

SERVICE LEVEL AGREEMENT FOR PRIVATE CLOUD EDITION SERVICES AND TAILORED OPTION SERVICES

This Service Level Agreement for RISE with SAP S/4HANA Cloud, private edition (formerly, SAP S/4HANA, private cloud edition); SAP ERP, private cloud edition (collectively, "Private Cloud Edition Services"); RISE with SAP S/4HANA Cloud, private edition, tailored option; and SAP ERP, private cloud edition, tailored option (collectively, "Tailored Option Services") (each, a "Cloud Service") sets forth the applicable Service Levels for Private Cloud Edition Services, Tailored Option Services, and Server Provisioning to which Customer has subscribed in an Order Form with SAP.

1. DEFINITIONS

Capitalized terms used in this document but not defined herein are defined in the Agreement.

- 1.1. "**Agreed Downtime**" means any downtime requested by SAP or Customer and mutually agreed by the parties.
- 1.2. "**Business Day**" means any days from Monday to Friday with the exception of the public holidays observed at Customer's primary access location designated in the Order Form.
- 1.3. "**Computing Environment**" means the data center facilities, servers, networking equipment, operating systems, and data storage mechanisms selected and used by SAP to provide the Cloud Service for the Customer, and includes the production Computing Environment ("**PRD**"), and any other Computing Environment used for non-production purposes ("**NON-PRD**"), as agreed in the Order Form.
- 1.4. "**Credit**" means the following, subject always to Section 5 of this Service Level Agreement:
 - 1.4.1. for Private Cloud Edition Services and Tailored Option Services, 2% of Monthly Service Fees for each 1% below the SA SLA; and
 - 1.4.2. for Server Provisioning (IaaS Basic), €1,500 per Month in aggregate for any and all instances below the SA SLA.
- 1.5. "**Downtime**" means the Total Minutes in the Month during which the Cloud Service (or Servers for Server Provisioning) does not respond to a request from SAP's Point of Demarcation for the data center providing the Cloud Service (or Server for Server Provisioning), excluding Excluded Downtime.
- 1.6. "**Emergency Downtime**" means downtime during emergency patch deployment and emergency operating system upgrades as described in the Supplement.
- 1.7. "**Excluded Downtime**" means the Total Minutes in the Month attributable to: Scheduled Downtime; Agreed Downtime; Emergency Downtime; downtime caused by factors outside of SAP's reasonable control such as unpredictable and unforeseeable events that could not have been avoided even if reasonable care had been exercised (see examples in Section 2); or downtime of a NON-PRD system caused by using the NON-PRD for failover/to repair to a PRD system.
- 1.8. "**Incident**" means unplanned interruptions or material reduction in service quality to the Computing Environment that is reported by Authorized Users.
- 1.9. "**Incident Reaction Time**" means the amount of time (e.g. in hours or minutes) between when the SAP Support Level 1 organization is notified of the Customer-reported Incident and the first action is taken by an SAP support person, familiar with the Customer's environment, to repair the Incident.
- 1.10. "**Local Time**" means the time zone in Customer's primary access location identified in the Order Form.
- 1.11. "**Month**" means a calendar month.
- 1.12. "**Monthly Service Fees**" means the monthly (or 1/12 of the annual fee) subscription fees paid for the affected Cloud Service which did not meet the SA SLA.
- 1.13. "**Scheduled Downtime**" means downtime scheduled at a mutually agreed time, as listed in the Order Form, or as described in the Supplement.
- 1.14. "**Subscription Software**" shall (i) have the meaning set forth in the Supplement for Tailored Option Services, and (ii) mean Cloud Services Software set forth in the Supplement for Private Cloud Edition Services.

1.15. **“System”** means one or more interrelated and interdependent components such as databases, servers, networks, load balancers, web dispatchers, tenants, etc. which when taken as a whole are used to operate a tier. Each combination of components used within each tier is equivalent to one System. System Availability Percentage is measured at the tier level. For Tailored Option Services, each System is identified by the Tier No. column in the System Setup Table in the Order Form, and for Private Cloud Edition Services, each System is identified by the system tier type as set forth in the Service Description Guide of the Supplement. For Server Provisioning, System as used herein means Server, as defined in the Order Form.

