





Applied innovation



Globally local



## Our connected annual report

CR stands for Connected Reality. Download the app from the Apple Store or Google Play Store. Scan any of the visuals with the CR+ logo using your smartphone for instant access to online content including videos. This innovation has been made possible by the work of Capgemini teams.

Scan these QR codes to download the *Connected Reality* app.



Our expertise



Culture of talent



More competitive

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**This annual report is dedicated to the memory of Odette Bernard-Colombat, who passed away on August 5, 2013. Odette had been with the Group since its start in Grenoble, France, in 1967. She was the personal assistant to Serge Kampf, Founder of the Group, for over 45 years.**



.....  
David Ferreira — *Morpions N° 2*



« Innovation and competitiveness allow us to position ourselves as a strategic partner of the largest global companies. »

### Paul Hermelin, Chairman and CEO

**In 2013, the economic situation varied greatly from one region to another. What is the state of the IT services market?**

Demand for IT services is closely linked to the overall economic situation, but fortunately for us, it is also being driven by innovation, which is more dynamic than ever. In my many discussions with customers, I see that the appetite for cost savings is still strong, especially in Europe! 2013 was marked by a combination of several major technological breakthroughs, that we call in our jargon SMAC\*. The digital era is here to stay. Cloud computing continues to surge. And with the advent of Big Data, entirely new paradigms are reinventing products and markets! In short, IT services are essential when it comes to meeting the two main business challenges of today: competitiveness and growth.

In terms of the main players, on one side are the Americans, who have traditionally dominated because of their historical presence in the United States, the leading global IT services market and the cradle of IT innovation. On the other side are the impressive Indian competitors, who continue to progress on all continents and have the best performance in our industry.

**You often talk about Capgemini's ambition to play and win the "Champions League" of your industry. What progress have you made?**

I want Capgemini to be recognized as one of a small group of world leaders in our industry, what I call the Champions League. I think we are now perceived that way and we're probably the only company in this group from Europe! There are several reasons why we've

\* Social, Mobility, Analytics (Big Data), Cloud.





made it into this league. First is performance. Above all, we keep our word. In early 2013, we announced a gradual and steady return to growth. And that is what happened, with a marked acceleration in the last quarter. We also improved our margins, despite the economic climate, and without having to rely on restructuring.

But to play, win and stay in the “Champions League” we need above all to earn the trust of customers by listening, understanding and anticipating their needs. In short, we know how to make technology a powerful weapon for their business. To show that we understand the major changes they face today, we have included in this annual report the voices to two clients who put their trust in us in 2013: Daimler and the Texas Department of Information Resources.

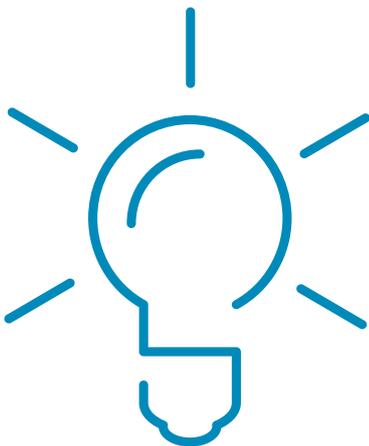
**Your performance has been strong overall, but is there anything you could have done better?**

There's always room for improvement. We need to reverse our regression in the consulting business, first of all. This activity has strategic importance for the Group. All our consultants are mobilized to turn it around and the entire Group is supporting them! In the United States, we were

not quick enough to take full advantage of this dynamic market, although we did end up growing by 8% in the last quarter.

**The upturn in results seen at the end of 2013 bodes well for the future. What are Capgemini's strengths going into 2014?**

I see three. First, the year started off with a reasonably sustained level of demand. Second, we have invested significantly in our portfolio of solutions to meet the new demands of our customers. These investments will continue. We will keep working closely with leading technology partners to increase co-innovations. We are also expanding our catalog of proprietary solutions and we are starting to offer new billing models. For example, we have our own cloud platforms, like the one we recently rolled out for insurance companies. Finally our own competitiveness is more crucial than ever. It feeds our entire business, from our solutions to our resources in India to our increasingly industrialized delivery methods. In the end, innovation and competitiveness allow us to position ourselves as a strategic partner of the largest global companies.



« With Big Data, we're becoming more than just a service provider to our clients. We're helping them reinvent their businesses. »

**Some people say the growth of cloud computing reduces the need for IT services...**

Not at all! The cloud represents a fundamental disruption in the way people use IT services. We are leaving an era of tailor-made to that of industrialized services.

Our strategy is to be an orchestrator, to answer the key questions our clients are asking: what is the right architecture for my information system? How can I coordinate all of my products and my cloud service? How can I protect my data, my personal identity, my independence? Services with a high level of added value have a huge potential for growth.

**Cappgemini also seems to be moving fast in Big Data? Why?**

Revolution is a word that is often overused. But with big data, I think we're looking at a real revolution. Quite simply because it is completely changing the way business connects with customers. A major car manufacturer recently told me that, when someone bought a car, that day used to be the high point of the business relationship with the end customer. Later, it was mainly a question of maintenance, repairs, etc. But tomorrow, however,

vehicles will be connected and the carmaker will be able to provide value added services to customers over the lifetime of the vehicle thanks to those connections, including how to be a better driver. With big data, we're becoming more than just a service provider to our clients. We're helping them reinvent their businesses.

**How does it help to be a global company?**

The equation is simple: to be number one in a business, you need customers who are leaders in their sector. Very often, these companies are multinationals, and we must be able to accompany them wherever they do business. It's a form of client intimacy. For example, our references with big-name customers in the United States have helped us become No. 1 in Brazil in financial services! In Asia Pacific, we have created a new, dedicated entity focused on gaining market share in this part of the world.

**With 131,000 employees, are you fighting to recruit and retain talent?**

Absolutely. We want to attract the best. We recruit from the best schools and universities around the world. And offering them true culture of performance is essential to

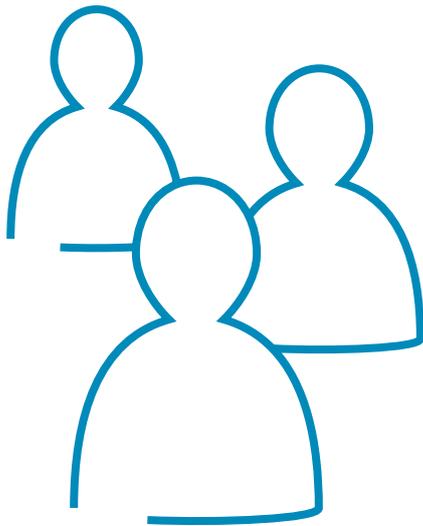




making a difference. And it's worth it, because Capgemini lets them work on challenging projects that help build their professional reputation. We help employees plot their own career path within the Group in accordance with their wishes but also the value that our customers see in them.

**Your cash situation is strong. Are you thinking about an acquisition?**

I believe that the consolidation of our industry is not yet complete. We have financial clout that enables us to be ready to seize any opportunity that could strengthen our ambition, if the price is consistent with the value it brings. We have two priorities: strengthen our presence in the United States and in fast-growing countries, and position ourselves in the most innovative, high-value segments.



**To finish, up, a word about governance.**

**Is the Board changing?**

The terms of eight directors are coming to an end. If the General Meeting of Shareholders approves the new nominations, the Board of Directors will be more diverse, with more women and new members with complementary careers. There will also be more independent Directors (seven out of twelve). Finally, I welcome the willingness of Serge Kampf to stay with us for a new term: the experience and constant commitment of the founder of Capgemini are valuable to all of us and, above all, to me. Regular readers of our annual report will have noticed that Serge Kampf's traditional message is not included in this year's edition. Serge inspired and directed the content of this document throughout its development but was temporarily unavailable to finalize his message at the time we went to print. I know he deeply regrets this. But to create that sense of collection that distinguishes our annual reports from others, he again personally selected the artists and their works, with the same passion as in years past.

« I welcome the willingness of Serge Kampf to stay with us for a new term. »



.....  
Rolf Saint-Agnès — *Having fun*

# Board of directors

as of May 7, 2014

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Elected by the shareholders, the Board of Directors oversees the implementation of Capgemini's key strategies of Capgemini. It approves the legal and operational organization of the Group. It decides on major issues relating to the smooth running of the company, including the appointment of senior executives. With the membership of eight Directors coming to an end in 2014, the Board submitted new nominations and renewals for approval during the Annual General Meeting of the Shareholders, to be held on May 7, 2014.

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## THE 12 DIRECTORS

01 - Paul Hermelin  
Chairman and CEO

02 - Serge Kampf  
Honorary Chairman of  
the Group and Vice-Chairman  
of the Board

03 - Daniel Bernard

04 - Anne Bouverot

05 - Yann Delabrière

06 - Laurence Dors

07 - Phil Laskawy

08 - Ruud van Ommeren

09 - Terry Ozan

10 - Pierre Pringuet

11 - Bruno Roger

12 - Lucia Sinapi-Thomas

## THE 2 STATUTORY AUDITORS

13 - Françoise Garnier (PwC)

14 - Jacques Pierre (KPMG)

## THE BOARD SECRETARY

15 - Jean-Baptiste Massignon

# Executive Committee

as of May 7, 2014

Below: the 18 members of the Executive Committee. Photo taken in Mumbai in March 2014. The names of the six members of the Group Management Board are in bold.

**1 - Paul Hermelin**  
Chairman and CEO

**2 - Aiman Ezzat**  
Finance

**3 - Hubert Giraud**  
People Management  
and Transformation

**4 - Patrick Nicolet**  
Infrastructure Services

**5 - Salil Parekh**  
Application Services One<sup>(1)</sup>

**6 - Olivier Sevilla**  
Application Services Two<sup>(2)</sup>

(1) North America, the United Kingdom, Asia-Pacific and the Financial Services sector.

(2) France, Benelux, the Nordic countries, Germany and Central Europe, Southern Europe.



The Chairman & CEO and five members of the Executive Committee comprise the Group Management Board, which is in charge of the Group's operations and preparing the Executive Committee meetings. The Group Management Board meets weekly.

The mission of the Executive Committee is to help the Group Management define the Group's main strategies. It sets strategic priorities and the resulting action plans. It ensures the smooth implementation of the plans in the Group's activities. The Committee's 18 members meet every six weeks.

7 - John Brahim  
Application Services Two<sup>®</sup>

8 - Lanny Cohen  
Technologies

9 - Pierre-Yves Cros  
Development

10 - Philippe Grangeon  
Marketing and Communications,  
Capgemini University

11 - Xavier Hochet  
Capgemini Consulting

12 - François Hucher  
Production Methods and Support

13 - Aruna Jayanthi  
India

14 - Jean-Baptiste Massignon  
General Secretariat

15 - Paul Nannetti  
Global Sales and Portfolio

16 - Luc-François Salvador  
Application Services  
Asia Pacific

17 - Chris Stancombe  
Business Process Outsourcing

18 - Hans van Waayenburg  
Sogeti



# International management

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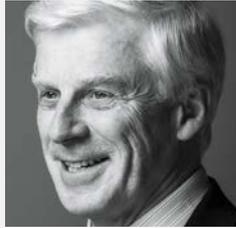
# team

as of May 7, 2014

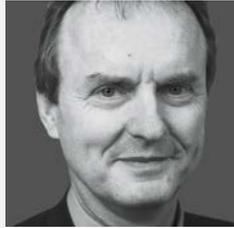
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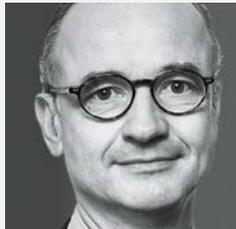
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## OPERATIONS

- 1 - Nicolas Aidoud  
Prosodie-Capgemini
- 2 - Jean-Philippe Bol  
Application Services France
- 3 - Christophe Bonnard  
Sogeti France
- 4 - Tim Bridges  
Application Services North America
- 5 - Walter Cappilati  
Application and Infrastructure Services, Latin America
- 6 - Kishor Chitale  
Business Development India
- 7 - Thierry Delaporte  
Application Services Financial Services
- 8 - Cyril Garcia  
Capgemini Consulting France
- 9 - Navin Goel  
Sogeti North America
- 10 - Christine Hodgson  
Country Board United Kingdom
- 11 - Greg Hyttenrauch  
Infrastructure Services
- 12 - Dominique Lafond  
Sogeti HighTech
- 13 - Andrew Levitt  
Her Majesty's Revenue and Customs Account
- 14 - Carole Murphy  
Business Process Outsourcing, Business Transformation
- 15 - Devesh Nayel  
Business Process Outsourcing, Manufacturing and Financial Services

## CENTRAL FUNCTIONS

- 16 - Michael Schulte  
Country Board Germany
- 17 - Paul Thorley  
Application Services Asia Pacific
- 18 - Ken Toombs  
Capgemini Consulting North America
- 19 - Jeroen Versteeg  
Application Services the Netherlands
- 20 - Sue Watts  
Application Services One<sup>(1)</sup> Delivery
- 21 - Cliff Yu  
Application Services China
- 22 - Antoine Audi  
General Secretariat Holding Company
- 23 - Hervé Canneva  
Ethics and Compliance
- 24 - Philippe Christelle  
Internal Audit
- 25 - Charlie Li  
Alliances
- 26 - Alain de Marcellus  
Finance
- 27 - Karine Marchat  
Business Control & Reporting
- 28 - Bruno Nigrelli  
Information Systems
- 29 - Virginie Régis  
Marketing and Digital
- 30 - Jeremy Roffe-Vidal  
Human Resources
- 31 - Isabelle Roux-Chenu  
International Legal Affairs
- 32 - Lucia Sinapi-Thomas  
Finance
- 33 - Perry Stoneman  
Sectors

(1) North America, the United Kingdom, Asia-Pacific and the Financial Services sector



.....  
David Ferreira — Toto et sa femme N°2



.....  
David Ferreira — Toto ange et démon

# 2013 Highlights

## BRAZIL

### Expansion in Latin America

Capgemini is helping its customers expand in Latin America by accelerating its development in the region. Thanks to the acquisition of CPM Braxis three years ago, the Group has become a leader in the Brazilian financial services market. It has built strong ties with major customers such as Caixa and Bradesco, two of the country's largest banks. In 2013, the partnership with Caixa continued to grow and the headcount dedicated to this client grew six-fold. Thanks to this positive dynamic, Capgemini has chosen Brazil as the hub for future expansion into other countries in the region, including Mexico, Argentina, Colombia, Peru and Chile.

