From ECC to S/4HANA:

Lessons from Covestro’s SAP Transformation

September 2026

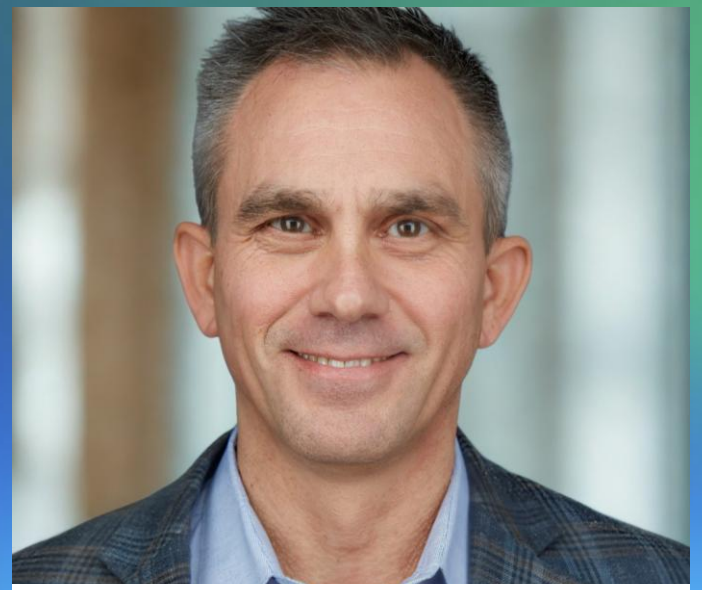
Host: Elemica | Featured Participant: Covestro

Speaker Introductions



Andreas Henjes
Head of IT&D Enterprise Platform Services & ACT Program Lead - S/4HANA Transformation

Covestro



Kent Ledgerwood
SVP, Value Engineering

Elemica



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Sr. Director Value Engineering

Elemica

What You'll Take Away



Gain real-world lessons from Covestro's ECC-to-S/4HANA transformation



Learn how to maintain continuity across customer, supplier, and logistics processes as SAP environments change



Explore opportunities to reduce integration complexity and modernize the execution landscape alongside S/4HANA to accelerate business value through greater automation, efficiency, and resilience

Covestro

Global plastics manufacturer



Strong and global

€12.9 bn in sales

17,600 employees

46 production sites

Game-changing and beneficial

Polymer materials of superior quality

Across numerous industry sectors

For global challenges





Innovative and sustainable

1,300 employees in research and development

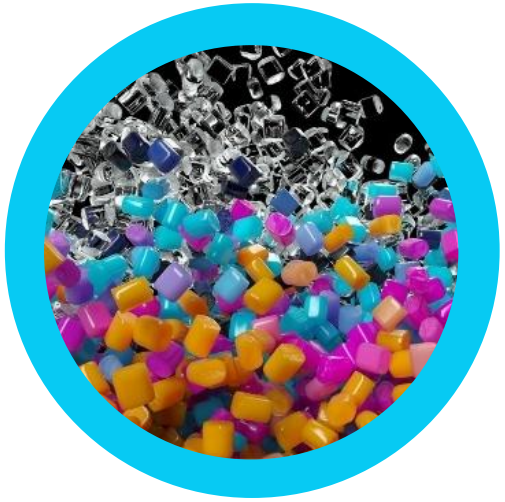
80 years of ideas and inventions

Pioneer of the circular economy

Financial year 2025
Employees calculated as full-time equivalent (FTE)

Our products

Everywhere in modern life



Polycarbonate



Components for
Polyurethanes

Solutions for various key industries



Automotive and transportation



Construction



Wood and furniture



Electrical and electronics



Sports and leisure



Health



Nutrition



Energy

Our strategy

Optimize

We operate competitively for our customers



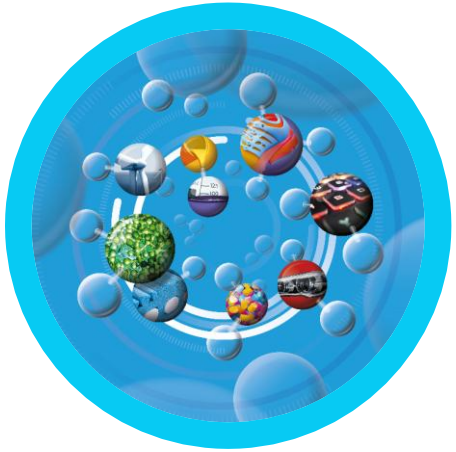
Grow

We develop our portfolio according to customer needs



Transform

We become climate neutral and circular with our customers & work in an agile way



Innovation

Digital transformation and artificial intelligence

Culture and workforce

Our strategy – driving forward digitalization

Setting new standards

Covestro **digitalizes the core business** and drives digital transformation.

Efficient **production** and **maintenance** through intelligent data management.

