

SAP's Cloud Strategy for the Mining and Metals Industry

Prepare for the places the cloud will take your business

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Public



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Complexity built up over decades limits the ability to innovate; radical simplification is needed to unlock the potential.



40% executives **worry that their organizations will not keep pace** with technology change and lose their competitive edge.



– McKinsey study, 2013

The World interacts **differently**

...all powered by the **CLOUD**



Mobility



Apps



Social and
Business Networks



Big Data

CLOUD is adopted for new reasons....

95%

Believe cloud computing will transform their organization and/or industry

53%

See cloud computing as a driver for innovation and differentiation

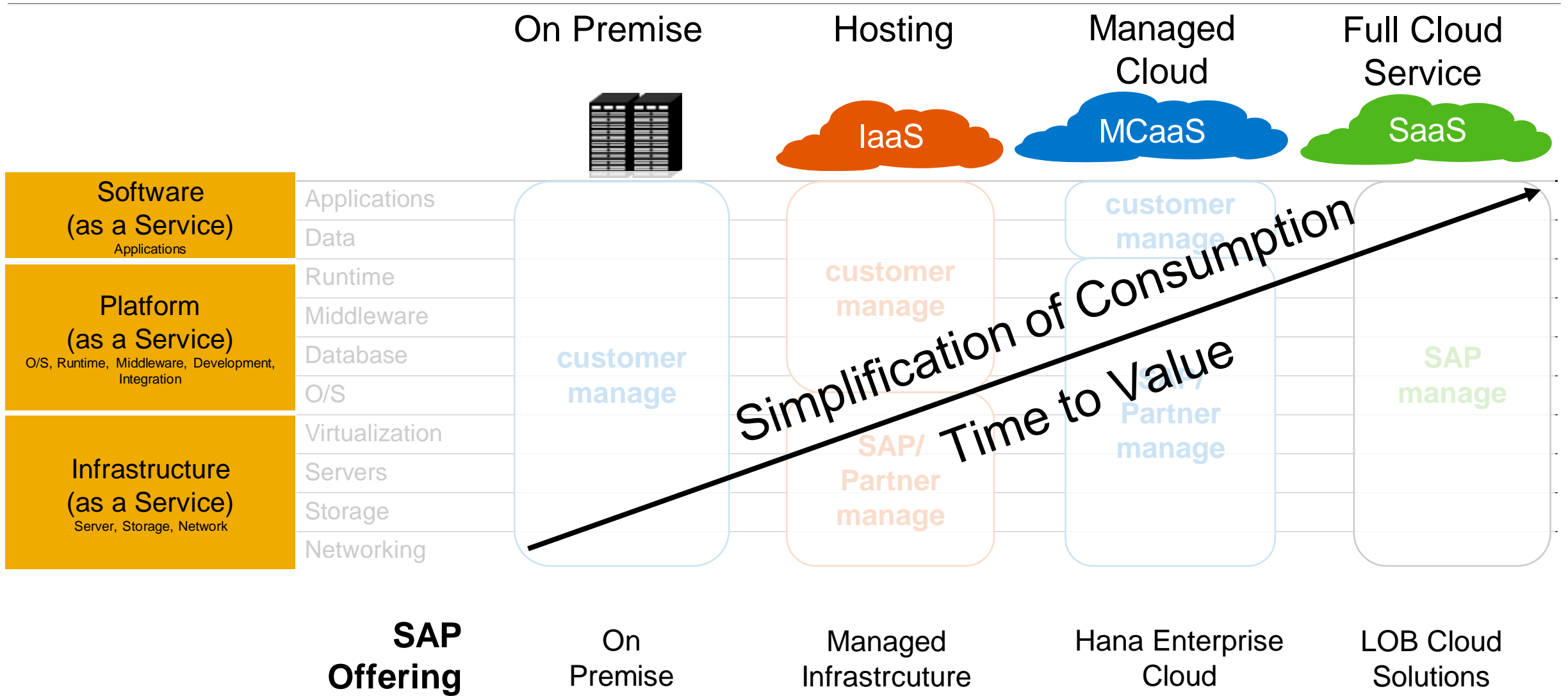
“The primary driver for cloud adoption will shift from economics to **innovation** as leading-edge companies invest in cloud services as the foundation for **new competitive offerings.**”



Source: SAP Performance Benchmarking

How do we achieve simplification of consumption?

