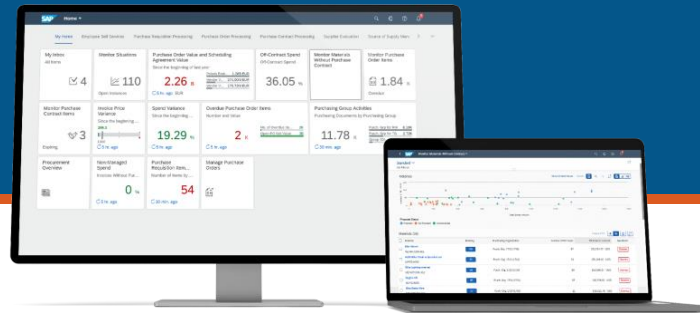
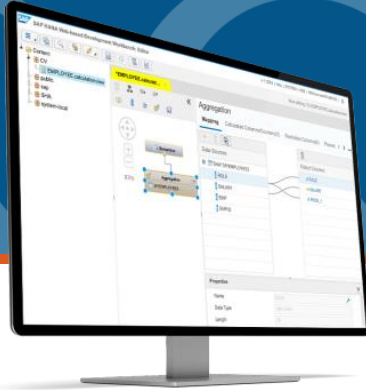


M&G Group: Road to SAP RISE

VNSG Focus Online Presentation
10 November 2021



Innovative partner in flue gas & ventilation solutions



M&G Group®

Agenda

1. Introduction M&G Group
2. SAP Transformation Program background
3. Road to S/4HANA decisions
4. Migration to SAP RISE: S/4 HANA Private Cloud Edition
5. Lessons learned
6. Q&A

M&G group

INTRODUCTION

M&G group: Global leader in flue gas extraction

Innovative partner in flue gas & ventilation solutions

M&G Group products are sold in

>30
COUNTRIES

5
CONTINENTS



Branches in the Netherlands, Belgium, France, Germany, United Kingdom, Italy and Turkey



