

Time to clean out your S/4HANA wardrobe – replace your compatibility packs

The Way Forward in Detail

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Compatibility Packs in SAP S/4HANA - The Way Forward

Previous webinar (Sept 27, 2023)

- Overview about Compatibility Packs in SAP S/4HANA Private Cloud Edition and on-premise
- On SAP S/4HANA Community <u>Compatibility Packs: a Call to Action for SAP S/4H... SAP Community</u> and youtube <u>Call to Action for SAP S/4HANA Customers: Compatibility Packs YouTube</u>

Goal of today's webinar: provide clarity on

- Recommended go-to solutions for compatibility packs
- How to become compliant by Jan 1, 2026 technically, licensing
- Bonus for you:
 - Active customer information about CP usage by SAP
 - New information about the handling of CP functionalities after their expiry
 → see agenda, stay on until the end

Agenda

Quick recap – what is "compatibility scope" in SAP S/4HANA

- Concept
- Information sources

Deepdive:

- Customer situations
- The "2030" Exceptions
- CP Matrix part 4: the core-licensed compatibility packs

Outlook

- Technical deactivation of CP functionalities
- Active information via EarlyWatch about CP usage
- Questions via customer case on SAP for Me

Compatibility Packs - Building a bridge from ECC into the S/4HANA world In a Nutshell

What are CPs?

Temporary use rights to classic functionality within S/4HANA, created in 2016. Part of every SAP S/4HANA contract – on-premise and private cloud.

Why did SAP create these?

Goals: (a) Smooth transition for installed-base customers

(b) Gain time to finalize the new simplified application architecture

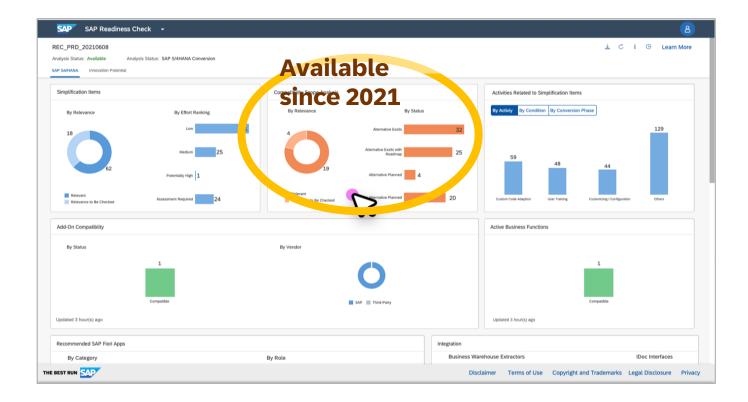
What can I use instead?

With / up to release 2023, SAP has shipped go-to solutions as replacements for the "2025" CPs, many non-disruptive. The WayForward excel in note 2269324 lists the go-to solutions.

