People matter, results count.
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Olivia Boa, “The Tree”
“Thanks to the trust of our clients and our shareholders, and to the commitment of our employees, we have met or exceeded all our objectives.”

PAUL HERMELIN, CHAIRMAN AND CEO OF CAPGEMINI

The market applauded Capgemini’s results in 2014. Do you believe it was a good year for the Group?
This was a year we will remember. Thanks to the trust of our clients and our shareholders, and to the commitment of our employees, we have met or exceeded all our objectives. Capgemini has proven itself to be a very solid and truly global company. It is among the largest in the sector in terms of revenue, profit and cash flow. Today we’re playing in the “Champions League”. But I am well aware that you cannot take anything for granted.

Do the two engines of “innovation” and “industrialization”, which are dear to you, explain this performance?
They are firing on all cylinders; now we need to rev up. When it comes to innovation, the Group’s revenues in 2014 from SMAC\(^1\) jumped 25%. To meet the advanced requirements of our customers and successfully play the differentiation card, we have built powerful technology alliances. One example: the new big data solutions developed with Cloudera and Pivotal, both leaders in this field.

For industrialization, we continued to develop our offshore platforms. In India, of course, where we have more than 56,000 employees, but also in Morocco, Latin America and Poland. Yet industrialization also requires technological innovation. We are investing in advanced production methods, and are entering new territory with the automation of those tasks which lend themselves to it.

Does this progress explain the good results in the United States?
On this continent, innovation and industrialization have been the watchwords for several years already. In this demanding and competitive environment—the world’s largest IT market—our performance shows that we’ve made the right strategic choices.

Capgemini has a comfortable level of cash. What are you going to do with it?
First, we think of our shareholders. The Group will distribute an increased dividend for the second consecutive year, if approved at the General Shareholders’ Meeting in May 2015.

Any acquisitions in sight?
Naturally, our level of cash allows us to have ambitions. We are on the lookout for external growth opportunities. Already, in 2014, Capgemini acquired Euriware, which brought us valuable expertise in one of our key sectors—energy.

In 2015, what will you be focusing on?
We cannot rest on our laurels! We are working on two major priorities.
The first is to continue strengthening what I call alignment. Clients should have the full potential of Capgemini at their disposal, regardless of the business, expertise or teams they are looking for. We have made progress in this direction for the largest accounts. We must go further.

Our second priority is the modernization of our tools and methods, to keep us in tune with the new generation of employees. We are hiring more than 16,000 graduates a year. They are accustomed to the interactivity and immediacy of social networking, which is quite a challenge for us! To meet their expectations, the Group is undergoing its own digital transformation. Take for example our Expert Connect network. It has more than 900 experts who interact online with clients, prospects and influencers. Then there is Yammer, our internal social network, which grows bigger every year. But it’s still not enough; there too we must continue to innovate and accelerate.

“Industrialization also requires technological innovation. We are investing in advanced production methods, and are entering new territory with the automation of those tasks which lend themselves to it.”

(1) SMAC: Social, Mobility, Analytics and Cloud
What other challenges do you face?
The first thing that comes to mind is the digital revolution, which is by no means over. Capgemini Consulting’s teams saw it coming long before many others. That’s why they developed our “Digital Transformation” offer. Now, I expect the entire company to support clients who tomorrow will be the references in this historic revolution. In this context, our business partners are changing and we must adapt accordingly. Of course, CIOs will continue to be our principal partners. But we also interact more and more closely with other key players in the companies, such as the leaders of Marketing, Sales, Human Resources, to name just a few. They are faced with new technologies that are revolutionizing their activities. We have to learn to speak their language better!

Regarding market demand, what changes do you see?
First, some good news from Europe: for the first time in years, we are seeing our clients interested in IT investments to drive their growth. This was the case already in North America. It is a good sign! I’m also seeing an obsession with cybersecurity topics among clients. In response, Capgemini launched in early 2015 one of the most complete offers in the market. And finally I see a real shift in the IT center of gravity. In the past it was centered on the computer, on infrastructure. Today, it’s all about the data. And this trend will grow with the Internet of Things. Here’s a trivia question that says it all: When will the Internet traffic generated by connected devices overtake the traffic generated by people? The answer is, it has already happened, back in 2013. For me, the big challenge is how to make use of all this information. And I want to make sure Capgemini contributes to finding the answer!

