IBM Transforms Business Operations with the RISE with SAP Solution in Expanded Partnership with SAP

Expanded Premium Supplier Option with IBM for RISE with SAP Now Supports Cloud Workloads Using IBM Power on Red Hat Enterprise Linux on IBM Cloud

ARMONK, N.Y. and WALLDORF, Germany, May 11, 2022 /PRNewswire/ -- IBM (NYSE: IBM) and SAP today announced the latest milestone in their long-standing partnership as IBM undertakes one of the world's largest corporate transformation projects based on SAP® ERP software, designed to fuel the company's growth and better support its clients.

As part of the expanded partnership, IBM is migrating to SAP S/4HANA®, SAP's next-generation ERP software, to perform work across more than 120 countries, 1,000 legal entities and numerous IBM businesses supporting software, hardware, consulting and finance. The project is focused on improving business processes with RISE with SAP S/4HANA Cloud, private edition, premium supplier option with IBM Consulting, and will ultimately move more than 375 TB of data to IBM Power on Red Hat Enterprise Linux on IBM Cloud. RISE with SAP brings together what businesses need to pursue their digital transformation objectives and accelerate their move to the cloud.

Driven by the need to modernize processes and deliver better insights to support clients running in the cloud, RISE with SAP is helping IBM centralize and standardize data worldwide. With access to the SAP HANA® database, data can be accessed in real time and shared more efficiently among business units and teams. The expanded partnership will also help with improved decision-making supported by AI and automated workflows. Once the transformation is completed, nearly all of IBM's US$58 billion in revenue will flow through SAP software.

"This expanded partnership will enable IBM to accelerate its business transformation in the cloud and fuel its future growth," said Christian Klein, CEO and Member of the Executive Board of SAP SE. "As a result, IBM will be positioned to provide the highest value of support and flexibility to its clients, allowing them to simplify and accelerate their business transformations while benefitting from the full value of RISE with SAP."

This business transformation will eventually move more than 300 SAP instances and consolidate 500 servers with the RISE with SAP solution on IBM Power on Red Hat Enterprise Linux on IBM Cloud. The migration to SAP S/4HANA is already in progress across the company's software business unit. The initial deployment is focused on IBM's software-as-a-service and billing system and is already benefiting clients and IBM business partners through simplified billing and payment systems while enabling orders and contracts to be processed quickly.

IBM Consulting, with more than 38,000 highly trained SAP consultants, is leading the transformation providing the advisory, implementation, security, industry and technical expertise required to move these complex systems and applications to a digital environment. This is another example of IBM and SAP's accelerated ecosystem strategy, teaming up on both technology and consulting expertise while supporting most any cloud environment to help make it easier for clients to embrace a hybrid cloud approach and move their mission-critical SAP software workloads to the cloud.

"Enterprise clients are seeking increased choice and control as they modernize their mission-critical workloads. Enabled by RISE with SAP, this is a milestone business transformation initiative for both companies due to its complexity and scale," said Arvind Krishna, IBM Chairman and Chief Executive Officer. "With this move, and IBM's experience using RISE with SAP internally, we will be even better prepared to support our clients on their hybrid cloud and business transformation journeys."

Expanded Premium Supplier Option for RISE with SAP on IBM Power on Red Hat Enterprise Linux on IBM Cloud

To provide clients more flexibility and computing power, including those in highly regulated industries, IBM is making the same cloud-based computing power that is underpinning its own migration available to clients. For clients who run RISE with SAP on IBM Cloud, an expansion of the premium supplier option provides an additional choice to run workloads on IBM Power on Red Hat Enterprise Linux on IBM Cloud.

As a premium supplier, IBM was the first cloud provider to offer infrastructure, technical managed services, business transformation and application management services as part of RISE with SAP. With clients increasingly leveraging hybrid cloud strategies to modernize their workloads, IBM and SAP are giving clients running on Power servers the ability to use RISE with SAP S/4HANA on Power infrastructure consistent with the architecture they run on premise. Underpinned exclusively by Red Hat Enterprise Linux, businesses running IBM Power on IBM Cloud will be able to achieve high levels of performance in a cloud environment for their mission-critical workloads, with the flexibility, resiliency and security features delivered by IBM and Red Hat.

To learn more about the RISE with SAP offering, please visit: https://www.ibm.com/cloud/services/rise-with-sap-premium.

About IBM

IBM is a leading global hybrid cloud and AI, and business services provider. We help clients in more than 175 countries capitalize on insights from their data, streamline business processes, reduce costs and gain the competitive edge in their industries. Nearly 3,000 government and corporate entities in critical infrastructure areas such as financial services, telecommunications and healthcare rely on IBM's hybrid cloud platform and Red Hat OpenShift to affect their digital transformations quickly, efficiently and securely. IBM's breakthrough

innovations in AI, quantum computing, industry-specific cloud solutions and business services deliver open and flexible options to our clients. All of this is backed by IBM's legendary commitment to trust, transparency, responsibility, inclusivity and service.

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About SAP

SAP's strategy is to help every business run as an intelligent, sustainable enterprise. As a market leader in enterprise application software, we help companies of all sizes and in all industries run at their best: SAP customers generate 87% of total global commerce. Our machine learning, Internet of Things (IoT), and advanced analytics technologies help turn customers' businesses into intelligent enterprises. SAP helps give people and organizations deep business insight and fosters collaboration that helps them stay ahead of their competition. We simplify technology for companies so they can consume our software the way they want – without disruption. Our end-to-end suite of applications and services enables business and public customers across 25 industries globally to operate profitably, adapt continuously, and make a difference. With a global network of customers, partners, employees, and thought leaders, SAP helps the world run better and improve people's lives. For more information, visit www.sap.com.

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