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STACKIT

RISE with SAP

on STACKIT

PRESERVE FUTURE VIABILITY –
COMBINE INNOVATION AND DATA SOVEREIGNTY

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1 Management Summary – Ending the “Cloud Dilemma”

European companies and the public sector are under immense pressure to modernize: The anticipated end of maintenance for classic SAP on-premise systems makes migration to the cloud absolutely essential. The cloud also forms the base for all SAP innovations and AI agents/cases. As a decision-maker, you will be familiar with an apparently irreconcilable dilemma: Do you rely on U.S. hyperscalers for maximum global innovation, or adhere to rigid on-premises structures to ensure data sovereignty?

RISE with SAP on STACKIT enables companies to enjoy the best of both worlds: established peak performance for your ERP landscape and an inherently sovereign foundation. Storage and processing under German jurisdiction ensure the highest level of compliance and protection against third-country attacks. Conversely, obsolete IT systems slow the pace of technological progress and render processes inefficient. The question of how to achieve a physically and legally sound foundation is also being posed on an increasingly regular basis. To retain the capacity to act over the long term, organizations need a digital infrastructure that operates independently.

The Solution: RISE with SAP on STACKIT

RISE with SAP on STACKIT is the answer to this dilemma from the strategic partnership between Schwarz Group and SAP SE. While SAP contributes the pioneering digital tools and global business processes, STACKIT creates the legally protected, secure foundation. This enables us to anchor cutting-edge software innovation seamlessly on STACKIT as sovereign European cloud infrastructure. You retain agility, without compromising your security.

Business Transformation as a Service: The “One Contract” Principle

To ensure simple, tangible market transformation, we view RISE with SAP holistically as Business Transformation as a Service. This functions in accordance with the efficient “One Contract” principle, one central account with SAP in a concierge function (read more in Chapter 3).

2 The Context – Why the Status Quo Is No Longer an Option

The digital transformation of core European industries and the public sector is at a critical inflection point. The anticipated end of maintenance for classic SAP on-premise systems is approaching and technology – particularly AI – is developing rapidly. Organizations must therefore fundamentally re-align their IT strategy. In commercial or technological terms, sticking with the status quo is not an option: Those who continue to rely on legacy systems become detached from essential software innovations, risking a rapid increase in operating costs and a significant drop in productivity for business processes.

Reliable and autonomous control of critical corporate infrastructure is becoming ever more crucial in a global landscape subject to dynamic changes. Major corporations, larger mid-size companies, the public sector and critical infrastructure (KRITIS) operators require a digital home that combines the highest standards of governance with unrestricted legal certainty.

RISE with SAP on STACKIT provides the perfect answer: The offering anchors digital sovereignty by design into the architecture. All data is processed exclusively in high-security data centers in Germany and Austria and is subject to European jurisdiction. Since STACKIT is a European company operating free from foreign parent corporations, it offers inherent physical and legal independence from extraterritorial laws such as the U.S. CLOUD Act.

Rather than relying on retrospective, auxiliary contractual constructions, RISE with SAP on STACKIT boasts true architectural autonomy. Companies benefit from complete compliance, the protection of their trade secrets and the certainty that their data sovereignty remains untouched at all times.

