

XL2: transforming the automotive digital core



XL2 by Audi & Capgemini



Startup agility, global enterprise solidity

XL2 is a unique joint venture between premium automotive OEM Audi, and global technology leader Capgemini. It exists to help Audi, Volkswagen Group companies, and other automotive leaders with mission-critical digital transformation projects.

The XL2 story started when Audi identified the need for a joint-venture partner to help it sustainably develop the IT skills needed for its digital transformation. Long-term partner Capgemini was selected thanks to its deep technical, functional, and methodological knowledge and its ability to scale.

Strong growth in two years

Audi and Capgemini launched XL2 in April 2020. By the end of 2021, the company had grown from two employees to 70, across two locations – Heilbronn and Ingolstadt. Now in its second full year of operation, XL2 has already broken even. XL2's headquarters are located in Heilbronn, Germany, close to Audi's production site in Neckarsulm. The presence of universities, research institutions, startups, and industry players in the immediate vicinity is unique and highly beneficial for the future development of XL2.

Two managing directors, one from Audi and one from Capgemini, head up the enterprise.



I am very proud of the growth in XL2 and our team spirit, a team which created its very own culture. Our added value for the customer is that we are on-site together and jointly implement projects that have a global impact."



Marie-Fleur Revel

Managing director of XL2



A large and growing market

Audi is XL2's prime client, followed by all the Volkswagen Group's other brands. Looking ahead, XL2 is positioning to work for a wider range of clients, including automotive suppliers.

End-to-end digital core offerings



XL2 has successfully implemented SAP S/4 HANA rollouts. We consider it a great advantage to also implement future projects together with XL2 in order to be able to use synergies, just like you would use a blueprint in production."



Hartmut Krüger

Head of SAP Competence Center of AUDI AG

In order to create the greatest possible added value for clients, XL2 focuses on specific consulting services. The company's core capabilities are in the digital transformation of production and logistics at the industrial core. The collaboration with Capgemini and its Intelligent Industry expertise is a huge success factor.

Projects include everything from process and IT landscape transformation to the creation of innovative platforms and infrastructure. There is a strong emphasis on harnessing the promise of the latest technological innovations and providing end-to-end solutions. Key offerings also include IT strategy and architecture consulting, SAP (Process-) consulting services, customization, implementation, and rollout, with an emphasis on S/4 HANA programs. Other specialist areas include SAP Analytics and AWS implementations, such as Industrial Cloud projects at Audi production sites.

Scaling up success factors

Global leaders like Audi and Volkswagen Group demand premium quality, comprehensive knowledge of their processes and IT landscape, and a strong, responsible business partnership.

To meet these expectations, XL2's first challenge was to establish a highly qualified workforce of sufficient size. The management team was quick to address recruitment and employer branding, establishing partnerships with local universities and research initiatives such as AI25 – a shopfloor digitalization initiative led by Audi, the Technical University of Munich, and the Fraunhofer Institute.

XL2 combines startup flair with the equally attractive prospect of working on leading-edge IT projects in the

automotive industry. It also offers the security of strong corporate backing from Audi and Capgemini.

These workforce expansion strategies have proved successful, and XL2 now has 70 exceptional employees working on Audi's key digitalization priorities.

Capgemini's recruitment skills were a huge boost to staff augmentation, team enlargement, and specialized skills acquisition. This has made it possible for XL2 to scale flexibly while growing its own skills base in a sustainable way.



We understand XL2 as an Audi delivery center and our strategic Competence Centre for production and logistic transformation projects."



