

S/4HANA Update & 2022 Release Highlights

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Agenda



S/4HANA

Where we are now – 8TH major release

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S/4HANA Maintenance & Release Strategy

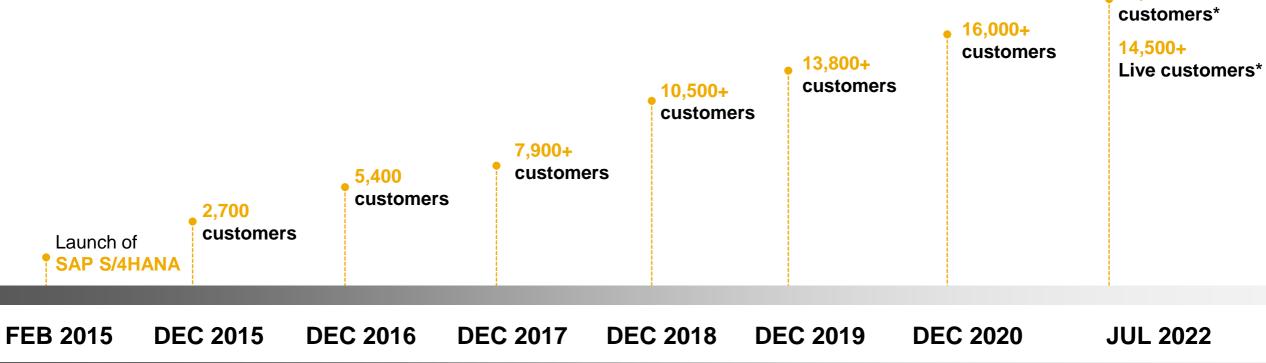
Extended maintenance offering & change in release strategy

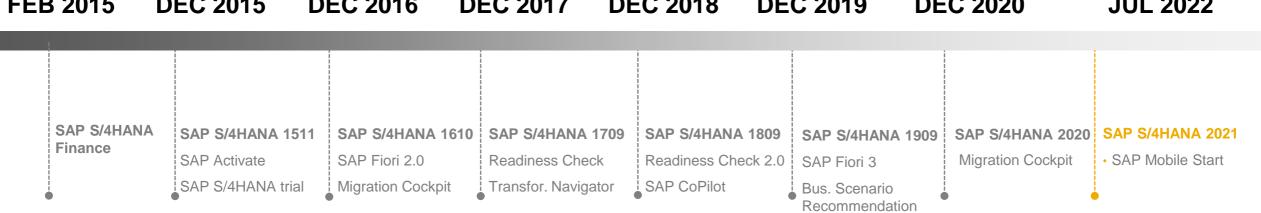
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S/4HANA 2022 Innovations

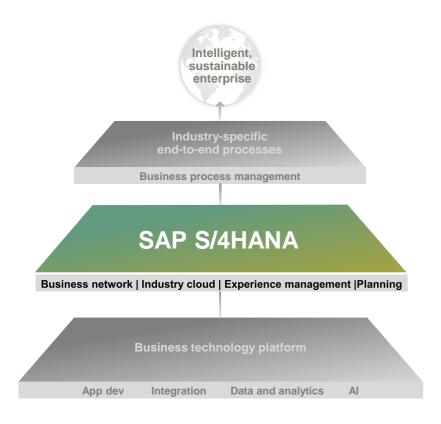
Innovation summary and highlights from 2022 release

SAP S/4HANA: Where We Are Now





20,000+



SAP S/4HANA is the **product family** of SAP's modern ERP Offerings, which are at the core of the intelligent, sustainable enterprise.

SAP S/4HANA is delivered in three distinct product flavors:

- SAP S/4HANA Cloud, public edition
- SAP S/4HANA Cloud, private edition
- SAP S/4HANA

The change in strategy described in the following slides only effects solutions in the SAP S/4HANA Cloud, private edition family and SAP S/4HANA (on-premise).

INTERNAL – SAP and Customer 5

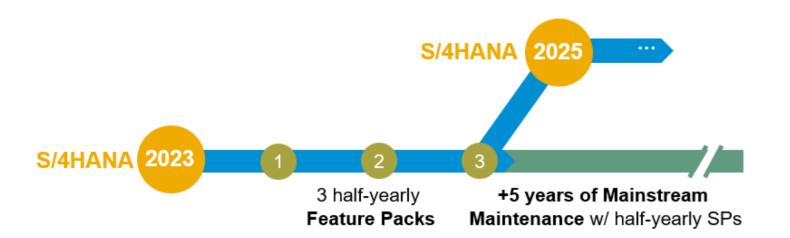
SAP S/4HANA Has Reached Its Next Stage



Since 2015 eight SAP S/4HANA releases have been delivered Next level of product maturity: SAP S/4HANA 2023

Delivering completeness on Compatibility Scope alternatives and concluding major overhauls.

