SAP Licensing Guide

# **Licensing SAP® Software**

A Guide for Buyers



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### Preface

Thank you for your interest in learning more about licensing SAP® software. This guide is part of a broader initiative to enhance transparency into how SAP licenses its products. It provides a wealth of information designed to help you make more-informed investment decisions in line with your specific business requirements.

In the main sections of this guide, you will find information on the standard licensing model for the SAP software portfolio, which includes offerings in the following market categories:

- · Applications
- Analytics
- Cloud
- Mobile
- · Database and technology

Software requirements of businesses vary considerably. This guide is set up to present a wide variety of licensing scenarios. It is divided into several chapters and subsections. Where you choose to begin reading will depend on how familiar you are with SAP's licensing principles.

If you are a relative newcomer to licensing SAP software, we recommend that you start with "Chapter 1: An Overview." In addition to providing a summary of SAP's licensing principles, this chapter explains the core elements of our licensing model,

such as package and named user licenses. The fundamentals of SAP software maintenance and support are also covered, along with how SAP calculates annual maintenance fees. As a customer, understanding SAP's core principles and license models will help you make informed and strategic software licensing decisions.

If you already hold an SAP contract or are acquainted with SAP's licensing model, you may wish to go directly to <u>"Chapter 2: Licensing SAP Software."</u> This chapter contains a more focused discussion on licensing SAP software by product category. "Chapter 3: Licensing Options for Subsequent Purchases" reviews how SAP has evolved its licensing model over time. It also explains how you can switch from an older to a newer licensing model without disruption. Finally, "Chapter 4: Licensing Scenarios" features sample use cases that illustrate the licensing requirements of companies that deploy SAP solutions to meet a variety of business needs.

At the end of this document, you'll find several appendices that provide more detailed information about licensing the various categories of SAP software. You'll also find answers to frequently asked questions about SAP licensing, along with a glossary that offers easy access to brief definitions of key terms.

We hope you find this guide useful. If you have any questions about licensing, pricing, or related topics, feel free to contact your SAP sales representative.

The structure of SAP's licensing model is intended to maximize the inherent business benefits of SAP software by providing package licenses and named user licenses.



# Chapter 1: An Overview

This section provides an introduction to SAP's licensing model and its key elements to help you understand how SAP licenses its software. The principles explained below apply to all SAP solutions.

SAP software solutions enable efficiency and innovation by automating your business and management processes, which allows you to quickly realize value from your investment. Our portfolio of software solutions includes offerings in the following market categories:

- · Applications
- Analytics
- Cloud
- · Mobile
- Database and technology

SAP software solutions help you automate, harmonize, and streamline your business processes; deploy mobile apps; run faster; operate in the cloud; and analyze real-time business information. What's more, they help your employees perform their day-to-day tasks more efficiently. With their firm focus on value, SAP software solutions also help you maximize the return on your IT investments.

## LICENSING COMPONENTS – NAMED USER AND PACKAGE LICENSES

The structure of SAP's licensing model is intended to maximize the inherent business benefits of SAP software by providing named user and package licenses (see Figure 1). Both are required to license SAP software.

#### **Package Licenses**

Package licenses entitle you to deploy and use the precise set of SAP software functionality you need to support your company's processes and address its business requirements. The price of a package license is based on a key business metric that reflects its intended use. SAP has developed these metrics in close collaboration with customers to align the metrics with a business's real-world requirements. Additionally, the licensed level of such metrics reflects the required capacity of the licensed software package, such as number of orders processed, number of contracts tracked, or gross written premiums. As your business grows and your software requirements change, you can adjust your licenses accordingly.

Figure 1: Package and Named User Licenses

#### Package Licenses

Entitle you to deploy and use specific sets of software functionality

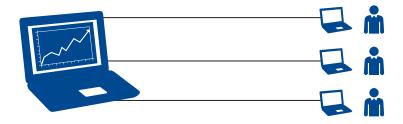


#### Named User Licenses

Entitle the users to access the licensed software functionality

Priced by business metrics

Priced by number of users



Packages and user licenses cannot be used independently from each other.

#### Named User Licenses

A named user license authorizes an individual to access licensed SAP software functionality and is mandatory for most individuals accessing that functionality. A named user is an employee of your organization, one of its affiliates, or one of its business partners who is authorized to access the licensed SAP software. The tasks and roles of the individual determine both the requirements and level of the named user license. Named user licenses are priced per user.

One major benefit of SAP's named user licenses is that they can be valid for multiple package licenses. This means that even if your employees handle complex business processes that requires the use of a wide range of SAP software functionality, you require only one named user license per employee. How your employees work with an SAP solution will vary depending on their tasks and roles within your organization. To reflect this, SAP offers different categories of named user licenses. A few examples include:

- "SAP Professional" named user license for users fulfilling operational-related roles supported by the software, such as employees in your finance or HR departments
- "SAP Developer" named user license for users accessing the development tools to make modifications or add-ons to the licensed software
- "SAP Employee" named user license for users accessing self-services such as time, expenses, and performance evaluations

The key point is that the level of rights to the licensed SAP software functionality that your employees require determines the named user categories that need to be licensed.

#### MODULAR STRUCTURE OF SAP SOFTWARE LICENSES

Business never stands still, so you want to be sure that your SAP solution can scale in line with your business's growing needs. The modular structure of SAP software licenses allows you to license and pay for only the functionality and number of users that you require at any given time. This means that you can start with the packages and named user licenses your organization needs today and add more users and functionality as your needs change.

For example, you can establish a solid basis for operations by licensing core functionality for financial management, human capital management, and procurement and logistics. As you extend your organization's IT infrastructure to cover more of your business processes, you can license additional packages to support other areas of operation, industry-specific processes, or mobile usage scenarios.

Licensing additional users is every bit as straightforward. As an example, you might initially deploy SAP software functionality for financial management, with named user licenses for relevant staff members in your finance department. As your business grows, additional employees may come to play a role in those financial processes. Giving these other employees access to the software is simply a matter of adding the required number of named user licenses to your current license.

# TYPES OF LICENSES: PERPETUAL VERSUS SUBSCRIPTION BASED

SAP offers two types of software licenses: perpetual licenses and subscription-based licenses.

#### Perpetual Licenses

The vast majority of SAP software licenses are perpetual licenses. A perpetual license entitles you to use your licensed SAP software for an unlimited period of time. You pay for the license when you license the software. The perpetual license model consists of two mandatory components: package licenses and named user licenses (as described above).