Faster innovation cycles through **chemical simulations** and **high-performance computing**.

IT infra-structure



Using cloud-based services

Digitizing R&D, production, supply chain and more



Core business

Digital interfaces



Improving the customer experience

ACT Project Profile – Covestro's S/4HANA Transition



- 3-year project with a Big Bang Go-Live on January 4, 2027.
- 22,000+ users across 22 countries and 46 production sites and 52 company codes on one instance.
- 650 L3 business processes in scope – 70% redesigned, 30% lift-and-shifted to S/4.
- ~500 core team members plus SMEs across functions and countries.
- Greenfield implementation in RISE Private Cloud, built from scratch with a Fiori-first strategy.

ACT Project Framework

ACT Project Ambition



SHAPE OUR FUTURE

With about half of Covestro's business processes in project scope, we have a unique opportunity to holistically design and future-proof our process landscape.

For example, higher data transparency, better business steering via reporting & simulations and a resilient supply chain will benefit us.



INCREASE EFFICIENCY

We will cut old braids, address current pain points, and harmonize applications by moving to standard S/4HANA processes and functionalities.

For example, flexible workflow and automation functions, a simple user-interface (FIORI first), 60 harmonized applications and simplified processes will benefit us.



ENABLE INNOVATIONS

Project ACT gives us access to SAP's innovation pipeline and will help us to leverage new solutions and technologies.

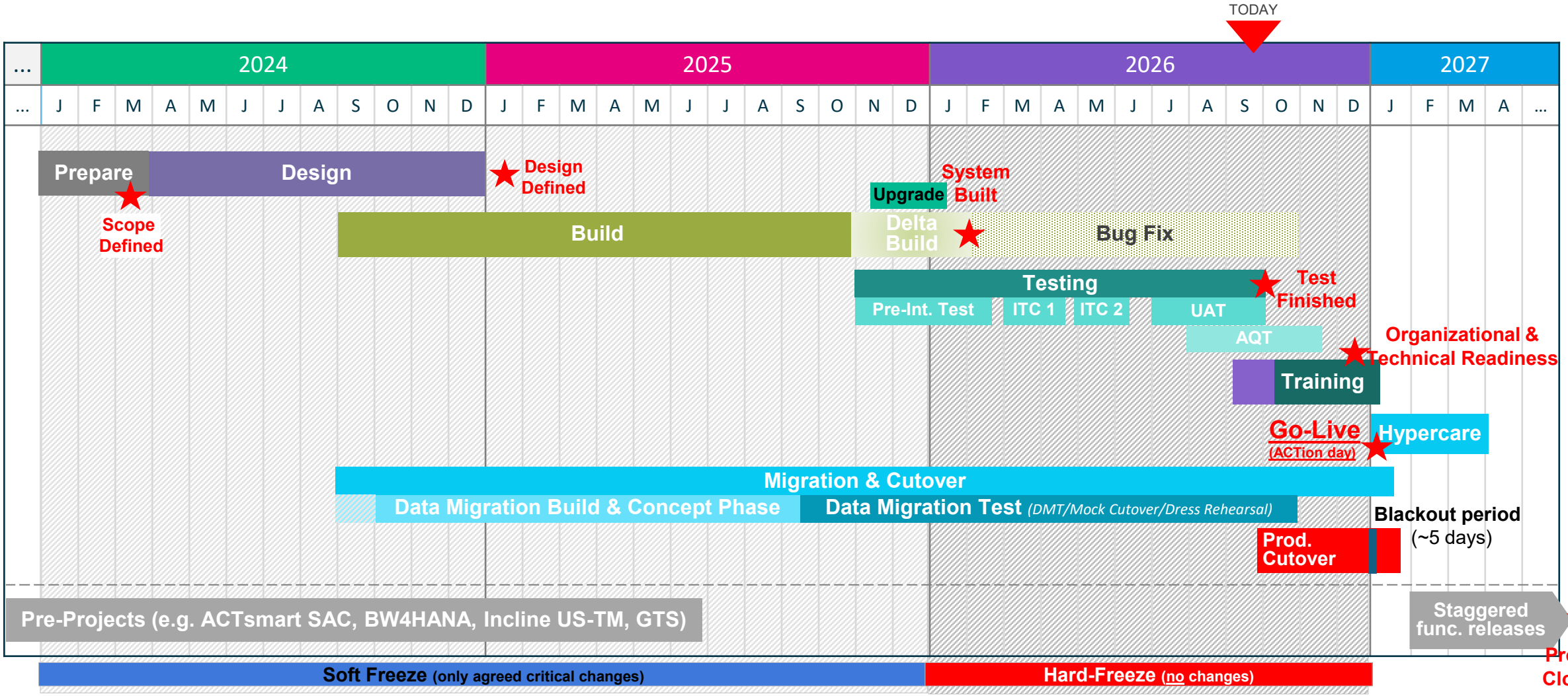
For example, sustainability solutions like the sustainability footprint management (SFM), new functionalities, advanced system integration and Joule, the AI copilot of SAP, will benefit us.