Taking the next evolutionary step towards a release strategy, which better supports our customer base.





New Extended Maintenance Option for SAP

S/4HANA 1709, 1809, 1909 customers

 SAP S/4HANA 2023 release marks an important milestone for our customers with SAP S/4HANA Cloud, private edition, or on-premise:



Completeness on compatibility scope



Less disruptive feature delivery



Extended mainstream maintenance timeframe

- To migrate to the upcoming SAP S/4HANA 2023 release, RISE with SAP is the perfect solution.
- To make it more effective for customers to upgrade to the 2023 release, SAP offers:

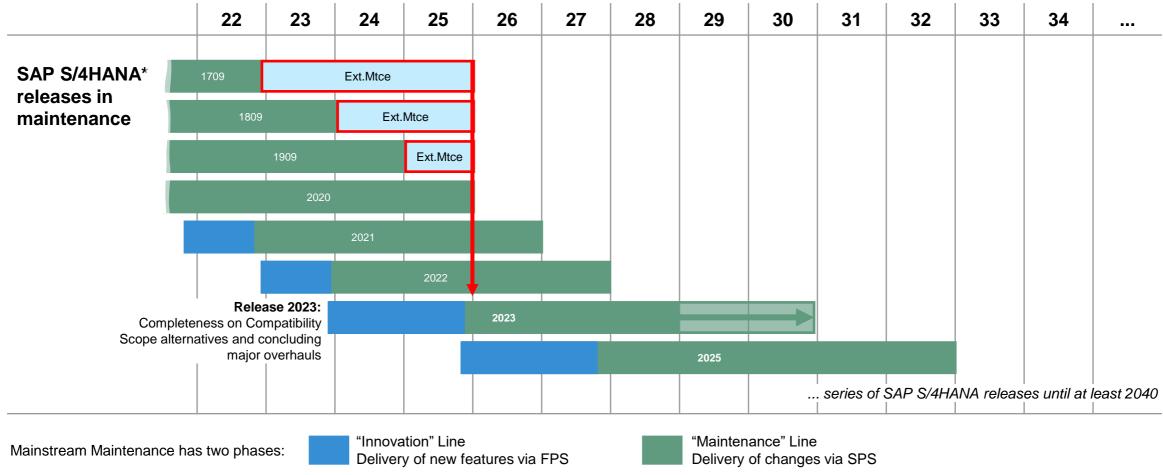


Extended maintenance option for customers on SAP S/4HANA 1709, 1809, or 1909

- Included in RISE and other SAP S/4HANA subscriptions
- 4% fee on core SAP S/4HANA for on-premise customers



Extended Maintenance for SAP S/4HANA 1709, 1809, and 1909 Releases



After the general availability of SAP S/4HANA 2022, Feature Package Stacks (FPS) and Support Package Stacks (SPS) contain stabilizations bundled with corrections and legal changes. Customers benefit from this functionality as part of their maintenance fee. The first SPS of a new release can contain selected features and is labeled Feature Package Stacks (FPS) accordingly. Support Package Stacks are compiled periodically and made available in the SAP Service Marketplace

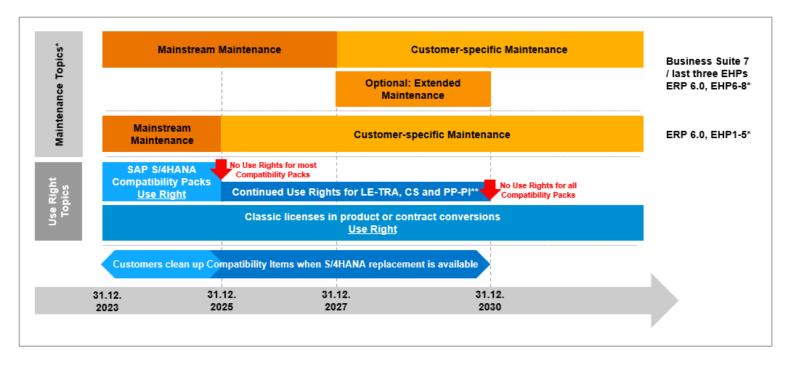
SAP S/4HANA



Compatibility Scope: What happens after 2025/2030

SAP customers were informed that the usage rights for Compatibility Scope will expire on December 31, 2025.

SAP will provide a selective and specific extension of Compatibility Scope usage rights to December 31, 2030 for Transportation (LE-TRA), Customer Service (CS), and selected Production Planning in Process Industry (PP–PI) items on an exceptional basis.

