

ANNUAL REPORT 2010





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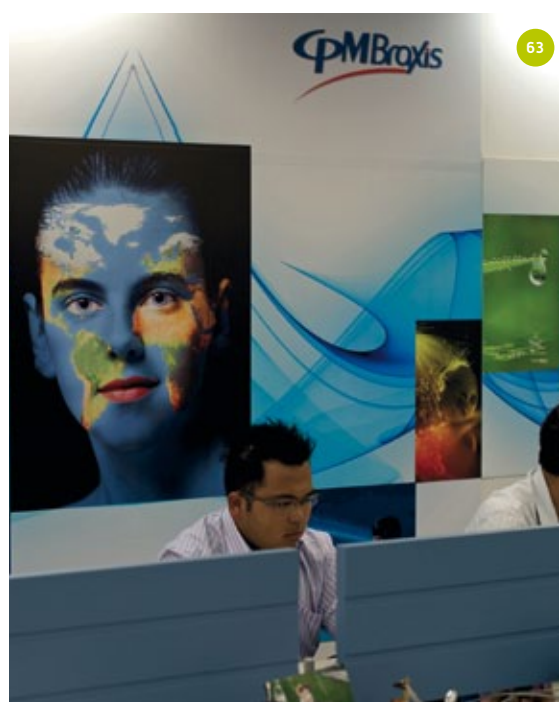
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QUESTIONS, ANSWERS

Le Président

Dear Friends,

My approach may seem strange to you, but I am going to briefly explain the rationale behind it. You know that I am convinced (and I eventually managed to convince Paul Hermelin of it) that the Annual Report is for CAP GEMINI a fantastic tool of internal and external communication. Internally, it forces us for instance to describe in detail at least once a year the Group's organization, which every time yields an opportunity to make a few "fine tunings" largely commented in the headquarters, of Tilsitt and elsewhere. Externally, it shows and demonstrates to our clients, to the investment community, to candidates (and also to our competitors) the Company's wherewithal, the permanence of its values, and the quality of its results.

Habit has been taken since the inception (i.e. since the 1975 Annual Report) to insert in that document first a "Chairman's letter" and more recently (A.R. 2006) excerpts from a discussion taking place between Paul and me with the more or less proactive participation of one or two high-quality "great witnesses" (see for instance the 6,827th "Radioscopie" by Jacques Chancel in the 2008 A.R.)

This year, in order to renew somewhat the formula without fully discarding it, we have decided to tap the Group's "alumni" and to give them the floor, the pretext being to ask us questions which we can answer briefly (possibly by Yes or No). The game consists in having, conversely to the custom, the important part - the "contents" would say the reader - be rather in the questions than in the responses as they will evidence the concern which these "alumni" continue to show for the Group, their opinion (good or not so good) of the way it has evolved since they left, how they envision the continuation of the story, etc.

If you agree to take part in that exercise, do know that the rule of that game is simple: you will find enclosed a sheet which you will simply fill in with your name and the first question which will spring to your mind, the one which you would ask me for instance if you met me on the street, just after the usual polite chitchat (you ok? and you, fine? yes, just fine, and you?...). A few precisions though:

- . the question must not exceed 150 signs
- . you are totally free in the choice of the theme and of the tone of your question
- . conversely, we do not commit to publish it, it will depend in particular of the number and quality of the questions which we will receive (all the more as in parallel we are soliciting a few recent "freshmen" - the other tail-end of our population - to ask us a few questions as well).
- . preference will be given to "tough" questions or to "curves"
- . if your question is selected, it will be quoted and your name mentioned, together with the period during which you were a member of the Group and the last role you held in it
- . will only be taken into consideration questions which will be received on Monday April 18th at the very latest (anyway no need to ponder it for hours, the best questions being always those which come to mind first).

Happy of this opportunity given to me today to get back in touch with a number of you, I thank you in advance for your contribution.

Serge KAMPF

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Encl. As mentioned + list of addressees of this memo (many are missing as I do not have their address any longer).

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“Capgemini’s strategy should be bottom up as much as—and perhaps even more than—top down.”
Serge Kampf



What events and achievements made 2010 a memorable year?
Jacques Collin – Président de Capgemini Université, 1988-2007

Paul Hermelin I don’t see 2010 as particularly memorable, but there were nonetheless three major events. First, a real turnaround during the year: in the first quarter, our operations were contracting at a steep 8% full year, but by the last quarter we had bounced back with a 6% rise at constant scope of consolidation and exchange rates. Second, we made a spectacular move into Brazil—a promising market—by acquiring CPM Braxis, the largest fully Brazilian IT service provider. And last, I was struck by the upbeat atmosphere at our 23rd “Rencontres” meeting in October, held in Barcelona, which brought together 450 senior managers. So it was a good year overall. But even though our net income improved significantly, the gain was still too limited. Looking back, overall 2010 was a satisfactory vintage as we headed up and out of the crisis.



What would you say are the watersheds in Capgemini’s history?
Jean-Manuel Bullukian – Global Head of Transformation Consulting, 1989-2004

Serge Kampf There have been many, and every alumnus would probably draw up a different list. My own includes just five or six highlights, ranked in descending order as follows:

1. Our “Rencontres” in Marrakech in June 1990, where we decided to launch the second stage of the Cap Gemini rocket.
2. Choosing Paul Hermelin as my successor in June 1999, and then the campaigns I was forced to lead since his appointment as CEO in 2002 to defend his legitimacy, make known his strength of character, attest to his wholehearted commitment to the Group’s values, and convince observers that he, too, had a right to make mistakes—for a limited period of time. I made a point of reminding people that he and I were of the same mind, shared the same instincts, the same cautious approach and the same *niaque* (see page 6) on every major issue that the Management Board had to deal with between 1996 and 2000.
3. Our successful battles—in 1980, 1987, 1997 and 2003—to safeguard our independence when faced with “predators”, who were at times likable but still a bit too pushy.

4. The Dutch vote in CAP Europe on August 29, 1975 in favor of joining Cap Gemini (and not through CAP UK). That tilted the game in our favor, winning us all the joint subsidiaries that the British and French CAPs had set up in the major Western European countries.
5. Having personally managed this Group for 33 years, from 1967 to 2000, assisted by an Executive Committee that has always been outstanding, without ever yielding to the temptation or frequent suggestions that I appoint a Chief Executive Officer—convinced as I was that our team would be more united if it had just one boss.



To foster entrepreneurial spirit, shouldn’t more of Capgemini’s strategy start from the bottom up and not from the top down?
Simon Phillips – Sector Lead “Energy, Utilities & Chemicals” since 2010

PH We have to manage two opposing dynamics. First, we have to preserve our rank-and-file managers’ taste for initiative, which has always been our foundation for growth. But we also have to meet the needs of a few very large clients and some of our technology partners. I call this combination “decentralizing and aligning.” If our management team combines fighting spirit with the aims I have for our business, we’ll strike a good balance.

SK I’ve always maintained that for a service business, strategy is not just a matter for the boss or for a specialized Board committee or executive, and even less for an external consultant: strategy is everyone’s business! We’re a service company doing business in some 30 countries, with over 100,000 skilled people on the ground, and they’re all qualified observers, many working on projects using the latest breakthroughs in technology and business theory. That being the case, it would be utterly irresponsible, even suicidal, not to tap into the extraordinary knowledge base that these tens of thousands of engineers, analysts and consultants represent. So I agree entirely with Simon Phillips: *Capgemini’s strategy should be bottom up as much as—and perhaps even more than—top down.* A strategy is only successful when it wins the widest possible support, so it’s a good idea for as many people as possible to be involved in developing it.



"If our management team combines fighting spirit with the aims I have for our business, we'll strike a good balance."

Paul Hermelin



What has been the most important change in Capgemini's culture and organization over the past 15 years? Why?

Maxime Donal – Directeur à Capgemini France, 1988-2003

PH Price pressure from clients, intensified by a string of economic crises, has moved us from the age of craftsmanship to the age of *industrialization*. This shift is still underway and it is very demanding. It has forced us to align processes and learn how to work across borders. We are now going to have to take a new step and expand our offering to include "re-use," at times adding in our proprietary solutions—and all the while remaining a provider of services, not products. It won't be easy. We're staking our reputation and our credibility on the challenge presented by global offers and industrialized platforms that can be adapted to each client.



If Sogeti/Capgemini did not exist, where would you be working now—and what would you be doing?

Adam Codony Masson – Test engineer (Software control & testing unit) since 2010

SK I realize I've never asked myself that particular question! Thanks to you (or rather, because of you) I'll give it some thought. But for now, our deadline is approaching and I still don't have an answer.

PH I know next to nothing about consumer goods but they fascinate me—designing, manufacturing and selling mass-produced goods. I would have liked to experience that first hand, say in an area that I'm passionate about, like music. To actually feel how consumer tastes shift. Would I have understood it at all? I have no idea, and to tell you the truth I doubt it. But I'll always regret it.



During your many years at the head of Capgemini, which major decision do you most regret having made—and which one do you regret not having made?

François Mazon – Directeur Général Cap Gemini France, 1990-2003

PH Let me start with the second one: in 2004, we could have become the world leader in BPO by buying a company that is now a key player in that market. But given our finances at the time, we opted not to follow through. Since then, we have expanded our operations in this market segment—but what a missed opportunity! As for the decision I regret most, I don't believe in brooding over the past, but we really should have—I should have

—recruited more top guns. You can never get enough. It's great to see talent develop, there's no question about that. But there are some individuals I would have liked to have had on board. What could I have done differently to bring them around?

SK *The decision I most regret?* On January 10, 1996, I decided to grant warrants to 244 of our top executives, representing a total of 2,912,000 shares (or 31% of my total assets at the time). These could be exercised from January 10, 2000 at 90% of the share price on January 10, 1996. Now, as luck would have it, the share price that day was a record low for Cap Gemini at FF121—which set the exercise price at FF110, or €16.80. But four years later, in January 2000, the Internet bubble was in full swing and Cap Gemini shares were trading at between €250 and €300, peaking at €368.80 in March 2000. So most of these managers leapt at the opportunity to cash in their chips, collecting capital gains of over €600 million in all. The luckiest ones found themselves with several million euros to their name, far more than they could ever have dreamed of saving out of their regular salary, even over an entire career. And as a result, over 200 of those 244 managers have since left our company—some immediately, and others after waiting for a decent interval—with most taking early retirement. So my €600 million gift to our managers ended up having a *devastating impact* on our management teams, although many of those who left were replaced almost immediately by some excellent executives from Ernst & Young Consulting. Looking back, what would have happened if I hadn't taken that initiative in January 1996? Some observers have hinted to me that we would now be a subsidiary of Deutsche Telekom.

And the decision I wish I had made but didn't? That question is a little too personal—or at least my answer would be!



Why does Capgemini have such a negative image for human resource management? You see this in all the surveys.

François Maire – Directeur du marketing et des affaires internationales (DMAI), 1987-1990

SK I'm not sure which surveys you mean, since I can show you dozens that say *exactly the opposite*. Anyone who claims that managing human resources well is not a top priority at Capgemini simply doesn't know enough about our Group and its principles and values. Either that, or he or she has decided to become a professional naysayer. It's clear that people are our most valuable asset; you might even say they are the only real asset of a service



“You don’t join a service company to be nannied when you’re young or to kick back and take it easy at the end of your career.”

company, and it would be downright suicidal not to manage them with the utmost care. That said, you don’t join a service company to be nannied when you’re young or to kick back and take it easy at the end of your career. While you worked here, you probably remember reading what I said about this in an advertisement that ran in the French daily *Le Monde* on January 16, 1973 (opposite: *Le Monde*, January, 1973). So let me ask you a question in return: do you know many companies that aim to have twice as many disabled people in their workforce in 2012 as in 2010? It’s happening right here and now, in France, at Capgemini/Sogeti.



At Capgemini we say that our teams have niaque, or fighting spirit. That quality is critical to our success: should it be our eighth value?

Jonathan Grainger – Head of Integration Services since 2010

SK *Niaque* comes from *gnaca*—a southern French dialect word that means to bite. So *niaque* translates as fire in the belly, fighting spirit, the will to win, to outdo yourself, to throw yourself into the fight and come out on top. In September, after our “Rencontres” meeting in Barcelona, it was suggested that *niaque* should become our eighth value, or replace one of our traditional values—“boldness,” perhaps. I’m not opposed to the idea: all we need is for *niaque* to prove its usefulness—maybe by supercharging our 2011 budgets !

PH If we want to inspire *niaque* at every level of the company, it’s because the risk for Capgemini lies in resting on our laurels, settling for doing just an average job. What we need is exactly the opposite; we need to redouble our efforts to maintain and strengthen our leading position in the face of fierce competition from our traditional competitors and new contenders in some of our businesses, and to counter the sheer pace of introducing and deploying technological innovation. Fighting spirit is no longer just a state of mind: these days it’s a must



Was Aruna Jayanthi’s appointment to head Capgemini India a sign that the Group is more attuned to promoting women and to diversity in general?

Radhika Ramesh – Infrastructure Services since 2010

PH Aruna’s promotion as head of Capgemini India, where she leads a team of over 30,000, is above all a tribute to her skills and her personality. We are well aware of the impor-

tance and benefits of diversity. Yet raising the company’s appeal for female candidates is a major focus of our diversity policy, and we’ve developed targeted programs with local variations. At Capgemini we employ some 110,000 people representing over 100 different nationalities, with 16,000 working outside their home country in 2010. Every quarter we review the results of our diversity initiatives.



One of Capgemini’s founding principles is decentralization, which means autonomous decision-making and managers who take responsibility. The years since 2000 have opened the gates to industrialization, which has been remarkably developed by the Group, particularly by off-shore teams. Hasn’t this led to greater centralization of decision-making? Serge, your aim from the start was to create a company driven by its heart. And by building on human values—reiterated time and again—you’ve managed to create a mindset built on trust, respect for others, loyalty and solidarity, but also a sense of individual responsibility, commitment, ability and the pleasure of working together. Are these people-based values still as present as they used to be?

Henri Sturtz – Président de Gemini Consulting France, 1987-2000

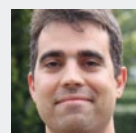
SK I hope so.



How do you encourage knowledge sharing among Capgemini units around the world?

Vivian Lau – Application & Integration Consultant since 2010

PH Circulating knowledge is vital; sharing is what makes our Group more than just a financial holding company. And all of us at Capgemini in turn create content and borrow ideas. In addition to the university at Gouvieux, we have a Web-based information sharing system; yet we don’t use it enough, since it’s always tempting to reinvent the wheel—but that’s not efficient. We are, though, beginning to tap into the potential of the social networks to expand and deepen relationships between team members. Better information sharing will let us bring client teams into our shared space.



Would you swap places with me for a day? I would love to see what it’s like to be Chairman and CEO. I’m serious.

Volkert De Buissonné – Java developer (Application services) since 2010

ANNONCES CLASSÉES

PLACARDS ENCADRÉS SUR 2 COLONNES : MAJORATION 50% PAR LIGNE

offres d'emploi

offres d'emploi

15/1/1973 page 27

Je m'appelle Sogeti. Je suis née fin 1967. En 1968, j'ai fait 1 million de francs de chiffre d'affaires ; en 1972, j'en ai fait 40 millions et j'en ferai plus de 50 cette année. Je suis devenue l'un des tout premiers groupes français dans le domaine des « services informatiques » (au fait, vous en connaissez beaucoup, vous, des sociétés qui ont multiplié leur chiffre d'affaires par 40 en cinq ans ?).

J'ai toujours le même patron : cela non plus n'est pas toujours évident ! Certes, il n'est pas drôle tous les jours : c'est un coriace et il me mène souvent la vie dure, mais j'ai reçu une éducation spartiate et j'aime l'efficacité. Et puis, comme il détient à lui seul 87 % de mon capital, je suis au moins sûre d'une chose : il ne se désintéressera pas de ma santé.

Autour de lui, il y a une équipe d'hommes. Energiques, responsables. Des durs, eux aussi, et dont la principale force réside précisément dans le fait qu'ils forment « une équipe ». Eux et moi, nous avons décidé de « mettre le paquet » en 1974.

1974, c'est demain. Car pour former, intégrer, développer les hommes dont nous aurons besoin, il me faut les embaucher maintenant. Pour commencer, je cherche une vingtaine de **COMMERCIAUX**.

Oui, une vingtaine, mais dont l'entrée sera étalée sur plusieurs mois et qui auront pour mission de vendre tout ce que fait le Groupe SoGETI :

- de l'organisation informatique ;
- du conseil : diagnostic, expertise, choix, productivité... ;
- des études complexes (concernant l'évolution d'une fonction ou d'un matériel, la conception et la mise en place de systèmes intégrés de gestion, etc.) ;
- du traitement sur ordinateurs (j'en ai 9 installés et 6 en commande !)
- de la formation et de la sélection ;
- de la saisie de données ;
- de la télé-informatique ;
- des packages aussi bien que des softwares de base ;
- de l'automatisme industriel ;
- de facilités management.

Pour cela, il me faut des hommes. Des vrais ! Pas des rabougris, des minets immatures, des paresseux ni des arrivés, pas des comptables d'heures supplémentaires, pas des complexes, des inhibés, des anxieux, des bilieux dévorés d'inquiétude, des timorés, pas des surnuméraires, des amateurs ou des bénévoles. Pas de fil-à-la-patte, pas des velléitaires, pas des surnuméraires, des braves à trois poils, des matamores. Pas de ces hyperexcités, de ces débraillés sympathiques qu'on n'ose pas mettre à la porte mais à qui l'on ne commande jamais rien... Pas des jambes molles, des délicats, des fin de carrière, des publiphobes, des soupçonneux, des désincarnés. Pas des pontifians qui s'éblouissent eux-mêmes. Pas des télépathes de l'action commerciale.

Pas des qui lisent « le Monde » uniquement pour ses petites annonces. Pas qu'il me faut à moi, c'est des grands, des carrés, des solides, des énergiques, des efficaces, des hommes qui s'imposent, qui en veulent, qui ont besoin de travailler et qui aiment ça, qui ne cherchent pas leur force ou leur virilité dans leur after-shave, qui ont de l'estomac, du nerf, du cœur au ventre et du sang dans les veines, des hommes décidés, énergiques, disponibles. Des ogres.

Des professionnels. Des responsables. Scrupuleux, attentifs à autrui. Qui ont assez d'esprit pour ne pas en avoir trop, frondeurs s'il le faut, avec un brin de fantaisie et d'impertinence, pourquoi pas ? Mais rigoureux, spontanés, inflexibles, constants dans leurs goûts et leurs amitiés. Exigeant d'eux-mêmes autant que de leur patron. Ambitieux et lucides à la fois.

Des conquérants. Des hommes comme vous. Écrivez-moi, parlez-moi de vous, de vos idées, de votre expérience, de vos goûts. J'ai des postes à pourvoir à Paris, Châlons-sur-Marne, Metz, Strasbourg, Bâle, Zürich, Berne, Genève, Annecy, Lyon, Grenoble, Marseille, Toulouse, Bordeaux, Madrid.

Et même ailleurs, si vous vous sentez capable de monter à vous seul une nouvelle agence SoGETI.

Votre salaire, c'est vous qui le ferez, car vos commissions pourront lui faire largement dépasser 8 ou 10 millions d'anciens francs par an.

Votre date d'entrée m'est indifférente : je ne pourrais intégrer d'un seul coup vingt commerciaux nouveaux, et je souhaite que leurs arrivées soient échelonnées tout au long de l'année 1973.

Donc, même si vous n'êtes pas encore tout à fait décidé, écrivez-moi pour prendre date : nous nous rencontrerons quand vous voudrez.

Un dernier mot : je m'appelle SoGETI, mais j'ai déjà 16 agences et 530 collaborateurs, et il vaut mieux ne pas envoyer votre lettre n'importe où et à n'importe qui. Écrivez donc directement, sous référence C. 13, à mon P.D.G. (il s'appelle Serge Kampf) à : SoGETI S.A., 86, avenue Emile-Zola, Paris (15^e).

Il étudiera votre lettre lui-même : si elle semble correspondre à ce que je recherche, il vous invitera à un premier entretien. Sinon, il vous le dira, car à SoGETI, aucune lettre ne reste jamais sans réponse.

Aucune annonce non plus, d'ailleurs.





“Our decentralized structure emphasizes local contacts, flexibility and empathy—and helps us develop strong relationships with our clients. This is what sets Capgemini apart!”