A more personal question to wrap up: You’ve been at Capgemini for over 20 years. What makes the Group special for you?
Clearly, its multicultural dimension. I remember a billboard campaign we ran on the thoroughfares of Mumbai, where we presented ourselves as “citizens of the world.” We respect all cultures, whether they come from different countries or from the different companies we integrate. This respect is present throughout our governance. The Board of Directors and I pay close attention to it. I am also deeply committed to the entrepreneurial spirit of Capgemini. It bears the stamp of Serge Kampf and has been there ever since he created the company nearly 50 years ago. I am convinced that these two strengths, which are both valuable and distinctive, will enable us to reinforce our standing in the Champions League of our industry.
“My highlights of 2014”
BY PAUL HERMELIN

A new offering to strengthen digital security

“I’m proud to see that Capgemini is working with such globally recognized organizations as IKEA on initiatives supporting their growth ambitions. Capgemini is leveraging its global competence from multiple business units such as the United Kingdom, India, the Netherlands and Sweden to support IKEA’s e-commerce platform and help develop their CRM strategy.”

Unprecedented participation in our third ESOP

“The share price of Capgemini has risen sharply since the last employee share ownership plan (ESOP) in 2012. To cover the amount of the plan, we mobilized a much larger number of subscribers (50% more!). I am delighted to see how much confidence our employees have in the company.”

Proud to be involved in IKEA’s e-commerce platform and CRM strategy

“Increasingly sophisticated cyberattacks can wreak havoc on a company in hours. To protect them, Capgemini launched Cybersecurity, a new global product line. I am convinced that cybersecurity will be a crucial issue for small and big companies alike for years to come.”

A new landmark contract with TGI Friday’s

“The famous American restaurant chain TGI Friday’s chose Capgemini to support its transformation and growth strategy. This contract is for me symbolic because it includes our new BPO ‘Finance & Accounting as a Stack’ offer for which we have strong ambitions. This offer allows us to deliver a portfolio of BPO processes and services while integrating both the application and the infrastructure parts. In this contract, we rely on the cloud solution of our NetSuite partner.”
Time goes by quickly. When I decided to “leave the keys” to Paul Hermelin (a decision that I announced on May 25, 2012, to the shareholders at the General Shareholders’ Meeting and which took effect that day) I was both happy and proud, but also a little sad and just slightly worried.

Happy to leave my successor with a favorable situation: a healthy Group, a team of strong and determined managers, a catalog of offers well adapted to market needs, an order book in line with the budget, a very comfortable cash position etc. Proud of the progress made since October 1, 1967, the date of birth, in Grenoble, of what would later become the Capgemini Group:

- A staff of 135,000 people (there were only three of us in the starting blocks);
- A cumulative net profit of more than €3 billion;
- A market capitalization in the billions of euros (at its peak, one day in March 2000, it reached, believe it or not, €30 billion!) for an initial investment of 34,000 French francs (€5,000) for 34% of the starting capital;
- No skeletons in the closet in France, or elsewhere for that matter.

A little sad, however, to remove myself from the business world where, contrary to what is often said, we do meet fascinating people who are passionate about their profession and their company. But also a world in which you are quickly forgotten as soon as you are no longer in the limelight. Slightly worried, too, that my departure might trigger that of a few people with an important role in the company who, although already of retirement age (in the 50s, people started working earlier), had stayed on simply because they felt at home at Capgemini.

Today I am still proud and happy, still a little sad, but no longer worried.

In what continues to be a difficult economic context (but much better than in the first years of this millennium) and despite a constantly changing business landscape, the results and outlook of the Group at the end of this fiscal year speak for themselves. I believe that this relative immunity to economic fluctuations is due to the men and women who wear the jersey of Capgemini—whether in New York or Paris, Mumbai or São Paulo. One does not manage a service company (especially when it is composed of senior engineers and consultants) like a manufacturing company or an art gallery. And I would like to thank the new management team and a largely renewed Board of Directors for having understood this well. It also reflects everyone’s respect for the timeless values on which the Group is built (honesty being first and foremost among them). They are the mortar that holds Capgemini together.

Another reason for our stability is that we have always put the client at the center of our thinking and our actions. The fundamental principle is “take the time to listen.” The phenomenal flows of information we have today will never replace deep, eye-to-eye, human interaction. I have a reputation for being a man of few words. This is because, for me, you have to start by listening if you want the other person to hear you properly. This is vital if we are going to meet the constantly changing needs of our clients. Their expectations and their trust are the raison d’être for a services company like ours.