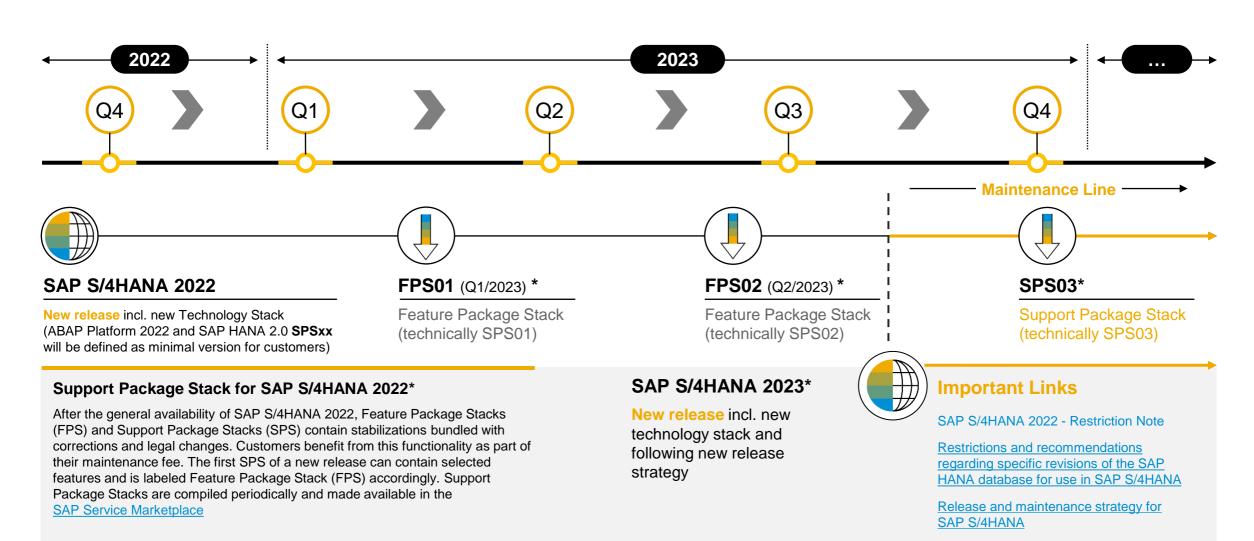




Detailed information about available alternative functionality can be found in SAP Note #2269324 Detailed information about insights on the next steps can be found in this blog post here

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SAP S/4HANA: Release strategy for 2022 / 2023 and definition of deliveries



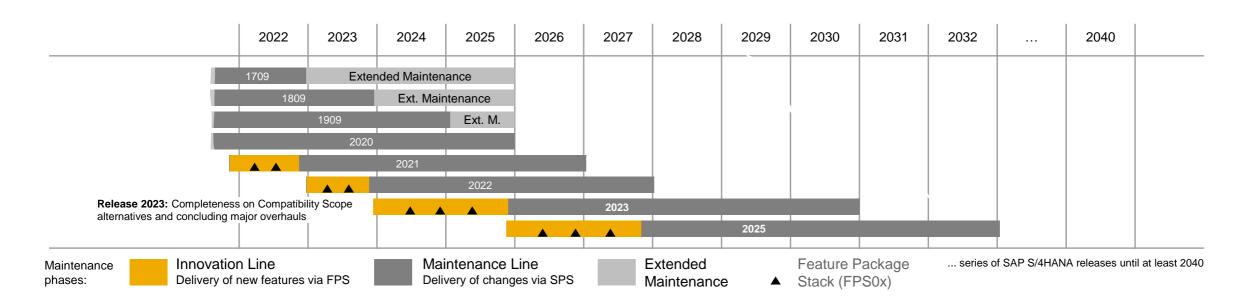
^{*} This is the current state of planning and may be changed by SAP at any time without notice.

SAP S/4HANA: Release Maintenance Strategy 2023

New SAP S/4HANA Release & Maintenance Strategy | SAP News

Executive Summary

- [1] SAP S/4HANA 2022 with RTC on October 12th, 2022, stays with the current Release Strategy 1+4 (1 year innovation line, 4 years standard maintenance line)
- [2] Starting with SAP S/4HANA 2023, the innovation line will be extended to 2 years with an additional maintenance line of 5 years (2+5)
- [3] For the 3 releases 1709, 1809, 1909 the extended Maintenance will end in 2025
- [4] During the innovations line, SAP will continue to deliver innovations in **3 Feature Package Stacks** (FPS) in 2 years
- [5] Release Naming convention: [YYYY] (e.g., 2022) for SAP S/4HANA and SAP S/4HANA Cloud, private edition, [YYMM] (e.g., 2208) for SAP S/4HANA Cloud, public edition
- [6] SAP will continue to support SAP S/4HANA until 2040
- => all customers can adopt SAP S/4HANA Innovations at their own pace (no customer has a disadvantage compared to the previous [1+4] strategy)

