

Scope Document for Design Review Service for SAP S/4HANA Finance

This Scope Document is part of the Order Form.

1. DEFINITIONS

- 1.1. **“Business Capability”** means the Level 3 of the SAP Reference Business Architecture and describes the organization's ability to perform business activities to support business processes.
- 1.2. **“Explore Phase”** describes one of the SAP Activate implementation phases, where the project team conducts a fit-to-standard analysis to validate the solution functionality against the Customer business requirements and to document the solution design.
- 1.3. **“SAP Best Practices”** means SAP's predefined business processes, configuration content, and documentation for SAP solutions.
- 1.4. **“SAP Reference Business Architecture”** defines Business Capabilities on 3 hierarchical levels using the following names: Level 1: Business Domain, Level 2: Business Area, Level 3: Business Capability
- 1.5. **“Services”** means the service(s) to be provided by SAP as described in this Scope Document.
- 1.6. **“Solution Capability”** describes a functional ability of a single or multiple software components that addresses and supports a Business Capability.

2. SCOPE OF SERVICES

- 2.1. SAP shall provide Services as described herein to assist Customer with the review of the design of the Customer's SAP S/4HANA Finance solution in the Explore Phase of Customer's implementation project.
- 2.2. The following items form the scope of Services and will be confirmed in a kick-off meeting.
 - (a) Review of solution design documentation only (SAP Activate Explore Phase documentation).
 - (b) Interviews with Customer subject matter experts.
 - (c) Evaluation of flexibility, completeness, and maintainability of solution design.
 - (d) Assess alignment of the proposed solution design with SAP product standards and SAP Best Practices.
 - (e) Identification of design risks and presentation of recommendation(s).
- 2.2.1. Functional Scope with SAP Best Practices

Based on the SAP Reference Business Architecture, the following Solution Capabilities are in scope of the Services:

Business Area	Business Capability	Solution Capability
Financial Planning and Analysis	Overhead Cost Accounting	Overhead Cost Accounting (S/4)
	Production Cost Accounting	Production Cost Accounting (S/4)
	Sales and Service Cost Accounting	Sales and Service Cost Accounting (S/4)
	Project Accounting	Project Accounting (S/4)
	Financial Structure Management	Financial Structure Management (S/4)
	Margin Analysis	Margin Analysis (S/4)
	Margin Optimization	Margin Optimization (S/4)
	Financial Analytics	Financial Analytics (S/4)
Accounting and Financial Close	Financial Master Data Management	Financial Master Data Management (S/4)
	Financial Multi-GAAP Posting	Financial Multi-GAAP Posting (S/4)
	Non-Financial Data Recording	Non-Financial Data Recording (S/4, GRDC)

	General Ledger Accounting	General Ledger Accounting (S/4)
	Asset Accounting	Asset Accounting (S/4)
	Inventory Accounting	Inventory Accounting (S/4)
	Revenue and Cost Recognition	Revenue and Cost Recognition (S/4 EBRR)
	Local Financial Closing	Local Financial Closing (S/4)
Payables and Receivables Management	Credit Management	Credit Management (S/4)
	Settlement Management	Settlement Management (S/4)
	Open Item Management	Open Item Management (S/4 FI-AR/FI-AP)
	Dispute Management	Dispute Management (S/4 FI-AR)
	Collections Management	Collections Management (S/4 FI-AR)
	Payment Processing	Payment Processing (S/4)

2.3. Scope Boundaries and Conditions

The following boundaries and conditions apply to the scope of Services.

2.3.1. Functional Scope Boundaries

- (a) Company code: 1
- (b) Number of Customer legal entities: 1
- (c) Country/countries in scope: 1
- (d) System and documentation language: English only
- (e) Language/s for all business data in the system: English only

2.3.2. Services Scope Conditions

- (a) The kick-off meeting is set up as a telephone call or online meeting with standard applications such as Zoom or MS Teams and will last a maximum of 2 hours.
- (b) Maximum 3 workshop sessions will be undertaken during the delivery of the Services. The workshop sessions will be prepared with a maximum of 2 interviews with Customer subject matter experts per Business Area.
- (c) SAP has determined the duration of workshop sessions and knowledge transfer activities. Timing will be confirmed in the kick-off meeting.