>600 EMPLOYEES



5 PRODUCTION SITES



>10,000 PRODUCTS AND SOLUTIONS

Head office in Assen



R&D and test facilities in Groningen



NEW SITE TO BE OPENED JANUARY 2023



M&G Group®

M&G Group flue venting & ventilation solutions

Insulated roof terminal



Insulated ventilation extension



Concentric flue system



Wall terminal



Roof terminal for fireplace



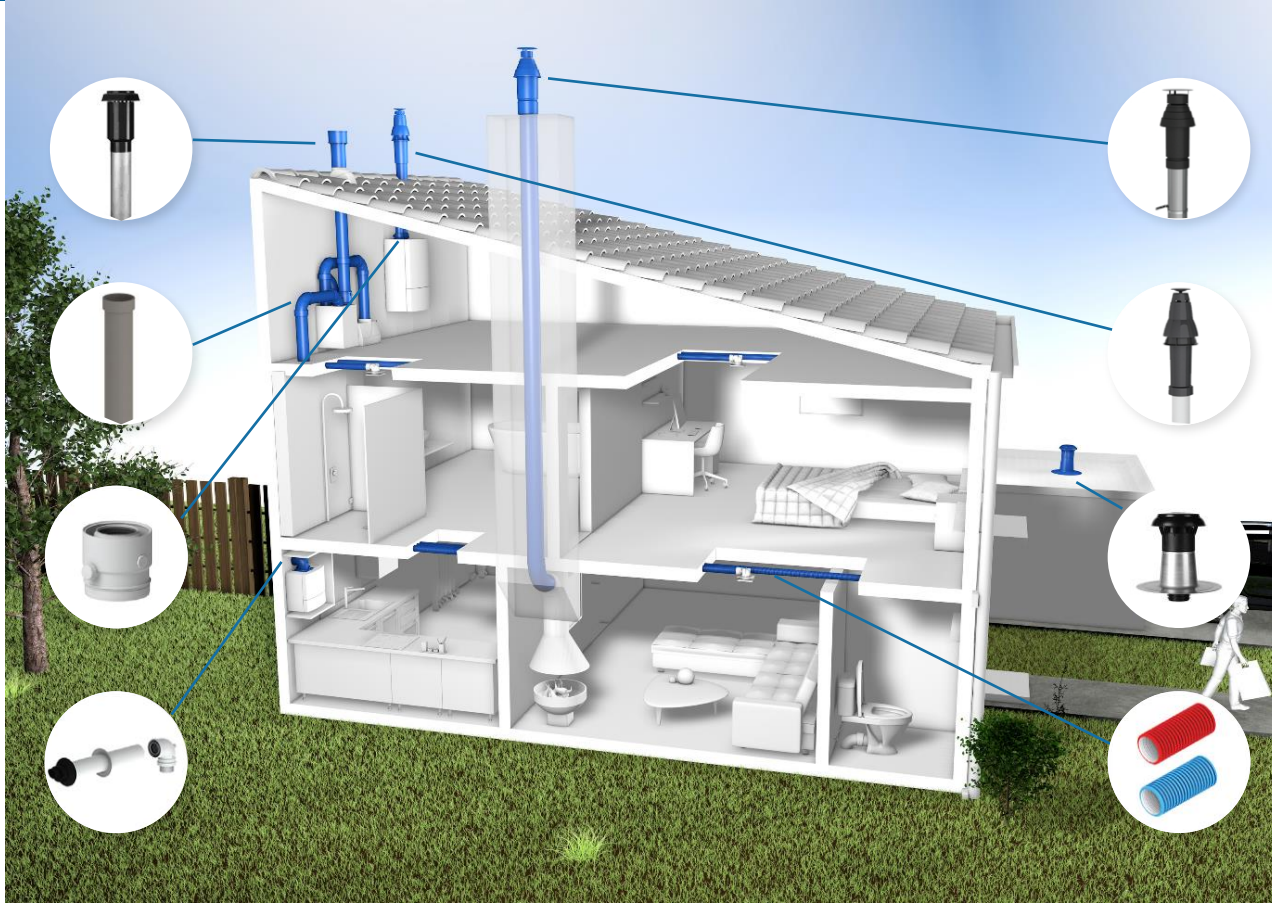
Skyline roof terminal



Flat roof air terminal



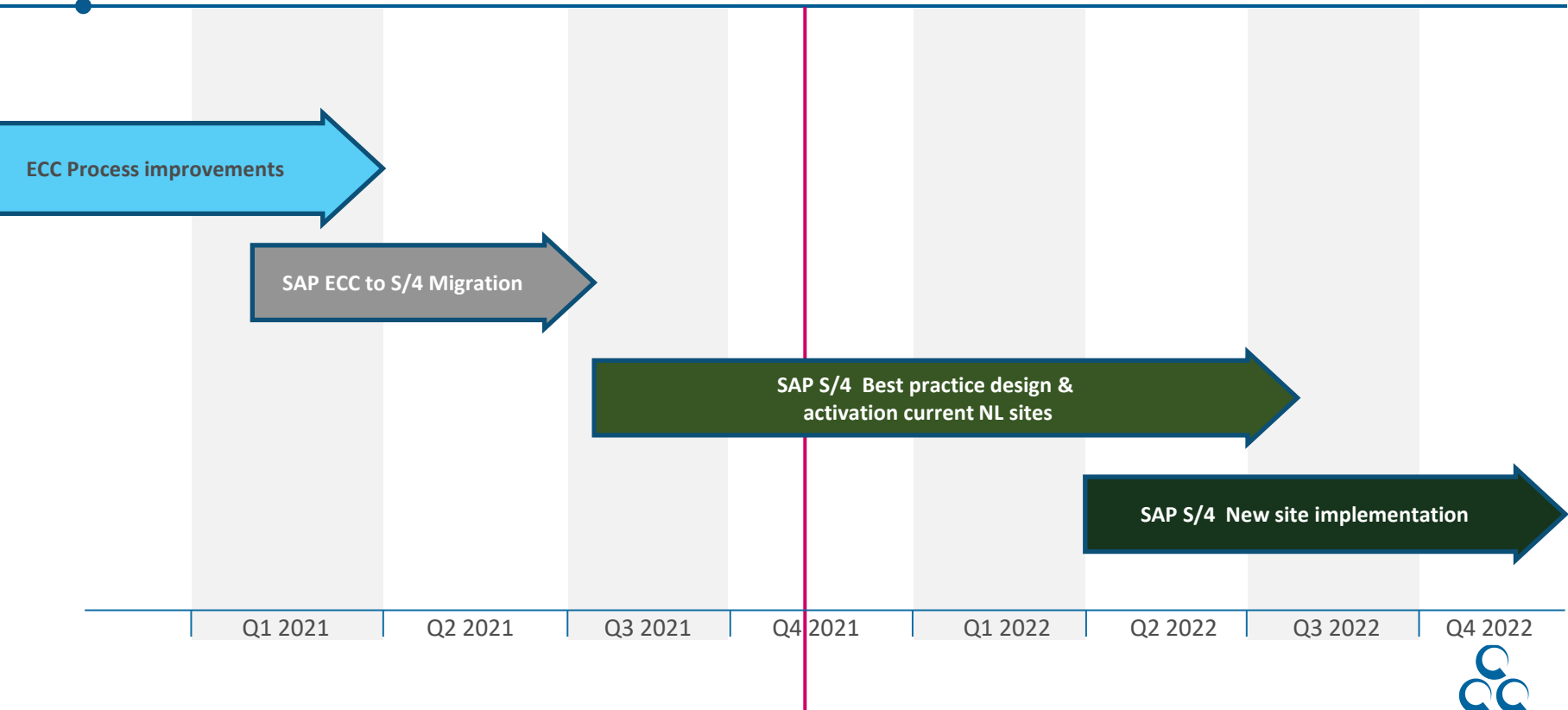
Flexible ventilation duct and grilles



Road to S/4

PROGRAM BACKGROUND

M&G Road to SAP S/4 in 2021/2022



Road to S/4

MAIN DECISIONS

Which S/4HANA deployment option to choose?



as a Service

SAP S/4HANA Cloud













as a Product

SAP S/4HANA AnyPremise













	S/4HANA Cloud Essentials (ES)	S/4HANA Cloud Extended (EX)	S/4HANA Any Premise (AP)
Implementation	Greenfield with data migration	Greenfield with data and configuration migration	Greenfield or conversion of existing implementations
Functional Scope	Business configuration of standardized core ERP and select LOB processes	Full functional S/4HANA scope of core ERP and extended LOB and industry processes	Full functional S/4HANA scope of core ERP and extended LOB and industry processes
Industries Supported	In-depth support for professional services and component manufacturing; more industries on road map	All industries supported	All industries supported
Extensibility	S/4HANA Extensibility Framework and extensions via SCP, using whitelisted APIs	S/4HANA Extensibility Framework and extensions via SCP, with full extensibility option	Customization, modification, and extensibility possible
Innovation Cycle	Quarterly	2 upgrades a year, one mandatory within 12 month window of release	Annual; speed of adoption on customers' schedule
Deployment Benefits	Multi-tenant environment, Lowest TCO and fastest time to value	Single-tenant environment Low TCO and fast time to value	Customer controlled deployment and implementation efforts
Licensing	Subscription licensing	Subscription licensing	Perpetual licensing
Infrastructure	Shared public cloud	Dedicated system landscape on cloud infrastructure	Runs on customer preferred infrastructure

Cloud Extended and Any Prem comparison