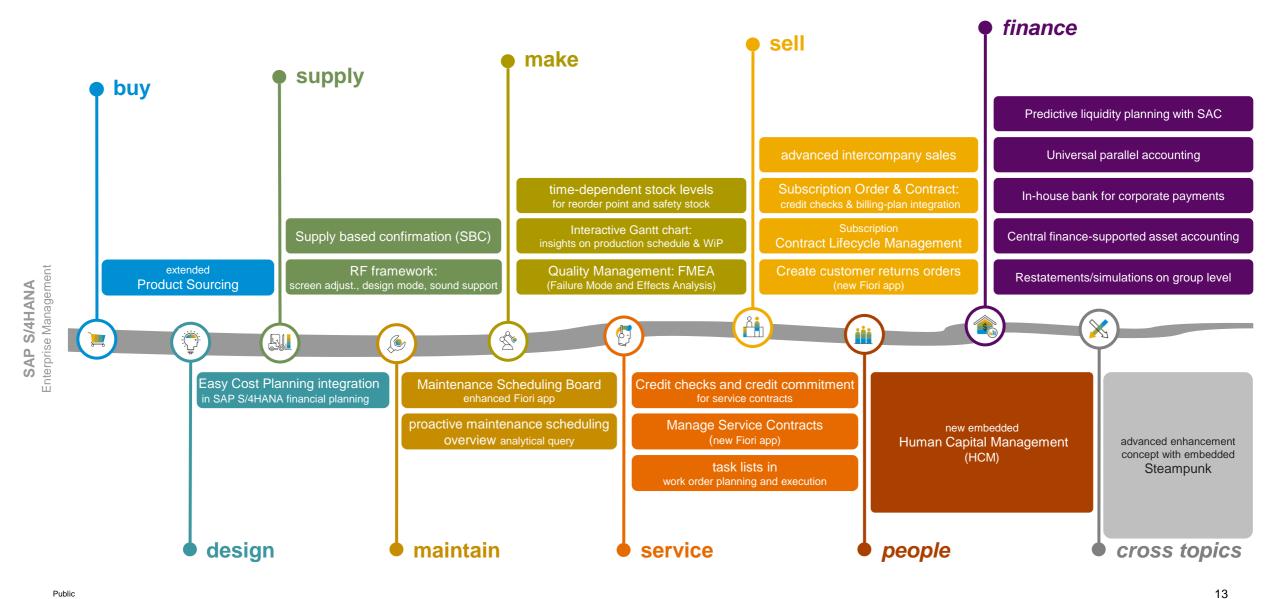


SAP S/4HANA 2022 and SAP S/4HANA Cloud, private edition



SAP S/4HANA Innovation Highlights 2022





What's new for SAP S/4HANA 2022 Line of Business Highlights from Sales, Finance & Asset Management



What's new for SAP S/4HANA 2022

Finance



SAP S/4HANA Finance: Delta Highlight



SAP Analytics Cloud (Planning)



SAP Cloud for Advanced Financial Closing



- Improved integration scenarios with SAP S/4HANA including content for fast time-to-value & applied prediction and AI, including
 - · Predictive liquidity forecast
 - · Financial planning content integration with sales planning
 - · Planning consolidation

- Task list including cross-system templates and mass changes
- Critical and longest path analysis
- · Monitoring communication
- Best practice content
- Orchestration of SAP Intelligent RPA bots for closing for further automation scenarios



Advanced Accounting & Financial Close



Billing and Revenue Innovation Management



Advanced Treasury and Working Capital

- Group reporting innovations include:
 - · Derivation of group financial dimensions in local accounting
 - Flexible restatements and simulations
 - · Consolidation by segment based on the consolidation unit
- Central Finance innovations include:
 - Central Asset Accounting
 - · Initial Data Load Retention (IDR)
 - Ensuring consistency with permanent checks
 - Improved error resolution and robotic process automation

Convergent Invoicing

· Subscription contract lifecycle management

Subscription Order Management

 Extensibility driving transparency and flexibility for services and subscription

- Inhouse banking as part of advanced payment management driving payment factory efficiency
- Advanced automation for Cash Application and intelligent lockbox processing
- Low-code configuration of credit management formulas and approval hierarchies

Accounting and Financial Close

Ledger based multiple accounting principles (UPA) increasing timely transparency in global value chains

- Organizational Flexibility support for profit center reorganization for enterprise portfolio and project management (EPPM) projects
- Review booklet approach for casual users' repetitive financial reporting needs
- · Event-based revenue recognition for maintenance-centric services

Cost Mgmt., Profitability & Margin Analysis

- Handle multiple accounting principles using ledgers in Management Accounting (Universal Parallel Accounting)
- Group ledger to provide a management view of intercompany transactions
- Review Booklet for Margin Analysis for Sales Accountants (currently in Beta Program)