2.4. Prerequisites

Customer shall fulfill the following prerequisites before the start of the Services:

2.4.1. Customer has a valid cloud subscription for the following:

- (a) SAP S/4HANA Cloud, private edition
- Cloud Service is provisioned and fully set up.

2.5. Customer has finalized the SAP Activate Explore Phase documentation and provides the following information:

- (a) Functional and non-functional specifications documents
- (b) Role, profile, and security design document
- (c) Detailed technical design documents
- (d) Key design decision logs
- (e) Architecture documentation, including application, logical, physical, and integration design documents

2.6. Out of Scope

The following is out of scope, including without limitation:

- (a) Any services not expressly listed in this Scope Document
- (b) Subscription to any Cloud Services or purchase of SAP Software
- (c) Any development of custom code, updates, or upgrades to SAP products
- (d) Analysis of as-is business processes
- (e) Analysis of custom code development
- (f) Programs or content to migrate data from legacy systems
- (g) Recommendations for data cleansing or data cleanup
- (h) Review of Customer-specific authorizations, roles, and security concepts.
- (i) Review of Customer project and program management
- (j) Training services, such as formalized training on the Cloud Service for project team members, training for users or end-user documentation

3. APPROACH AND RACI

3.1. The Customer has overall accountability for the project. SAP and Customer agree on the following responsibility matrix for the key activities.

- (a) **Responsible (R):** Charged with performing the activities. A mutually agreed project plan may define further details at the work unit level.
- (b) **Consulted (C):** Provides input on how to perform the activity and supports the execution of the activity.
- (c) **Informed (I):** Provided with information.

Activity	SAP	Customer
Services Preparation		
Confirm Customer project team	I	R
Hold kick-off meeting: Communicate the Services, roles and responsibilities, expectations and schedule	R	C
Request submission of project information and documentation and the provision of the necessary authorizations for remote access to Customer's systems (if applicable)	R	C
Confirm completion of pre-requisites	C	R
Services Realization		
Conduct the Services, including review of documentation and conduct interviews	R	C
Communicate preliminary observations	R	I
Develop findings and recommendations	R	I
Prepare the design review report	R	I
Conduct the Services debrief meeting	R	C

Activity	SAP	Customer
Services Deployment		
Handover of the design review report	R	I

4. SCHEDULE

- 4.1. The Start Date of the Services will be mutually agreed between parties within a reasonable time frame after the Order Confirmation.
- 4.2. SAP may require a lead time of up to 4 weeks to assemble a team. SAP reserves the right not to start the Services until SAP has assembled a team.
- 4.3. The estimated duration for the Services is 5 weeks.
- 4.4. Services are provided on a one-time basis, and SAP's obligation to provide the Services ends with the Services closure, which shall occur no later than 12 months after Order Confirmation. Thereafter, SAP has no further obligation to deliver the Services. There is no discount, refund, or credit if the Services are not utilized within 12 months.

5. ORGANIZATION

- 5.1. SAP Team
 - 5.1.1. SAP assigns a Services point of contact to the Customer after Order Confirmation.
 - 5.1.2. The SAP team includes the following roles:
 - (a) Project Manager
 - (b) Business Process Consultant
 - 5.1.3. SAP may elect to staff a single Consultant to serve multiple roles or multiple Consultants to serve a single role.
 - 5.1.4. SAP team roles are, in general, staffed on a part-time basis.
 - 5.1.5. Services are delivered remotely.
- 5.2. Customer Team
 - 5.2.1. The Customer team includes the following key roles:
 - (a) Project Manager: Single point of contact for SAP. Manages Customer project, including Customer team, project plan, project status, and decision-making process
 - (b) Business Lead: Decision maker. Take responsibility for the solution satisfying the business needs. Owns business processes, approves the solution, and is the key liaison between the Services, the Customer project, and the business
 - (c) Business Subject Matter Experts: The subject matter expert represents the business and will be involved in issue resolution and data migration
 - 5.2.2. In cases where it is necessary to assign multiple resources to a single role, Customer shall clearly identify the responsibilities of each resource.
 - 5.2.3. Customer is expected to staff the roles per the time allocations as required for the project or as recommended by SAP.
- 5.3. Governance
 - 5.3.1. The Services will have sponsorship from Customer's senior management, who will be available on a timely and regular basis to monitor the progress and to act as a decision maker for policy decisions.
 - 5.3.2. To facilitate effective communication between SAP and Customer, an SAP and Customer status meeting to clarify open issues and questions will occur weekly unless a different periodic interval is mutually agreed to.