Main Criteria		Cloud extended version (EX)	Any Prem version (AP)
Functional Fit	Functional scope Custom developments Customisation coverage Future proof Digital assesment (SAP Brand Guardian) input		
Total Cost of Ownership	Implementation costs: Roadmap estimate Run costs: License/subscription Hosting Maintenance costs (Func. Appl. Maint.)		
Org. change management implications	Impact on people/behavior Impact on business process		
Implementation & support consequences	Approach (fit to standard/must or can do) Implementation options (green/brownfield, etc.) Enhancement and integration strategy Support (functional)		
System consequences	Hosting Server Upgrade frequency Test cycles Continuity/Security/Connectivity/Service levels		

Migration compared to greenfield

M&G considerations	Greenfield	Migration
Time pressure New Site		
Cost		
Fiori apps as a driver for change		
Updated platform / ready for the future		
Impact on organization		



Migration approach & lessons learned

SAP RISE

Criteria(*) for choosing between SAP RISE (Private Cloud Edition) and Any Prem (**)

SLA

Considerations	S/4HANA PCE	S/4HANA Any Premise
System flexibility	More rigid up and down scaling 256, 512, 1M etc. M&G will need 512Gb additional 52k/year	Scaling in smaller steps
System architecture	3 dedicated environments, so easier updates. PRD eq QAS. Copy PRD -> QAS @nocost, on demand. System sizing roomy.	QAS smaller than PRD
Disaster recovery	RPO: < 30 min, RTO: < 12 hrs (future plan to reduce to 4 hrs) near real-time, asynchrone replicatie, same method as on prem	A: RPO: 0 (private) ; 15 min (public) RTO: < 4 hours B: RPO: 0 min (s 15min max, RTO 1 uur (Gold-+)
System availability	PRD: 99.7% (actual 99.97% according SAP) NON-PRD: 95.0%	A: PRD: 99.9% NON-PRD: 99.7% B: PRD 99.8%, non PRD-Niet gangbaar
Performance guarantees	No contractual guarantees. System sizing roomy 500GB, needed 350GB. Additional Appl/Server when required @nocost	B: conditions: 95% binnen 2sec onder infra conditions Max CPU Util: <65% Max Paging/hrs < 20% van RAM Free capa file system DB >15%, Free capa DB >10% Util. datacom capacity < 60%
Service automation	SAP-hosting as a service. Benefit of growing nr of clients higher service automation levels	Hosting partner professionalism is important. Less automation