1.16. **“System Availability Percentage”** for each System is calculated and defined as follows:

$$= \left(\frac{\text{Total Minutes in the Month} - \text{Downtime}}{\text{Total Minutes in the Month}} \right) * 100$$

1.17. **“System Availability Service Level”** or **“SA SLA”** means the applicable System Availability Percentage specified below during each Month for the Computing Environment (and Server for Server Provisioning, if applicable) after System handover to the Customer:

1.17.1. 99.5% System Availability Percentage for PRD unless a higher System Availability Percentage is identified in the Supplement or Order Form;

1.17.2. 95.0% System Availability Percentage for NON-PRD unless a higher System Availability Percentage is identified in the Order Form; and

1.17.3. 99.5% System Availability Percentage for Server Provisioning.

1.18. **“Total Minutes in the Month”** are measured 24 hours at 7 days a week during a Month.

2. SYSTEM AVAILABILITY

2.1. The SA SLA shall not apply to Customer-provided software unless otherwise expressly set forth in the Order Form.

2.2. Downtime caused by factors outside of SAP’s reasonable control include, but is not limited to the following:

2.2.1. Customer’s failure to meet Customer’s responsibilities (including using a version or release of the Subscription Software on current maintenance) as set forth in the Agreement.

2.2.2. Downtime caused by Customer.

2.2.3. Interruptions as a result of requirements stipulated by a third-party manufacturer of the Customer-provided software.

2.2.4. Interruptions or shutdowns of the Computing Environment, or portions thereof (or Servers for Server Provisioning) resulting from the quality of the Customer-provided software and/or Customer’s customizations or modifications of the Customer-provided software, Subscription Software or Computing Environment (or Servers for Server Provisioning), unless this is the responsibility of SAP under this Agreement.

2.2.5. Restore times of user data (recovery of database data from a media backup) where SAP was not the root cause for the required restoration.

3. BACKUP AND COMPUTING ENVIRONMENT INCIDENT REACTION TIME

(not applicable to Server Provisioning)

Description	Computing Environment	Service Levels
Backup Frequency and retention period for Databases	PRD	Daily full backup and log file backup per SAP product standard. 30 days retention time. Backup of the PRD will be replicated to an alternate data center or location.
	NON-PRD	Weekly full backup and log file backup per SAP product standard. 14 days retention time. Backup of the NON-PRD will be replicated to an alternate data center or location.

Long Term Backup*	PRD and/or NON-PRD	Monthly full back up – 1 year retention time Quarterly full back up – 1 year retention time Yearly full back up – up to 5 years retention time
Backup Frequency and retention period for File systems	PRD	Monthly full backup and daily incremental. Two Months retention time. Backup of the PRD will be replicated to an alternate data center or location.
	NON-PRD	Monthly full backup and daily incremental. Two Months retention time. Backup of the NON-PRD will be replicated to an alternate data center or location.
Incident Reaction Time for Incident Management	Incident Priority Very High	20 minutes (7x24) and (i) resolution or (ii) workaround or (iii) action plan within 4hrs for PRD
	Incident Priority High	2 hours (7x24) for PRD
		4 hours [Local Time on Business Days] for NON-PRD
	Incident Priority Medium	4 hours [Local Time on Business Days] for PRD and NON-PRD
Incident Priority Low	1 Business Day for PRD and NON-PRD	

*Applies if this optional service is purchased in an Order Form. The retention periods for Long Term Backup will end at the earlier of the retention time set forth herein or the end of Customer's Cloud Service subscription term.

- 3.1. **Incident Priorities.** The following priority levels apply to all Incidents (such priority to be assigned by Customer, and which may be re-assigned by SAP based on the criteria below and acting reasonably):
 - 3.1.1. **Very High:** An Incident should be categorized with the priority "Very High" if the incident reported has very serious consequences for normal business processes or IT processes related to core business processes, and urgent work cannot be performed. This is generally caused by the following circumstances:
 - 3.1.1.1. A PRD system is completely down.
 - 3.1.1.2. The imminent go-live or upgrade is jeopardized.
 - 3.1.1.3. The core business processes of Customer are seriously affected.
 - 3.1.1.4. A workaround is not available.
 - 3.1.1.5. The Incident requires immediate processing because the malfunction may cause serious losses.
 - 3.1.2. **High:** An Incident should be categorized with the priority "High" if normal business processes are seriously affected. Necessary tasks cannot be performed. This is caused by incorrect or inoperable functions in the Computing Environment that are required immediately. The Incident is to be processed as quickly as possible because a continuing malfunction can seriously disrupt the entire productive business flow.
 - 3.1.3. **Medium:** An Incident should be categorized with the priority "Medium" if normal business processes are affected. The problem is caused by incorrect or inoperable functions in the Computing Environment. A message should be categorized with the priority "Medium" if normal business transactions are affected.
 - 3.1.4. **Low:** An Incident should be categorized with the priority "Low" if the problem has little or no effect on normal business processes. The problem is caused by incorrect or inoperable functions in the Computing Environment that are not required daily, or are rarely used.

