

# A landmark year

# The new face of "Applied Innovation"



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The new wave of technology and the development of very agile digital competition is radically changing the way companies innovate. With the "Applied Innovation Exchange" program launched in early 2016, Capgemini has made technology integration an asset to help its clients accelerate. It is an innovation that is faster, easier to use, "open", and applicable to the business and sectoral challenges faced by every company.

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# 3 Digital transformation, at full speed



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# Expert Connect: shared expertise

We believe that expertise and knowhow can only be useful and create value when it is shared. The Expert Connect program helps nearly 1,000 Capgemini experts regularly share their opinions on technology and business topics via social media. You can read some of their testimonials in this year's Annual Report, part 3 (page 54).

Serge Kampf, founder of the Capgemini Group and a fervent admirer of contemporary artists, passed away on March 15, 2016. As a tribute to him, we have designed a special cover featuring some of the works that he chose with passion for our previous Annual Reports.

We would like to thank all the artists whose works appear on this cover.

On the cover, each row from left to right, top to bottom:

Barlow (1994) Quilici (2006)

Pierre Courtois (1989)

Yolande Ardissone (1991)

Calman Shemi (2011)

Popov (2004)

Akagi (1995)

Delamonica (2006)

Emard (2010)

Deymonaz (2008)

Machado Rico (2000)

On the back cover, each row from left to right, top to bottom:

Olivia Boa (2014)

Gaveau (1990)

Max Agostini (1988) Christian Ferdinand (2009)

Saygin (1992)

Jacques Leonard (2005)

David Ferreira (2013)

David Cintract (2012)

Solnon (1987) Jean-Pierre Rives (1993)

Conan (1999)

Tzapoff (1998)

Josée Goudard (2001)

Jacques Poirier (1996)

Lisa Tcham (2003)

# **Tribute** to Serge Kampf

Founder of the Cappemini Group

# By Paul Hermelin, **Chairman and CEO** of Capgemini

He was a visionary and demanding rigorous leader, but he was also reserved, loyal, generous and considerate. All of the descriptions we have read honoring Serge Kampf are incredibly apt. And those fortunate enough to have known him—his family, friends and also, to a certain degree, the Group's 180,000 employees—can testify to this. Serge was an exceptional man. He was captivating and left no one indifferent.

A leader who understood the evolution of our business from quite early on, his life was an extraordinary journey. Over nearly fifty years, he built the company from a two-room appartment in his hometown of Grenoble to being one of the global leaders in the ultra-competitive world of IT services.

Serge Kampf inspired the dreams of generations of IT professionals. He instilled the Group with the drive to win with his genius and entrepreneurial passion. Capgemini has completed over 40 acquisitions and welcomed over 50 countries and cultures because of the organizational model invented by Serge Kampf. As decentralized as possible, this model transcends differences and respects everyone involved in this shared adventure. Throughout the 49 years that Serge dedicated to Capgemini, he also demonstrated that it was possible to build one of the largest companies in France and expand it across the world, with only a few key values serving as his compass.

These seven values are what make us unique in the business world. Serge understood that a Group is only as strong as the resolute commitment of its employees. Therefore, he emphasized these same values in the men and women who worked at his side.

- We begin with Honesty, which he considered a cardinal principle of the business world. Honesty has earned us recognition as one of the most ethical companies in the world for the 4th consecutive year.
- Boldness, of course, with an appetite for taking measured risks. Boldness, which today has made us a pow-
- erful brand in Europe, the United States, Brazil and India. Trust, which extends to all levels—that of clients. without whom nothing is possible, but also the trust placed in our people and our teams, which engenders

a reciprocal feeling of responsibility for their actions and decisions

- More surprising in the context of a large group, Freedom and the spirit of independence. As a value that was close to Serge's heart, he felt that it should govern not only relationships between the Group and our clients, but also with our employees.
- Team Spirit, or the ability to share the good and the bad with each other. For Serge, Team Spirit also often meant generosity, or even loyalty, which many of those who stood by his side bore witness to.
- Modesty, which translates into the desire to focus on the essential, without jargon or emphasis. In a world full of hyperboles, he was particularly distrustful of the effects of fashion.
- And finally, Fun, because despite his legendary demanding nature and his desire to see his teams surpass themselves, he was also concerned that everyone felt fulfilled and found pleasure in their work.

Serge embodied these values with the conviction that, at Capgemini, we formed a "separate" community within our industry and that we would find success by being faithful to our principles.

Serge was also the perfect representation of what friendship could be. He was a friend to his colleagues and a friend to the world of rugby. Ultimately, he showed that you could create a global leader in business based on the principle of friendship.

Capgemini has lost its founder. As you can see from the selection of remembrances on the following page, our pain is shared. All of the Group's teams, myself included, are committed to keeping Serge's teachings in mind: to continually strive to take Capgemini-his Group-further. This is how we will honor his memory. We owe it to him.

This Annual Report embodies one of the last professional conversations that I had with Serge. Always enthusiastic, Serge contributed to this document up to the last minute. He especially valued reflecting on the past year and the commitments and achievements of the men and women that make up Capgemini. •

Just some of the messages received in remembrance of Serge Kampf (1934-2016)



A Group employee in France

"Serge Kampf was one of those people who believed in you and offered you the opportunity to make a fresh start, on the condition that you put in the energy, talent and commitment."

A former Group employee

"Serge was an exceptional human being, a visionary, demanding entrepreneur, for whom ethics. discretion and friendship were vital. As a boss, he was the best of the best and had an emotional intelligence that many people lack."

**Emmanuel Macron** The French Minister of the Economy, Industry and the **Digital Sector** 

'S. Kampf, industry leader and an exceptional entrepreneur, has left us. Our thoughts are with his family and Capgemini employees."

March 15, 2016, Dominique Gallois

'To those who asked him how to sell intelligence in the services industry, he answered, 'You need sensitivity, emotion and heart. Being in business is like being in love; the important thing is to love - to love the employees and to love the clients."

Maurice Levy

'He was a man of character, firm friendships, loyalty, and was an exceptional entrepreneur."

A Group employee in India

"A great personality whose thoughts and actions benefited thousands of people across so many regions! I was fortunate enough to have met him during one of his visits to India."

Jean-Loup Dabadie,

"A tree has fallen...

A tree from our part of the country, a tree from his part of the country... A tree whose roots have grown far below the borders... a one century old tree trunk, or nearly so, a tough bark on which so many young people etched their hopes...

A tree has fallen.

Only yesterday, its immense branches, weighed down by the weight of life, carried fruit which always fell in the neighbor's garden, as though by chance. Serge was a man of few words, a "silent", as we say in our countryside that he loved. But his silences were so fertile that they brought us the downstrokes and the upstrokes of the human mind, wrath and forgiveness.

A tree has fallen.

At times it came up against headwinds, war winds. **But Serge Kampf never left his** land, never left his sky. Because he never gave up on the people we simply are."

Translated from original text in French.

(1967-1975) Serge Kampf founds Sogeti in 1967 in Grenoble. In 1975, with

The Group's development

under Serge Kampf's

leadership:

The early years

the acquisition of two IT services companies, CAP and Gemini Computer Systems, we become a leader in Europe with a presence in 21 countries

The expansion years (1975-1989)

The Group continues to grow and focus on fields ranging from capital investment solutions to intellectual services. In 1989, internal restructuring Furopean expansion and penetration into the American market enable Capgemini to become one of the global leaders in this sector.

New growth strategies (1990-1997)

Capgemini develops its management consulting practice thanks to a series of acquisitions, including United Research (1990) and the Mac Group (1991) in the US. The Group also expand our activities in Europe through a number of acquisitions, such as that of Bossard in France. The acquisition of Ernst & Young Consulting in 2000 marks a turning point for the Group, strengthening our consulting practice and our presence in the US.

**Building the future** (1998 - Today) At the end of the '90s,

Capgemini begins its development in India, which results in 85,000 employees by the end of 2015. In 2002, Serge Kampf hands the role of CFO over to Paul Hermelin In 2010, the Group adopts a new brand signature: "People matter results count." This phrase expresses our singular vision that technology be developed by and for its users in the service of business results. In 2012 after 45 years, Serge Kampf steps down from his role as Chairman at Capgemini. He proposes Paul Hermelin as his successor and remains active up until his passing away, as the Vice-Chairman of the Board

3





# Letter from Serge Kampf

# **April 1987**



We have chosen to reprint Serge Kampf's letter to readers of the 1986 Annual Report. At that time, the Group had 7,500 employees—thirty years later, this document is striking in its accuracy and visionary nature.

When I created SOGETI in October 1967, there were no more than ten people who encouraged me and a hundred who discouraged me: "it's too late; the niche has already been filled; the business will not be able to resist 'this' or 'that' pressure for long...". There was no end to the negative arguments from the people advising me.

I also remember those who were always talking about critical mass. They were the ones who, several years later, explained to me that while I had succeeded in bringing together 200 or 300 employees, I needed to stop there, as beyond a certain threshold we were no longer a service but an industry. "And then," they warned, "you will see, the challenges will be completely different." They were implying, no doubt, that outside of mass production, only craftsmanship exists.

A few days ago, while attending a luncheon for some of the leading French industrialists, I heard one of them —for whom I have the utmost respect—refer to services as an "incestuous activity." Several months later, I heard another brilliant CEO (head of a family business) state that, "services do not create any wealth." Funnily enough, it turns out that he just doubled the volume of his industrial empire by purchasing a company that deals in transportation and international trade!

Why am I thinking about all this while I write this letter? Mostly likely because I have the feeling that the disruption to the economic landscape that is occurring right before our very eyes is on a scale that is not always well-understood, let alone truly accepted.

In their 1758 Economical Table, François Quesnay and his fellow Physiocrats concluded that agriculture was the sole source of wealth. And it is true that, 150 years later—at the beginning of this century—70% of the working population of the United States was still employed in agriculture. Today, agricultural production in the United States has multiplied 20 or 30-fold, and yet it only employs 3% of the working population. The overall opinion is that a nation can be fed without mobilizing more than 5% of its workforce.

It is this same "materialistic" reasoning—simply moved up a notch from agriculture to industry—that still refuses to consider as productive any activities that are not directly linked to the manufacturing of a product and which, as Adam Smith did 200 years ago, classifies service activities among the non-productive professions.

Yet this upheaval is happening right in front of us. Think back to the United States at the end of the Second World War—didn't industry employ over 50% of the working population? Today, it employs less than 25% and there is general agreement that by the beginning of the next century—with the help of automation and robotics—that number will have shrunk to less than 5%!

In other words, twenty years from now, 8% of the working population (yes, barely 1 out of 20 Americans) will be sufficient to produce all the agricultural and industrial goods that the United States needs for both domestic consumption and international trade!

This also means that we cannot ask industry (as a whole) to continue creating jobs when its real goal is to

increase productivity. When they enter the workforce, nearly all of today's children will be offered positions in the service sector (for the most part, in professions unrecognizable to us today!).

From now on, the service sector will employ over 70% of the working population in the United States and about 60% in the Netherlands, the Nordics and France<sup>(1)</sup>; it already employs 55% in Japan.

But perhaps we should define what we mean by "services." Most definitions simply state what they are not: "services refer to everything outside of agriculture, mining, or industry." And the distinction—however approximate or unrefined—is usually made between non-marketable services (national defense, public order, education, justice, social services, etc.) which on average represent roughly a fourth of the total, and marketable services, which in turn are subdivided into:

- Marketable services aimed at individuals (distribution, tourism, public transportation, entertainment, media, restaurants, health, etc.), which represent roughly 40% of the total, and;
- Marketable services aimed at companies (consulting, IT services, financial services, audits, advertising, temporary employment, goods transport, surveillance, etc.), which represent close to a third of the total.

This third services category is interesting because of more than just its size-it represents 20-25% of the GNP of major industrialized countries—but also because its very existence and rapid growth suggest that the product/service distinction may be becoming a bit formal. On the one hand, services compete with industrial products (even in IT, we see software products—or "packages"—replacing custom-made software for some standardized or repetitive tasks). Conversely, we can say that companies today—even industrial firms—are essentially service companies. While it's true that an industrial firm produces a material good, more and more what they are selling are actually service "bundles": advertising, packaging, transportation, adaptation to specific market specifications, assembly, user training, consumer insight, after-sales service, credit, leasing, etc. And even within the manufacturing process, handling of materials or assembly of parts—the actual "industrial" part of the work—is often less important than many "internal services." such as market studies, research, financial services, procurement, preparation and programming of production. IT systems management, maintenance, accounting, stock management, public relations, security, etc.

Therefore, the industry/services distinction is far from clear when we talk about services delivered to companies and which are often only an add-on or extension

of its industrial activity. Is it even useful to try to track it? I can still hear the words of a packaging manufacturer who said, "We manufacture boxes to package other people's products, therefore we are a service industry!"

In reality, in these relationships between the industrial and service sectors, the question which crops up frequently is rather to know why a company—whether focused on industry or service—decides to call upon an external specialist company do something that they could have done themselves. The survey suggests that the possible reasons for such "externalization" are numerous: the desire to refocus the business' activity in its field of expertise (allowing others to do the same—a "to each his own" mindset); the desire to resort to external resources for a particularly difficult or urgent problem; to stimulate the capacity for innovation of its own teams: to introduce methods with which the service company has already experienced success elsewhere; to cope with a temporary increase in the workload; to avoid reinventing, at great expense, what the service provider is offering at a reasonable price, etc.

In IT—where service companies are rightly considered true "hotbeds of innovation"—all of these motivations, along with several others, are linked to the extraordinarily rapid evolution of technology. They justify the existence—and legitimize the success—of companies, like CAP GEMINI SOGETI, that dedicate themselves to the two sectors in which they excel: services and IT.

The list of major IT services and consulting companies already includes firms that employ 30,000 to 40,000 people, with revenue of 2 or 3 billion dollars. With 7,500 employees and 600 million dollars in projected revenue for 1987, the CAP GEMINI SOGETI Group is not one of the giants. Nevertheless, you can be certain that we have not finished growing and do not intend to stop. I predict that in 20 or 30 years, many service companies that are not considered contenders today will be among the largest companies in the world-powerful, multinational companies, employing tens or even hundreds of thousands of individuals and carrying out business in multiple fields of expertise, such as communications, finance, strategic consulting, business organization, production automation, etc. And throughout it all, IT will play an indispensable role.

CAP GEMINI SOGETI intends to be one of these companies.

Serge Kampf Paris, April 6, 1987

I predict that
in 20 or 30 years,
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in the world.

(1) According to Le Monde, dated March 18, 1987, out of the 21.4 million people employed in France in 1985, there were:

1.6 million in agriculture (7.5% of the total); 6.6 million in construction and industry (30.8%); 13.2 million in services (61.7%)

# Performance driven by ambition

By Paul Hermelin, Chairman and CEO of Capgemini



# Rigor in all things was one of Serge Kampf's character traits. Do you personally consider it to be a prerequisite for leadership?

To be perfectly honest with you, that rigor is one of the reasons I joined Capgemini. I have always thought that the strength of a company was measured by more than just its size or status. To my mind, being a leader primarily entails instilling within oneself the ambition— I would even say the obligation—to meet the most demanding standards, fighting to win the most difficult projects, supporting and winning the trust of clients at the forefront of our business sector, and lastly attracting and retaining the most talented men and women. When you master this "projects-clients-talent" trio, your leadership will naturally secure itself. But this status can never be taken for granted. Those who rest on their laurels should beware, because every day, without exception, they must prove their worth to the market, their clients and their shareholders. That is why I, like Serge Kampf, am such an advocate of this passion for rigor—because for nearly 50 years, it has helped to take Capgemini to the next level.

# 2015 was an important year in which Capgemini strengthened its position within the elite of your industry. What were the milestones for the Group?

It's true that 2015 will undoubtedly prove to be a turning point in our history, in more than one respect. First and foremost, in terms of our performance. Faced with the continuing struggles of economies in Europe and Brazil, our financial results surpassed our objectives despite the fact that we had raised them during the year. Revenue rose by nearly 13% and Capgemini's profitability hit double digits for the first time in a very long while—we set this objective five years ago! Lastly, we had strong cash reserves with an organic free cash flow of €815 million. Cash is king in our sector; it is



The acquisition of American company IGATE, changes the face and size of Capgemini and acts as a true catalyst for our strategy.



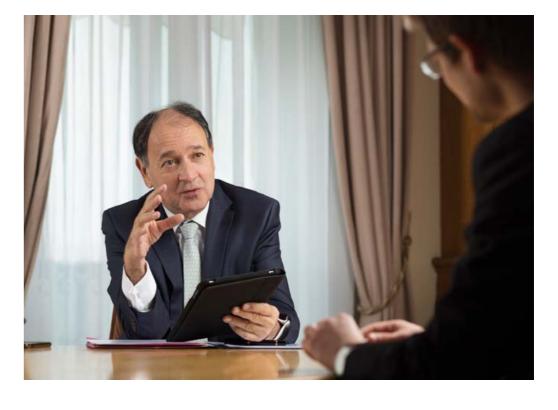
an essential part of being agile, continuing to invest and develop, and meeting our shareholders' expectations. In light of these excellent results, we are able to offer a higher dividend at the General Meeting of the Shareholders for the third year in a row and continue our stock repurchasing program.

As this Annual Report goes to print, it is already May and Capgemini has started 2016 with good momentum.

# Results aside, what else made this year a turning point?

I would single out three major developments. Naturally, the first is the acquisition of American company IGATE, which is changing the face and size of Capgemini and acting as a true catalyst for our strategy. This operation saw us strengthen our teams in India with more than 30,000 new employees, and above all, change what we call our "business mix." North America-the largest market in our industry in terms of size and technological innovation—is now our largest region, generating 31% of our revenue from H2 2015 onward. Another benefit of the IGATE acquisition is that our portfolio of clients was enriched by high-profile brands that are a good match for our own, particularly in the banking and insurance sectors, where we are becoming a leading player. I should also mention General Electric, whose IT director became the head of the Digital branch and was kind enough to grant us an interview. The IGATE integration is now our top priority and it is progressing quickly and smoothly.

The second breakthrough in 2015 is that we've broadened our portfolio of services considerably by investing in innovation. I'm thinking of the launch of our Cybersecurity service and especially of digital and cloud services, where we now generate 22% of our revenue and enjoy partnerships with leading players such as Salesforce or Amazon Web Services. Technology is at the heart of the digital revolution that is shaping business models, client relationships and even corporate



affairs. It is clearly a formidable catalyst for growth and progress, and as one of the leading lights of digital transformation, it is the focus of Capgemini's efforts. The final crucial step of 2015—and the cornerstone of our competitiveness—is our drive to constantly perfect our global network of production centers. They currently encompass nearly 100,000 employees, as of March 31, 2016, mainly in India, combining the passion and expertise that secure our position at the forefront of our industry.

# In which areas would you like Capgemini to advance in 2016?

I would like to say all of them, of course! But on a more serious note, the Group is investing in the four priorities I have pinpointed and I think that we should see progress in these parts of business in 2016.

Our first task is to unleash the full potential of the integration of IGATE. Next, we will focus on forecasting market developments and offering our clients the most specialized and secure solutions in digital and cloud services—areas in which we hope to cement our leading position. Another challenge is business services, for which we have created a new, dedicated organization. This organization brings together traditional BPO activities and the new operations management solutions, based on cloud platforms that the Group has enriched with IGATE's powerful Integrated Technology and Operations Platform Services (ITOPS). We are thereby responding to the growing demand for "As-a-Service" models, that enable our clients to cut their fixed costs and gain flexibility and agility.