Comparison of Deployment models



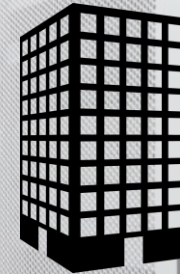
The right mix



Cloud



Managed



On prem



Interoperability

SAP's differentiation against competition

Differentiation

Approach



Pure cloud vendor

High



Support of hybrid landscapes

- SAP ONE Support
- 100s of functionally rich SAP to SAP and non-SAP prepackaged integrations
- Reliable upgrades – cloud and on-premise

- No Support

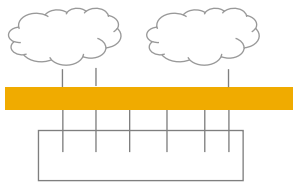


iFlows (Prepackaged integrations)

- **Cloud to On-Premise**
- **Cloud to Cloud**

- Leader in Integration Technology per analysts
- 10K+ customers using SAP on-premise integration technology

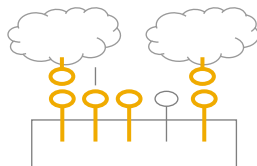
- Integration is 100% custom implementation
- High cost to maintain and support during upgrades



Integration Technology
(HANA Cloud Integration, NW PI)

- No technology; complete reliance on 3rd party integration platforms
- No mention of integration platform in Gartner MQ, Forrester Waves etc.

Low



Open APIs

- WS, OData APIs
- WS, REST APIs

Cloud in Manufacturing Industries



In ARC's view, manufacturers should consider moving their engineering, operations, systems, business processes, and other functions NOT connected to the plant's mission-critical control systems and equipment to the cloud. In fact, moving data to the cloud can often improve security since, as specialists, cloud providers are more knowledgeable about new technologies and can offer the latest solutions. Furthermore, manufacturers do not need to upgrade to new technologies because cloud providers handle these upgrades.