### SAP° SOFTWARE LICENSING MODEL: THE BENEFITS FOR YOU

The following features of SAP's licensing model help ensure your SAP\* software delivers maximum value for your business:

- The combination of package and named user licenses enables you to drive business value by purchasing precisely the functionality needed for your processes and making it available for just those employees requiring it.
- A modular structure allows you to license precisely what you need today and then scale your SAP solutions to keep pace with your changing business requirements.

If you hold a perpetual license, access to maintenance and support services such as patches, fixes, error corrections, and upgrades requires a separate maintenance agreement with SAP. Note that while the SAP license is perpetual, SAP maintenance agreements are subject to annual maintenance fees.

#### **Subscription-Based Licenses**

Some SAP products are available as cloud offerings with subscription-based pricing. Subscription-based licenses give you access to licensed SAP software that is hosted at a remote location and available to you based on your requirements. The software installation, maintenance, and upgrades for your solutions are handled by SAP or an authorized SAP partner. SAP software delivered in this way includes the SAP Business ByDesign® solution and SAP CRM OnDemand solution, for example. With cloud solutions, you pay a recurring subscription fee that is usually calculated on a per-user, per-month basis. This gives you remote access to the relevant SAP software for a specified period of time. This type of license also entitles you to support, maintenance, and managed services as set out in your agreement; these services are included in your subscription fee. Subscription-based licenses have an initial licensing period and need to be renewed on a regular basis.

#### **DATABASE LICENSING**

As part of its software offering, SAP gives you the option of either licensing a third-party database directly from SAP or contracting with a third-party database provider such as Microsoft, Oracle Corporation, or IBM. If you are licensing the third-party database directly from SAP, we will include that database with your licensed SAP software for use only with the SAP software. This specific use restriction is referred to as a "runtime" license. If you prefer to license directly with the database vendor, then your contract with SAP is an "interface" contract.

SAP also offers its own databases including the SAP HANA® database, SAP Sybase® Adaptive Server® Enterprise (SAP Sybase ASE) database, and SAP MaxDB® database licenses.

For more details about database licensing, please see "Appendix A."

#### MAINTENANCE AND SUPPORT

In addition to securing your SAP software license, you want to maximize the business value of your SAP solution today and deploy new and improved functionality that can benefit your business in the future. SAP offers comprehensive maintenance and support services designed specifically to meet these requirements. These maintenance and support services are available for licensed SAP software. An SAP support contract entitles you to access the SAP support infrastructure and to receive software corrections, patches, fixes, and new releases of the software licensed.

SAP support provides you with:

- Continuous improvement and innovation of your software through enhancement and support packages
- A global support infrastructure supplying streamlined support for implementation, deployment, and improvement of the SAP software through the SAP Solution Manager application management solution
- Support that includes a 24x7 advisory channel, quality checks, and software analysis
- Methodologies, blueprint tools, and education plus participation in various communities promoted by SAP

To learn more about SAP support services, please visit service.sap.com/support on the SAP Service Marketplace extranet.

#### Calculation of Annual Maintenance Fee

For maintenance and support contracts, the annual maintenance fee is calculated as a percentage of the software contract value, which is the total value of all package and named user licenses minus applicable discounts.

For more details about SAP maintenance, please see "Appendix B."

# Chapter 2: Licensing SAP Software

This section provides an in-depth explanation of how to license SAP software, which includes offerings in the following market categories:

- · Applications
- · Analytics
- Cloud
- Mobile
- Database and technology

In addition, the section concludes by explaining how to license SAP solutions across two or more of these categories.

#### LICENSING SAP APPLICATIONS

Within the SAP solution portfolio, you can license various "packages" to support your specific business requirements and scenarios. Each of these packages is licensed according to a specific "metric" to help you determine the software capacity you need to meet your business needs.

#### **SAP Business Suite**

SAP Business Suite software enables you to optimize and execute your business and IT strategies. A set of modular applications, the software provides support for complete business processes, including finance, human resources, and logistics. In addition, it delivers industry solution portfolios tailored to the needs of companies active in those industries.

You can license the functionality of SAP Business Suite through the following packages:

- "Enterprise Foundation" package1
- "Enterprise Extension" packages
- · Industry portfolio packages
- · Line-of-business portfolio packages

Each package license has an associated "metric." For example, the metric used to license the SAP Vehicle Management for Automotive package is the number of vehicles ordered in one year.

Unlike other packages, the "Enterprise Foundation" package does not have an assigned business metric but is provided at a predetermined price. It is licensed to the customer only once.

1. The "Enterprise Foundation" package covers basic functionality in the SAP ERP application.

In addition to access rights for the corresponding functionality granted by the "Enterprise Foundation" license, the package includes five "SAP Professional" named user licenses. Additional named users can be licensed separately.

#### LICENSING ANALYTICS SOLUTIONS FROM SAP

Accessing the functionality of analytics solutions from SAP typically requires package licenses as well as named user licenses. However, there are exceptions to this rule with regard to these solutions, as the named user licenses required depend on how the individuals use the licensed analytics solutions. The analytics solutions include:

- SAP® BusinessObjects™ business intelligence (BI) solutions
- · SAP solutions for information management
- SAP solutions for enterprise performance management (EPM)
- SAP solutions for governance, risk, and compliance (GRC)
- Analytic applications from SAP

The package license for SAP BusinessObjects BI solutions is available through two metrics: concurrent session and user. SAP offers both metrics as options so you can choose which one, or both, to utilize. In concurrent session licensing, the aggregate number of sessions accessing the licensed software at any one time is measured and used as the metric for licensing the software. In user licensing, each individual must be allocated a specific user license to access the software. Concurrent session and user metrics can be licensed in combination for a given software package. Individuals whose logon credentials are covered by user licenses do not consume concurrent session licenses when accessing the software. This combination of concurrent session and user licensing provides you with the ultimate flexibility in licensing SAP BusinessObjects BI solutions.

The package licenses for SAP solutions for information management, SAP solutions for EPM, SAP solutions for GRC, and analytic applications from SAP vary by product. Each product is licensed through a single metric unlike products under the BI portfolio, which is offered through two metrics.

In general, if an individual uses these analytics solutions in a view-only manner, a named user license is not required; only the package license is required. When an individual requires additional rights beyond view only, SAP offers three named user licenses that may be licensed in addition to the package license:

- "SAP Business Expert User"
- "SAP Business Analytics Professional User"
- "SAP Business Intelligence (BI) Limited User"

For examples of the package and named user licenses for analytics solutions from SAP, please see "Appendix C."