Frank Loydl

Chief Information Officer of AUDI AG and XL2 Deputy Chairman of the Advisory Board

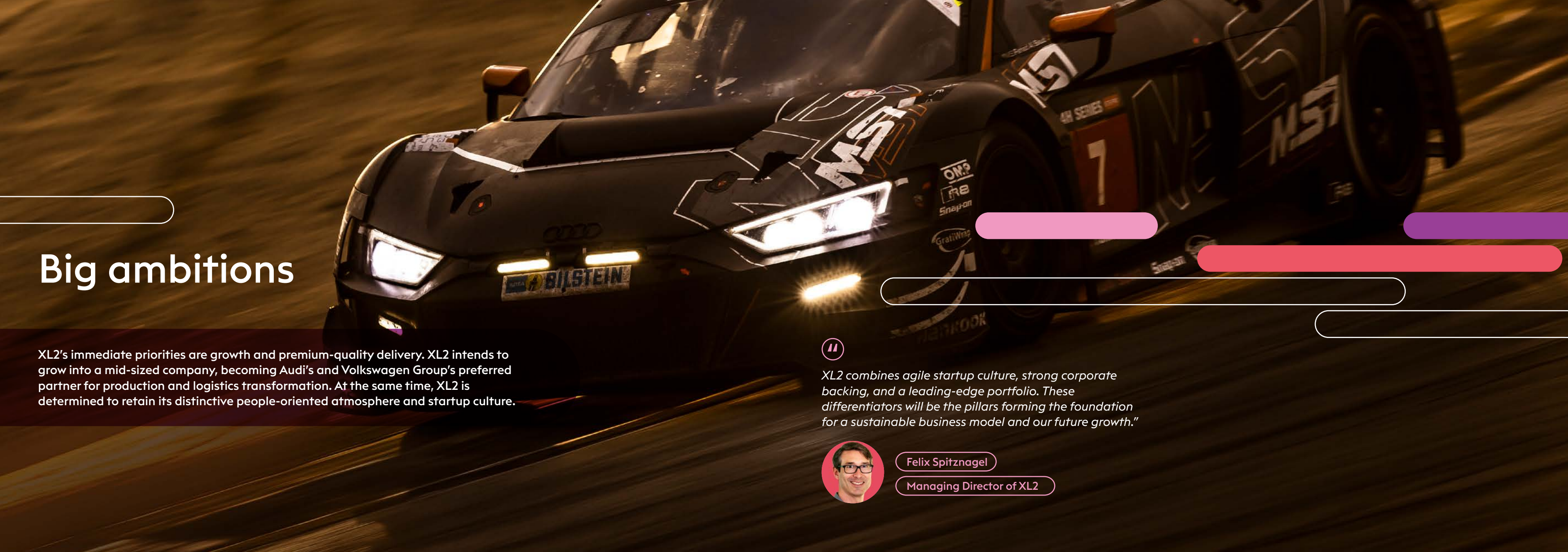


The foundation of XL2 allows us to raise our partnership with Audi to the next level. Capgemini is committed to enabling focused and scalable growth for XL2 while driving innovation to create business value through our global networks."



Henrik Ljungström

Head of Business Unit Germany at Capgemini and XL2 Chairman of the Advisory Board



Big ambitions

XL2's immediate priorities are growth and premium-quality delivery. XL2 intends to grow into a mid-sized company, becoming Audi's and Volkswagen Group's preferred partner for production and logistics transformation. At the same time, XL2 is determined to retain its distinctive people-oriented atmosphere and startup culture.



XL2 combines agile startup culture, strong corporate backing, and a leading-edge portfolio. These differentiators will be the pillars forming the foundation for a sustainable business model and our future growth."



Felix Spitznagel

Managing Director of XL2

Joint ventures like XL2 offer powerful benefits

XL2's rapid success is thanks to the strength of the Audi-Capgemini partnership that lies behind it. And building a shared, cutting-edge capability like XL2 offers long-term benefits to both partners.

A joint partnership keeps intellectual property in house – a critical factor in advanced digital capabilities – and helps maintain a high level of skills and

innovation for both partners via cross fertilization.

Capgemini's experience and global reach is also a powerful advantage when it comes to securing specialized IT talent. As well as providing expertise in talent acquisition, Capgemini can help deliver projects while XL2 is still growing its talent and capacities in a sustainable way.





What's the story behind the name?



XL stands for 40 in Latin, representing the 4 rings (or Os) in Audi's logo. 2 stands for the twins in Capgemini. So XL2 means 42 – which as we all know¹ is the answer to the ultimate question of life, the universe, and everything.

¹ But for anyone that doesn't, it's from Douglas Adams' The Hitchhiker's Guide to the Galaxy.