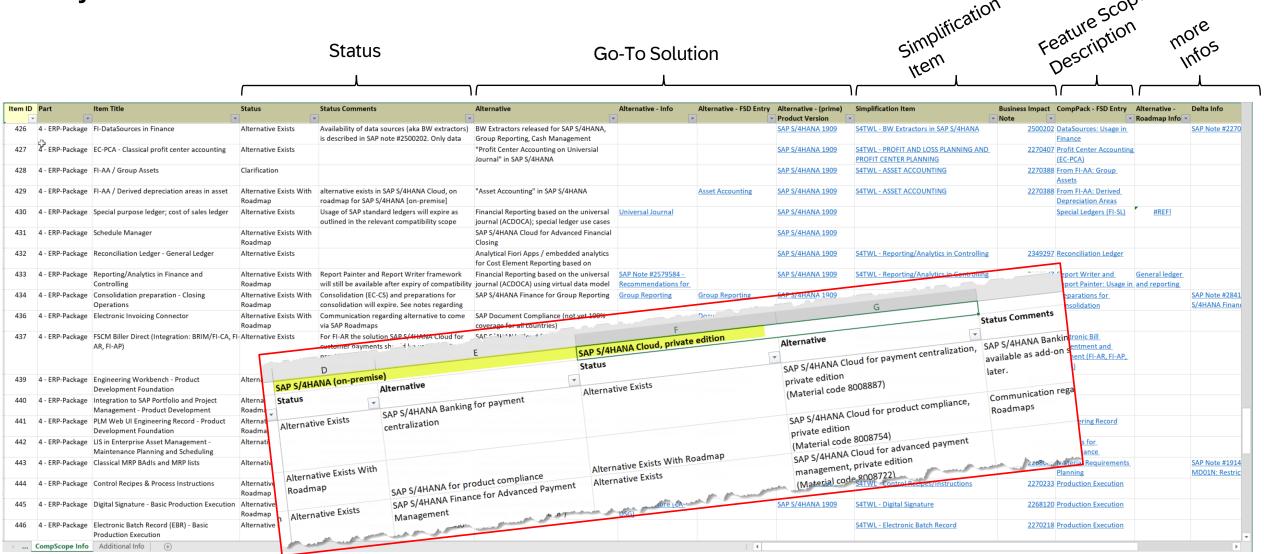
Compatibility Packs - Building a bridge from ECC into the S/4HANA world In a Nutshell

How do I find out if I'm concerned?

<u>SAP Readiness Check in SAP4Me</u> analyses CP usage on ECC and S/4HANA systems. Alternatively, run report /SDF/RC_START_CHECK locally in your system (note <u>2399707</u>).



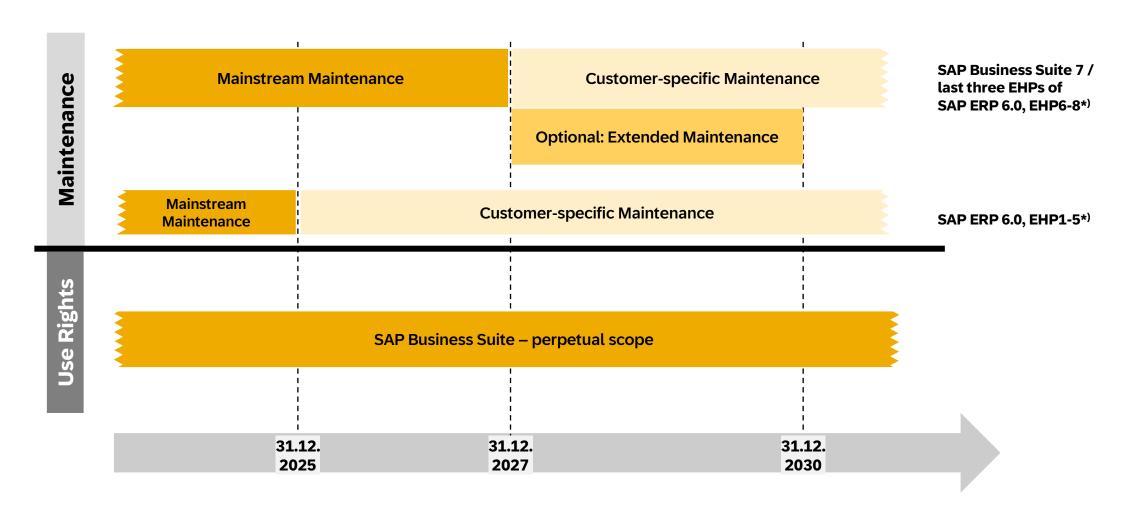
Compatibility Packs - Building a bridge from ECC into the S/4HANA world WayForward Excel