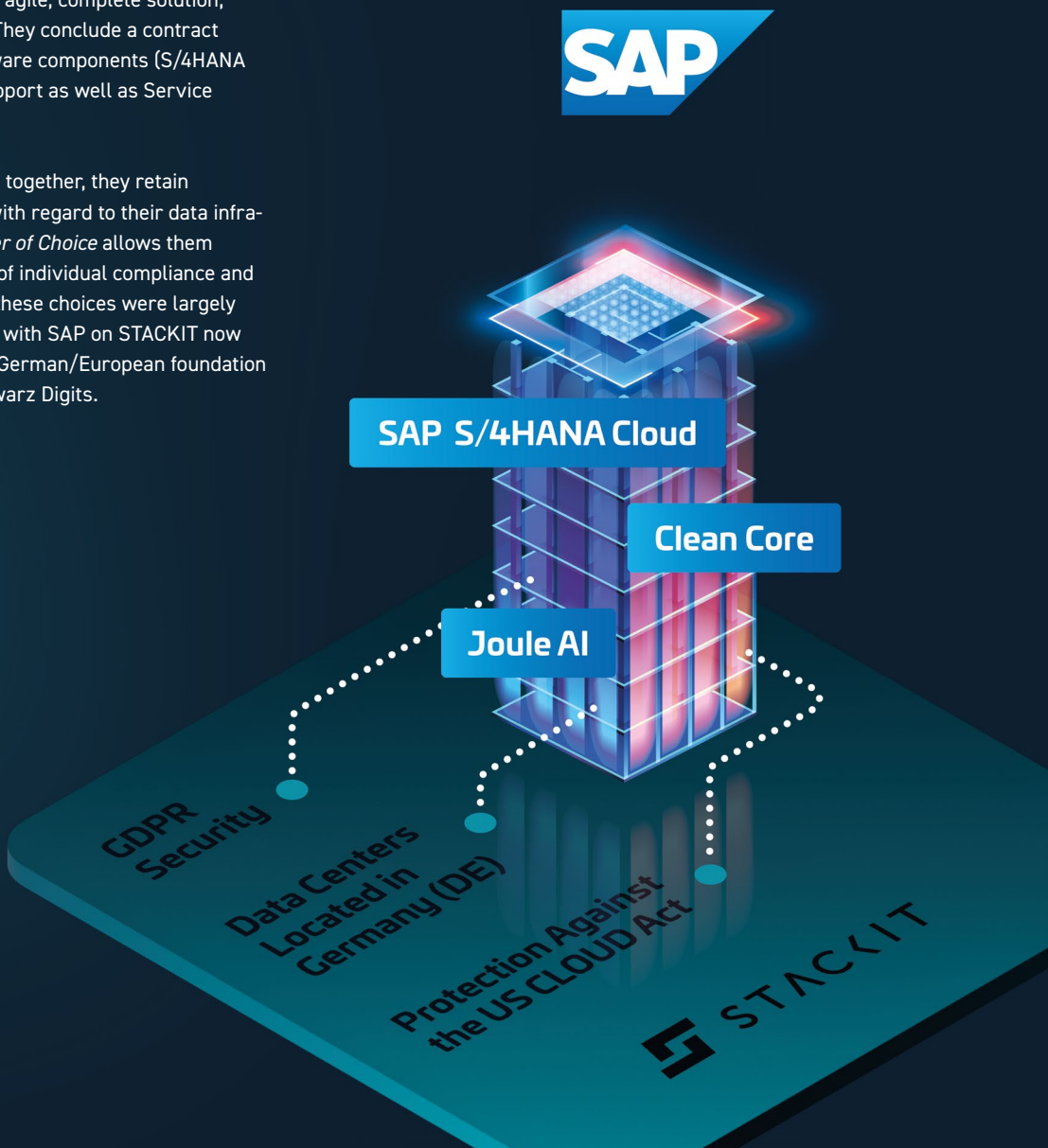
Future-proof corporate IT is based on precisely this sovereign foundation – for a business-critical transformation.

3 Business Transformation as a Service – the Layer Model

More than a purely technical system update, RISE with SAP represents a holistic *Business Transformation as a Service* model. Consistent application of the "One Contract" principle results in massive simplification of operating and contract architecture in traditionally complex IT migration projects. The model is best regarded as a structural all-round package for orderly migration to a digital future. Whereas companies in the classic on-premise world purchased software in the same way as furniture, installing it in their own data centers and bearing the burden of maintenance, servicing and infrastructure, RISE with SAP removes this layer of rigidity. Companies book an agile, complete solution, with SAP as the central concierge. They conclude a contract directly with SAP, covering all software components (S/4HANA Cloud), technical operations and support as well as Service Level Agreements.

Although everything is packaged up together, they retain sovereignty over decision-making with regard to their data infrastructure. The principle of the *Power of Choice* allows them to make their own choices in terms of individual compliance and security requirements. Previously, these choices were largely restricted to US hyperscalers. RISE with SAP on STACKIT now enables you to provide a sovereign German/European foundation for your company, operated by Schwarz Digits.

This symbiotic relationship is best represented by the image of a smart house on a secure property. SAP delivers and administers the state-of-the-art house, which stands for global process intelligence, ERP architecture and cutting-edge innovations such as AI and Joule AI. STACKIT, the certified platform, functions as the physical property to which this digital building is anchored.



4 Deep Dive – STACKIT as a Sovereign European Hyperscaler

The cloud infrastructure market was long dominated by non-European providers, but STACKIT – enterprise-ready, powerful and boasting European DNA – is establishing itself as a fully-fledged alternative to Amazon Web Services (AWS), Microsoft Azure and Google Cloud.

The Sovereign Foundation of STACKIT Is Based On Three Central Pillars



1. LEGALLY COMPLIANT AND PHYSICALLY SECURE

STACKIT is subject exclusively to European and German jurisdiction. All data centers are located in German or Austrian territory and are operated exclusively by companies headquartered in the European Union. This ensures GDPR compliance and delivers reliable protection against third-country access – in physical and legal terms.



2. OPEN ARCHITECTURE

The technical foundation of STACKIT is consistently based on open-source technology such as OpenStack. This architecture safeguards against lock-ins, in the context of proprietary interfaces or monopolistic dependencies.