Support

Considerations	S/4HANA PCE	S/4HANA Any Premise
Technical & Functional advice	By SAP. Direct contact on technical as functional advice. One stop shop. More SAP-minded advice	By partner. So more independent from SAP-products. Contract with another partner then hosting
Performance monitoring	By SAP so close to source (knowledge wise). Embedded monitoring tools	Dependent on partner expertise and tooling. Less insights
Technical support (OSS)	Close to SAP. Ticket system access by SAP	Via partner
Supplier Relationship	Governance model structured in different local and international roles: SAP NL mgt relationship, ECS client delivery mgr, ECS Technical Service mgr., ECS Project lead	Contact intimacy with simple governance, expected better approachable

Contracting

Considerations	S/4HANA PCE	S/4HANA Any Premise
License model structure	Subscription model op basis van Full Use Equivalent (FUE). SAP indicates S4-FUE. One contract with SAP	Conversion of existing contract, New S/4HANA BoM with swapping of main part of existing license. One off fee plus 22% yearly, 2 contracts: SAP & Hosting
License model flexibility	Contract voor 3 of 5 jaar. Opschalen altijd mogelijk, afschalen mogelijk tot 10% van FUE over totale contract termijn	Aangeschafte licenties blijven aan jaarlijkse maintenancevergoeding onderhevig. Opschaling mogelijk, afschalen niet mogelijk
Cost	xxx per year, 5 year: xxx Euro. (based on 25% discount). Cost ramp up for year 1. Less FUE for 2023 onwards	xxxx Euro per year, 5 years: xxxx Euro Based on nonconfirmed 50% discount
ERP functional scope & extensibility	Full functionality and extensibility Additional @nocost: Ariba connection tools, ProcsIntelligence, S learninghub	Full functionality and extensibility

Migration

Considerations	S/4HANA PCE	S/4HANA Any Premise
Proven concept	Tooling in place 14 years, ECC to S/4 with system move 4 years	Tooling in place 14 years, ECC to S/4 4 years
Migration experience	Same as any prem, except of system move option & SAP Azure cloud access	Done 15+ time
Migration complexity	Temporary LIPG and export to Azure necessary (1 go live)	First ECC PRD move to Hosting then migration to S/4
Parties involved	SAP, A, B	A, B
SAP support commitment	Direct involvement with named person	Only via OSS tickets

(*):unweighted view

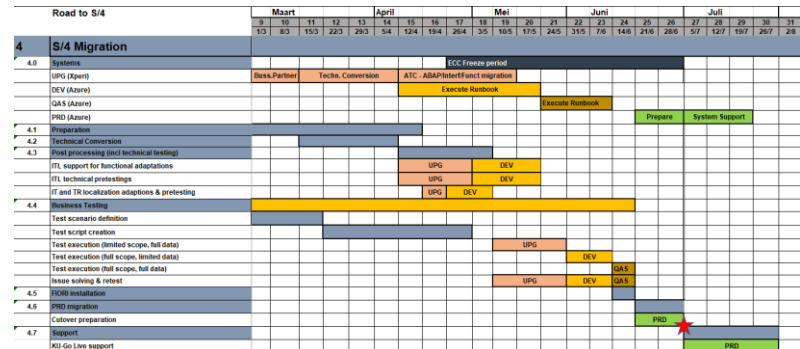
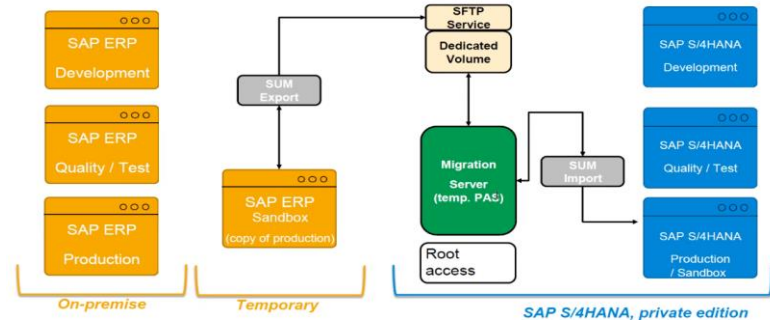
(**): hosted @local supplier