International Trade & Tax

- Withholding tax review app improving the traceability of adjustments
- Automated withholding tax certificates via email
- Automated regression tester for statutory reporting
- Suppression of purchase doc output in integration scenario with SAP GTS compliance service
- Enterprise search for trade compliance documents based on key attributes

What's new for SAP S/4HANA 2022 Asset Management



SAP S/4HANA Asset Management: Maintenance Management

Maintenance Management

Asset Maintenance Demand Processing

Create and process any type of work request, from classical corrective toward condition-based, predictive, or prescriptive maintenance methodologies

Request maintenance work to be performed Use mobile devices or a desktop to describe the technical faults

Synchronize notification and order data with SAP Intelligent Asset Management (\$)

Maintenance Planning

Plan maintenance and find the ideal technician to use appropriate tools and resources and perform maintenance activities. Gain a full view of asset status, maintenance cost and breakdown causes

Reduce maintenance costs by efficiently using labor, material, equipment, and schedules

Classify maintenance plans to allow for better searching

Analyze and monitor maintenance costs

Classify operations into pre-, main-, and post-work

Maintenance Excecution

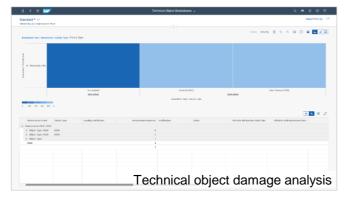
Perform planned or emergency maintenance

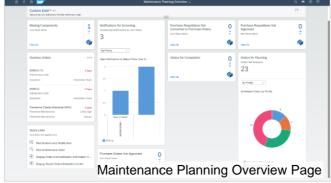
Access relevant information on any device

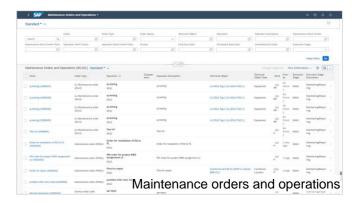
Employees can access, transfer, complete, and manage assigned work orders remotely

Enable real-time insights of asset performance for timely, relevant decisions

Review ongoing maintenance activities with the ability to reschedule multiple times a day







SAP S/4HANA Asset Management: Maintenance Scheduling

Maintenance Management

(\$)

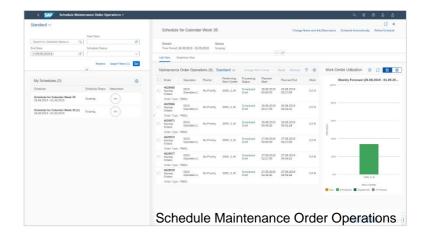
Resource Scheduling

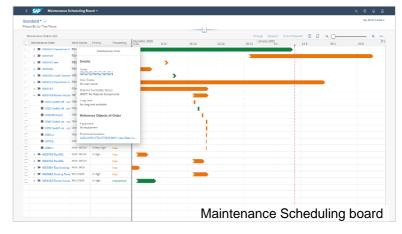
Optimize maintenance schedule with availability windows for maintenance, work center capacity, and maintenance plans.

Use SAP S/4HANA Asset Management for resource scheduling for embedded resource scheduling.

- Gain insight into your maintenance workload and available capacities for current and upcoming maintenance activities
- Identify critical planning situations early and take action to improve planning-relevant KPIs (\$)(*)
- Plan maintenance orders efficiently based on work center utilization to make sure that all maintenance jobs can be completed
- Adjust work center capacity quickly
- Assign statuses to schedules and optimize work center capacity.
- Visualize the maintenance orders in your work centers to gain transparency about what needs to be done when
- Set up, share, and monitor schedules
- · Provide feedback for a schedule and plan your own work accordingly

Optionally, **Multi-resource Management** can still be used.





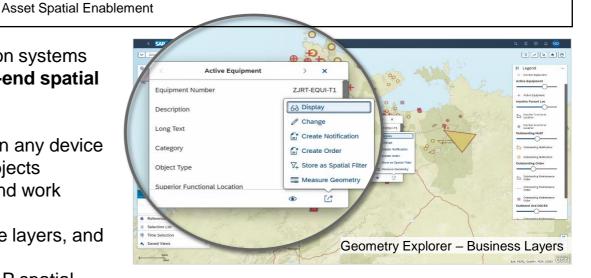
19

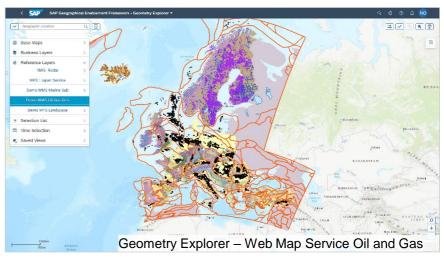
SAP S/4HANA Asset Management: Spatial Asset Management