We are setting the digital backbone for the next decade.

We provide you with state-of-the art processes built in one system that makes you smile.

We are customer centric with consistent and high-quality customer experience.

Project ACT (S/4HANA) – Road to Go-Live



For reference / explanations cf. next page

2026-08-20

A lot has been accomplished…
… and 4 months are ahead of us



SHOWING SOME NUMBERS …

- **641 Processes** designed, documented, and configured
- **>80 Success stories** defined
- **~6,000 RICEFWs** described, developed & tested
- **35k+Single** and **14k+ Composite** roles (authorization) created
- **107Applications** to be decommissioned; thereof 29 already retired
- **~50% With Customizations** left behind, we have enabled standard functionality
- **Project Budget** within limits and adhered to over the past years
- All **Interfaces** have been revised

GO-LIVE JANUARY 2027

… AND MANY MORE GREAT THINGS

- **Project Audit & External Reviews:** ”pretty much on track”
- **Early go-lives:**
  - Introduction of TM in US,
  - BW4HANA Upgrade,
  - Cargo Cockpit,
  - Introduction of SAC,
  - GTS Edition for HANA Upgrade …
- **AI use cases** launched and in preparation like MARIS & PARIS and PPM Forecasting tool

Elemica

Built by Operators, for Operators



Accelerating End-to-End Orchestration

Digital Supply Chain Management solutions, AI-ready data and the premier Multi-Enterprise Network for global process manufacturing industries, their trading partners and value chains.

- Automate critical cross-process information flows
- Enable multi-channel data strategies
- Consolidate and future-proof B2B integrations
- Improve end-to-end supply chain performance and responsiveness