The third key project for 2016 is, as always, competitiveness. We have created a central department responsible for operational excellence and the reduction of production costs—particularly through investments in automation—with the aim of boosting both our performance and that of our clients.



In an
ever-changing and
hyper-competitive
environment,
we must lead by
embracing and
celebrating our
differences.

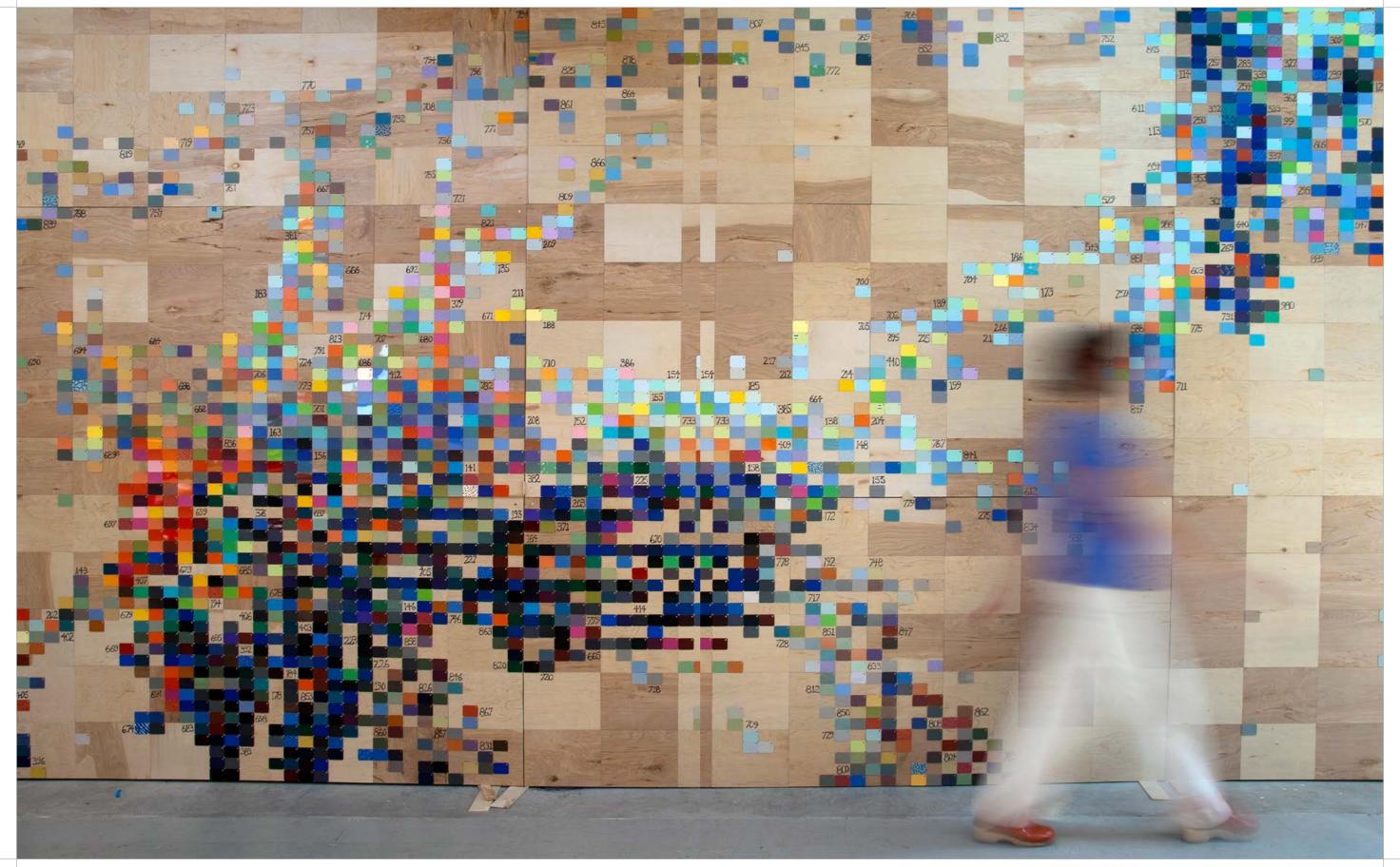


Lastly, our fourth priority is to develop our talent, because employees are the most valuable asset of any services company. It is imperative that we recognize and foster tomorrow's leaders in today's workforce. One way in which we try to do this is through our "Game Changers" initiative, launched in 2015, which aims to nurture some of the Group's most promising talent.

# Thanks to IGATE, Capgemini welcomed more than 30,000 new employees in 2015. Is the diversity of cultures and businesses within your Group an advantage or a handicap?

We have risen to the top ranks of our market, and that is something we can be proud of. But for me, I am most proud of the fact that we are unique and different within that elite. Diversity is no handicapit's an amazing advantage, for both our clients and our employees. What makes us different from our American, Indian or even European peers? Simply the fact that Capgemini's entire history features the absence of a dominant culture. We are deeply multicultural. I often use this image: if Capgemini were a person, our heart, lungs and brain might be alternatively European, Indian or American, but above all, we have a soul all of our ownone that is highly distinctive. When I meet employees who have left us for another adventure, they all tell me that Capgemini is a truly unique company. That is why, in an ever-changing and hyper-competitive environment, we must lead by embracing and celebrating our differences. Now more than ever, we must surprise, be more agile and know how to take the right risks. In short, for us to stay true to ourselves, we must always transform for the sake of our clients, employees and shareholders. And above all, we must safeguard our entrepreneurial spirit in all of our businesses. That is the prerequisite for Capgemini to stay ahead of the game. •

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LAURIE FRICK — "Making tracks"

Laurie Frick is an American "data artist": she collects data linked to her daily life to create works of art. She believes that these statistics may even help us to delve into the depths of our own personality and understand it better. Laurie is represented by the Edward Cella Art + Architecture gallery in Los Angeles and the Pavel Zoubok Gallery in New York.

http://www.lauriefrick.com/imaginedtime/

# Capgemini at a glance

# 1 Capgemini Consulting

The Group's consultancy business supports clients in their transformation projects, particularly when it comes to digital. Capgemini Consulting helps them to devise and implement innovative strategies to boost their growth and competitiveness.

# 2 Sogeti

Capgemini's exclusive subsidiary, Sogeti, is one of the leading players in local technological services, with four main areas of expertise: digital, testing, security and infrastructure.

# 3 Application Services

The Group's main business line covers devising, developing, implementing and maintaining IT applications.

## 4 Other Managed Services

These services include integration, management and development of infrastructure systems (Infrastructure Services), transaction services (i.e., Odigo offering) and on demand services or/and business activities (Business Services).

# 5 Collaborative Business Experience™

Attentiveness, creativity, willingness to embrace a challenge-this constant state of mind enables us to work closely with our clients' teams.

### 6 Rightshore® **Delivery Model**

A unique asset that enables us to provide the right resources, in the right place, at the right time.



€11.915 billion €1.124 billion Net profit(2) €815 million Organic free cash flow(2)



# in 6 major sectors

Consumer Products, Retail, Distribution & Transportation/Energy, Utilities & Chemicals/Manufacturing, Automotive and Life Sciences/Public Sector/Financial Services (Insurance and Banking)/ Telecommunications, Media and Entertainment



# 5 strategic partnerships

EMC, IBM. Microsoft. Oracle, SAP



# A large spectrum of business lines to support each client

1 Consulting Services 2 Local Professional Services 3 Application Services 4 Other Managed Services



# 7 shared values dating back to the Group's foundation in 1967

Honesty, Boldness, Trust, Freedom, Team Spirit, Modesty and Fun



the world.



The Collaborative Business Experience<sup>™</sup> 5 and Rightshore® 6



# Innovation to serve our clients

More than 40 innovation centers worldwide (nine of which are part of the Applied Innovation Exchange, see page 52)



# that summarizes our brand philosophy

"People matter, results count."

(1) As of December 31, 2015 (2) For 2015

1. A landmark year Board of Directors

# **Board** of Directors

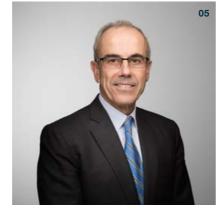
As of December 31, 2015

















### THE 12 DIRECTORS

01 - Serge Kampf

Honorary Chairman of the Group and Vice-Chairman of the Board

**02 - Paul Hermelin** Chairman and CEO

03 - Daniel Bernard

04- Anne Bouverot 05- Yann Delabrière 06 - Laurence Dors

07 - Phil Laskawy

08 - Xavier Musca

09 - Pierre Pringuet

10- Bruno Roger

11 - Lucia Sinapi-Thomas

12- Caroline Watteeuw-Carlisle

THE SECRETARY OF THE INTERNATIONAL WORKS COUNCIL

13 - Kevin Masters

THE TWO STATUTORY AUDITORS

14- Françoise Garnier (PwC)

15 - Frédéric Quélin (KPMG)

Elected by the shareholders, the Board of Directors appoints a chairperson and the Group's corporate officers from among its members. It makes the major decisions regarding the operational organization and future of Capgemini. The Board is responsible for audits of the Group's accounts and proposes the annual dividend at the General Meeting of the Shareholders.

As of December 31, 2015, the Board of Directors comprised 12 members, of whom 58% were considered independent and 33% were women.

Following the passing away of Serge Kampf on March 15, 2016, the Board of Directors now comprises 11 members.

At the General Meeting of the Shareholders on May 18, 2016, shareholders will be asked to decide whether to reappoint Lucia Sinapi-Thomas, the director representing employee shareholders, and to reach a decision regarding two candidates for the position of director: Carole Ferrand and Siân Herbert-Jones.















1. A landmark year Executive Committee

# **Executive Committee**

As of January 1, 2016

The Executive Committee comprises 22 members, including the seven members of the Group Management Board (listed in blue).

The Chairman and CEO and six members of the Executive Committee make up the Group Management Board, which is in charge of the Group's operations and preparing Executive Committee meetings. It meets on a weekly basis.

The Executive Committee helps Group management define the Group's main strategies. It sets the strategic priorities and the resulting action plans. It ensures that these plans are properly and effectively implemented at the operational level. It meets on a monthly basis.

**01. Paul Hermelin** Chairman and CEO

**02. Thierry Delaporte**Financial Services
and Latin America

**03. Aiman Ezzat** Finance

**04. Hubert Giraud**People Management and Transformation

**05. Patrick Nicolet**Competitiveness and India

**06. Salil Parekh**Application Services One\*/
Infrastructure Services/Sogeti/
Cloud Foundation Services

**07. Olivier Sevillia**Application Services Two\*\*/
Business Services/ Capgemini
Consulting/Digital Services

08. Jean-Philippe Bol

Application Services Two\*\*

**09. Tim Bridges**Application Services
North America

**10. Dee Burger** Digital Services

11. André Cichowlas Quality and Delivery

**12. Lanny Cohen** Technology

13. Pierre-Yves Cros
Strategy and Development

**14. Cyril Garcia**Capgemini Consulting

15. Srikanth lyengar Sales 16. Aruna Jayanthi

Business Services

17. Srinivas Kandula

18. Jean-Baptiste Massignon

General Secretary

**19. Paul Nannetti** Infrastructure Services

**20. Virginie Régis** Marketing and

Communications

**21. Luc-François Salvador**Application Services
Asia-Pacific

**22. Hans van Waayenburg** Sogeti



<sup>\*</sup>Application Services One: Asia-Pacific, North America, the United Kingdom.

<sup>\*\*</sup>Application Services Two: Benelux, France, Germany and Central Europe, Southern Europe, the Nordics.

# **International** management team

As of April 30, 2016



Partnerships and Strategic Initiatives

Walter Cappilati

Application & Infrastructure

Services - Latin America



Christophe Bonnard Business Coordination France



Anirban Bose Bank and Financial Services



John Brahim Insights & Data





Richard Dicketts Infrastructure Services Operations



Jack Dugan Financial Services Operations







Navin Goel **Business Coordination** 



Philippe Grangeon Senior Executive Advisor to Group Chairman and CEO



Stephan Ek

Sogeti - Operations

Franck Greverie Cloud & Cybersecurity



**Christine Hodgson** Business Coordination United Kingdom



Lalit Khandelwal General Electric Account Executive



Deepankar Khiwani Applicative Maintenance Continental Europe



Christel Lerouge Ted Levine External Communications Application Services North America & Digital Consumer Products, Retail, Transportation and Distribution (CPRTD)



**Brad Little** Application Services North America Consumer Products, Retail, Energy & Utilities



Alain de Marcellus Finance



Karine Marchat Control and Reporting



**Paul Margetts** Application Services United Kingdom



John Mullen Insurance



Sandy Padayachee Infrastructure Services Practices & Supply Chain



Catherine Perronet **Executive Committee** Secretary



Jean-Pierre Petit Digital Manufacturing & Sogeti High Tech



Nagasamy Pitchai Financial Services, Applicative Maintenance, Testing



Baru Rao Consumer Products and Distribution



Isabelle Roux-Chenu Contract Management



Michael Schulte **Business Coordination** Germany



Jérôme Siméon **Application Services** France



Lucia Sinapi-Thomas Business Services



Sujit Sircar Application Services North America

Jeroen Versteeg

Application Services

The Netherlands



Chris Stancombe Business Services -Operations

Steve Wanklin

Infrastructure Services



Sanjay Tugnait Business Coordination Canada



Leendert Venema Application Services Nordics



Ashwin Yardi Operations - India



Cliff Yu Application Services

# Review of a landmark year

Robust growth, a structural acquisition and strong acceleration in digital and cloud services: 2015 was a pivotal year in Capgemini's history.







**IGATE:** a strategic acquisition



2015 highlights

# **Positive results** in 2015 support our strategy



**Across the board, the Capgemini Group's financial** performance exceeded all the targets that were set: revenues grew 12.7% at current scope and exchange rates, the operating margin improved by 1.4 points, the normalized earnings per share is up 15% and lastly, organic free cash-flow is up sharply at €815 million.

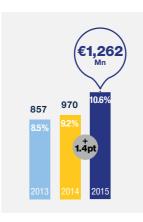


Aiman Ezzat, Group Management Board member, Chief Financial Officer, Capgemini



REVENUES in billions of euros

The Group revenues in 2015 were €11.915 billion, up 12.7% compared to 2014. Excluding the impact of fluctuations in Group currencies against the euro and changes in Group perimeter, primarily the integration of the American company IGATE acquired during the year, revenues were up 1.0% compared with 2014.



**OPERATING MARGIN** in millions of euros and percentage of revenues

The operating margin<sup>(1)</sup> was €1,262 million, or 10.6% of revenues, which represents an improvement of 1.4 points vear-on-year and exceeds the target of 10.3% as upgraded by the Group in its July 2015 halfyear publication.



**NET RESULT** in millions of euros

Net result (Group share) in 2015 totaled €1,124 million, up 94% compared to 2014. Basic earnings per share for the year 2015 were €6.67. The normalized earnings per share increased by 15% yearon-year to stand at €4.84.



employees as of December 31, 2015



**FREE CASH-FLOW** in millions of euros

The Group generated organic free cash flow of €815 million(2) up €147 million compared to 2014.

(2) After payment of €76 million to increase Group's majority stake in its Brazilian subsidiary CPM Braxis

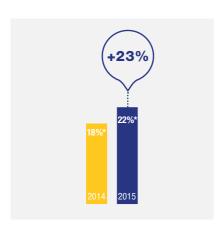
(1) The operating margin, one of the main indicators of the Group's performance, represents the difference between revenues and operating costs. The latter are equal to the cost of services rendered (expenditure required to deliver a project) plus sales, general and administrative costs, excluding items recorded under "other operating income and expenses."

1. A landmark year Performance and results



# **NET DEBT** in millions of euros

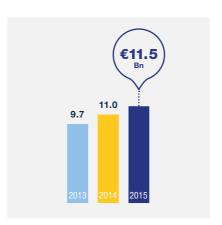
Following the IGATE acquisition, the Group went into a net debt position amounting €1,767 million at year end.



# DIGITAL AND CLOUD SERVICES

Revenue from Digital and Cloud services rose by 23% in 2015, representing 22% of Group revenues.

\* Percentage of total Group revenues



# BOOKINGS

in billions of euros

New orders recorded for the year reached €11.538 billion.



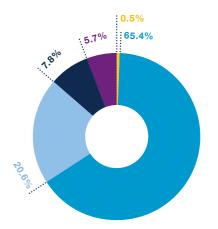
# DIVIDEND PER SHARE

in euros

\* Subject to approval at the General Meeting of Shareholders on May 18, 2016.

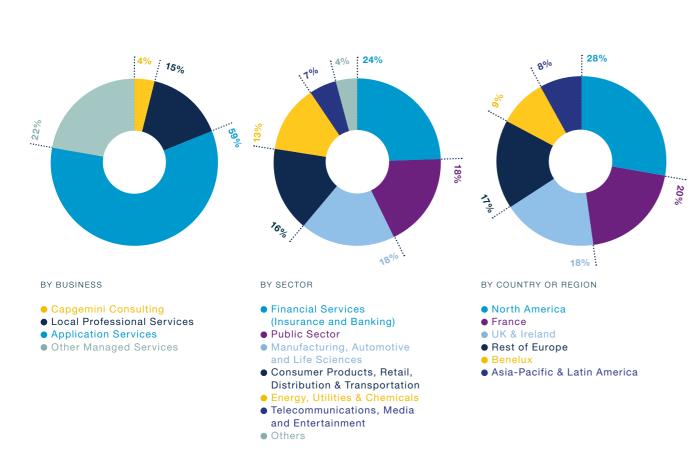


as of December 2015 (based on a shareholder survey)



- Non-French institutional investors
- French institutional investors
- Group directors and employees
- Retail shareholders
- Treasury shares

### **BREAKDOWN OF REVENUES**

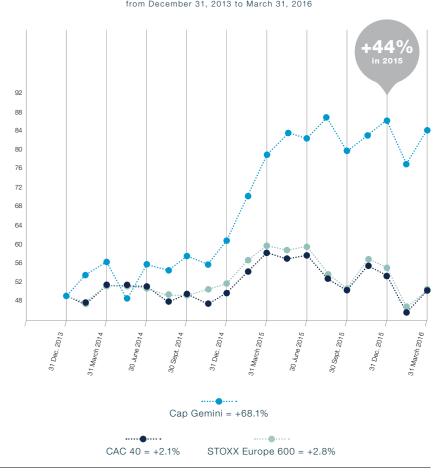


### SHAREHOLDER INFORMATION

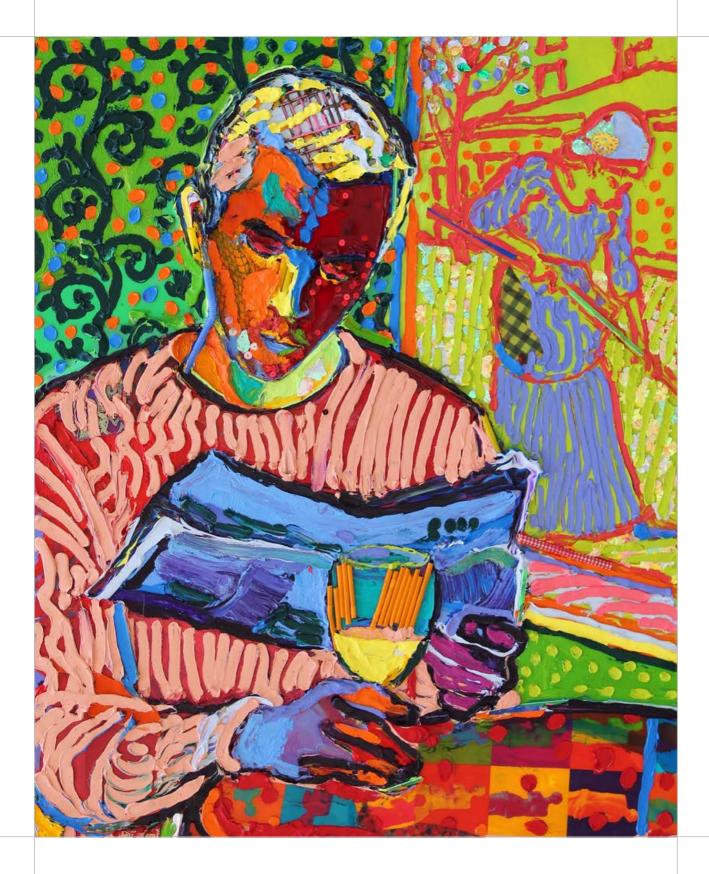
For up to date information about the Group, shareholders can use a French voice service (toll-free number: 0800 20 30 40) or the dedicated website (capgemini.com/investors), available in French and English on the Capgemini website. In addition, after each General Meeting, Capgemini shareholders receive an annual newsletter. The reference document is available for download from: capgemini.com/investors/ 2015-financial-report A large range of information and financial data is available there.