Maintenance Management

Seamlessly integrate with geographical information systems (GIS) and business spatial data providing **end-to-end spatial workflows**

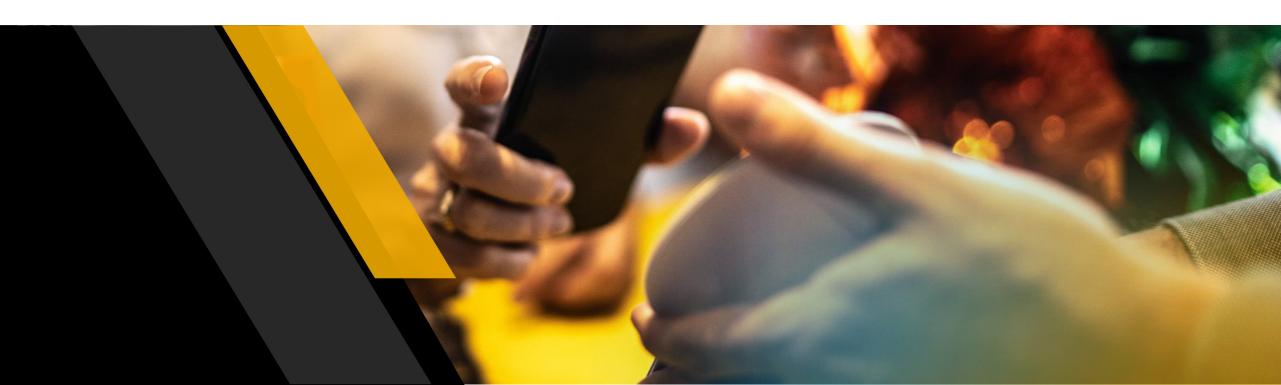
- Run SAP business transactions from a map on any device
- Create and manage geometry for business objects (equipment, functional location, notification, and work order)
- Support for multiple business layers, reference layers, and geometry types (points, lines, and polygons)
- Bi-directional and real-time visualization of SAP spatial data and external geographical information systems (GIS)
- Linear data modeling enhancement of technical object functions and classification system to support the definition of a linear asset – e.g., power lines, pipelines, roads, and rail tracks)
- Linear asset work management enhancement of work order processing to support linear work definition including notifications, measurement points and counters, measurement documents, work orders, confirmations, and maintenance plans to support linear information





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What's new for SAP S/4HANA 2022 Sales

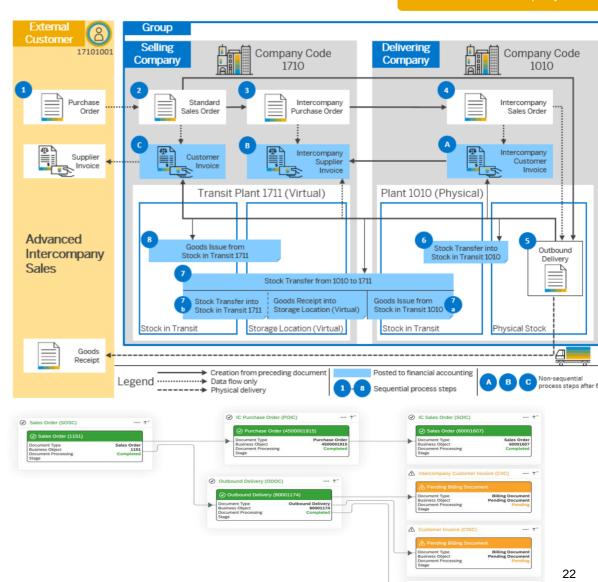


SAP S/4HANA Sales: Advanced Intercompany Sales



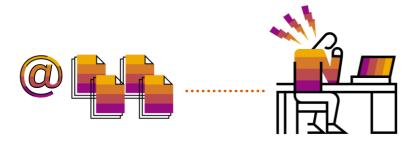
advanced intercompany sales

- **Highly automated end to end process** fully integrated with:
 - Available-to-Promise check (ATP)
 - Material Requirements Planning (MRP)
 - Product Compliance
 - Trade Compliance
 - Transportation Management
 - Support of IFRS 15 compliance for handling revenue recognition and Cost Of Goods Sold (COGS)
 - Product Costing
 - · Profitability reporting across legal entities
 - Group Reporting / Consolidation
- Change in the customer-facing sales order will automatically update all follow-up documents.
- Purchase Order in the Selling Company enables landed cost in product costing for the selling company
- End to end value chain and process monitor
 Ensures process transparency with the ability to monitor document postings and to detect issues



SAP S/4HANA Sales: Create Sales Order from PDF File Automatically





Receive customers' buying request via E-mail

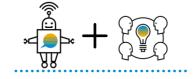
Process E-mail and Sales Order manually

Manual and error-prone sales order creation process

Business pain points:

- Sales offices receives customer's buying orders in PDF files as Email attachments.
- Sales representative monitors Email inbox regularly, "translates" order data into sales order data format and enters sales orders.
- High manual repetitive effort, error-prone process.