## AREVA

### Exclusive negotiations start for the acquisition of Euriware

In October 2013, Areva entered into exclusive negotiations with Capgemini for the acquisition of its IT services subsidiary Euriware. Capgemini's offer includes an ambitious industrial and social project that would reinforce its long-term relationship with this major industrial group. It would enable the Group to strengthen its service offering in the area of industrial IT and its leadership in the energy sector. Areva would gain a strategic partner for the transformation of its IT and the development of its activities worldwide.

## DIGITAL

### Announcing a new global solution: Digital Customer Experience (DCX)

In February 2014, Capgemini launched a new offer that enables companies to deliver a truly digital customer experience at a moment in time when consumers expect a seamless multichannel experience and near real-time responses. Digital Customer Experience (DCX) brings together Capgemini Consulting's capabilities in digital transformation with the Group's know-how in application services. To build this solution, Capgemini has leveraged its experience on major projects, such as the digital transformation program it successfully delivered for Hydro-Quebec, a leading Canadian utility.



## ENERGY

**11 million smart meters in France**

**GrDF, the main natural gas distribution system operator in France,** plans to install new smart meters in 11 million French households between 2015 and 2022. It chose Capgemini to develop the information system for the new GrDF gas meters as part of a dual-contract, €23 million deal. It will be the world's largest gas meter deployment to date. The meters will allow GrDF's customers to monitor and control their energy bills more effectively with real-time knowledge of their energy consumption. Verification and maintenance operations will be carried out without customers needing to be at home.



## TALENT

**Capgemini surpasses 45,000 employees in India**

Having grown significantly over the past years, the headcount of Capgemini in India hit 45,000 in August 2013. This growth has been driven by the Group's Rightshore® offshoring model, which brings together the right balance of talent from onshore, nearshore and offshore locations at a competitive cost — and delivers it anywhere in the world. The Group is currently the only European player to have such a high level of high-quality offshore skills available in India. It's a significant competitive advantage that enables Capgemini to compete head to head with the leading American and Indian companies in the industry.

## CLOUD

**Next-generation Cloud Orchestration Service**

**Capgemini is positioning itself as a cloud services orchestrator.** The Group enables companies of all sizes to unlock the advantages of cloud computing at their own speed using private, public or hybrid environments. One example is the partnership between Microsoft, Capgemini and its subsidiary Sogeti that has created SkySight, the first platform ever built for managing, acquiring, and developing cloud-based services. It gives customers access to a vast portfolio of ready-to-use cloud orchestration services. Tangible benefits include speed to market, integration of existing services, data sovereignty assurance, business productivity and cost efficiency thanks to a pay-as-you-go payment structure.



## OUTSOURCING

**Sogeti signs a major contract with Total**

**Sogeti France, a wholly-owned subsidiary of Capgemini, signed a major five-year contract with Total, France's leading oil & gas company. It will manage the IT production center of Total Exploration & Production in France and around the world. Sogeti will provide a high level of IT system performance, systems industrialization tools, management capacity, and ensure Total's evolution to cloud computing.**





## THE 24<sup>th</sup> RENCONTRES IN SAN FRANCISCO

### In the heart of innovation

In April 2013, Capgemini organized the 24<sup>th</sup> *Rencontres*, a biennial event that brings together the Group's top managers, in San Francisco. It was the first time it had ever been held in the US, the world's largest market for IT services. The Group welcomed many of its strategic partners over the course of the three-day event. Innovation was the main topic of discussion among the industry's biggest names, including Marc Benioff (salesforce.com), Steve Ballmer (Microsoft), Joe Tucci (EMC), Pat Gelsinger (VMware) and Paul Maritz (Pivotal). Leading executives from Amazon Web Services, Cloudera and SAP also participated. For Capgemini CEO and Chairman Paul Hermelin, *"holding the Rencontres in the heart of Silicon Valley showed that we play in the big leagues alongside the main American and Indian players. It also highlighted that we're present where the heart of innovation beats the strongest."*



## PUBLIC SECTOR

### Unemployment insurance: A major contract in three US states

The Southeast Consortium Unemployment Insurance Benefits Initiative (SCUBI) awarded a contract to Capgemini for the development and implementation of a multi-state Unemployment Insurance benefits system. Worth over €40 million, this deal showcases the capabilities of Capgemini in this domain, and in particular its AcUity Unemployment Insurance Benefits solution. Specially designed to handle large volumes of data, it will enable the unemployment benefits system of the three states of Georgia, North Carolina and South Carolina to collect better quality information more quickly. As Cheryl M. Stanton, Executive Director, South Carolina Department of Employment and Workforce, explains, *"through this project we can collectively modernize our aging unemployment benefits systems to improve services for our citizens. It will help us keep pace with the changing nature of each state's labor force and save money in the long run."*

## ETHICS

### One of the most ethical companies in the world

The Ethisphere Institute named Capgemini as one of the World's Most Ethical Companies for 2013. Each year, the Institute produces an annual worldwide ranking covering 100 countries and 36 different industries that rates companies for their ethical behavior. This award recognizes how Capgemini continues to embrace ethical business practices in every country where it operates.



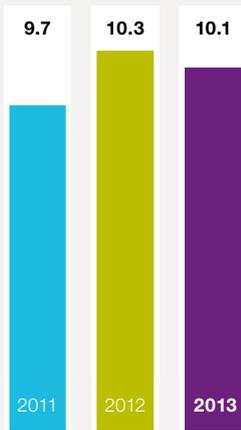
# Financial results



## REVENUES

in billions of euros

€10.1 billion



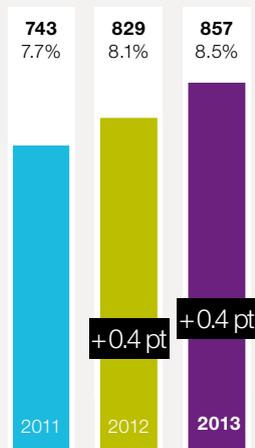
The Group exceeded €10 billion in revenues (€10,092 million), an increase of 0.9% at constant scope and exchange rates compared to 2012. At current scope and exchange rates, revenues fell 1.7% compared to 2012 due to the depreciation of certain currencies, namely the US dollar, pound sterling and Brazilian real.

« While 2012 was marked by an end-of-year slowdown, 2013 has seen a gradual return to growth in turnover, in accordance with our expectations and commitments. Capgemini has once again demonstrated its ability to improve profitability and maintain free cash flow in a generally sluggish economic environment. »

**Aiman Ezzat, Chief Financial Officer and Group Management Board member**

## OPERATING MARGIN\*

in millions of euros and percentage of revenues



€857 million

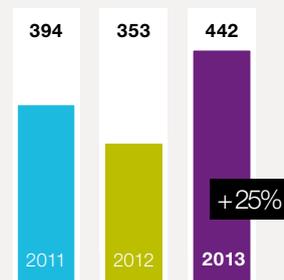
The operating margin reached €857 million, or 8.5% of consolidated revenues in 2013, an increase of 0.4 points compared to 2012, slightly above the objective set at the start of 2013. Most of the Group's regions saw their profitability rise year on year.

## NET RESULT

in millions of euros

€442 million

Net result (Group share) in 2013 was €442 million, a 25% increase year on year. Earnings per share were €2.76.



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

FREE CASH FLOW in millions of euros

 €455 million

The Group generated €455 million in organic free cash flow before the one-off contribution of €235 million to a UK pension fund. Organic free cash flow reached €951 million for 2012 and 2013, well above the Group's initial objective of €750-800 million.



BREAKDOWN OF CAP GEMINI S.A.

registered shares as of December 31, 2013 (based on a shareholder survey)



- 1 - Non-French institutional investors **61.8%**
- 2 - French institutional investors **22.8%**
- 3 - Group directors and employees **9.4%**
- 4 - Individual shareholders **6.0%**

NET CASH in millions of euros

 €678 million

Net cash and cash equivalents at December 31, 2013 amounted to €678 million.



SHAREHOLDER INFORMATION

For current information about the Group, shareholders can consult a French voice service (freephone: 0800 20 30 40) and a dedicated website ([capgemini.com/investors](http://capgemini.com/investors)), available in French and English on the Capgemini website. In addition, shareholders who are known to Capgemini receive an annual newsletter. The next issue, to be published in June, will report on the Annual General Meeting of May 7, 2014.

The PDF of the Registration document is available for download from [capgemini.com/investor/2013-financial-report](http://capgemini.com/investor/2013-financial-report)

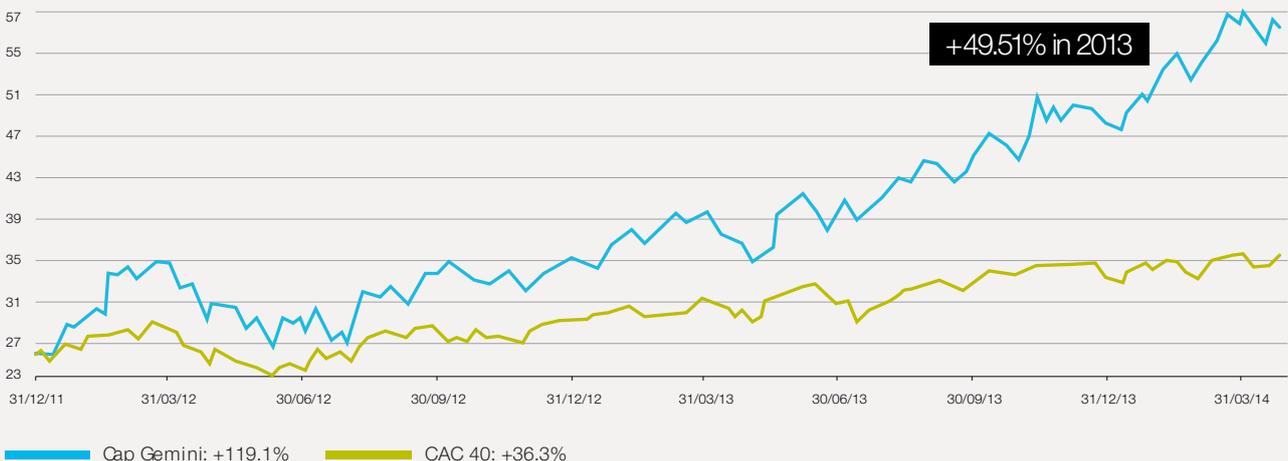
DIVIDEND PER SHARE in euros

2011 1.0    2012 1.0    2013\* 1.1

\* Subject to shareholder approval at the Annual General Meeting on Wednesday May 7, 2014

CAP GEMINI SHARE PRICE

in euros, compared to the CAC 40 index, from December 31, 2011 to March 31, 2014





BREAKDOWN OF REVENUES



- 1 - Technology Services **40.6%**
- 2 - Outsourcing Services **40.1%**
- 3 - Local Professional Services (Sogeti) **14.8%**
- 4 - Consulting Services (Capgemini Consulting) **4.5%**



- 1 - Public Sector **22.1%**
- 2 - Financial Services **21.5%**
- 3 - Manufacturing, Automotive & Life Sciences **17.1%**
- 4 - Consumer Products, Retail, Distribution & Transportation **14.1%**
- 5 - Energy, Utilities & Chemicals **11.8%**
- 6 - Telecom, Media & Entertainment **8.4%**
- 7 - Other **5%**



- 1 - France **21.7%**
- 2 - North America **20.5%**
- 3 - UK **19.9%**
- 4 - Rest of Europe **18.2%**
- 5 - Benelux **10.7%**
- 6 - Asia-Pacific & Latin America **9%**

TOTAL VALUE OF ORDERS

2013

€9.7 billion

The book to bill ratio is 1.05 for the year and reached 1.13 in the fourth quarter for Systems Integration, Technology Services and Local Professional Services (Sogeti) and Consulting Services, confirming the dynamism of these activities.



GLOBAL STRATEGIC SOLUTIONS

order book in millions of euros

2013

€3.2 billion

Capgemini provides global strategic solutions such as Analytics, Big Data, Cloud Computing, Mobility, Testing and sector-specific solutions. Together, they represented over 32% of all orders.



(1) or 27.5% of the Group's total order book  
(2) or 32.8% of the Group's total order book

ASIA-PACIFIC/LATIN AMERICA

turnover in millions of euros

In 2013, growth in turnover at constant scope and exchange rates was 12% in these regions, thanks in particular to the health of activities in Brazil (+16%), Australia (+15%) and India (+21%).