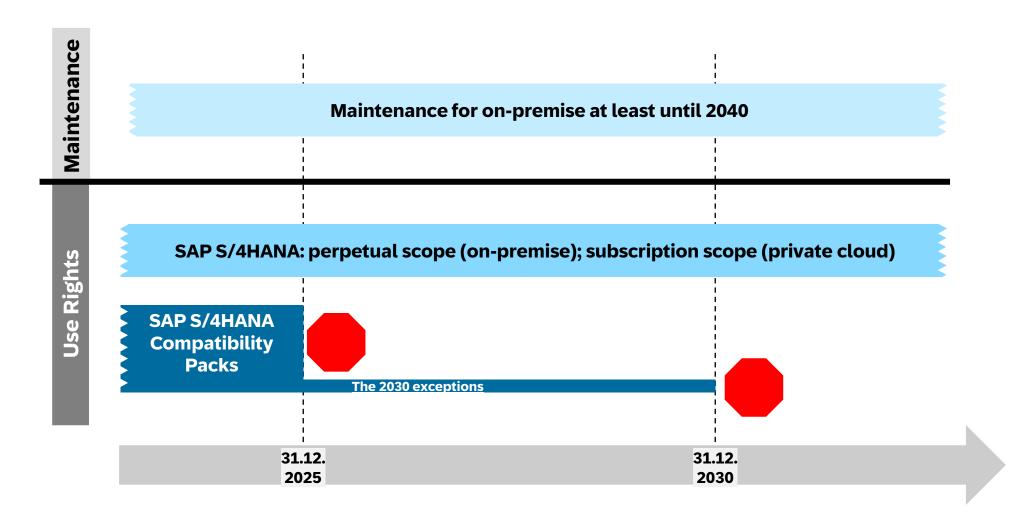
SAP AND CUSTOMERS

6

Repetition: Use Rights versus Maintenance + Support Models (1) The Classic World (Business Suite – on-premise)



Repetition: Use Rights versus Maintenance + Support Models (2) The SAP S/4HANA World



Compatibility Packs - Building a bridge from ECC into the S/4HANA world In a Nutshell

How did SAP communicate CPs?

Compatibility packs were part of every S/4HANA commercials presentation since 2016. To user groups, partners, customers, SAP-internally...

The central CP note 2269324 is live since January 2016.

Compatibility packs are defined in the Software Use Rights, Service Description Guides and Feature Scope Description since Q1 2016.

What happens on Jan 1, 2026?

- (a) Customers who keep using expired CP functionalities are using unsupported and unlicensed software (**IT audits!**). They are in commercial non-compliance.
- (b) With the end of the use rights, support ends.

Where do I get more information?

- ✓ Read our central blog (updated continuously)
- ✓ Get details via the central note 2269324
- ✓ Watch our SAP Community "Overview of Compatibility Packs" webinar, available on youtube
- ✓ In case of questions, please create a customer case on SAP for Me with component XX-SER-REL with the prefix 'CompScope'.

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Compatibility Packs in SAP S/4HANA - The Way Forward Customer Situations

The compatibility packs' expiry applies to all productive instances of SAP S/4HANA Private Cloud Edition and on-premise.

No matter

- which release including 1503 and 1605
 - Frequently called "Simple Finance", these "mixed stack" releases commercially belong to SAP S/4HANA, not the Business Suite.
- which **project scenario** implementation (conversion / greenfield / *whatevercolor*field) or S/4HANA Upgrade
 - Run the Readiness Check to get clarity on productive usage of CPs. Run deeper-level check reports (e.g. for WM) or perform manual checks where indicated.
 - Ensure that all CPs are replaced by end of 2025 on all production instances of SAP S/4HANA on-premise and Private Cloud Edition.
 - When you start an S4 project, ensure that the target processes do not contain compatibility packs. Ask your SI / consulting partner and get a confirmation.

The "2030" exceptions

For the compatibility scope items of three components (Customer Service, Transport, and Production Planning for Process Industries) the new go-to solutions provide enhanced capabilities and will require a more extensive transformation project, especially for global organizations and customers who leverage individual extensions today.

SAP has extended the usage rights exclusively for the compatibility pack items of Customer Service, Transport, and Production Planning for Process Industries (cf. box) until the end of 2030.

More details on affected application components' CP items can be found in **SAP Note 2269324**:

- Customer Service (CS) IDs 402-413
- Transport (LE-TRA)
 ID 474
- **Production Planning for Process Industries** (PP-PI) IDs 444, 446, 447, 453-457

414 – 424: Human Capital Management

Solution Strategy

• Cloud-minded customers should move to SuccessFactors asap.