Built by Operators for Operators

$1T
Annual Commerce

1,200,000+
Daily Value Chain Transactions

44,000+
Network Participants

900+
Enterprise Clients

25 Year
Network-based Supply Chain Orchestration Focus

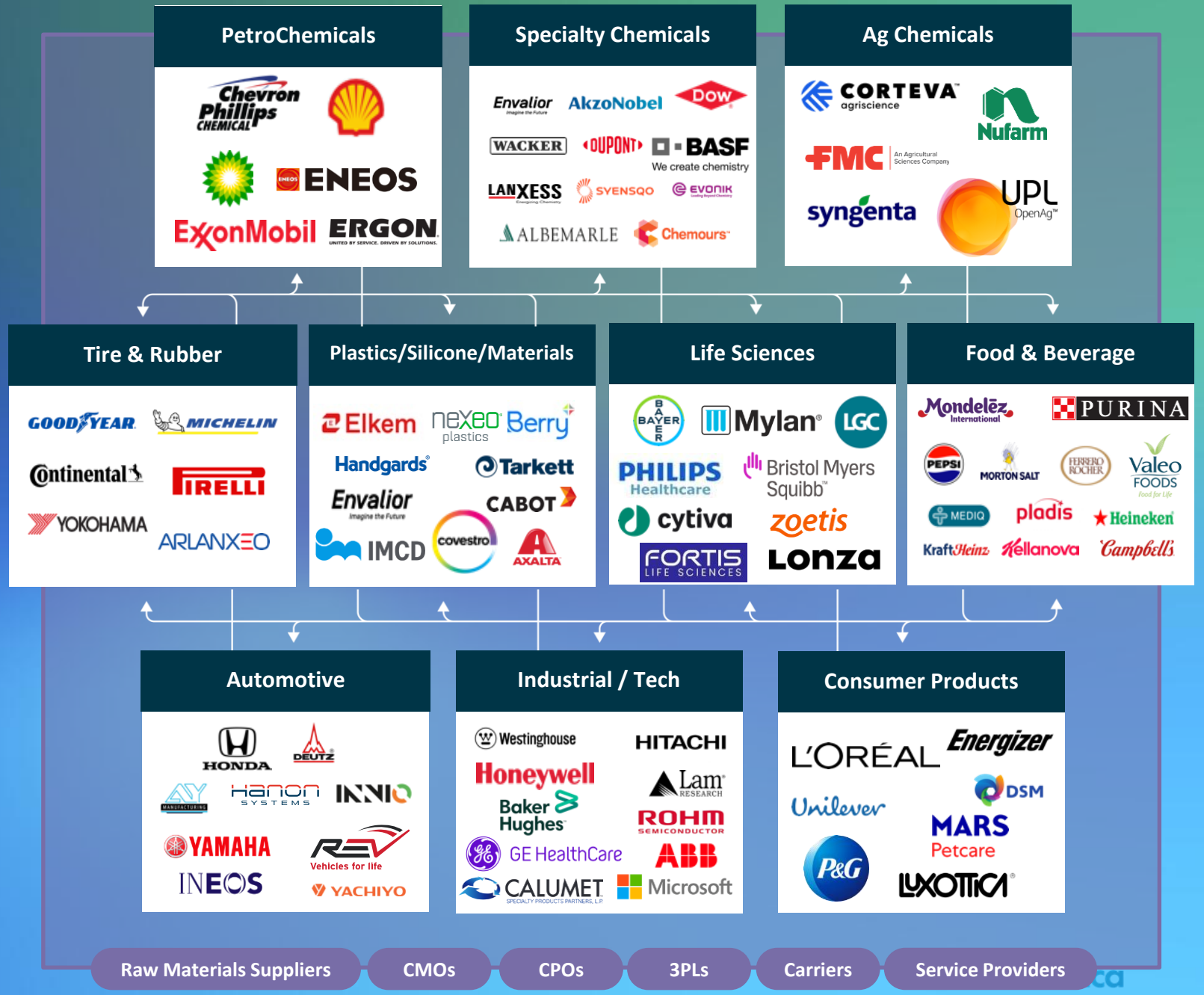
Elemica

Elemica

Trusted by Blue-chip Global Manufacturers, their Trading Partners and Value Chains

For Transparent, Efficient & Responsive Supply Chains

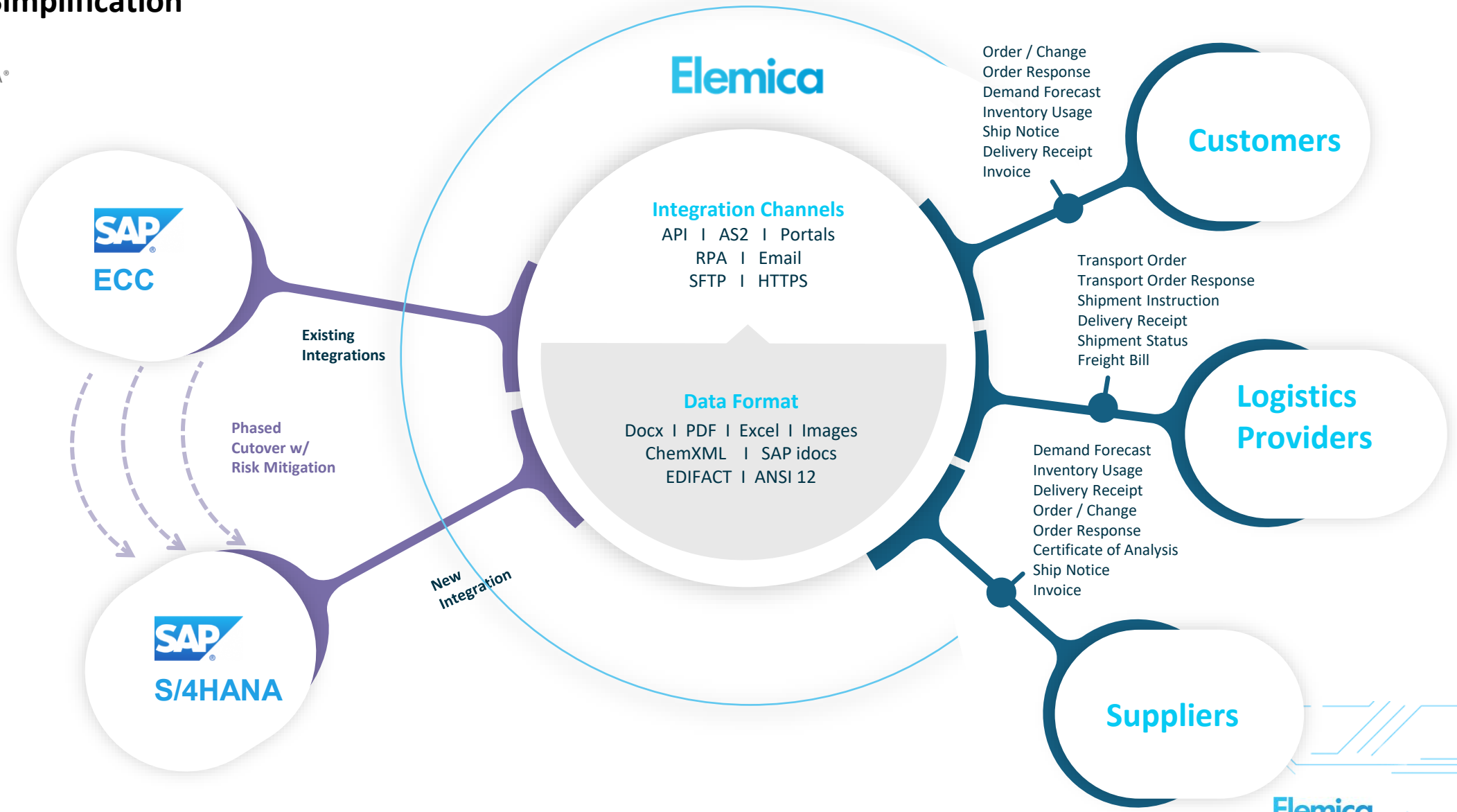
Supporting 80% of the worlds manufactured products