# Our people

## CHANGE IN HEADCOUNT

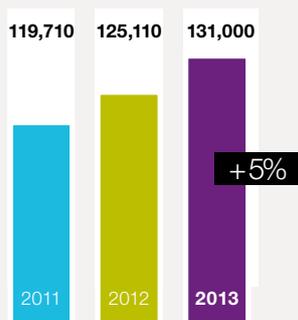
2011-2013 (number of employees as of December 31, 2013)

131,000

5% increase in headcount in 2013

32,350 new hires

44% of new recruits were college hires



119,500

employees trained (+10% on 2012)

4.7 million training hours

1.9 million hours of e-learning

## GEOGRAPHICAL BREAKDOWN as of December 31, 2013

### NORTH AMERICA

9,700

Canada  
United States

### EUROPE

60,300

Austria  
Belgium  
Czech Republic  
Denmark  
Finland  
France  
Germany  
Hungary  
Ireland  
Italy  
Luxembourg  
Netherlands  
Norway  
Poland  
Portugal  
Romania  
Slovakia  
Spain  
Sweden  
Switzerland  
United Kingdom

### LATIN AMERICA

9,500

Argentina  
Brazil  
Chile  
Colombia  
Guatemala  
Mexico

### MIDDLE EAST & AFRICA

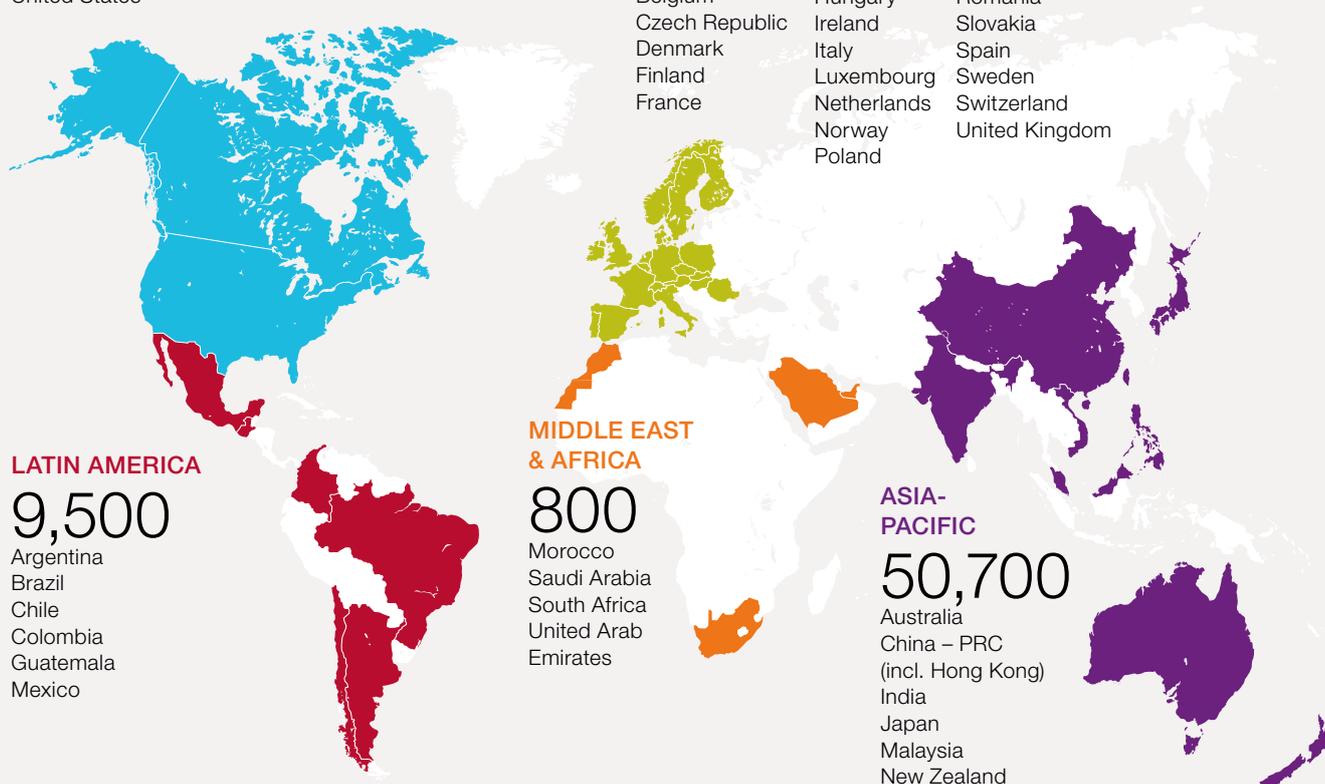
800

Morocco  
Saudi Arabia  
South Africa  
United Arab Emirates

### ASIA-PACIFIC

50,700

Australia  
China – PRC (incl. Hong Kong)  
India  
Japan  
Malaysia  
New Zealand  
Philippines  
Singapore  
Taiwan  
Vietnam



# Corporate Responsibility & Sustainability is a reality

## MORE RESOURCES FOR MORE ACTION

To be effective, Corporate Responsibility & Sustainability (CR&S) at Capgemini is the responsibility of a dedicated team with members around the globe. As James Robey, Group Corporate Responsibility & Sustainability Director, explains: *“In 2013 we strengthened our CR&S network, which now covers 90% of our regions. We have also structured regular meetings among the members, during which they work on our main social and environmental objectives.”*

Based on its values and ethics (see p.47), Capgemini has also developed a CR&S action plan built around four pillars:

- **Culture of talent** to support the Group’s ambition to become an employer of reference
- **CR&S services and solutions** to help customers meet their own challenges in this field
- **Community engagement** focusing on education and local development
- **Reducing the Group’s environmental footprint** by reducing energy consumption, travel and waste.

## SUPPORTING LOCAL DEVELOPMENT

As a major recruiter worldwide (more than 32,000 people hired in 2013, of which more than 40% were college hires), the Group is very sensitive to the challenges related to education.



Smart meters in Mumbai

The screenshot shows the website header with logos for Capgemini and MicroWorld.org. A navigation bar includes links like 'AGIR ENSEMBLE', 'PRÊTER', 'COMMUNAUTÉ', 'S'INFORMER', and 'VOIR MON COMPTE'. The main banner features the text: 'Capgemini favorise le microcrédit solidaire. A partir de 20 €, prêter et financer des projets que des femmes et des hommes souhaitent entreprendre.' Below this, it states '22 PROJETS À FINANCER' and '6 PAYS' with a 'VOIR LES PROJETS' button.

Microworld brings micro-lending projects to life in emerging countries

For example, Capgemini Italy teamed up with two of its IT partners to create the digital ‘School 2.0’ at the Ettore Majorana technical institute in Bari, enabling students to further their studies through online collaborative forums with teachers and fellow students. The project is now being deployed to 13 other institutions throughout Italy.

Very present in India, Capgemini has a strong partnership with the Naandi Foundation. Through the Foundation’s Nanhi Kali initiative, the Group’s employees can finance education for young women. At the end of 2013, 63,000 school years had been financed by Capgemini. For example, Laxmi, a young girl from Utnoor Mandal in the center of India, was able

7

**number of countries where Capgemini’s environmental activities have been ISO14001 certified**

(following the certification of Capgemini and Sogeti operations in Spain in 2013)

Starting digital schools in Italy, supporting micro-entrepreneurs in emerging countries, sponsoring youth from disadvantaged neighborhoods in France, leading an extensive environmental program in India. Around the world, Capgemini took action in 2013 that had tangible benefits for everyone: clients, employees, shareholders and communities. We also developed a new framework to strengthen our Corporate Responsibility & Sustainability (CR&S) engagement day in and day out – and over the long term.



Indian girls go to school thanks to support from Capgemini employees

to enter middle school thanks to the financial support of Capgemini Germany. As the Foundation explains: *“Providing education for girls not only improves their lives, but also that of their families and their communities. It stimulates economic growth locally.”* Capgemini also provides financial support for other Naandi projects through donations. For example, to coincide with 2013 year-end festivities, Capgemini, in France, Germany, Italy, Sweden and the Netherlands raised €40,000 for the Foundation.

The Group also works in the field to fight social exclusion among young people. In France, Capgemini and Sogeti partner with “Nos Quartiers ont des Talents” (Our Neighborhoods Have Talent), an association that helps young graduates from disadvantaged communities to find employment.

Capgemini’s development of the online Microworld platform with Planet Finance enables employees to directly support micro-entrepreneurs in emerging countries by making small loans to projects of their choice. Since the inception of the program, 742 projects have been

co-financed, representing over €80,000 worth of support from 596 active lenders.

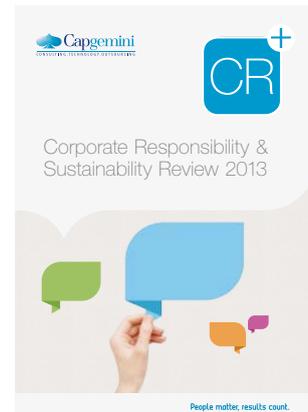
Thanks to micro-lending by 11 Capgemini employees, Coumba Ndiaya, a Senegalese vegetable seller, was able to raise €400 to invest in her market stall and expand her business. *“Because I was able to attract more customers, I repaid the loan in seven months and increased my income. I’m now thinking about renting a shop,”* explains Coumba.

### REDUCING OUR ENVIRONMENTAL FOOTPRINT

Capgemini is a recognized leader in smart meters, and in 2013 it harnessed that expertise to create an innovative solution for managing its own buildings. Having delivered a successful pilot in Mumbai, reducing energy consumption in two buildings by 10% in two months, it is currently installing more than 800 smart meters across its India estate with an expected saving of over €1 million over three years.

In the Netherlands, several environmental projects have enabled Capgemini to reduce its energy consumption and associated costs by over 30% in four years.

Another example is Capgemini’s Merlin datacenter, one of the most energy efficient facilities in the world. Located in the UK, it efficiently provides IT services for companies while at the same time reducing carbon emissions. In 2013, the European Commission awarded Merlin with the 2013 EU Code of Conduct for datacenters.



➔ For more information, see the CR&S Review 2013



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Virginie Nègre — Malte 12

# Our Expertise

Capgemini offers a wide range of cutting-edge expertise through its various businesses. This expertise is available in all sectors of activity. The richness of its technology partnerships ensures that clients benefit from solutions tailored to their individual needs. Moreover, customers can now also interact directly with Capgemini experts on the Expert Connect platform. And who better than our customers to talk about the technological changes they are facing? Daimler and the Texas Department of Information Resources talk about their experience with Capgemini.



## CONSULTING

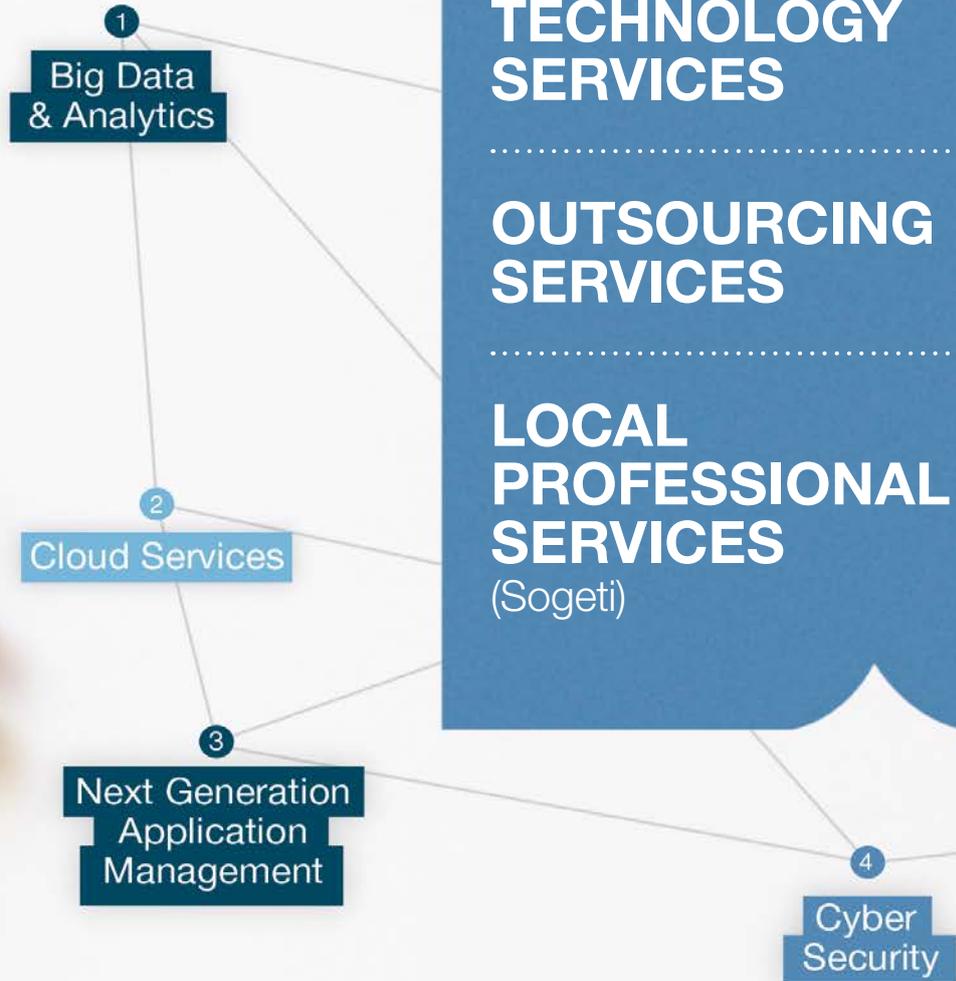
(Capgemini Consulting)

## TECHNOLOGY SERVICES

## OUTSOURCING SERVICES

## LOCAL PROFESSIONAL SERVICES

(Sogeti)



**1. Big Data & Analytics**

Exploit ever-greater volumes of data, identify trends, find new value-creation opportunities while differentiating yourself from the competition.