# CAP GEMINI SHARE PRICE

in euros, compared to the CAC 40 index, from December 31, 2013 to March 31, 2016



20 2015 ANNUAL REPORT - CAPGEMINI 21



# GORDON SEWARD — "Autumn Café"

British artist Gordon Seward, born in 1969, graduated with a diploma in fine arts from the University of Newcastle-upon-Tyne. He established his studio in the south of France in 1996. Through an exploration of the effects of light, he has created a painting style characterized by straight lines and free colors. His work is exhibited both in France and abroad, and it features in numerous private collections around the world.

www.gordonseward.fr

# IGATE: a strategic acquisition



Certain acquisitions mark key turning points in a group's history. The acquisition of US company IGATE in the summer of 2015, for \$4 billion, was undoubtedly one such event for Capgemini. It is accelerating the Group's development, particularly by enabling us to strengthen our presence in North America, the melting pot of technological innovation, and India. We had been searching for an opportunity like this in order to strengthen our presence on the first market of IT services and had set aside the financial resources we would need to seize it. Throughout our history, we have integrated numerous companies - around 15 since 2010 whose expertise are complementary to our own, while always protecting their culture and personality. IGATE is among the companies that are sure to stand

out in the Group's history.

# A POWERFUL COMBINATION FOR A STRONGER CAPGEMINI

Combining our firepower with that of IGATE has enabled us to transform and take our company to a whole new level. "North America is becoming our largest market by far and thus an important driver for growth. It accounts for 28% of this performancecompared to 21% in 2014" explains Tim Bridges, in charge of Capgemini Application Services in the North American market. Pierre-Yves Cros, in charge of Strategy and Development at Capgemini, added: "this change was crucial in fostering Capgemini's leading position in the region, which accounts for over 40% of the worldwide IT services market." Given our strong presence in Europe and Latin America, the Group's geographic mix has become even more balanced. Moreover, the integration of IGATE has enabled Capgemini to diversify its portfolio of expertise in key areas such as engineering and financial sectors (bank and insurance), the leading purchasers of IT services.

# IGATE AT A GLANCE

Founded in

# the US in 1996

Revenue in 2014: \$1.3 billion, 79% of which was generated in North America

# Revenue breakdown by sector:

36% in Manufacturing, Consumer Products, Retail and Distribution; 29% in Insurance, Healthcare and Life Sciences; 21% in Banking and Financial Services

### Number of clients:

281\*, only three of whom were common clients with Capgemini

# Number of employees:

Over 30,000\*

\*At the date of acquisition (July 1, 2015).

->

1. A landmark year IGATE: a strategic acquisition

 $\rightarrow$ 

N.B.: two-thirds of the largest players in this sector are now Group clients. The fact that these capacities are multiplied in North America, India and the financial services sector acts as powerful leverage for Capgemini.

"IGATE enters the Group with a portfolio of 280 clients that are often leading players in their markets, such as General Electric and a large North American bank," comments Srikanth lyengar, Capgemini's new global sales director and the former head of Europe and Asia-Pacific at IGATE. "The complementary nature of this acquisition and the resulting commercial synergies are remarkable, because only three of these companies were already Capgemini clients." IGATE's highly efficient commercial and industrial business model is an added benefit. At the time of the acquisition, the company had recorded revenue of \$1.3 billion for 2014—up 10.2%—and a profit of \$110 million.



# AN ENRICHED PORTFOLIO OF SERVICES

One example of this is ITOPS (Integrated Technology and Operations), an innovative solution designed to transform the way in which companies manage their operations. It offers business process outsourcing (BPO), application and infrastructure services through a single platform. The significant benefits for clients include improved alignment of business line processes with IT services and infrastructure, more efficient investments and a more flexible allocation of resources.

Several sector-specific solutions have also been developed by building upon ITOPS. A notable example is the IGATE Business Administrations Services (IBAS) for US insurance providers. Through IBAS, we are able to manage over 100,000 Medicare and Long-Term Care insurance policies on behalf of these clients. Meanwhile, the IGATE Data Management Solution (IDMS)—also based on ITOPS—helps retail banks to better manage their data. In 2015, Capgemini created a new business line within Business Services in order to capitalize on this expertise (see text box page 25).

# A CULTURE OF CLIENT-CENTRIC EFFICIENCY

In a few short years, IGATE built the highly effective worldwide production model-a powerful catalyst for competitiveness-that is currently enhancing that of Capgemini. The Group now enjoys access to a vast network of production centers with nearly 98,000 employees, most of whom are located in India. "Although India is obviously one of the Group's nerve centers, its role must evolve to include a greater emphasis on innovation and local services for clients," explains Srinivas Kandula, one of the leading managers of IGATE, heading Capgemini in India and current member of the Group's Executive Committee. Local services, which are embedded in IGATE's culture and practices, are also a source of inspiration for the Group as a whole.

# STRONG SYNERGIES AND PROMISING SHARED SUCCESSES

The professional and cultural affinities of the two companies has helped IGATE's teams to quickly feel at home within Capgemini. IGATE's key strengths—speed, agility and imagination—resonate with the Group's seven historic values.

Other similarities: entrepreneurship, the emphasis on collaboration that we call our "Collaborative Business Experience<sup>TM</sup>," a strong presence in India, as well as our tireless drive to add value for our clients, particularly through sectoral Centers of Excellence that bring together expertise and cutting-edge technology.

As Thierry Delaporte, Group Management Board member, Financial Services and Latin America at Capgemini, points out, "throughout our history, both Capgemini and IGATE have demonstrated our ability to transform ourselves and combine with others. These synergies have already allowed us to achieve several promising shared successes."



Thierry Delaporte, Group Management Board member, Financial Services and Latin America at Capgemini, and lead of the IGATE integration until mid-January 2016.

# What they think...

"As a former IGATE employee, I can see three concrete benefits of belonging to Capgemini: firstly, we have a new worldwide scope that is no longer focused mainly on North America. This means that I now have access to information about major market trends, additional solutions and services, and greater opportunities in the business and financial services sectors. Next, we have strengthened our ability to collaborate. with the high level of adaptability and open-mindedness that characterize the two companies. Lastly, I work with larger teams on more ambitious projects, which is a great motivation!'

Radhika Shankar, Consultant at Capgemini, (Bangalore, India). IGATE employee since 2012. Questions to Philippe Grangeon, Senior Executive Advisor to Group Chairman and CEO

# As part of the IGATE integration, you launched an original project looking into the behaviors of the two companies. Why is this?

Philippe Grangeon: In integration, there are, of course, the classic projects, but there is one in particular that focuses more on emotions. It affects the behaviors that result from the history and culture of the companies.

It's certainly important to have a good understanding of the meaning of the acquisition. But as the teams learn about each other and how to work together, it is essential that the key behaviors—individual or collective—that contribute to the success of the integration, or that can present problems, be clearly identified. These may be behaviors that are shared, or ones that are unique to each company (such as Capgemini's strong multiculturalism, or IGATE's agility and speed of execution).

We carried out the work by conducting a vast consultation of managers and teams. We also defined new behaviors required to create value together.

# What are the main lessons learned from this project?

**P.G.** We have identified five priority themes, each of which call for behaviors and concrete actions to be implemented in the field. For example, placing the client at the heart of our organizations, or maximizing the benefit of the Group's assets in India and taking advantage of every opportunity that presents itself there.

# What are the next steps to making these new behaviors a reality?

P.G. This work on behaviors will be part of several substantial transformation projects at Capgemini. I am thinking about the Human Resources initiative on the profile of leaders, but also about the integration work related to IGATE in India, the United States, or within the financial services sector. Such an approach is new for our company. To succeed, we need to demonstrate openness, attentiveness and pragmatism. We will use all of the Group's tools—like the training program at our University—as well as the power of digital communication channels, in order to include as many of our employees as possible and gradually adopt these new behaviors. ●

What they think...

"In the first few months since the IGATF-Capaemini integration. a number of IGATE's clients across multiple industries have started to experience the syneraies by aettina the best of both the IGATE and Capgemini worlds. They see that we are now able to bring them a deeper and broader set of capabilities and industry-specific services and solutions. Naturally, they continue to expect IGATE's brand promise of client centricity, alignment to client outcomes, and agility, and appreciate our commitment to keeping this promise."

Shobha Meera, in charge of Sales in Financial Services at Capgemini (Bridgewater, New Jersey). IGATE employee since 2011.



# Capgemini leads the way in Business Services



At the beginning of 2016, following the integration of IGATE, Cappemini created a new strategic business line dedicated to Business Services. We find out more with Aruna Jayanthi—former head of Cappemini in India, now at the helm of this new entity.

# Why did Capgemini create a business line dedicated to Business Services?

Although companies' IT and business process operations (BPO) functions were frequently run in a similar manner, they were sometimes kept separate. Now, all of that is changing. Digital and cloud are resulting in a greater focus on business performance, and an integrated approach to underlying operations and technology will deliver greater value. Our new cloud-based Business Services solutions also meet a greater demand for "As-a-Service" models. As a result of this, our clients benefit from a reduction in the fixed costs linked to IT infrastructure and substantial efficiency gains.

# What do Capgemini's Business Services solutions entail in concrete terms?

We strive to keep our services on the cutting edge. They are designed to successfully complete companies' business operations in two ways: either via traditional business process outsourcing (BPO) solutions, or via cloud-based platforms that combine BPO, applications and infrastructure. These platforms enable integrated management of IT and operations linked to support functions—finance, procurement, supply chain management, human resources and client relationship management—or to sector-specific functions such as claims management for insurance providers.

To this end, Capgemini relies on IGATE's powerful ITOPS (Integrated Technology and Operations) platform, presented on page 24. We also use Odigo: a market-leading virtual customer interaction management system that supports clients' multichannel strategies.



# A quick and smooth integration

The integration process began with the announcement of the effective acquisition of IGATE in July 2015. Naturally, this was a very delicate process, because it involved two large companies with a presence across several continents. By early 2016, a new organization was in place, several top-level IGATE managers had joined the Group's management team and the transition to a single brand, Capgemini, was complete.

Achieving this involved meticulous preparation on the part of two companies accustomed to such operations. IGATE, for example, successfully integrated Indian company Patni Computer Systems, which it acquired in 2011. Similarly, Capgemini has successfully integrated around 15 companies in the past few years.

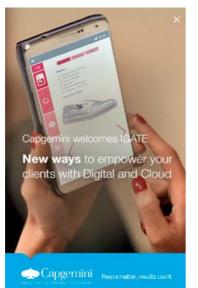
Since June 2015, the Integration Management Office (IMO) has been working across all of the two companies' businesses in order to develop a precise road map and a target operating model. Our four priorities were North America, India, Financial Services and the ITOPS service range. Several projects have been implemented in order to facilitate integration. One example is an initiative designed to bridge the gap between the cultural and behavioral specificities of the two companies (see the Philippe Grangeon Interview page 25). The emphasis is placed on precise and frequent internal communications, a key component in the success of any transformation program.

"At the end of this fast-paced first stage, it is clear that we have not lost the trust of our clients and employees. This is a true indicator of success because these are the people who will make the IGATE integration worthwhile," says Thierry Delaporte, Group Management Board member, Financial Services and Latin America at Capgemini, and co-head of the Integration Management Office until mid-January 2016, with Srinivas Kandula, former head of IGATE Human Resources, now heading Capgemini in India. The Group is treating this integration as a major priority. As such, integration will be finalized in its entirety by the end of 2016. •

# The power of a shared brand

The rebranding of all printed and digital materials took place within 48 hours, across 50 locations and 13 countries. This was a strong signal to all of the Group's clients, employees and partners that the IGATE integration was fully operational. An exclusively digital marketing campaign was launched to target

In January 2016, six months after decision-makers in the US, Canada its acquisition, IGATE was inte- and India (as well as job seekers grated into the Capgemini brand. in the latter). Entitled "New Ways", the campaign highlights everything that the combination of IGATE and Capgemini has to offer our clients in terms of technology, support, innovation and methodologies. •



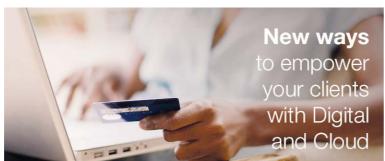


The New Ways marketing campaign highlights five strengths of the new Capgemini: our worldwide presence, positioning in the financial services sector, strengthened sectoral know-how, digital and cloud expertise and the power of our brand as an employer.



In charge of Marketing at Capgemini







### FERNANDO COSTA — "Abstraction bleue" (Blue abstraction)

Born in France in 1970, Fernando Costa creates his sculptures from an unusual material: old road signs that he salvages, cuts into pieces and solders back together. From monochrome images to scrap metal bouquets and the association of words and letters, Costa explores every possibility and makes a strong statement against waste. http://www.atelier-costa.com/

1. A landmark year 2015 highlights

# 2015 highlights



# DISTINCTION ETHICS AT THE CORE

For the fourth consecutive year, Capgemini has received the US title "One of the World's Most Ethical Companies®". The Ethisphere Institute awarded this accolade to 131 companies across the world. Honesty has always been one of Capgemini's seven values and each year, the Group sends out a new set of ethical guidelines. In 2015, the Group's 180,000 employees participated in a mandatory e-learning training program on best practices and excellence in ethics.



# RECOGNITION TOP FOUR FOR DIGITAL CLIENT EXPERIENCE

In 2015, independent analyst ALM Intelligence\* ranked Capgemini Consulting among the world's top four strategy consultants for the digital customer experience. Only companies with broad and specialized expertise reach the forefront of the industry. Meanwhile, the analyst Source Consulting ranked Capgemini Consulting among the top three providers worldwide for digital "Thought Leadership" for the quality of its studies and reports. These accolades demonstrate the relevance of Capgemini Consulting's position in digital transformation from 2009 onwards. giving us an edge over the competition.

\*Classification of digital customer strategy and experience consultants, Competitive landscape analysis: Digital Customer Strategy & Experience Consulting report, ALM Intelligence (ex-Kennedy Consulting Research & Advisory) September 2015.

# EXTERNAL GROWTH CAPGEMINI GROWS WITH ACQUISITION OF IGATE

With a portfolio of 281 clients, revenue of \$1.27 billion in 2014 (79% of which was generated in North America) and over 30,000 employees based primarily in the United States and India,

Capgemini's acquisition of the American company IGATE, which was finalized on July 1, 2015, is one of the most important in the Group's history. As part of this acquisition, 3,500 IGATE employees joined Sogeti's teams in the Product & Engineering Services hub.



### **NEW OFFER**

# MAKING THE CLOUD OUR PRIORITY

Many companies are using this new "à la carte" method of purchasing IT services, but few have made it their priority. For the moment, risks and obstacles are hindering its adoption. This is why Capgemini has chosen to overhaul its cloud range to help clients make it a priority. Cloud Choice encompasses all of the business and technological expertise our clients require to implement their cloud strategies and allows traditional and cloudbased IT to work in harmony. Cloud Choice is supported by a comprehensive array of services, which make use of all the Group's businesses: cloud strategy consulting, cybersecurity, testing, migrating existing applications to the cloud and developing native cloud applications. Capgemini's expertise in IT architecture and cloud platforms helps to ensure a smooth transition (see p.62).

Our digital and cloud services business experienced rapid growth (+23%) in 2015 and accounted for 22% of Group revenue for the year.



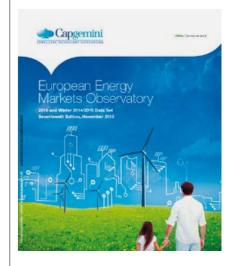
# CONTRACT WON CAPGEMINI AT THE HEART OF EUROPEAN DATA

The European Commission, has entrusted Capgemini with the deployment of the EU Open Data Portal. This platform will compile public data from 39 EU member states, making it freely available to the public and to companies. Capgemini Consulting will head the project during this 3-year contract. The strategy and transformation consulting arm of the Group will coordinate the consortium of actors responsible for the management of the project. This task includes, in particular, sharing the technical knowledge required to publish open data and creating strategies to optimize the use of this data. Over time, one of the challenges will be allowing companies to enhance this data through the use of predictive analytics, in order to develop new products and services.



# INDUSTRY ANALYSIS UTILITIES COMPANIES PREPARE FOR A DIGITAL FUTURE

Just one month before the historic COP21 agreement to combat climate change\*, Capgemini published the results of our annual study on the European energy markets. In a difficult environment, as much for gas as for electricity, the energy transition continues to have a big impact on utilities companies (the growing importance of renewable energies, decentralized production, etc.). The European Energy Markets Observatory estimates that the use of digital allows companies to adapt to this change and increase productivity at the same time.



On December 12, 2015, 195 UN member states ratified in Paris a universal agreement on climate change as part of the 21st United Nations climate change conference (COP21). The goal is to limit the rise in global temperatures to 1.5–2°C from now until 2100.

1. A landmark year 2015 highlights

### **INNOVATION**

# "APPLIED INNOVATION EXCHANGE" FOR FASTER TRANSFORMATIONS

Today, innovation efficiency is measured by the ability of companies to transform as many ideas as possible into actual projects, in order to quickly expose them to market expectations. In the digital age, everything is accelerated; innovation has entered into a "test & learn"\* mode: faster, less expensive and open to collaboration. This is the challenge for the Applied Innovation Exchange (AIE) program, launched by Capgemini at the start of 2016, and based on a worldwide network of more than 40 innovation centers. In these centers, clients test the most innovative technologies (Internet of Things, data analysis, the cloud, cybersecurity, etc.) to develop pilot projects. Clients can also take advantage of industry expertise across the entire network, regardless of their location. The Munich center (Germany), for example, is specialized in the automotive sector and the Lille center (France) is specialized in large retailers. The new San Francisco center (USA) offers a unique capacity for joint innovation with major companies and high-tech start-ups from Silicon Valley (see p.48).



\*The "test & learn" innovation method involves experimenting with new solutions on a small scale to learn lessons quickly, while keeping down costs and risks.