Compatibility Pack use right

- On-premise: Available keeps existing until end of 2025. Either via classic named users ("flat fee" customers w. "S/4HANA for ERP customers" license) or 7019298 SAP ERP HCM component ("7018652" customers with Prof. / Fnct. / Productivity Use)
- Private cloud: **Never existed in Private Cloud Edition** was always excluded via Service Description Guide (SDG) because separate subscription license for HCM existed from the start of PCE.

How to become 2026-compliant:

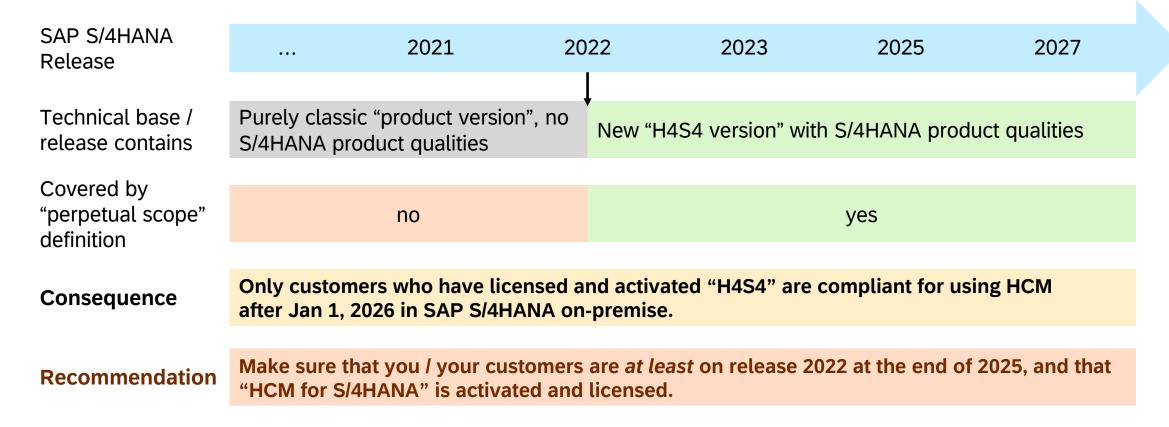
- Licensing: see table
- Technical:
 - Depending on customer situation
 - "H4S4_1" business function must be active as of Jan 1, 2026; with release SAP S/4HANA 2025 it will be activated per default!

	ОР	PCE	PCE-Tailored Option
SAP Core Human Capital Management	7020923	8008910	8014415
SAP Time Tracking	7020924	8008911	8012077
SAP Payroll	7020940	8008783 (on-stack) 8012529 (extra stack)	8015486
SAP Learning Hub	7020950	SuccessFactors	SuccessFactors
E-Recruiting for S/4HANA	7020931	SuccessFactors	SuccessFactors

414 – 424: Human Capital Management

Q: When is a customer compliant?

A: There is a dependency on the release with which the "perpetual" solution was shipped.



414 – 424: Human Capital Management

Q: Are all HCM compatibility package functionalities still available in SAP HCM for SAP S/4HANA? A: No, HCM has been simplified with "H4S4" and, thus, certain non-strategic functionality will be decommissioned when activating "H4S4".

Among others, the following functionalities are no longer available.

- ESS/MSS scenarios on outdated technologies (ITS, WD Java, HTMLB, and others) → go-to solution: SAP SuccessFactors
 or ESS/MSS based on Fiori or WDA
- Parts of Time Management
- For details refer to SAP note 3091160

Q: Are all HCM alternative functionalities also available for SAP S/4HANA Cloud, private edition? A: No, the following solutions will not be available for SAP S/4HANA Cloud, private edition

SAP E-Recruiting (PA-ER), SAP Learning Solution (PE-LSO), SAP Talent Management solutions
 → go-to solution: SAP SuccessFactors

Q: Is activation of "H4S4" required if you only use employee data for non-HCM processes? A: No, for these use cases you don't need to license or activate SAP HCM for SAP S/4HANA.