Maybe one should also mention another ingredient that has contributed to our longevity: freedom of speech and action. Over the years, in keeping with my commitment to our shareholders, I have protected the independence of the Group tooth and nail, in particular against “predators” who have sought to take control of it. This state of mind remains prevalent, and Capgemini is master of its own destiny and will not let others call the shots. For example, we select our major technology partners on the basis not of outside pressures, but of the benefits they will provide to clients and employees.
This freedom is priceless at a time when new technologies are turning our markets upside down. Indeed, I am observing with great interest how our business is changing. How, for example, big data or connected objects represent new promises and challenges for Capgemini and our clients. Technology is everywhere in the lives of companies and in our daily lives, and this is not going to stop soon! More than ever, I am convinced that technology should be designed by and for the people who use it: its job is to serve them. Innovation for the sake of innovation is pointless. It must always be useful, applied to concrete issues.

In this changing and hypercompetitive environment, the Group has a strong card up its sleeve, its entrepreneurial mindset. Not always easy to keep with nearly 145,000 employees in 40 countries! But this mindset is alive and well. It has allowed us to survive and thrive at the forefront of the digital revolution.

This leadership is, of course, fleeting. We have to work each day to maintain it. In this regard, I have always felt that Paul was the best placed among us to lead Capgemini with determination into the future, as I have always tried to do. In 2010 he set an ambitious course for the company of playing in the Champions League of our industry. The bet has paid off and the Group is now firmly established at the top of the League.

Today, of what use can I be in this well-oiled machine? I stay in almost constant contact with Paul, who has become over time a truly great friend, and we have a relationship built on complicity and high mutual demands. I pass along the opinions and expectations that people share with me. To those who ask me, I provide my advice, vision and convictions. I make sure that we stay true to our values, whatever the country or circumstances, despite the temptation to do otherwise or demonstration that, from time to time, it would be worth making an exception. I support the initiatives and precautions taken to ensure that the Group remains true to itself and is never lulled into resting on its laurels in contented complacency.

By now I think you understand what I’ve been trying to say all along: I am happy to continue to support the company that I created nearly half a century ago. But let’s make no mistake: at our age—the company’s and mine—time flies. Faster and faster. Maybe even too fast…

Grenoble, April 8, 2015.

Serge Kampf,
Founder of the Capgemini Group
Vice-Chairman of the Board
Capgemini at a glance

Ever since it was founded 48 years ago, Capgemini has been at the forefront of helping companies to transform themselves, by combining innovation and competitiveness. Today we compete in the Champions League of global players. How did we get there? Thanks to several unique capabilities that make all the difference:

143,650 employees\(^{(1)}\)

in more than 40 countries

Revenues\(^{(2)}\)

€10.573 billion

Net result\(^{(2)}\)

€580 million

Net cash\(^{(1)}\)

€1.218 billion

Free organic cash flow\(^{(2)}\)

€668 million

A promise that expresses our brand philosophy

People matter, results count.

Expertise in six strategic sectors

Consumer products & retail, distribution & transportation / Energy, utilities & chemicals / Financial services (Insurance and Banking) / Manufacturing / Public sector / Telecom, media & entertainment

(1) As of December 31, 2014. (2) for 2014.
Our consulting division supports clients in their transformation projects, and most notably their digital ones. We help them to design and implement innovative strategies for growth and competitiveness.

Sogeti
A 100% owned subsidiary of Capgemini, it is a leader in technology and local services, with four main areas of expertise: digital, testing, security and infrastructure.

Application services
This is our main activity and covers the conception, development, deployment, integration and maintenance of applications.

Other managed services
These include integration, management and development of system infrastructures (Infra business unit), transactional services (Prosodie-Capgemini) and support function services (Business Process Outsourcing).

The Collaborative Business Experience™
Listen, create, challenge...this is how we work collaboratively every day with our clients.

Rightshore® delivery model
A unique advantage that gives our clients the right resources in the right place, at the right time.
Board of directors
As of May 6, 2015
Elected by the shareholders, the Board of directors appoints a chairman and the directors of the Group. It decides on major issues concerning the operations and future of the company. It closes the accounts of the Group and proposes the annual dividend to the General Shareholders’ Meeting.

At the May 7, 2014 General Shareholders’ Meeting, eight mandates reached their term. Six directors were reelected, and two new directors, Caroline Watteeuw-Carlisle and Xavier Musca, were appointed. The Board of Directors also appointed one of its executive officers, Daniel Bernard, as lead independent director. Finally, since July 2014, Kevin Masters, Secretary of the International Works Council, attends the Board as a permanent guest.