3. TRIED-AND-TRUSTED ENTERPRISE SCALABILITY WITH "CUSTOMER 0" PRINCIPLE

STACKIT has been delivering proven and stable levels of high performance for many years now. As the cloud infrastructure for all companies of Schwarz Group, STACKIT operates extremely complex and critical ERP systems for retail companies such as Lidl and Kaufland, processing billions of transactions on a daily basis. These massive workloads and supply chain processes for one of the world's largest retail companies run smoothly on STACKIT, with sensitive data protected from day one, proving that the platform is fully prepared to handle any complex enterprise IT environment.

5 The Strategic Scenario – Best Practices for Implementation

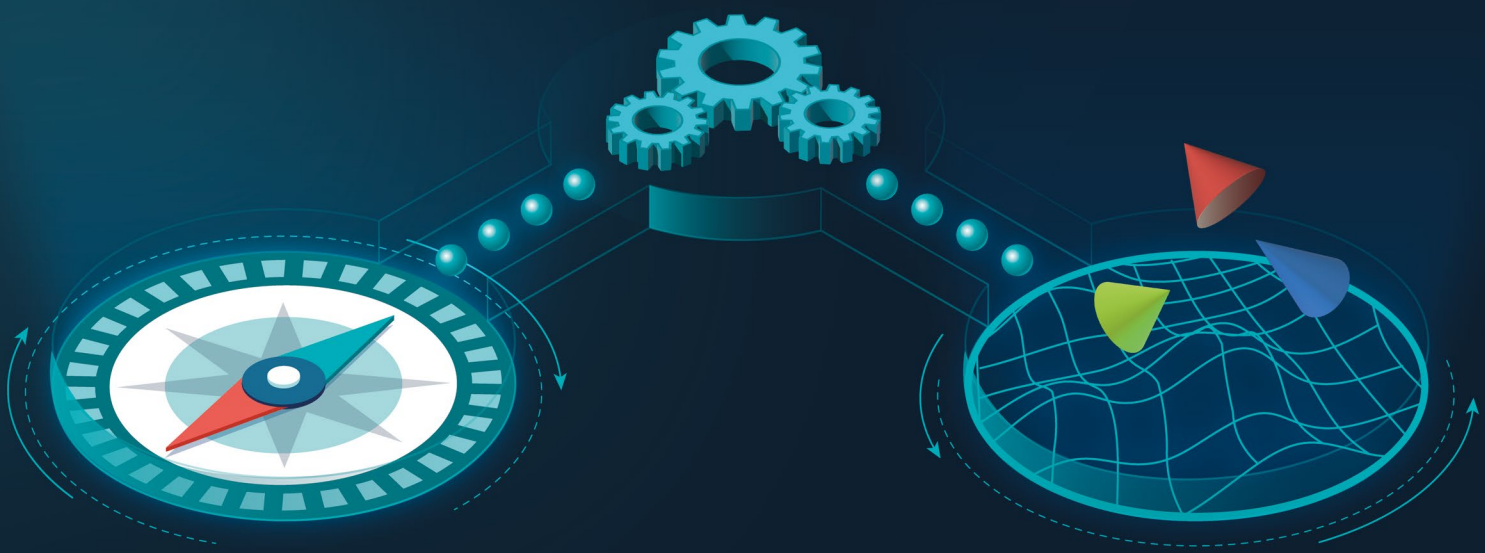
Migrating business-critical SAP landscapes to the cloud requires precise preparation, strategic vision and support from experienced experts. The challenge lies less in actual data transfer than in the effort required to dovetail existing business processes with modern cloud architecture. Past experience reveals two perspectives that are key to the successful implementation of this transformation at C-suite and operational levels:

Strategic Direction: Transformation Instead of Infrastructure Project

Migration to RISE with SAP on STACKIT is not simply an IT or infrastructure project — it is an opportunity to make fundamental corporate transformation. Sustainable implementation demands an in-depth analysis of the existing system landscape. That is why our experts conduct a transparent, upfront evaluation to determine which systems are to be transferred to the cloud, which applications require consolidation and which ones can be switched off completely. Cloud migration is the direct route to resolute reduction of historic complexity and inefficient in-house developments. It serves top management as a strategic lever to fundamentally modernize the entire business model. Standard processes in the cloud lend agility to your organization. These allow you to embed future innovations at the heart of your company without protracted adjustment cycles.