See SAP note <u>3369920</u> for details on respective infotypes.

425: Classic Travel & Expense (FI-TV)

Solution Strategy

• Cloud-minded customers should move to Concur asap.

Compatibility Pack useright

- Available in on-prem keeps existing until end of 2025
 Either via classic named users ("flat fee" customers w. "S/4HANA for ERP customers" license) or "SAP ERP Travel Management component" (customers with Prof. / Functional / Productivity Use)
- Never existed in private cloud was always excluded via Service Description Guide (SDG)

How to become 2026-compliant:

- Licensing
 - On-premise: included in 7018653 Productivity Use as of Oct 2022 (-> Software Use Rights SUR), 7019299 has been retired
 - o Private cloud: 8016042 SAP Travel Management for SAP S/4HANA cloud, private edition
 - o Private cloud, tailored option: 8016651 SAP Travel Management for SAP S/4HANA cloud, priv ed, tailored option
- Technical
 - Upgrade to 2022 (minimum)

476: Warehouse Management (LE-WM)

Solution strategy

- The default basic warehousing solution is technically based on EWM. Greenfield implementations should use that functionality.
- Large parts of LE-WM are part of the perpetual scope of SAP S/4HANA as "stockroom management" since release 1909. It is targeted at simple stockrooms. The technical application component (ACH) LE-WM remains visible in SAP S/4HANA.
- Six LE-WM components are CPs and will expire end of 2025 (note <u>2270211</u>): Task & Resource Management (WM-TRM), Warehouse Control Unit interface (WM-LSR), Value Added Service (WM-VAS), Yard Management (WM-YM), Cross-Docking (WM-CD), Wave Management (WM-TFM-CP), and decentral WM (WM-DWM). *They need to be replaced by EWM before expiry*.
- Business Impact Note: <u>2270211 S4TWL Warehouse Management (WM) SAP for Me</u>

Compatibility Pack use rights

• Available in on-prem – keep existing until end of 2025. Same in private cloud.

How to become 2026-compliant:

- Licensing
 - Basic Warehousing
 - On-premise: included in 7018653 Productivity Use (-> Software Use Rights SUR)
 - Private cloud / t.o.: included in Self-Service Use (-> Service Description Guide)
 - Extended Warehouse Mgmt for the expiring CPs
- Technical: You need to be at least on release SAP S/4HANA 1909 for usage of "stockroom management".

Recommendation

Implement EWM for the expiring LE-WM components by the end of 2025.

459 – 472: Project System

Solution strategy

• Most of the CP items' functionalities has been transferred to perpetual scope with release 2023, applying S/4HANA technologies, mostly non-disruptive to modernize functionalities. Some smaller functionalities remain CPs and expire end of 2025. Consult the respective notes via the WayForward excel and SAP note

Compatibility Pack use rights

- Available in on-prem keep existing until end of 2025
- Same in private cloud.

Licensing

- On-premise: included in 7018654 Functional Use (-> Software Use Rights SUR)
- Private cloud / tailored option: included in Core Use

Technical

• Modernizations took place step-wise since SAP S/4HANA 2021. Upgrade to SAP S/4HANA releases in which modernizations are available, best to SAP S/4HANA 2023. Use SAP Readiness Check to get current status.