SK I doubt you could put the Group in real danger in a single day. But I do know that with a few unfortunate moves over just a few hours, I'd be sure to destroy the outstanding technical project that you're no doubt working on!



The lines between IT consulting, solutions and services are beginning to blur. Do you think that Capgemini's structure is adapted to this new environment?

Subramanian Vasudevan – Solutions Lead since 2010

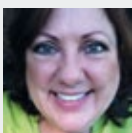
PH Each of our businesses corresponds to a specific and stable business model—Consulting, Systems Integration, Outsourcing and Local Professional Services. In recent years, we've identified a fifth one, BPO, and there may be more tomorrow. But to meet our clients' needs we have to be sure that we call on all our business lines. This is where our Coordination Committees, also called Country Boards, have a vital role to play in all the major countries where we operate, rallying all our resources to serve our large clients, who represent 25% of our total revenues. These clients are hungry for innovation, and they're in the front line for new cross-business offerings, in which we've been investing since 2009.



If you leave Capgemini and then realize you've made a mistake, is there a way to come back?

Jean-François Leprince-Ringuet – PDG de Cap Gemini Telecom France, 1996-2004

SK When managers have been away for Capgemini for a few years, it's always tricky to bring them back in—especially for people like yourself who held positions of responsibility. Things move on, and in our business the changes that take place over just a few years would take decades in other industries. We want to stay at the top of our industry, which means we have to run faster than everybody else. “Working at Capgemini is like running a marathon,” says one former employee. “Make a two-minute pit stop, and suddenly you're in 750th place.” So while it's not easy, it can also be incredibly stimulating, and welcoming the prodigal child back into the fold is always a cause for celebration.



What gives Capgemini its competitive edge vis-à-vis sector heavyweights such as Accenture and IBM?

Deborah Baxley – Principal since 2010

PH When we're up against our “favorite rivals” it's often the diversity of our business that makes the difference. We offer a very wide choice of services, and that's why we can stand up to them. In facing off against the “big boys,” by contrast, we benefit from our decentralized structure, which emphasizes local contacts, flexibility and empathy—and helps us develop strong relationships with our clients. This is what sets Capgemini apart. For us, globalization is not standardization. Our strength lies in the teams that connect us to our clients, and our independence from large technology partners is seen as a major advantage by our clients.



Couldn't Capgemini set up a formal structure to leverage the human capital represented by its former managers and allow them to continue contributing to the Group?

Adolfo Cefis – Directeur Italie, 1988-2005

PH Having worked at Capgemini is more than a line on your CV. You come out of it with a commitment to our values and our founder, as well as memories shared with other managers and colleagues. In most of the countries where we have a longstanding presence, former employees have already created the kind of networks you describe: Escape and CGRET in France, to take just two examples. We respect their separate identities, but we lend our support to them so they can play a fuller role in our success.



What's the hardest decision you've ever taken in your career?

Werner Züllig – Directeur Capgemini Suisse, 1970-1999

SK The one I haven't taken yet!

PH My hardest and certainly my most radical decision was in 1993 when I left the civil service—where I think I had been fairly successful—to plunge into the private sector. In doing so, I took on responsibilities that were not really defined when I signed my contract, in a world of technology that I didn't know much about, even though I was an engineer, and where everyone spoke English. But Serge Kampf's charm won me over! It was a drastic change, and sometimes—often—very difficult. But it changed my life, and I'm really thankful that I made the leap.

« It's clear that people are our most valuable asset; you might even say they are the only real asset of a service company, and it would be downright suicidal not to manage them with the utmost care »



As Capgemini has industrialized, hasn't decision-making become more centralized?

Joseph Guégan – Senior Vice President Gemini Consulting, 1970-2004

PH Yes and no. At Group level, we've adopted strict rules for using shared tools to produce estimates and help projects get up to speed quickly, backing rapid growth in team size and ensuring everyone works together effectively. These shared tools are the key to industrialization, but, in the end, they are used at local level by delivery teams, and we count on those teams to show initiative and remain efficient.

SK Decentralization, proximity, availability and strong local roots will always be Capgemini's key strengths, since serving our clients means constantly adapting to their needs and demands, which can and do change as projects move ahead. At one level, we have the resources and "industrial" methods that guarantee our ability to complete projects for a set price and deadline, but you can only go the last mile locally, on the ground.



Don't you regret pulling out of the software package business in the 1980s? Why didn't Capgemini become another Microsoft or SAP?

Dominique Illien – Directeur de l'audit, 1981-1992

SK The CapGemini Saga, published in December 1999, featured a preface by former French president Valéry Giscard d'Estaing. A passage in this book answers your question much better than I could:

"One night in October 1997, when Cap Gemini Sogeti was celebrating its 30th anniversary at the Carrousel du Louvre in Paris, I took the opportunity to ask Serge Kampf a question that had been bothering me. At that time, a handful of companies, including Microsoft, were enjoying phenomenal success in producing software. So I turned to Serge Kampf and said 'Why haven't you tried to break into this market, which seems to have incredible growth potential?'

He put on that gruff expression he uses when he finds a question pointless, even nonsensical [...] and replied: 'It's not our business. We wouldn't know how to do it properly.' And then he detailed all the reasons why he thought it would be difficult, even impossible, for a French company to roll out a software package for mass distribution on the world market—which showed that he had already thought long and hard about the question, and that it was neither by

chance nor by mistake that he had steered his company clear of that particular market."



Paul, aren't you tired of having Serge on your back the whole time?

Jean Rochet – Directeur de Capgemini France, 1981-2007

PH I could say that I've grown used to it, or that the affection and respect I have for him make it easy. But the most important thing is that Serge continues to surprise me—to catch me off guard. His boundless energy combined with his unique intellectual approach mean that having him at the head of a business he founded 44 years ago is an extraordinary asset. Working by his side, I learn something new every day.



Capgemini is joining the ranks of IT service majors, where rules, processes and globalization are more rigorous, and forcing sales and production to become increasingly industrialized. How can Capgemini stay nimble and innovative without losing the commitment to service that has been its strength for so long?

Alain Robbe – Service Line Director since 2010

PH One of our competitors and friends once remarked that even elephants can dance. We're not that bulky, but we are fully aware that it's vital to stay fast on our feet. We have to avoid becoming a bloated holding structure; we must aim for short chains of command and take decisions at the coalface. Compared with our biggest competitors, we've struck a respectable balance. But there's still plenty to do in this area.



Today young team members use social networks more and more. Do you think this undermines their relationships with management?

Chris Van Breugel – CEO Capgemini Netherlands, 1970-2009

SK The young people we are hiring today have grown up with the Web and social networks. They're curious about everything around them and eager to reach out—ambitious, impatient and convinced that they're living in a time of flux, when everything is speeding up, and they can let their imaginations run wild. They can be arrogant and even provocative—"Unhappy the young man who does not

"The young people we are hiring today are not really all that different from their parents, who grew up in the sixties. It's up to their management to learn how to listen to them—and to teach them to listen."



enter life with an insult on his lips!" as French intellectual Maurice Barrès said almost exactly a century ago. But they're not really all that different from their parents, who grew up in the sixties. It's up to their management to learn how to listen to them—and to *teach them to listen*. As always, the standouts will be those who demand as much of themselves as they do of their bosses.



It seems to me that Capgemini's structure and local dimension—its local roots—have been overpowered by its business lines and vertical structures. What do you say?

Bertrand de Trogoff – Directeur Général adjoint de Cap Gemini France, 1980-2001

PH I'll give you a two-part answer: first the Group's structure, and then career management for our staff. For the first: regardless of mergers and acquisitions or globalization, markets have kept a local dimension. So our geographic coverage is no accident. It depends on our clients' decision-making centers and development plans. And it naturally combines global reach with a local presence. Concerning career paths within Capgemini, any employee who takes advantage of the wide range of possible experiences in businesses, functions and geographical markets enhances his or her personal ability to adapt. So while focusing on your local roots is a perfectly respectable option, moving around is no doubt a better way to organize your future.



How important is risk-taking in developing talent and in-house promotion?

Francis Behr – Directeur du projet Genesis, 1971-2000

SK Taking risks is built into Capgemini's DNA, and speaking for myself, I've taken some huge gambles—risks that might give me pause today. Other people have too, accepting responsibilities that they weren't sure they could deal with, handling negotiations when their opposite number was stronger, and betting on men or women who had not yet been tested. Risks like these grow with the business: very early on, a minor but poorly drafted contract that we signed with an SME in eastern France almost brought us down, but nowadays we face risks thousands of times larger and must obviously protect the Group from them. That's why we adopt procedures for identifying and

controlling risk, set thresholds that cannot be exceeded without formal authorization, ask the Group Review Board to analyze major proposals, follow the rules spelled out in our *Blue Book* and Code of Business Ethics, have all sorts of insurance policies, and so on. It's a hard balance to maintain, because entrepreneurial flair and procedures aren't always good bedfellows.



Can't we consider aiming for more aggressive growth in the Indian market?

Jacques Tixerant – Directeur de la division Sud de Capgemini, 1981-2004

PH Part of our 30,000-strong Indian team is already working for 45 Indian clients. Our brand recognition in India has risen, and we're on course for nearly 40% growth in 2011, with moves into the public sector, telecommunications and distribution. Today, large Indian accounts make up 70% of our business in the local market.



I've never understood why Capgemini bought Ernst & Young Consulting in 2000—a move that proved costly. There must be reasons I'm unaware of.

Philippe Danglade – Administrateur Délégué de Cap Gemini Espagne, 1982-2002

SK Initially, SoGETI was primarily a technical support provider, but I wanted to change it quickly into a premium service company, bringing engineers and consultants together to serve a shared client base. The company wasn't even three years old when it signed an agreement with Groupe Bossard to organize a three-way relationship based on client, organizer and IT specialist. To maintain and consolidate a strong consulting business, we acquired Bossard in 1976, Spiridellis in 1982, United Research Corp. and Gamma International in 1990, Mac Group in 1991 and, finally, Ernst & Young's Consulting division in 2000. The decision was made by the Management Board in October 1999 and approved by the General Meeting of Shareholders on May 23, 2000. It was the largest acquisition our Group had ever made: it boosted our workforce from 40,000 to 60,000 overnight and raised our annual "revenue per brain" from €110,000 to €140,000. That was Jean-François Leprince-Ringuet's phrase: he has correctly observed that this ratio is still the best possible metric for our team's qualifications. The acquisition had other advantages, too:

“After a three-year crisis and near-total freeze in investment, we can feel that our clients are eager to get back on the road to modernization.”



- It gave a major boost to our presence in the United States, tripling our workforce and *quadrupling* our revenues in the most advanced, most demanding market in the world—which is also the birthplace of nearly every innovation driving our businesses.
- It gave the Group access to some key decision-makers: over the past ten years, former Ernst & Young Consulting employees have helped us secure several major contracts that we would not have been able to win without them.
- It facilitated our move into countries that, for us, were still very exotic. For example, Ernst & Young Consulting already had 120 engineers on site in India, and we built on that to recruit the 30,000 men and women who now carry the Capgemini and Sogeti flag on the subcontinent.
- It brought a pool of outstanding executives into the Group; as we will see further on, no fewer than eight key Capgemini executives came to us from Ernst & Young Consulting. Our Board of Directors also counts two members who originally worked with Ernst & Young.

So, Philippe, those are the—good—reasons that you were unaware of behind a transaction described by the trade press as “a remarkable strategic move” at the time. But it could well have gone sour, since the *Internet bubble burst* just a few months later.

(*) In 2010, sales per employee were down to €89,000, reflecting the increase in offshore resources, which cost less but generate lower revenues.



How would you rate clients' confidence in the strength of the economic recovery now shaping up?

John Purser – East Oracle Service Line since 2010

PH After a three-year crisis and near-total freeze in investment, we can feel that our clients are eager to get back on the road to modernization—and not only to reduce costs. Yet with the 2008 financial crisis still fresh in everyone's mind, people are nervous. There are new projects, of course, but also signs that decision-makers are reluctant to commit. Not everywhere, though: the trend is more marked in some regions and sectors than others. The smallest economic or financial upset sets alarm bells ringing instantly, causing new delays or postponements. So while we're in a recovery phase, it's a sluggish recovery.



Will increasing use of SaaS (Software-as-a-Service) solutions lead to profound changes in the business model for IT service companies'?

Yves Veret – PDG de Matra Cap Systemes, 1988-1997

PH When customers are hungry for new solutions—for innovation in general—that's always good news. For clients, the advantage of SaaS solutions is to be able to transform capital sunk in costly IT infrastructures into operating expenses, so they only pay for what they actually use. Our clients have a wide range of expectations and are looking into new initiatives, so there's still a huge number of cloud computing services yet to be invented. And once they're out there, they'll have to be integrated, interfaced and organized, which creates enormous opportunities for a service company. That will bring in some big contracts, but also a multitude of smaller ones. We sometimes offer our clients SaaS packages to streamline their application portfolios. Capgemini is back to being a software platform operator, and occasionally a broker, too. We have the resources to put new business models to work and develop services of an entirely new type, all of which can also give our business a big boost.



Can Capgemini's corporate values be reconciled with rapid growth in staff numbers and a massive push into internationalization?

Christine Goavec – Directeur de la Communication, 1981-1991

SK Capgemini's history shows that this is possible, and so far we have expanded without ever losing touch with them. I see several reasons for this. First, our seven values are understood and accepted by—or at the very least acceptable to—all staff members, everywhere in the world. Since last year, whenever a new hire signs an employment agreement, he or she also signs our Code of Business Ethics, which sets out the basic rules and guidelines that now govern all Capgemini Group companies. And when we acquire a company, we are careful to ensure that it is a good fit. That means looking into its reputation, sales practices and management style, of course, but we also make sure that its history and corporate culture are compatible with our values, our goals—profitability, growth, freedom, sustainability—and our business guidelines, which call for controlled decentralization, subsidiarity, flat hierarchies, performance-based pay and so on.



“Capgemini's history shows that we have expanded without ever losing touch with our values.”

It's this concern with only pursuing a merger if there's a true cultural fit that explains why the integration process went as smoothly for CPM Braxis in 2010 as it did for Kanbay in 2008.



What are the fundamental qualities of a “Champions League” leader, and how have they changed over the years?

Ritesh Chopra – Capgemini Consulting India since 2010

PH To compete at the top of what we call the Champions League—the top players in our industry worldwide—Capgemini has no choice: we have to build on the very best our teams and managers have to offer. What has made the difference, and will continue to do so, is our ability to look ahead, innovate, adapt and, at the end of the day, meet the client's expectations. Every time. And in a period of economic crisis, with fierce competition, swift technological change and increasing demands from clients, that can only be achieved with a combination of drive, energy and passion.



Ten years ago, we used to say “If Serge Kampf gets hit by a bus, Paul will obviously take over.” Today, what happens if Paul gets hit by a bus?

Éric Lutaud – Transnational Sales & Delivery, 1982-2003

SK I've obviously got a response to that—one I've tucked away in a safe place, keeping in mind that the safest places are close friends' ears. But here and now there's no answer other than the reminder that it's up to the Board to appoint and remove its Chairman and/or CEO, as it deems necessary. It's also up to the Board to decide—by a two-thirds majority vote—whether it wants to combine these two functions in a single person, or keep them separate, as is currently the case for the Cap Gemini SA holding company. —



Laurent PARCELIER, *Boats on the Canal*



Jeremy BARLOW, *Rome Facade*



DANIEL SETBON

Since joining the Group on January 1, 1971, Daniel Setbon played a key role over more than 24 years at the side of Serge Kampf and the man he called his "accomplice," Michel Jalabert. He died on July 19, 2010, at the age of 75.

An economics graduate of the Lyons Business School and a chartered accountant, Daniel Setbon finally took up the offer of Serge Kampf, a friend from his youth (they met in London in 1951) to supervise the outsourcing subsidiary Eurinfor, which Serge had just set up in Lyons. Daniel joined as management controller in 1971, and became Financial Director for the entire Cap Gemini Sogeti Group in 1975. Initially, he planned staying only a few years, believing that the Group would no longer need him after that. In the end, he remained for 20 years, providing unfailing, and sometimes decisive, support in the ambitious strategy briskly driven by Serge Kampf. In charge of enforcing the rigorous management controls in place from the Group's earliest days, he also oversaw the Cap Gemini

Sogeti Paris stock market listing and the opening up of its capital to powerful partners (the CGIP followed by Daimler-Benz). He also largely masterminded some of the Group's major acquisitions. Following a heart attack in 1981, it took ten years before Daniel found someone to succeed him (Vincent Grimond from Club Méditerranée). He left the Group in 1995. During his 20-year "reign," the Group's workforce grew tenfold and its revenues fiftyfold. In retirement, Daniel continued to closely follow the development of the company, where all those who knew him remember an unassuming man, a little "grumpy" (especially in the mornings!), but as scrupulous as he was tolerant and generous. With his passing, the Group has lost both a founding father and a friend.

PAYING TRIBUTE

Daniel Setbon, Tony Robinson and Vincent Delory. The Group remembers one of its founding fathers, one of the main drivers of its success in outsourcing, and a young employee victim of terrorism.



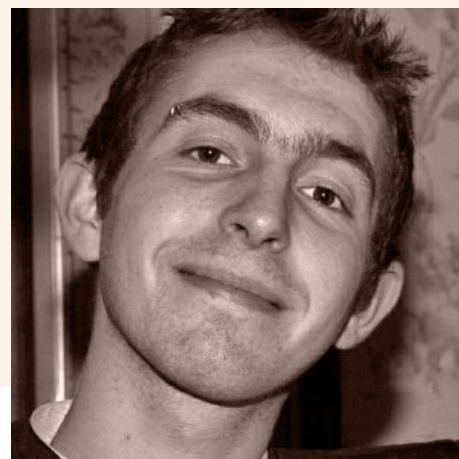
TONY ROBINSON

Tony was General Manager of the Group's UK subsidiary before taking over the helm at Gemini Consulting. "Robbo," as he was familiarly known, died

unexpectedly on January 31, 2011 at his home in Cornwall, aged just 69.

To be with him was both stimulating and, at times, exhausting because of his phenomenal physical and mental stamina. In his youth he was a champion boxer and cricketer, and later an enthusiastic runner and golfer, and was often to be seen cycling to work. He was a tremendous problem solver and his fertile mind a mine of ideas. He was passionate about people and never afraid to give someone their chance. Countless people, new recruits or more senior people owe their career success at Hoskyns or Capgemini to

"Robbo." Within the Group's enormous talent pool, Tony had the reputation as a remarkable leader of men. His career with Cap Gemini included running the Group's UK subsidiary and, in later years developing outsourcing activities in a number of other subsidiaries: the fact that outsourcing now accounts for over one-third of the Group's activity owes much to his impact. Having spent his last years amongst us in charge of Capgemini Consulting, Tony Robinson retired in 2000. He is remembered fondly. *We miss you, Tony.*



VINCENT DELORY

Vincent worked on IT application maintenance within the Aerospace & Defense division of Capgemini France in Toulouse. He was killed in Niger at the age of 25.

On January 7, 2011, just a few hours after landing in Niamey, Niger, where he was due to be best man at the marriage between his childhood friend and a local woman, Vincent was abducted along with his friend by an armed commando of an Islamic terrorist group. Both young men were killed the following morning during a failed rescue attempt near the border with Mali.

The death of Vincent and his friend, Antoine de Léocour (both originally from the village of Linselles, near Tourcoing in the north of France), and the atrocious circumstances of their deaths, were keenly felt in France and throughout the world. Emotions were particularly raw throughout the Capgemini Group where Serge Kampf and Paul Hermelin, warned of the kidnapping on the evening of the 7th, followed the two hostages' tragic fate hour by hour. On January 17, both men were present to support his family—along with many other colleagues from Toulouse—at Vincent's funeral. The ceremony took place in the presence of Nicolas Sarkozy, the French President, and was also attended by prominent local and national figures as well as thousands of mourners.

THE 13 MEMBERS OF THE BOARD OF DIRECTORS



Serge KAMPF
Chairman



Paul HERMELIN
Vice-Chairman



Daniel BERNARD



Yann DELABRIÈRE



Laurence DORS



Michel JALABERT



Phil LASKAWY



Bernard LIAUTAUD



**Thierry
de MONTBRIAL**



Ruud van OMMEREN



Terry OZAN



Pierre PRINGUET



Bruno ROGER

THE TWO NON-VOTING MEMBERS



Pierre HESSLER



Geoff UNWIN

THE TWO STATUTORY AUDITORS



Jean-Luc DECORNOY
KPMG



Serge VILLEPELET
PwC

BOARD SECRETARY



Philippe HENNEQUIN



Board of Directors' meeting.