- 5.3.3. To the extent required, Customer and SAP will work cooperatively at the start of the Services to establish a project governance model and a solution governance forum, including a documented issues management process to address any issues which arise on the Services. It will address the prioritization of these issues as well as an effective means for issue escalation and resolution.

6. SAP DELIVERABLES

- 6.1. The following Deliverables shall be deemed completed and approved by Customer when the below completion criteria have been met.
- 6.2. Deliverables

Deliverable	Deliverable Description	Completion Criteria
Design review report	Documentation of the findings of the Services as a PDF document via e-mail	Handover of design review report

7. CUSTOMER RESPONSIBILITIES

- 7.1. Customer shall cooperate with SAP in good faith so that SAP can deliver the Services. Customer's failure to meet or fulfil any of the specified responsibilities or requirements in this Agreement, can result in a delay of the provision of the Services or an increase of fees due.
- 7.2. In addition to the Customer responsibilities in the applicable terms and conditions, Customer shall fulfill, in particular, the following responsibilities:
- 7.2.1. General Customer Responsibilities
- (a) Customer is responsible for the overall management of Customer's project and controls the project realization, process, scope, costs, Customer resources, and targeted solutions
 - (b) Customer shall staff the listed Customer team roles with the requisite skills and knowledge and assign all necessary IT and business resources to complete Customer activities
 - (c) Customer shall use reasonable efforts to minimize the change in personnel throughout the duration of the Services
 - (d) If Customer involves third parties, Customer shall manage any third-party resources and be responsible for their acts and omissions
 - (e) Customer shall supply SAP with the names and contact information of key Customer and third-party resources
 - (f) Customer shall be fully responsible for organizational change management of all affected departments
 - (g) Customer shall fulfill and provide listed prerequisites required to perform the Services
 - (h) Customer shall be fully responsible for technology infrastructure that is on premise or hosted by a third party. This includes but is not limited to SAP infrastructure, network and system administration, security, periodic backup and restore activities as required, and server and storage hardware. Required systems shall be available throughout the Services
 - (i) If required to perform the Services, Customer shall enable the use of SAP laptops and mobile devices on Customer's network to SAP's network via SAP's Virtual Private Network (VPN) protocols
 - (j) Customer shall provide technical advice regarding any third-party systems accessible to the SAP team
 - (k) If required to perform the Services, Customer shall review applicable SAP learning materials
 - (l) Customer shall comply with any relevant governmental and regulatory requirements
 - (m) Customer shall sign off the completion of the Services in written form upon request

8. ASSUMPTIONS

- 8.1. The Services are provided based on the current release version of the Cloud Service that is generally available at the start of the Services delivery. SAP provides general updates of the Cloud Service for general availability

regularly. If an update is made generally available during the performance of the Services, any additional planning or configuration required to support the updated release is not included in the Services.

- 8.2. If not otherwise agreed, the project language and corresponding documentation is English. SAP documentation will be delivered in English only.
- 8.3. If not otherwise agreed, Services are provided from Monday through Friday on normal business hours (between 8:00 a.m. – 6:00 p.m.) in accordance with SAP-recognized holidays, observed by SAP's registered office.
- 8.4. Services are based on a predefined scope and delivery model. In performing the Services, SAP
 - (a) Will follow applicable parts of the SAP Activate standard implementation methodology
 - (b) May utilize accelerators
 - (c) May use software and tools ("**Tools**") for which all rights of authorship remain with SAP or SAP SE. In case Tools are copied to Customer's system, Tools and all permitted copies thereof must be deleted at the end of the Services. If, at SAP's sole discretion, Tools are left on the system for documentation purposes, Customer is not permitted to use such Tools for any other remaining purpose. Tools are provided on an as-is basis with no warranty. SAP will not support or enhance the Tools beyond what is provided during the term of the Services.
- 8.5. Knowledge transfer does not replace the necessity for formalized training on the solution(s) which may be available through separate SAP agreements.
- 8.6. The estimated timelines are based on continuous availability of systems (if required) as well as Customer fulfilling their prerequisites and responsibilities as set forth herein.
- 8.7. Any changes to the scope of Services, whether requested during or after the Services term, shall be subject to a separate Services agreement in consideration of additional fees.