[1] Currently in early adoption phase for 3-system landscape installations
[2] Only available for 3-system landscape installations
[3] requires additional subscription of SAP Document and Reporting Compliance
[4] may require additional subscription

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