#### LICENSING CLOUD SOLUTIONS

SAP offers several comprehensive cloud-computing solutions through an on-demand or software-as-a-service delivery model. Cloud solutions from SAP are built to support your business processes and manage your most important assets: people, money, customers, and suppliers. These cloud solutions are priced on a monthly subscription basis. For most of our cloud-based offerings, the monthly subscription fee is based on the number of named users. In some cases, however, the fee is calculated based on business metrics such as number of employees or spend volume. For example, your number of employees would determine the monthly fee that you would pay to use Employee Central, a cloud-based HR solution from SuccessFactors, an SAP company.

#### LICENSING MOBILE SOLUTIONS

SAP offers you various functionality through a wide range of mobile apps and underlying infrastructure ("mobile platform") that integrate with SAP and non-SAP software systems for secure access to business processes – anytime, anywhere, and on any device.

The "SAP Mobile Platform" package allows you to build and deploy mobile apps with an infrastructure that lets you centrally manage and secure mobile devices, apps, and data. You may license this package for individual mobile apps as a runtime option or for "full use" to run mobile apps from SAP, create an unlimited number of your own apps, or run an unlimited number of third-party apps. The full-use license is based on number of mobile users, while the runtime license is based on number of users per app. These "SAP Mobile Platform" licenses are a prerequisite when licensing a mobile app.

Mobile apps from SAP allow you to extend your business processes to any of your employees' mobile devices. Our mobile apps are licensed by number of individuals using a particular mobile app. The underlying "SAP Application" package licenses and related named user licenses also apply.

#### LICENSING DATABASES AND TECHNOLOGY FROM SAP

SAP offers a comprehensive range of database and technology solutions. These include SAP HANA; database solutions from Sybase, an SAP company, such as SAP Sybase ASE; SAP MaxDB; and the SAP NetWeaver® technology platform.

#### SAP HANA

SAP HANA delivers a high-performance, in-memory database that can address a variety of use cases. SAP HANA is currently available through a number of different packages, allowing you to choose the one that best fits your needs. Named user licenses are also required for users of SAP HANA.

#### **Database Solutions from Sybase**

SAP offers a comprehensive set of database solutions from Sybase. These solutions can help you manage critical data with scalability and unmatched performance. The functionality of these database solutions is licensed through packages



Both package and named user licenses are required when licensing SAP software, unless explicitly exempt by that software.



based on business metrics. To access the relevant functionality, you generally need named user licenses. The named user licenses required depend on how you deploy the database solution. If you use the database solution in conjunction with SAP Business Suite and SAP NetWeaver, the named user licenses are the same as for SAP Business Suite (for example, "SAP Professional" and "SAP Limited Professional" named users). If the database solution is not used with SAP Business Suite or SAP NetWeaver, then no named user licenses are required.

For examples of package licenses available for database solutions from Sybase, please see "Appendix D."

#### SAP MaxDB

The SAP MaxDB database is offered as a runtime database option. It is licensed with your software licenses as a percentage uplift to the price of your software.

#### SAP NetWeaver

The SAP NetWeaver technology platform facilitates the implementation, integration, and management of business processes in heterogeneous environments comprising SAP and non-SAP applications. It helps you evolve your existing infrastructure into a more cost-effective platform to improve efficiency, insight, and flexibility.

You can license the functionality in SAP NetWeaver separately – including functions for composition, data management, and data information – through SAP NetWeaver packages. The package price is based on business metrics.

Licensing SAP NetWeaver for Use with SAP Business Suite Most packages you license for SAP Business Suite include an application-specific runtime license for SAP NetWeaver. This license, called "SAP NetWeaver Foundation," entitles you to use a subset of SAP NetWeaver functionality with the licensed SAP software, as well as with your modifications to that software. To make use of the "SAP NetWeaver Foundation" license, you require the appropriate named user licenses.

Licensing SAP NetWeaver for Use with Non-SAP Software If you would like to use SAP NetWeaver with non-SAP applications (including custom-developed and third-party software not licensed through SAP), you need the "SAP NetWeaver Foundation for Third-Party Applications" license. This covers the same functional scope as the application-specific "SAP NetWeaver Foundation" license but can be used with any non-SAP software. It also includes a license for the SAP MaxDB database.

If you use SAP NetWeaver in conjunction with "SAP NetWeaver Foundation for Third-Party Applications," you require one of two available named user licenses for development and administration purposes, specifically:

- "SAP NetWeaver Developer User"
- "SAP NetWeaver Administration User"

#### LICENSING MIXED SOLUTIONS

As addressed above, SAP offers multiple types of software solutions covering the market categories of applications, analytics, cloud, mobile, and database and technology. SAP's licensing model supports the business need to use some or all of these solutions in conjunction with the others and enables individuals to access multiple SAP solutions with just one named user license. As an example, assume your business has licensed several SAP Business Suite applications as well as a few SAP mobile apps. An individual who uses any or all of the mobile apps would need a license for each mobile app, a license for the mobile platform, plus the appropriate package licenses for SAP Business Suite. Your SAP sales expert can help you identify the licenses required for your particular usage scenarios.

# Chapter 3: Licensing Options for Subsequent Purchases

SAP has evolved its licensing model over time to adapt to the rapid pace of software development and to offer SAP solutions in a way that customers have requested. When switching from one licensing model to another, SAP endeavors to maintain a smooth transition for you. This means that as an existing customer, you can license new SAP software while maintaining the continuity of use of your current SAP software. For example, if you have a contract for SAP Business Suite, you can license SAP software from the current price list and directly benefit from new software developments (such as new mobile apps or SAP HANA) with ease. You can also continue to license more of what you already have licensed. Licensing additional software under an existing model through which you have initially licensed the original software is almost always an option (some restrictions apply). Moving from legacy software to new products and metrics is an option as well. For details, please contact your nearest SAP sales office.

#### HISTORY OF SAP SOFTWARE LICENSING

In previous years, SAP licensed its software according to the following licensing models:

- Up through 1999: "SAP R/3" contract
- In 2000: "mySAP.com" contract
- From 2001 to 2005:
  - Contract for mySAP individual solutions
  - Contract for mySAP.com (Solution Suite), renamed mySAP™ Business Suite in 2003
- Since 2006: "SAP Application" contract

#### Contracts for SAP R/3 Software

Historically, SAP software contracts signed through 1999 were for SAP R/3 software. In 2000 and later in 2006, SAP introduced many new software products as well as a change to the licensing model that diverges from the SAP R/3 licensing model. As a result, the "SAP R/3" licensing model is very different from the current SAP software licensing model. If you have a contract for SAP R/3, you are only permitted to access functionality available in SAP R/3 software and may only license additional functionality that is featured in the legacy SAP R/3 price list.