BOARD OF DIRECTORS

Elected by the shareholders, the Board of Directors has as its principal role to determine the key strategies of Cap Gemini S.A. and its subsidiaries, and to ensure that these are carried out, to validate the Group's legal and operating structure and all major appointments and, in general terms, to deal with all questions concerning the smooth functioning of the Company. In 2010, the Board met nine times, with an average attendance rate of 91%.

The work of the Board of Directors is drawn up by four specialist committees (Audit, Selection and Compensation, Ethics and Governance, Strategy and Investments).

FOR FURTHER INFORMATION, SEE THE REFERENCE DOCUMENT (PAGES 97-100) AND ITS PDF ONLINE VERSION.

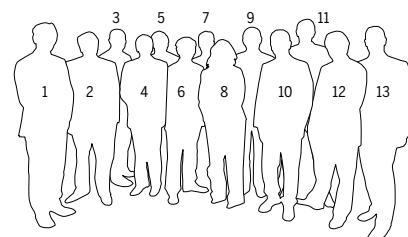


THE EXECUTIVE COMMITTEE

The role of **the Executive Committee** is to assist the Group Directors in defining the major strategies to be submitted to the Board of Directors, to take all decisions related to improving Group performance, determine all necessary actions and priorities, coordinate execution, evaluate the performance of managers, and prepare succession plans for key responsibilities. Composed of 13 members, the Committee meets once a month.



- (1) **Nicolas DUFOURCQ**
Deputy General Manager,
Chief Financial Officer
- (2) **Pierre-Yves CROS**
Consulting
(Capgemini Consulting)
- (3) **Paul SPENCE**
Deputy General Manager,
Director of Development
- (4) **Salil PAREKH**
Application Services 1^a
- (5) **Cyril GARCIA**
Strategy and Transformation
- (6) **Hubert GIRAUD**
Business Process Outsourcing
- (7) **Olivier SEVILLIA**
Application Services 2^b
- (8) **Aruna JAYANTHI**
India
- (9) **Luc-François SALVADOR**
Local Professional Services
(Sogeti)
- (10) **Paul HERMELIN**
Chief Executive Officer
- (11) **Philippe GRANGEON**
Marketing and Communications
- (12) **Alain DONZEAUD**
General Secretary
- (13) **Patrick NICOLET**
Infrastructure Services



- (a) North America, United Kingdom,
Asia-Pacific (excluding China)
and the Financial Services sector
- (b) France, Benelux, Nordic Countries,
Germany and Central Europe, Southern
Europe and Latin America
(excluding Brazil)

**FOR FURTHER INFORMATION, SEE THE
REFERENCE DOCUMENT (PAGE 105) AND ITS
PDF ONLINE VERSION.**

PRINCIPAL GROUP DIRECTORS

OPERATING FUNCTIONS



Peter BARBIER
Country Board
Sweden



Tom BLACKSELL
Consulting



Jean-Philippe BOL
Application Services
France



John BRAHIM
Application Services



Henk BROEDERS
Country Board
Netherlands



Daniel CHAFFRAIX
Infrastructure Services



Bo CHEN
Country Board
China



Lanny COHEN
Country Board
United States



Stanislas COZON
Sectors



Derek CRATES
Major Contracts



Thierry DELAPORTE
Application Services



Richard DICKETTS
Infrastructure Services
Financial Services



Aiman EZZAT
Application Services
Financial Services



Christian GLEYO
Sogeti



Navin GOEL
Sogeti
United States



Xavier HOCHET
Consulting



Christine HODGSON
Country Board
United Kingdom



Maurizio MONDANI
Capgemini
Italy



Andy MULHOLLAND
Technology Innovation



Paul NANNETTI
Global Offers



David POOLE
Business Process
Outsourcing



Baru RAO
Application Services



José Luiz ROSSI
CPM Braxis Capgemini
Brazil



Michael SCHULTE
Country Board
Germany



Gilles TALDU
New Business Models



Philippe TAVERNIER
Sogeti France



Paul THORLEY
Capgemini Australia



Hans van WAAYENBURG
Sogeti

CENTRAL FUNCTIONS



Antoine AUDI
General Secretary
Holding Company



Hervé CANNEVA
Ethics and Compliance



Philippe CHRISTELLE
Internal Audit



Jean-Pierre DURANT des AULNOIS
Senior Advisor



Stella GOULET
Marketing



Philippe HENNEQUIN
Legal Affairs France



François HUCHER
Delivery, Methodologies
and Support



Alain de MARCELLUS
Finance Director



Bruno NIGRELLI
Information Systems



Ulrich PRAEDEL
Sales



Jeremy ROFFE-VIDAL
Human Resources



Isabelle ROUX-CHENU
International Legal
Affairs



Lucia SINAPI
Risk Management and
Corporate Finance



Anne TRIZAC
Business Control

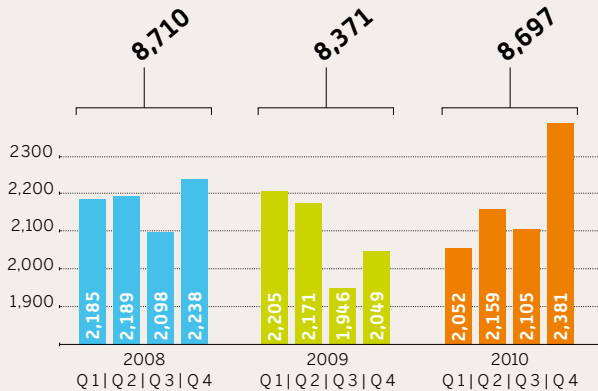


Isabelle CREVIER, *Tangier*

KEY FIGURES 2010

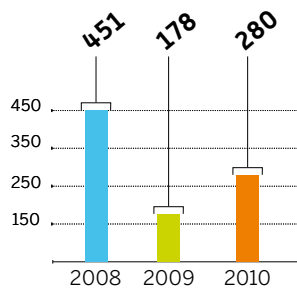
REVENUES

in millions of euros
by quarter



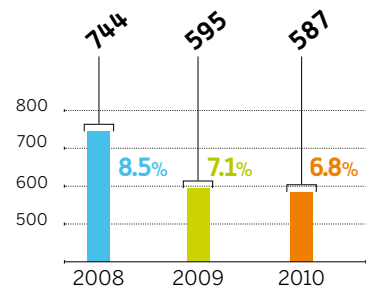
PROFIT FOR THE YEAR

in millions of euros



OPERATING MARGIN*

in millions of euros
and as a percentage of revenues



* The operating margin, one of the main indicators of the Group's performance, represents the difference between revenues and operating expenses. The latter is equal to the total cost of services rendered (expenditure required to deliver a project), plus selling costs, and general and administrative costs.

DIVIDEND PER SHARE

euro

2008: **1** 2010: **1***
2009: **0.8**

* Subject to approval by the shareholders
at the Annual General Meeting on Thursday, May 26, 2011.

NET CASH & CASH EQUIVALENTS

as at December 31, 2010

1.063 billion euros

TOTAL ORDERS TAKEN BY THE GROUP

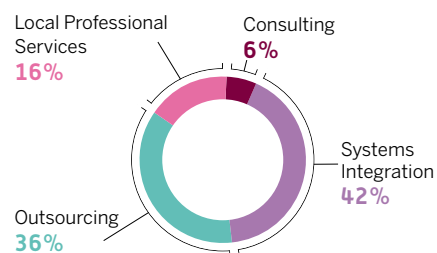
2009
9.041
billion euros

2010
9.863
billion euros

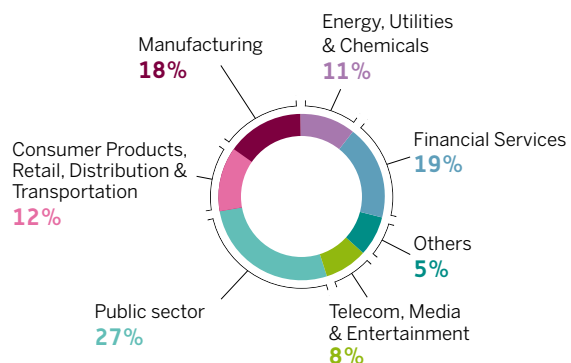
+ 9%

BREAKDOWN OF REVENUES

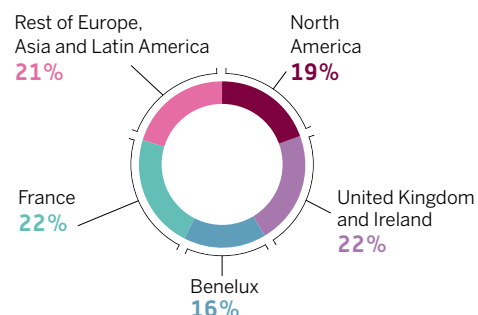
BY BUSINESS



BY SECTOR



BY COUNTRY OR REGION



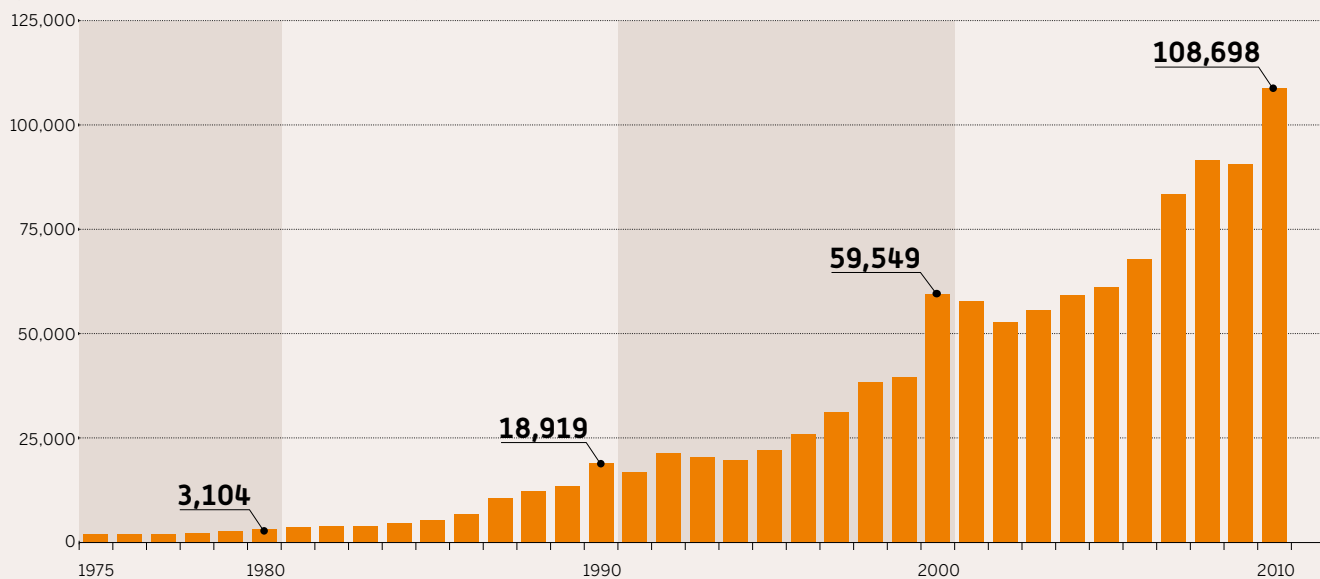
SEE THE REFERENCE DOCUMENT (PAGE 117), THE ONLINE PDF VERSION
AND THE "2010 PERFORMANCE" SECTION AT WWW.CAPGEMINI.COM/ANNUAL-REPORT/2010/EN



Jean-Michel CAVALLI, *The Café Pierre*

GROUP HEADCOUNT EVOLUTION from 1975 to 2010

(number of team members at December 31)



PERSONNEL TURNOVER in 2010

37,719 arrivals:

30,140 hires
7,579 joined following
 acquisitions or
 outsourcing contract

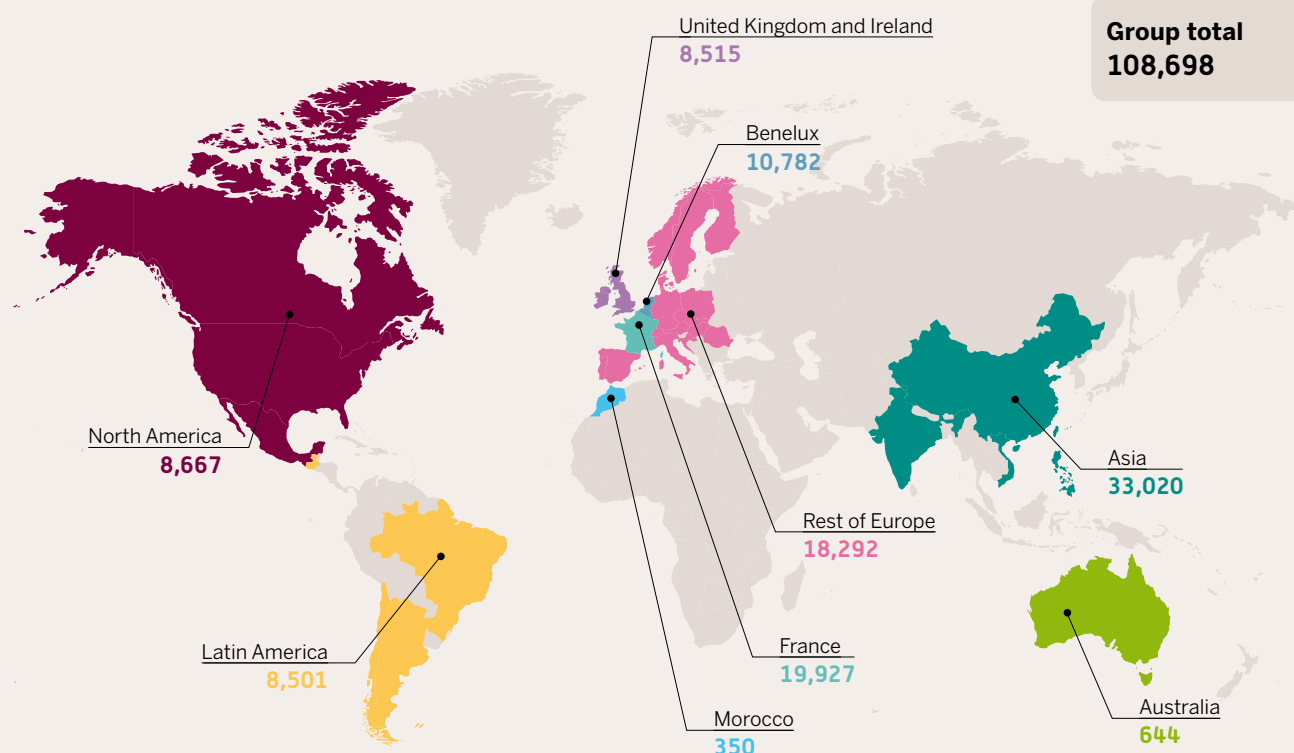
19,537 exits:

16,230 voluntary departures
132 transfers outside the Group
3,175 dismissals or non-renewal
 of a trial period

= 18,182

more team members
 than at December 31, 2009
 (+ 20.1%)

NUMBER OF TEAM MEMBERS BY GLOBAL REGION as at December 31, 2010



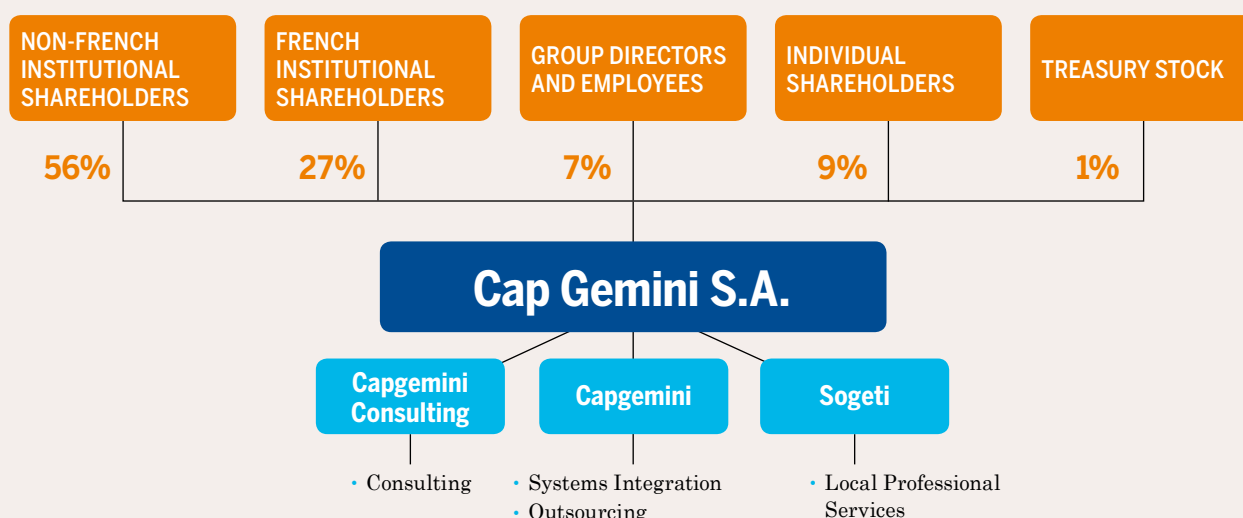


MITRO, 43rd Street (NY)

REGISTERED CAPITAL AND STOCK MARKET

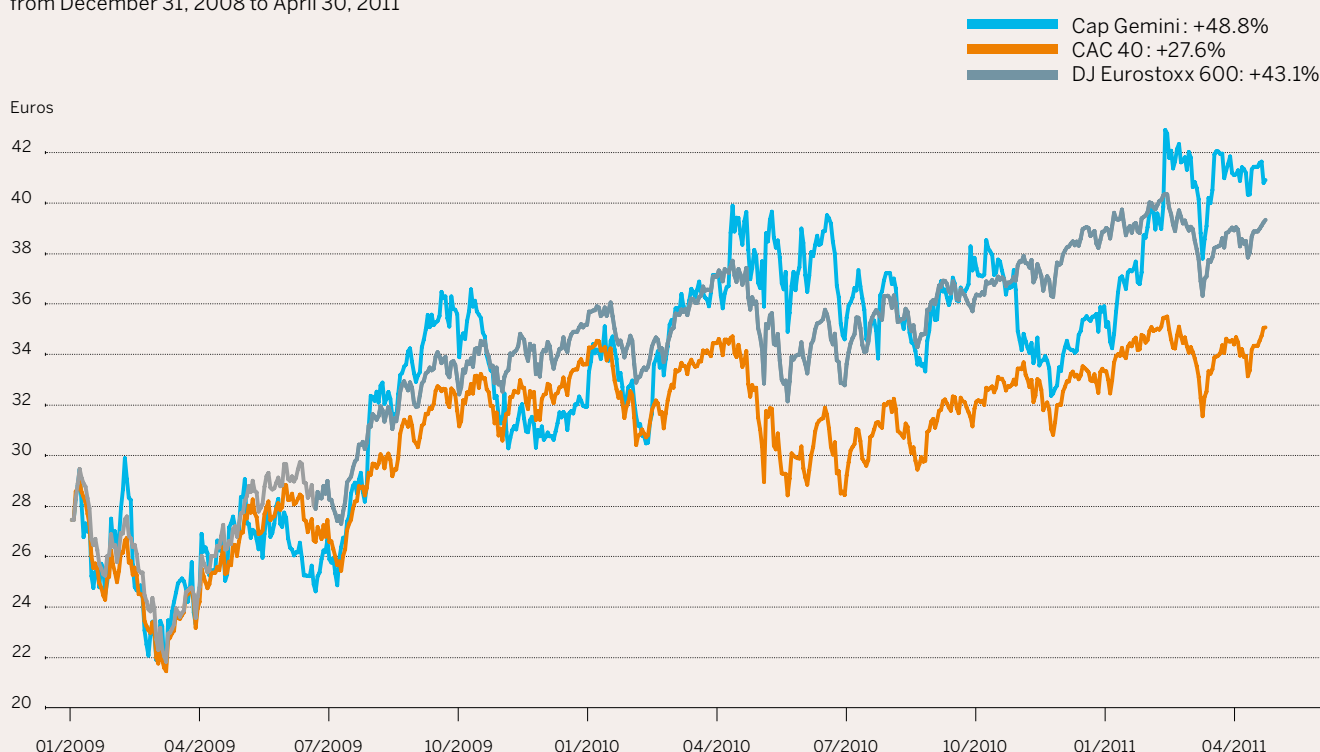
BREAKDOWN OF CAP GEMINI S.A. REGISTERED CAPITAL

as at December 31, 2010
(on the basis of a shareholder survey)



CAP GEMINI SHARE PERFORMANCE COMPARED WITH CAC 40 AND DJ EUROSTOXX INDICES

from December 31, 2008 to April 30, 2011



SEE THE REFERENCE DOCUMENT (PAGE 29), THE ONLINE PDF VERSION AND THE "2010 PERFORMANCES" SECTION AT WWW.CAPGEMINI.COM/ANNUAL-REPORT/2010/EN



Robert G. SCHMIDT, *The Little Icecream Vendor at the Tuileries*



↑ **BAA SIGNS A FIVE-YEAR CONTRACT WITH CAPGEMINI WORTH AROUND 120 MILLION EUROS** The Group will provide the airport operator with outsourcing services aimed at simplifying its information system and improving passenger services at Heathrow (*our photo*) and five other airports in the United Kingdom.