4. SERVICE LEVEL REPORTING

- 4.1. SAP shall track and report to Customer the Service Levels set forth herein in a monthly summary report.
- 4.2. In the event that one or more of the Service Levels set forth herein are not met, Customer may notify the assigned SAP account manager and request to analyze the Service Level metric statistics based on the monthly summary report provided by SAP.

- 4.3. SAP will then promptly:
 - 4.3.1. determine the root cause or possible root cause of the failure (if known) to meet the Service Level; and
 - 4.3.2. unless failure is excused, develop a corrective action plan, and submit such plan to Customer for written approval (which will not be unreasonably withheld or delayed) and, following Customer's written approval implement the plan in a reasonable period of time (and in accordance with any agreed timescales).
- 4.4. If applicable, SAP will provide the specific Credit as described in Section 5 below.
- 4.5. SAP will be relieved of its obligation to pay any applicable Credits and will not be in breach of the Service Level where the root cause analysis (as reasonably performed by SAP) indicates the failure to meet the relevant Service Level was caused by Customer and shall therefore be treated as Excluded Downtime. In the event that Customer disagrees with the root cause analysis, the parties will discuss the root cause analysis.

5. SERVICE LEVEL FAILURES

- 5.1. Service Credits
 - 5.1.1. If SAP fails to meet the applicable SA SLA, Customer is entitled to claim a Credit which is calculated as the sum of the Credits for NON-PRD, PRD and Server Provisioning (as applicable), for SAP's failure to meet the respective SA SLA. Claims for a Credit must be made in good faith through a documented submission of a support case within 30 Business Days after receipt of the monthly SA SLA report. Under no circumstances will the total maximum Credits:
 - 5.1.1.1. for any 1 Month, exceed an aggregate of 100% of the Monthly Service Fee for that Month across all SA SLAs; and
 - 5.1.1.2. for any given contract year, exceed in the aggregate an amount equal to one-third of the annual subscription fees paid for the affected Cloud Service for the contract year (or one third of the total subscription fees paid for the affected Cloud Service if the term as defined in the applicable Order Form is less than 1 year).
 - 5.1.2. When Customer's entitlement of the Credit is confirmed by SAP in writing (email permitted), SAP will apply such Credit to a future invoice relating to the Cloud Service or provide a refund if no future invoice is due under the Agreement.
 - 5.1.3. Customer acknowledges that the Credits are the sole and exclusive remedy for SAP's failure to meet the specified Service Level, except to the extent prohibited by applicable law.
 - 5.1.4. Customers who have not subscribed to the Cloud Service directly from SAP must claim the Credit from their applicable SAP partner.
- 5.2. Termination
 - 5.2.1. In the event of SAP fails to meet the SA SLA for PRD Computing Environment for 3 consecutive Months, Customer may terminate the applicable Order Form by providing SAP with written notice within 30 days of Customer's receipt of the respective summary monthly report. Termination shall become effective 1 Month after SAP's receipt of such notice (or any later date set out by Customer in its notice). For the avoidance of doubt, this termination right shall supersede any and all other termination provision in the GTC for failure to meet an SA SLA, and such termination right from the GTC shall not apply.

6. SERVICE REQUESTS

Customers may request specific tasks related to the Computing Environment via the SAP Service Request Platform ("Service Request"). To the extent Service Requests are distinct from an Incident, SAP will address Service Requests during the following hours of operations:

PRD	24x7 subject to Excluded Downtime
NON-PRD	24x5 (Business Days) subject to Excluded Downtime

The services are provided in English only.