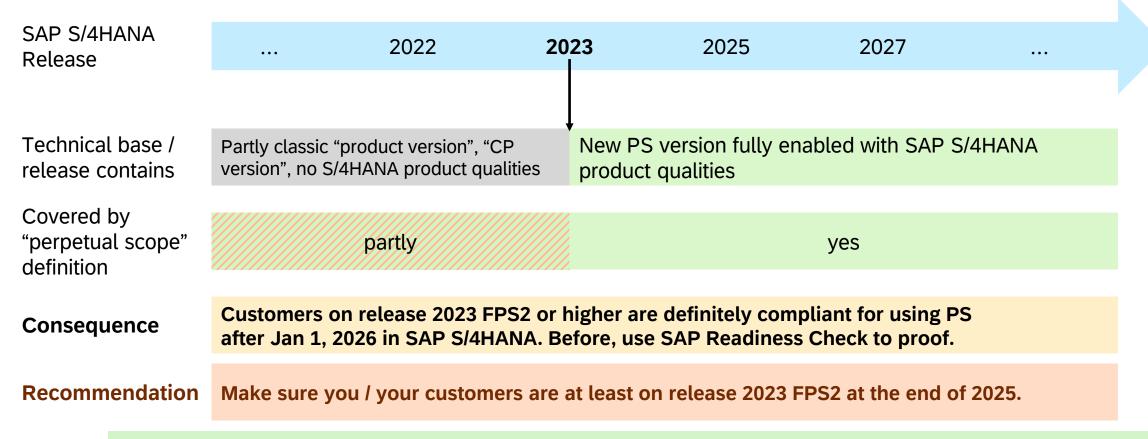
Recommendation

Make sure that the remaining *l* expiring Project System CPs are properly replaced.

459 – 472: Project System

Q: When is a customer compliant?

A: There is a dependency on the release with which the "perpetual" solution was shipped.



426, 430, 433, 442, 452, 473, 480, 481 – Compatibility Packages using Frameworks

Several compatibility packages refer to the following frameworks.

- LIS
- Report Writer / Report Painter
- Special Ledger
- BW extraction

Use rights for these frameworks will NOT expire. Only certain content of these frameworks belongs to compatibility packages. Only use rights for this content will expire.

Other application content or customer defined content not using compatibility package functionalities are fully available after 2025!

Recommendation

Report Writer / Report Painter: create your own reports for reading data belonging to

BW Extraction: Perform extraction of all relevant data to BW (embedded or stand-alone) before expiry data. See related entries in the matrix in SAP note <u>2500202</u>.

427: EC-PCA - Classical profit center accounting

Solution strategy

- Classical special ledger-based Profit Center Accounting (PCA) using tables GPLCA, GLPCP, and GLPCT has been replaced by "Profit Center Accounting on Universal Journal" in SAP S/4HANA 1511.
 Business Impact Note: <u>S4TWL EC-PCA Classical profit center accounting</u>
- By default, new PCA structures are updated in SAP S/4HANA. In parallel, old tables are updated as well if online postings are active in PCA customizing. Therefore, no need to migrate data from classic PCA to the universal journal, also not in case of conversion.
- Activation of new PCA must usually be done with start of new fiscal year to allow for a consistent reporting
- Profit Center planning use rights will expire end of 2025.
- Profit Center actual postings can be used beyond 2025 to allow completion of their fiscal year and year end closing.
 However, actual postings for classic PCA has been deprecated in SAP S/4HANA. It will not receive further
 developments or updates, only standard maintenance.

Compatibility Pack use rights

• PCA planning available in on-prem and private cloud – keep existing until end of 2025

How to become 2026-compliant:

- Licensing: On-premise and Private cloud / tailored option: included in core licenses
- Technical: Use SAP Analytics Cloud or SAP BPC for S/4HANA Finance as alternatives to classical PCA planning

Recommendation

Switching to PCA on Universal Journal is possible since Sap S/4HANA 1511. Plan change with next fiscal years. For PCA planning evaluate alternative solutions which are available with all SAP S/4HANA release as well.

434: EC-CS - Consolidation

Solution strategy

- Consolidation (EC-CS) and preparations for consolidation will expire. Business Impact Note: <u>2999249</u>.
 Go-to solution is SAP S/4HANA Finance for Group Reporting.
- See also notes <u>2833748</u> regarding transition from EC-CS to Group Reporting and <u>2841647</u> regarding restrictions. For the transition, it is recommended to run EC-CS and Group Reporting in parallel for one fiscal year (aka "hybrid system state"). Additionally, the change must happen with a fiscal year change. To support this transition phase also beyond 2025, EC-CS will be included in new license bundled with Group Reporting temporarily until end of 2027.