↓ **THE GROUP STRENGTHENS ITS PARTNERSHIP WITH ORACLE IN SOFTWARE TESTING**

In collaboration with US software company Oracle, Capgemini and its subsidiary Sogeti launch the Oracle Software Testing Center of Excellence in India. (*See page 57*)



The partnership was announced in October 2010 during the Oracle OpenWorld in San Francisco.

SIGNIFICANT

2010 AND THE FIRST QUARTER OF 2011



↑ **MERLIN, ONE OF THE WORLD'S MOST SUSTAINABLE DATA CENTERS** Capgemini's 25th data processing center, which consumes half of the electricity required by an equivalent, traditional data center, opens in October 2010 near London. It bolsters the Group's presence in cloud computing. (*See page 56*)

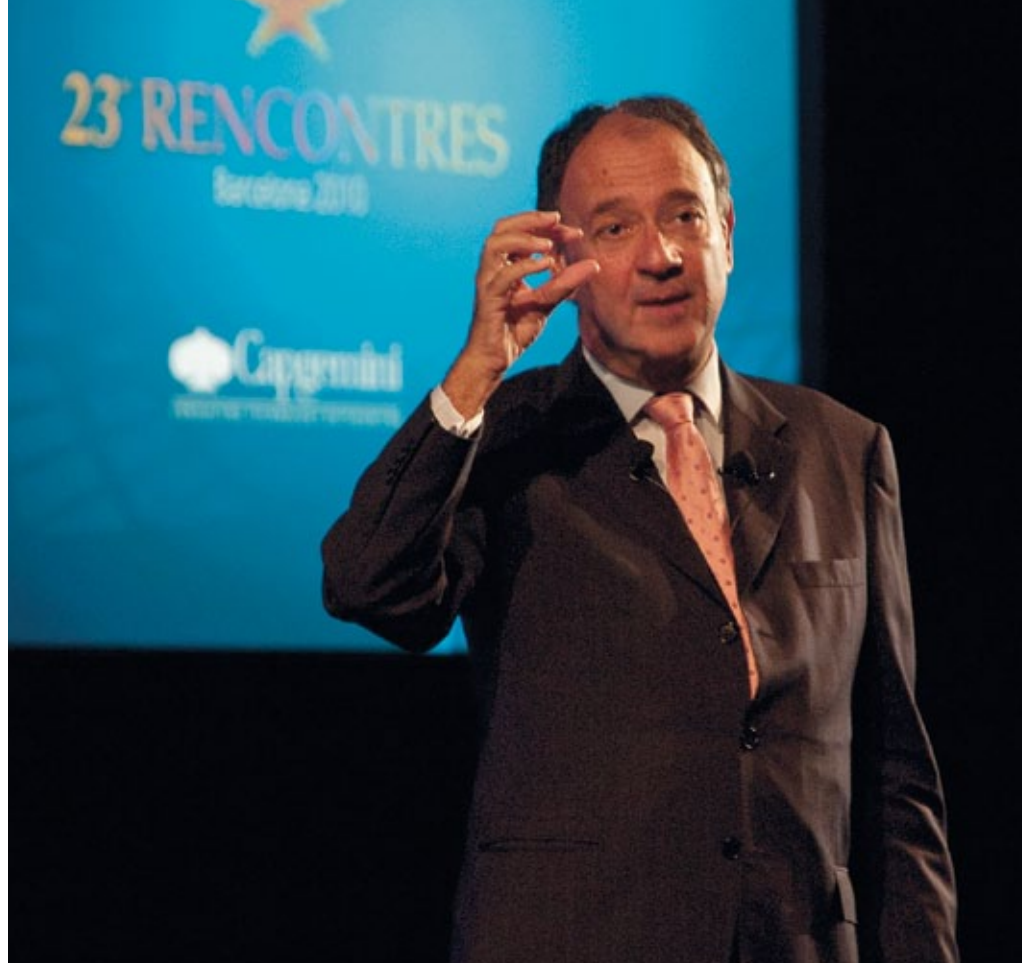


↑ **CAPGEMINI TAKES A 55% STAKE IN BRAZIL'S TOP IT SERVICES COMPANY** Since October 2010, Capgemini has become a major player in the IT services market in one of the world's fastest-growing economies. CPM Broxis employs 5,500 people and is active in the financial, telecoms, industrial and utilities sectors. (*See page 64*)



↑ **IN MARCH 2011, CAPGEMINI LAUNCHES A GLOBAL SERVICE LINE OF BUSINESS PROCESS MANAGEMENT (BPM) SERVICES**

By regrouping its process management solutions and strengthening the synergy between its centers of excellence into a global offer, the Group is increasing its chances of figuring among the top three global leaders in this fast-growing market.



EVENTS

↑ **TWO MAJOR EVENTS IN THE LIFE OF THE GROUP** In May 2010, the Board of Directors reappoints Serge Kampf as President and names Paul Hermelin as Vice-President. Paul Hermelin (*our photo*) is also confirmed in his position as Group CEO. In October, the 23rd Group Rencontres in Barcelona brings together 450 senior managers, who display a new ambition: "Playing in the Champions League." The event is followed by more than 20,000 team members on the Group's intranet. (*See page 35*)



↑ **HYDRO ONE EXTENDS ITS CONTRACT WITH THE GROUP THROUGH TO 2015** Worth 500 million euros, the contract sees Capgemini continuing to provide the Canadian electricity operator with Business Process Outsourcing (BPO) and IT outsourcing services. Contracts have been signed with other utilities, including Anglian Water (*see page 44*) and EDF Energy in the United Kingdom, and BC Hydro in Canada.



↑ **CAPGEMINI BECOMES A CLOUD COMPUTING PARTNER OF MICROSOFT AND SAP** Capgemini receives the SAP Global Provider of Cloud Services and Hosting certification. In addition, the Group will market, via its Infostructure Transformation Services (ITS) offer, Microsoft's Business Productivity Online software suite. (*See page 60*)

↓ **"PEOPLE MATTER, RESULTS COUNT."**

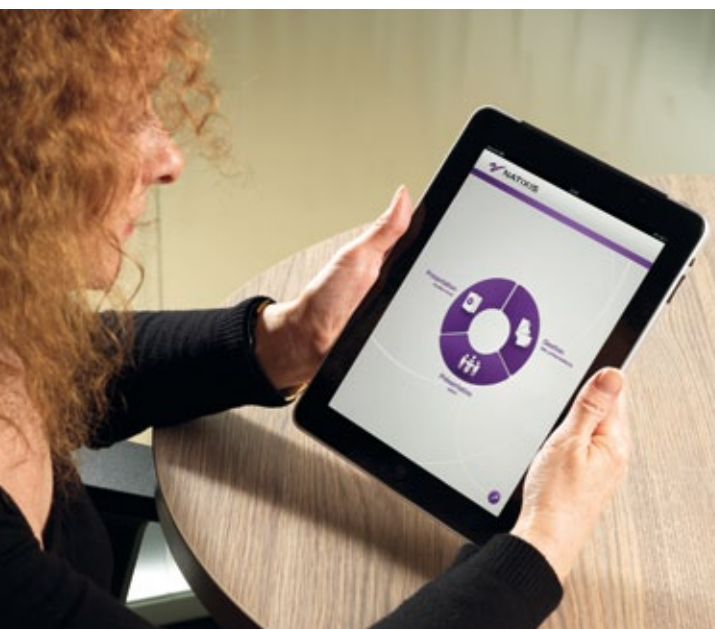
On November 15, 2010, a global advertising campaign is launched for the new Capgemini slogan on more than 100 top-ranking information websites.

(See page 66)



↓ **THE IPAD APPLICATION DEVELOPED BY SOGETI FOR NATIXIS AIMS TO CHANGE THE BANK-CLIENT RELATIONSHIP**

With the MyMediatheque solution, the bank's sales teams on business travel will be able to manage their appointments by selecting documents, videos and other media, show offers to clients and thus strengthen the interaction with their clients, all from their tablet.



↑ **CAPGEMINI ACQUIRES THE SWEDISH COMPANY SKVADER SYSTEMS AB**

Skvader installs and manages 400,000 "intelligent" energy meters thanks to its own software solution. These services are invoiced according to the number of meters installed—a new business model for the Group. (See page 54)



→ **GROUP OF 108,698 TEAM MEMBERS AT YEAR-END 2010**

Over the year, 30,139 new team members were hired. This growth was accompanied by a renewed emphasis on training. In 2010, more than 84,000 team members benefited from a total of 3.5 million training hours. (See page 69)



← **CAPGEMINI CONSULTING PUTS DIGITAL TRANSFORMATION AT THE HEART OF ITS STRATEGY** The Group has linked up with MIT's Center for Digital Business on a three-year research program, aimed at identifying the processes companies need to install if they are to reap the full benefits of the digital revolution. (See page 61)



↑ **CAPGEMINI ENHANCES ITS BUSINESS INFORMATION MANAGEMENT GLOBAL SERVICE LINE WITH THREE NEW OFFERS** Global Business Analytics Services for Telecommunications Companies, developed in partnership with Oracle; Smart Analytics aimed at utilities; and Capgemini Collaboration+, offering collaborative portals relying on solutions developed by US software giants EMC and Microsoft. (See page 58)



↑ **CAPGEMINI WINS A SEVEN-YEAR FRAMEWORK CONTRACT WITH THE US DEPARTMENT OF AGRICULTURE** The Group will provide independent verification and validation (IV & V) services for the Department's enterprise resource planning (ERP). In addition, the Group has signed a number of noteworthy public sector contracts with the State of Nevada, the French Ministry of Finance (Chorus project) and a three-year contract extension with London's Metropolitan Police.

↑ **CAPGEMINI ACQUIRES THE SWEDISH COMPANY IBX**, whose e-procurement platform made it possible to sign a BPO contract for the management of part of US company Kraft Foods' purchasing. Other major industrial groups also placed their confidence in Capgemini's BPO services in 2010: BlueScope Steel (Australia) and Nokia Siemens Networks (Finland). (See page 63)



Isabelle CREVIER, N.Y. - *Around Midnight*

GROWTH AND CONQUEST

The year 2010 saw the Group return to growth. The global economy began to emerge from recession, clients slowly but steadily gained in confidence and rediscovered their zest for IT investments. Capgemini can now loudly proclaim its ambition: to play in the sector's Champions League—and win! With its sectoral expertise and mastery of technological innovations, and its team members reaffirming their commitment to “niaque” (fighting spirit), all the assets are in place for the Group to support clients at a time when their transformation is more important than ever before. Two experts of international standing share with us their insights into the profound changes that are redesigning the world of business. For Thomas W. Malone, companies must become more intelligent and draw nourishment from the social networks. For Shashi Upadhyay, companies must reinvent themselves around their most important asset, digital data.



EMARD, Venice #101223

Win the Champions League

Strengthen the Group's presence in strong-growth economies

Become a "lean" company

"Niaque"! ("fighting spirit")

[illegible]

Continue to develop offshore

Transform the organization

Come up with New Business Models

"People matter, results count."

<http://www.capgemini.com/annual-report/2010/en> — 35



THOMAS W. MALONE

*An expert on social networks, Thomas W. Malone is a professor at the MIT Sloan School of Management and director of its Center for Collective Intelligence, which he set up in 2006. He was also founder and director of the MIT Center for Coordination Science and co-director for the MIT Initiative "Inventing the Organizations of the 21st Century." He holds two Master's degrees as well as a Ph.D. from Stanford University. A founder of three software companies, a consultant and teacher, he has participated in many international conferences and was a speaker at the 2010 Davos Forum. Two decades of research are condensed into his book *The Future of Work: How the New Order of Business Will Shape Your Organization, Your Management Style, and Your Life* (Harvard Business School Press, 2004).*

WATCH THE
"THOMAS MALONE"
VIDEO AT:
[http://www.capgemini.com/
annual-report/2010/en](http://www.capgemini.com/annual-report/2010/en)
"TESTIMONIES"
SECTION

"GIVE MORE EMPLOYEES THE ABILITY TO MAKE THEIR OWN DECISIONS"

Social networks are encouraging the emergence of a collective intelligence, free from hierarchical control, which will fundamentally change the way in which companies are organized. Thomas W. Malone, MIT professor and researcher, shares his insights.

Capgemini: The rise of social networks is very recent and enjoying great success. Is this just another passing trend—or is it part of a longer-term shift?

We are definitely talking about the long term. In *The Future of Work* (see the *biographical note opposite*), I talk about the way in which our societies have been transformed over time, moving from the bands of 20 to 30 hunter-gatherers in which our ancestors lived, to monarchies and, over the past two centuries or so, to democracies.

These successive changes in the organization of human societies are the result of spectacular developments in the means of communications since new technologies came on the scene. There have been three major technological inventions: writing, enabling a large number of people to live and work together; the printing press, which made it possible to disseminate writing widely, both in time and in space; and finally, the Internet—or, in the wider sense, electronic communications. This latest invention may prove to be as crucial as the other two. It makes possible the spread of writing (information in the widest sense) in a way that is much quicker, a lot cheaper and affects many more people than the preceding technologies. Democracies began to spread with the invention of the printing press. That process began more than five centuries ago, and we have not seen the end of it yet.

Your book *The Future of Work* came out in 2004. Since then, the social networks have brought about real changes in our lives. But what has been their effect on the organization and management of companies in 2011?

We are only seeing the beginning of what I believe will be a growing trend—greater freedom in work. Over the longer term, this may well turn out to be as important as the advent of democracy for governments. I believe it is the fruit of a new generation of information technologies—the Internet, the World Wide Web, the social networks—which reduce the costs of communication to such a point that it is now possible for an increasing number of individuals to have access to enough information for taking their own decisions, rather than having to submit to what their hierarchy tells them to do. For the first time in the history of mankind, we are able to enjoy, at one and the same time, both the benefits of large organizations—economies of scale—and, on the micro level, human values—such as freedom, flexibility, creativity and motivation.

The MIT Center for Collective Intelligence was set up in 2006 to look into the question "How could people and computers be connected so that, together, they act more intelligently than any person, group, or computer has ever done before?" What might be today's answer?



THIS INTERVIEW (HERE, IN PREPARATION) TOOK PLACE ON APRIL 21 BY VIDEO-CONFERENCE BETWEEN THOMAS W. MALONE IN BOSTON, AND THE CAPGEMINI EDITORIAL TEAM IN PARIS.

There will never be a final answer. The search for intelligence and performance is endless. And the question itself hints at new frontiers. Wikipedia, Google, eBay, InnoCentive, or the community that developed Linux—these are all examples of collective intelligence, and they would not exist without the Internet.

Instead of giving you a list, I think we should look more precisely at what the examples I cited above have in common. During our research here at MIT, we identified more than 200 examples of collective intelligence and, within that group, 16 different forms of functioning that we call “genes,” by analogy with biological genes. This allowed us to map the “genomes” in collective intelligence, just as biologists have mapped the genome of humans or other animal species.

The 16 “genes”—for example, crowds, contests, collaborations, prediction markets and so on—may be combined in different ways within collective intelligence systems. By deepening our knowledge of these 16 genes, and identifying new ones, we will be able to establish a much more rigorous research framework. We should then be able to design new ways for coming up with an answer to the question we asked in 2006.

Some companies have integrated social networks into their strategic and operating structures. What do they have in common, and are they more successful than their competitors?

Not all companies need to change radically their ways of operating. In some sectors, however, they will have no choice but to adapt. I believe that one of the strongest trends, and the most widely shared, is about giving more freedom to more people, which gives more people the possibility of taking decisions. The usual word for describing this is “decentralization.” I am not talking here about just giving more decision-making powers at a lower management level.

I am referring to the thousands of employees within a company—or outside it—who are becoming capable of taking decisions previously taken by managers much higher in the company’s hierarchical chain. This is the “crowd” gene we classified in our research. Under our definition, individuals would no longer be assigned a task, but would decide what they wanted to work on, according to their talents and interests. Wikipedia is a good example of this: no one is asked to write an article on any subject; anyone can write or edit on whatever subject they choose.

Clearly, a change of this magnitude will not happen from one day to the next. Most companies will take decades to evolve from a hierarchical system to a decentralized network mode. But this is a growing trend, in spite of the reluctance some managers might feel about delegating some of their powers.

What top strategies should companies adopt to get the most out of social networks?

The social networks are only part of a larger phenomenon that includes new technologies. They help individuals to communicate, collaborate and coordinate more effectively. The best way for companies to use these new possibilities is not to think in technological terms, but rather to re-think what it is they want to achieve— what are their aims, their strategies and what are the processes they need to adopt to achieve those objectives. In a great many companies, the best ideas on how to make the most of the social networks come from the youngest employees, often the most recently hired, at whatever level within the company.

Social networks are not just about cables and computers. Many other disciplines such as anthropology, neuroscience, sociology and biology are helping to tap their fertile resources. What role could these other disciplines play in the design and development of the systems

and organizations that the global economy is calling for?

The social networks and collective intelligence are much more than simply a jumble of cables and computers. They are, to a large degree, about people and how they communicate and connect with one another. This concept lies at the core of research at the MIT Center for Collective Intelligence that I direct. We bring together researchers from many different disciplines, including management, economics, computer science, brain and cognitive science and many others. I believe in this multi-disciplinary approach. In a world increasingly based on information and knowledge, productivity on its own is no longer an adequate criterion for measuring how well organizations are performing. Their intelligence must also come into the equation. Can we create systems that are not only productive, but intelligent as well? Can we devise systems that respond rapidly to changes in their environment, able to make good decisions based on the information they have to hand?

We are working on measuring the collective intelligence of groups of people, drawing on the same methods used by psychologists for measuring human IQ. We found that it is possible to calculate for groups, as for individuals, a single statistical factor that predicts how they will perform a large number of tasks. We also found that the collective intelligence factor is not strongly linked to the individual intelligence of the group’s members. In groups of between two to five people, those with high IQ members were not necessarily the most collectively intelligent.

How do you explain this?

We discovered that the intelligence of a group is strongly influenced by three factors. The first is social sensitivity. Groups where people are good at taking into account the feelings of others and working effectively with their fellow members are generally more intelligent than groups without this capacity. The second factor concerns how evenly discussion is shared

“We discovered that a group’s collective intelligence is directly related to the proportion of women it contains.”



between the group’s members. Groups where one person dominated the conversation were, in general, less intelligent than those where there was a freer exchange. And finally, to our surprise, we discovered that the collective intelligence of a group is strongly linked to the proportion of women in the group. I should add that this third factor is directly linked to the first, namely social sensitivity.

It would be interesting now—and we are working on it—to test a company’s top management team and predict how well they would respond to a wide range of challenges they might face in the coming years.

We would also like to use specially designed software programs to help the members of a group to work together more effectively on a wide range of tasks. Over time, we think that it will be possible to use computers to help improve the collective intelligence of much larger groups: from 5 to 50, from 50 to 500 and why not 5,000?

What role could Capgemini play in these complex and profound transformations?