# TALENT A GREAT PLACE TO WORK

For the first time, Business Today, one of the top Indian business magazines, has ranked Capgemini among the country's top 25 "best companies to work for." The Group comes in at number 12 across all sectors.

Now more than ever, India is one of the Group's major nerve centers. With more than 85,000 employees in December of 2015, its role is to put greater emphasis on innovation and local services for clients.

# CONTRACT WON THE US STATE OF GEORGIA

Under a 7-year contract, Capgemini will ensure the integration of the Georgia Technology Authority's (GTA) IT services. This public authority manages the infrastructures of over 85 federal entities and 1,300 government agencies located in the state of Georgia. The Group will be responsible for coordinating services supplied by multiple service providers, particularly in the fields of invoicing, services for citizens of Georgia and risk and security management. The fact that this new client has chosen Capgemini validates our ability to manage increasingly complex IT infrastructures, which bring a growing number of providers together.



# STRATEGY OUR CLIENTS IN THE SPOTLIGHT

The "Rencontres" events are always a key moment in Capgemini's strategic cycle. Every two years, they bring the Group's 500 senior managers together to discuss future goals and test their visions on the Voice of the Market. Following the technology partners' 'Rencontres" in San Francisco in 2013, it was the clients' turn to share their technological and business challenges at the 25th "Rencontres" in Rome in October 2015. In particular, the IT managers and directors of four key clients presented their digital transformation strategies: BNP Paribas, Air Liquide, Coca-Cola and Johnson Controls.

# OFFER CYBERSECURITY EXPANDS ITS NETWORK

One year after its launch, the global cybersecurity service line is consolidating its business IT systems security and management offers. The agreement with our American technology partner Fortinet, which was finalized at the end of 2015, allows Capgemini to protect the most demanding environments (applications, next-generation data centers). Now, clients also have access to cloud-based solutions in order to manage and control how individuals access their IT systems. This offer was developed with RSA, the security subsidiary of EMC, an American specialist in cloud technology and a long-standing partner of the Group.



# REPUTATION CAPGEMINI: A STRONG BRAND

For the second consecutive year, Capgemini has been named the "most influential French brand" on LinkedIn, the online professional social network that connects 364 million users. This ranking assesses brands' involvement in the network, their traffic and the engagement generated by their content. Capgemini is also the French brand with the most progression in the 2016 brand value barometer created by the British analyst Brand Finance\*. The consultancy estimates that Capgemini has seen its valuation increase by €1 billion in one year (+45%). This moves us from 47th place to 29th place in the Top 50 French brands.

\*To estimate a brand's value, Brand Finance uses the Royalty Relief method, which determines how much a company would be willing to pay to license its brand as if it were not its own.



# NEW BUSINESS LINE BUSINESS SERVICES: ADDING THE FLEXIBILITY OF THE DIGITAL

Companies today want to take advantage of the flexibility offered by cloud technology for all of their IT services. When entrusting all or part of the management of their business operations to Capgemini (finance, procurement, human resources and customer relationship management), they now expect commercialized "As-a-Service" solutions that include both the outsourcing of their support functions (business process outsourcing, or BPO) and the associated IT systems (infrastructure, applications). This is why, in 2015, Capgemini revamped the range of solutions we call Business Services. Designed as an integrated technologies and business operations management platform, Business Services uses IGATE's innovative expertise in this field (see p.23). The range can also be used to address different business sectors' specific needs-for example, insurance claims management or logistics for distribution companies. For our clients, this means IT investments measured to meet the needs of their business functions and solutions that can adapt alongside their development projects, all thanks to the digital.

# CONTRACT WON CRÉDIT AGRICOLE: DIGITAL FOR 52 MILLION CLIENTS

Throughout the duration of

a seven-year partnership, Capgemini will co-manage the modernization of IT infrastructure for SILCA, the IT subsidiary of French group Crédit Agricole. There are two main tasks: to support the leading European retail bank—which has 52 million customers—in the digital transformation of its business activities, and contribute to the consolidation of its infrastructures. Together, the two companies are committed to reducing the costs of IT infrastructure management through the industrialization of processes and the standardization of services. At the same time, we aim to maintain the high quality of these services. As part of the joint venture, Capgemini is overseeing the maintenance of a portion of Crédit Agricole's IT infrastructure. We will also provide consulting services to the group, in the areas of innovation and IT security, thanks in large part to the support of the Innovation Center in San Francisco (see p.52) and its network of technology partners in Silicon Valley.



# A Group on the move

At Capgemini, we are building on what makes us strong and unique: a constantly expanding range of services, specialized sector-specific solutions, technology partnerships and the talents of 180,000 employees.







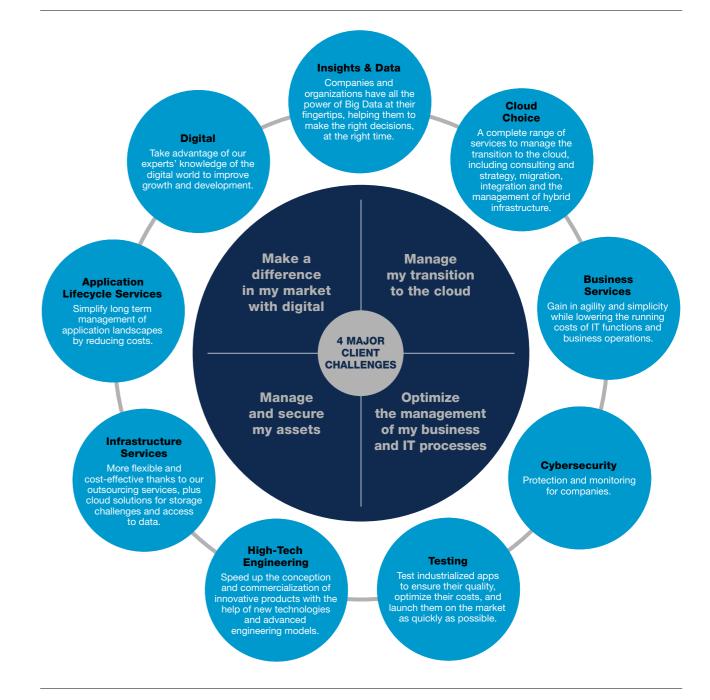
P.40 Talent



P.44 Social responsibility

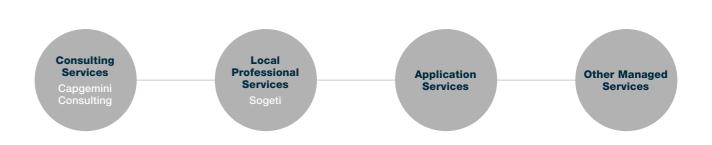
# **OUR SERVICES**

Discover some of the most innovative services in our portfolio.



# **OUR BUSINESSES**

A complete range of businesses to meet all of our clients' challenges.



# A competitive edge for Capgemini and its clients

**Questions to Patrick Nicolet. Group Management Board member, Competitiveness and India** 



# What challenges do Capgemini clients face in terms of competitiveness?

Patrick Nicolet: The vast quantity of data available today is encouraging companies to embark on their own digital transformation processes Hoping to adopt new business models centered on the latest technology, companies are faced with two challenges of an unprecedented scale: accessing data (now possible thanks to the development of the cloud) and data processing (requiring automation). In a highly competitive environment, they need powerful industrial capacities with the best quality/price ratios in order to make their transformation a success

# What were the reasons behind creating a central department dedicated to Competitiveness in January 2016?

P.N. We created a new central department tasked with managing the competitiveness of the Group to respond to these new challenges and support the evolution of our portfolio of services. Service quality, the reduction of production costs and the creation of industrial platforms all fall under the responsibility of this department.

We need to organize our resources at the Group level to support our clients and operations in their transformations to improve efficiency, all while strengthening our ability to stand out from the crowd. This combination will ensure superior performance, both for our clients and against our competitors. •

# **Prioritizing** operational excellence and service quality

Technological innovation enables us to develop methods and processes that simultaneously contribute to the operational excellence and quality of the services that we deliver to clients.

Every day, no less than 40,000 Capgemini engineers use digital visual management methods to communicate with team members around the world. Other collaborative tools allow us to establish continuous improve- Lastly, Capgemini's secret weapon ment procedures and benefit from collective intelligence to better serve Group clients.

# AGILE METHODS AND AUTOMATION

"Capgemini has also invested in methods and tools that marry production quality with a constant increase in productivity," explains André Cichowlas, in charge of Quality and Delivery at Capgemini. "We use agile methods for many projects to shorten control

cycles between conception and production. Automation, meanwhile, is now improving our entire service range by favoring repeatable outputs and service quality. Our process automation (UiPath) and automatic incident analysis (Automic) are just two examples of this."

### INTEGRATED RESOURCE MANAGEMENT

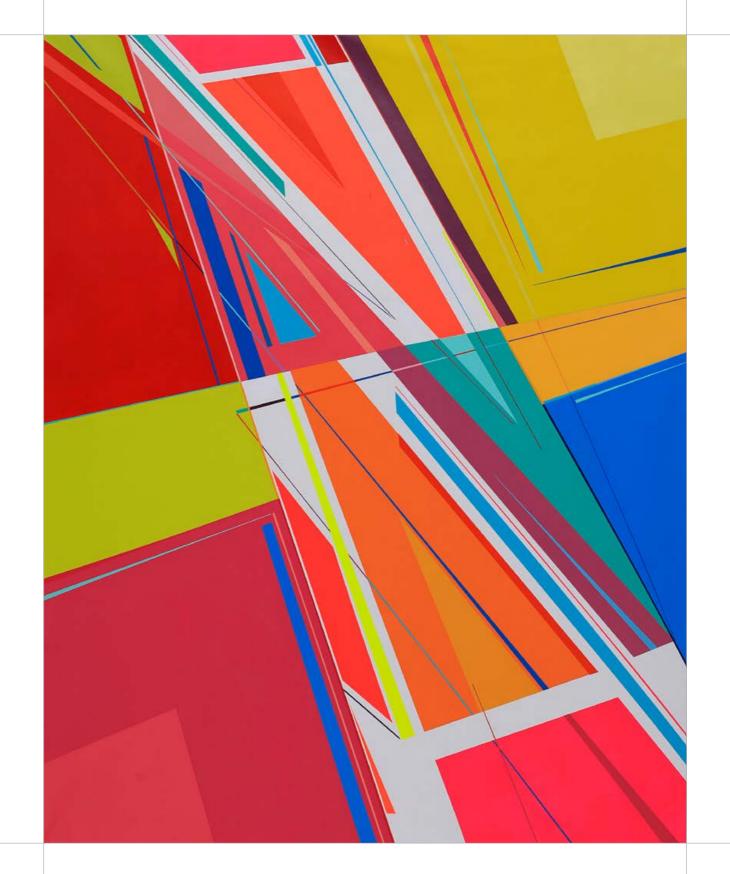
in terms of competitiveness is the way employees are continually developing their skills. As well as offering training and community activities, the Group uses integrated management of its human and material resources so that they are readily available for the desired date, time and price. For clients, this is unequivocal evidence of our efficiency and productivity. •

# The powerful Indian engine

In 2001, Capgemini had 250 employees in India. With over 87,000 employees and 42 sites in 10 different cities, the country is now the Group's center of gravity. Indian production centers have allowed us to successfully support over 800 companies worldwide, each of them leaders in their respective

For Srinivas Kandula, heading Capgemini in India, "the country is playing an ever-greater role in the Group's innovation. In particular, India is home to several Centers of Excellence, various labs working on original solutions, and to the Applied Innovation Exchange (AIE) in Mumbai, which is part of the worldwide AIE program (see page 53)."

Capgemini's Indian engine was fueled by the acquisition of IGATE in 2015. To celebrate this successful integration and recognize the talents of our employees, the annual internal My Jashn event was the setting for a unique collective achievement, listed in Guinness World Records: 4,276 employees took part in the largest-ever Bollywood dance lesson.



### KENOR - "Acid Techno"

Whether he is creating paintings, street art, sculptures or installation, Catalan artist Kenor seizes every opportunity to use his vivid color palate. Dance and music are an integral part of his work, as is the strong presence of lines representing rhythm and movement. His pieces rely on his spontaneous energy and each one is meticulously constructed. http://galeriecelal.com

# Deeper understanding of clients' sectoral challenges

Questions to Perry Stoneman, in charge of Sectors at Capgemini

# How has Capgemini's sectoral strategy changed in 2015?

Perry Stoneman: It is becoming increasingly essential for a service company like ours to be familiar with the daily challenges and specific changes facing every sector. The digital transformation is making itself felt in every business, but it looks different for a large bank, a transportation company or a mobile telephone company. As such, it is important to comprehend precisely which new challenges it brings.

Now more than ever, Capgemini's role is to help our clients understand the major challenges facing their individual sectors. Therefore, the Group is structured to maintain close relationships with our priority sectors and develop tailored solutions that are consistently relevant and effective. The value of this approach shows in our results: in 2015, digital and cloud solutions accounted for 22% of the Group's revenue, a 23% increase from the year before.

# You mentioned the digital revolution. What other trends do you see in the market?

**P.S.** Right now, we are witnessing a collision of sorts between industries that have traditionally been very separate. Conventional boundaries are disappearing. These days, for example, an internet giant can develop its own business in the consumer goods domain, and a global player in the furniture industry can diversify itself in order to enter into the insurance sector.

Businesses need to stay abreast of events beyond their own sectors so that they are prepared to make innovative development choices. Capgemini provides them with innovative tools to facilitate this cross-disciplinary vision and help make the difficult decisions.

Another key trend of today is putting the focus on the end customer. The use of digital technologies and big data is changing the landscape Customers are better informed and have greater influence and decision-making power. They demand fluid and personalized interactions before, during and after making their purchases. Although these new behaviors differ greatly from one sector to another, we develop solutions to help our clients keep pace with this massive change.

# Does the IGATE acquisition strengthen your presence in certain sectors?

**P.S.** This acquisition has strengthened Capgemini's position in several sectors, most notably in insurance, financial services and manufacturing, with clients such as an international insurance broker, General Electric, and a large North American bank.

IGATE also provides us with additional benefits in terms of comprehensive sectoral solutions, which combine services tied to applications and infrastructure, such as the IGATE Business Administration Services (IBAS) for the insurance industry and the IGATE Data Management Solution (IDMS) for the retail-banking sector.

Below: a client actor of the innovation, in the Munich Innovation Exchange.



Insights into six key sectors

### 04

Consumer Products, Retail, Distribution & Transportation

# 02

Energy, Utilities & Chemicals

### 03

Manufacturing, Automotive and Life Sciences

# 04

Public Sector

# Financial Services (Insurance and banking)

### 06

Telecommunications, Media and Entertainment

# Solutions tailored to the needs of each business

Capgemini has created expert panels for each sector, comprising senior managers representing all aspects of business and every region of the world. "Our aim is to scrutinize sectoral developments as closely as possible so that we always stay one step ahead of the game," says Jean-Philippe Bol, in charge of Application Services within Application Services Two\* at Capgemini.



# SOLUTIONS TO REINVENT THE CUSTOMER JOURNEY

An example of this approach can be seen in the automotive sector. Kai Grambow, in charge of Automotive Sector at Capgemini, regularly meets with 25 top managers. "You can't survive in the automotive sector without a global approach," explains Grambow. "It's a highly concentrated market with a small number of very large clients. Alongside the panel of experts, we are developing projects across the entire Group."

The Automotive Expert Panel, for example, played a key role in the creation of AutomotiveConnect. This innovative offer integrates a range of 30 solutions around three themes—Connected Customer, Connected Vehicle and Connected Insights—designed to improve or even reinvent the customer journey in this sector.

Another sectoral solution is the new cloud platform, which enables banking institutions to strengthen their customer relationships. This full-fledged ecosystem uses a solution developed by the Swiss banking software provider Temenos, in combination with other pricing, payment and decision-making tools. By taking their existing applications into account, it enables banks to replace their traditional systems in a flexible, quick and economic manner.

# IMPROVING OUR SECTORAL CENTERS OF EXCELLENCE

This year, Capgemini worked to improve its six sectoral Centers of Excellence—networks of specialized teams that support clients in the deployment of the Group's solutions. These experts act in partnership with the Innovation Centers from our Applied Innovation Exchange (see p. 48) and the company's various technology partners. As such, they act as an important selling point for major clients.

# MAKING A DIFFERENCE FOR OUR CLIENTS

Across the sectors, we were many clients' top choice this year. For example, Nationwide Building Society—world leader in real estate loans—chose Capgemini to simplify and modernize its customers' digital experience. "In the era of permanent connectivity and mobile banking, customers expect 24/7 access to their financial institutions and high added value services," states Debra Bailey, in charge of Information at Nationwide.

Zurich Insurance—a Swiss insurance company with locations in 170 countries—entrusted Capgemini with the implementation of a comprehensive transformation program. The goal of this program is to improve the experience of its UK customers, while simultaneously reducing costs. The first phase, successfully completed in 2015, saw the creation of a new platform for insurance claims management that significantly cut down on manual processing steps, improved data management and helped keep consecutive losses due to fraud and improper claims management to a minimum. •

\*Application Services Two: Benelux, France, Germany and Central Europe, Southern Europe, the Nordics.

# Energy: Eneco Group's transformation

The projects we have undertaken for Eneco are an example of how Capgemini's expertise is recognized in the energy sector.

The Eneco Group is a Dutch company that specializes in green energy and currently has over two million customers. Having turned to Capgemini for its Infrastructure Services the company wished to extend the partnership by entrusting the Group with the transformation of its entire IT system. The aim was to reduce costs and create a platform from which the company could launch future services that respond to its customers latest needs

Capgemini has also agreed a partnership with the Eneco Group to capitalize on the know-how of both firms. Together, we will devise innovative services as part of the Utility to Energy Services program, Capgemini's transformation pathway that helps utilities providers to become true energy services companies.





# Distribution: zooming in on the value chain

To learn more about the major challenges facing distribution players, read Rethinking the Value Chain: New Realities in Collaborative Business, a report conducted by Capgemini, in conjunction with the Consumer Goods Forum, which brings together top managers from 400 of the world's largest distribution companies.

Download the report at capgemini.com

# A partner ecosystem to stay one step ahead

**Questions to Fernando Alvarez,** in charge of Partnerships and Strategic Initiatives, at Capgemini

# How did Capgemini strengthen its technology partnerships in 2015?

Fernando Alvarez: In 2015, the team in charge of alliances and partnerships made significant progress in strengthening Capgemini's strategic ties with our technology partners. Overall, Capgemini signed around 50 new Cooperation Agreements with partners. We developed relationships with multiple innovative start-ups—from small, highly specialized technology innovators in Silicon Valley-to those who shape and lead transformation in their respective markets, like Amazon Web Services and Google.

One of the best examples of this acceleration is Capgemini's partnership with Salesforce. An experienced manager is now dedicated to the rollout of these products and services on the market. In addition to this, Capgemini acquired Oinio, a major partner of Salesforce, at the beginning of 2016. This operation helps to strengthen Capgemini's digital transformation offeringswhich are built around the Salesforce platform and its solutions—in Europe and Asia. Furthermore, Capgemini, along with five other global players, has been selected by the US General Services Administration (GSA) to provide Salesforce solutions to all other federal agencies in the country.