Customers with an "SAP R/3" contract who want to benefit from the latest developments of SAP Business Suite software are encouraged to contact their nearest SAP sales office in order to learn more about contract conversions, which enable you to convert to the current SAP licensing model. If you wish to license functionality from the SAP BusinessObjects portfolio, you can do so without converting your "SAP R/3" contract. However, it may be simpler to convert to the most current SAP licensing model in terms of managing your contracts. Please contact your nearest SAP sales office to discuss the options available to you.

#### "mySAP.com" Contracts

"mySAP.com" contracts were signed beginning in 2000. The major difference from the current SAP licensing model is that the "mySAP.com" named user license included most of the software functionality available at that time. Relatively little additional functionality was licensed in addition to these named user licenses.

SAP sales experts can provide advice on how to extend your "mySAP.com" contract and help you align mySAP.com functionality with existing SAP products, especially if your "mySAP.com" contract is based on user categories called "Category I – IV."



The price of a package license is based on key business metrics that reflect your use of the licensed software and its required capacity, such as number of orders processed, number of contracts tracked, or gross written premiums.

#### "mySAP Individual Solutions" Contracts

"mySAP Individual Solutions" contracts were available from 2001 to 2005. mySAP individual solutions were bundles of SAP software functionality that were made available separately to customers. Over time the definitions of the individual solutions changed due to regrouping of functionality. In 2003 software functionality was provided in the individual solutions: mySAP ERP, mySAP Customer Relationship Management (CRM), mySAP Supply Chain Management (mySAP SCM), mySAP Supplier Relationship Management (mySAP SRM), and mySAP Product Lifecycle Management (mySAP PLM). If you hold a contract that includes mySAP solutions other than these, please contact your nearest sales office for more details.

At that time, the SAP licensing model differed in important respects from the current model. In particular, named user licenses for mySAP products also gave customers the right to run the corresponding solutions. In other words, the named user licenses covered both the users and relevant software functionality. If customers required additional functionality that was not included in the individual mySAP solutions, they licensed this separately.

By contrast, SAP's current licensing model makes a clear distinction between package licenses. Package licenses cover functionalities and named user licenses apply to employee access to functionalities.

Despite the significant differences between the two models, customers with "mySAP Individual Solutions" contracts are entitled to license virtually all packages in today's SAP price list.

## "mySAP.com (Solution Suite)" and "mySAP Business Suite" Contracts

"mySAP.com (Solution Suite)" and "mySAP Business Suite" contracts were signed between 2001 and 2005. In 2003 mySAP.com (Solution Suite) was renamed mySAP Business Suite. In the following description, mySAP Business Suite refers to both. The major difference from the current licensing model is that the "mySAP Business Suite" named user licenses included core software functionality. If customers required additional functionality that was not included for that named user license, they licensed additional software engines.

Customers with "mySAP Business Suite" contracts are entitled to license virtually all packages in today's SAP price list. If you have such a contract, there is no need for you to convert to an "SAP Application" contract.

#### Contracts Signed with Business Objects Before 2008

Business Objects was an independent company before it was acquired by SAP in 2008 and employed a completely different licensing model. If you signed a contract with Business Objects prior to 2008, you have the following options available to you:

- You may retain and extend your Business Objects contract.
   The original terms, conditions, and maintenance agreements apply.
- You may sign an additional "SAP Application" contract to license new functionality from the SAP price list. SAP terms, conditions, and maintenance agreements apply.
- You may convert your Business Objects contract into an "SAP Application" contract, giving you the advantage of having just one contract to manage. SAP terms, conditions, and maintenance agreements then apply.

Package licenses entitle you to deploy and use the precise set of software functionality you need to support your company's processes and address its business requirements.

# Chapter 4: Licensing Scenarios

This section provides a broad range of scenarios that illustrate the licensing requirements of companies that deploy SAP solutions to meet a variety of business needs.

# SCENARIO 1: NEED FOR RELIABLE, INTEGRATED IT INFRASTRUCTURE

In this first example, consider a company that is relying on a patchwork of legacy solutions due to several acquisitions. To support growth and harmonize business processes enterprisewide, the company decides to replace its legacy software with the integrated SAP ERP application. Like many first-time SAP customers, the company focuses initially on its core processes in finance, HR, and sales – and then identifies the functionality in SAP ERP that is necessary to support and enhance those processes.

Most of this software functionality is licensed through the "Enterprise Foundation" package. This is offered for a predetermined price that is not based on business metrics. Additional functionality for specialized tasks, such as payroll accounting, is provided through "Enterprise Extension" packages, with prices based on business metrics. In this example, the applicable metric is the number of payroll master records. The company needs to consider this figure before purchasing the corresponding package licenses.

In addition to its package licenses, the company needs named user licenses. These are available in different categories that reflect specific user roles. Having selected the appropriate software functionality, the customer next looks at the employees who will use that functionality. All staff members who leverage the software for operational tasks require an "SAP Professional" named user license. This category supports a wide variety of roles, ranging from the head of finance (who needs to access

#### "ENTERPRISE FOUNDATION" AND "ENTERPRISE EXTENSIONS"

The "Enterprise Foundation" package delivers powerful functionality that supports processes in key areas including:

- Financial management
- Human capital management
- Procurement and logistics

SAP also delivers a broad range of "Enterprise Extension" packages that enhance the functionality delivered in the "Enterprise Foundation" package and are suitable for use in all industries.

### SCENARIO 1 – DEPLOYING CORE FUNCTIONALITY IN SAP® ERP

Objective: Streamline business processes and integrate a heterogeneous system landscape Solution: SAP\* ERP application

#### License overview:

- · "Enterprise Foundation" package
  - Predetermined price
  - Five "SAP Professional" users included
  - "SAP NetWeaver® Foundation" included
- "SAP Payroll Processing" package
  - Metric: number of master records
  - For 65,000 master records
- "SAP Professional" user for 750 users

all accounting data sheets, oversee the team's activities, and supervise closings) to the people in HR administration (who use the SAP software to maintain employee master data).

#### **Adding Analytics and Visualization**

After successfully deploying core SAP software, the company decides that it requires data analysis to understand how it is performing and to visualize reports in new, interactive ways. The company chooses to license SAP BusinessObjects solutions designed for precise business analysis, visualization, and data clarity.