We are at the dawn of profound transformations in the organization of work and companies. This change will be as important as the one which saw the move from monar-

chies to democracies. Deep changes will be needed, at all levels and in all sectors. I am sure that companies will need help as they deal with these changes. Capgemini, as well as other consulting companies and the top university institutes, could provide the support companies need if they are to benefit from changes on the horizon, and which some of them still see as a threat. ■■■

“Productivity on its own is no longer an adequate criterion for measuring how well organizations are performing. Their intelligence must also come into the equation.”



Jeremy BARLOW, *Back Canal with Gondoliers, Venice*



The Capgemini BPO center in Bangalore, India

“Companies have rediscovered their zest for IT investments.”

Paul Hermelin, Capgemini CEO

WATCH THE “CLIENTS”
VIDEO AT:
[http://www.capgemini.com/
annual-report/2010/en](http://www.capgemini.com/annual-report/2010/en)
“SPIRIT OF CONQUEST”
SECTION

SUPPORTING AN INVESTMENTS UPTURN

2010 saw a strong revival in new order bookings. If new contracts and renewals of existing contracts are anything to go by, the investment climate is progressively becoming brighter. Capgemini’s clients continue to place their confidence in the quality of its support.

The year 2010 saw a particularly sustained pace for the signature of new contracts, worth 9.86 billion euros, an increase of 9% compared with the preceding year. The three Capgemini businesses most exposed to economic conditions (Consulting, Systems Integration and Local Professional Services) all registered an average increase of 11% in order bookings compared with the fourth quarter of 2009. The trend was particularly favourable in the sector combining manufacturing, consumer products, retail and distribution, which saw an increase of 28.6% in new order bookings over the year.

“Today, growth is pointing in the right direction, driven by far-reaching technological innovations such as cloud computing. We are forecasting a gradual recovery,” explains Paul Hermelin, Capgemini CEO. There are clear signs of a gradual upturn, to judge by the enthusiastic reception shown by the markets to the Group’s most recent offers. The Group introduced five new global service lines between the end of 2009 and March 2010: Business Information Management, Application Lifecycle Services, Testing Services, Infostructure Services, and Smart Energy Services. They contributed 37% of total new order bookings over the year.

2010 also saw numerous contract renewals – for example, US automotive manufacturer General Motors, Canadian electricity supplier Hydro One, the London Metropolitan Police and French energy supplier GDF-Suez. This shows the Group’s clients are

upbeat about their business prospects and appreciate the quality of services provided by Capgemini. *“Companies have rediscovered their zest for IT investments”,* notes Paul Hermelin. *“IT spending has become an essential element for transforming and making companies more competitive.”*

To take full advantage of markets with growth potential, the Group has gone all out to consolidate its position in strategic sectors such as utilities (Anglian Water in the UK), the public sector in the United States (Ministry of Agriculture, State of Nevada), and manufacturing, especially in BPO contracts (Nokia Siemens Networks, Kraft Foods).

ORDER BOOKINGS RESURGENCE SUPPORTED BY FIRST-QUARTER 2011 RESULTS

Orders booked by the Group in the first quarter of 2011 totaled 2,422 million euros, a 5.4% increase on the same period in 2010. Confirming a trend already seen in the fourth quarter of 2010, business lines most exposed to economic conditions (Consulting, Systems Integration, and Local Professional Services) enjoyed the strongest growth of around 12.5%.

CLOSER TO CLIENTS’ NEEDS

In 2010, several major clients planning transformation programs continued to place their confidence in Capgemini as a strategic partner—one is **General Motors** (see page 42). New clients looked to the Group because of its sectoral experience and highly-innovative solutions – for example, **Anglian Water** (see page 46). Moreover, Capgemini’s **production model Rightshore®** (see page 44), has confirmed its reputation as one of the global leaders in BPO (Business Process Outsourcing).



General Motors has assembly plants in over 30 countries. Above, the 2010 Chevrolet Camaro at Oshawa, Canada.

CAPGEMINI ON HAND FOR THE REBIRTH OF GENERAL MOTORS

The rebirth of General Motors includes the transformation of its IT system. The automotive manufacturer will continue to collaborate with Capgemini on application outsourcing and process standardization.

One of the world's leading automotive manufacturers, General Motors (GM) has renewed its application integration and outsourcing contracts with Capgemini. Since 2006, the Group has been a close partner for GM's transformation of its IT systems. July 2010 saw the renewal of two contracts for the outsourcing application services for the GM Global Sales and Marketing group and its car dealers' network. The contract is worth 250 million dollars (around 190 million euros). Capgemini takes charge of GM's application management and development services, provides a users' helpline and hosts the servers for the application testing and development activities, supporting the manufacturer in 35 countries.

With the Next Generation Systems Factory Operating Model program, GM has shown its confidence in the Group by renewing three integration management contracts, representing a total of 100 million dollars (around 75 million euros): Global Sales, Service and Marketing, Global Purchasing and Supply Chain, and Global Business Services. In practical terms, the Group brings to

GM its expertise in strategic planning, data management, systems design, software engineering, program management and verification and validation services.

Following two difficult years, at the end of which the automotive manufacturer re-focused its activities around fewer brands and an optimized cost structure, in 2010 GM achieved its best financial performance in a decade. The manufacturer is planning "significant" IT investments, to simplify and optimize its IT systems: "Over the past five years, Capgemini has helped reduce our number of applications by 35%," says Terry Kline, GM Vice President and Chief Information Officer.

For Terry Kline, Capgemini's contribution is essential: "Capgemini represents a true strategic partner because of its global presence and its sectoral and cutting-edge technological skills. Its capacity for innovation and excellence, ability to anticipate on reducing costs, as well the flexibility of its teams, will play a large part in increasing our efficiency." ■■■■



"For GM, Capgemini represents a true strategic partner because of its global presence and its sectoral and cutting-edge technological skills." Terry Kline, GM Vice President and Chief Information Officer.

GENERAL MOTORS (GM) is one of the world's largest automotive manufacturers. Based in Detroit, Michigan, USA, the company employs 202,000 people and produces cars and trucks in more than 30 countries while doing business in more than 120 countries. Since 2009 GM has undertaken a total reorganization.



Isabelle CREVIER, *Street Scene, Hanoi*

RIGHTSHORE® TO SERVE BPO

WATCH THE
"PRODUCTION"
SLIDESHOW AT:
<http://www.capgemini.com/annual-report/2010/en>
"SPIRIT OF CONQUEST"
SECTION



A network of more than
11,400 team members

Launched seven years ago, Capgemini's expertise is recognized in Business Process Outsourcing (BPO) with a solution portfolio that spans Finance & Accounting, Customer Service, Procurement, Supply Chain Management, Management Assurance Services, Human Resources and vertical solutions for banking and insurance companies.

Hubert Giraud, head of the BPO strategic business unit, explains: "As part of Capgemini's Rightshore® delivery network, 11,400 BPO professionals provide services to more than 60 clients (BlueScope Steel, Bombardier, Coca-Cola, Dell, Hydro One, International Paper, Kraft Foods, Nokia Siemens Networks, Unilever, Syngenta to name a few) worldwide 24 hours a day, seven days a week, in 36 languages, from 20 centers across all continents."

BPOpen, the Capgemini technology framework, supports a robust transition methodology and ensures a consistent service management approach in its delivery centers. It also underpins Capgemini's industry leading Global Process Model® which incorporates best practice process flows, control frameworks and key performance measures, to optimize efficiency and deliver transparent measurement of quality, value and control.

COM Customer Operation Management or Customer Service

F&A Finance & Accounting

FS Financial Services

HR Human Resources

P Procurement

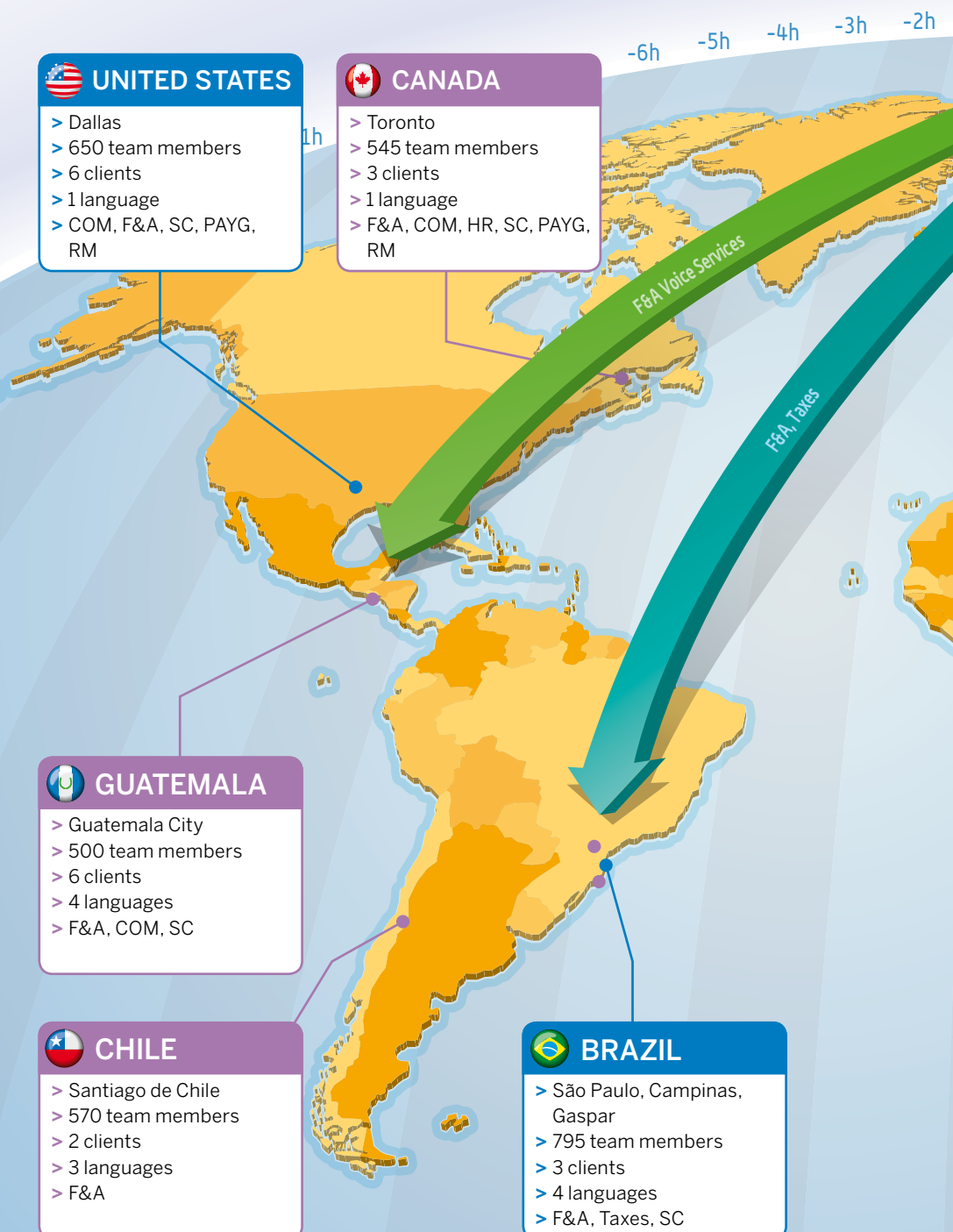
PAYG Pay-as-you-go

RM Revenue Management

SC Supply Chain

● Hub (multi-client operational center delivering various types of services)

● Satellite (operational center for a smaller number of customers and/or a more limited service)



Example of a Capgemini BPO client

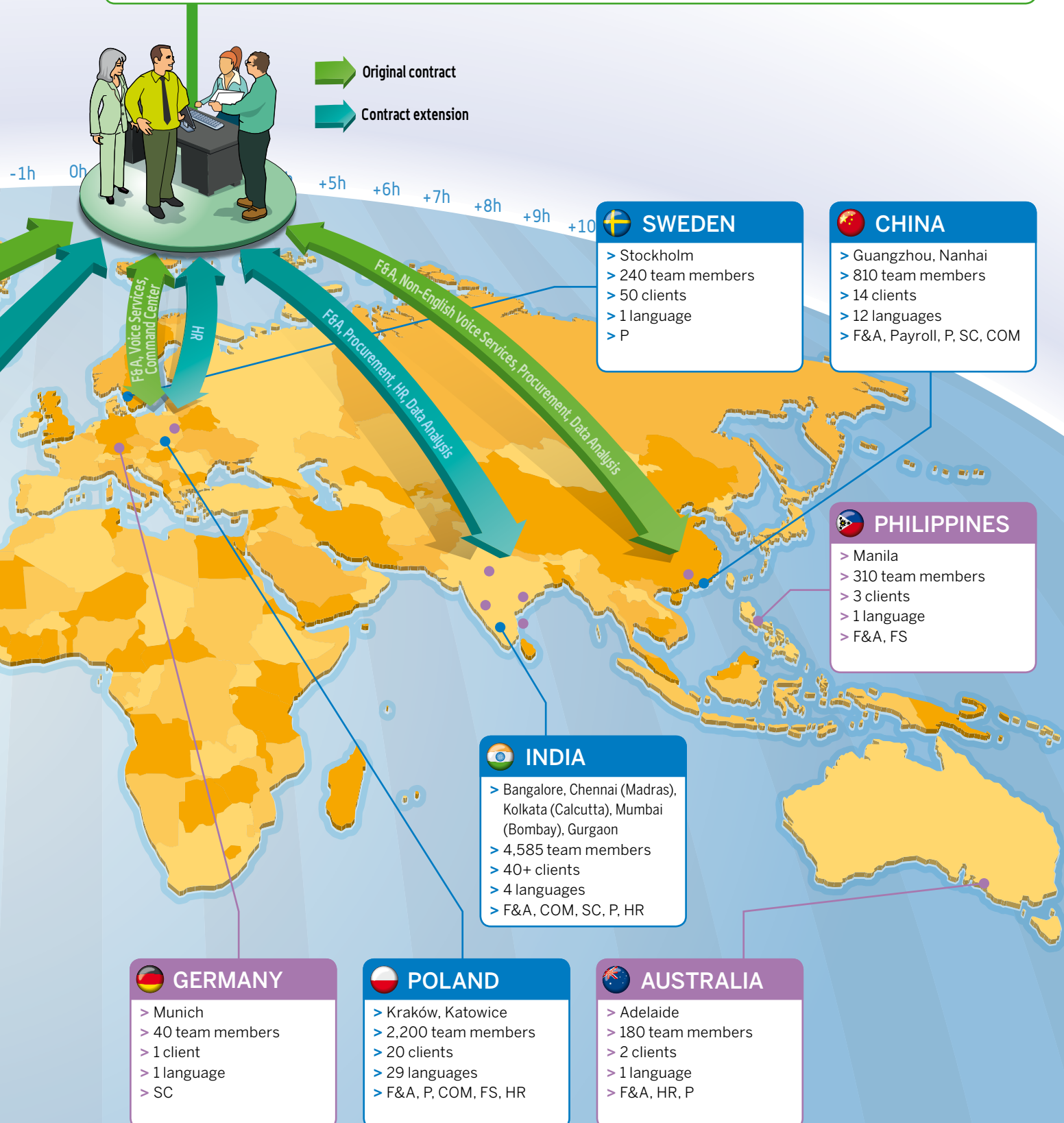
In the past, the client's transactions were executed within each country of operations by local accounting functions. There were no uniform procedures and no centralized overview of transaction processing. The original Capgemini contract centralized transaction processing within two Capgemini sites, with a

front-office accompanied by a supporting back-office. The front-office in Kraków provides problem resolution, collection and other functions requiring ongoing contact with clients and third parties. The second front-office in Guatemala City handles call centers and collection activities for North America. Tasks relating to transac-

tions are carried out in Guangzhou. The command center for all three locations is Kraków, from where additional controls, process improvement and operational conference call with the clients are carried out. This contract was subsequently extended to cover other services. All human resource (HR) functions, inclu-

ding most "hire to retire" processes, are taken over by Capgemini from two locations, Kraków and Mumbai (Bombay), while taxation matters are handled in São Paulo.

In total, 750 Capgemini team members provide services to this client, delivered in 30 languages over 60 countries.





Anglian Water has invested more than 2 billion euros in its distribution and waste water treatment network over the past five years.

ANGLIAN WATER RELIES ON CAPGEMINI'S UTILITIES SECTOR EXPERTISE

The company has entrusted its outsourcing to Capgemini, having been won over, among other factors, by the innovative features built into the new Merlin data processing center, one of the most sustainable in the world.

Anglian Water, a UK water supply company, has chosen Capgemini for the outsourcing of its entire IT infrastructures. The five-year contract also includes core business applications. The company's aim is to further improve its service delivery and business performance.

"The Capgemini teams impressed us with their entrepreneurial and innovation skills, unsurpassed technical expertise and their high levels of reactivity," explains Chris Boucher, Anglian Water's Director of IT services. Capgemini was able to capitalize on its collaborative approach, quality client references, energy sector expertise, as well as its global partnership with SAP, Anglian Water's software supplier. Chris Boucher adds: *"Not only have we benefited from Capgemini's utilities expertise, but also from its teams' cross-sectoral experience in IT assets management and client relations."*

Capgemini will be deploying its Rightshore® global delivery model, and the Group will

host Anglian Water's IT infrastructures in its Bristol and Swindon data processing centers. The Swindon center, named "Merlin," is ranked as one of the most sustainable in the world. This was a key deciding factor for Anglian Water, which places respect for the environment at the heart of its development project. The Merlin data center comprises portable modules that act as independent, mini-data centers adaptable to suit the needs of each client. Merlin uses half the electricity of traditional data processing centers and its maintenance costs are four times lower. *"Merlin's impressive innovative aspects were important criteria in our choice,"* emphasizes Chris Boucher. Capgemini will also manage Anglian Water's applications from its other data centers in India, drawing on its Application Lifecycle Services (ALS) global service line, which supports the whole of an application's lifecycle. The client will receive technical support from the IT help desk in Romania. ■■■■



Chris Boucher, Anglian Water's Director of IT Services "We were able to capitalize on the cross-sectoral experience of the Capgemini teams."

ANGLIAN WATER is one of the leading water management companies in England and Wales (United Kingdom). Its 4,000 employees serve 6 million domestic and commercial customers.



Christian FERDINAND, *Saint James of Compostella*



SHASHI UPADHYAY

Shashi Upadhyay graduated from the Indian Institute of Technology at Kanpur and gained a Ph.D. in physics from Cornell University (New York). Having worked for eight years as a consultant with McKinsey, in 2006 he created, with Kent McCormick and Andrew Schwartz, Lattice Engines, a company specializing in B2B sales intelligence software. Now CEO of the company, he is also an advisor to Amar Chitra Katha, India's major publisher of children's books.

"COMPANIES' MOST IMPORTANT ASSET IS THEIR DATA"

In an ever more mobile and virtual world, companies find themselves overwhelmed by a "flood" of digital data. How do they control this flow? In particular, how do they use it to their best advantage? Discover the insights of Shashi Upadhyay, an expert on "Big Data."

We recognize the Greek term *teras* ("monster") in "*téraoctet*." However, this prefix denoting a "monstrous" amount (one thousand billion) is no longer adequate for describing the volume of data that is flooding the world every year. How can we explain such a wealth of information?

Information has always been available. What has changed is the means to capture information, to store, analyze and make sense of it. For example, if you look at the sciences, biology, space, or astronomy—these are all areas where people have developed sensors that can capture a lot of data. They have basically transformed what used to be physical sciences into informational sciences—a trend we now see developing in business. The Internet has made it easy for people to generate a lot more information than there was before. Look at our smart phones today—they are capable of capturing data that we couldn't even imagine before. From our perspective, this trend is going to continue for the foreseeable future because there's no technological limit to the amount of information that we will continue to create, store and analyze.

Our available vocabulary stops at *yottaoctet* (one million billion billion octets). Is it possible to imagine just how far the production of digital data will go?

The production of digital data is a by-product of the realization that more data leads to better decisions. Whether it is sciences,

society, business or any complex system, we believe that the more data you have, the better the decision-making process will become. As the means of capturing data becomes cheaper, it can be leveraged in many different ways, in different industries. I'd argue that we are just at the beginning of the trend.

At the current rate of data production, the Internet will no longer be sufficient for carrying, or storage systems for archiving, all this data. What kind of problems is this likely to cause?