**2. Cloud Services**

Implement the most appropriate cloud solutions for our customers at their pace. Help them improve in terms of innovation, agility, and cost efficiency.

**3. Next Generation Application Management**

Manage applications efficiently and competitively. Provide innovation and a high level of industrialization.

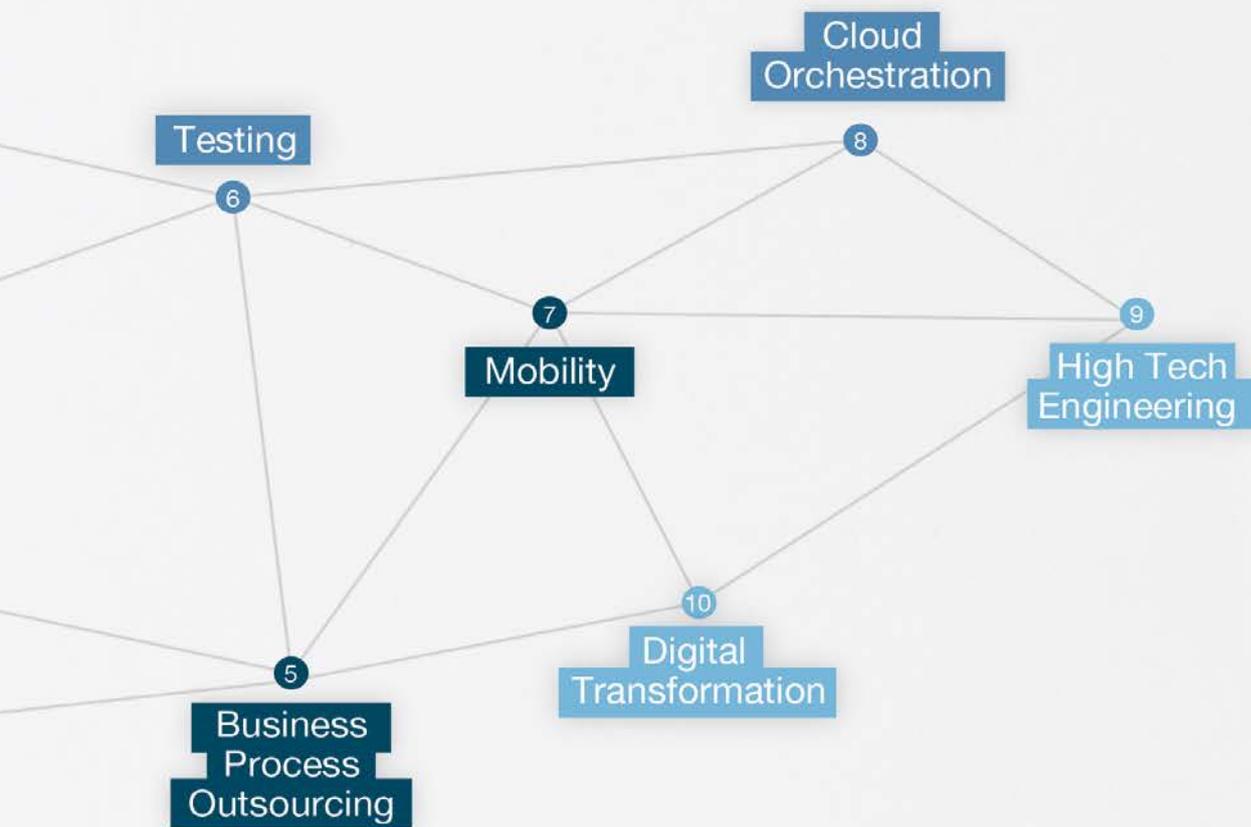
**4. Cyber Security**

Help companies transform their security policies, procedures, and technologies. Increasingly connected companies have become more efficient, but also more vulnerable to espionage, hackers and viruses.

**5. Business Process Outsourcing**

Manage the client's business processes and make them more competitive by optimizing costs and flexibility.

# Our Businesses & Solutions



## 6. Testing

Test applications in an industrialized and structured way to ensure the highest level of quality, better cost efficiency, and shorter time to market.

## 7. Mobility

Help companies define their mobile strategy. Create solutions for their customers and their employees that provide access to applications from any device while ensuring privacy and security.

## 8. Cloud Orchestration

Provide a complete set of services that allow full use of public, private or hybrid environments. These services include security, billing, and provisioning varying IT needs in terms of capacity and agility.

## 9. High Tech Engineering

Transform the way our clients engineer, design, and develop their products by taking advantage of new digital technologies and cloud environments. Streamline processes, accelerate each step of the product lifecycle, and reduce time to market.

## 10. Digital Transformation

Provide guidance on all aspects of digital transformation: digital strategy, marketing, customer experience, operational excellence, and even organization and governance.



# Creating Competitive

## Teaming up with the best

Capgemini works closely with many technology partners to help its clients become leaders in their respective markets. In 2013, we teamed up with the top names in high-growth technologies while strengthening our ties with industry leaders – a winning strategy for the Group and its clients.

### CO-INNOVATE TO ACCELERATE VALUE CREATION

Capgemini is always looking over the horizon for the next breakthrough technologies, in order to make them available to its clients as quickly as possible. According to Charlie Li, Global Channels & Partners Director at Capgemini, *“In 2013, our partnership strategy became more selective and more targeted. We formed close ties with innovative, high-growth companies in the most important areas: cloud, big data, mobility and social networking. This transformed what we get out of our partnerships and it creates real added value.”*

The best example of this new approach was the expansion of the strategic partnership between Capgemini and VMware, the global leader in virtualization and cloud infrastructure, to jointly develop a Business Cloud Orchestration offer. This new solution helps customers more easily access IT-as-a-Service by improving the way they manage cloud consumption across multiple providers and operators.

To further drive innovation, Capgemini has also strengthened its existing partnerships with industry heavyweights. In 2013, it launched groundbreaking solutions, such as SkySight, a next-generation cloud service developed with Microsoft, and Extreme Applications, which was developed and launched with SAP to provide businesses with real-time insight from huge amounts of data.

### PIVOTAL: A HIGH-POTENTIAL PARTNER

In 2013, EMC<sup>2</sup> and VMware launched a new company, called Pivotal, that offers big data analysis and Platform-as-a-Service (PaaS) cloud products. Capgemini was quick to see the growth opportunities and became Pivotal’s first partner. The Capgemini and Pivotal teams have been working together in Pivotal’s R&D laboratories in San Francisco on the new Business Data Lake solution, which enables companies to perform optimized analytics on the increasing volumes of data they face today.

### CAPGEMINI PARTNER ECOSYSTEM

#### Strategic Partners



#### High-growth Partners



#### But also...



# Advantage for Our Clients

## Different sectors require different solutions

Capgemini’s clients face many challenges in their industries. The financial crisis put a temporary stop to IT investments in banking. Now, financial institutions have to make up for lost time and lead their organizations, notably through digital transformation. In the public sector, austerity measures have meant finding new ways to modernize services on a shrinking budget. Whatever the challenge, Capgemini provides solutions that are future-proof and tailored to the specifics of each industry.

### SIX STRATEGIC SECTORS

- Public Sector
- Energy, Utilities & Chemicals
- Financial Services
- Manufacturing & Life Sciences
- Consumer Products & Retail, Distribution & Transportation
- Telecom, Media & Entertainment



The t-Police (Transform Police) helps law enforcement implement transformation

### ENERGY

## Focus on a sector that is changing fast

**Consumers Energy is the main power company in Michigan, US. In 2013, it selected Capgemini to deploy 2.4 million smart meters as well as the associated network and IT infrastructure. By working with Capgemini, Consumers Energy will also improve customer service by giving end users access to online and mobile services, provide more accurate bills, improve outage response, and deliver programs to help customers save energy and money – all key challenges for utilities.**

### MEETING BUSINESS AND TECHNOLOGY CHALLENGES

In 2013, Capgemini brought to market several important solutions. “All Channel Experience” for example, enables retailers to deliver a consistent and seamless customer experience across all channels – whether in the store, online or on the go.

As part of its effort, Capgemini developed in collaboration with Salesforce.com ClientAssist, a solution that lets store associates provide customers with more intimate services through mobile applications, social media, integrated marketing campaigns and actionable customer insights. ClientAssist helps major retailers to increase in-store conversion by letting sales associates spend more time with customers and

less time managing transactions. The Group also conducts deep research on the changes and challenges affecting a wide range of industries. It makes this research available to clients on the Capgemini website. In 2013, some of the more notable publications were *Cars Online 2012-2013*, *the World Insurance Report*, *the World Retail Banking Report*, *the World Payments Report*, and *the Third Party Logistics study*.

€968 million

**Cumulative order book recorded by Capgemini in its main strategic sectors.**



# Expert Connect:

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To create value, business expertise must be shared, discussed, and exchanged. This is the idea behind the Expert Connect program launched by Capgemini. In 2013, 600 Capgemini experts were active on social networks such as Twitter and LinkedIn; it is how Capgemini is making its knowledge accessible to the world.

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Manuel Sevilla, big data & analytics expert

**With Expert Connect, anyone can contact one of the Group's subject matter experts and follow them on social networks and on the Capgemini website. Nothing comes between a client or a prospect interacting with the expert of their choice and keeping up with them on social media or the Capgemini website.**

At the end of 2013, more than 600 Capgemini experts were sharing their experiences on around 40 areas of interest, from big data and digital transformation, to testing,



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 **ANNELIES HERMENS**  
**MOBILITY EXPERT**  
**(HR & SUSTAINABILITY)**

.....

 +500 contacts  
 249 followers

**What is your area of expertise?**

My expertise is in mobility in Healthcare and Corporate Responsibility and Sustainability. I am currently responsible for these two sectors at Capgemini Netherlands, and I work with customers on these topics. Since 2011, I have been actively involved in the management of several regional and national employer networks that are working on sustainable mobility. For example, I'm the ambassador for the "Connekt Lean & Green" personal mobility program. We're working with 300 employers in the Netherlands to reduce the environmental impacts of business-related travel by 20% in four years.

**How do you see your role in Expert Connect?**

Sparking change and creating synergies have always been a driving force in my life. I firmly believe that knowledge sharing and collaboration allow us to grow, both as an organization and as people. I spend a significant portion of my time on this, and the Expert Connect program offers me a different and complementary way of doing it.

# Shared Expertise

600

**Capgemini experts at the end of 2013**

mobility and smart energy. These topics are updated regularly to keep them aligned with the strategic concerns of Capgemini customers.

The experts, who come from the main regions where Capgemini operates, have two main tasks. The first is to share their ideas, insights and the Group's expertise on social networks using blog posts, tweets and videos. The second is to engage in conversations around these subjects.

The experts and expertise of Capgemini are one of the Group's main strengths because they are the ones who ultimately make the difference for the customer. As Philippe Grangeon, Marketing and Communication Director of Capgemini, says, *"The Expert Connect program is a living example of the Group's brand promise 'People matter, results count.' Through it, the values of trust, interactivity and responsiveness nourish our brand and differentiate us."*

## A DIRECT AND PERSONALIZED RELATIONSHIP

Through Expert Connect, Capgemini changes the way people interact with its experts. Simpler and more direct for the end user, it also offers tangible benefits to the Group. By keeping their finger on the pulse of the community, the experts can detect and understand new needs more quickly, propose relevant solutions and identify business development opportunities for Capgemini.

96,000

 **followers on Twitter at the end of 2013**

Andy Heppelle, Capgemini expert in the Digital Customer Experience for utilities, for example, was contacted in 2013 via his LinkedIn profile. The person wanted to know if Capgemini offered services based on a particular technology. The fruitful exchange that followed led to the signing of an important contract.

Expert Connect helps users save time when looking for the right experts. They know that exposure on social media encourages transparency, which contributes to forging a relationship of trust with "their" expert. By following a Capgemini expert, they have access to information, ideas, and useful sources of inspiration that can help them in their job.



 **STEVE JONES**  
**BIG DATA EXPERT**

 **+500 contacts**

 **685 followers**

**What is your area of expertise?**  
Big data and analytics. I'm currently Director of Strategy for these two topics in our Business Information Management business line. I help our customers and partners use new technologies to better meet their business challenges.

**How do you see your role in Expert Connect?**  
I've been at Capgemini for 10 years, and I have always been active on social media. For me, it is essential to dialog with a broad range of stakeholders when working at the cutting edge of technology. Being part of the Expert Connect program is simply an extension of my daily life. I especially love finding simple ways to tackle complex issues. After reading a post on my blog, a large European aeronautics company asked me to help audit its information systems and undertake a massive digital transformation (analytics, service-oriented architecture and Master Data Management).



Michael Gorriz, Daimler

# DAIMLER

## Technology as a Business Driver

Daimler, a services company? Even if one of the world's major automakers is a manufacturer by nature, it is also bringing more and more services to its customers. IT plays a central role in this rapid transformation of its business.

**Interview with Michael Gorriz, Chief Information Officer (CIO) at Daimler, conducted by Pierre Hessler from Capgemini, accompanied by Ralf Blessmann in charge of Daimler account for Capgemini.**

**You became the CIO of Daimler in 2008. Has your job changed in these six years?**

Yes, 180°! When I started, we were in the automotive crisis and IT was seen primarily as a cost center, and an opportunity to lower costs. Today, life is becoming digital, and IT is the tool for life! In this digital life, technology no longer follows business: they enable each other. And it puts me in a strange situation. When I recommend technology-based moves to my colleagues on the executive team, I do it knowing that it will put new burdens on my shoulders – delivery is hard! But setting one's own targets has good sides too, and I do master my own destiny better.