Compatibility Pack use rights

Available in on-prem and private cloud – keep existing until end of 2025.

How to become 2026-compliant:

- Licensing
 - o On-premise: 7020232 SAP S/4HANA for Group Reporting
 - o Private cloud: 8013732 SAP S/4HANA Cloud for Group Reporting, private edition
- Technically: Group Reporting is available as of SAP S/4HANA 1809; hybrid state, however, only as of release 1909.

Recommendation

If not yet on a release supporting Group Reporting yet, upgrade to SAP S/4HANA 1909 or higher.

Plan for a transition SAP S/4HANA Finance for Group Reporting now to use remaining time for parallel operation for one fiscal year.

428: Group Assets in Asset Accounting

Solution strategy

- No new standard solution is planned for Group Asset function in SAP S/4HANA Cloud Private Edition and onpremise.
- Solution proposal: The aggregation for reporting according different aggregation attributes is supported by CDS Views and already possible. All information is recorded in ACDOCA. Extensions can be used for the CDS reporting on grouped assets.
- Alternatively, user fields on the asset master data can be used
- Postings to aggregated assets are not possible with SAP S/4HANA OP, though.
- Business Impact Note: 3014869.

Compatibility Pack use rights

Available in on-prem and private cloud— keep existing until end of 2025

How to become 2026-compliant:

- Licensing
 - o On-premise and Private cloud / tailored option: included in core licenses

Recommendation

Evaluate solution proposals.

442, 452, 473, 480, 481: Logistics Information System

Solution strategy

- In the following applications LIS is no longer strategic and thus part of Compatibility Packages
 - 442: Enterprise Asset Management (EAM) / Maintenance Planning SAP note 2267463
 - 452: Production Planning SAP note 2268063
 - 473: Quality Management SAP note 2270193
 - 480: Vendor evaluation SAP note 2267414
 - 481: SD Analytics SAP note <u>2267348</u>
- The functionalities have been replaced by a number of Fiori apps, plus CDS views which can be used to generate tailored reports. These CDS views more or less provide the same information as the related S-structures, but with some change to column names and structures.

Compatibility Pack use rights

• Available in on-prem – keep existing until end of 2025, same in private cloud.

How to become 2026-compliant:

Licensing: On-premise and private cloud: part of core licensing / Enterprise Management

Recommendation

Replace LIS reports with Fiori apps or custom reports based on CDS views, as detailed out in business impact notes listed above

443: Classical MRP lists

Solution strategy

- Classical MRP run will still be available after 2025. Only MRP lists are part of CP.
- MRP lists are another case of "extracted and redundant data", which is generally replaced by real-time processing in SAP S/4HANA. Experience shows that customers quickly see the benefits and adopt the new tools.
- The new MRP Live (MD01N) does not write MRP lists anymore. In SAP S/4HANA, stock/requirements lists are read with high speed. The MRP apps determine materials with issues in real-time. Therefore, there is no need for quickly outdated MRP lists.
- Business Impact Note: <u>2268085 S4TWL MRP Live on SAP HANA MD01N SAP for Me</u>

Compatibility Pack use rights

• Available in on-prem – keep existing until end of 2025, same in private cloud.

How to become 2026-compliant:

Licensing: On-premise and private cloud: part of core licensing / Enterprise Management

Recommendation

Replace the outdated MRP lists with the new MRP apps

451: Graphical planning table

Solution strategy

- Gantt charts have to be replaced in S/4HANA because use rights for some frontend technologies expire. UI5 based Gantt chart are available as of release 2020.
- Business Impact Note: 2268050

Compatibility Pack use rights

Available in on-prem – keep existing until end of 2025, same in private cloud.

How to become 2026-compliant:

- Licensing
 - On-premise: part of core licensing / Enterprise Management
 - Private cloud: same

Recommendation Use the new UI5 based Gantt chart.