The benefits far outweigh the problems that we may have. From a technical perspective, we've created a bottleneck. We have the ability to generate and store gigantic quantities of data, yet the problem becomes how we can retrieve it fast enough. There is a lot of progress being made, but it will continue to be a constraint as people continue to use data to solve real-world problems. Just a decade ago, growing up in a developing country you could only fantasize about the *Encyclopedia Britannica*, but you didn't know if you could afford to buy it. Today, almost every child in the world has access to Wikipedia, which is a much better tool than *Encyclopedia Britannica* ever was. So the advantages greatly outweigh any difficulties. There are still issues of confidentiality and privacy caused by the arrival of social networks—this is true for individuals and also for companies, but this is more of a societal than a technological challenge.



THIS INTERVIEW TOOK PLACE ON MARCH 30 BY VIDEO-CONFERENCE BETWEEN SHASHI UPADHYAY IN SAN FRANCISCO, PAUL NANNETTI (LEFT ON THE SCREEN), CAPGEMINI'S HEAD OF GLOBAL SERVICE LINES, IN UTRECHT, THE NETHERLANDS, AND CAPGEMINI'S EDITORIAL TEAM IN PARIS.

How can cloud computing respond to this explosion in the amount of available data, the phenomenon that we now call "Big Data"?

Cloud computing will play a huge role and for several reasons. The first is that cloud computing depends on scale. It is built around the idea that you bring together, in a single organization, all the infrastructure and talent to solve one problem in the same way for everyone. It can reduce costs and allow companies to scale up quickly. By delivering a more standardized, modular service, cloud computing can help organizations to fill gaps by providing them with skills that they either do not have already or do not want to acquire.

Have the major retailers, the telecom operators or even the banks, sufficiently mastered the data "value chain" now that we have entered the era of "Big Data"?

I think that there is a real desire to master the data "value chain," but it is not obvious to companies what they should be doing. Take the example of a book store. The publishing sector has been transformed by the presence of Amazon. Using large amounts of data to generate recommendations, Amazon "recommends" which books a customer should buy next. The way they've used data has transformed the industry to the point where Borders, one of the major retail book chains in the United States, has filed for bankruptcy. In retailing, the strategies of the major players are led by highly sophisticated mathematical models, which go so far as to target special offers on particular products down to the level of individual customers. The data value chain is a major issue. However, each organization is developing at its own pace. Here again, I think we are merely at the beginning of a trend.

Have companies woken up to the fact that their data is their most important asset? Have they structured their businesses around this fact? Has the business culture

changed, with flair progressively being replaced by predictive analysis?

Yes, I think that a large number of companies are aware today that their data are as important as their physical assets, or their patents, trademarks, licenses and intellectual property, and are therefore dealing with them appropriately. Others have gone further and have integrated the fact that their business model is wholly dependent on their assets. I am thinking, in particular, of social networks, search engines, and companies whose business relies on the Web. More generally, I have the impression that the idea is gaining ground and that company bosses are, progressively, aware of the importance of data, even if not all of them yet realize that it's their main asset.

In practical, day-to-day terms, what might we expect from more efficient and comprehensive use of large-scale data, for example in managing road traffic and major electricity networks, or even in the fight against banking fraud?

The coming decade will see major developments which are impossible to imagine today. For example, traffic congestion is one problem that can easily be solved. By using road sensors, we can understand the causes of traffic build-up and learn to manage the flow of traffic, slowing it down at the right points and increasing speed at the right points to eliminate gridlock at rush-hour. In ten years' time, we won't even think about traffic, just as now we don't think about using GPS to guide us to our destination.

If only around 5% of the information circulating on the Internet in two-three years' time will be structured—in other words, "visible" to computers, how do we derive benefit from the remaining 95%?

Five years ago the world was reliant only on structured data. That's not the case today. There has been tremendous progress made in the processing and interpreting of unstructured data. One example is

the translation services available on the Web. These have improved greatly over the past five years. Speech recognition systems are beginning to work well and are more or less interpreting what humans are talking about—not in the sense of emotion or empathy, but at least at the level of what is being said. The analysis of human emotions and feelings—as well as the masses of unstructured data contained in emails—will eventually form part of the overall Big Data picture. Interpretation and processing techniques are developing rapidly, so it is merely a question of time, a very short time.

Faced with such colossal data volumes, mankind can no longer act alone. Exactly how far and where will machines have to go, not only for data storage, retrieval and analysis, but in their ability to take autonomous decisions?

A lot of what we're discussing today brings up the problem of man versus machine. Who is better? Obviously, it depends on the task. Man and machine will co-exist. There are certain decisions that require very quick, accurate output—these are better handled by a machine. There are other decisions that require the analysis of feelings—such as detecting fraud—that require reading someone's face or expressing empathy, which we currently believe can only be solved by human interaction. Make no mistake, the machines of the future will be capable of things that are unimaginable today.

When we talk about Big Data we think about a new industrial revolution, with data as a modern equivalent of the steam engine. Do you think we will experience this revolution?

This revolution will change how every company goes to market and how all business engages with its customers. Every piece of the value chain is going to be transformed by the availability and consumption of data. Companies need to

"Make no mistake, the machines of the future will be capable of things that are unimaginable today."

rethink their business and how they can become more productive. The question also becomes an issue of how we improve the analysis and interpretation of the immense volume of archived data. We rely too much on human beings to do this, which poses another constraint—a lack of talented analysts. The world will migrate to a place where much of the analysis can be done automatically, and the role of the human will be to look at exceptions and outliers. That migration has not yet happened.

How do you see the role of a company like Capgemini in relation to these profound changes?

I believe the opportunities are endless and are limited only by a lack of imagination. Any time there is a major change in the business world, leading consulting firms have both an opportunity and an obligation to work with their clients to help them through that change.

Companies are facing the challenge of carrying on business as usual, while at the same time having to adapt to a world where data management is playing a central role, and where the decision-making process is a combination involving both humans and machines. I see Capgemini helping its clients with the design and realization of IT infrastructures that will help them to take full advantage of all these changes. This also means helping them to adapt and change their cultures where necessary. Capgemini should draw on all its skills,



talents, experience and know-how to lead its clients through this change.

Will the world of data be this decade's driver for innovation and economic growth?

Absolutely! It is, by far, the most promising avenue for improving productivity. Economic growth will come from both people being more productive and assets being more productive. The best way of making productivity gains is the use of data and analytics to understand how to optimize the performance of these assets. Helping businesses to increase their sales reps' productivity by 15–20%, reducing inventory time, ramping up production, improving the decision-making process—all these play a role in productivity improvements. In the data world, every dollar invested wisely will lead to productivity improvement, and companies that lead the way will be ahead of their peers. Companies that ignore the challenge will risk being left behind. ■■■

"Our way of working and way of life will be transformed by the transfer of human analysis toward a much more rapid and instantaneous automatic analysis."

BIG DATA: THE GREAT IT CHALLENGE OF THE DECADE 2010–2020.

In 2010 the digital world (the totality of data in the form of written documents, audio, video, etc.) has generated 1.2 zettocet (1. 2.10²¹ or 1,200 billion billion octets) of digital data. Analysts forecast that by 2020, this digital world will be at least 44 times bigger and the number of files will have

multiplied by more than 60. Indeed, some experts estimate that these figures largely underestimate the true picture. One organization illustrates well the phenomenon of the data explosion: CERN, the European Laboratory for Nuclear Research, located on the French–Swiss border near Geneva, "produces"

40 teraoctets (40,000 billion octets) of digital data every second. This volume exceeds the laboratory's current storage and analysis capacities. The Big Data phenomenon has led many researchers and companies to consider a profound overhaul of the architecture of networks,

the logic of data bases, of algorithms and even of the rules for interpreting these data.



Jean-Michel CAVALLI, *By the Ganges*



37%

is the contribution of the five global service lines to total orders won by the Group, worth almost 10 billion euros, in 2010.

WATCH THE
« INNOVATION » AND
« SECTORS » VIDEOS AT:
<http://www.capgemini.com/annual-report/2010/en>
"SPIRIT OF CONQUEST"
SECTION

THE OFFERS PORTFOLIO— A NEW ASSET FOR THE GROUP

Starting with the five global service lines launched at the end of 2009, Capgemini is developing a portfolio of global offers that caters to the need for organizations to rationalize their IT systems as well as to their appetite for innovation. Over time, this portfolio is becoming more specialized and sector-oriented.

"We must take advantage of the fact that companies are again interested in technological innovation. So we must develop particularly attractive offers for this purpose." This was the assessment of Paul Hermelin, Capgemini CEO, at the launch of the first of the global service lines at the end of October 2009. A total of five new service lines was launched between then and March 2010:

> **Business Information Management (BIM):** services to help clients manage their enterprise information as a business asset;

> **Application Lifecycle Services (ALS):** application management across the entire lifecycle from development and integration through operation, testing and maintenance;

> **Testing Services:** a Capgemini and Sogeti portfolio of testing services, supported by an industrialized offshore testing platform;

> **Infrastructure Transformation Services (ITS):** four additional advisory solutions to optimize infrastructures and help clients take full advantage of cloud computing;

> **Smart Energy Services (SES):** helping energy supply and distribution companies to transform their operations through the introduction of "smart" meters and other sensor-based technologies.

The decision taken in 2009, at the height of the global economic crisis, to launch global service lines, reflects the Group's ambition to play in the global Champions League of the IT services sector. To increase its growth prospects, the Group decided to invest in high-potential market segments. The solutions it came up with signaled a clear break with its usual way of doing business, not only in the commercial sense but also in terms of management structure and organization. The name of the program to launch the five service lines aptly describes the new direction: "Business as Unusual."

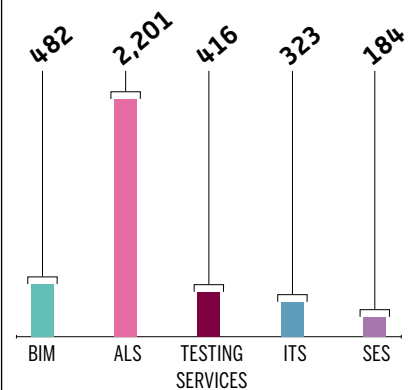
In fact, the market segments targeted by the new service lines turned out to be highly dynamic: in 2010, the five global service lines delivered 30% of Capgemini's total revenues, around 2.5 billion euros, and 37% of order bookings.

THE COMMERCIAL APPEAL OF THE FIVE SERVICE LINES

The new service lines not only appealed to clients because of investment in leading-edge solutions; for certain offers, it was also important to propose different payment methods and new types of contracts. This decision led the Group to move away from its usual charging practices of either a daily rate or all-in project pricing toward subscription payment methods.

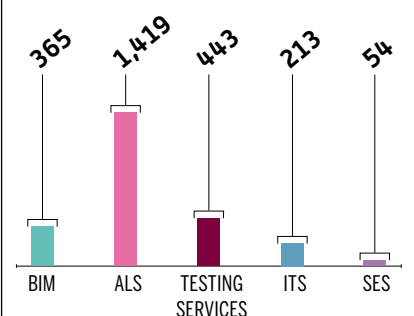
THE FIVE GLOBAL SERVICE LINES: BOOKINGS

in millions of euros in 2010



THE FIVE GLOBAL SERVICE LINES: REVENUES

in millions of euros in 2010



“Capgemini Collaboration+ will lead to considerable improvements in the management of companies’ non-structured business information.”

Paul Nannetti, Capgemini’s head of Global Service Lines.

These cross-discipline service lines are managed at a global level by a Group executive with a dedicated leadership team. This guarantees cohesion, while also taking advantage of the Group’s existing sales, marketing and delivery structures.

Following the acquisition of the Swedish company Skvader Systems AB, the Group has become owner of its own software solution—a first for Capgemini. This enables the Group to propose, within the SES offer, “smart” metering solutions to electricity suppliers and distributors, with commercial terms based on the number of meters under management.

This is a new business model for Capgemini. “We have two service management contracts for ‘smart’ computer parks in Sweden—with electricity company Fortum for 860,000 units and, thanks to our acquisition of Skvader, with E.ON for 400,000 units,” explains Perry Stoneman, head of the SES global service line in 2010. Aruna Jayanthi, head of Capgemini India strategic unit, adds: “We also have a center of excellence in India specializing in ‘smart energy,’ which brings together our know-how and innovation skills, enabling us to standardize our solutions and proposals so that they are available across the Group.”

These two aspects, technological and commercial, which distinguish the global service lines, are explained by the Group’s wish to align with client priorities and to propose services in areas of high market interest. The reality is that, in the wake of two economic crises, companies are tending toward greater rationalization of their IT services, stricter budgetary controls (especially since purchasing departments have become more involved in the decisions), greater flexibility with regard to business objectives and quantifiable results for each project. To this list must also be added the wish to translate investments in expensive IT equipment into operating expenses, where the trend is increasingly to pay on a subscription or usage basis. To sum up: organizations want to control costs, expect

constant innovations and secure high quality service delivery, on highly flexible commercial terms.

In 2010, Capgemini built an offers portfolio around these five global service lines, and further developed this with two key offers—a policy that it intends to continue in 2011.

HORIZONTAL OFFERS AIMED AT ALL SECTORS

By way of example, ALS was enriched by the SAP Lifecycle Services offer. “Unique to the market, this new type of service optimizes the use of the SAP ERP (enterprise resource planning) Suite and makes for significant reductions both in the costs of applications lifecycle management and time-to-market,” explains John Brahim, head of the ALS service line in 2010. “In addition, clients benefit from non-stop access to the latest SAP functionalities and enhancements.” This has enabled the Group to offer a true “Innovation as a Service,” with clients able to select services from a menu card of 300 ERP options, and benefit from up-to-the-minute technologies via the Capgemini cloud, all on a monthly subscription basis.

As Eddy Schmitt, the Managing Director of Steelcase France, the global leader in office furniture, remarks: “Capgemini has played a key role in developing and refining Steelcase’s IT strategy in Europe, especially around the SAP applications. Our collaboration is based on a solid partnership which has been in place for almost ten years, and is based on values we share with Capgemini—transparency, openness, courage and the desire to constantly improve services. Thanks to its IT skills, knowledge of business processes and strong capacity for innovation, Capgemini has been able to advise us in adopting cutting-edge technologies. In addition to infrastructure and applications management and development, Capgemini has become a true SAP Lifecycle partner.” In collaboration with



With its Microsoft and EMC partners, Capgemini came up with a new solution to improve clients’ business information management. The Group’s CUBE center of excellence and innovation, based in Mumbai (Bombay), contributed its specialist knowledge of this area.



Capgemini's US partner HP is a beneficiary of the software testing tool in one of the Group's Mumbai (Bombay) centers.



Calorie, Capgemini's center of excellence in Mumbai, specializes in developing solutions for the energy and utilities sectors. The center has the scope to demonstrate testing and innovation solutions.

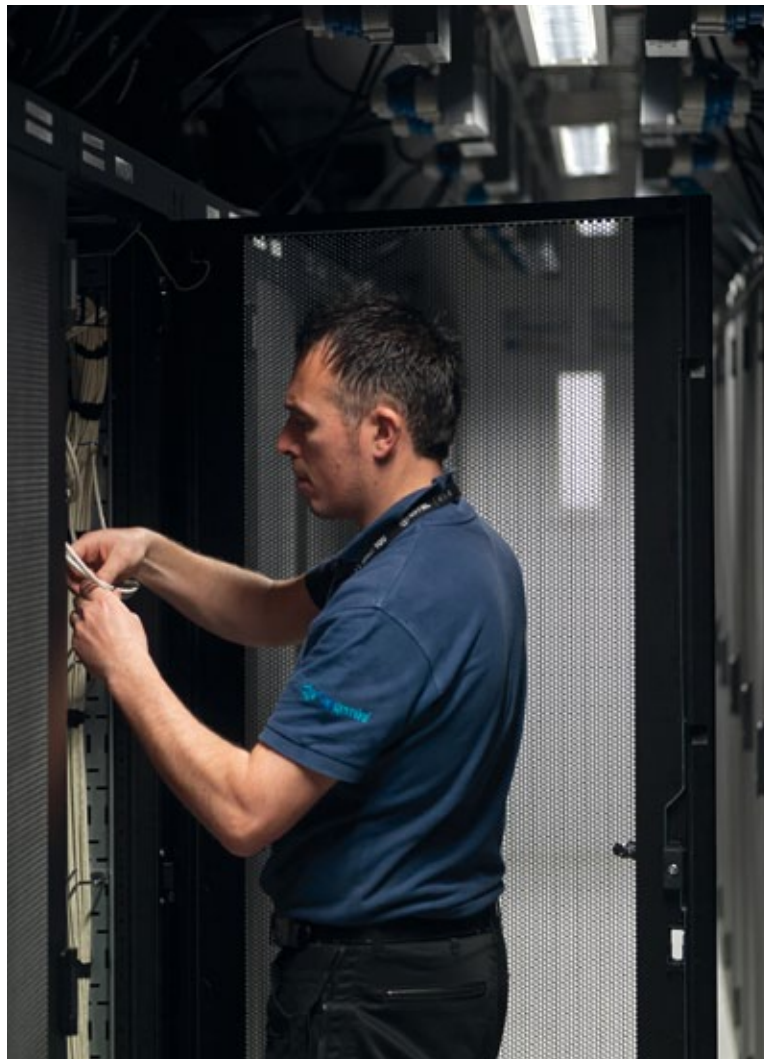


WATCH "GREEN IT"
VIDEO AT:
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"SPIRIT OF CONQUEST"
SECTION



MERLIN – A SHOWCASE FOR "GREEN" IT

One of the world's most sustainable data processing centers was opened by Capgemini in October 2010, in the United Kingdom. The new center, called Merlin, boasts an intelligent, fresh-air cooling system (top photo) with an annual power usage index of 1.08, compared with the average of between 2-2.5 for traditional centers (the index measures the ratio between total energy used by the center and that used by its IT equipment only). Merlin is made up of mobile, self-contained units (see photo above), which may be adapted to suit each client's needs. Covering a total area of 9,290 m², Merlin has the capacity to host servers over 5,574 m² (with 24 units measuring around 232 m² each).



US software company Oracle, the Group is in the process of developing an offer along similar lines.

The BIM service line has been bolstered with the Capgemini Collaboration+ offer, which proposes collaborative portals integrating solutions proposed by US software companies EMC and Microsoft. *"The close links we have forged with Microsoft and EMC in content management allow for a solution that will considerably improve companies' management of unstructured information,"* affirms Paul Nannetti, Capgemini's head of global service lines.

Network Rail, one of the main rail infrastructure operators in the UK, chose this new offer: *"We were already using Microsoft's SQL and SharePoint and EMC's Documentum solution, and wanted to develop an integrated approach to information management,"* explains Dennis Rocks, Network Rail's head of management information. *"Capgemini's expertise in the two products and its knowledge of how they integrate led to us choose Collaboration+." The aim is to build a global platform that enables us to make the most of our information in a global and coherent way."*

Launched in February 2011, the Master Data Management (MDM) offer includes a large range of services, ranging from consulting and outsourcing to integration, all designed to help companies deal with the ever-increasing amount of information they handle and to integrate consumers' social networks with strategy and business operations. General Motors was the first client to opt for this offer. With the help of Capgemini, the US automotive manufacturer is building an information hub, based on the IBM Infosphere platform. The aim is to channel information gleaned from clients directly to its call centers and sales and marketing teams.

In the field of software testing, and in partnership with US software company Oracle, the Group has opened an Oracle Software Testing Center of Excellence in India, to

help clients more effectively manage and standardize their testing processes: *"The tool Tmap NEXT®, developed by Sogeti, Capgemini's subsidiary, will be integrated into the company's software testing programs,"* explains Luc-François Salvador, Sogeti Chairman and CIO. Hans van Waayenburg, head of the Testing Services offer. *"A similar agreement has been reached with HP, resulting in the launch by Capgemini and Sogeti of Tmap® Accelerator for HP Quality Center, a test tool based on several modules enabling companies to manage each step in a quality approach to software."*

In cloud computing, the Group has developed the Capgemini Immediate offer as part of the ITS global service line. David Boulter, in charge of this service line during 2010, explains: *"This new offer creates an 'ecosystem' designed to bring together several independent IT suppliers whose services are integrated within a single global solution, with Capgemini playing the role of integrator and coordinator. This ecosystem may evolve rapidly, in line with the transformation in the client's activity."* With cloud computing it is possible to add or change services within a few days or weeks, compared with several months, or even years, using traditional IT. The model also reduces the risks associated with technological choices, by allowing quick, cheap exploration of solutions during a pilot phase, before proceeding to full deployment.

