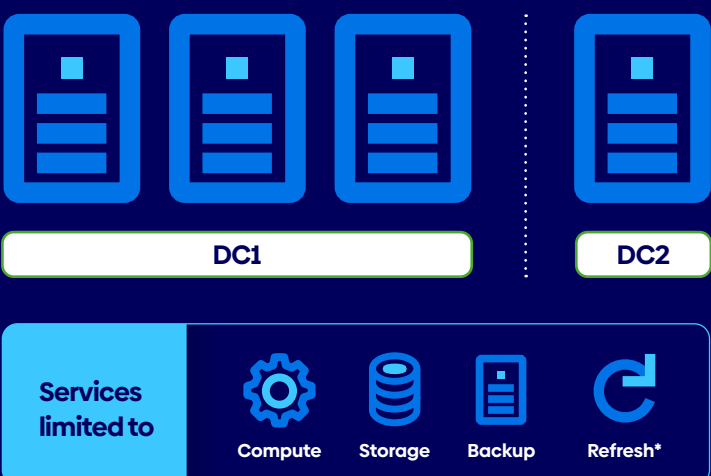


Cloud economics

Creating an accurate cost comparison model for migration



*Required every 5 years

Atos Managed Service

Current Data Center Landscape

- Data center capacity based on worst-case requirements; **oversized machines = low utilization.**
- Requires **more power & more cooling** – cost to business & environment
- **Back-up data center also required** for resilience



Factors to consider when creating your cost comparison model

- 1

Include all on-premises cost components
Even though hardware, racks, and network equipment are a one-time purchase, they usually have a refresh cycle of five years.
- 2

Capacity forecasting
Predicting tech requirements and procuring equipment is typically needed 6-9 months in advance leading to over-provision of **between 20% to 50%** to meet spikes.
- 3

Optimization of your licenses
Without optimization, Windows licensing, for example, can sometimes **cost 50% or more of compute cost.**

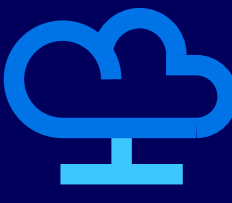
Existing low-cost licensing agreements can incentivize bringing your own license (BYOL), however, for instances with low uptime, using license-included machines allows you to **minimize these licensing costs, without the need to procure additional licenses.**

The cost of over-provisioning third-party licensing can exceed the cost of compute.
- 4

AWS pricing models
AWS offer flexible pricing models with lower prices compared to on-demand pricing (**up to 72% lower in some cases**), in exchange for a specific usage commitment. And with "Spot" as a pricing model, organizations can run workloads on unused Amazon Elastic Compute Cloud (Amazon EC2) capacity, which can provide up to a **90% discount from on-demand, without a term-based commitment.**
- 5

Storage Class
Carefully selecting the right storage class based on specific data needs is crucial to determine the correct TCO. AWS offers **more than 15 different storage categories** to meet workload needs.

With Atos CloudCatalyst, applications are optimised making footprint requirements smaller. AWS is also scalable, so you only pay for what you need and flex capacity as and when you need it.



Optimized Cloud landscape

- AWS enables **significant agility** and **evergreen infrastructure**
- Overall **footprint is significantly smaller**, with **smaller servers & better utilization**
- **No Co-lo required:** risk is managed through spread across regions on AWS



* No more refresh

Atos Managed Service wrapper



Cost Saving

Right-sized environment will enable lower operating costs.

And that's before you factor in the other cost savings enabled by cloud through:

- Business agility
- Operational resilience
- Staff productivity
- Higher automation
- Sustainability

Case Study Example

SAP Migration to AWS (2023)

- AWS public cloud solution uses **more smaller servers** and **less large over-sized underutilised servers**
- Result = AWS **lower Annual Recurring Revenue** in optimized environment
- **Red Hat subscriptions 50% cheaper** in right sized environment compared to dedicated environment because they are driven by the compute capacity



ARR 30% lower Right-sized



 **Red Hat Subscriptions 50% lower cost**



Buying compute to match actual workload requirements brings significant sustainability benefits

Original oversized infrastructure



Right sized infrastructure

