

Working group 1: A balancing act – what technical and leadership skills must treasurers bring to the role to successfully deal with tomorrow's world?

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Introduction



Steffen Diel

Head of Global Treasury, SVP

SAP SE

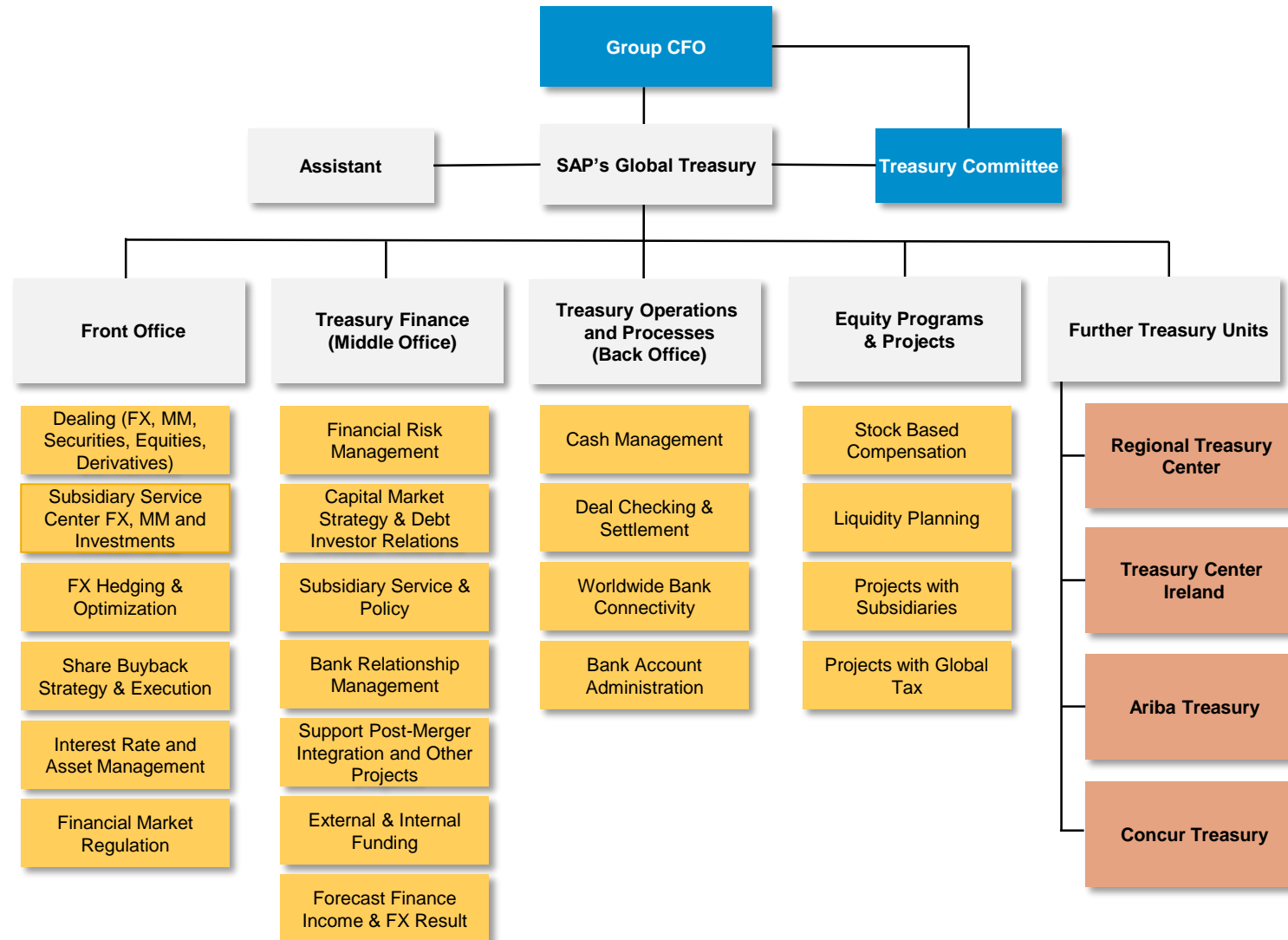
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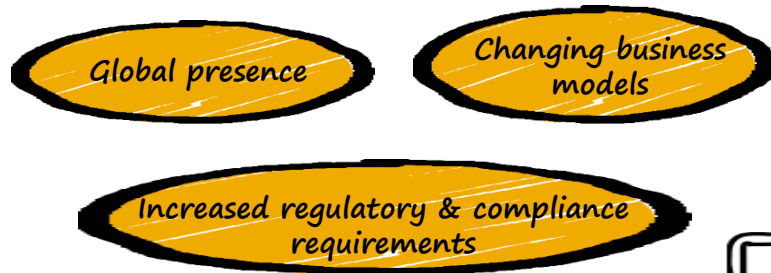