In terms of infrastructure, Capgemini has already invested 100 million euros in the construction of its first 25 data processing centers, in Germany, Canada, China, Spain, the United States, Finland, France, the Netherlands, the United Kingdom and Switzerland. Capgemini manages more than 26,000 physical servers in these centers. In October 2010, the ITS service line was bolstered by the opening in England of a 26th center. Named Merlin, the new center boasts excellent energy efficiency, using just half the power of a traditional, equivalent center and with maintenance costs four times less. *"We need to*

SECTOR OFFERS LAUNCHED

JUNE 2010

Oracle Tax & Welfare Service
(Public Sector)

Health Information Exchanges
(Healthcare)

Meter-to-Cash Management
(Utilities)

JULY 2010

Retail and Consumer Products
Software Transformation
(Consumer Products & Distribution)

AUGUST 2010

Communications Transformation
Platform (Telecommunications)

Testing for Telcos (Telecommunications)

Business Intelligence for Telcos
(Telecommunications)

SEPTEMBER 2010

One Manufacturer (Manufacturing)

NOVEMBER 2010

Airlines & Airports Offerings
(Transport)

DECEMBER 2010

e-Visas (Public Sector)

JANUARY 2011

Infrastructure Management
(Energy & Utilities)



Capgemini's SAP Lifecycle offer aims to optimize companies' use of the ERP SAP Business Suite.

increase our park of data processing centers in order to respond to growing demands for outsourcing services and cloud computing," says Richard Dicketts, Capgemini's global director of Infrastructures Management.

Finally, a sixth global service line was launched in March 2011: Business Process Management manages and optimizes clients' highly technical business processes (for example, the automation of claims processes for an insurance company).

VERTICAL OFFERS

Capitalizing on its sectoral expertise and mastery of technology, Capgemini is bringing to market new offers targeted at specific sectors (see page 57). An example in 2010 was the Smart Energy Analytics Service offer. This provides utilities with analysis and reporting capabilities across all their core business functions, as well as an integrated data management platform. In an increasingly competitive environment, the utilities and public service operators must be able to take full advantage of the complex data generated within their organizations as well as by the networks and "smart" meters. "Our report 'Smart Analytics for the Utilities Sector' highlights the urgent need for utility companies to interpret consumer usage patterns with much greater precision, and to develop competencies to forecast and manage demand more effectively," affirms Paul Nannetti. "The Smart Analytics offer supports

effective operational decision making as well as strategic investment planning."

Still in the area of smart data management, early in 2011 Capgemini brought to market a business intelligence offer for telecom operators, in partnership with Oracle, Business Analytics for Telecommunications Companies.

The Capgemini offers portfolio is constantly evolving in line with the Group's growth objectives, reflecting technological trends and companies' business priorities, as Paul Nannetti explains: "This is why, in the second quarter of 2011, the Group launched a program to renew its offers throughout the organization, with the aim of assessing their relevance to the needs of the market, to target the most promising segments while, at the same time, reducing our focus on investments in less dynamic sectors. All the SBUs will be renewing their offers portfolio with a view to increasing revenues and improving their margin." ■■■■



Jeremy BARLOW, *Steps at St. Paul's Cathedral, London*



In 2010, Microsoft named Capgemini and its subsidiary Sogeti "Enterprise Partner of the Year."

1.1 billion euros-

Capgemini's forecast revenues from partnerships in 2011. Offers launched by the Group with its partners generated 800 million euros in revenues in 2010.



PARTNERSHIPS – A MAJOR ASSET FOR THE GROUP'S CLIENTS

Technological partnerships enhance the Group's expertise, making it ever more responsive to clients' needs for innovative solutions.

Capgemini continued to develop its dynamic partnership policy in 2010. *"This is a valuable source of new business, which generated 800 million euros in revenues in 2010, thanks to the different offers we launched together with our partners,"* says Paul Spence, Group Deputy General Manager and Director of Development. In this way, Capgemini has been able to build an ecosystem around the biggest names in IT: with strategic partners (HP, IBM, Microsoft, Oracle and SAP), and portfolio partners (for example, Cisco, EMC, VMware, SAS, Salesforce and Intel), and the regional or sectoral partners (such as Fujitsu, Nokia, Novell and Palantir). *"The close proximity we have formed with our partners means that we are able to identify technological innovations early and wrap services around them for the benefit of our clients,"* explains Paul Spence. This is a major asset for Capgemini, helping the Group to carry out its mission to transform clients' organizations through improvements in their performance. Furthermore, working alongside most of the top IT players means that Capgemini remains independent.

The Group's partnership strategy is focused on remaining ahead of the game when it comes to important technological innovations. One example is virtualization, which, along with cloud computing, headed the list of priorities of corporate directors of IT services in 2010, according to the EXP CIO Survey carried out by US analysts Gartner. Capgemini

linked up with VMware, a specialist in this area, to create V2B (Virtualization to Business), a new service offer. *"The Group also agreed a partnership with Microsoft aimed at helping companies adopt cloud computing. This professional services offer is based on Microsoft Business Productivity Online and is delivered to clients as Software-as-a-Service (SaaS),"* explains Patrick Nicolet, head of the SBU Infrastructure Services. In addition, the Group was able to enhance its Business Information Management (BIM) global service line with the offer Capgemini Collaboration+, built around collaborative portals using EMC and Microsoft solutions. Finally, Capgemini holds the SAP Global Provider of Cloud Services and Hosting certification.

In this way, strengthened by its partnerships, Capgemini is able to offer its clients new solutions adapted to the technological challenges they face. In data management, for example, the Group extended its partnership with the French software company Exalead, a specialist in applications based on a search engine, to help its clients in managing, aggregating and interpreting data, particularly from different sources.

Enhancing its sectoral skills also forms part of the Group's strategy when it comes to strengthening existing partnerships and forming new ones. For example, an existing strategic alliance with Oracle around its Revenue Management offer—to



"The close proximity we have formed with our partners means that we are able to identify technological innovations early and wrap services around them for the benefit of our clients."

Paul Spence, Group Deputy General Manager and Director of Development.



In Mumbai (Bombay), Cube is Capgemini's business analytics center. Here, data processing with Oracle's software suite.

bring greater efficiency to the collection of taxes in the public sector—was extended. “We have strengthened our relationships with the Chinese company eBao-Tech to speed up the transformation of insurance companies via the development and roll-out of new consulting offers. Similarly, the partnership with the Swiss software company Temenos combines the latter's tools and methodologies with the Group's experience in financial services,” explains Salil Parekh, head of the SBU Application Services 1.

“SMART” ENERGY MANAGMENT

In the area of security, the Group has formed a partnership with Palantir Technologies, a US software publisher of real-time, data-analysis solutions. Capgemini and Palantir Technologies are already working with the UK Borders Agency to find more effective ways of preventing

illegal immigration. Capgemini has also launched a new offer based on the home automation dashboard designed by Intel. This new system of smart electricity management is targeted at energy utilities within the Group's Smart Energy Services (SES) global offer.

Finally, technology aside, the Group is set to work hand in hand with its clients around the world as they make the transformation toward the “digital company.” This is the background to the agreement with MIT's Center for Digital Business, an ambitious three-year research program on the challenges of digital transformation, which draws on a survey of management-level directors working in 30 major, international groups. “This digital transformation concerns the whole of a company: its strategy, its operating processes and its employees,” outlines Pierre-Yves Cros, head of the Consulting SBU (Capgemini Consulting). ■■■■



Jeremy BARLOW, *Study, Siena*



CPM Braxis Capgemini Knowledge Center located in Alphaville, São Paulo State, Brazil.

10%

is the targeted contribution of fast-growth economies to Capgemini's revenues between now and 2015, against 5% today.

WATCH THE
"ACQUISITIONS" VIDEO AT:
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annual-report/2010/en](http://www.capgemini.com/annual-report/2010/en)
"SPIRIT OF
CONQUEST" SECTION

ACQUISITIONS SERVING THE GROUP'S AMBITIONS

In 2010, the Group's strategy to grow through acquisitions moved up a gear. As well as the acquisition of CPM Braxis, the biggest IT services company of Brazilian origin, other actions respond to sectoral and geographical criteria.

Overall, 2010 turned out be a fruitful year for acquisitions. Ten companies joined Capgemini, compared with just two in 2009. These declared combined annual revenues of 534 million over the financial year, and this acquisitions trend is set to continue in 2011. Earlier this year, Capgemini CEO Paul Hermelin made clear: *"Each year we want to carry out one or two medium-sized operations—that is to say, in the region of hundreds of millions of euros—to enable us to develop in emerging countries. At the same time, we will be looking to buy small companies geared toward tomorrow's businesses such as cloud computing."*¹

The Group is targeting three different kinds of companies. First on the list come companies in fast-growth economies with rapidly growing IT services markets. To mark the Group's ambition in this area, an emerging economies business unit was set up on January 1, 2011, headed by Group Deputy General Manager, Paul Spence. The second kind of company will be active in tomorrow's businesses or will offer new business

models—for example, cloud computing or "smart" management for electricity suppliers and distributors. Finally, the Group is targeting highly profitable companies in similar business segments or those with high-growth potential. *"We choose companies to bolster our activities' portfolio much as one would choose pearls when making a necklace,"* explains Cyril Garcia, Capgemini's Director of Strategy—hence the internal code-name "string of pearls" for the acquisitions strategy.

A MAJOR ACQUISITION IN BRAZIL

The art of the mergers & acquisitions team can be compared to creating an attractive necklace. In less metaphorical terms, this comes down to the team identifying companies that could serve the Group's objectives—such as sales growth, margin, and share of each geographical zone in sales. The objective set by the Board of Directors is for the Group to derive 10% of total revenues from fast-growth economies between

now and 2015, versus 1% at the beginning of 2010. The Group will therefore continue, when necessary, to acquire and grow companies from emerging economies, as it did in October 2010 when it paid 233 million euros for a 55% stake in CPM Braxis, the leading IT services company, of Brazilian origin. The choice of Brazil was no accident. The country's domestic IT services market is forecast to exceed the 10 billion dollars recorded in 2009 to hit more than 18 billion dollars in 2015. By that date, the Chinese and Indian markets will, respectively, be worth more than 16 and 12 billion dollars.

CPM Braxis is growing rapidly, by 12% in 2009 to around 20% in 2010. This acquisition has increased the contribution of emerging economies in Capgemini's total revenues from 1% to 5%. Thanks to CPM Braxis, the Group is winning banking and telecom clients, two sectors that are large consumers of IT services. One of CPM Braxis' main clients, and now its second shareholder after Capgemini, is Bradesco, the third largest Brazilian bank. Finally, the

10 ACQUISITIONS IN 2010 (representing 534 million euros in annual revenues)

Strategic positioning	Companies acquired	2010 Revenues (in millions of euros)
New Business Model	Skvader (Sweden)	4
BPO (Business Process Outsourcing)	IBX (Sweden), Unilever BPO subsidiary	29
Strengthening core business activities	Strategic Systems Solutions (United Kingdom), Uphantis (Netherlands), BluWater (United States), Thesys (India), Abaco Mobile (United States), Plaisir Informatique (France)	75
Fast-growth economies	CPM Braxis (Brazil)	426



CPM Braxis Capgemini, the biggest IT services company of Brazilian origin, employs almost 6,000 team members (here the company's headquarters in São Paulo)



“Capgemini’s clients will be reassured that their business in Brazil will benefit from our expertise in the local market.”

José Luiz Rossi, Managing Director of CPM Braxis – Capgemini Brazil

How do you explain the vitality of the IT services market in Brazil?

Brazil is a huge country which is growing fast and whose domestic market for IT services is expanding by 10% each year. There is buoyant demand around enterprise resource planning (ERP) and cloud computing services. The country’s energy, transportation and communications networks have enormous infrastructure needs. The infrastructure investments will total approximately 1.6 trillion dollars over the next years. Those sectors are all heavy IT users and this is a great opportunity for us, given our market leadership positioning on that segment.

What are CPM Braxis’ main selling points?

I would mention three. First, we are one of the few players in Brazil that is as strong in infrastructure as it is in applications. Second, our client portfolio is very well positioned. As much as 70% of our revenues come from clients in telecoms and finance, sectors that rely heavily on IT services. Thus, more than 2,000 of our team members are working in the financial services field. Finally, we have been smart enough to remain flexible and agile, which is fairly rare for a company with 6,000 employees.

How do you see synergies developing with Capgemini?

The benefits will be in both directions. Capgemini’s clients will be reassured that their business in Brazil will benefit from our expertise in the local market. For our part, we are relying on Capgemini to support our clients, 80% of whom are local, in their global expansion. Furthermore, we are looking for the Group’s help in developing our consulting and BPO services, an area where we are not yet active.

way in which the acquisition was handled by Capgemini made a strong impression on other company managers and shareholders within the sector, according to José Gonzalo, Capgemini's head of mergers & acquisitions. *"They were impressed by our speed in concluding the negotiations. In any future buy-outs, this reputation can only be to our advantage."*

ANOTHER ACTIVE YEAR IN 2011

Other Group acquisitions in 2010 responded to different criteria. First, geographic considerations came into play. Six of the ten acquisitions were European, the Group's "historic" market, where more than two-thirds of sales are still generated. In France, the 2010 acquisition of Plaisir Informatique was followed by two others (Artesys and Avantias) in April 2011. All the 2010 acquisitions serve to bolster Capgemini's position in businesses and key sectors. In Business Process Outsourcing (BPO), the Group acquired the Swedish company IBX, owner of a software platform for online purchases (Procurement-as-a-Service). In the area of mobility, it acquired the US Abaco Mobile, a developer of mobile telephone applications and PC tablets based on the ERP (Enterprise Resource Planning) tool from SAP.

For so-called "smart" electricity networks, the acquisition of the Swedish Skvader underpins Capgemini's Smart Energy

Services (SES) offer. In the Financial Services sector, in addition to Plaisir Informatique, Capgemini took over the Indian Thesys Technologies and the German CS Consulting.²

Nicolas Dufourcq, Capgemini Deputy General Manager and Chief Financial Officer, makes clear: *"For 2011, Capgemini anticipates that acquisitions will account for half its revenue growth, estimated at between 9 and 10%."* Thus, in May 2011, the Group acquired the US BI Consulting Group, a specialist in business intelligence and performance management. This is likely to be the first of similar acquisitions over the coming years. *"We anticipate adding each year between 600 and 700 million euros of revenues to our activity through acquisitions, up until 2015,"* announces Cyril Garcia. ■

1. La Tribune, February 18, 2011.
2. The CS Consulting acquisition was completed in February, 2011, but the transfer agreement was signed in December 2010.



"For 2011, Capgemini anticipates that acquisitions will account for half its revenue growth, estimated at between 9 and 10%."

Nicolas Dufourcq, Group Deputy General Manager and Chief Financial Officer



CPM BRAXIS
70% OF ITS REVENUES COME FROM FINANCIAL AND TELECOMS SECTOR CLIENTS, INCLUDING THE CELL TELEPHONE OPERATOR VIVO.



270 million,

the number of Internet users who watched the advertising campaign between December 2010 and March 2011, seven times each on average.

WATCH "THE BRAND" VIDEOS AT:
<http://www.capgemini.com/annual-report/2010/en>
 "SPIRIT OF CONQUEST" SECTION

THE CAPGEMINI BRAND – A TOOL FOR CONQUERING MARKETS

With a new motto and an interactive dialogue between the Group and its clients and young graduates, launched as part of a global advertising campaign, Capgemini is using the Web to stand out from the crowd

"We are the ones..." With these words the Group launched its global advertising campaign on November 15, 2010. The campaign puts the spotlight on the know-how of the men and women who make up the Group—a reflection of its motto "People matter, results count," with experts from all the Group's businesses relating their experiences and outlining what they could deliver to their clients. The Capgemini "personal" approach to advertising fits well with the Collaborative Business Experience concept created by the Group in 2004. Philippe Grangeon, Group Marketing & Communications Director, explains: "In all businesses, it is people who make the difference. Capgemini's teams are able to combine their technological expertise with their deep client knowledge to help the latter to work more efficiently." Olivier Sevilla, head of the SBU Application Services 2 agrees: "This campaign is built around the skills and commitment of our team members, who all work towards producing concrete results for our clients. Its message sums up what we are and why clients choose us over other companies."

"The brand is the Group's tool for conquering markets," affirms Philippe Grangeon. "We believe that by investing long term in the brand, we are showing our confidence in the Group—and this appeals to the young graduate recruits we are keen to attract." The campaign was launched on around 100 websites in ten countries (Germany, Brazil,

Spain, the United States, France, India, Italy, the Netherlands, the United Kingdom and Sweden), including those of all the major newspapers: *the Financial Times* (UK), *Le Monde* (France), *El Mundo* (Spain) *the New York Times* (USA), *Der Spiegel* (Germany), and *the Times of India*.

Laurence Buchanan, one of the Group's experts who took part in the campaign, recounts: "I became aware that the campaign was having an amazing impact once I started getting emails and SMSs about my video appearance from friends and colleagues all around the world in London, Paris, Copenhagen, Frankfurt and New York." Emmanuel Lochon, Capgemini's Web and Branding Manager, explains the choice of a 100% digital campaign: "We were keen to stand out on the Web, so we decided to concentrate on that medium rather than go for a more classic campaign." The Web is now the top information source for almost nine out of every ten company bosses.¹ The Web also enables interactive dialogue between a company, its clients and prospects. All those advantages were capitalized on fully by Capgemini. Those who logged on to the Group's website were redirected to a platform called "Expert Connect." As Charles Georges-Picot, Deputy Director of the French advertising agency Publicis Conseil, remarked: "By making its experts and information available to respond to Internet users' questions, Capgemini was able to avoid intrusive advertising and, instead, offer a service."

ALMOST 500,000 EACH MONTH

is the average number of unique visitors to the Group's websites since the campaign was launched. This is double the number of online visits the websites received previously.



Laurence Buchanan of Capgemini UK, a specialist in new solutions for client relations and cloud computing, is one of the experts foregrounded in the global advertising campaign for the brand. He can be contacted on:
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1. *The Financial Times*
 (Global C—Suite Sentiment Survey, 2009-2010.)

People matter, results count.



"People matter, results count."
Capgemini's new motto is highlighted in a major global advertising campaign.

JEFFREY RAYPORT: "COMPANIES MUST TURN THEMSELVES INTO INFORMATION PUBLISHERS."

What role does the Web play in B2B communications today?

We are seeing a huge gap between the media where most people spend their time and where companies place their advertisements. Let me give you an example from the United States. Two or three years ago, when most people were spending 30–40% of their media time in front of their computer screens, the top 1,000 US companies were devoting only 8–9% of their communications budgets to Web-based advertising. But times are changing. Companies are now investing more in Web advertising, including for B2B. The high-tech sector is leading the way. That's logical. When you are an IT supplier, there is a good chance that you are selling to IT directors who are technology fans. And they spend hours in front of their computer screens!

Why would companies want to advertise on the Web?

The social networks are, as I'm sure you know, the latest fashion in Web innovation. This new tool allows companies to have direct contact with their existing and potential future clients, even though the networks are more for the professional world than the general public. LinkedIn is a good example. The social networks are also a wonderful way to recruit new staff, even for high-level positions.

How can companies use the Web intelligently?

All companies must get their brand across to existing and potential clients to awaken their interest, before encouraging them to buy their products. The Internet is great for this. To start off, companies can release fairly general information to identified targets. Then, as soon as they show signs of interest, the next step is to turn that interest into a relationship.



This is where "richer" forms of communication come into the picture. A company can set up Web seminars, or put white papers or market analysis online, with restricted access. Some companies are setting up intranets for sharing information with the external world, mainly their suppliers. The advantage with the Internet is that it allows for the profiling of a potential client even before contact is made. All that is needed is a trace on document downloads to see where the client's interests lie. Companies would do well to organize these exchanges on their websites, but first, they need to turn themselves into information publishers.

JEFFREY RAYPORT

An expert in digital media marketing, Jeffrey F. Rayport set up and heads the consulting company Marketspace LLC. He has published widely on e-commerce, and is a regular contributor to the *Harvard Business Review*. In 1996, his article "The Virus of Marketing" popularized the expression "marketing viral."