Receive customers' buying request via Email

RPA Bot** & Machine Learning**

Verify Order Request & Confirm Order entry

Automated sales order creation process

SAP S/4HANA Capabilities and Business Benefits:

- SAP RPA bot (1) regularly checks the dedicated Email inbox and uploads unread PDF (customer order) automatically into SAP S/4HANA.
- SAP machine learning Document Information Extraction service (1) extracts the sales order relevant data for SAP S/4HANA.
- Within SAP S/4HANA a sales order request is automatically created.
- In case of incompletion or incorrect data SAP S/4HANA provides guided procedure for correction. Side-by-side view of uploaded document ²⁰²²
- Sales rep. can verify order data, simulate order creation and confirm order creation.
- Improved sales productivity with process automation.

SAP S/4HANA and SAP S/4HANA Cloud, private edition Where to go for more information



SAP S/4HANA, Private Cloud Edition 2022 Release Highlights On-Demand Webinar Series

Webcasts

Select one or more of the following webcasts and complete registration. Click any webcast listing to view its details.

- Select All
- SAP S/4HANA, private cloud edition 2022 Release Highlights,
 Part 1: Overview
 Available On Demand
- SAP S/4HANA, private cloud edition 2022 Release Highlights, Part 2: Logistics Update (Procurement, Supply Chain, Manufacturing)

Available On Demand

- SAP S/4HANA, private cloud edition 2022 Release Highlights, Part 3: Financials
 - Available On Demand
- SAP S/4HANA, private cloud edition 2022 Release Highlights, Part 4: Sales, R&D, Asset Management, Service Available On Demand
- SAP S/4HANA, private cloud edition 2022 Release Highlights, Part 5: HCM and Cross Topics incl. Steampunk Available On Demand

Overview

Title: SAP S/4HANA, private cloud edition 2022 Release Highlights, Part 1: Overview

Duration: 52 minutes

Available On Demand

Summary

Areas Covered:



Speakers



Stefan GerberSolution Management SAP S/4HANA
SAP

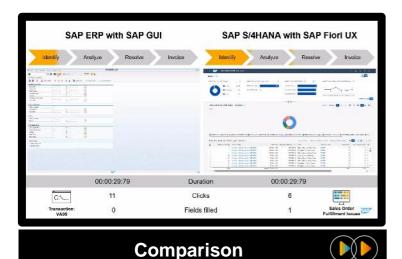


Ulrike RaidlVice President SAP S/4HANA Solution Management SAP

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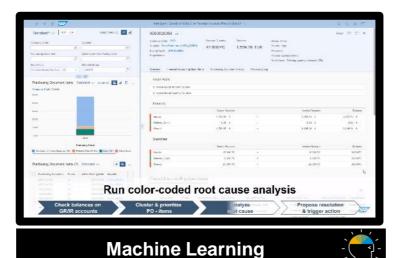
SAP S/4HANA Demo Videos



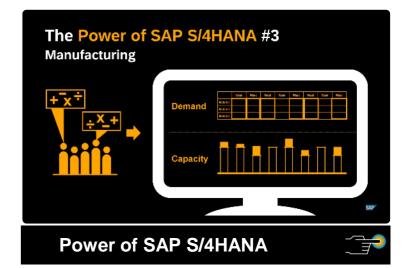
- E2E Procurement
- Inventory Management
- Produce with Real-time MRP Insights
- SAP S/4HANA Sales Order fulfillment
- Financial Analysis

Blog

Series



- <u>Intelligent ERP Monitor Materials without</u> Purchase Contracts
- Intelligent ERP SAP S/4HANA Predict Arrival of Stock in Transit
- Intelligent ERP SAP S/4HANA Invoice and Goods Receipt Reconciliation



- Display Journal Entries in T-Account View
- Resolve Sales Order fulfillment Issues / Blog
- Predictive Material and Resource Planning / Blog
- Ensure Product Marketability / Blog
- Integration with SAP C/4HANA Field Service
 Management / Blog
- Analyze Actual Maintenance Costs / Blog
- Optimize Corporate Purchasing with Machine Learning / Blog