439: Engineering Workbench - Product Development Foundation

Solution strategy

- Transaction CEWB will expire and of 2025.
- Alternative is Product Structure Management for SAP S/4HANA
 Documentation: <u>Product Structure Management (PLM-WUI-OBJ-PSM) | SAP Help Portal</u>
- The related transaction CWBQM remains available even beyond the defined compatibility scope period and allows the maintenance of inspection plans
- See note <u>2267943</u>

Compatibility Pack use rights

Available in on-prem – keep existing until end of 2025, same in private cloud.

How to become 2026-compliant:

- Licensing: On-premise and Private cloud: Part of the core license in SAP S/4HANA

441: PLM Web UI Engineering Record

Solution strategy

- Engineering Record is replaced by solution "Change record". Completely redesigned and newly implemented functionality with many new features. See note <u>2268043</u>.
 Documentation: <u>Change Record (PLM-CR) | SAP Help Portal</u>
- Restriction: Compared to Engineering Record in SAP ECC, SAP S/4HANA Change Record does not allow customer-defined change objects.

Compatibility Pack use rights

Available in on-premise – keep existing until end of 2025, same in private cloud.

How to become 2026-compliant:

- Licensing
 - On-premise and Private cloud: use of the change record in SAP S/4HANA requires the respective "SAP S/4HANA R&D for Enterprise Product Engineering" license.

458: Sales and Operations Planning

Solution strategy

- Sales & Operations Planning (SOP) will be replaced by Integrated Business Planning IBP.
- Exceptions:
 - Maintenance of node types of plants in distribution networks (transaction V_T001W_DR) still available.
 - Maintaining product groups (transactions MC84, MC85, and MC86) still available.
- Business Impact Note: <u>2268064</u>

Compatibility Pack use rights

• Available in on-prem – keep existing until end of 2025, same in private cloud.

How to become 2026-compliant:

- Licensing
 - Evaluate required IBP scope and license accordingly.

478: Vendor rebate arrangements **479:** SD Rebate Processing

Solution Strategy

- Classic Rebate Processing is no longer supported in S/4HANA and replaced by Settlement Management.
- Business Impact Note Vendor Rebate:
- Business Impact Note SD Rebate:

Compatibility Pack use right

• On-premise and private cloud: It is not possible to create new rebate arrangements or extend existing rebate arrangements. Available until end of 2025: existing rebate agreements can be processed up until the end of the validity date of the agreement and must then be closed by a final settlement.

How to become 2026-compliant:

- Licensing: Part of the core license in SAP S/4HANA
- Technical: Use the new standard settlement management functionality instead it's much better anyway ;-)

Recommendation

Replace with the new settlement management functionality before end of 2025. If you convert from SAP ERP to SAP S/4HANA after 2025 make sure to settle all open rebate arrangements before conversion.

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Technical deactivation

SAP plans to make CP functionalities technically unavailable in future releases, after their expiry, starting with release 2025. Downports to earlier releases are currently not planned.

Example: it is planned to mandatorily activate the "H4S4" switch as of release 2025.

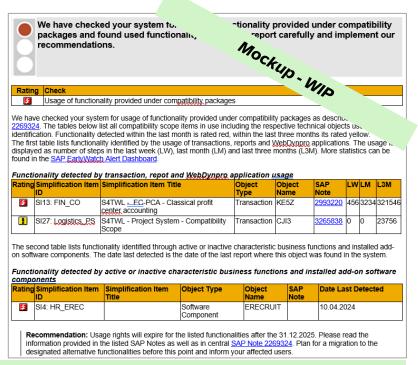
Detailed communication will be made with an appropriate lead time.

Proactive information about Compatibility Pack usage

SAP actively informs customers about productive usage of compatibility pack functionalities via EarlyWatch.

EarlyWatch Alert is an automatic service analyzing the essential administrative areas of an SAP system, covered by your maintenance agreement with SAP with no extra charge. Details here.

By the end of Q2, the EWA report will contain a section about CP usage, similar to the shown mockup.



Questions about CPs: via customer case on SAP for Me

Please open a case in SAP for Me with the component XX-SER-REL and the prefix "Compatibility Packs".



"business person opening a case", according to GenAl

Thank you.

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