**I imagine the relations with business have also changed radically – how would you describe them?**

As IT, we have to earn the right to a level playing field with the business. We do it according to our version of Maslow's hierarchy of needs (see illustration) adapted to our mission: starting from the bottom, we need to satisfy one level before we can move up to the next one! We do not have a direct business responsibility, but we are responsible to the business. So we are still a cost center, but a cost center with business sentiment!

One difficulty: the gap is growing between the perception of IT – fueled by attractive smartphones, by apps, by tablets – and



Daimler's Capgemini Team

« We are very close to a radical change in our industry. By 2025, 2030, we will have autonomous driving, where cars will drive themselves in most circumstances. »

**Michael Gorriz**

the reality of IT – complex processes and systems must work to produce these good and simple-looking results! We still need a lot of good pedagogy to bridge that gap!

**The “connected car” is now the talk of the town. How is this major development changing Daimler?**

The connected car is one element only. We are very close to a radical change in our industry. By 2025, 2030, we will have autonomous driving, where cars will drive themselves in most circumstances. We are getting there rapidly: I can already safely take my hands off the wheel at 150 km/h! This might well completely change our industry. The question will be: who will provide the mobility, the individual mobility? Is it the Googles or the Apples of this world, through the conquest of the cabin? Will automotive manufacturers just provide the bare metal?

Our own target is to play a major role in offering mobility – we have started with a number of initiatives, like *car2go*, to make cars available easily, or with *moovel*, a point A to point B intermodal transportation app.

**You have just launched Mercedes me – where you bundle your customer services. How was it received? Is Daimler now a services company?**

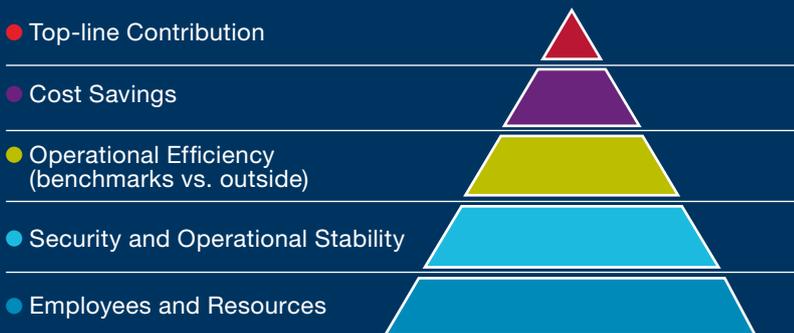
The reactions were good, even our competitors were impressed. But a student told me: “I am not impressed” – he thought that this was just normal. We have to make these new generations happy – not just our traditional customers; and we have to provide the easiest access to the generation in the middle, for which time is so precious. Daimler is both a manufacturer and a services company. We’ll remain a manufacturer, because this is very difficult to do and is, therefore, a significant competitive advantage. But we are a rapidly growing services company.

And the services business is an IT business. Only computers can provide the fast, individualized responses our 30 million customers expect. To go from point A to point B, everyone wants the best combination of transportation, including the ideal car. To provide such as service, we’ll have to change a lot.

**What do you expect from Capgemini?**

I expect you to understand our mission as shown in the pyramid, and to work as a part of it. If you help me fulfill my mission, if you help us service Daimler, you are a true strategic partner. My emphasis now is on making rollouts faster – we count on you to help us achieve this – thanks to parallel streams, and to our internal cloud computing. I have known Capgemini for years as a very reliable and competent development partner in Germany. I have now discovered your impressive capabilities in India. Based on this broader view of your company, I think we can expand to other regions, to other functions.

.....  
**DAIMLER’S IT PYRAMID**  
.....



The Daimler IT pyramid, inspired by Maslow’s hierarchy of needs.

# The State of Texas Goes Digital



In Texas, IT projects are as numerous as the state is big. Centralization of IT services, a pilot cloud project, cyber security, a catalog of shared application services — Texas is going digital. And the transformation is being led by the Texas Department of Information Resources, for the greater good of the state's population.



**Interview with Karen W. Robinson, Executive Director, Texas Department of Information Resources (DIR) and Chief Information Officer, State of Texas, along with Todd Kimbriel, Chief Operations Officer, and Dale Richardson, Director of Data Center Services. Interview conducted by Pierre Hessler, Capgemini.**

## **What is your role as the State of Texas' Chief Information Officer?**

My first role is to keep information flowing and communication running! I am accountable to the state citizens, and to the state leadership: they make sure we steward the resources of Texas and serve our agencies and their constituents well. My second role is to have and apply the right IT and Communications governance model for the state. Texas has 336,000 civil servants, working in some 200 agencies. These agencies range in size from very small to very large, and they each manage their own IT budgets. We, at the DIR, are their coaches and advisors; we also have the responsibility to carry

out legislative initiatives and mandates — in partnership with the agencies. I like to think of us as an orchestrator, motivating the agencies, understanding their needs, and getting from our vendor partners the best technology value for the state.

## **Isn't the DCS (Data Center Services) project a good example — both of a state mandate and of orchestration?**

Yes, I think it is. The project — the centralization of the agencies' computing services — was already underway for several years when I became Executive Director of the DIR. Agencies had been mandated to be part of it with the sharing of resources imposed on them — you can



« I launched a listening campaign – listening to our customers, the agencies. We switched from a technology project to a business project. »

**Karen W. Robinson**

imagine the resistance! This was seen primarily as a technology project, and not going very well. I launched a listening campaign – listening to our customers, the agencies. Not, or not just, the IT folks, but the commissioners, the executive teams. We started giving them a voice, vying for their support, collaborating with them, also creating shiny, attractive objects – we switched from a technology project to a business project. Of course, it takes a long time to change mindsets. But we are making good progress, already the majority of the state’s computing is now run by DCS. Of almost 30 involved agencies, some are enthused, quite a few have boarded the train, and we are working hard to win over the others.

**You see yourself and your team as orchestrators. So you hired Capgemini to be your “co-orchestrator”?**

Yes, we did. Large outsourcing contracts create excessive dependencies on a single provider, and therefore risks for the state. Splitting outsourcing into pieces makes it possible to hire the best

supplier for each piece, and to replace the failing vendors easily! But it is arduous to manage, to orchestrate the whole – Capgemini fills this role well, gaining the trust also of our customers and suppliers.

Orchestration goes beyond integration. Of course, there are important technical integration questions. But orchestrating means much more: it means ensuring that the sum of the services provided by all partners makes up a coherent, harmonious and effective whole. We are still at work of course, but together with Capgemini, we are getting there!

**In your mind, is this a significant step towards a Digital State of Texas?**

I see it this way. Every other year, we publish a five-year IT strategy paper, the *State Strategic Plan For Information Resources Management*. Our new one spells out 10 strategic priorities. The sum of these priorities moves us towards a Digital State that is equipped to serve citizens in the digital world. Now every legislative committee talks about technology – a radical change from just a couple of years ago! Right now we are performing a legacy study of the agencies’ application landscapes. I believe this will show which services are common: there will be much more to orchestrate, and I hope we can build a catalog of shared state application services! To demonstrate digital value, the key is to hit home runs. We had several recently – from a common mail system through to our cloud pilot project to our orchestration of cyber security.

**How does Capgemini fit in Texas?**

I see Capgemini as a global company, with a strong ability to adapt to local needs. Some of your colleagues here might even look good with a cowboy hat... You bring us a different point of view. But the local presence and staffing are essential as the facility to engage face to face adds a particular strength to our programs. We appreciate our partnership and hope we are a good partner to you.

Capgemini team at Texas Department of Information Resources







# Our strengths



## Culture of talent

**32,000**

new employees

**Cappgemini Super Techies Show**

an Indian TV show reached nearly 6.4 million users through social networks

**20,000**

average number of training hours provided daily by the Group



## Applied innovation

**SMAC**

increased pace of change for Social media, Mobility, big data & Analytics and Cloud (SMAC) services

**Ready2Series**

our new catalog of intellectual property solutions

**1/3**

a third of our order book came from our five main global strategic solutions

**ASE** (Accelerated Solutions Environment) with embedded collaboration delivers business solutions that normally take months in a matter of days

To help clients be more successful in the marketplace, Capgemini has provided four key strengths in a very competitive context: constantly enriched and refreshed expertise, thanks to our culture of talent; unprecedented performance with applied innovation; global coverage and strong personal relationships by being globally local; greater efficiency and attractiveness as a result of increased competitiveness.



## Globally local

**120**

nationalities represented among the 131,000 men and women of Capgemini

**+12%**

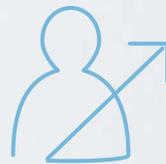
growth in turnover in Asia-Pacific and Latin America

### **One Team model**

enables employees around the world to work together as a unified team

### **North America**

Group's second biggest market with 21% of the Group's revenue



## More competitive

**45,000+**

employees in India, the country at the heart of our Rightshore® model

### **Lean**

tools and methodologies to reduce costs and improve operational efficiency

### **Industrialized production**

+59% order intake in application management, thanks to our next-generation Application Management platform



Over 32,000 new hires in 2013



Capgemini University's virtual campus



# Culture of talent

The 131,000 men and women of Capgemini share an entrepreneurial culture. One that is both collaborative and multicultural — and the result of its history. In keeping with its seven values, the Group strives to preserve it by recruiting the best people in the world and then helping them to develop their ability to anticipate, adapt, and innovate throughout their career, notably through the Capgemini University. The goal is simple: give customers the right answers at the right time in a constantly changing environment.



2<sup>nd</sup> season of Capgemini Super Techies Show

## ATTRACT AND PROMOTE THE BEST

In 2013, Capgemini recruited more than 32,000 employees worldwide. Forty-five percent of these new hires are graduates from top engineering and business schools.

For Capgemini, recruitment is not just about quantity, it is about quality. That is why the Group significantly expanded the use of digital tools in 2013. In addition to the dedicated careers section on its new website, Capgemini partnered with LinkedIn and purchased nearly 200 recruitment licenses. These will help recruitment managers find the most suitable candidates and manage their relationship with them.

In 2013, the Group also launched an online program to improve and accelerate the integration of new hires.

In India, where Capgemini hired 15,500 employees in 2013, the Group is a leader in the use of social media for recruitment. The first interview with a candidate in India is often done via a digital platform. For Rajesh Padmanabhan, Director of Human Resources at Capgemini India, *“The time saved can be used to conduct more in-depth, face-to-face meetings at the next stage of recruitment.”*

Although India trains more engineers than any other country in the world, the battle for talent there is particularly fierce. To strengthen its reputation and attract the best in the subcontinent, the Group has launched a unique initiative called the Capgemini Super Techies Show. The second season was aired on a leading Indian television channel last fall. In this reality show — which was expanded to North America in 2013 — teams of young IT professionals competed against each other. The Capgemini Super Techies Show 2013 reached nearly 6.4 million users through social networks.

Capgemini also recruits from within. In 2013, the Group launched an internal mobility program called *“promote first, hire second”* that provides new career opportunities to current staff.



# 1/4

**One in four new hires were made through LinkedIn in 2013.**

« I learned about Capgemini from a fellow student and a TV report on what the company is doing for young employees. I chose to work there because it is an international company that is well known in my country for providing opportunities to graduates. »

**Allan Passos, 23, business analyst and project manager, Application Services, Capgemini Brazil.**



Capgemini University



The “promote first, hire second” program also boosted Tania Perez-Castillo’s career. Of French and Mexican descent, she took part in the deployment of a strategic plan in human resources within Capgemini Consulting before being promoted to Global HR Manager at Sogeti, a subsidiary of Capgemini. *“This new challenge allows me to capitalize on my knowledge of the Group, its networks and its HR issues. But I also take full advantage of my international profile, in a role that requires strong multicultural sensitivity,”* says Tania.

**NEXT-GENERATION CAREER PATHS**

Capgemini is committed to constantly developing the expertise and knowledge of its employees, with two objectives:

- To better meet the changing needs of its customers;
- Be in sync with the aspirations of candidates and staff, including those from Generation Y.

Consequently, the Group has defined learning frameworks for each of its businesses to support employees as they progress in their career.

Following a “next-gen” career path means being able to transform one’s methods, priorities and skills depending on the challenges faced by customers. Capgemini relies on its managers to instill this culture of transformation in their teams. Consequently in 2013, transformation skills were added to their job profiles. Billie Major, who leads the delivery of IT services for HM Revenue & Customs, said: *“For me, managers must constantly seek to be a step ahead of their clients and always be thinking about the end user. That’s why we have to free up the imagination of our teams. If they are afraid of making mistakes, they will never try new things.”*

Capgemini managers are also at the forefront of developing employee engagement. The annual Group Employee Survey, which hit a record level of participation (78%) in 2013, helps managers understand the basics of this engagement and encourage its development.



20,000

**average number of training hours provided daily by the Group, of which 40% were online**





.....  
**ARIEL ECKSTEIN, MANAGING DIRECTOR,  
 LINKEDIN EMEA**  
 .....

## Social networks: a new weapon in the battle for talent?

Many companies around the world are now using social networks to recruit — or are seriously thinking about it. Why the sudden interest? How is this transforming the way they detect and attract new talent? Employers now have a formidable weapon in the battle for talent at their fingertips.

### How are multinationals using LinkedIn today?

Today, we work with over 22,000 companies, including about 90 from the Fortune 100. International companies like Capgemini are partners of choice and use LinkedIn for three kinds of services: marketing, sales and, of course, recruitment. LinkedIn helps them raise awareness of

their employer brand among over 277 million professionals worldwide.