# Were any other partnerships forged or strengthened this year?

F.A. Yes, I think one of the most innovative was the agreement signed with NetSuite, a world leader in ERP solutions (Enterprise Resource Planning) in cloud mode. In fact, the Group became NetSuite's exclusive distributor in France, a novelty in the market. According to Zach Nelson, CEO of NetSuite, "this agreement is part of an already strong relationship and enables our French clients to accelerate their growth within a competitive environment." A number of major partnerships have also been established in the field of cybersecurity. Among these is American company Fortinet.



Together, our two companies are offering new services for the most demanding environments: application security and security for next-generation data centers. We aim to improve the ability of companies to detect increasingly sophisticated cyber-attacks, so that they can better protect against them.

In 2015, we have explored new 360° development models with partners such as IBM, HP, EMC. SAP and Microsoft. For Capgemini and its partner, this means each becoming the client of the other, in addition to doing business with shared clients. The results are positive and we plan on continuing to develop this approach. Thanks to this successful resale initiative, we have driven further alignment with partners while solidifying our position with clients.

# How have you prepared your employees for these challenges?

F.A. In June 2015, Capgemini University organized a "Business Priority Week", which is an internal program centered on client expectations. More than 300 managers representing 26 different nationalities broadened their understanding of our partner ecosystem and came together to generate ideas on how best to optimize it for the benefit of our clients. •

In harmony with our partners

Strategic partners: EMC, IBM, Microsoft, Oracle, SAP.

Specialized new champions:

**Digital Customer** Experience

Adobe, Pega, Salesforce

Cloud Amazon Web Services. Google, NetSuite,

Insights & Data

Cloudera, Informatica, Intel, Pivotal, SAS, Teradata.

Cybersecurity HP. RSA Security.

Testina

CA Technologies, HP.



# Helping companies to get ahead

The market realities are changing and innovative Technology Corporation and its contribution to technologies are transforming the playing field for companies. Now more than ever, Capgemini's clients need to have access to partners who are experts in their areas of business if they want to make a difference.

As such, we will be working on defining our strategy and growth model in order to build sectoral technological ecosystems, based on close relationships with our partners. We will be assuming the role of deal shapers and expediters of new business models, addressing pressing clients needs with alignment and commitment from capability units, in order to bring partnerships to the next level.

This year, the Global Channels & Partnerships team will focus on supporting business acceleration across the Capgemini Group in the following key areas: Digital, Cloud and Business Services. In order to so, we will consistently present our full business and technological potential to our partners, providing and co-creating new point business solutions, while keeping the Capgemini teams aware of the partner's strategic roadmaps, in order to achieve full alignment in relationships.

# **ENRICHED PARTNERSHIPS** WITH IGATE

This acquisition presents a genuine opportunity. IGATE brings us into contact with new partners who help to expand our ecosystem. Such is the case for the American company Parametric

our engineering services.

Like Capgemini, IGATE has also developed partnerships with key players such as Microsoft, Salesforce, Oracle and SAP. Since they often operate around different themes from us, these partnerships will provide greater opportunities for collaboration with the big names in technology.

### CREATING INNOVATIVE BUSINESS MODELS FOR OUR CLIENTS

In the next year and beyond, we will continue to invest with our partners in order to create innovative business models that generate value for all of the ecosystem players, as well as our clients.

For example, working with the Insights & Data Global Business Practice, we will collaborate closely with companies working on cognitive technology systems-like IBM Watson-that are capable of learning from and revealing insights about large amounts of data, in order to develop and sell solutions within Utilities, Manufacturing and Financial Services industries.

Overall, we strongly believe in building Partner Ecosystems to support both our existing and future large transformational client programs and drive investments made by Capgemini and our partners to jointly solve business or industry-specific issues. In the end, it's about helping client companies become leaders in their markets! •

Cloud Choice: more effective solutions for each client

Cloud Choice is the latest cloud service from Capgemini. Its strength lies in its ability to gather solutions from our vast ecosystem of technology partners, therefore bringing together all the services that companies need (consulting, applications, infrastructure). As Paul Nannetti, head of Infrastructure Services at Capgemini, points out, "in this way, the Group is fully independent when it comes to selecting the most effective solution for its client." This is a major asset because every company looking to migrate to the cloud environment adopts a different approach and different objectives. Microsoft and Amazon Web Services have already integrated Cloud Choice and will be joined by other big cloud players in 2016.

# Agility and diversity: qualities that help us to stay on top of our clients' challenges

Questions to Hubert Giraud, Group Management Board member, People Management and Transformation

# Agility is at the heart of your Human Resources strategy. Why is it so important for Capgemini?

**Hubert Giraud:** Our economic environment is constantly changing. In this digital era—often considered to be a new industrial revolution—agility is key to tackling the new challenges that constantly appear. Our markets, our clients' expectations and businesses in general are constantly evolving. In order to keep up, our talent management strategies need to adapt at the same pace.

The future belongs to leaders who are adaptable and can help evolve our organizations quickly and regularly. For this reason, we have redesigned our leadership development programs. The "Game Changers" initiative (see opposite and on page 43) is a good example of this—it allows potential young leaders to transform the business from the inside, through targeted projects.

Agility is at the heart of our future leadership model and our talent development. Along with speed and imagination, it is among IGATE's key characteristics (see page 23). We want to be inspired by these positive elements and use them to create a real opportunity for the Group.

# Something else that you consider a priority is taking the expectations of the digital generation into account. What does that mean?

H.G. The digital generation—which includes "Millennials", born between the start of the '80s and the early 2000s—is comfortable with fast and fluid new ways of operating and has specific expectations because of this. These employees are looking for a greater sense of ownership in their work and want to learn from the best. It is also normal for them to give their opinion on subjects that concern them and they don't hesitate to "like" (or not!) their boss or their company. Their search for fun—one of the Group's



values—and desire to progress are very powerful motivations. The appeal of digital also helps to renew young engineers' interest in IT, while simultaneously leveraging an entrepreneurial spirit and a start-up management culture.

Therefore, it is up to the most senior managers to find the best ways to attract and hold on to this talent. This will be a major challenge in the years to come. Especially for Capgemini—although we recruited nearly 20,000 young graduates in 2015, we are still facing intense competition for talent in our markets.

# Diversity is also a key theme for you in 2016. Why is it so important?

**H.G.** Diversity is crucial if we want to be agile. We can make a difference in our markets and for our clients by taking advantage of the unique aspects of all of our teams throughout the world, in terms of culture, geography or expertise. Over many years, our employees have become accustomed to working in diverse and interdisciplinary teams—it's one of our biggest assets.

As an area for improvement, we need to put a greater emphasis on the role of women in our organization. To help further equality, we are implementing a number of measures through our recruitment, promotion and training processes. We have also made commitments to achieving clear, ambitious and quantifiable targets for the years to come.



Marjolein Holsboer, "Game Changer"

### Current position:

Global Service Delivery in charge of production for the client Schneider Electric

Year started at Capgemini:

Nationality: Dutch

Distinguishing feature:

Feels "like an entrepreneur in her own company."

# Game Changers Project

Foster the relationship between Capgemini and its clients by improving customer experience management. The goal of this initiative is to test out the implementation of quick, simple and concrete improvements in 2016 (see page 43).

### Her opinion

"Srikanth Ivengar Sales director for Capgemini, acts as our project's sponsor. My personal mentor is Erwoan Touche, who is in charge of delivery activities for AppsTwo\* Being in contact with senior managers is very stimulating. The relationships with other members of the program are also very enrichingnow I know who can help me to 'shake things up.'"

\* Application Services Two: Benelux, France, Germany and Central Europe, Southern Europe, the Nordics.

# Valuing our differences

As a global company with multicultural teams and interconnected markets, promoting diversity and welcoming people from all backgrounds, origins, cultures and fields of expertise is a priority.

Through the "Women@ Capgemini" program, the Group has worked for several years to improve the representation of women among our employees. With the 2015 launch of the "Men Champions" subset of the program, 40 men who we consider to be leaders or future leaders of Capaemini decided to invest in becoming internal and external ambassadors for greater gender diversity.

The Group has also committed to achieving targets aimed at including one additional woman in each of the main business units' executive committees by 2016, and in those of the strategic units by 2017. We have also committed to increasing the percentage of women in middle management positions to 25% by 2018.



# Adapting to changing needs

Changes associated with our environment, client expectations and digital transformation all continued at a steady pace in 2015. These changes require a different type of employee profile.

In today's world, understanding the most complex technological challenges and having a global vision are crucial. The new managers should also be able to coordinate teams located all over the world. Such candidates are in high demand. In order to better identify them within the market and to bring out those within our company, Capgemini is implementing original recruitment methods.

### UNCOVERING FUTURE TALENT

Future talent is not always where you expect to find it. LinkedIn is an important and effective tool to target and quickly contact candidates. With over 170 Human Resources employees who have LinkedIn Recruiter Certification—and who make daily profile searches according to their needs—we are now the global leader in using this network for recruitment purposes.

We have also launched several initiatives to make our employees Capgemini ambassadors on social media platforms. During the #Gradathon project, for example, recently recruited young graduates spent a month sharing

their experiences of working at the Group with their peers via Instagram, Facebook and Twitter. Similarly, the #LifeAtCapgemini and #BeTheYou programs give all of our employees the opportunity to share their stories of being a Capgemini employee. Thanks to #BeTheYou, the number of visits to the Group's recruitment web page rose by 67% in 2015.

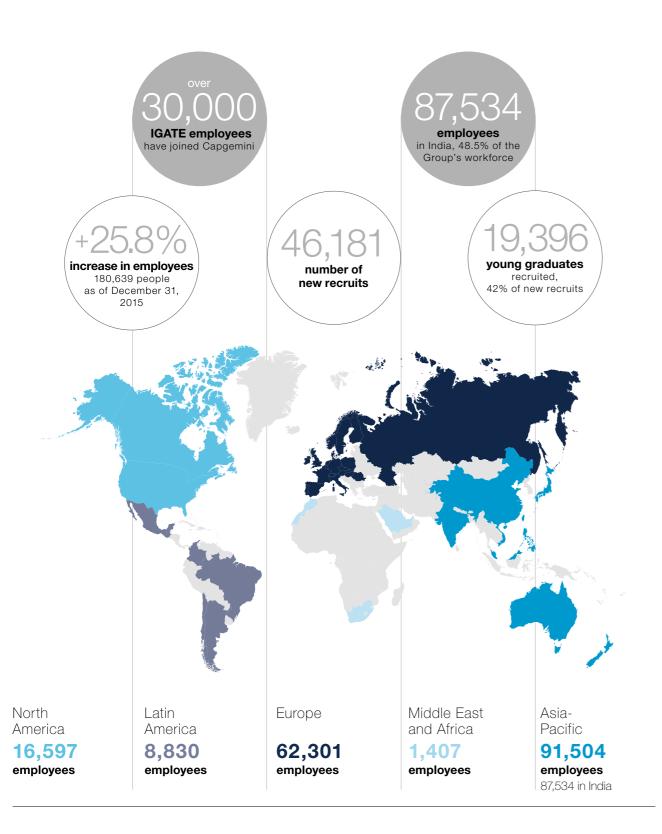
Another new idea that made a big impact, especially on social media, was the launch of the "Innovators Race". This competition saw young graduates from top schools and universities in six different countries put their innovative ideas into practice by working on a real business challenge for the following companies: Barclays (UK), AccorHotels (France), Natura Brazil (Brazil), Reliance Jio (India), Openbaar Ministerie, the Netherlands' public prosecution service (the Netherlands) and the Boys & Girls Clubs of America (US). The winners get US\$25,000 and an opportunity to gain professional experience at Capgemini's new Applied Innovation Exchange in San Francisco. The Indian team "Technetium" won the first prize, by confronting the Brazilian team (see page 51). Also of note is the creation of the Capgemini Alumni network, called "Circle". Thanks to this network, leaving the company is not the end of the road, but the beginning of a new relationship. At its core, it is a forum for exchange, whether it be professional, commercial, or simply social.



1. A landmark year Talent

# Talent throughout the world

As of December 31, 2015





 $\longrightarrow$ 

### FOSTERING COMMITTED LEADERS

In 2015, we created "strategic talent reviews" to identify future leaders. The aim of these meetings is to review top management and to discover potential talent. Initially carried out in India, the US and Germany, they will be implemented throughout the Group in 2016.

Another notable initiative is the launch of the "Game Changers" program, which aims to instigate change within the Group and accelerate the career paths of particularly dynamic candidates. Around forty employees were chosen for their broad vision and their ability to implement game-changing ideas. These are essential qualities for managers, who must inspire their teams with a spirit of innovation and change. These "Game Changers", 41% of whom are women, come from 13 different countries. Over the course of a year, they will undergo training and participate in dedicated mentoring sessions. In return, they will be working on projects that require creative solutions, helping Capgemini to tackle its main challenges.

The Group's mobility program is also aimed at developing agility and adaptability in our employees. We want to encourage openness and to bring people out of their comfort zone. Geographic and operational mobility have long been valued within the Group and will be seen as a necessary step to progress to certain career stages starting in 2016. A set of mobility guidelines will be available to support this new change. •

# Les Fontaines: A campus of Excellence

Les Fontaines is Capgemini's global campus. Located just outside of Paris, it acts as our primary training center. Each year, the campus welcomes employees from all over the world (21,000 employees in 2015) for training or internal events which are often open to our clients. It is an effective way to share experiences and align practices across all entities. Since its establishment in 2003. Les Fontaines has played host to around 2.000 events for external companies. It was also awarded the European Union (EU) Ecolabel certification, which attests to its exemplary environmental approach.

5.19 million hours of training (40% via e-learning)

# Capgemini University: even more innovation

The University ensures that employees have the necessary expertise to meet our clients' changing needs. According to Steven Smith, director of the University: "Capgemini University is the engine that drives the entire company toward digital and the cloud, through trainings and relevant experiences that place the emphasis on new behaviors. We are at the service of the Group's strategic objectives and support its transformation."

Some examples? This year the University focused on "DevOps" activities, which are a set of technologies and working methods that bring the design, development and operations teams together. These methods help bring innovative solutions to the market more quickly. A session called "Business Priority Week" was organized at the Les Fontaines campus, near Paris, to demonstrate the effectiveness of the "DevOps" approach to our employees and clients in attendance.

On the agenda was an event called a "hackathon", in which developers and designers worked together for over 36 hours to create a prototype of an application, with the objective to improve the experience of individuals who are participating in trainings provided by the University. Six teams—from Germany, France, India, the Netherlands, the UK and IGATE—worked on site, with active engagement from the 300+ participants from all our businesses, present at the event.

In 2015, the University also launched TechnoTrends, an application that lets employees learn about the latest technological trends. The University also made significant investments in order to better accommodate new ways of working. For example, it launched a new MOOC (Massive Open Online Course) which is open to all young engineers in the Group who want to build on their existing digital skills. The University also offered a beneficial and intuitive new training platform using software from SkillSoft, a leader in e-learning solutions. In total, more than 143,000 employees underwent training in 2015, a 7.6% increase from 2014.

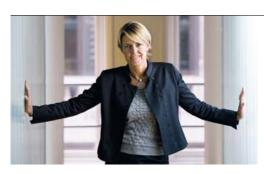


Capgemini University is located at the Les Fontaines campus outside of Paris which also plays host to other companies' seminars and conventions.

# Corporate **Responsibility &** Sustainability

**Questions to Christine Hodgson,** co-head of the Capgemini CR&S Strategic Committee\* and Business Coordination in the United Kingdom

\*The body responsible for the Group's Corporate Responsibility & Sustainability (CR&S) policy.



The COP21 climate change conference took place in Paris in 2015. How do Capgemini's environmental actions fit into this wider context?

Christine Hodgson: Paul Hermelin demonstrated the Group's environmental dedication by making a commitment alongside roughly 100 other large companies. Capgemini's Chairman and CEO signed the "Business Proposals for COP21," which aims to accelerate investments in "low carbon" solutions and increase research into these subjects. COP21 will serve to raise the expectations of stakeholders (clients, employees, shareholders and partners).



**Our annual Global Community Engagement** Awards help us to recognize the efforts of employees who make passionate contributions in their communities. In a solid performance that included participation from our IGATE colleagues, the event's second edition saw the submission of over 130 projects from 20 different countries. Over 9,000 employees voted for their choice in the 'People's Choice Award'.



**James Robey** in charge of CR&S at Capgemini Capgemini has what it takes to respond to this challenge. For example, 11 of the Group's main countries now have ISO14001 certification. This standard outlines what is required of organizations as they develop meaningful environmental policies and objectives. In 2015, Sweden, the US and Canada joined our list of certified countries.

In India, our Center of Excellence for the Environment provides support for all Group entities willing to develop an environmental project, for internal use or for our clients. We are also working towards ambitious objectives for the whole company. Our aim is to contribute to the commitments made by countries such as France, which plans to cut its carbon footprint by 20% between now

# Have you made other commitments for the future?

C.H. Yes, we also set the bar very high when it comes to our commitment to community engagement. Since 2014, the Global Community Engagement Awards competition has rewarded the actions taken by our employees around the world to benefit their local environment (companies, schools, charities, etc.). In 2015, over 130 projects were submitted from 20 countries. The Group has also set itself the ambitious objective of touching one million lives all over the world by 2020.

# What is IGATE's CR&S strategy?

C.H. This is another field in which strong similarities exist between the two entities. Education, for example, is the central tenet of the iCare program created by IGATE, a company that was acquired in 2015 and is well established in India (see page 23). It is also the driving force behind Capgemini's ambitions for 2020. It will be the main principle unifying our community engagement initiatives in the coming years. •

The three main assets of the Group's CR&S strategy

Environmental Sustainability

Community Engagement

**People Culture** 

Supported by the Group's seven values and our ethics policy:

- Honesty - Boldness
- Trust
- Freedom
- Team spirit
- Modesty
- Fun

that get results

**Concrete actions** 

In light of its conviction that long-term growth is unattainable without a constant CR&S commitment, the Group created a new and dedicated "CR&S Board". This body comprises senior managers representing every section of Capgemini. The board defines long-term CR&S goals and policies with reference to the wider corporate context. It is co-chaired by Hubert Giraud, Group Management Board member. People Management and Transformation, and Christine Hodgson, co-head of the Capgemini CR&S Strategic Committee\* and Business Coordination in the United Kingdom.

### **TOUCHING ONE MILLION LIVES BY 2020**

The community engagement target that we set for Capgemini is ambitious: to touch the lives of one million people by 2020 through the development of effective education projects and skillsbased learning programs. These are pivotal issues in a world where change can see entire communities left behind.

Capgemini has carried out a number of these projects around the world in the last few years; now our challenge is to implement them even faster. In 2016, we will launch a vast education program, ensuring that it reaches those who are most vulnerable, like young people without access to training.

The Prince's Trust, in the United Kingdom, is the embodiment of what the Group is trying to achieve. Capgemini has forged a partnership with this charity, founded by the Prince of Wales, which supports youth employment through education. By 2019, we will have equipped 600 disadvantaged young people with the skills they need to succeed in the digital economy.

### ACTING IN PARTNERSHIP WITH OTHER LARGE MULTINATIONALS

Capgemini is a founding member of the Net Positive Group (NPG) in the United Kingdom, alongside companies including PepsiCo, British Telecom and Dell. This group is going a step beyond the realms of current sustainability practices by restoring the environment and helping people and communities to simultaneously enhance their skills and build their local economies. In effect, they are working to put more back into the environment or society than they take out. with an overall-or 'net'-positive impact. In 2015, the Net Positive Group published reports covering the 12 principles of the approach, measurement and communications.

