

**SERVICE LEVEL AGREEMENT FOR
SAP HANA ENTERPRISE CLOUD AND
SAP S/4HANA CLOUD, EXTENDED EDITION SERVICES**

This Service Level Agreement for SAP HANA Enterprise Cloud services ("HEC Services") and SAP S/4HANA Cloud, extended edition services, previously known as S/4HANA Cloud, single tenant edition, ("EX Services") (each, a "Cloud Service") sets forth the applicable Service Levels for the HEC Services, EX 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.

"Agreed Downtime" means any Downtime requested by SAP or Customer and mutually agreed by the parties.

"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.

"Computing Environment" means the SAP provided 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.

"Downtime" means the Total Minutes in the Month during which the HEC Service or EX Service (or Servers for Server Provisioning) does not respond to a request from SAP's Point of Demarcation for the data center providing the HEC Service or EX Service (or Server for Server Provisioning), excluding Excluded Downtime.

"Emergency Downtime" means downtime during critical patch deployment and critical operating system upgrades as described in the Supplement.

"Excluded Downtime" has the meaning set forth in Section 2 below.

"Incident" means unplanned interruptions or material reduction in service quality reported by Authorized Users.

"Incident Reaction Time" means the amount of time (e.g. in hours or minutes) between the time that the SAP Support Level 1 organization is notified of the Customer-reported Incident and the first action taken by an SAP support person, familiar with the Customer's environment, to repair the Incident.

"Licensed Software" means the applications, databases, software, tools and components owned or licensed by Customer (other than any Subscription Software) which Customer provides to SAP to be hosted in the Cloud Service.

"Local Time" means the time zone in Customer's primary access location identified in the Order Form.

"Month" means a calendar month.

"Monthly Service Fees" means the monthly (or 1/12 of the annual fee) fee paid for the HEC Services or EX Services, as applicable, which did not meet the SA SLA.

"Scheduled Downtime" has the meaning set forth in Section 2 below.

"Service Credit" means a credit calculated as described in Section 2 and Section 5(a) of this Service Level Agreement.

"Subscription Software" for HEC Services shall have the meaning set forth in the Supplement and for EX Services means the SAP software provided by SAP with the EX Service.

"System" means one or more interrelated and interdependent components such as databases, servers, networks, loadbalancers, webdispatchers, 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 is measured at the tier level. For HEC Services, each System is identified by the Tier No. column in the System Setup Table in the Order Form, and for EX Services, each System is identified by the system tier type as set forth in the EX Services Service Use Description document. For Server Provisioning, System as used herein means Server, as defined in the Order Form.

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

“**UTC**” means Coordinated Universal Time standard.

2. SYSTEM AVAILABILITY

The System Availability Service Level for HEC Services and EX Services (“**SA SLA**”) sets forth the System Availability applicable to the Computing Environment (and Server for Server Provisioning). The SA SLA shall apply after System handover to Customer.

The SA SLA shall not apply to Licensed Software licensed by Customer from a third party unless otherwise expressly set forth in the Order Form.

“**System Availability**” for each System is calculated as follows:

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

Service Level	Service Credit ²
PRD: 99.5% ¹ System Availability NON-PRD: 95.0% System Availability	<u>HEC Subscription and EX Services:</u> ³ 2% of Monthly Service Fees for each 1% below the SA SLA
	<u>HEC Cloud Start and HEC BYOL:</u> ⁴ 2% of Monthly Service Fees for each 0.1% below the SA SLA
Server Provisioning: 99.5% System Availability	<u>Server Provisioning (IaaS Basic):</u> €1,500 per Month in aggregate for any and all instances below the SA SLA

¹99.7% System Availability or 99.9% System Availability for PRD applies if purchased by Customer and identified in the Order Form.

²Subject to the monthly maximum Service Credit amounts set forth in Section 5 below.

³Also applies to S/4HANA CPO and S/4HANA CPE

⁴HEC Cloud Start was previously known as HEC Project, and HEC BYOL was previously known as HEC Production.

Excluded Downtime	Total Minutes in the Month attributable to: (i) Scheduled Downtime (ii) Agreed Downtime (iii) Emergency Downtime (iv) 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 below this table) (v) Downtime of a NON-PRD system caused by using the NON-PRD for failover/to repair to a PRD system
Scheduled Downtime	Scheduled at a mutually agreed time, as listed in the Order Form or as described in the Supplement.

The following examples include but are not limited to what is beyond SAP’s reasonable control:

- 2.1** Customer’s failure to meet Customer’s responsibilities (including ordering maintenance for the Licensed Software, using a version or release of the Licensed Software and/or Subscription Software on current maintenance) as set forth in the Agreement
- 2.2** Downtime caused by Customer
- 2.3** Interruptions as a result of requirements stipulated by a third party manufacturer of the Licensed Software

- 2.4 Interruptions or shutdowns of the Computing Environment, or portions thereof (or Servers for Server Provisioning) resulting from the quality of the Licensed Software provided by the Customer and/or Customer’s customizations or modifications of the Licensed Software, Subscription Software or Computing Environment (or Servers for Server Provisioning), unless this is the responsibility of SAP under this Agreement.
- 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	Computer Environment segment to which Service Level applies	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 – 6 months retention time 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 problem determination 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.

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 **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:

- A PRD system is completely down.
- The imminent go-live or upgrade is jeopardized.
- The core business processes of Customer are seriously affected.
- A workaround is not available.

The Incident requires immediate processing because the malfunction may cause serious losses.

3.2 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.

3.3 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.

3.4 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

SAP shall track and report to Customer the Service Levels set forth herein in a monthly summary report.

4.1 Customer must notify SAP of any claims for any Service Credits within one (1) month after receipt of the monthly System Availability report by filing a support ticket with SAP.

4.2 In the event that one or more of the Services Levels set forth herein are not met, Customer may notify the SAP Account Manager and request to analyze Service Levels metric statistics based on the monthly summary report provided by SAP.

4.3 SAP will then promptly (i) determine the root cause or possible root cause of the failure (if known) to meet the Service Level, and (ii) 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 Service Credit as described in Section 5 below.

4.5 SAP will be relieved of its obligation to pay applicable Service 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 the 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. Subject to Section 2 above, if and to the extent SAP fails to meet the System Availability Service Level set forth in Section 2, Customer is entitled to a Service Credit which is calculated as the sum of the Service Credits for NON-PRD, PRD and Server Provisioning, for SAP's failure to meet the respective System Availability Service Level. Under no circumstances will the total maximum Service Credits: (i) for any one month, exceed an aggregate of 20% of the Monthly Service Fee for that month across all the Systems at 99.9% SA SLA, and an aggregate of 100% of the Monthly Service Fee for that month across all SA SLAs; and, (ii) for any given contract year, exceed in the aggregate an amount equal to one-third of the annual subscription fees for the HEC Service or EX Service charged for the contract year (or one third of the total subscription fee for the HEC Service or EX Service charged if the term as defined in the applicable Order Form is less than one (1) year).

5.2 Customer acknowledges that the Service 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.

- 5.3** When Customer's entitlement of the Service 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.
- 5.4 Termination.** In the event of SAP fails to meet the SA SLA for PRD Computing Environment as specified in Section 2 above for three (3) consecutive months, Customer may terminate the applicable Order Form by providing SAP with written notice within thirty (30) days of Customer's receipt of the respective Service Level report. Termination shall become effective one (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 SLA, and such termination right from the GTC shall not apply.