### How are social networks like LinkedIn transforming the way companies like Capgemini recruit?

For years, large companies published job listings and hoped that someone would respond. Today, they are much more proactive. By buying LinkedIn Recruiter licenses, Capgemini can, for example, identify the most suitable candidates and contact them directly, while saving time and not having to rely on an outside partner. The Group can also identify future graduates with the skills it

will need for tomorrow. Large companies can also build a “pipeline of talent” interested in the company but who aren’t in the market for a job. We are also currently developing services to help manage internal mobility. This has high potential for large companies like Capgemini, which has 100,000 active employees on LinkedIn.

.....  
 Capgemini and LinkedIn have formed a close partnership.  
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**CAPGEMINI UNIVERSITY**  
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## Focusing on customer challenges

With more than 110,000 team members attending classes and 2.6 million training hours completed, Capgemini University ensures that the Group's customers benefit from the best-trained people in the business. It ensures that all the competencies being taught around the world are aligned with the core businesses of the Group. The hours of training dedicated to cross-functional content (not specific to a role or sector) rose by 50.9% last year. This content includes major technology trends such as cloud computing, big data, and mobility.

These technology topics are now integrated into the "Business Priority Weeks" held at the University's Les Fontaines campus north of Paris. They are also at the heart of "Co-creation Challenges" in which customers submit a real-world strategic challenge to a team of Capgemini experts. They work together to find the best solutions and, at the end of the week, present the customers with a detailed response to their problem. AkzoNobel, Hydro One, and Royal Mail Group participated in these Challenges in 2013.



Capgemini offices in Brazil



**DIVERSITY DRIVES DEVELOPMENT**  
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Capgemini believes that the diversity of its employees is a real competitive advantage. The Group, therefore, seeks to build a workforce with a wide variety of profiles, experiences, cultures, and lifestyles. By making project teams more diverse, Capgemini can better understand the requirements of end users. For example, over half the 31-member team that deployed smart meters for Southern California Gas were women and all came from a wide range of backgrounds and cultures. Both the team and Southern California Gas found this diversity to be mutually beneficial.

Capgemini also works hard to ensure gender equality in the workplace, notably through the Women@Capgemini program. Based on the principle of equal opportunity, it is structured around four areas: recruiting, retaining, developing women, and changing corporate mentalities. It has led to several initiatives. In 2013, for example, it saw the launch of a mentoring program for high-potential employees by top managers of the opposite sex.

The Group also strengthened its policy for the integration of employees with disabilities, with Capgemini India earning a special mention. In India, the Group received several awards in 2013, including the Helen Keller Award, which recognizes individuals and organizations that practice integration and fight against discrimination.

**ETHICS – A KEY ASSET FOR THE GROUP**  
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When it comes to ethics, Capgemini continues to cultivate its deeply rooted

73%

of employees who completed the Code of Business Ethics e-learning module



WORKPLACE DIALOG

Sustainable and open

Capgemini is developing very rapidly around the world. For this growth to be fluid and beneficial for all employees, it is essential to maintain a frank and open workplace dialog at all times. The role of the International Works Council (IWC), which is composed of employee representatives, is to relay questions and concerns to senior management. "In 2013, for example, we stressed the need to enhance the employability of team members in the face of the many organizational and technological changes currently happening," says Wouters Hendrickx, Secretary of the IWC since 2010.

our values

Seven values lie at the heart of everything we do.

honesty



boldness



trust



freedom



team spirit



modesty



fun



People matter, results count.



Capgemini lives by its core values, created by Serge Kampf, founder and Group Vice-Chairman

culture, especially when developing in countries where attitudes towards ethics vary. It does so by combining accountability and awareness. All new employees sign the company's Code of Business Ethics. An advice and alert system has been implemented, as has a clear system of sanctions, in the case of proven non-compliance.

In the annual Employee Survey, ethics came fourth in the list of reasons why team members feel engaged with the company. In 2013, the Group received the "One of the World's Most Ethical Companies" award from the Ethisphere Institute. Every year, the Institute produces a worldwide ranking table that rates companies in 100 countries and 36 different industries for their ethical behavior.

Last year, only five professional services companies were included in this international ranking. This distinction was again conferred on Capgemini in March 2014.

« To better serve our clients, we have implemented a true culture of performance, which ensures that at every moment, on every project, everyone gives as much as they receive. »

**Hubert Giraud, Group Management Board member, in charge of the Talent stream.**



.....  
David Ferreira — La femme à Toto warholisée N°1



.....  
David Ferreira — La femme à Toto warholisée N°2

TechnoVision 2014:  
our top experts  
analyze important  
technological changes



Ready2Series, our new  
catalog of proprietary  
solutions (above:  
The Perfect Day video)



Digital transformation  
means navigating the  
holy triangle of **applications**,  
**data** and **analytics** rapidly

Paul Maritz, Chairman  
and CEO, Pivotal




# Applied innovation

At Capgemini, innovation always has a clear objective: delivering truly useful services to our customers. When it comes to innovation, Capgemini offers three advantages: our ability to innovate underpins all the Group’s expertise; our technological independence leaves the Group free to choose the best solutions for our customers; and our ecosystem of partners gives us access to the best innovations.

Four major technological trends continued to make headlines in 2013: Social media, Mobility, big data & Analytics, and Cloud (SMAC). To help its clients make the most of these developments, Capgemini is running its innovation engine at full throttle. Below are some key examples.

First of all, the Group launched a new global service line called Digital Customer Experience (DCX), a comprehensive solution that allows firms to define their digital strategy and adopt customized solutions to transform their customer interaction methods. With DCX, companies create more intimacy with their customers, stand out from the competition and grow.

In the area of mobility, Capgemini launched a new offer in partnership with SAP and Amazon Web Services – Mobile Secure – which enables companies to manage

their pool of mobile devices securely, while allowing their employees to access corporate applications from their personal devices.

Capgemini’s revenue from big data services grew by 16% in 2013. Over 9,000 specialized employees across the Group now help clients get the most out of big data. Capgemini signed major contracts in this area with large organizations such as the European Space Agency, Network Rail (UK), Siemens (Germany), and T-Mobile (North America). Capgemini Consulting also set up several data analysis projects for a leading car manufacturer with a quantifiable effect on customer relations, customer loyalty, and marketing effectiveness.

The Group also stepped up its resources and offerings to support its clients’ transition into the cloud. Its offer is particularly rich: from data security to the orchestration of public, private, and hybrid clouds, and the development, deployment and management of platforms hosting applications and services.

In the SaaS (Software-as-a-Service) market, Capgemini signed special agreements with major players in Customer Relationship Management (Salesforce.com), Enterprise Resource Planning (NetSuite), Human Resource management (Workday),

A range of cloud offers

« We don’t innovate for innovation’s sake. We do it because it helps make our clients more efficient and it challenges the status quo. It forces us to ask the question “why not?” without following fads. »

**Salil Parekh, Group Management Board member, in charge of the Innovation stream.**





and document management and storage (Box). As part of its existing strategic alliances, the Group actively participates in the development of cloud services with HP, IBM, Oracle, and SAP. In infrastructure, it created a dedicated Cloud Management Unit (CMU) that can orchestrate the cloud capabilities purchased by its customers from major providers like Microsoft or

Amazon Web Services. In all these areas, Capgemini is also developing innovative intellectual property solutions that offer tangible benefits to its clients, such as swift implementation, reliability, and controlled costs. In 2013, the Group launched the Ready2Series, its “in-house” range of products and services. For more details, see p. 65.

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**LANNY COHEN, GLOBAL CHIEF TECHNOLOGY OFFICER AT CAPGEMINI**  
 .....

# Embedding innovation in everything we do

How has innovation changed in 2013 for Capgemini and its clients? How can it be accelerated? Lanny Cohen, who was previously in charge of Application Services in North America and is currently Global Chief Technology Officer worldwide, shares his analysis and his convictions.

« Consumers and customers have become the primary source of innovation. »

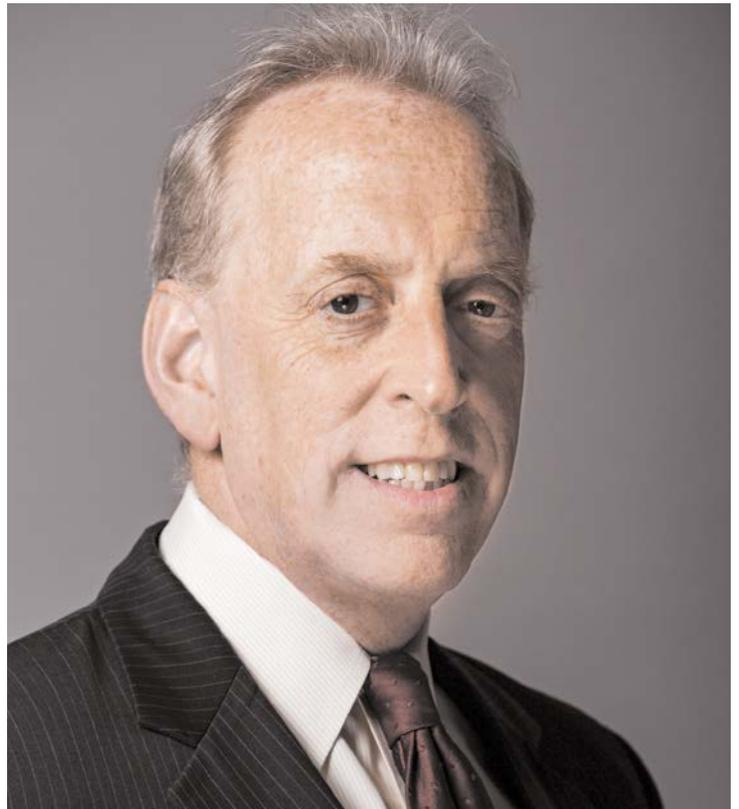
**Lanny Cohen**

**Lanny, what is the mission of the Chief Technology Officer in Capgemini?**

The Capgemini CTO, together with his network of CTOs in all operations, makes sure we are and remain leaders in using technology for the business of our clients. Innovation is a natural part of it.

**Innovation is not a new topic... Did it take some new turns in 2013?**

Yes, I believe it did. First, innovation kept expanding beyond the traditional product innovation – to the whole enterprise. Second, innovation kept breaking the walls of the organization: co-innovation, with partners, is the name of the game today. Capgemini is a good example with our network of alliances. And third, I saw appearing what one could call forced innovation – innovation which is necessary to cope with the pace of technology evolution.



For example, to deal with the deluge of big data, one needs to innovate in computing platforms, in data management, in analytics, in security...

**The first step in innovation is to get new ideas: what are nowadays the sources of innovation?**

Customers and clients are prime sources of

innovation. Lego was an early example, and remains a role model. Waze organizes drivers into active communities to keep maps up to date and beat traffic jams – end users become end producers as we show in our TechnoVision 2014. Bringing young talent into companies is a sure way to generate innovation – digital natives swim in it, they are natural innovators. Overall, by increasing the aperture of our companies' innovation lenses, we open up to the innovation which is all around us.

#### How does one turn an innovative idea into something useful?

Right, there is a lot of innovation, the difficulty is to turn it into applied innovation, namely the one which makes a business difference. And to do it fast, to shorten the Idea-to-Revenue time – traditionally years - to months or even weeks.

To achieve it, you need a value chain of innovation in the shape of an effective process. Consumer innovation, the one we all know, is a rapid, strong, broad and regular flow: enterprise innovation has to get closer to what has become the innovation model.

Few companies master the process of turning innovation into real business. Amazon is a good example, they are good both at explosive innovation – making Prime and Amazon Web Services big businesses in a few years – and at continuous innovation for their retail and their cloud computing customers.

#### The new technologies – Social, Mobile, Analytics or Big Data, Cloud – are sources of innovation in themselves, and even more in their combination, SMAC. Was 2013 a good SMAC innovation year?

We have only scratched the surface in terms of the innovations each of these technology disruptions enables.

For example, catalogs of Cloud services are getting thicker by the day. They will soon be rich enough to offer the business building blocks of innovation. They will be part of innovation platforms which help institutionalize systematic innovation.

But right, it is the SMAC combination of technologies which is now giving birth to the next big wave of innovation – the inclusion of the physical world into the internet via sensors in products, infrastructures, vending machines... And the enterprise will change as its products remain linked with it, from homes, from aircrafts, from power plants...

#### What is the role of Caggemini in innovation? Provider, facilitator, catalyzer, orchestrator?

Our first role is of course to manage our own innovation. Our entrepreneurial DNA favors innovation, not necessarily its broad adoption... But we are progressing in the globalization of innovation – for example through the development of our own Intellectual Property solutions, through our Global Service Lines, through Experts Connect (see p. 32).

## TECHNOVISION 2014



## Technology helping the digital enterprise

**With TechnoVision 2014, Caggemini provides a comprehensive vision of the main technological changes and their role in corporations. Based on the expertise of the Group, it provides seven design principles and 30 modules for developing and orchestrating business solutions. Thanks to its clear structure and language, TechnoVision 2014 helps technology and business communities transform the way they work and communicate together to build the digital enterprise. Designed to achieve specific business goals, TechnoVision allows to select the most relevant technologies and understand how powerful they can be when brought together. TechnoVision 2014 is available as an e-book on [Caggemini.com](http://Caggemini.com) and is one of the Group's services.**

Towards our clients, we see our innovation role as multiform. Sometimes, as their strategic partner, we are a provider and implementor of innovative ideas. Sometimes we facilitate the innovation process of our clients, notably through our ASEs (Accelerated Solutions Environments). And often we innovate together!