For further information, visit https://www.forumforthefuture.org/project/ net-positive-coalition/overview



"Jov of Givina Week" is the name of the winning project for the "Best Fundraising Award" category of the

Engagement Awards. Supported by over 2,000 IGATE employees, this project enabled us to

with over 7.700 books and reading spaces.

80% of children in India do not have access to

# Crucial ethics

Ethical conduct has always been at the heart of Capgemini's values. The acceleration of our geographical expansion, multiple challenges arising from new technology and our growing number of employees around the world have created new ethical challenges. According to Philippe Christelle, head of Internal Audit and Ethics & Compliance at Capgemini, "it is our responsibility to prepare for future changes. The values enshrined at the heart of Capgemini by its founder Serae Kampf are an invaluable asset in this regard "

The Group has rolled out an ambitious program to raise awareness about ethical conduct. By the end of 2016, 4,400 managers will have followed a new training program that was launched in 2015, and which had already organized over 120 three-hour sessions throughout the world as of December 31, 2015. This is an important tool to help individuals share best practices within their teams and builds upon "Ethics Street" -a series of e-learning modules.

These initiatives, along with our unwavering commitment to responsible business, resulted in Capgemini being recognized as one of the most ethical companies for the fourth consecutive year ("2016 World's Most Ethical Companies"). This award is given by Ethisphere Institute-a body that evaluates business practices in terms of ethics-to the most exemplary companies

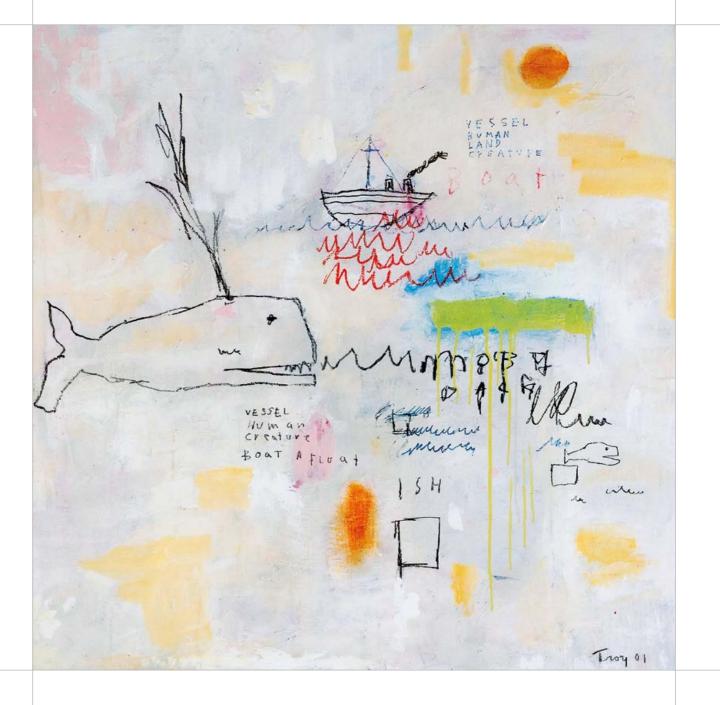
2015 Global Community provide 11 state schools and nearly 4,000 children for setting up libraries





SYLVIE DEMAY — "Petite Canopée"

For this French artist, a painting is a "surface for dreams," offering a language in which to reflect and express private emotions. Her pieces, though free and personal, do not give up all their secrets at once and can seem enigmatic because they play upon revelation and concealment. Demay's work has been exhibited in Germany, France and Japan. http://sylviedemay.blogspot.com/



TROY HENRIKSEN — "Moby Dick"

Born in the US in 1962, Troy Henriksen was a sailor before he started painting. His work is bright, colorful and full of references and details that are only perceptible at the second or third glance. His paintings and collages reflect his character: alert and spontaneous at first sight, but complex and imbued with poetry thereafter.

http://www.galeriew.com/en/artists/troy-henriksen





# Peter Leyden Innovation Expert

Peter Leyden has been observing the tech world since he was managing editor of Wired<sup>(1)</sup> magazine in the early days of the information revolution. Today he's a media entrepreneur at the head of Reinvent, which brings top innovators together to talk about solving complex world challenges.

# What changes have you seen over the last 25 years in the way companies innovate? Peter Leyden:

Three huge shifts are changing the very fabric of how everything gets done: the world is going all digital, fully global and more sustainable. Today 100% of data worldwide is digital. Over the next 10 years, virtually everybody on the planet is going to be connected, and much of the explosive innovation around that is still to come. The business implications of the shift to a much more sustainable world are immense and largely underappreciated at this stage. The consequent reinvention is going to take decades and will require a lot of innovation.

# What challenges do these changes raise for companies today?

P.L. Companies have to be prepared for constant adaptation, constant openness to ideas, constant risk-taking, but without being afraid to fail. That kind of environment essentially allows for explosive innovation. Companies' success will depend upon their ability to innovate and quickly eliminate anything that doesn't work.

# What's the role of technology in this context?

P.L. The thing that's

essential is seeing the core role of technology as a driver. Innovation is a process of rapidly and radically changing what you do to fit the emerging context of our 21st century world. It's not just about adopting a technology or a business process; it's the ability to see where the world is going early on and change what you do to align with that new world. In this context, traditional players won't necessarily be equipped with the same level of relationships or resources as start-ups. For "classic" companies. the main challenge will revolve around one question: how open are they to new ideas and how quickly can they adapt?

(1) Wired is a leading international magazine that explores the impact of technology on our lives. It has been published since 1993.

# **Innovation** is useless unless it is applied

How is Capgemini helping companies to integrate technological innovations at a faster pace in the face of new innovation challenges?

### **JOINT INTERVIEW WITH**

# Lanny Cohen and Jérôme Siméon

(see page 49), businesses are dramatically changing the way they innovate. What evidence do you see of this in terms of client expectations?

Lanny Cohen: First, there is a fundamental challenge underlying all of our clients' needs: innovation is essential in today's world. In the past. it was a driver of competitiveness and growth; today, a company that does not innovate is in danger. Most of our clients are aware that innovation can dramatically affect their industry. As a result, companies need to undergo this process, implement methods and set a pace that helps to drive them forward. This means that, on the one hand, innovation has a much larger impact than ever before. On the other, it means that the players who need to contribute to the innovation process are increas-

As expert Peter Leyden explains ingly more varied. Furthermore, there is the challenge of implementing the innovation strategy. Where do we start and what plan of action do we use? What are our priorities? How can we build a partner ecosystem? These are the main questions motivating our clients today.

> Jérôme Siméon: At my operational level. I see two main expectations from clients. First, they want to understand how new entrants to the market can revolutionize their sector, and second, they want to know how they can reinvent themselves. But I think their main challenge is speed, which leads to a profound change in their thinking. In one recent example that springs to mind, a client told me, "Our objective is not so much to speed up the time to market for innovations in order to learn from them. Rather, we want to make it financially feasible to disseminate them as widely as possible in order ->



The power of the Applied Innovation **Exchange lies** in its capacity to adapt to the specific needs of each client. As an innovation platform, it can mobilize all of our businesses, worldwide sectoral expertise and technology partners.



**Lanny Cohen** 



Lanny Cohen is Chief Technology Officer at Capgemini. He has been at the forefront of aligning the Group's innovation strategy since taking on this role. His team created the Applied Innovation concept, as well as the approach followed in Capgemini's Applied Innovation Exchange (AIE) centers.



In early 2016, Capgemini purchased Fahrenheit 212, a leading American innovation and strategy firm. This strengthens Capgemini Consulting's services. Fahrenheit 212 produces innovative digital solutions for prestigious accounts, such as Coca-Cola, Samsung and Marriott.





# At the Heart of the Innovation Experience

More and more often, Capgemini employees are working with AIE centers, whether it be to help their clients. share their expertise, or learn about the latest technology.

# The Innovators Race in **San Francisco**

As winners of the

Innovators Race (see page 41)—an international competition aimed at engineering and business school students launched by Capgemini in 2016-the Indian team will go to San Francisco to give life to their project, which consists of an online learning platform for educating people in India. It was developed for India Reliance Jio, a Capgemini client specializing in The final round of the competition was featured on CNNMoney's 2020 visionaries Hub and can be viewed at: http://money.cnn. com/technology/2020visionaries/.

to multiply the sources of learning." I think that this need is indicative of the changes that are taking place today and which play as important a role as innovation.

# So, despite common challenges, we're not witnessing a convergence of innovation needs...

L.C. Not on a large scale, because every business is still unique and also because the purpose of the innovation—why the client innovates—is key. Without a clear business objective to govern them, innovation and technology are pointless. This is why Capgemini has positioned itself around applied innovation. At the beginning of 2016, we globalized this approach with the launch of our Applied Innovation Exchange. Helping our clients across all business sectors with a wide array of challenges is what makes us relevant!

J.S. I also think that their failure to align with the business challenges of innovation centers—which continue to multiply in the world's major technology hubs\*-explains their lack of efficiency. In France, even major accounts with their own next-generation R&D centers are nonetheless starting to use the Capgemini innovation space in Suresnes (on the outskirts of Paris), because they believe that both approaches complement each other. This is a great example of why we favor applied innovation.

## What are Capgemini's strengths in terms of implementing this applied innovation for your clients?

J.S. Our major strength is the Group's multidisciplinary approach and our intimate knowledge of the challenges for sectors. We mobilize our businesses—development, strategy and technology integration—to support companies throughout every stage of the innovation process. When a client comes through the doors of any one of our nine innovation spaces or "Exchanges," they have as many as 180,000 employees at their service.

L.C. And not only at every step, but

throughout the entire innovation lifecycle as well. In my opinion, this is essential. Our contribution goes beyond helping our clients to discover new technologies and "apply" them to their activities by contextualizing them in terms of their business challenges. With our experience in strategy and transformation consulting, we can also intervene in areas below the surface of the metaphorical iceberg that is the organization and governance of innovation. In other words, we can provide support throughout all levels of the company. And this is how we ensure that all stakeholders embrace and assimilate this innovation in order to promote a lasting process that will continue to benefit the client long after our job is done.

# Jérôme Siméon

is in charge of the Capgemini's Application Services unit in France. As such, he works with our clients at the Capgemini Applied Innovation Exchange in Suresnes, near Paris.

\*Based on a study conducted by Capgemini consulting and research firm Altimeter, 38% of the world's 200 largest international companies have created their own innovation centers within technology hubs such as Silicon Valley. Source: The Innovation Game: Why and How Businesses Are Investing in Innovation Centers,

# Guided Tour of the new San Francisco Innovation Center

# Three examples of the power of Applied Innovation Exchange:

The Applied Innovation Exchange (AIE) takes a comprehensive approach to help our clients speed up their integration of technological innovations within their organizations.

### A global ecosystem of technological partners

helps companies to manage market disruptions in a structured manner. The AIE draws upon support from our historic technology partners and high-tech start-ups, as well as venture and investment capital firms.

### In our network of nine **Applied Innovation** Exchange centers,

clients have access to a range of emerging. cutting-edge technologies to develop their projects, including the Internet of Things, data analysis, the cloud and cybersecurity, among others.

### Lastly, the AIE combines the sectoral expertise of all of our centers

to provide solutions that are adapted to the needs of each client, no matter their industry or specialty.

applied innovation

it's all happening." That's why Capgemini chose to open its ninth ter in San Francisco's vibrant South startups, companies sponsored by venture capitalists, food trucks and trendy restaurants. San Francisco's flagship AIE offers the same warm welcome as other Applied Innovation Exchanges. From the welcoming space to the numerous technologies on offer to clients, partners and visitors, everything is designed to favor an exchange of ideas-because the ideas born here will grow into projects that should have tangible benefits for companies.

This large, well-lit, open space, with natural materials and modern furniture, invites visitors to take a step back from day-to-day business. Here you will find neither boardroom tables nor dark suits, but a relaxed atmosphere favoring creativity and discovery. And while the center boasts a state-of-thethat catches the eye is the Frenchstyle café area.

Whatever time of day you visit the Center, you will always find it buzzing with activity. Perhaps you will see a

The heart of Silicon Valley is "where small group of executives discussing technological disruptions in their industry. Or a team meeting focused Applied Innovation Exchange Cen- on the development of digital solutions. Or even an animated debate of Market (SoMa) district—amid between specialists on the best strategy to adopt to get a company off the ground.

As the visit continues elsewhere in the Exchange, visitors discover working spaces where ideas become reality. This is home turf for the developers, who may be busy programming a new virtual reality app, or printing a 3D prototype for a digital-enabled product. Schedules on the walls summarize the ideas and projects under development and those that have just been delivered.

### EXPLORE, SHARE AND APPLY

Most importantly, AIE innovation centers are also tried and tested services that enable clients to innovate by accelerating their integration of technology. It all starts with discovery, to truly understand emerging trends and art multimedia system, the first thing recognize opportunities and potential disruptions. Then it is time to devise and implement a strategy. And if a company wants to compete in today's digital world, there is no better place to immerse oneself in the culture of





25

The San Francisco Applied Innovation Exchange is ideally situated for clients wishing to benefit from the local ecosystem of startups, visionary businesses and leading technology companies that have made Silicon Valley the global center of innovation. In fact, the center specializes in fostering such connections for its clients; other centers are also enriched by these relations. And this driver of success has won the support of many established technology partners.

Lastly, no tour of the San Francisco Innovation Exchange would be complete without mentioning the tireless work that goes on behind the scenes, requiring the expertise of the entire Capgemini Group, our familiarity with all sectors and our wealth of talent. Our team members can be called upon at any time to respond to client needs and their multidisciplinary skills enable the Applied Innovation Exchange to offer a wide and specialist range of emerging technologies, without which no company can succeed in its digital transformation. •



# Euroclear

An international supplier of post-trade services for the financial industry, Euroclear's objective is to satisfy new client demands Mission accomplished With the help of AIE, the company developed new services and now takes part in data analysis in order to further improve its business performance.



# **Boulanger**

How do you put over 20,000 products at customers' fingertips when you are in an urban store with limited space? AIE worked in partnership with Intel to design a smart digital store for this French distributor specializing in household appliances and multimedia devices. The virtual walls and kiosks allow customers to assess all of the products in the catalog in their actual size. Employees are equipped with tablets for a streamlined and paperless customer experience. This is a new concept, which has consolidated Boulanger's position as a leader in customer experience.



Looking for a product in a

# Capgemini: Innovation in the four corners of the world

among the Group's 40 innovation centers, Capgemini has nine Applied Innovation Exchange centers around the world. They share their expertise and collaborate within a network. Most notably, a client can design a project during the day in San Francisco and awake the next morning to find that the final prototype was developed in our Mumbai center overnight.





# Digital transformation, at full speed

In 2015, Capgemini made
the innovative move to
upgrade its cloud and digital
offers, combining the strength of
its various businesses and areas
of expertise. For our clients this
results in more speed, more joint
innovation and greater insights
into their businesses.



CLOUD AND CYBERSECURITY P. 62 Cloud, the new IT



INSIGHTS & DATA
P. 66
Insights at the point of action are driving competitiveness



CUSTOMER EXPERIENCE
P. 68
Emotion in transactions



EMPLOYEE EXPERIENCE
P. 70
Digital transformation:
the new frontier



P. 72
Succeeding in the
4th Industrial Revolution

# What our clients are saying about digital





The next decade will be that of the industrial internet, and we hope that GE becomes the internet giant of this industrial world.



**By Bill Ruh,** Chief Digital Officer, GE, and Chief Executive Officer, GE Digital





Our digital approach sparked a huge surge of creativity among our employees, and therefore our company. We discovered skills and expertise that, until now, had been left untapped.



By Patrick Koller, Chief Operating Officer at Faurecia

# Individuals, companies: a unique digital logic

# **Capgemini** offerings

# Cloud Choice

Known at first for delivering an abundance of inexpensive computing power and storage capacity, the cloud has now become the "new IT". Through its Cloud Choice services, Capgemini provides solutions to clients' challenges.

# Digital Customer Experience/ Digital Employee Experience

As "digital people", we expect companies and administrations to provide a smooth and satisfying Digital Customer Experience; as employees, we have similar expectations of a Digital Employee Experience.

# Insights & Data

New possibilities in analytics and big data allow us to take a big step forward in the use of data and in decision making (insights). Insights & Data is at the heart of a new approach that will bring considerable benefits to many fields.

# Digital Manufacturing

Today, digital is taking on new dimensions, thanks to the internet with the inclusion of connected devices. With the Internet of Things, products and services can send an abundance of data concerning themselves, their users and their environment. Huge numbers of applications are being developed in the industrial sector, to the point where we have entered a digital industrial revolution.

The simultaneous blooming of key Individuals were the To interact with each of us—the "digital first to benefit from the people"-companies and administrations. technologies in the cloud has sparked the digital revolution. digital revolution; along with their IT departments, we have all become need to embark on their own digital "digital people." transformations. A bundle of The cloud **People Companies IT** departments technologies Originally seen as an infrastructure To contribute to the rapid developments Digital technologies have The digital technologies bundled To meet the expectations of capable of offering low-cost of the digital transformation, IT concurrently matured and in the cloud have enabled us "digital people", organizations computing capacity, the cloud departments must become digital, become affordable and to be: have to digitally transform in three has quickly become the IT ensuring their own transformation in easy-to-use; geo-localization essential ways: better informed platform of the digital world: three essential ways: is a perfect example. social These developments are ▶ its unlimited storage capacity ► developing new, closer relationships ► developing new, closer relationships ▶ mobile remarkable on their own, makes it the memory of the with users, partners, suppliers and with users, citizens, employees, but they become even more world > always connected. the business partners and suppliers, and improving powerful when combined in their integration of connected devices This has changed our ways ▶ its software catalogs and its ► increasing their own intelligence the cloud. Smartphones, easy quick development technologies of living and working. As a result, and services thanks to that of the cloud, thanks to connectivity, mobility, access enable it to mobilize the we expect companies and raising their corporate IQ, thanks to catalogs of services and applications, to vast amounts of data and and thanks to cognitive computing intelligence of the world administrations to become insights from data, powerful analytics information, and desirable and distributed intelligence and with its billions of nodes, ▶ more intelligent ► accelerating to "prestissimo" speed, apps are necessary to get us it is the 21st century switchboard thanks to rapid development methods, ► accelerating to "prestissimo" speed, hooked on digital. better connected of the world. thanks to the DevOps\* approach and through adaptive processes, real adaptive thanks to industrialization time responses and fast solution ► much faster, "prestissimo" development. in addition to offering us new business models. \*DevOps is a group of technologies and working methods that aim to unite the design, development and operations teams. The goal is to speed up the development of IT projects,

\*\* Corporate Intellectual Quotien

Corporate IQ\*\*

Speed

Relationships



### GE DESCRIBES ITSELF AS THE DIGITAL INDUSTRIAL CORPORATION OF THE WORLD. WHAT DOES THAT MEAN?

BILL RUH: It means that our ambition is not trying to be digital and industrial; we want to be digital industrial. Such a radical strategy must come from the top and our chairman and CEO Jeff Immelt was indeed the Chief Digital Officer until I joined GE five years ago.

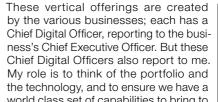
As CDO, my job is to help establish the overall digital strategy for the company, how we do that inside GE, how we do it outside, and to be a change agent to drive our digital DNA. Six Sigma and Lean have brought GE efficiency, rigor and reliability, but they are also the antithesis of speed and agility. So we needed to add a culture of speed and agility, for example with FastWorks—a start-up like way of developing new products, or with new ways of building, testing and deploying software.