S/4HANA Transformation with Elemica

Insulation and Simplification

SAP® Certified
Integration with SAP S/4HANA®



The Power of a Single Orchestration Network during your S/4 Journey

Supporting ACT Harmonization & Business Process Changes without risk to partner relationships

ASSESS

ANALYZE OPPORTUNITY
Business process analysis & best-practice advice based on migration knowledgebase

MINIMIZE RISK
Recommendations for tying process improvements into partner ecosystem, leveraging S/4 standards

ENABLE CONTINUITY
Identify potential impact early, plan partner communication & outreach strategy

PLAN & DESIGN

ECOSYSTEM INVENTORY
Inventory of partners & IT artefacts to mutually harmonize & upgrade interfaces

EXCEPTIONS
Allow for exceptions (e.g. Ocean Logistics) without risking future optimization

NETWORK UTILIZATION
Leverage network to reduce complexity without impacting business and add new flow automation (eg. Rail carrier onboarding)

IMPLEMENT

VALIDATE THE UPGRADE
Regression test suites & SAP standards upgrades (IDOC, SAP TM, BTP) with no impact to customers, suppliers, LSPs

MANAGE PARTNER IMPACT
Comprehensive outreach wherever partner connections are affected

BUILD IN FLEXIBILITY
Room to further redesign business processes post-transition

GO-LIVE + OPTIMIZATION

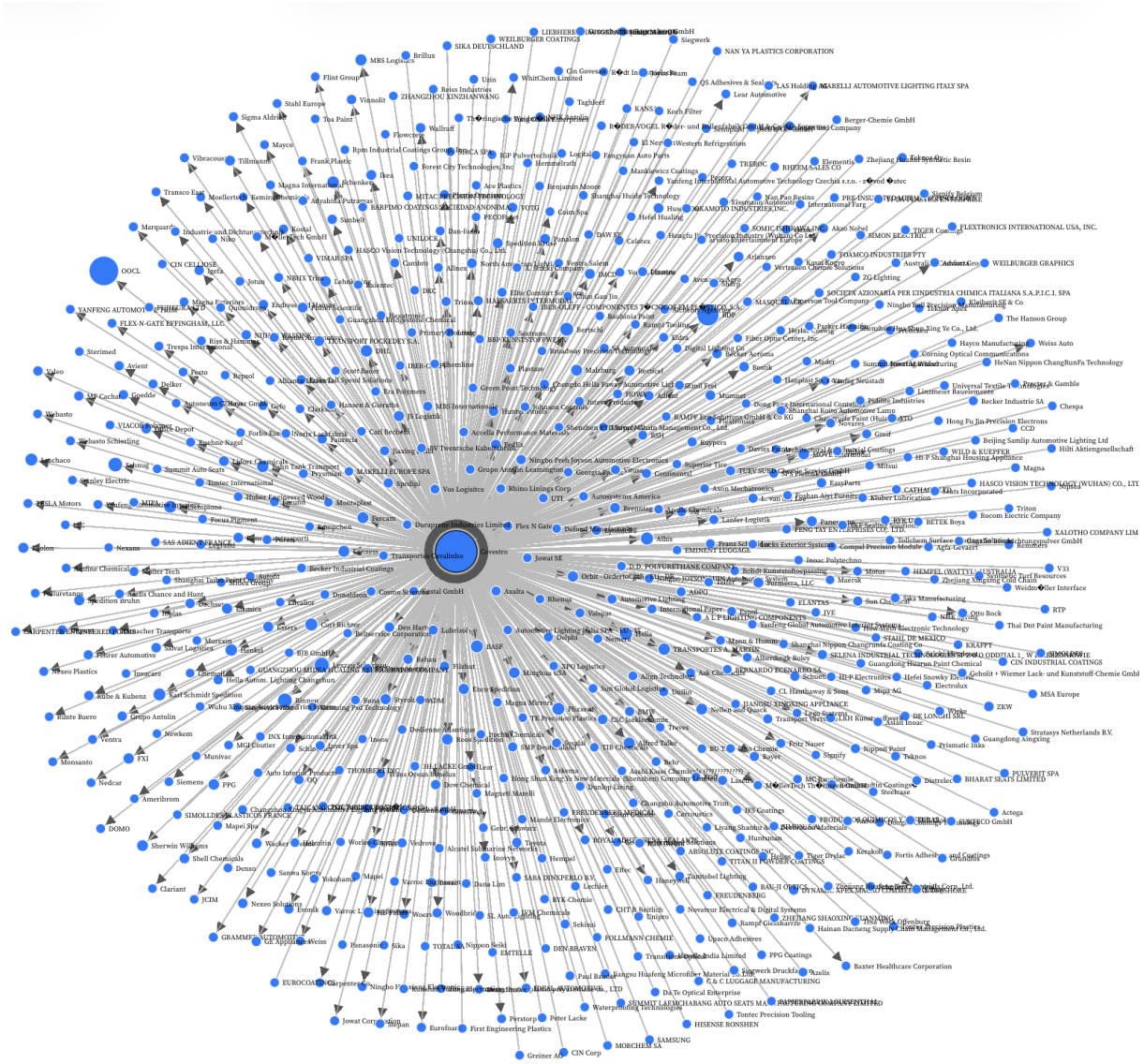
CUTOVER CLARITY
Clear execution & communication of cutovers