#### Lanny, you work with many clients on innovation. What do you recommend to them?

There are two actions I recommend. One is to create a "face of innovation" in the enterprise, championed by the CEO and her/his leadership team. The objective is to root innovation in the hearts and minds, in the culture, in the processes.

The second is to give a free rein to innovation. We love innovation as long as it doesn't threaten the existing business... we fear its cannibalization – which only makes sure that others, known or unknown competitors, "out-innovate" us, and eat us alive! To avoid this, I may recommend to create an entity which deals with the new – outside of the normal strategy and organization.

# Behind the scenes of digital transformation

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Digital covers the vast majority of the most recent IT innovations. It is giving birth to new businesses. We spoke to the movers and shakers who are driving digital transformation in their organizations.

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## VIVEK BADRINATH, DEPUTY CHIEF EXECUTIVE OFFICER, ACCOR

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**Vivek Badrinath is Deputy Chief Executive Officer, in charge of marketing, digital, distribution and information systems, at Accor, the world's sixth largest hotel group. He explains how these functions are now complementary to each other in large companies**

« In a digital world, the separation between marketing and technology is fading. »

**Vivek Badrinath**

### What are the links between marketing and technology today?

In the digital world, the separation between shopping, buying, consumption, and the product itself — and therefore the technology — is becoming artificial. When we buy music online, we also “buy” the recommendations that guided our choice. What was previously considered pre-sales is now an integral part of the musical experience. This is also the case in the hotel and catering sector, where the preferences and tastes of the customer are taking into account in a personalized way. It's the same in transportation, entertainment, and especially, retail. With big data, major retailers have detailed knowledge of customer behaviors. They can use it to make the shopping experience more convenient and efficient by automatically generating shopping lists based on purchase history, for example.

### How are companies adjusting to these changes?

To cope, companies are substantially transforming their methodologies and their organization. To develop a web or mobile site, they are no longer using rigid technical specifications. They prefer to mobilize agile teams that bring together all

the project stakeholders. With big data, marketing becomes less intuitive and more based on rigorous data analysis. Teams can test hypotheses upstream to check the validity of their decisions. I believe that marketing and technology will continue to come together. To drive these changes, I think it is essential to bring business and technical functions together, as we've done at Accor.






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**ANTONIA MCCAHERN, GLOBAL HEAD OF DIGITAL MARKETING  
AT PERNOD RICARD**

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Creation of a “digital acceleration team”, intensive “Digital IQ” training for employees, development of an ecosystem of innovative start-ups. These are just a few of the ways in which Pernod Ricard, co-leader in the Wines & Spirits sector worldwide, is rapidly bringing about a digital revolution. The objective is to build direct connections with consumers. To tell us more, we spoke to Antonia McCahon, Global Head of Digital Marketing at Pernod Ricard.

**What is your main goal at Pernod Ricard today?**

My priority is to build direct connections with consumers through digital. For Pernod Ricard, it’s kind of a “homecoming,” since the company’s original business model was based on socializing and individual contact with customers. Today, there are often three or four intermediaries between the consumer and us. To achieve this transformation, we have set up a “digital acceleration team” comprised of people from sales, marketing and IT from different brands. Its

role is to support business transformation and digital projects in the various functions of the company, such as business development, marketing operations, and human resources.

**What is the secret to success?**

All employees across all our brands and businesses must understand how digital can make a tangible difference in our business. That’s why we introduced a Digital IQ program of intensive training for our digital marketing, business development, and HR teams, not to mention finance and legal. We also have a digital MOOC program (Massive Open Online Course) that is connected to individual employee objectives. To

accelerate the company’s transformation, we work with partners like Google and Facebook, who help us invent new operational models. And we have created an ecosystem of start-ups capable of providing breakthroughs very rapidly.



A deeply multicultural organization, Capgemini has its own way of working called the "Collaborative Business Experience™." It is an approach that ensures comprehension, flexibility, agility, and creativity.



Big data & analytics: business information that is faster, more reliable, and more relevant.





# Globally local

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To grow their businesses, Capgemini’s clients need the right technology partner, one capable of mobilizing expertise and resources around the world. Already present in over 40 countries, the Group further increased the international scope of its business, delivery model, and portfolio in 2013. It has deep knowledge of local markets and builds a direct and close relationship with each customer.

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## A POWERFUL SALES FORCE

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To build a solid relationship with its customers, Capgemini has developed a strong sales force and a specific delivery model. In each of its major markets, Capgemini has established Country Boards that bring together the heads of the various business units. Their role is twofold: to better serve large accounts by providing efficient solutions more quickly and to increase the Group’s market share in their geography. In 2013, orders from the 50 or so large accounts managed by the Country Boards increased by 6%.

For employees to work together as a unified team, the Group relies on its “One Team” model. It is comprised of shared business practices, a single competency model for each business, and an approach called the Collaborative Business Experience™, which guarantees dialog, flexibility, and creativity. In 2013, Capgemini significantly strengthened its presence in countries such as Morocco, where the number of employees jumped by 32%, and in India where Capgemini now has over 45,000 employees.

## ACCELERATING DEVELOPMENT IN HIGH-GROWTH GEOGRAPHIES

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In 2013, Capgemini’s sales in Asia-Pacific and Latin America grew 12% (organic growth). The Group is developing its resources in these strategic regions and is strengthening its position in dynamic local markets.

### In Asia-Pacific

In 2013, Capgemini continued to service many customers of international or regional importance. For example ANZ Bank, Australia’s 3<sup>rd</sup> largest banking group, aims to grow strongly in the Asia Pacific region by 2017. To help achieve

« In 2013, we continued to strengthen our close relationships with our key accounts and to accompany them wherever they are present: it is a strategic priority for the Group. »

**Olivier Sevilla, Group Management Board member, in charge of the Growth stream.**





Brazil: Capgemini's hub in Latin America.

↳ this, Capgemini was engaged in 2012 to organize all upstream testing of its banking applications. This also provided ANZ with significant operational flexibility and control to help accelerate the technology transformation required to deliver its super regional strategy. Paul Thorley, in charge of Application Services for Asia-Pacific, says: *"The support of our financial services global business line was crucial. We were able to complete transition in a few months, ramp up a team of more than 700 resources in a new center of expertise for the bank in Bangalore and establish a transformation agenda aligned to the overall IT objectives for the bank."* Capgemini also continued to expand its

presence in China. The Group now has more than 2,300 employees in the country. In 2013, several international clients, such as the conglomerate China Resources, appointed Capgemini as a strategic, long-term partner.

#### In Latin America

In 2013, the region generated the Group's strongest growth. *"Brazil, which contributed significantly to these results, has been chosen as the hub of our expansion into other South American markets like Mexico, Argentina, Colombia, Peru, and Chile,"* says Walter Cappilati, head of Application and Infrastructure Services in Latin America at Capgemini. In Brazil, Capgemini strengthened its position in the financial services sector and now ranks among the top three IT companies in Latin America.

## FINANCIAL SERVICES

### World-class partners

**Capgemini partners with many top financial institutions. In 2013, it was selected as a global strategic partner for a high-profile global bank, and delivered core banking transformations for several leading banks. In Cards and Payments, Capgemini launched several mobile payment platforms for customers and helped them comply with new regulations, including the Single Euro Payment Area (SEPA), which came into force in 2014. The Group implemented a large card issuance project for a major British bank that is expanding into the rewards market.**

In 2013, Capgemini implemented an ERP and Core Banking project for Caixa, which is one of the most complex in the world. The Group has also launched a program to improve online banking for Caixa. For Roberto Zambon, Executive Director of IT at Caixa, *"The partnership with Capgemini has allowed us to rethink the services we offer our different business lines. Previously, we couldn't have imagined rolling out strategic integration projects on such a scale because of their complexity and duration."*

**AN EVER-RICHER PORTFOLIO OF SOLUTIONS**

Capgemini has continued to transform its portfolio of offers with one key objective in mind: helping customers stay a step ahead. It has developed innovative strategic offerings around major technological transformations: customer experience, cloud computing, mobility, big data, and social media. Highlights on two new key features:

**A unique library of Business Process Outsourcing (BPO) best practices**

In 2013, Capgemini continued to enhance its Global Process Model, a repository of business process best practices. A global leader in Finance & Administration, the Group uses its knowledge to show customers how they compare against comprehensive benchmarks in areas such as the efficiency and costs of managing financial flows. This was the case at Ferro, an American producer of high-tech materials and chemicals. Capgemini provides Ferro with BPO and Information Technology Outsourcing (ITO) around the world. By combining the Global Process Model with high-level technological and analytical tools, Ferro has significantly improved the quality of its financial operations, accounting, and indirect procurement.

.....  
**Global strategic solutions represent**

1/3

**of our order book**

.....  
**AUTOMOTIVE**  
 .....

**Capgemini supports Fiat Chrysler worldwide**

**Capgemini has had a close relationship with Fiat, a major player in the automotive sector, since 1998. Following the acquisition and integration of Chrysler in 2009, Fiat Chrysler has become the world's seventh largest automaker and is present in many countries. Capgemini supports the company in several projects around the globe, including the development of the IT infrastructure for its Betim plant in Brazil, the deployment of a SAP solution for Chrysler in China, and projects related to the group's financial systems in Italy. Capgemini has an international team dedicated to Fiat Chrysler, made up of managers from different markets and geographies.**

**Faster, more reliable, and more relevant business information**

Often in large companies, decision-making is hindered by a lack of accurate and quality business information. To meet this challenge, Capgemini has developed the Business Information Service Center (BISC). First, the Group works closely with the customer's business and IT teams to build an effective strategy for information management. Then, Capgemini provides industrialized development and maintenance of the customer's business information system using its Business Information Management (BIM) Center of Excellence in India. This highly competitive offer adjusts the size of the dedicated teams over time, depending on the changing needs of customers. Willem Eelman, Global Director of Unilever Information Systems, says: *"The BISC project is one of our key strategic initiatives, not just for IT but for Unilever's business. It generates better information that is consistent, accessible and usable by our employees around the world."*

« This year, global strategic solutions represented 33% of Capgemini's order book, compared to 28% in 2012. »

**Paul Nannetti,  
 Global Sales and Portfolio Director.**



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Masaya — New York





The Odigo experience: Building closer relationships with your customers

## SKF Supplier Excellence Award 2013

COST



### CAPGEMINI PROFESSIONAL SERVICES FRANCE

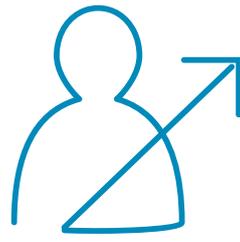
With its professional approach to the reduction of transaction costs and its global presence, Capgemini enabled SKF to reduce costs in an active, flexible, and transparent way.

SKF reduced costs by approximately €9 million.

*Birgitta Stenman*  
Birgitta Stenman  
SVP Purchasing, SKF Group

Award received from the Swedish company SKF, world leader in ball bearings



# More competitive

Today, competition is everywhere. Our customers operate in markets that are increasingly competitive. The same is true for Capgemini. The Group is exposed to dynamic western competitors and expanding Indian players. To win this race — for its customers and the Group — Capgemini accelerated in three areas in 2013. First, it demonstrated its ability to combine onshore, nearshore, and offshore resources to create tailored, cost-competitive services. Second, it perfected a comprehensive approach to competitiveness that goes beyond cost to include quality and innovation. Finally, it provided specific competitiveness solutions for each of its businesses and those of its customers.

Next generation Application Management

**APPLICATION MANAGEMENT SERVICES: INDUSTRIALIZING DELIVERY MODELS**

To strengthen its competitiveness and that of its clients, Capgemini has learned from the playbook of manufacturing, with its series, production runs, specialization, and standardized production methods. Launched in 2013, the next generation Application Management platform is the best illustration of this approach. The platform's various components transform the way the Group develops, manages, and maintains application systems for its customers. First, Capgemini established

Industrialized Managed Service Centers (IMSC) that bring together hundreds of trained service professionals in a “factory model” where teams are specialized on one technology (for example SAP or Oracle) and work for several customers. It delivers service at the highest quality level while simultaneously reducing operational costs. The IMSC is based on a set of dedicated tools:

**Application Management Toolbox**

The toolbox is shared by all employees in the IMSC. It includes all the tools and processes associated with the production of application systems. Capgemini has entrusted CAST, the world leader in software analysis and measurement with the task of validating application quality.

**Real-Time Dashboards**

Capgemini provides clients with tablets to keep them informed in near real-time on the performance of their outsourced environment.

**Distributed Delivery**

A set of applications enabling a client-centered, continuous-improvement operating model.

« Naturally, our competitiveness program helps our clients reduce their costs, but it is also the backbone of innovative business models. It is the combination of these two elements that increases competitiveness. »

**Patrick Nicolet, Group Management Board member, in charge of the Competitiveness stream.**





STÉPHANE GARELLI, PROFESSOR AT BOTH THE INTERNATIONAL INSTITUTE FOR MANAGEMENT AND THE UNIVERSITY OF LAUSANNE

## Insights into competitiveness

**An authority on global competitiveness, Stéphane Garelli is a professor at both the International Institute for Management and the University of Lausanne. His research focuses on the competitiveness of nations and companies in international markets. He directs the “World Competitiveness Yearbook,” an annual benchmark study that compares the competitiveness of 46 nations.**

Competitiveness means different things to different people. We asked Mr. Garelli to provide some perspective and a better understanding of this concept at the heart of our business practices.