WATCH THE
"JEFFREY RAYPORT"
VIDEOS AT:
[http://www.capgemini.com/
annual-report/2010/en](http://www.capgemini.com/annual-report/2010/en)
"TESTIMONIES"
SECTION



Jean-Michel CAVALLI, *In the City*



A Capgemini team in Katowice, Poland

PEOPLE ARE AT THE HEART OF THE GROUP'S SUCCESS

A survey of the Group's team members is carried out each year by an independent firm. Some 66% of employees responded to the 2010 survey. The findings showed that:

91% feel personally responsible for the satisfaction of clients

70% feel that they can rely on their managers' support;

WATCH THE "TRAINING" VIDEO AT:
<http://www.capgemini.com/annual-report/2010/en>
 "COMMITMENTS" SECTION

DIVERSITY MAKES OUR TEAMS STRONGER

The quality of the services Capgemini provides to its clients reflects the excellence and motivation of its teams. Right from the moment they join and throughout their careers, the Group invests in its people.

The motto *"People matter, results count."* puts the spotlight on the key role of team members in the success both of the Group and its clients. Alain Donzeaud, Group General Secretary, emphasizes: *"On top of technological excellence, know-how and knowledge of their discipline, our clients are looking for a partner who will help them achieve the best possible results. On behalf of clients, we therefore mobilize our team members to allow them to anticipate and innovate, in other words, to make the winning difference."*

The Group's Human Resources (HR) policy promises all the Group's employees a working environment in which each will be able to mobilize his or her talents, experience and skills for the benefit of clients. *"The annual satisfaction survey carried out in the Group shows the close relationships our people have formed with their managers and clients,"* says Jeremy Roffe-Vidal, the Group's HR Director.

RECRUITMENT LEVELS AT THEIR HIGHEST EVER

In 2010, the HR teams focused on three priority areas: recruitment; skills development and the construction of challenging and fulfilling career paths; and fostering diversity.

In 2010, the Group recruited more than 30,000 new team members, a record level. The 15,400 new hires in India contributed the largest contingent. France, Brazil,

the United Kingdom, Poland and the United States each recruited more than 1,000 team members.

In order to create the most qualified and motivated teams, recruitment processes have been optimized, notably by regrouping certain administrative tasks in India and Poland.

In Mumbai (Bombay), Sogeti has set up the Active Sourcing India project. This involves pairing off team members who are specially trained in its recruitment management tool and in the French language. Their mission is to contact interesting candidates via online recruitment sites and social networks such as Weavlink, Viadeo and LinkedIn. *"In the first quarter of 2011, our seven Indian pairs sent us around 600 potential candidates each week,"* explains Eric de Saqui de Sannes, Sogeti France's HR Director.

With hiring back on track and the integration of 7,579 team members from the ten companies the Group acquired in 2010, headed by CPM Braxis in Brazil, the year saw a 20% increase in the number of team members, to 108,698, with 35% based offshore. The Group is targeting almost 30,000 new hires in 2011, including a high proportion of young graduates. ■■■

INDIA—THE GROUP'S TOP COUNTRY FOR HEADCOUNT

At December 31, 2010, 38,400 team members were based offshore, of whom almost 31,000 were in India, where as recently as 2004 the Group counted fewer than 2,000 team members. This increase reflects the growth of the Group's Rightshore® delivery model, where local resources close to the client are combined with specialist delivery centers further away.

In 2010, the Group passed the 100,000 team members mark

— 108,698 at December 31, 2010

— 112,127 at March 31, 2011



29 MILLION CONNECTIONS IN 2010 (22 MILLION IN 2009) ON THE INTRANET PLATFORM TALENT, WHICH DISSEMINATES NEWS AND INFORMATION, GLOBAL AND LOCAL, THROUGHOUT THE GROUP. IN 2010, THE PLATFORM WAS ENHANCED BY THE ADDITION OF MANY NEW SOCIAL FUNCTIONALITIES AND VIDEO.

OPERATING EXCELLENCE IS ENHANCED THROUGH TRAINING

More than ever, Capgemini prioritizes training. To strengthen innovation and foster collaboration between its businesses, the Group encourages knowledge-sharing solutions such as its KM2.0 platform (for Knowledge Management) and the use of social networks such as TeamConnect for Capgemini Consulting, TeamPark for Sogeti and, for the whole Group, the Yammer Platform (the equivalent of Twitter for micro-blogging within companies). All of this know-how enriches its service portfolio.

The Group training program and local programs are all accessible on the online MyLearning system. The catalog proposes a wide choice of subjects and learning methods. More than 80,500 team members took advantage of these resources in 2010 to consult textbooks, take online examinations, e-learning and virtual classes, or sign up for training with Capgemini University and with external centers.

In 2010, 78% of employees took part in a training program, compared with 71% in 2009. *"Rapidly rolled out, well adapted to our businesses and less expensive than traditional systems, e-learning is making headway,"* affirms Jeremy Roffe-Vidal. *"We plan to deliver 33% of our training hours via e-learning in 2011 (compared with 15% in 2010 and 11% in 2009). In India, 80 employees look after the design and dissemination of these e-learning courses."*

CAPGEMINI UNIVERSITY DELIVERS ON GREAT EXPECTATIONS

Providing crucial leverage for the Group's competitiveness, Capgemini University has developed a three-pronged approach around the expectations of learners, the Group's strategic priorities and the needs of its businesses and various units.

The University maintains close and strong relations with all those responsible for the Group's business units, and works to encourage career paths centered on operating excellence, with visible and easy access

to learning opportunities. 2010 saw the founding of the Learning Business Partner Team, involving the HR network, and the development of new learning methods around mobile technologies, shared experiences and social networks.

Centered on the Group's strategic priorities, the Business Priority Weeks, organized in three of the University's centers—Les Fontaines (near Paris, France) Chicago (USA) and Hyderabad (India)—provided 3,000 team members from different cultures, businesses and units with opportunities to hone their skills and, in addition, to strengthen client relationships through exchanges with major Capgemini clients such as Philips.

In 2010, US magazine *Chief Learning Officer* awarded its Golden Learning trophy to the University. *"The keys to our success are the involvement of our Directors, all of whom see training as a tool for winning market share, the major investment in quality, especially in e-learning, and the loyalty of our people,"* explains Steven Smith, Director of Capgemini University.

DIVERSITY DRIVES PERFORMANCE AND INNOVATION

Present in all five continents, Capgemini believes that diversity is a lever for performance, attractiveness and innovation. Proscribing all forms of discrimination or abuse among its workforce, the Group is careful to respect diversity and equal opportunities. Particular attention is paid to three areas: gender equality; ethnic, national and cultural origins; and the integration of physically challenged workers. Each year HR carries out an audit that includes diversity indicators, and in 2010 an information and awareness campaign reminded employees of the Group's commitments in this area. The Group is also a signatory to France's Diversity Code.

The role of women in the Group is constantly monitored, and the major countries have formed advisory groups or networks of women centered on recruitment, retention

CAPGEMINI TOPS POLL OF FRENCH WORKERS

In a survey carried out by OpinionWay and published in the French weekly magazine *L'Express* (October 20, 2010) more than 9,000 Internet users were asked for their views on almost 700 companies in the south-western region of France. With a global score of 8.4 Capgemini came out on top among general employers. Respondents *"praised the quality of management, a human resources policy that offers a real work-life balance, and generally view the company as having an efficient policy on the employment of seniors."*

In 2010, 3.5 million hours of training were delivered to almost 85,000 team members, (+ 22% increase compared with 2009),

HUMAN RESOURCES MANAGEMENT SOLUTIONS FOR CLIENTS

In India and Poland 180 employees provide administrative back-up for some of the Group's HR functions: salary payments, assistance center, performance review management, help with recruitment, etc. These support services will be extended to all the Group's human resources management at year-end 2011, involving a team of 300 people. The Group has developed a similar offering for Syngenta, the top global manufacturer of agricultural seeds and crop protection solution, as it transforms its human resources management through Syngenta Business Services.

AN INDUCTION SESSION FOR NEW EMPLOYEES AT THE CAPGEMINI OFFICES IN HYDERABAD, INDIA



and management. Widely reported locally, the celebration of International Women's Day was associated with several initiatives to encourage equal opportunities and to honor the careers of many female members of staff.

In 2010, Capgemini North America declared that diversity and integration were strategic priorities. Capgemini and Sogeti also signed a partnership in France with Paris University XIII to set up a university degree and to help students with a scientific training and from different backgrounds to integrate professionally. Carried out in collaboration with the Galilee Institute and the Nos Quartiers ont des talents (Our neighborhoods have talent) association, this initiative is part of the youth plan launched in 2009 to recruit 1,000 young people over two years in a linked work experience/education and training scheme.

The Group continues to mobilize support for people with disabilities. Capgemini Spain was awarded the Telefonica Mobility Awards, with a trophy presented by Queen Sofia. In France, Capgemini and Sogeti signed a new agreement for the employment of people with disabilities. ■■■



WOMEN IN THE CAPGEMINI WORKFORCE IN 2010
 - BY HEADCOUNT : 26.5 %
 (36.9 % IN CAPGEMINI CONSULTING))
 - IN PROMOTIONS TO VICE-PRESIDENT : 16.4 % (9 % IN 2009)

WOMAN OF OUTSTANDING TALENT HONORED



Christine Hodgson, Chairman of Capgemini UK, was named Woman of the Year at the 2011 Everywoman in Technology Awards. Christine joined the Group in 1997 and her previous roles with the Company include Chief Financial Officer

for both Capgemini UK and the Global Outsourcing Division, and Director of Technology Services for the United Kingdom, the Netherlands and Belgium.



The Capgemini Code of Ethics, available in **13 languages**, is now required reading for all new employees.

WATCH THE VIDEOS
"OUR ETHICS" AND "SOCIAL
RESPONSIBILITY" AT:
[http://www.capgemini.com/
annual-report/2010/en](http://www.capgemini.com/annual-report/2010/en)
COMMITMENTS
SECTION

CAPGEMINI, A SOCIALLY RESPONSIBLE GROUP

Having published and widely disseminated a Code of Ethics for its team members and managers, Capgemini is committed to supporting all its team members in adhering to principles of integrity, social responsibility and sustainable development. In turn, Capgemini's commercial strategy, procedures and business practices are permeated by these commitments.

ETHICS: BOOSTING REPUTATION AND ATTRACTIVENESS

The Code of Ethics was published in June 2010. An initiative of the Board of Directors and the Executive Board, it received the full support of the Group's 1,200 vice-presidents. The latter disseminated the Code throughout the Group, encouraged all team members to download it from a dedicated website, to sign up to its principles and to take an e-learning module on the subject. Since September, it has been mandatory for new employees to sign up to the Code and to take the e-learning. Led by Hervé Canneva, the Chief Ethics & Compliance Officer, a network of 24 General Counsel-Ethics & Compliance Officers has also been set up.

Available in 13 languages, the Code explains and sets out formally the values held by Capgemini since its inception, while the internal *Blue Book*, updated annually, is the "bible" for ethical behavior. The Code focuses on 20 topics that might arise in day-to-day business life and that could lead to ethical dilemmas. It sets out clear principles and practical examples of appropriate and inappropriate behavior. For Hervé Canneva, "strengthening the Group's ethical culture across all its companies and countries enhances its reputation for integrity, provides competitive advantage and makes it more attractive, especially to young people."

Two sets of rules and principles on competition law and prevention of corruption, both areas where complex ethical dilemmas may

arise with a risk of penal and civil sanctions, will be produced in 2011, also accompanied by e-learning modules. A "raising concern procedure" for employees is also being developed on a country-by-country basis. Already up and running in the United States, the Netherlands, the United Kingdom, Belgium and Australia, it enables team members, as well as their human resources director and manager, to share any ethical concerns they may have with the person responsible for Ethics & Compliance within their country, or even directly with Hervé Canneva.

MOBILIZING FOR A SMALLER CARBON FOOTPRINT

The Group is determined to reduce its carbon footprint and is actively encouraging all employees to be aware of their impacts and associated challenges. These range from reducing energy consumption in offices and data processing centers, to reducing business travel, through making greater use of video-conferences and other collaborative technologies. "Environmental and social responsibility is increasingly an important criterion for us," says James Robey, the Group's CSR and Sustainability Director. "As well as being the right thing to do, it is an increasingly important business driver. Client, investor and government interest continues to grow, and in the United Kingdom it is also one of the first questions many candidates ask during their recruitment interview."

By strengthening its "sustainability" ser-

38 of the Group's entities certified ISO 14001

This international standard is a set of rules for companies wanting to reconcile the demands of running a business with respect for the environment. Companies are required to set up an environmental management system to ensure that their activities are carried out along sustainable development lines, causing less environmental damage.



IN INDIA, THE GROUP AND ITS TEAM MEMBERS SPONSORED MORE THAN 12,000 GIRLS IN 2010, AS PART OF THE NAANDI FOUNDATION'S EDUCATIONAL PROGRAM.

vices offers, the Group is also helping its clients to achieve their sustainable development objectives. For example, Merlin, one of the Group's UK data processing centers, uses just over half the electricity of an equivalent, traditional center, earning its recognition as "Europe's most sustainable data processing center" at the UK's 2010 Datacenter Dynamics Leaders Award. In partnership with a software company, Capgemini recently launched a BPO data management and reporting service in the field of sustainable development.

GLOBAL PARTNERS FOR GREATER SOLIDARITY

In all the countries where it has a presence, the Group is active within communities and works alongside national and international organizations on projects devoted to education, equal opportunities, and training for tomorrow's technologies. It encourages its team members to devote their time and energy to such activities, while providing support for several initiatives. For example, a major partner of the Naandi Foundation in India, in 2010 the Group and its employees sponsored approximately 12,000 girls through their education. The Group is a member of PlaNet Finance, an international organization providing microcredit in the fight against poverty, and several Group entities provide financial support to Niños del Lago, an association working to help disadvantaged children in Guatemala. ■■■■



Capgeminigreen.com highlights IT solutions for building a working environment that respects sustainable development principles.



Honesty, boldness, trust, freedom, team spirit, modesty and fun: seven core values embedded in the Group's DNA.



MITRO, *On the Hudson*

A GLOBAL PRESENCE

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Marseille (0)4 91 16 57 00

Montpellier (0)4 67 20 92 92

Nice (0)4 93 72 43 72

Pau (0)5 59 84 12 23

Paris (0)1 49 67 30 00

Toulouse (0)5 61 31 52 00

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Grenoble (0)4 76 52 62 00

Lille (0)3 20 65 34 34

Lyons (0)4 72 21 30 30

Nancy (0)3 83 95 85 85

Paris (0)1 49 67 30 00

Strasbourg (0)3 90 22 86 10

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Brest (0)2 98 33 60 77

Caen (0)2 31 70 21 00

Le Mans (0)2 43 57 45 00

Nantes (0)2 28 20 11 00

Orleans (0)2 38 24 01 01

Paris (0)1 49 67 30 00

Rennes (0)2 99 12 55 00

Rouen (0)2 35 12 20 20

Tours (0)2 47 60 67 60

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Chennai (Madras) Tidel Park — BPO	44 3060 8000
Chennai (Madras) Ispahani — BPO	44 3983 9500
Chennai (Madras) Campus — FS	44 6744 5000
Gurgaon — BPO	124 383 1000
Gurgaon — FS	124 305 5006
Hyderabad	40 2312 5000
Hyderabad — FS	40 6652 6000
Hyderabad — University	40 2312 6000
Ispahani Facility	44 3983 9177
Kolkata (Calcutta)	33 6621 5000
Mumbai (Bombay)	22 6755 7000
Pune	20 2760 1000
Salem — BPO	427 3013152
Thane	22 6690 5700

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Fredrikstad	24 12 80 00
Oslo	24 12 80 00
Oslo — IBX	24 12 80 00
Stavanger	24 12 80 00
Trondheim	24 12 80 00

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Taguig City	2 667 6000
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POLAND (+48)

Katowice I (Altus)	32 769 30 00
Katowice II (Atrium)	32 768 70 00
Kraków I (Rondo Business Park)	12 634 70 00
Kraków II (Quattro Business Park)	12 634 63 00
Warsaw	22 464 70 00
Wrocław	71 758 70 00

PORTUGAL (+351)

Lisbon	21 412 22 00
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ROMANIA (+40)

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Iasi	232 317 000

SINGAPORE (+65)

Singapore — FS	6224 6770
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SLOVAKIA (+421)

Bratislava	2 444 556 78
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SPAIN (+34)

Asturias	98 567 57 67
Barcelona	93 495 86 00
Jaén	91 657 70 00
Madrid	91 657 70 00

Murcia	96 828 55 22
Seville	95 543 28 67
Valencia	96 104 18 50
Zaragoza	97 670 09 80

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Karlskrona	(0)8 5368 5000
Malmö	(0)8 5368 5000
Stockholm (Bromma)	(0)8 5368 5000
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Västerås	(0)8 5368 5000
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Zurich	(0)44 560-2400

TAIWAN (+886)

Taipei	2 8780 0909
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UNITED ARAB EMIRATES (+971)

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Edinburgh	(0)131 339 9339
Glasgow	(0)141 221 7017
Inverness	(0)1463 238 434
Leeds	(0)113 389 2600
Liverpool	(0)151 224 7300
London (Holborn)	(0)20 7936 3800
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KRIEF, Wall 113

IN THE HEART OF THE CITY

Since it first appeared in 1987, the Capgemini Annual Report has been illustrated by the work of contemporary artists. Some years, as in 2009, the publication has showcased the talent and imaginary vision of an individual artist. In other years, the Annual Report has been infused with the styles of several artists—as in this 2010 Report.

This 36th Annual Report features works by eight artists, working in different genres and each with their own voice. Yet this plurality serves to highlight a common thread, also running through the whole publication—the global city. The city: a place of contrasts, where ideas are exchanged and where men and women invent the world of tomorrow. Take a deep breath and let these few pages draw you into a voyage of discovery around the world: from Hanoi to New York, London to Venice, Paris to Benares, Rome to Tangier.

THE ARTISTS

JEREMY BARLOW

Jeremy Barlow was born in England in 1945. He studied illustration at the Northampton School of Art. From 1977, he lived in Germany and over a six-year period traveled throughout Europe painting cities in Germany, France, Belgium and Holland. On his return to England he exhibited mainly at the Royal Academy of Arts and the Royal Institute of Painters in Water Colours. He is a member of Royal Institute of Oil Painters (ROI) and has been a recipient of the Stanley Grimm (1994 and 2000) and Alan Gourlay (1999) prizes.

JEAN-MICHEL CAVALLI

Born in 1964 in Béziers (France), Jean-Michel Cavalli began to paint and draw at the age of 20. His career took off in the 1990s when he received favourable critical reviews in many French and overseas exhibitions. His work is on permanent display in the Roland Charton gallery, Avignon.

ISABELLE CREVIER

Isabelle Crevier was born in Paris in 1957. From a very early age, she traveled widely in Africa and Asia. A graduate of the Paris School of Art and Design, her work is permanently on show at the Arsinoé gallery (Palais des Congrès, Paris).

EMARD

Dominique Emard was born in 1960 and studied painting and cinema at the Orleans School of Art and Design (France). He teaches design and painting, as well as working as a stage designer. His work is permanently displayed on the virtual gallery Artfloor (www.artfloor.com), and has featured in many private art shows in France, and in major exhibitions in Paris, Lille and Brussels.

KRIEF

Yves Krief was born in Paris in 1959. After his *baccalauréat* he began a career in commerce; but his inclination towards the new technologies led him to experiment with the first graphics software. Following studies in psychology, and at the same time continuing to improve his knowledge of digital techniques, at the age of 45 he decided to devote himself to art.

MITRO

Born in Romania in 1957, Mitro graduated from the Bucharest Academy of Arts. Since 1981 his works have been shown in his native country, as well as in Germany, Belgium, France, Switzerland and Singapore. He regularly takes part in art fairs, either as a competitor (winning numerous prizes) or as an invited guest. The Tatiana Tournemine gallery, Paris, shows his works.

LAURENT PARCELIER

Laurent Parcelier was born in Chamalières (France) in 1962. Following studies at the Paris School of Art and Design he went on to publish a number of comic books, before devoting himself entirely to painting.

ROBERT G. SCHMIDT

Born in Paris in 1923, Robert G. Schmidt studied fine arts at the Julien Academy. A colorist and designer, he was President of the Comparisons art fair between 1996 and 2002. He has taken part in many prestigious exhibitions in the United States, Canada, Russia, Switzerland, Saudi Arabia, China, Lebanon and Japan. His works are permanently displayed at the Saint-Roch gallery in Paris.

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