PRE-TRANSITION
Post-transition is pre-transition. Improve and optimize to gain competitive advantage

ID NEXT WAVE
Further leverage cost & growth opportunities with automated supply-chain orchestration

CONFIDENTIAL

Elemica Network Analysis & Digital Maturity Score 2025



Digital Maturity – Total Score (0–100)

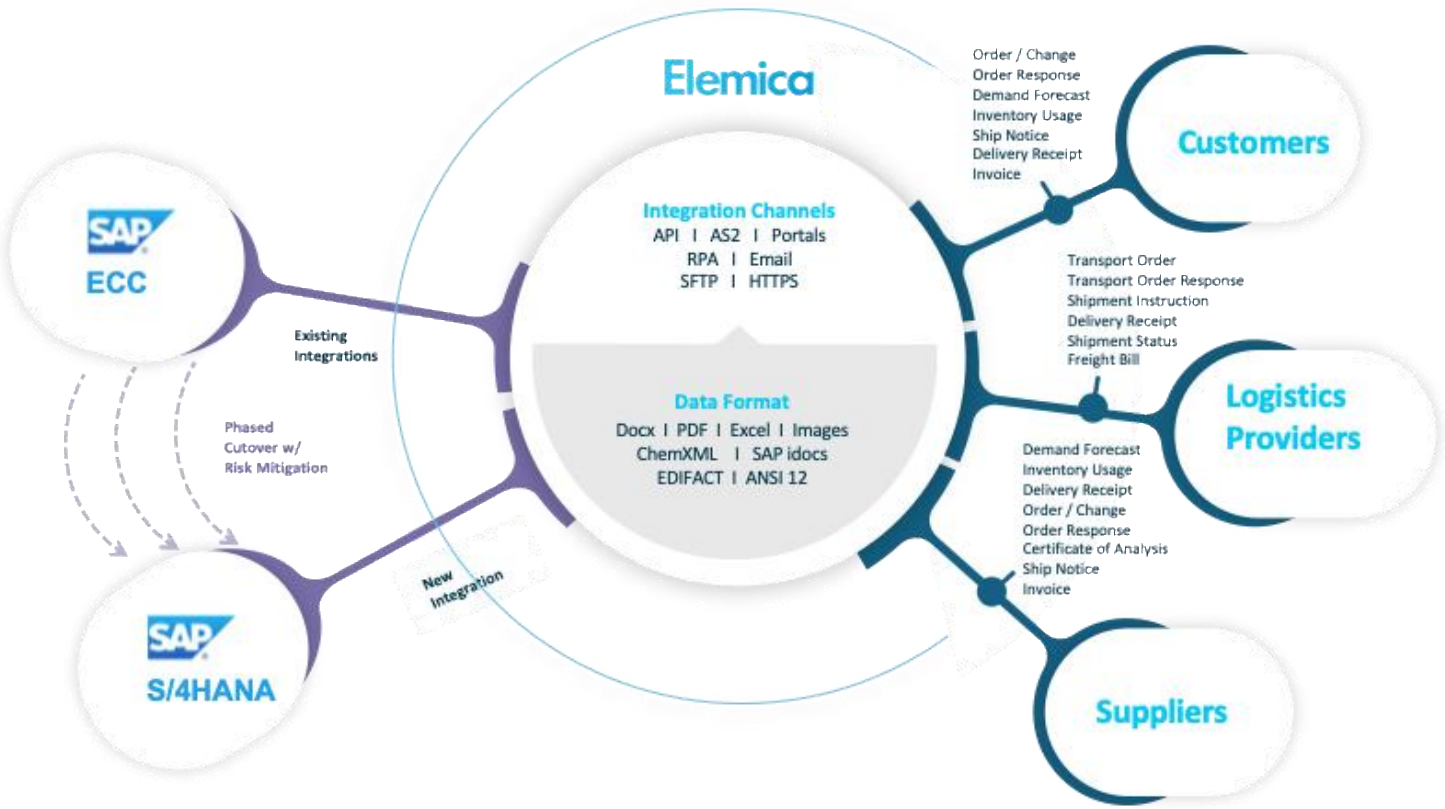
Node: **Covestro**

80%

Score Components

Process Adherence	Network Sophistication	Business Process Maturity	Engagement & Growth
100	8	77	17