### **How would you define the concept of competitiveness for businesses today?**

Firstly, it should be noted that competitiveness is a tool to achieve a goal, not an end in itself. This objective for businesses is profitability. Today, competitiveness refers to the ability of companies to manage a set of resources and skills to become more profitable. You know, it's a bit like Usain Bolt: to become a great athlete, he had access to good sports

facilities, a special training program, special equipment...but his mindset is just as important. That's why competitiveness really requires a comprehensive approach.

### **For large groups like Capgemini, what are the main challenges of competitiveness?**

Competitiveness has become more important as the economy has become more global. Today, there are about 1,000 companies from emerging countries with a turnover above € 1 billion. They often have

lower wages and don't think about regulations, labor negotiations or environmental impact in the same way as European or American companies. Not everyone is playing by the same rules. Capgemini, which has decided to develop significantly in India, understands these challenges well.

### **How can western companies succeed when competing with emerging countries?**

To remain competitive, western companies should absolutely invest in technological innovation to

stay a step ahead. Today, the brands best known for innovation come from the west. Think Apple, Twitter, or Google. But do not take this for granted. The same can be said about brand management and reputation. The newcomers from emerging countries don't yet command the same trust and reliability as major western names, but the situation is bound to change. The quality of execution services or products also seems essential. Finally, Einstein once said: “Logic will take you from point A to point B, but imagination will take you everywhere.” Often, companies only change their business model during a crisis. One major challenge for them is how to transform their business even when business is going well.

ENERGY

## Capgemini selected to transform Statoil’s application portfolio

Statoil is a Fortune Global 50 energy company headquartered in Norway. In January 2014, it signed a major agreement with Capgemini for a potential duration of 10 years. The Group will manage and transform Statoil’s general business applications portfolio to support its plan for international growth and to promote a performance-based culture. The services will be delivered through Capgemini’s teams in Norway and India. The next-generation Application Management platform was a key factor in Statoil’s decision to work with Capgemini.

many different technologies. Today, we have a major agreement with EMC<sup>2</sup> that we renewed and expanded in 2013. Now, EMC is responsible for 80% of Capgemini’s storage capacity using only two technologies. One team, located in India, manages these facilities.”

This large-scale project has brought tangible benefits to customers. By reaching “critical mass” Capgemini was able to reduce its procurement costs and pass the lower prices on to its customers. By reducing the maintenance headcount, the Group was able to invest more in training group team members on specific technologies. Finally, thanks to a simpler environment, it is able to provide customers with better service availability and stability.



### The Technology Office

Works in close cooperation with the client to drive innovation and transformation initiatives. To support the IMSC, all support functions are grouped into various “shared service centers.”

As Sue Watts, Head of Delivery, Application Services One, explains: *“With the next generation Application Management platform, Capgemini managed to reduce the production costs of its application services from 25% to 35% in 2013. With this complete overhaul of our delivery model, we are now much more competitive in the market, and also more attractive to our customers.”*

### IT INFRASTRUCTURE: STANDARDIZATION IMPROVES EFFICIENCY

Faced with a technological change like big data, Capgemini’s customers need an IT infrastructure capable of managing and storing ever-greater volumes of data. To meet their needs while developing competitiveness, the Group has transformed the way it manages its infrastructure by launching an extensive program of standardization. Steve Wanklin, Director of Global Operations for Infrastructure Services at Capgemini, says, *“The management of storage capacity is probably the most striking example of this standardization. Previously, we had five suppliers using*

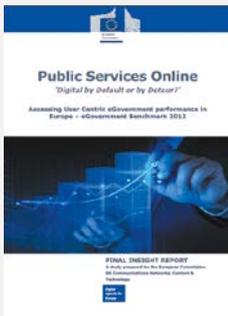
### PROPRIETARY SOLUTIONS: PROVEN AND COMPETITIVE SOLUTIONS

Capgemini continues to invest in its Ready2Series catalog of proprietary solutions. The Group invests heavily in developing added-value offers and then retains ownership of the intellectual property. It recoups investment costs by offering these services to other customers, giving them cost-effective access to proven solutions.

For instance, take SCUBI (Southeast Consortium Unemployment Insurance Benefits Initiative), which manages unemployment insurance in three US states: North Carolina, South Carolina, and Georgia. SCUBI signed a contract with Capgemini in 2013 to design and implement its Unemployment Insurance IT system. The Group leveraged a solution that had already been implemented for the State of Nevada. This solution is based on proprietary software developed for the insurance and tax industry.

Another example is the EnergyPath platform, developed by Capgemini to meet the needs of Oilfield Services and Midstream industries. As Tim Bridges, Director of Application Services in North America, explains: *“EnergyPath is a turnkey solution that enables our customers to implement a SAP ERP system without having to own it. Fifteen Capgemini clients have already implemented it.”*

# Making sense of business and technological changes



## EGOV BENCHMARK

Based on a survey of **28,000 citizens** targeting the Internet population of 32 countries, this benchmark shows that eGovernment is on its way but not quite here yet. Although people are more and more likely to use eGov services to look for work or pay their taxes, they generally prefer eCommerce and eBanking services to eGov ones.

# 46%

Percentage of Europe's Internet population who use eGov services

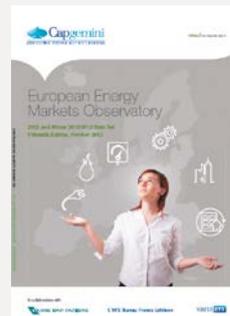


## WORLD QUALITY REPORT

The World Quality Report is a major global research study and expert commentary for Application Quality Assurance and Testing. It is the result of ongoing collaboration between Capgemini, Sogeti, and HP Software. This edition reveals that Quality Assurance functions are becoming structurally more mature — the number of organizations with a fully functional Testing Center of Excellence increased from 6% in 2012 to 19% in 2013. QA teams are, however, still engaged too late in the application development cycle, which contributes to the increase in testing's share of IT budgets.

# 23%

Percentage of corporate IT budgets which are dedicated to testing (up 5% from 2012)



## EUROPEAN ENERGY MARKETS OBSERVATORY

Capgemini's European Energy Markets Observatory is an annual report covering EU-27 countries (plus Norway and Switzerland). The 15th edition of the report shows that the electricity and gas markets were unstable in 2013 due to a slow economy that triggered less consumption of gas and electricity. Another important factor was the effect of the EU Climate and Energy Package. The study examines several options for transforming the energy market.

# -2.2%

The percentage decrease in European gas consumption in 2013.



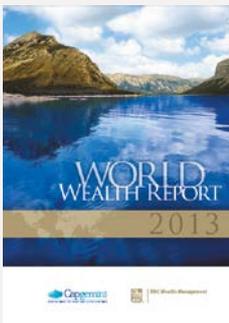
## NO MORE SECRETS WITH BIG DATA ANALYTICS

The ability to manage and exploit big data is becoming a key growth driver. This book helps companies understand the "big data revolution" and anticipate the changes that come with it. Published by Sogeti, it enables them to build an effective strategy by reviewing various topics: the acceleration of data flow, data-driven behavioral predictions, data ownership, and the protection of privacy.

# x2

The storage capacity of computer chips doubles every 18 months.

Capgemini conducts ongoing research and analysis on the trends affecting businesses and organizations today. Available on Capgemini.com, they are a valuable source of insight and actionable knowledge. Moreover, several of the reports are on-going, annual surveys of key stakeholders that track shifts in trends over time. Some of the research published in 2013 includes:



**WORLD WEALTH REPORT**

**The 17<sup>th</sup> edition of the World Wealth Report** released by Capgemini and Royal Bank of Canada Wealth Management looks at the main challenges facing wealth management firms: the volume and pace of regulatory change due to complexity, lack of regulatory uniformity and the increasing costs of both compliance and non-compliance. To meet these requirements and minimize the negative effects on clients, many firms must go beyond simply making tactical investments and focus on more strategic decisions.



**EMBRACING DIGITAL TECHNOLOGY: A NEW STRATEGIC IMPERATIVE**

**Companies are struggling with digital transformation.** Getting leadership aligned and the organization engaged are just two of the key findings of the study conducted among 1,500 executives in 106 countries by Capgemini Consulting in partnership with MIT Sloan Management Review. The study also includes case studies of the digital transformation programs put in place by Volvo, Starbucks, Nike, and Caesars Entertainment.

63%

The percentage of people who say the pace of technology change in their organizations is too slow.



**TAKING MOBILE SECURITY TO THE NEXT LEVEL**

**Enterprise mobility comes with significant opportunities,** but also greater security risks, as employees access sensitive corporate data over multiple, unsecured devices. In this paper, Capgemini shows how to design, implement, and maintain a mobile architecture that protects data and identities while ensuring availability.

70%

The percentage of companies which plan to provide access to their applications on bring-your-own devices\* in the coming months. Source : Gartner.

**ALSO AVAILABLE:**

➤ **Industry research:** *Cars Online 12/13, World Insurance Report, World Retail Banking Report, World Payments Report, Third Party Logistics Study, Supply Chain Management BPO Survey, Oracle Supply Chain Report, Future Value Chain Report.*

➤ **Other research and insights into major technological trends:** *The Internet of Things, Mobile Testing, and Business Cloud: The State of Play Shifts Rapidly.*

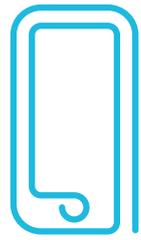
➤ [capgemini.com/thought-leadership](http://capgemini.com/thought-leadership)



.....  
David Ferreira — Toto et sa femme !!! N°1



.....  
David Ferreira — *Miam-miam!*



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# Celebrating artists for 26 years

Each year since 1987, the Capgemini Annual Report has been illustrated by contemporary artists. This 39<sup>th</sup> issue features five painters.



## DAVID FERREIRA

At 31 years old, David Ferreira paints abstract canvases that are dense, intensely colored, packed with energy, a *joie de vivre* and inside jokes. In this amazing visual free-for-all, that is both controlled and uninhibited, entertaining childhood references mix with the codes of adulthood. This atmosphere extends to the names of his paintings: "Code barre", "La Tête à Toto" or "Plexiiiiiii."

### [davidferreira-art.com](http://davidferreira-art.com)

Cover - *Morpions N°1*

Page 02 - *Morpions N°2*

Page 14 - *Toto et sa femme N°2*

Page 15 - *Toto ange et démon*

Page 48 - *La femme à Toto warholisée N°1*

Page 49 - *La femme à Toto warholisée N°2*

Page 68 - *Toto et sa femme !!! N°1*

Page 69 - *Miam-miam*



## ROLF SAINT-AGNÈS

A decade living in New York, extensive travel in Japan, Brazil and southern Africa, a year cut off from the world without electricity or heating in a forest in California, involvement in several anti-AIDS campaigns, a studio in the south of France — these are just some of the many experiences that influence Rolf Saint-Agnès' work, without forgetting his pop art roots. The result: paintings that exude sensitivity and imagination.

### [rolfsaintagnes.com](http://rolfsaintagnes.com)

Page 07 - *Having fun*



## VIRGINIE NÈGRE

Color, substance, light...the work of Virginie Nègre is a concentrated dose of emotion. The figurative parts of her compositions often combine more abstract elements that leave room for imagination. Her works evoke faces, flowers, the human body and even herds of animals. But they always reflect an incredible sensitivity.

### [virginie-negre.com](http://virginie-negre.com)

Page 26 - *Malte 12*



ÉRIC CHOMIS

At the age of 49, Eric Chomis is a hard-to-define artist who has been influenced by Fauvism (for color) and Picasso (painting with the naivety of a child). Both simple and complex, his works never take the beaten path. With a taste for provincial and anonymous landscapes, they boil with color and texture.

[eric-chomis.com](http://eric-chomis.com)

Page 38 - *Asie si loin de toi si loin de moi*



MASAYA

Born into a family of artists, Masaya began by studying fashion design and drawing before turning to painting. At 54, he creates magical and colorful worlds, mixing acrylic paint, metallic and iridescent resins, photographs and graphic designs. Featuring textured effects, knife strokes and particles of glass and mirrors, Masaya's paintings are unique creations.

[galleries-bartoux.com](http://galleries-bartoux.com)

Page 60 - *New York*

Page 61 - *Asia*

- ➔ News about Capgemini is available in English on [capgemini.com](http://capgemini.com) or in French on [fr.capgemini.com](http://fr.capgemini.com)
- ➔ An interactive, downloadable PDF version of this report is available at [capgemini.com/annual-report/2013](http://capgemini.com/annual-report/2013)
- ➔ Full details about the Group and its activities are available in the 2013 Registration Document (Annual Financial Report), as a print copy or as a PDF, from [capgemini.com/investor/2013-financial-report](http://capgemini.com/investor/2013-financial-report)
- ➔ French versions of the above documents are available at [fr.capgemini.com/rapport-annuel/2013/documents](http://fr.capgemini.com/rapport-annuel/2013/documents)
- ➔ Contact (in English) a Capgemini expert on [capgemini.com](http://capgemini.com), in the Expert Connect section



A Capgemini Group publication.

- **Published by the Group Marketing and Communications Department**, 11 rue de Tilsitt, 75017 Paris
- **Project management:**  $\bar{w}$
- **Design:**  $\bar{w}$
- **Photography:** © Capgemini photo library; [capgemini.microworld.org](http://capgemini.microworld.org); Corbis Images/Cameron Davidson, India Picture; Daimler AG; Doug Kanter; Getty Images/Dante Laurini Jr Imagens; LinkedIn; Manu Madeleine; Masterfile/Cultura RM, NR; Mat Beaudet; Orbital Design Ltd; Philippe Levy; Shutterstock; Texas Department of Information Resources; Thinkstock.
- Printed in France by Sego, 95150 Taverny.