This is an integrated licensing scenario because data will flow between the customer's core SAP ERP application and its SAP BusinessObjects solutions. Based on the business scenario, SAP provides the company with a license for one named user type – the "SAP Business Expert" user. The "SAP Business Expert" named user license enables certain employees to access core functionality in SAP ERP (and other SAP applications) as well as create, design, and build dashboards for data visualization.

# SCENARIO 1 (SUBSEQUENT PURCHASE) INTEGRATING SAP° BusinessObjects™ SOFTWARE

Objective: Add business reporting software to existing landscape Solution: SAP® BusinessObjects™ business intelligence (BI) solutions

#### License overview:

- Existing "Enterprise Foundation" package
- "BA&T SAP BusinessObjects BI Suite" package
  - Metric: number of individual BI users
  - For 200 users



Several other employees, including board members, need to view reports generated by the SAP BusinessObjects software. There is no additional SAP named user requirement for these users because the rights to view, format, and drill down predefined reports are included in the package license for SAP BusinessObjects solutions.

#### **SCENARIO 2: ENTERPRISE MOBILITY**

Next, let's imagine that you've been tasked with finding innovative ways of increasing business productivity through the adoption of new technology. Mobile and in-memory technologies have been determined as the best way to drive efficiencies and growth.

#### Creating a Secure Mobile Platform

As a first step to going wireless, your company decides to utilize the SAP Travel Receipt Capture mobile app for 10 of its top executives. It will also need a secure mobile platform. To meet this goal, your company licenses the "SAP Mobile Platform" package. This package permits access to Sybase Unwired Platform to run mobile apps, SAP NetWeaver Gateway technology to extend the use of licensed SAP applications to mobile devices, and the SAP Afaria® mobile device management solution to provide security on those mobile devices.

#### Integrating Mobile Apps from SAP

All mobile apps from SAP are designed to complement SAP enterprise software. As a result, your company's new SAP Travel Receipt Capture mobile app will work with the human capital management functionality delivered with its licensed SAP ERP application. The decision to add enterprise mobility to licensed SAP solutions will help your company quickly process its travel receipt expenses. SAP's licensing model also makes it easy for your company to add more mobile apps from SAP to increase productivity and provide employees with the wireless resources they need.

To ensure that all employees have the right to use the SAP Travel Receipt Capture mobile app, they are required at a minimum to be "SAP Employee" named users. The "SAP Employee" named user license provides employees with the right to access the human capital management functionality on a self-service basis.

#### SCENARIO 2 - LICENSING MOBILE APPS FROM SAP

Objective: Enhance the new system landscape with enterprise mobility Solution: Mobile apps from SAP

#### LICENSE OVERVIEW

Package	Scope
"Enterprise Foundation" package	<ul> <li>Predetermined price</li> <li>Five "SAP Professional" users included</li> <li>"SAP NetWeaver® Foundation" included</li> </ul>
"SAP® Sales" package	For 10 executives – 10 users
"SAP Professional" user	For 50 people
"SAP Mobile Platform" package	For 10 executives – 10 users
SAP Travel Receipt Capture mobile app	For 10 executives – 10 users
SAP Mobile Sales application	For 10 sales executives – 10 users
SAP CRM Sales mobile app	For 10 sales executives – 10 users

Now let's say that your company also plans to enable its sales force (all 45 of them) to use the licensed functionality of the SAP CRM application on mobile devices. To do so, you license the SAP CRM Sales mobile app. This gives your company the cutting-edge ability to manage its sales opportunities and sales leads in real time while sales representatives are traveling. To help ensure that this functionality is licensed correctly and protected for security, you also license:

- SAP Mobile Sales application to allow the SAP CRM Sales mobile app to access business data
- "SAP Sales" package
- The appropriate SAP named users

#### SCENARIO 3: SAP HANA WITH SAP BUSINESS SUITE

After implementing an SAP application through the "Enterprise Foundation" package, a company decides that it needs real-time access to its business data. To support a management-driven initiative to improve reporting times through the adoption of in-memory technology, the company decides to license the SAP HANA database through any of the available options. There will be a total of 755 individuals using the new reporting system. (Note: These individuals are not yet licensed as SAP named users.) The metric used to license SAP HANA is the number of gigabytes (GB) required of SAP HANA. After undergoing a sizing exercise, it is determined that SAP HANA would require a capacity of 1,056 GB, which represents 16 units of SAP HANA based on the pricing structure in the SAP price list.

#### SCENARIO 3 – LICENSING IN-MEMORY FUNCTIONALITY

Objective: Enhance the new system landscape with in-memory functionality

Solution: SAP HANA® database

#### License overview:

- "Enterprise Foundation" package
  - Predetermined price
  - Five "SAP® Professional" users included
  - "SAP NetWeaver® Foundation" included
- "SAP Professional" named user license for 750 users
- SAP HANA, edition for the SAP NetWeaver Business Warehouse application – 1056 GB, or 16 units of SAP HANA

# Appendix A: Database Licensing

#### DATABASES FROM SAP AND THIRD PARTIES

When licensing your SAP software, you need to determine whether you will be using a database from SAP or a third-party database.

Databases from SAP include:

- SAP HANA
- SAP MaxDB
- SAP Sybase Adaptive Server Enterprise (SAP Sybase ASE)

Available third-party databases include:

- DB2
- Microsoft SQL Server
- · Oracle Database

#### CALCULATING THE DATABASE FEE

When you license the database from SAP, the fee for that database is calculated against most of your licensed SAP software. Most SAP software is included in the calculation; however, there are some exceptions. SAP refers to this database requirement as "SAV" relevance. SAV stands for "software application value."

The database fee is calculated as a percentage of the value of the SAV-relevant software. In a few situations, the SAV-relevant software will not run on the database that you have licensed and can therefore be excluded from the database calculation. You are then required to license that specific database directly from the required database vendor.

#### MIGRATION OF DATABASES

At some point, you may decide to change from one database to another. For example, what happens when your original license includes a third-party database and you subsequently decide to license SAP Sybase ASE as a runtime database? This is possible as long as you follow a few simple rules.

First, you must let your SAP sales executive know that you wish to license the new database. You will work directly with your sales executive and the SAP contracts department to license SAP Sybase ASE and terminate your existing third-party database according to the terms and conditions in your license agreement. You need to license SAP Sybase ASE on all your SAV-relevant software. In other words, the database fee is calculated against all the SAP software that requires a database. It typically takes from one to six months to migrate one database to another. During this time, you may be required to pay fees on both databases. Once the third-party database is terminated, you may no longer use it, and you are no longer required to pay support on that terminated database.