# AND HOW DO YOU BECOME "DIGITAL INDUSTRIAL"?

B.R. We have made three strategic decisions. The first is to make our products digital, and to convert to digital the entire way our products are designed, developed, manufactured and serviced. The second decision is to build, in each of our businesses, a portfolio of vertical applications around processes we know well, to offer our clients digital wind farms, digital power plants, or digital oil fields. The third decision is to create an enabler of speed, in the form of a horizontal capability, a common platform across businesses. This is far from our tradition of vertical businesses, but much needed to implement the first two decisions, and to acquire speed like the consumer internet giants: learn and pivot, learn and pivot...

# THIS HORIZONTAL CAPABILITY IS THE ONE YOUR NEW COMPANY GE DIGITAL PROVIDES?

B.R. Yes, and my second role is to be the CEO of this company. The business units like Aviation, Power Generation, Transportation, Renewables, Healthcare, Water, are the single face to the customer and they are responsible for delivering to them what they want: not products, not solutions, not services, but outcomes—for example 20% more electricity generated by the same windmill thanks to digital software.



world class set of capabilities to bring to the market. They own the vertical offerings and I own the horizontal product lines. We integrate across all those and make sure we have a single digital vision around our internal and external systems, to leverage them for the company. GE Digital's objective is to achieve speed and scale.

# AND YOUR INTEGRATION VEHICLE IS A SOFTWARE PLATFORM CALLED PREDIX?

B.R. When you look at the consumer internet giants, they have done a lot of things that we borrow. They figured out the cloud, mobility, and the way to build a platform for distributing their apps. Predix is our platform. Our vision is that it is an industrial operating system, an open operating system.



The next decade will be that of the industrial internet, and we hope that GE will become the internet giant of this industrial world.



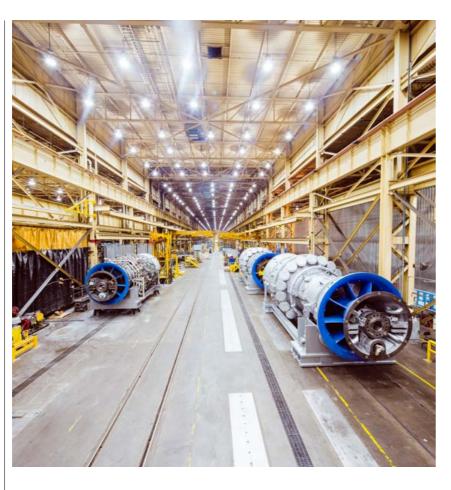






# **General Electric** and **IGATE**: 25 years of trust

As a global preferred partner of GE, IGATE-now part of Capgemini-has been working for the last 25 years across all GE businesses and playing the role of a trusted advisor. GE and IGATE have successfully teamed up on many transformation programs in IT, BPO and engineering. IGATE's teams focused on bringing added value to GE through innovative approaches, strong relationships and service excellence. With GE positioned as a digital industrial company, GE and Capgemini are now developing a partnership to leverage the Predix platform for their common clients.



# $| \longrightarrow$

# WHICH MEANS OPEN TO NON-GE EQUIPMENT?

**B.R.** Definitely! Our approach is in three steps.

The first one is GE for GE-developing for ourselves so we learn internally. Not many companies can develop and test at our scale.

The second step is GE for our industrial customers–offering the best outcomes based on our equipment.

The third step is GE for the industrial world. The reason GE Digital is a separate business is because customers want our equipment to work well on Predix, no doubt, but they also want all their equipment to work on it. They care about the whole power plant, the whole pipeline, and the whole rail system, not just the locomotive. To give our customers a unified view of their operations, we have made a foundational shift; our software is not just for our products but in many cases for competitive products as well. Sometimes no GE hardware is involved, for example at Pitney Bowes as a manufacturer of mailing-label machines and letter-sorting devices, or with Toshiba's elevators.

# OPEN ALSO MEANS OPEN TO YOUR PARTNERS?

B.R. You know that industrial productivity, which was increasing by 4% a year until 2011, has stalled. Every company needs to resume productivity growth. The way to achieve it is by combining many outcomes: the ones which come with our equipment, the ones which come with other equipment, and the ones coming from the many services and applications provided by others. This is why we are building a major ecosystem around Predix. There too, we take a page from the internet providers. You and I use the same platform but combine on it many different apps—the end result is our own. Ecosystems are pretty new to the industrial world, where the requirements—think of regulations and liabilities for exampleare much tougher. In the consumer world, if you drop a line, you just restart. When a power plant goes down, this is a disaster! Predix is built for this industrial world. We lived through a decade of consumer

We lived through a decade of consumer internet, dominated by today's giants. The next decade will be the one of the industrial internet, and we want GE to become the internet giant of the industrial world.

GE IS A FORMIDABLE COMPANY,
NOW MORE AND MORE A DIGITAL
INDUSTRIAL ONE. BUT HELPING
OTHERS ENTERING THE INDUSTRIAL
INTERNET AGE ALSO REQUIRES AN
ECOSYSTEM OF CAPABILITIES?

**B.R.** No doubt. For digital transformation, for the integration with existing systems, for the lion's share of applications... we need partners with a wide variety of capabilities.

# IN THAT CONTEXT, HOW DO YOU LOOK AT IGATE, NOW WITH CAPGEMINI?

B.R. IGATE has for a long time been a major provider of services to GE, and remains so. With their acquisition by Capgemini we see a lot of power brought together—from management consulting to all kinds of technology know-how. I hope that GE and Capgemini will become the trusted partners of our common customers.

WITH THE IGATE ACQUISITION, CAPGEMINI GETS CLOSER TO THE US. AND YOU ARE GETTING CLOSER TO PARIS...

B.R. Yes. Many people don't know it but France has the largest intellectual capital outside of the US, and so many startups, a lot of young talent. We are making a big investment, opening a new location in the city, with 150 developers. I look forward to our next steps together!



From individuals to IT organizations, including companies: digital logic makes transformation not only inevitable, but also very attractive.



**Dee Burger**, in charge of Digital Services at Capgemini



# Cloud, the new IT

Businesses will continue to allocate

of their IT budgets to cloud and cloud-related services through 2017.

Gartner Study, 2016\*\*

According to this study, companies have adopted cloud computing as a model for standard IT services.

As they make the move to replace or complement their traditional IT systems, the costs associated with migrating to public cloud services will generate strong market growth through 2020.

\*\* Forecast Overview: Public Cloud Services Worldwide The cloud is no longer an emerging technology, but has become the digital platform of choice. Many companies rely heavily on traditional IT systems, and use cloud services on an occasional basis, rather than making it their strategy.

The constraints and risks associated with adopting the cloud are still considered an obstacle. This is why we have created Cloud Choice, a comprehensive range of services offering a cloud-first\* way of working, and enabling companies to use the cloud systematically.

With our combination of advisory, application and infrastructure services, we help clients overcome the barriers which limit cloud adoption. This increases their capacity to absorb innovation, equipping them to adapt and stay relevant in a fast-paced digital world.

\* "Cloud First, the new normal"





BI NORWEGIAN BUSINESS SCHOOL THE FLEXIBILITY OF THE CLOUD IS HELPING TO DIGITIZE SCHOOL EXAMINATIONS

Located in Norway, BI Business School is one of the largest business schools in Europe. Each year 20,000 students take the equivalent of 120,000 exams, creating a complex and costly logistics challenge. The school has called on Capgemini to digitize the entire examination procedure: scheduling, marking papers, distributing documents to students and sending them to examiners. The Group has developed a digital platform called DigiEx with a highly secure architecture. Hosting this platform in the cloud provides the flexibility to accommodate the large quantities of information exchanged during exam periods. DigiEx has been successfully implemented since 2014, and has helped to reduce fraud and wasted paper significantly. "The potential long-term benefits of this solution are substantial and will continue to grow," says Marianne Schei, Business School Director.



# THE BRITISH CIVIL SERVICE CHOOSES 23 SOGETI CLOUD SOLUTIONS

The British government has chosen the cloud for its IT services expenditure. In 2012, it launched the G-Cloud marketplace, which enables decision makers in the public sector to select IT services from a catalog of nearly 20,000 cloud solutions offered by 1,400 approved suppliers. The selection of providers-centralized within the government's procurement services—is subject to frequent framework agree ments. The most recent (G-Cloud 7) strengthened the position of Sogeti's solutions. This branch of Capgemini which is renowned for its testing and software quality assurance solutions, will now provide 23 different services Among the six new additions is One-Share: a comprehensive solution for the development of applications and testing, hosted on Microsoft's public cloud, Azure.

"The use of cloud-based services is a priority for both public and private sector organizations across the UK as they look to increase the productivity and flexibility of their services," states Hans van Waayenburg, Head of Sogeti, a fully-owned subsidiary of Capgemini.



Our expertise lies in the 5,000 cloud projects we have developed. And our strength? Capgemini's technological independence, which allows us to help our clients choose the solution that's right for them.



**Salil Parekh,** Group Management Board member, Application Services One\*, Infrastructure Services, Sogeti and Cloud Foundation Services

\*Application Services One: Asia-Pacific, North America, the United Kingdom.



Vikrant Karnik, @vi\_k

vikrant Karnik, @vi\_k in charge of Cloud and Cybersecurity Services in the Financial Services SBU of Capgemini "Cloud-native applications are the next IT revolution. Clients who use these innovations see almost immediate business benefits thanks to substantially simplified development methods."

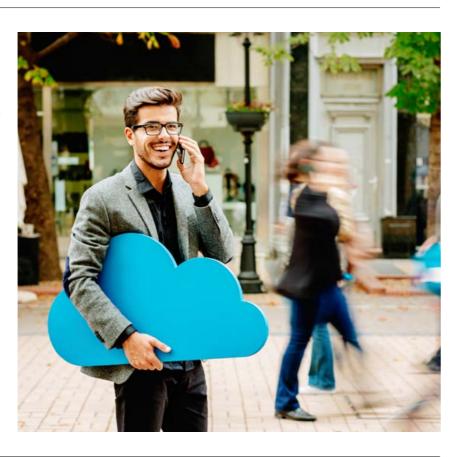
\*Program sharing Capgemini's expertise on social networks.



Thanks to our three cloud-dedicated sites in India, our experience in automation, as well as our migration, development and cloud application management services, we help our clients accelerate their secure transformation to the cloud.



Franck Greverie, in charge of Cloud and Cybersecurity offerings, Capgemini





INTERVIEW WITH TUNG-HUI HU

# "A different way of looking at the cloud"

Former Networks Engineer and current Professor at Michigan University, American writer Tung-Hui Hu published "A Prehistory of the Cloud" in 2015 (MIT Press, 2015)

### WHY WERE YOU INTERESTED IN THE "PREHISTORY" OF THE CLOUD?

TUNG-HUI HU: Because the cloud is not as new as we think; it comes out of a historical context, extending, for example, the railway, television and sewer networks.

### WHAT IS THE AIM OF YOUR BOOK?

T-H.H. I wanted to take a step back from the cloud as a technology to adopt a cultural viewpoint and understand its myriad effects. For example, the majority of emails today is managed without any human intervention. They are written by spammers, detected by anti-spam filters and destroyed by your mailbox before you have even read them. The fact that most actions carried out on the internet are disconnected from any human interaction is an unprecedented situation. The cloud is also having a significant impact on the "real" world; data centers use as much electricity as the average town! And we are witnessing the emergence of a new social structure of "shadow workers" in developing countries. Anti-spam technologies are not built entirely on algorithms-rather, they require a new form of labor.

## DO YOU THINK THE CLOUD **WE SEE TODAY FULFILLS** ITS ORIGINAL PURPOSE?

T-H.H. No, there is a huge chasm between the image promoted by the cloud of "a true cloud"-an ethereal, borderless world-and the reality. Its creators devised the cloud as a public service, but today, data is concentrated in data centers owned by a handful of companies. The fear that this data will be used for government surveillance or exploited by companies creates a certain degree of unease. Of course, the reality is different in each country. Europe has data protection laws, including the "Right to be Forgotten." But I think that we have reached a pivotal moment in the history of the cloud. We should devise new instructions for the cloud, particularly by looking back at its "prehistory"-at its origins and at the other networks that came before—to decide how to use it in the future. •

A company's digital transformation creates opportunities, but can also expose vulnerabilities. Capgemini offers a cost-effective way for its clients to optimize their cybersecurity strategy right from the first steps towards their digital evolution. Capgemini's solution is divided into the following three categories of services: organization and governance, protection, and monitoring. These their data, industrial systems and connected devices.

identity and access management in their company is not secure enough.

2016 Capgemini and RSA Study\*

This survey was carried out with over 800 managers of European and North American companies who manage between 500 and 1 million different identities. The results show that most companies are ill-equipped to deal with the risks associated with the increase in the number of digital channels and mobile devices. But companies are aware of this: nearly seven in ten (68%) are investing more in identity and access management.

> "Identity Crisis: How to Balance Digital Transformation and User Security", Capgemini in collaboration with RSA, a cybersecurity technology specialist

### SOLUTION MANAGE ACCESS TO SEVERAL MILLION IDENTITIES

It has now become normal for companies to interact with their employees, custom- ated with the context of use and the user's ers and suppliers through many different digital channels. With the cloud and the widespread use of personal mobile devices in a professional context, our clients are now faced with new cybersecurity challenges. In 2015, Capgemini launched IDaaS (Identity-as-a-Service), which can manage several million iden-

tities by using a unique and comprehensive solution, all at a manageable cost. Authentication and access to sensitive data via different digital channels are specifically based on the risks associprofile. Hosted in the cloud or onsite, this service is based on the monthly pay-per-use model; the client only pays for the functions used, without preliminary licensing costs. Thanks to standardized and pre-integrated processes, the solution can be rapidly deployed and offers a lot of flexibility and room for development



### INTERNATIONAL BANKING GROUP SETTING UP A CENTER FOR SECURITY MONITORING

Teams at Sogeti, a subsidiary of Capgemini, helped an international banking group to implement a SOC\* project and are now providing security event management (SEM) inside their infrastructure. This approach is part of the client's international cybersecurity strategy and meets the challenges of protecting its IT system. The project intends to improve monitoring and the resilience of the group's infrastructure to face ever-changing cyber threats.

\*A SOC (Security Operations Center) is a center for managing IT security, which detects and provides warnngs about potential attacks, and manages any related



Expert Connect\*

Mike Turner, @mturner528, in charge of Cybersecurity Operations at Capgemini

"Capgemini's IDaaS takes away the complexity of identity security by making sure that the right person has the right access to the right resource, at the right time."

na Capaemini's expertise on social networks

# Insights at the point of action are driving competitiveness

80% of utilities companies questioned think that data analysis means new opportunities for their business.

# Capgemini Study 2015\*

According to this study of big data usage by the top 100 global utilities companies, the data revolution has only just begun: 680 million smart meters should be installed from now until 2017, the aim being more operational efficiency and a transformation of the customer experience.

\* "Big Data BlackOut: Are Utilities Powering Up Their Data Analytics?" In a world where people and things are becoming more and more connected, the new data landscape is the centerpiece of digital change. Capgemini believes that insights coming from this data will soon be the most effective driver of business competitiveness. This is why the Insights & Data solution uses an innovative approach, based around guiding principles, to provide our clients with relevant insights to their business and, in particular, ensure they are delivered at the right time to the right decision centers. The Insights & Data teams use three fields of expertise to offer a very comprehensive solution: data collection, conversion of the data into useful information, and finally, the creation of IT platforms to manage insights and data. According to John Brahim, in charge of Insights & Data offerings at Capgemini, "The next digital is the digital of "next", in which disruptive businesses are using massive predictive capabilities in their day-to-day interactions with their customers, employees and suppliers." Capgemini is the partner for our clients on this vital journey.



Food services, manufacturing, insurance and media: four sectors where "intelligence" has no limits.



For many years, Capgemini has supported one of the world's leading fast-food chains in getting the most out of their collected data. Specifically, we have helped to modernize its database and develop a platform to transform data into insights. These insights improve forecasting for all of its business lines and restaurants. Our strength? Our understanding of the company's business challenges and our ability to provide high-quality solutions at the best possible prices.

A major mining group wanted to improve the performance of the electrolytic cells at its aluminum foundries. Our objective was to detect and analyze all weaknesses so that they could be fixed as quickly as possible. Capgemini used a solution from Cloudera, one of our American technology partners, to clean and enrich the database, then an analysis tool to evaluate its predictive capabilities. Efficiency gains were achieved in production output, energy consumption and accurate forecasting of the cells' lifespan.

In 2015, German insurer **Munich Re** entrusted Capgemini with the transformation of its international reporting system, and in making significant improvements to its SAP-managed worldwide database. Capgemini's India-based NextGen Business Insights Service Center is one of our main strengths, enabling us to implement agile production methods and provide integrated services at optimized prices. Munich Re can therefore ensure that its business lines benefit from dynamic and flexible IT services.

Capgemini also has a long-standing partnership with an **international media group**. We provide consolidated data and 24/7 reporting for major international events (e.g., Olympic Games), which has resulted in almost 100% accuracy and increased productivity in the provision of real-time data. We also created customized solutions for local media to optimize their operations, thanks to our database and reporting system, covering sales, readership monitoring, accounting and market research functions.

# SOLUTION GETTING INSIGHTS FROM DATA FASTER

Throughout 2015, the Insights & Data teams were committed to developing their solution. Clients can now opt for à la carte commercial solutions to transform data into insights with the new "Insights as-a-service" technology platform deployed in the cloud. It enables businesses to analyze consumer behavior in real time and act responsively. When it comes to providing innovation support to clients, Insights & Data contributed to Capgemini's new Applied Innovation Exchange approach (see page 48)—the innovation centers created a portfolio of innovative technologies in the fields of IoT, robotics, artificial intelligence and cognitive informatics. Finally, the Group participated in the development of new "open" standards to be more compatible with the market's "Big Data" solutions. This has been done as part of the Open Data Portal\*, of which the Group is one of the founding members.

The Open Data Portal (ODP) is intended to promote the use of Big Data technology based on Apache Hadoop® open source software. It was created by Big Data technological and industrial leaders such as IBM, Pivotal, EMC, Teradata, General Electric. etc.

### RANDSTAD A GAME CHANGER FOR EMPLOYMENT

The French temporary employment agency Randstad is at the front line when it comes to addressing the strains of the employment market. For more efficiency, Randstad called on Capgemini to take advantage of the potential to analyze the large amounts of employment-related data in France. The challenge was to offer companies and candidates a matching solution based on the skills desired and available within the same employment pool. Capgemini supported Randstad France by preparing the financial case file to rolling out the solution, the choice of technology partner (Oracle), and the legal aspects related to the processing of personal data.



Expert Connect\*

Ron Tolido @rtolido
in charge of Technologies
for Insights & Data at Capgemini

"Paradoxically, machine intelligence will lend a more 'human' face to technological support for both businesses and individuals."

Program sharing Capgemini's expertise on social networks.

# Customer Experience: emotion in transactions

Only

of company loyalty programs analyzed offer benefits related to the customer's purchasing history or where they live.

# Capgemini Study, 2015\*

Brands must reconsider their customer loyalty strategies, which are too focused on a consumerist approach. The study, carried out on a sample of 160 companies worldwide, recommends rewarding commitment and offering more customization.

> \*Fixing the Cracks: inventing Loyalty Programs for the Digital Age.