Source: Ganapathiraman, ARC Advisory Group

Security remains THE topic in cloud computing



Data security

Data privacy

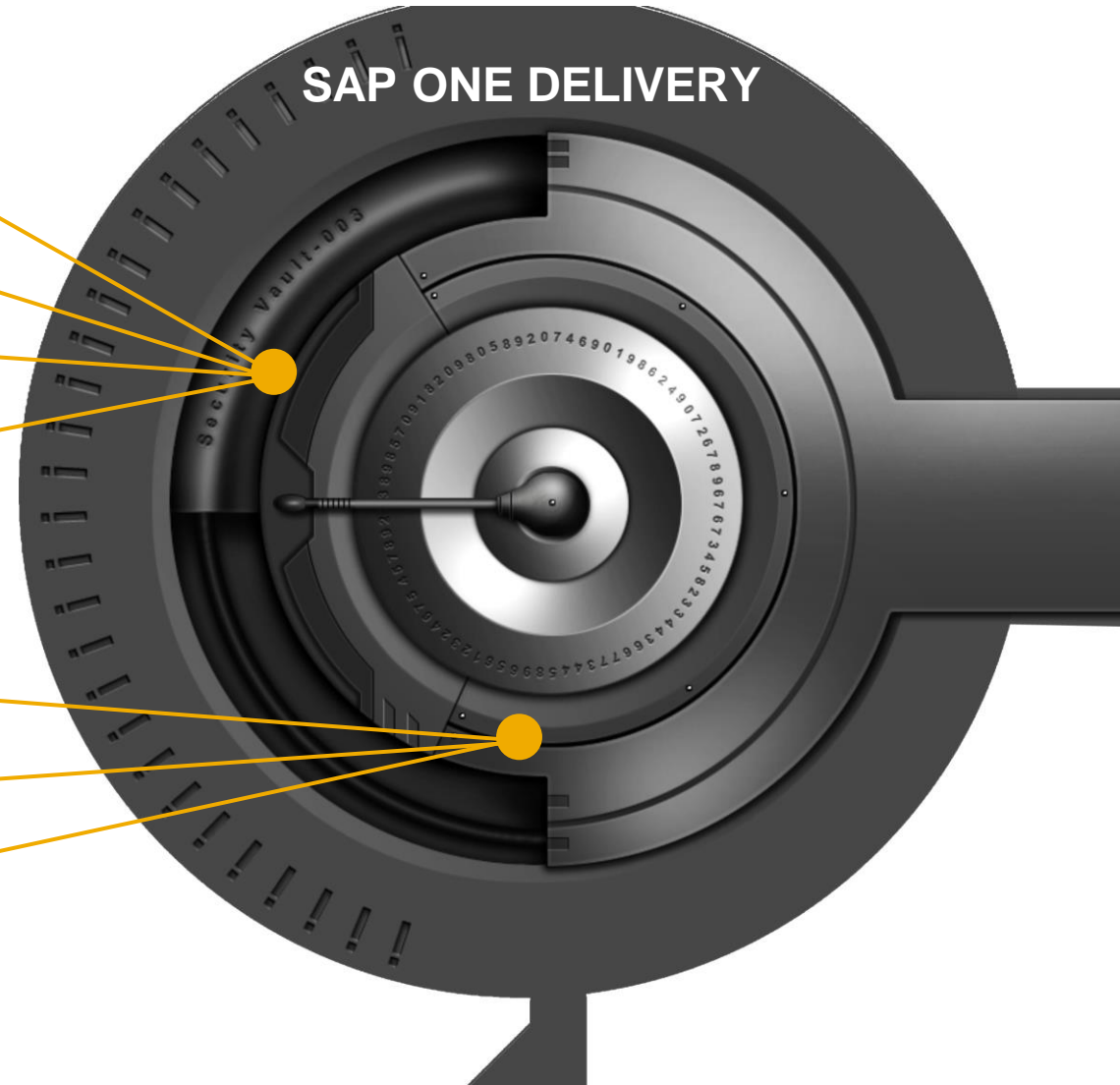
Interoperability

Business continuity

SAP LOB Cloud

SAP Managed Cloud

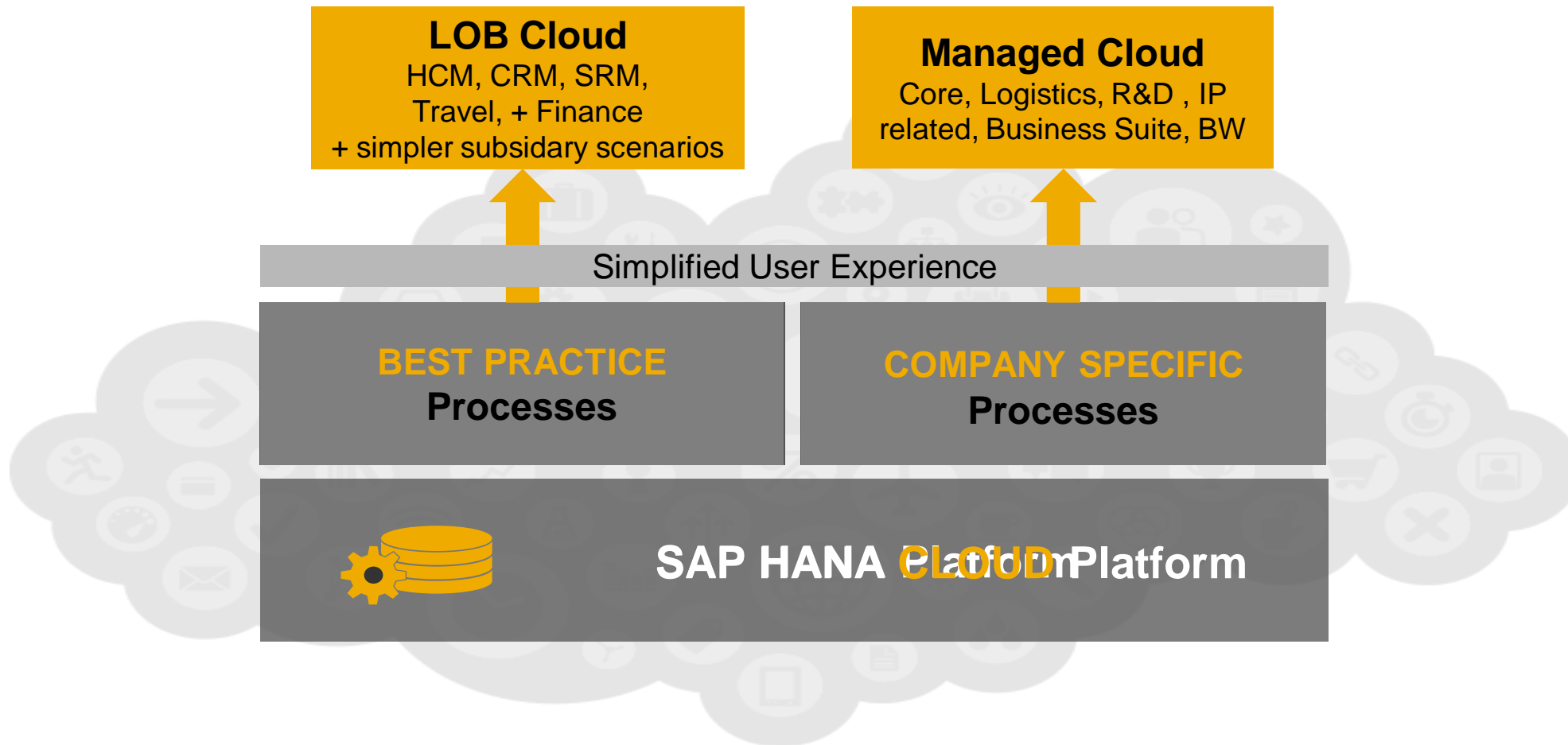
SAP runs SAP





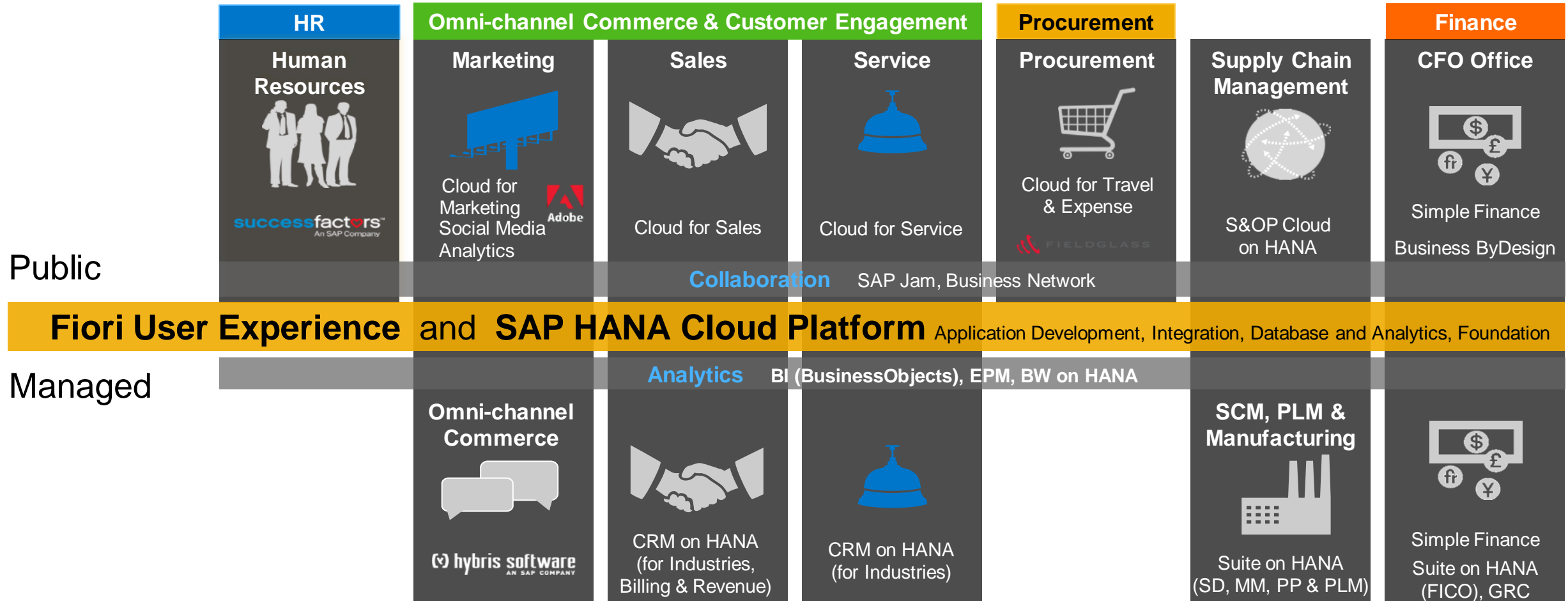
SAP cloud portfolio

Simplify consumption with SAP Cloud powered by HANA



SAP Cloud Portfolio

Innovation and Agility – delivered in a unified approach