Covestro Network Footprint



Customer

80	800+	2000+	400+
Combined Formats & Types	Customers	Msg Flows	Maps & Artefacts

Business processes	
VMI & Forecast Collaboration	Invoicing
Order Mgmt	
Total Business Signals (2025)	**> 650K**

Covestro network footprint

Single Elemica integration backbone • three business domains • hundreds of use cases and workflow rules

600 MILLION +
BUSINESS SIGNALS PER YEAR

Logistics

18 FORMATS & TYPES	60+ LSP ENTITIES
290+ MSG FLOWS	65+ MAPS & ARTEFACTS

KEY BUSINESS PROCESSES

- Road Transport Execution
- Ocean & Air Transport Execution
- Rail Transport Execution (new)
- Freight Invoicing

Customer Mgmt

80 FORMATS & TYPES	800+ CUSTOMERS
2000+ MSG FLOWS	400+ MAPS & ARTEFACTS

KEY BUSINESS PROCESSES

- Order Management
- VMI & Forecast Collaboration
- Invoicing

Supplier Mgmt

40+ FORMATS & TYPES	50+ SUPPLIERS
200+ FLOWS	140+ MAPS & ARTEFACTS

KEY BUSINESS PROCESSES

- Order Management
- Invoicing

True value comes when our supply chains are in motion.

RISKS MITIGATED AND PROTECTED ACROSS

51 BILLION +

PERMUTATIONS IN THE NETWORK

10K variants absorbed
Customers and suppliers in one simple interface.

215 FTEs of manual effort removed
5 minutes of manual work per process, now real time.

0 days of backlog
2,000+ flows and 800+ customers already live.

514 signals an hour, unattended

~One hour of network downtime would result in €1.47M of revenue in limbo per hour
This is not integration plumbing this is data and process sovereignty.

Illustrative: €12.9B annual revenue spread evenly across 365 operating days and ~4.5M annual business signals.

Lessons Learned

1

ENGAGE ELEMICA EARLY

- Support de-risking & BP optimization from the plan phase
- Joint workshops by workstream and partner type to ensure continuity
- Identify, plan & integrate additional automation potential
- Benefit from Elemica migration experience

2

HARMONIZE & GROW

- Reduce complexity / upgrade IT standards (BTP, TM-XML, IDOC XML)
- Ensure partner-network business processes unchanged or improved
- Integrate additional business processes (Rail Carriers)
- Support business process changes after transition

3

DE-RISK MIGRATION

- Test-harness to reduce effort for business testing by utilizing live data
- Agility to support exceptions (e.g. Ocean Logistics)
- Partner Outreach Program to achieve improvement must respect constraints

Complimentary Digital Network Analysis

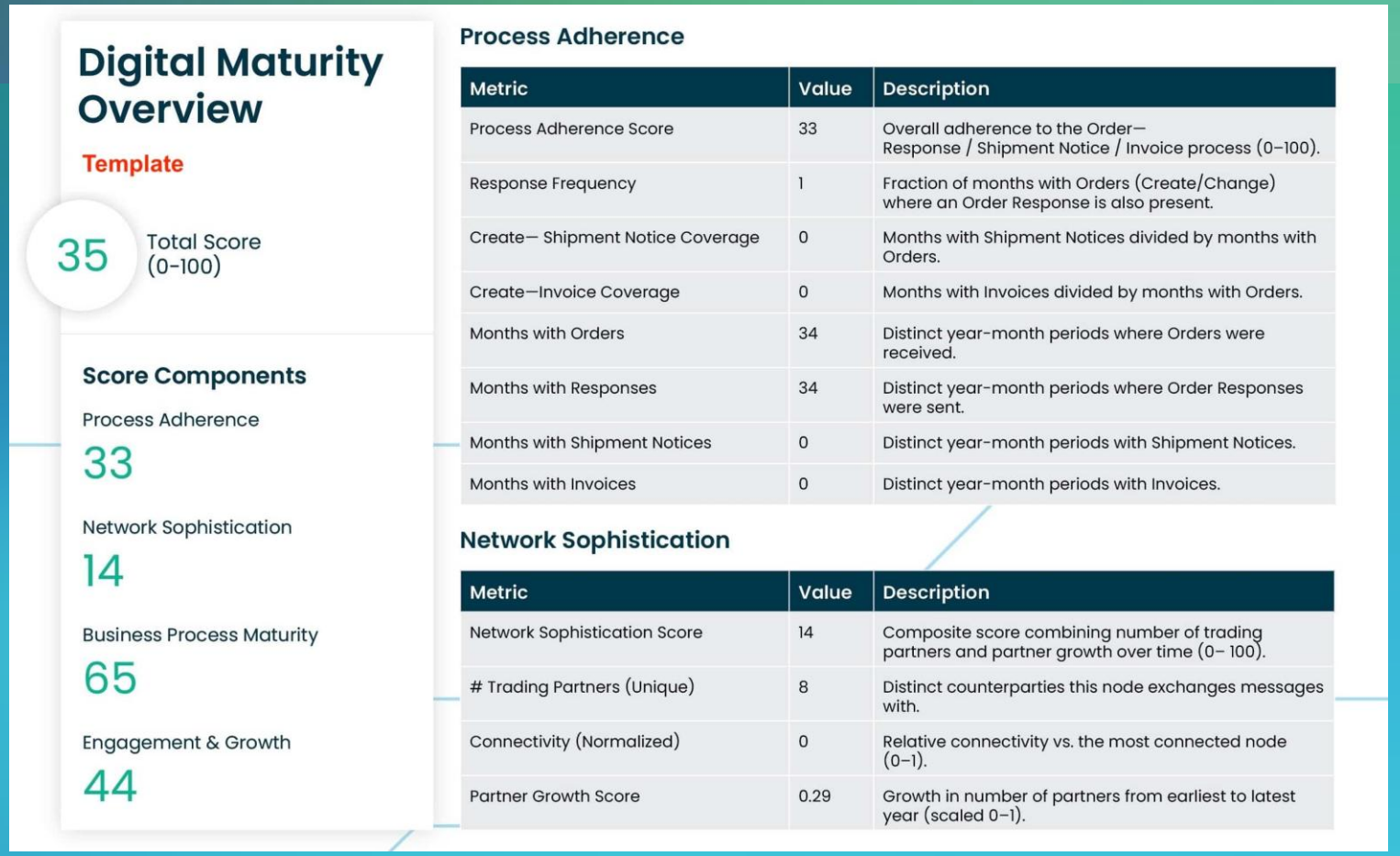
A personalized view of your year-over-year