**Customer Experience is now the tool** of choice for companies to differentiate themselves. However, building a quality customer experience and making it a driver for growth is a complicated exercise. You have to elicit positive emotions, perceptions and reactions from customers to improve commercial efficiency without neglecting the need for operational efficiency. For Capgemini, this means helping our clients to better understand their clients, as well as working closely with their organization and IT systems. **Our Digital Customer Experience** service reconciles the Group's expertise in the areas of transformation consulting, design and system integration to build solutions based on an effective customer experience: an integrated omnichannel approach, loyalty, effective sales forces, marketing, automation, e-commerce, digitalization of processes, etc.





### CARREFOUR PIONEER IN "CONNECTED SHOPPING"

At the start of 2016, the Carrefour group launched their first connected device, "Pikit". It allows customers to scan in products or use voice commands to create a shopping list from their home. Carrefour is the first big distributor to launch this type of service with full control of the service and its data. For now, Pikit's smartphone format is aimed at customers of Carrefour Drive, the group of collection points for online orders. Capgemini worked with

Carrefour for a year on the entire project, from product design to its technical

development. Based on initiatives already launched in the US and Europe, the two groups designed Pikit-and its associated service platform-with the help of four French companies. As Olivier Trouvé, in charge of Consumer Goods sector. Capgemini Consulting, explains, "Carrefour is really taking the lead in the digitalization of the customer experience and connected shopping. It is a great success with Carrefour customers and an innovation that will create new business models."



# Our strength is our ability to deploy multidisciplinary teams that bring together our consulting, design and system integration expertise. What sets us apart? Our passion for collaboration.



Pierre-Yves Gléver, in charge of the Digital

### CRÉDIT AGRICOLE **EVER-INCREASING PROXIMITY**

The "My Bank" app brings together all of the services that a customer would expect from their bank on a daily basis: viewing accounts, carrying out operations, and tracking financial projects. Launched in 2014 by the leading European retail bank Crédit Agricole, this application, designed and developed by Capgemini, gives the bank's clients more autonomy and mobility, all while improving the relationship with their branch. "My Bank" allows customers to make an appointment and exchange messages with their advisor. The customer experience, designed for consultation on mobile and tablet, was developed with the help of a team of user experience consultants, designers and developers. This new mobile app is regularly updated with new services, and in 2016, customers will be able to use it to sign up for banking products



Our work with **Singapore Post has** been outstanding. The Ezy2ship portal was developed in record time, thanks to the production methods at our Center of Excellence for Digital.



Luc-François Salvador, in charge of Application Services, Asia-Pacific

# SINGAPORE POST A GLOBAL LEADER IN eCOMMERCE LOGISTICS

With a history spanning 150 years and a presence in 15 countries, Singapore's national postal service provider is pioneering and leading in eCommerce logistics, as well as providing innovative mail and logistics solutions around the world. The suite of SingPost eCommerce logistics solutions includes front-end web management, storage and distribution, last mile delivery and international freight forwarding. SingPost now operates 50 distribution centers and serves over 1.000 eCommerce customers, including about 100 mono-brands. One of the latest eCommerce tools available to clients is Ezy2ship, a web-based tool co-developed with Capgemini. The portal enables users to arrange for parcels to be sent and to specify their collection preferences. Using the cloud means that the portal's global reach and capacity can grow at the same pace as that of SingPost's.





Expert Connect\* Mark Taylor, @taylorm

Chief Experience Officer, Capgemini Consulting

"Brand loyalty is an emotional state of mind. It is built by creating engagement through simple and pleasurable customer experiences."

mini's expertise on social networks

# Employees are the new frontier in digital transformation

After feeling the personal benefits of the digital world

—an increase in relationships, mobility and speed—
we expect the same out of the business world, a Digital
Employee Experience on the same level. This is a new
frontier in digital transformation.

Just as social networks have influenced our lifestyles, professional networks and companies change and are changing our ways of working. For companies, social networks are becoming a new source of productivity—if they are well managed.

To transform, we need to mobilize management and employees for change, regardless of whether we are talking about a traditional or digital transformation.

Today, employees have already made their personal conversions to the digital world. This will reduce resistance to change—it might even help to accelerate the transformation.

Capgemini has a long-standing tradition of collaboration of all kinds and is in the perfect position to contribute to these major changes.

93%

of women interviewed believe that digital represents a professional opportunity.

# Study by Capgemini and FrenchTech, 2016\*

This study was conducted with 1,000 women who are leading digital transformation at their companies or who are experts in internet use and social networks. They consider digital a way to reinvent themselves (43.5%), to reinvent their company (41.6%) and to advance their projects (54%). They hope to be able to gain new skills such as raising funds (42%), mastering technologies (41%), coding and development (39.5%), and marketing and selling their ideas (37%).

\*Digital, what is the outlook for women?, in collaboration with FrenchTech, an initiative by the French Ministry of Economy, Industry and the Digital Sector to promote the growth of French start-ups and their global outreach.



The next leadership challenge is to mobilize and re-skill the workforce and adapt our organizational models.



**Cyril Garcia,**Head of Capgemini Consulting



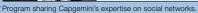
MY EXPERIENCE THE WORKPLACE IS BECOMING MOBILE

Digital is having a huge impact on the IT environment at work. Employees expect access at any time and from any place, and personalized IT support too. With this in mind, Capgemini has developed My Experience, a service combining two solutions to revolutionize the employee experience. Using My Workspace, each employee can access their normal work environment (data, applications, network services) through a unique portal and from any device. And using My Support, the user can easily communicate with their IT support via email, chat, instant messaging, virtual experts, etc. My Experience gives everyone a new connection with their workspace, thanks to the reliability of the central platforms maintained by our Infrastructure Services teams.



Expert Connect\*

**Didier Bonnet,** @didiebon in charge of Digital Transformation and Innovation at Capgemini Consulting "No digital transformation can succeed without all of the company's employees being involved. Adopting digital tools is key to getting a return on our investment in digital."





# ERIC LECAM — "Paris Panthéon"

Born into a family of sailors, this French artist specializes in contemporary figurative painting and is frequently inspired by the world of the sea. Urban environments in large cities also feature among his favorite subjects. In 2012, Lecam was awarded the Eddy Rugale Mickaïlov prize by the Taylor Foundation, of which he is a member. His works are on permanent display at the Galerie Laetitia in Brie-Comte-Robert and Saint-Germain-en-Laye (France).

artgalerie-ericlecam.com

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# Succeeding in the 4<sup>th</sup> Industrial Revolution

# e-Object, the platform for the Internet of Things

e-Object is an end-to-end infrastructure platform (hardware, software and gateway) developed by Capgemini for connecting and managing objects and linking them to business applications. Since the start of 2016, e-Object has integrated solutions by the US microprocessor giant Intel, to secure bi-directional communication between the cloud platform and the connected objects.

Digital is changing the game for manufacturers. Smart, connected products, assets and operations offer the potential for productivity gains, cost savings, and improved revenue. Digital transformation, however, demands new thinking as operations and information technology converge.

Capgemini can help. Our Digital Manufacturing services allow our clients to transform and improve their digital maturity across product and asset lifecycle management, industrial cybersecurity, on-site and remote operations management, Industrial IoT, Big Data and product and system simulation.





# RIO TINTO DESIGNING THE MINE OF THE FUTURE™

In the first partnership of its kind in the mining industry, Rio Tinto Technology & Innovation opened the state-of-the-art Rio Tinto Innovation Centre (RTIC) in Pune, India in partnership with IGATE Product & Engineering Services in March 2012. The Centre supports the growth and development of Rio Tinto's industry-leading Mine of the Future™ program. Rio Tinto has one of the largest civilian robotics projects in the world and Capgemini, via IGATE's teams which started this project, is a key contributor, working collaboratively through the Centre with Rio Tinto Engineers in the development and support of key projects, including the autonomous drills and Mine Automation System.

In May 2014, the Centre was further augmented with the creation of a dedicated Analytics Centre to assess massive volumes of data captured by the sensors attached to Rio Tinto's fixed and mobile equipment, enabling data experts to help predict and prevent engine breakdowns and other downtime events to significantly boost productivity and safety.

For Sanjay Salunkhe, in charge of Products & Engineering Services at Capgemini,

the success of this partnership is about people. "My team doesn't spend time pontificating about high-concept things; they spend time solving engineering problems within mine sites. It is all about intent driven innovation translating into productivity gains for Rio Tinto".

Greg Lilleyman, Technology and Innovation Director at Rio Tinto, said "Rio Tinto's first-mover status in autonomous equipment has resulted in significant productivity gains while our use of data analytics allows us to pinpoint with incredible accuracy the operating performance of our equipment. Our aim is to run more efficient, smarter and safer mining operations and provide greater shareholder returns."

# VALEO CREATING AN INNOVATIVE CONNECTED MOBILITY SOLUTION

In 2015, Capgemini worked with Valeo to design a connected mobility solution for commercial fleets and car rental companies. This new solution uses Valeo's InBlue virtual key technology (the vehicle key is digitized and can be shared via smartphone). This solution offers a fully digitized process: reservation, payment, vehicle geolocation, vehicle checks, late return notification or incident notification, and service evaluation. The Group is also making use of its expertise in Big Data & Analytics to provide fleet managers with predictive maintenance and driver preference information services. This is possible thanks to data uploaded in real time from the vehicle via a highly secured cloud platform.

An initial version of this solution is currently being tested by a short-term rental company and a multi-fleet leasing agency. The feedback confirms that this solution, both disruptive and suitable for industrial uses, meets a real market need. Valeo and Capgemini hope to make this solution the standard open-platform for automobile connected mobility.





Our capacity to connect the physical and virtual worlds is at the heart of the 4<sup>th</sup> Industrial Revolution.



**Jean-Pierre Petit,** Head of Sogeti High Tech, in charge of Digital Manufacturing offerings

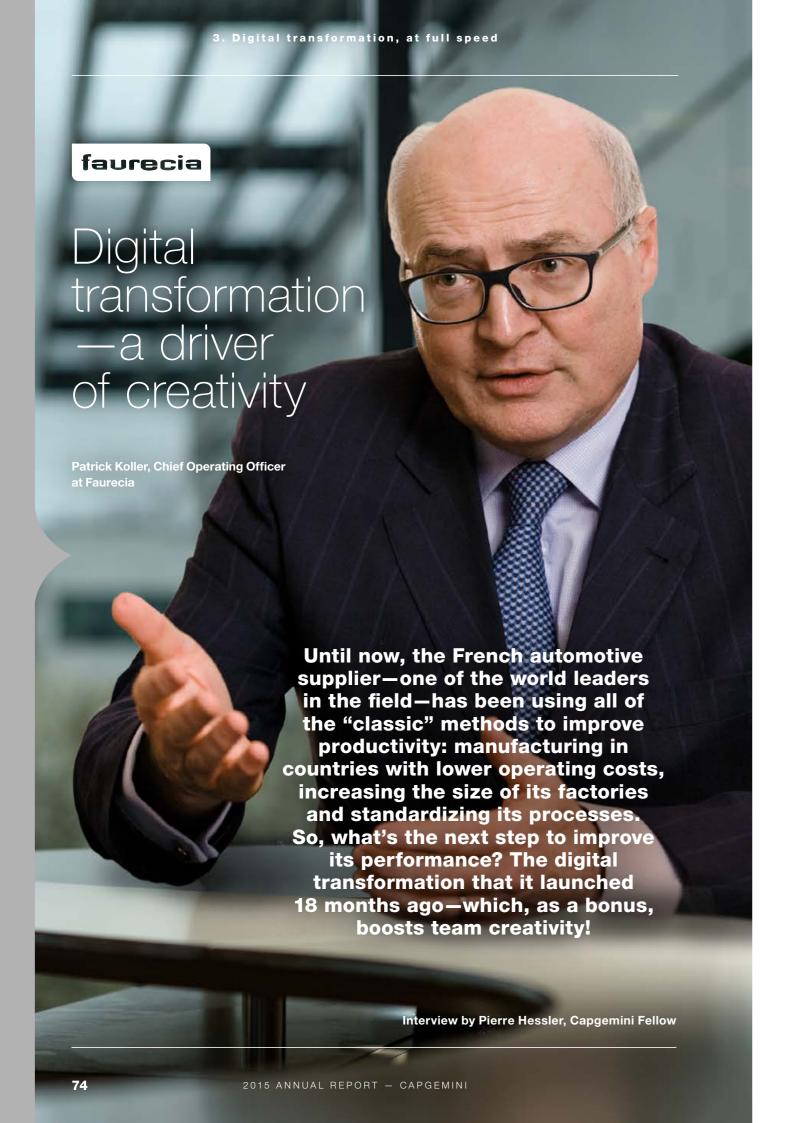


Expert Connect\*

Markus Rossmann, @markus\_rossmann Architect and member of the Digital Manufacturing team, Capgemini can cut costs by as much as 30% by enabling savings on capital costs and the labor force among other key cost elements."

"By adopting digital tools, manufacturing companies

Program sharing Capgemini's expertise on social networks.



### WHAT TYPE OF DIGITAL TRANSFORMATION HAVE YOU CHOSEN?

PATRICK KOLLER: Actually, there are two types of digital transformation. Ours. which focuses on increasing the efficiency of our processes, and thus reduces costs; and the second, which aims to change company business models. The business models towards car buyers are handled by our clients the car manufacturers. The business models of interest to us are the ones governing our relations with partners and suppliers. For example, rather than purchasing a machine—and the maintenance that comes along with it—we would prefer to pay for the effective production hours that it provides us.

### AND WHAT IS YOUR TRANSFORMATION STRATEGY?

P.K. Our digital transformation affects the entire company. We looked at every area of the company where digital technology could help us to be more efficient, including using augmented reality (AR) to make the most of our experts. We're progressing in a pragmatic manner, based on business cases, rather than chasing trends.

The drive came from two directions: top down-digital transformation, too, starts from the top-as well as from the field. We gathered initiatives from factories and R&D centers and selected 40 of them for Proof of Concept. These Proofs of Concept allowed us to identify the nine areas of our transformation, all in under a year!

# SO FAST!

P.K. Yes, because the advantages of digital are obvious. As soon as our engineers see the big screens that allow them to manipulate CATIA 3D models (software developed by Dassault Systèmes) in collaboration with teams on three continents, they know it's great and they want it! And a fast roll-out has always been a tradition at Faurecia. We don't have fiefdoms, and in our organization, we immediately put our words into action.

### WHAT SURPRISES HAS THE DIGITAL TRANSFORMATION BROUGHT?

P.K. The biggest—and the best—is that our digital approach has resulted in a huge surge of creativity among our employees, and therefore in the company. We have discovered skills and goodwill that, until now, were left untapped.

## YET. IN YOUR BUSINESS. RIGOR AND DISCIPLINE PREVAIL OVER SPEED AND CREATIVITY?

P.K. That's right. We manage close to 300 factories and 500 projects for a dozen

# **Digital** transformation in three steps

For Faurecia, Capgemini designed an original threestep approach: an exploration phase to identify the major technological drivers of performance for its businesses; field testing with 40 prototypes (Proof of Concept) delivered in less than three months; and based on this, a three year, large scale deployment plan of the solutions chosen.

clients-one mis-step could create tension, so control is paramount.

But, two years ago, we came to the conclusion that our growth had made central control too heavy and bureaucratic. So we launched "Being Faurecia", a cultural transformation that reverses the perspective: you are the leaders, here are the values that we are sharing with you-manage yourselves! This new culture allows digital to thrive.

### YOU DEVELOPED A SMART CAR SEAT. **ARE DIGITAL PRODUCTS** THE NEXT STEP IN THE DIGITAL TRANSFORMATION?

P.K. True enough, our products interface with the users and will need to integrate much more technology than they currently do-and this is changing our business.

In a driverless car, the occupants can focus on other activities, so this means an upheaval for both interior architecture and ergonomics. The smart seat can measure all sorts of parameters, such as stress, and suggest remedies. Thanks to the data generated by our digital products, we contribute to the new value added for car manufacturers, that is derived from car-related services.

# LASTLY, IN THIS DIGITAL WORLD, WHAT ARE YOU EXPECTING FROM CAPGEMINI?

P.K. That they save us time, but also that they help us in the critical area of cybersecurity. For example, we are looking for a new piece of software; Capgemini knows the various offerings and can tell us "these are the two best ones". We have a true partnership-we're even discussing setting up a joint laboratory on the industrial aspects. In sum, Capgemini helps us put into action the famous automotive saying: "right the first time". •





Faurecia's digital transformation is emblematic of a radical change that is successful because it has permeated the entire company and has brought enthusiasm to all levels of the business. Capgemini has shown its capacity to deliver and to win the confidence of its client by providing the most relevant advice and by working with its network of partners to provide the best recommendations, while leaving the client free to make their own decision.



Olivier Sevillia, Group Management Board member, Application Services Two\*, Business Services, Capgemini Consulting and Digital

<sup>\*</sup>Application Services Two: Benelux, France, Germany and Central Europe, Southern Europe, the Nordics.

# Capgemini: a whole Group in sync with its clients' expectations

2015 has been a year of major change for Capgemini, from the IGATE acquisition to the acceleration seen in cloud and digital. And it is clear that this ramp-up will continue in 2016. Because one thing is certain: it is that our clients, if they want to increase their growth and improve their competitiveness, have no option but to succeed in the digital world—and that means radically transforming how they work.

For this reason, our clients are expecting Capgemini to bring them the combined strength of all our assets—not only outstanding and agile professionals, business methods that encourage collaboration, a vast array of skills and capabilities, and broad sectoral and geographical coverage. To succeed in the digital world, they also want the right multi-business teams at the right time, assembled across all borders; people who bring cutting-edge technological innovation and who constantly focus on results.

For an entrepreneurial and multicultural organization of our size, working together to meet the most demanding client expectations is a major challenge—but one well worth pursuing! Because today the digital era offers endless opportunities, and the professional challenges that our founder Serge Kampf always taught us to seize and cherish.



## MARIANA ABRACHEVA — "Abstraction"

Though she was born in Bulgaria, Mariana Abracheva grew up in Russia. After working in the textile industry in France for several years, she now lives in Switzerland. In addition to paintings and collages, she is fond of "assemblage-sculptures," which enable her to express her ideas in three dimensions.

http://www.abracheva.com

**№** NewsCred

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beyond the buzz

capgemini.com/beyond-the-buzz



# Feel

the excitement from the 4,500 students competing in our Innovation contest aired on the web and on CNN

**Innovators Race** 



INN VATORS RACE



Partner companies: Barclays, AccorHotels, Natura, Reliance Jio, Openbaar Ministerie, Boys & Girls Clubs of America.

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A Capgemini Group publication

 Management of overall project: the Group Marketing and Communications Department, 11 rue de Tilsitt, 75017 Paris, France

– Project management, design and writing:  $\widetilde{\mathbb{W}}$  Photos: © Capgemini photo library
 Photographers: Fabrice Rault, Julian Andrews, Hugo Ribes Bachit Goswami/Business Today pine Jakobs, Daniel Kokin, Yohann Ciurlik, Natacha Nikouline, Christian Sprogoe, Emile Luider Thibaut Voisin Image banks: Shutterstock Inc (lightpoet/ NicoElNino), Corbis, iStockphoto LP Thomas Barwick/Gettylmages.

Customers: Courtesy of Boulanger, Carrefour, European Data Portal, Faurecia, GE, Rio Tinto,

Printed in France by Dejalink 93240 Stains

Singapore Post.