Blog Series

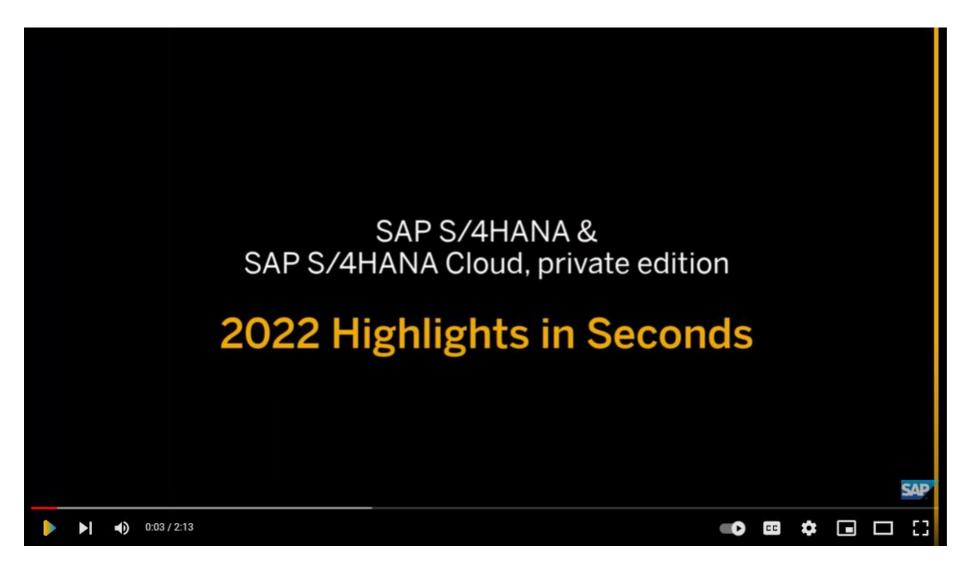






SAP S/4HANA 2022 Delta Highlights

SAP S/4HANA & SAP S/4HANA Cloud, private edition: 2022 Highlights in Seconds - YouTube



Blog **Series**



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Official SAP Road Maps webpage: sap.com/roadmaps

To view all SAP Road Map documents, visit www.sap.com/products/roadmaps/finder-all.html

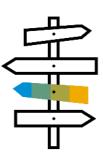
SAP ROAD MAPS describe recent and upcoming highlights in SAP's portfolio to help you plan and implement your IT landscape.



INTERACTIVE ROAD MAPS PLATFORM

SAP INTERACTIVE ROAD MAPS connect thought leadership with solution capabilities, business value, and innovations. This digital platform is the future of Road Maps, with more content being added regularly.

https://roadmaps.sap.com



CUSTOM ROADMAPPING TOOL

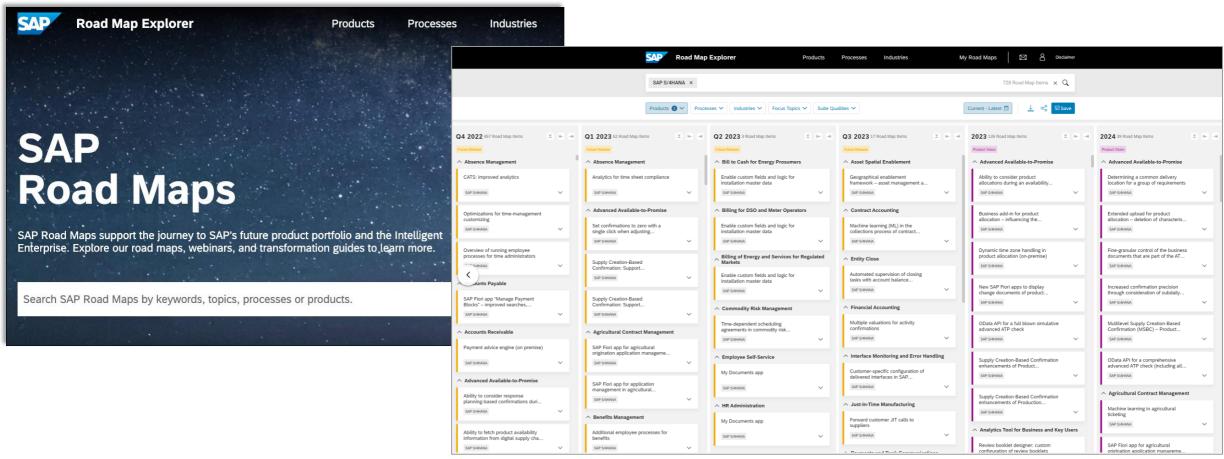
SAP TRANSFORMATION NAVIGATOR brings together industry trends with the customer's business and IT priorities to create a custom road map to SAP S/4HANA.

https://support.sap.com/stn

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SAP Roadmap Explorer

VIEW CURRENT INFORMATION IN ROAD MAP EXPLORER



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Thank you.

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