Smart Implementation: Sandbox Systems Provide a Pragmatic Approach

A step-by-step, low-risk approach is essential in technical and operational terms. Rather than risking a complete switch on a single key date, the early adoption of sandbox systems ensures an orderly transition. These isolated test environments on STACKIT infrastructure allow IT and technical departments to familiarize themselves with the dynamic nature of the new cloud environment, updated business models and automated released cycles at an early stage. The architecture must contain hybrid scenarios from the word go, as it is impossible to transform complex business landscapes overnight. Clean interface architecture and consistent application of open standards ensure smooth parallel operation of your existing systems. This enables you to maintain technological independence and preserves the ability to switch throughout all phases.



6 Core Use Cases – Who Is It Relevant To?

RISE with SAP on STACKIT is aimed at organizations that require agile, digital process innovations to ensure continued competitiveness – whilst ensuring that data security, compliance and legal autonomy are not compromised.
This has led to the development of three primary use cases:

1. Remain Technologically Future-Proof Through an Orderly System Transition

The first use case affects companies facing generational change as established on-premise architecture approaches the end-of-life phase. This compels them to adopt a fundamentally new approach. Switching to RISE with SAP on STACKIT enables seamless transition to the modern S/4HANA Cloud world and boosts performance.

Advantage: You convert unavoidable pressure to transform into strategic, accelerated modernization that delivers long-term security for your technology.

2. Protecting Critical Core Processes in Regulated Industries and the Public Sector

Data-sensitive industries, larger mid-size companies in the DACH region and the B2G sector, including public authorities, administration and healthcare represent a second area of focus. In these segments, core processes for finance, human resources or extremely sensitive supply chains process data that may under no circumstances be exposed to third-country interference.

Advantage: The combination of SAP and STACKIT ensures protection of your entire digital value chain under German jurisdiction — without requiring you to forego modern AI applications or global process standards.

3. Preserving Investment Security and Geopolitical Resilience

The third use case focuses on ensuring long-term investment protection for infrastructure decisions. In a world of increasing geopolitical tension, management is on the search for stable partnerships that can provide protection against unforeseeable political or regulatory disruptions. As a European, owner-operated and financially sound company, Schwarz Group is able to provide precisely this operational stability.

Advantage: Even in these volatile times, your business-critical IT architecture will still be protected, remaining operational and free of technological or legal monopolistic dependencies.

7 Checklist – Is Your Company Ready for the Sovereign Cloud Transformation?

You can use the following strategic questions to quickly assess the current levels of data sovereignty, legal autonomy and future readiness within your IT landscape:

1. **Transparency Within Legal Areas:** Is your company aware of exposure to any foreign legal areas and access permissions to your business-critical cloud data under the terms of your current contract?

2. **Resilience Against Extraterritorial Legislation:** Does your existing cloud architecture provide legally binding, physical protection against third-country data access, above and beyond mere contractual assurances such as "Sovereign Regions"?

3. **Exit and Transformation Strategy:** Has your company prepared a strategic scenario for the anticipated end of maintenance for classic SAP on-premise architecture, extending beyond pure infrastructure upgrades to consolidate your entire system landscape?

4. **Tried and Tested in Protected Environment:** Do you use isolated sandbox systems and hybrid architecture for low-risk process testing and for a step-by-step introduction of your operational team to the dynamics of modern cloud environments?

5. **Securing Critical Core Processes:** Is your highly sensitive finance, human resources and supply chain data structured to enable you to make use of full-scale process innovations such as AI without leaving European jurisdiction?



8 Conclusion – Setting a Course for Your Digital Future

The digital transformation of European core industries and the public sector demands a fundamental rethink of cloud architecture. True digital sovereignty does not come from isolating yourself from global software standards or relying on contractual promises from third-country providers. It only happens when you pair global software innovation with local data infrastructure. The combination of RISE with SAP and STACKIT allows you to use state-of-the-art digital tools and AI technology, while retaining control over your data. You combine the best of both worlds.

The end of obsolete on-premise structures is unavoidable; we are paving the way to a sovereign future in the cloud. Enjoy the benefits of a tried-and-tested, scalable and legally compliant foundation to preserve your company's agility for decades to come.

Your Next Steps to Transformation

In-Depth Expert Insights: Make use of direct access to exclusive practical perspectives. The video podcast dives deeper into discussions with Moritz Beck (SAP Cloud Strategy) and Matthias Eble (Platform Reliability) about strategic and operational success factors for smooth cloud migration.
(Scan the QR code).

Arrange an Initial Assessment: Evaluate the prerequisites for your cloud migration in a non-binding initial consultation with STACKIT specialists and the SAP RISE sales team. We will analyze your existing system landscape and sketch out a tailored path for your sovereign transformation.

Video Podcast

With Moritz Beck
and Matthias Eble

9 Christian Müller and Martin Scharmach





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Contact the sales team for STACKIT and SAP to schedule a date for your individual readiness assessment.

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