SAP Global Treasury at a glance

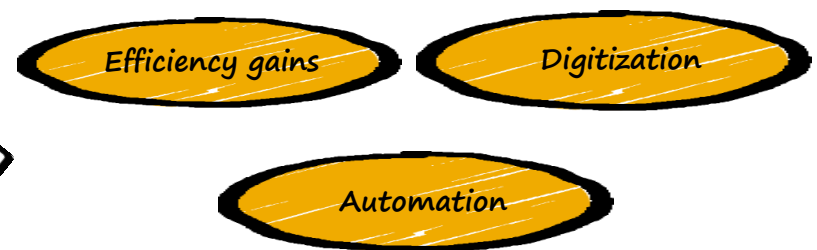


Treasury Trends

Increased complexity



Increased importance of IT

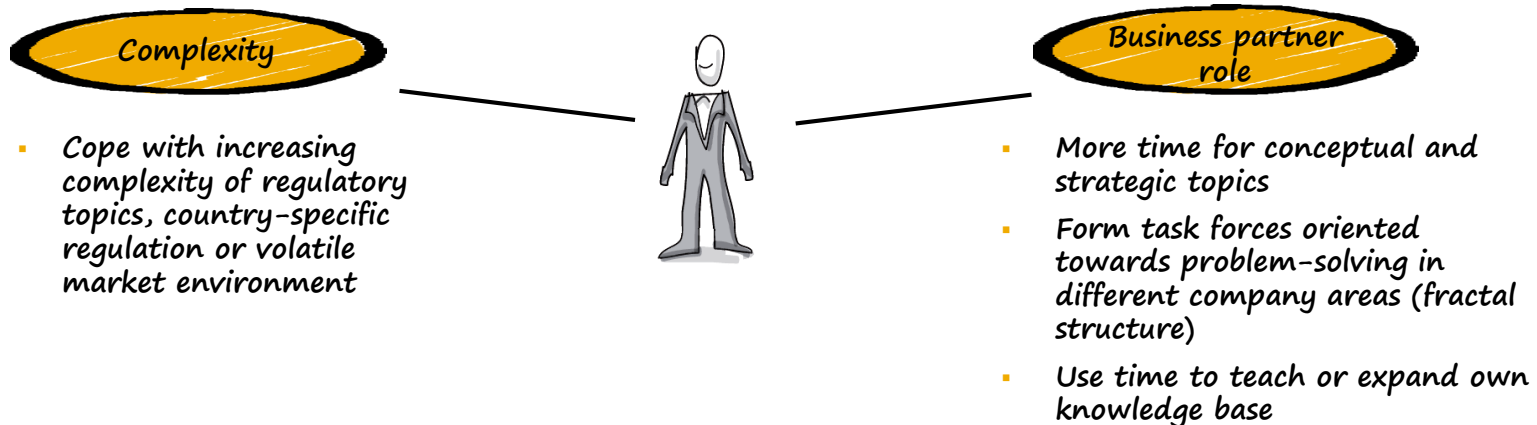


Treasurers – sharpen strategic and operating profile...



Role and expertise of a future treasurer

How would the treasurer use the extra time, saved by technology?



Implications

Role and working environment:

- More of a pro-active advisory / business partner function, less of a service function
- Less structured daily routine

Broad spectrum of expertise:

- IT skills
- General knowledge of finance and finance-related topics, including legal, tax and accounting
- Deep understanding of the industry as well as the company's business and strategy

The treasurer's landscape at SAP

Thought Leadership

- Best practices for treasury activities
- Regulatory compliance
- Optimization of Treasury processes
- Treasury trends

Business Partnering

- Commercial / deal support
- Sales support (customer meetings, credit card solutions, new business models, etc.)
- Advisory role (capital structure)

IT Bias

- Open for the use of new technologies (S/4 HANA, social and other networks, mobile apps)
- Technical agility (examine and embrace new technological developments)
- Co-innovation

Stakeholder Management

Internal Exposure

- Senior Management
- Other internal stakeholders, e.g. Financial Reporting, Tax, Controlling, Investor Relations, Sustainability Management, Enterprise Risk Management, Legal, Vendor Financing

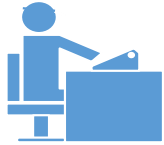
External Exposure

- Banks
- Debt investors
- Rating agencies
- Disruptive innovators (FinTechs, platforms)
- Customers (sales support)

People Development

- Talent identification & retention (e.g. internship)
- Continuous professional and self-development (Amazing People program)
- Individual development plan

Our approach to face the future challenges - examples

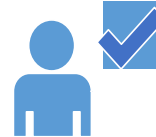


Amazing People

“Amazing People is an opportunity for each Global Treasury employee to grow personally & professionally”



“Each member of global treasury will be enabled to self develop and have a meaningful and relevant development plan; to be supported & discussed by manager”



Talent identification

Talent recruiting:

- Internship
 - ❖ Insight into all areas of Treasury
 - ❖ Structured approach with learning sessions, onboarding week and feedback discussion
- Working student and Bachelor/ Master thesis

Talent pool:

- Network
 - ❖ Long term-relationship with former interns and working students
 - ❖ Information about job opportunities

Hiring:

- Using the talent pool to fill a vacancy



To be more confident that new employees have all the required skills

Back-up Material



The potential of new technologies

Robo trading

- For operating business and up to certain thresholds it can save effort on hedging and investments (especially considering that corporates often have strictly conservative and passive approaches)



Blockchain technology

- Promise to revolutionize the monetary sector
- Potential to facilitate disintermediation
- Expansion beyond payments to contractual agreements

Holographic computing

- Can transform the ways to communicate, collaborate and explore, e.g. a virtual meeting can become a more constructive experience and thus reduce the need for travelling
- Creates new ways to teach and learn from distance

The role of technology in the working day of a future treasurer

Create FX exposure or liquidity reports with a voice command and view them with holographic glasses



Manage FX exposure or excess liquidity via automated trading / robo investing



Approve payments in cryptocurrencies via a tablet or a watch.



Do on-the-fly simulation for liquidity planning purposes with real-time data and predictive analytics



Simulate and evaluate the effectiveness of complicated hedging strategies by using extensive real-time data and scenario analysis

Use a virtual meeting to explain the implications of FX exposure to a colleague in Sales via a holographic image

Use big data (unstructured data) to predict macro risks related to FX, interest rates, or liquidity restrictions in different geographies. Automated decision on countermeasures and execution

Raise financing for an acquisition via a crowdfunding platform