As a general rule, you cannot change from an interface license to a runtime license. You need to contact your SAP sales executive and contract specialist for special situations. Note that royalties already paid to a third-party database vendor are not refundable, and you cannot credit any previous payments toward the new database.



The vast majority of SAP software licenses are perpetual licenses. A perpetual license entitles you to use specific functionality of your licensed SAP software for an unlimited period of time.

# Appendix B: Maintenance

#### MAINTENANCE PHASES

Maintenance for SAP software begins when SAP releases the relevant application. There are three distinct maintenance phases for most SAP software products: mainstream, extended, and customer-specific maintenance (see the table below). The current maintenance phase for a particular product depends on when the product was released, not on the underlying software license.

For further information on SAP maintenance and support services, please visit us at <a href="https://www.sap.com/support">www.sap.com/support</a> or access the SAP Service Marketplace extranet at <a href="https://www.service.sap.com/supportofferings">www.service.sap.com/supportofferings</a>.

#### Maintenance Phases for SAP® Software

Maintenance Phase	Description
Mainstream	This is the first maintenance phase for a software release. Mainstream maintenance starts on the release-to-customer date. During this phase, the customer receives the full scope of SAP® support.
Extended	After the mainstream maintenance phase ends, SAP may offer extended maintenance for selected software releases. The scope of the support that is provided through this extended maintenance is usually similar to that of mainstream maintenance, with some restrictions. Extended maintenance is optional and requires a separate additional support contract
Customer specific	A release enters customer-specific maintenance when:  The mainstream maintenance phase ends and no extended maintenance is offered  Mainstream maintenance ends and you do not sign a contract for extended maintenance  The extended maintenance phase ends  Your extended maintenance contract expires
	The scope of support provided for customer-specific maintenance is usually similar to that of mainstream maintenance, with some restrictions.

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# Appendix C: Licensing Analytics Solutions from SAP

As described in Chapter 2, licensing of analytics solutions from SAP would require a combination of package licenses based on a business metric and named user license for access to the software. The metrics for the package licenses would vary by

product but they would be common across each of the analytics solutions. The table below summarizes your options for licensing the analytics solutions. It includes an overview of options for metric licenses and the required named user license.

#### **Package Licenses**

Packages	Business metrics
SAP® BusinessObjects™ business intelligence (BI) solutions	Number of concurrent sessions and/or users
SAP solutions for information management	Number of CPUs Number of servers
SAP solutions for enterprise performance management (EPM)	Number of users Number of employees
SAP solutions for governance, risk, and compliance (GRC)	Number of users Number of monitored users Revenue
Analytic applications from SAP	Number of users Revenue

#### Named User Licenses (Any of the following SAP Application Users)



Business Expert	Access all licensed SAP software
Business Analytics Professional	Access licensed SAP Analytics software
BI Limited	Access one (1) licensed BI software component

# Appendix D: Licensing Database Solutions from Sybase

As described in Chapter 2, licensing of database solutions from Sybase would generally require a package license based on a business metric. The requirement for a named user license would depend on the use scenario. Generally, when a Sybase database is used with the "SAP Enterprise Foundation" package, the named user license will apply. To get an overview of the various metric options for package licenses of database solutions from Sybase, check the table below.

In core licensing, the aggregate number of cores in CPUs that are available for use by SAP Sybase ASE is used as the metric for licensing. There is no limit on the number of users, sessions, or devices that can access SAP Sybase ASE under the core licensing model. In server plus concurrent session or user licensing, SAP requires that the computer hardware running SAP Sybase ASE be licensed (using the server metric) and also that the users directly or indirectly accessing SAP Sybase ASE be licensed (using either the concurrent session or user metric). With the concurrent session metric, the aggregate number of sessions accessing SAP Sybase ASE at any one time is measured and

used as the metric for licensing. With the user metric, each individual end user must be specifically identified as the sole holder of a user license to access SAP Sybase ASE. Therefore, you must choose either the concurrent session or user metric in the server plus the concurrent session or user licensing model for a deployment of SAP Sybase ASE. However, regardless of whether the concurrent session or user metric is chosen, there is no limit on the number of CPUs or cores running SAP Sybase ASE as long as all servers are licensed.

The package license for SAP Sybase PowerDesigner® software is available in two metrics: concurrent session and user. You can choose which one to utilize.

The package license for SAP Sybase IQ server, SAP Sybase SQL Anywhere® solutions, SAP Sybase Replication Server®, and SAP Sybase Event Stream Processor software varies by product. Each product is licensed using one metric only. The most commonly used metrics are listed in the table below.

Package License	<b>Business Metrics</b>	Typical Use Case
SAP® Sybase® Adaptive Server® Enterprise	Number of cores or number of servers,* plus number of concurrent sessions or users	Improve the availability of applications requiring extreme online transaction processing and scalability with this high-performance database platform
SAP Sybase IQ server	Number of cores	Accelerate analytics and Big Data processing with this highly optimized analytics relational database management system through the native MapReduce application programming interface, Hadoop integration, and built-in text analytics
SAP Sybase SQL Anywhere® solutions	Number of users or number of chips*	Design and deploy custom database-powered applications that automatically synchronize business data to thousands of mobile computing devices and remote offices
SAP Sybase Replication Server®	Number of cores	Replicate and synchronize Sybase, Oracle, Microsoft, and IBM database transactions for secure, high-performance data delivery across the enterprise
SAP Sybase PowerDesigner® software	Number of concurrent sessions or users*	Leverage industry-leading modeling, impact analysis, design-time change management, and metadata management techniques throughout your organization
SAP Sybase Event Stream Processor software  * The customer is to choose one	Number of cores	Speed development and deployment of applications that analyze and act on massive amounts of streaming data in real time

<sup>\*</sup> The customer is to choose one.

# Appendix E: Frequently Asked Questions

This section answers frequently asked questions (FAQs) about SAP software licensing.

#### HOW DOES CPU LICENSING WORK?

As a general rule, prices for SAP package licenses are based on business metrics, which could be the number of orders processed, number of contracts tracked, or number of patients treated. In certain cases, technology metrics, such as the number of central processing units (CPUs) in a server environment, are used to price your license. SAP has straightforward hardware-independent rules for applying CPU-based metrics, which include multiple core CPUs.

SAP refers to a virtualized environment as only the virtual CPUs (not physical CPUs) that run all or parts of the licensed software. However, if the number of CPUs running the licensed software is allocated dynamically (not virtualized), then all the physical CPUs are taken into consideration and are relevant to the CPU count. Note that every CPU that runs at least parts of the licensed software is considered in its entirety. When counting physical CPUs, each core of a physical CPU that runs at least parts of the licensed software, including those that are temporarily assigned or scheduled to cover peak processing, is considered and counted.