Migration planning SAP Cloud S/4HANA

- Hosting move + S/4HANA migration
- Time pressure (6 months time window) strict deadline
- System move impact
- Detail Run book/Go Live planning
- Extensive testing
- Business involvement
- M&G Group project (NL, IT, TR, BE, FR)
- Functional changes (e.g. see next slide)

System Move Option – Parallel Mode – Data Transfer



ECC to S/4HANA: Main Changes

Subject	Remark
BP concept	New in S/4 is the Business Partner concept. Can be implemented in ECC already. Have to be done before. Not just master data change, Also numbering, BP maintenance transactions and procedures
MRP area's	Is a must do. To be finalized before migration. Business implications are limited but materials need to be assigned to MRP area's. MD04 is changing
Product versions	BOM's&Routinggen need to have a product version. Can be done before migration or during migration
IDOC version changes	IDOC's versions can go up. Sometimes changes in idoc structures. Can have middleware consequences
Autorizations	Some autorizations profiles are changing. (this is regardless of SAP FIORI business role concept introduction)
ITSM mobile for RF	ITSM mobile is only technology supported for RF in S/4. If you use others you need to change RF
SAPSPRINT	SAPCups is not supported anymore in S/4. Changed to SAPSPRINT
SAPGUI version change	Would be possible that newer SAPGUI version needs to be rolled out.
SAP FIORI	IF you are going to use SAP FIORI from the start it need to be implemented (technically as functionally. New business role model and high impact on end users.
Material number lenght	Matnr goes to 40 characters. Is not implemented everywhere on same matter. Implications in Zabaps
Secure connections	Move from HTTP to HTTPS and FTP to SFTP or FTPS.
Z-abap optimization	Can be done after migration. Because of DB change some z-programs might need optimizing to get better performance.
System Basis parameters	Compare old with new and adapt some system parameters which are standard in HEC



Lessons learned

- Deep dive in R&R of SAP versus Customer
- Technical concept defined the rule of the game (SAP-hosting, technical conversions, etc.)
- # of parties involved makes project management key
- Xperience with migrations was prerequisite to achieve challenging planning
- All parties drive for success: Failure is not an option
- Getting used to difference on Hosting services@SAP
- SAP Rise customer governance model (Big organization, service requests, etc.)
- Direct access to SAP helps in trouble shooting





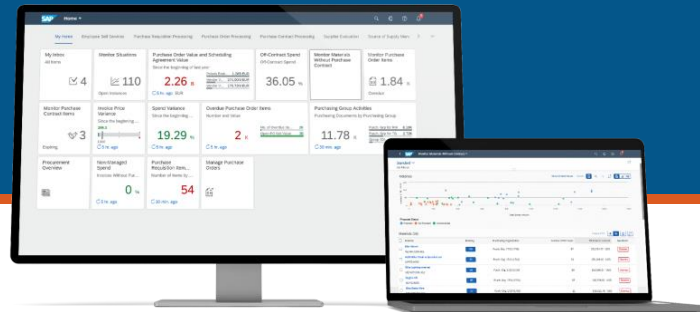
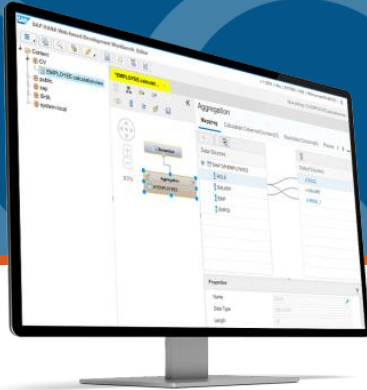
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Backpack

VNSG presentation
October 2021



Innovative partner in flue gas & ventilation solutions



M&G Group®

Why SAP RISE (S/4HANA Private Cloud edition)?

- Hosting & License combined. 1 stop shop. 'Pay per use'.
- Advise & support close to the source.
- Combination of S/4HANA & Azure gives technical stability & compliance.
- Goodies in the bag (Learning Hub, Process Mining, BTP, etc.)
- International support (24/7 & global).
- Total cost of ownership@reasonable price