Cross-Cloud Example: Total Workforce Management

Visionary DEMO



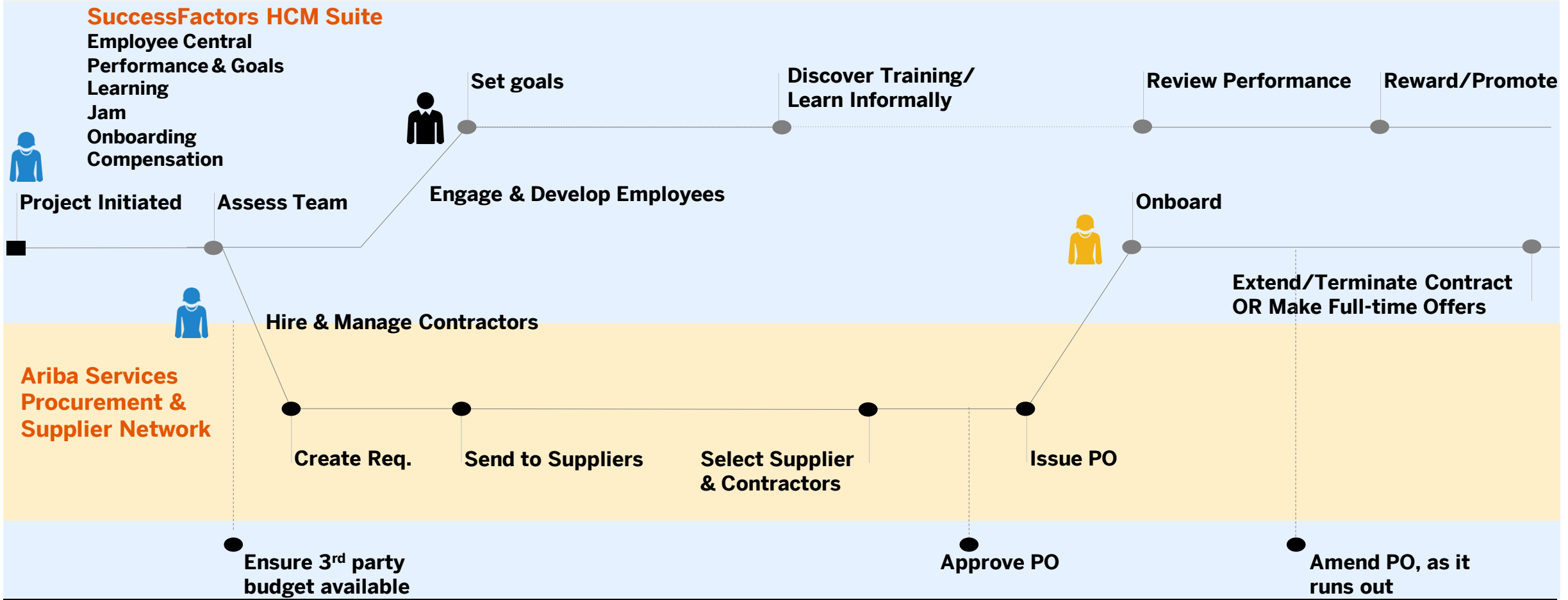
Carla Grant
Manager



Tim McAfeed
Employee



Rachel Adams
Contractor



Selected Industry Quotes



“We could see immediate benefits and saw tremendous value to the business in using SuccessFactors as a strategic HR management platform. SuccessFactors has been like a breath of fresh air.”

Sergio Garcia, IT-HR Projects Manager, CELSA Group



“We realized SuccessFactors would take us well beyond the capabilities we had in our in-house solutions,” says Mark Dolfyn, HR Development Director, Umicore. “When we implemented SuccessFactors, we integrated all our HR processes into one highly intuitive user interface.”



“Using Ariba Spend Visibility, Boliden was able to apply a baseline for performance improvement across all of our procurement sites. With this greater visibility and a user-friendly approach, we are able to identify the cross-site and cross-business unit leverage that that will lead to reduced spend and greater efficiency.”