In contrast, physical CPUs are not counted in a virtualized environment; only each core of a "virtual CPU" that runs at least parts of the licensed software, including those that are temporarily assigned or scheduled to cover peak processing, is considered and counted. Therefore, if you are running your software in a purely virtual environment, the number of physical CPUs will not be counted; only the virtual CPUs that are being utilized for the software usage will be. This could reduce the number of CPUs you need to license by restricting the cores that will be running the licensed SAP software to only those that are needed.

Note: Though the metric used to price several SAP products has been changed from "CPU" to "core" as of the April 2013 price list, customers who have licensed under the CPU metric continue to be covered by the CPU licensing policy as described above unless they choose to be covered by the core metric licensing instead. If you have questions, please contact your SAP sales representative.

#### **CPU Metric Value Calculation**

For each CPU, the first processor core is multiplied by 1, and each incremental processor core is multiplied by 0.5. The sum for all CPUs is then rounded up to the next integer or whole number, as shown in the following example.

**Example 1: Licensing Three Quad-Core Processors**The license fee for three quad-core processors is calculated as follows.

Quantity	Unit
3.0	Number of quad-core processors
2.5	Number of CPUs per quad-core processor $(1 + 0.5 + 0.5 + 0.5)$
7.5	Total number of CPUs for 3 quad-core processors $(3 \times 2.5)$
8.0	Total number of CPUs to be licensed (rounded up to the next integer)

**Example 2: Licensing Four Virtual Dual-Core Processors** In this example, the total number of physical dual-core CPUs is 16. The license fee for four virtual dual-core processors in the configuration is calculated as follows.

Quantity	Unit
4.0	Number of virtual dual-core processors to run qualified software
1.5	Number of CPUs per virtual dual-core processor (1 + 0.5)
6.0	Total number of CPUs for 4 virtual dual-core processors (4 x 1.5)
6.0	Total number of CPUs to be licensed

#### WHAT IS A "CORE" METRIC?

SAP defines a core metric as the number of actual cores in the CPU that are available for use by the licensed software. The "core" of a CPU is the physical processing part of a server. For example, if a server is a "dual-core" processor, it has two cores. A server that is a "quad-core" processor has four cores.

The number of cores licensed must be a whole number that counts each actual core of the physical CPU that will run at least a part of the licensed software. Using a quad-core processor as an example, the cores would be counted as 1+1+1+1 for a total of 4 cores. All physical cores, even the cores temporarily assigned or scheduled to cover peak processing loads, are included in that count.

When SAP looks at "virtual" cores, the same rules apply to the count. The difference is that in a fully virtual environment, the actual **physical** cores are not counted. Instead, SAP counts the virtual cores that will be processing the software in the virtual environment. For a partial core, that fraction is rounded up to the next whole number.

Note that the term "core" is also used throughout several metric definitions in SAP licenses. If you have any questions about how SAP views cores, whether as an actual metric or part of a definition, please contact your SAP sales representative for further clarification. (Please note that the core metric was introduced in the SAP price list April 2013.)

## WHAT IS THE USER METRIC? DOES IT DIFFER FROM NAMED USERS?

One of the metrics, or units, that SAP uses to license its software is the user metric. This metric is not to be confused with an SAP named user. The user metric is a way to count the number of people who are going to be accessing the processing functionality of the SAP software to be licensed. The user metric is defined as the individual using the software. As defined in the customer's end-user license agreement, "use" means to activate the processing functionality of the software; load, execute, or access the software; or display information resulting from such capabilities.

SAP also licenses software packages for business analytics and technology. Many of these are licensed by the user metric as well. However, for those users who are only going to be viewing the data from these business applications in a report, no SAP named user is required. The SAP named user is required only when the user is accessing the solution to "operationalize" the software, which means to create, modify, and design those reports. The software administrators also require an SAP named user license.

As stated previously, the overriding philosophy of SAP is that the "package license" is the licensing of specific software functionality, while the "named user license" is required to access that licensed functionality.

# WHAT ARE THE RULES FOR LICENSING SOFTWARE ACQUIRED BY SAP?

SAP supports flexible product offerings and maintains its technological relevance through strategic acquisitions. These acquisitions have important benefits to you by allowing SAP to extend into market categories such as applications, analytics, cloud, mobile, and database and technology.

SAP maintains a stance that it will not require its existing customers, or customers of companies it has acquired, to alter the way they have licensed the software. As a result, SAP allows multiple scenarios that enable you to be comfortable that the software you license is going to be used, deployed, and maintained as you intend.

You can start with the package and named user licenses your organization needs today and add more functionality and users as your needs change.



Two key scenarios govern use cases of software acquired by SAP: an integrated scenario and a stand-alone scenario. These two scenarios look at core SAP software (such as SAP ERP), along with the software of the companies that SAP has acquired. The integrated scenario means that the software acquired by SAP and being licensed will be deployed with the core SAP software. The stand-alone scenario, on the other hand, means that the software acquired by SAP is being licensed without integration with core SAP software.

Software from two major acquired companies lends itself to the concept of integrated and stand-alone scenarios: Business Objects and Sybase.

#### Licensing Business Objects Software Before SAP Acquisition

When a customer licensed Business Objects products prior to the acquisition by SAP, they were licensed under a different licensing model; these are referred to as legacy Business Objects products. Under the legacy model, Business Objects did not follow the package and named user licensing concept. If you have purchased "a la carte" (individual) legacy Business Objects software that is not integrated with SAP software, you do not need to license SAP named users. For legacy Business Objects software, this methodology functions the same way that existed before the acquisition. This is the only legacy Business Objects scenario that does not require an SAP named user license. However, if you have licensed legacy Business Objects products in an a-la-carte structure (individual Business Objects components) that are integrated with SAP core software, then SAP named user licenses are required.

#### Licensing Sybase Software

Sybase was a strategic acquisition that enables SAP to better serve your requirements for database and mobile solutions. SAP and Sybase do not alter how you previously licensed Sybase software. If you have already licensed Sybase software in the past, you are able to continue to use your software licenses as originally intended as long as the contract remains in a standalone scenario as when it was originally licensed.