- Transaction volumes
- Network health
- Process maturity

Unlock greater efficiency, visibility, and responsiveness

You'll receive

1. A comprehensive digital maturity scorecard
2. Benchmark comparisons across key metrics
3. Actionable, prioritized recommendations tailored to your organization



Process Adherence

Metric	Value	Description
Process Adherence Score	33	Overall adherence to the Order–Response / Shipment Notice / Invoice process (0–100).
Response Frequency	1	Fraction of months with Orders (Create/Change) where an Order Response is also present.
Create– Shipment Notice Coverage	0	Months with Shipment Notices divided by months with Orders.
Create–Invoice Coverage	0	Months with Invoices divided by months with Orders.
Months with Orders	34	Distinct year-month periods where Orders were received.
Months with Responses	34	Distinct year-month periods where Order Responses were sent.
Months with Shipment Notices	0	Distinct year-month periods with Shipment Notices.
Months with Invoices	0	Distinct year-month periods with Invoices.

Network Sophistication

Metric	Value	Description
Network Sophistication Score	14	Composite score combining number of trading partners and partner growth over time (0– 100).
# Trading Partners (Unique)	8	Distinct counterparties this node exchanges messages with.
Connectivity (Normalized)	0	Relative connectivity vs. the most connected node (0–1).
Partner Growth Score	0.29	Growth in number of partners from earliest to latest year (scaled 0–1).

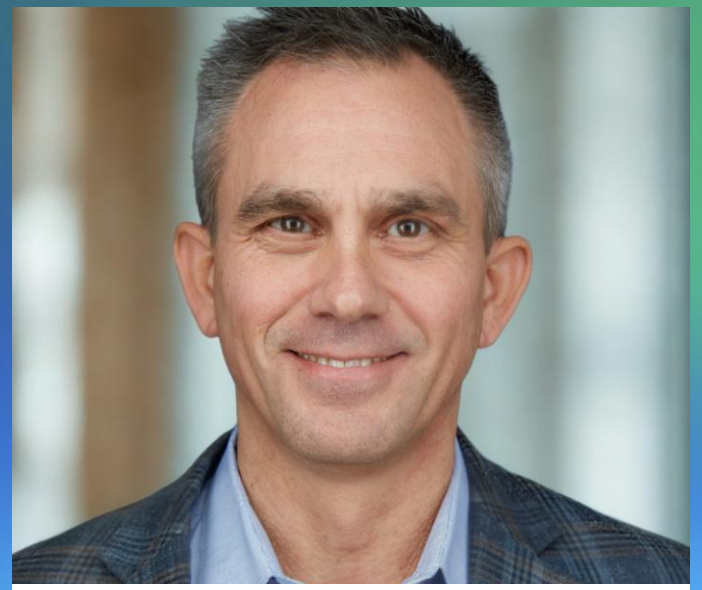
https://elemica.com/other/elemica-digital-network-analysis/

Get In Touch



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Thank you

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POWERFUL CONNECTIONS