Simon Miller, Sourcing Project Manager, Boliden Group



“We selected Fieldglass for its superior Software-as-a-Service platform to assist us with services procurement on a global basis. Throughout our selection process, we kept two key objectives in mind - improving contractor compliance with Rio Tinto’s Health, Safety & Environment standards and streamlining our global approach to services procurement.”

- Ramsay Chu, Global Head of Procurement, Rio Tinto

Customer seeks Outcome not Products

Influence buying behavior

Deliver a 360 view of the customer

Improve overall engagement

Run simple and on OPEX

Increase operational efficiency

Enable employees to develop themselves

Align people with goals and objectives

Increase customer satisfaction

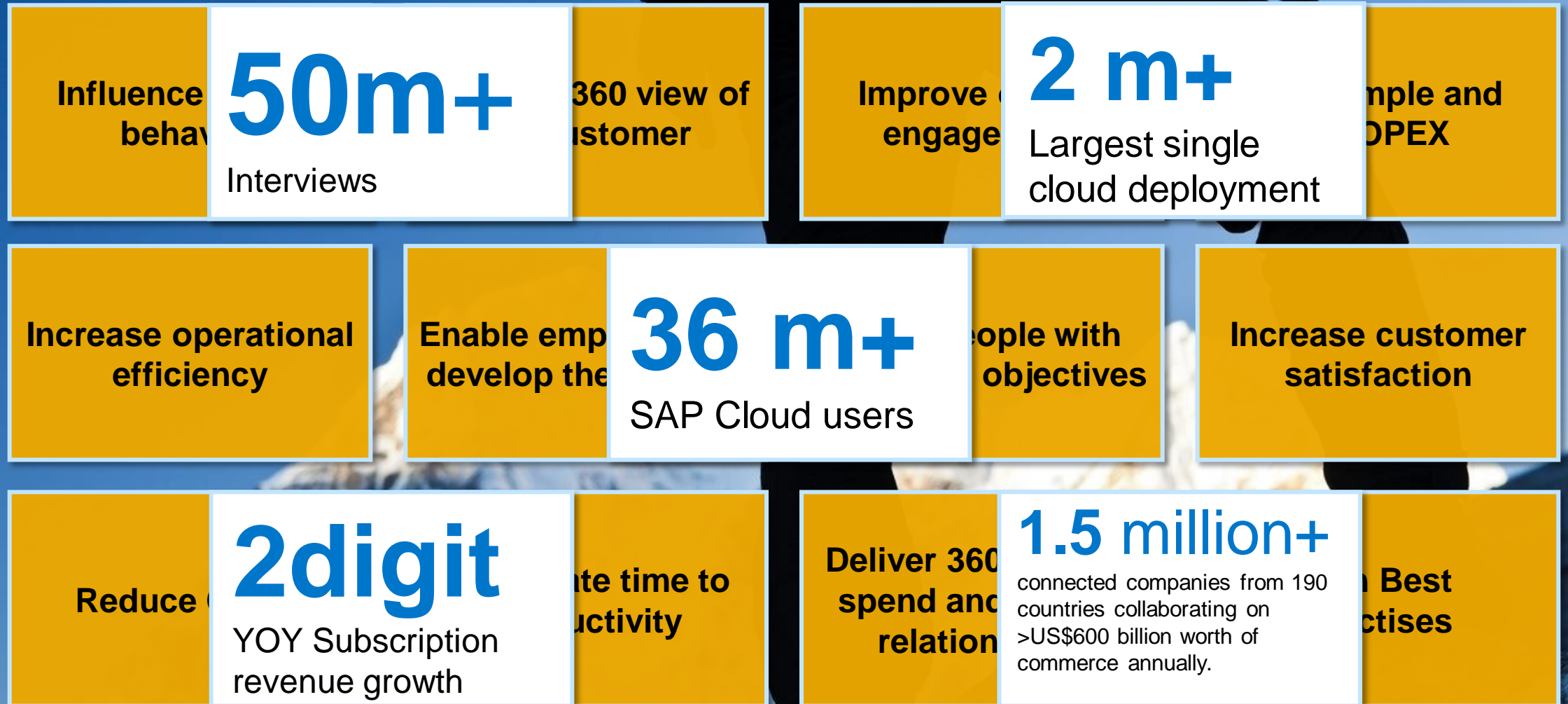
Reduce COGS

Accelerate time to productivity

Deliver 360° view of spend and vendor relationships

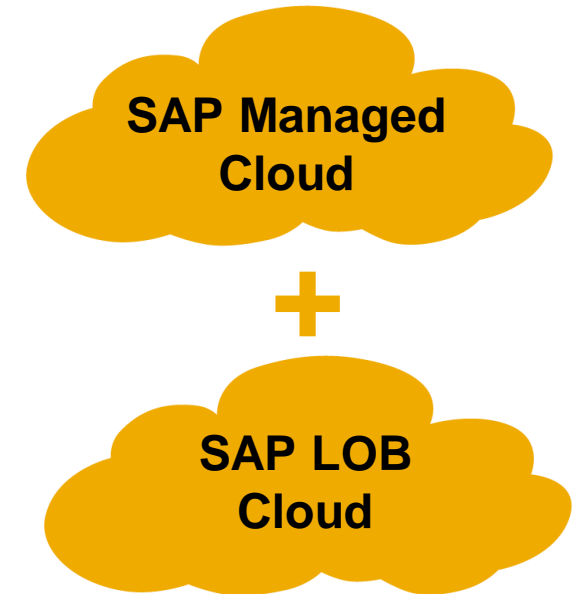
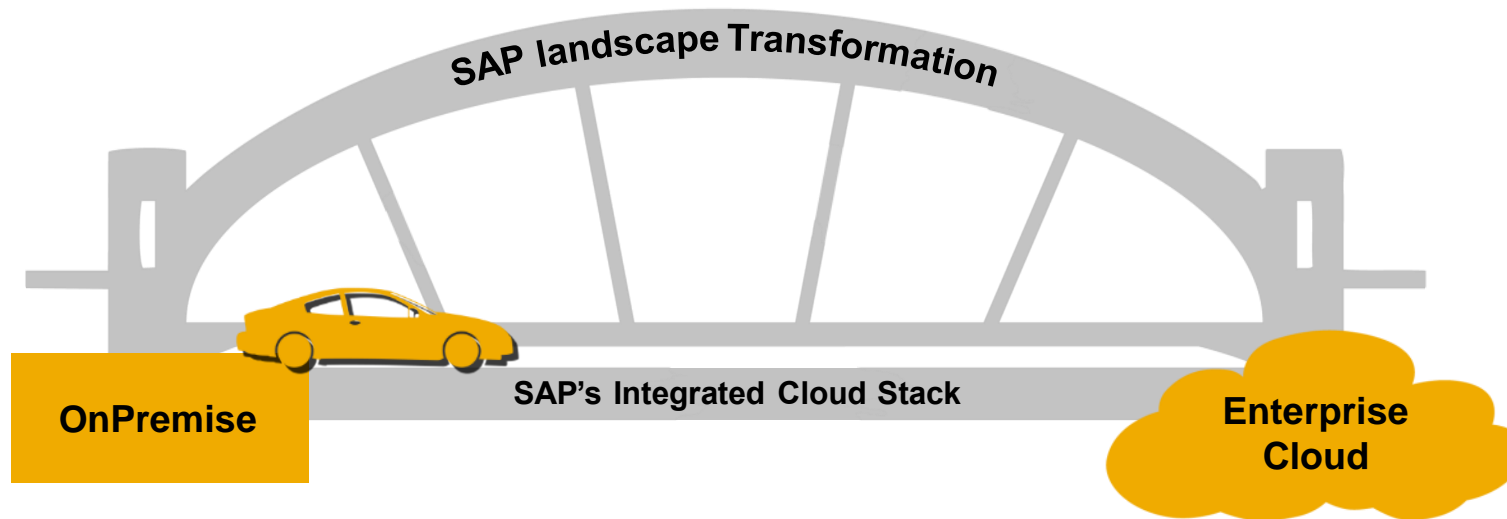
Run Best Practises

Customer seeks Outcome not Products



SAP offers the Bridge to the 1st class Enterprise Cloud

- ▶ Easier Transition
- ▶ End-to-End Support
- ▶ Integrated
- ▶ NON-Disruptive
- ▶ Lowest Risk
- ▶ Simplified Consumption
- ▶ Faster Innovation
- ▶ Enterprise Scale






Complement and **extend existing** on-premise **investments** with cloud solutions and **transform**



Thank you

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