The significance of an integrated or stand-alone scenario comes into play if you want to license Sybase software today (postacquisition) – either to obtain more Sybase software licenses or a first-time Sybase software license. It also comes into play if you want to integrate your previously licensed Sybase software with your licensed SAP software. If you are licensing the Sybase software in a stand-alone scenario where SAP software will not be present or accessed, there is no SAP named user requirement. However, if you are licensing the Sybase software in an environment where SAP Business Suite software is present, then the SAP named user requirement is mandatory.

#### WHAT IS SAP'S POLICY ON INDIRECT ACCESS?

The SAP software license is based on the utilization of software functionality, which is independent of the technical interface used to access software functions and data. A customer's software license is based on usage of the SAP software under a named user plus package license model. Under this named user plus package license model, any access which may occur due to the customers' software architecture must be licensed.



The modular structure of SAP software licenses allows you to license and pay for only the functionality and number of users that you require at any given time.

Use of SAP software is governed by the customer's SAP software agreement, which includes access to SAP software directly and through any intermediary technology layer.

#### SAP NetWeaver and Non-SAP Software

If you are deploying your own developed software or any other software not licensed from SAP on the SAP NetWeaver technology platform, and this software interacts with SAP software, you may need the "SAP NetWeaver Foundation for Third-Party Applications" license, along with the required SAP named user licenses.



The named user license authorizes the user to access the licensed software functionality.

#### BEING COMPLIANT WITH SAP SOFTWARE LICENSING

Compliance is an important aspect of SAP software licensing.

SAP software contains audit tools that assist in generating the data necessary to measure usage of the software. The tools conform with the overall SAP licensing concept, enabling SAP to measure usage by named user and by package. Most of the packages can be measured by the audit tools automatically. An example is HR payroll. However, in order to evaluate named users correctly, each named user must be classified according to the activities the user performs in the software and the appropriate user definition as it appears in the price list.

Licensing metrics for some packages – revenue, for example – are not stored in the software. As a result, the audit tools cannot determine if you fall within the scope specified by your software license. In these cases, you must determine your software usage according to that metric yourself. Measuring the usage of your SAP software is something you are obliged to do according to your SAP license contract. SAP shall also be permitted

to audit the usage of your SAP software using standard SAP procedures. During audits your cooperation is required.

The audit tools can help you align the software levels your company has licensed with your company growth. For example, let's say you licensed 100 users, but over the past year your company grew. The audit report now shows that you have 120 users accessing the software. This means that you need to license 20 additional users. You can easily add them by contacting your SAP sales executive.

# Appendix F: Glossary

#### Α

#### Affiliates of licensee

Any legal entity in which the licensee of the SAP software directly or indirectly holds more than 50% of the shares or voting rights. Any such company shall be considered an affiliate for only as long as such equity interest is maintained.

#### В

#### **Business metrics**

Metrics used to determine the price of package licenses. They reflect the value of a specific package for the customer's business. Examples include number of orders processed, contracts, gross written premium, and patients treated.

#### **Business partner**

An entity that requires access to the software in connection with the operation of your business. Business partners include customers, distributors, and suppliers.

#### С

#### **Cloud computing**

Internet-based access to computing services, resources, and information on demand through shared servers

#### М

#### Maintenance and support services

Services available for most licensed SAP software. A maintenance contract entitles you to access the SAP support infrastructure and to receive software corrections and new releases of the software licensed. The primary SAP maintenance and support offering is SAP Enterprise Support services.

#### Modification

A change that affects the source code or metadata delivered with your SAP software; or any development that customizes, enhances, or changes existing functionality of the software, including (but not limited to) the creation of any new API or alternative user interfaces, the extension of SAP data structures, or other changes utilizing or incorporating SAP materials (any software, programs, tools, systems, data, or other materials made available by SAP to the licensee).

#### Ν

#### Named user

Named user means any individual authorized by the licensee to use a package, including without limitation employees of its affiliates or its business partners.

#### Named user license

Grants an individual access to SAP software functionality for a specific set of tasks and is generally valid for all licensed software functionality. A named user license is nontransferable; it is valid for one individual and cannot be transferred to another individual. The tasks a named user license permits a user to perform are specified by the license's type and category.

#### Named user license category

SAP offers various named user license categories tailored to the different roles of employees accessing SAP software. The main categories are:

- Developer
- Business Expert
- Professional
- · Limited Professional
- Business Information
- Employee
- · Employee Self-Service

The default category for performing operational-related roles with SAP software is "SAP Professional." Other categories are available for specific usage scenarios.

#### Named user license type

SAP offers a number of types of named user licenses, which are tailored to different software usage scenarios. The most common type is "SAP Application." Other types, such as "SAP Platform" and "SAP NetWeaver," are required for a relatively small number of scenarios.

0

#### On-demand software

SAP offers an on-demand delivery model for specific software products. This gives companies access to licensed software hosted at a remote location. Installation, maintenance, and upgrades for the licensed solution are handled either by SAP or an SAP partner.

Р

#### **Package**

A defined set of SAP software functionality. Packages are at the heart of SAP's modular licensing model. They enable companies to license precisely the functionality they require at any given time. A company can start with just the functionality its organization needs and add more as business needs change.

#### Package license

Licenses of this kind allow you to deploy and use specific sets of software functionality provided that all users accessing that functionality hold named user licenses. The price of a package license is based on key business metrics that reflect the licensee's use of the functionality and, hence, the value of the SAP software for its business.

#### Perpetual software license

The vast majority of SAP software licenses are perpetual licenses. They entitle you to use the relevant functionality for an unlimited period of time.

S

#### Software application value (SAV)

The sum of all named user licenses and package licenses, excluding certain items defined in the SAP price list. SAV is the basis for calculating database license fees for databases licensed through SAP.

#### Subscription-based licenses

Subscription-based licenses are available for certain SAP software products, for example, on-demand solutions. The fees are paid at regular intervals and are calculated on a per-user, per-month basis. They grant the licensee remote access to the relevant SAP software for a specified period of time. Subscription-based licenses include support, maintenance, and managed services as set out in the license agreement.

#### Support package

Within the scope of the SAP maintenance and support services, these packages provide corrections to SAP software and reduce associated effort. Support packages may also deliver software adjustments required to adapt existing functionality to new legal and regulatory requirements.

Т

#### Third-party applications

Software developed and usually sold by software vendors other than SAP. Some third-party applications that supplement the SAP portfolio and can be licensed directly through SAP are included in the SAP price list.

U

#### Use

Use means to activate the processing functionality of the software; load, execute, access, or employ the software; or display information resulting from such functionality. Use may occur by way of an interface delivered with or as a part of the software, a licensee or third-party interface, or another intermediary system.