THE 12 DIRECTORS

1 - Serge Kampf
   Honorary Chairman and Vice-Chairman
2 - Paul Hermelin
   Chairman and CEO
3 - Daniel Bernard
4 - Anne Bouverot
5 - Yann Delabrière
6 - Laurence Dors
7 - Phil Laskawy
8 - Xavier Musca
9 - Pierre Pringuet
10 - Bruno Roger
11 - Lucia Sinapi-Thomas
12 - Caroline Watteeuw-Carlisle

SECRETARY OF THE INTERNATIONAL WORKS COUNCIL
13 - Kevin Masters

THE 2 STATUTORY AUDITORS

14 - François Garnier
   (PwC)
15 - Frédéric Quélin
   (KPMG)
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 Executive Committee meetings. The Group Management Board meets weekly.

The mission of the Executive Committee is to help Group Management define the Group’s main strategies. It sets the strategic priorities and the resulting action plans. It ensures that these plans are properly implemented and effectively carried out operationally. Its 18 members meet every six weeks.
The 18 members of the Executive Committee. The names of the six members of the Group Management Board are in blue.

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
6 - Olivier Sevillia
Application Services Two
7 - John Brahim
Insights & Data
8 - André Cichowlas
Production Methods and Support
9 - Lanny Cohen
Technologies
10 - Pierre-Yves Cros
Development
11 - Cyril Garcia
Capgemini Consulting
12 - Philippe Grangeon
Marketing and Communications, Capgemini University
13 - Aruna Jayanthi
India
14 - Jean-Baptiste Massignon
General Secretary
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

(1) North America, the United Kingdom, Asia-Pacific and the Financial Services sector.
(2) France, Benelux, the Nordics, Germany and Central Europe, and Southern Europe.
International management team
As of May 6, 2015
OPERATIONS AND CENTRAL FUNCTIONS

1 - Nicolas Aidoud
Prosodie-Capgemini

2 - Fernando Alvarez
Global Chief Digital Officer—
Capgemini Consulting

3 - Jean-Philippe Bol
Application Services—
Continental Europe

4 - Christophe Bonnard
Business Coordination—
France

5 - Tim Bridges
Application Services—
North America

6 - Hervé Canneva
Ethics and Compliance

7 - Walter Cappilati
Application and Infrastructure
Services—Latin America

8 - Kishor Chitale
Business Development—
India

9 - Philippe Christelle
Internal Audit

10 - Thierry Delaporte
Application Services—
Financial Services sector

11 - Navin Goel
Business Coordination—
North America

12 - Franck Greverie
Cybersecurity

13 - Christine Hodgson
Business Coordination—
United Kingdom

14 - Greg Hytenrauch
Infrastructure Services

15 - Deepankar Khiwani
Application Services—
Continental Europe

16 - Charlie Li
Alliances

17 - Paulo Marcelo
Brazil

18 - Alain de Marcellus
Finance

19 - Karine Marchat
Business Control & Reporting

20 - Paul Margetts
Application Services—
United Kingdom

21 - Carole Murphy
Business Process
Outsourcing

22 - Govindarajan
Muthukrishnan
Testing

23 - Bruno Nigrelli
Information Systems

24 - Jean-Pierre Petit
Sogeti High Tech

25 - Virginie Régis
Marketing and Digital

26 - Isabelle Roux-Chenu
International Legal Affairs

27 - Michael Schulte
Business Coordination—
Germany

28 - Jérôme Siméon
Application Services—
France

29 - Lucia Sinapi-Thomas
Finance

30 - Perry Stoneman
Sectors

31 - Paul Thorley
Application Services—
Asia-Pacific

32 - Jeroen Versteeg
Application Services—
The Netherlands

33 - Ashwin Yardi
Application Services One(1)

34 - Cliff Yu
Application Services—
China

(1) North America, the United Kingdom, Asia-Pacific and the Financial Services sector.
ELECTRICPOPPERS
“Step into the forest”
Strong increase in results

“In 2014 the Capgemini Group met or exceeded all the goals that were set: operating margin increased 0.7 percentage points to 9.2%, the net result was up 31% and organic free cash flow was €668 million. The net result has more than doubled in four years.”

AIMAN EZZAT, EXECUTIVE VICE-PRESIDENT, CHIEF FINANCIAL OFFICER

REVENUES

The Group reached €10.573 billion in revenues in 2014, up 3.4% at constant scope and exchange rates and compared to 2013, and up 5.5% in Q4. After taking into account the impact of currency movements against the Euro and the integration of Euriware, which was acquired this year, our revenues were 4.8% higher than in 2013.

OPERATING MARGIN*

The operating margin was €970 million or 8.2% of revenues, an increase of 0.7 points compared to 2013. This increase is greater than the target of 0.3 to 0.5, announced in early 2014.

NET RESULT

Net result (Group share) in 2014 totaled €580 million, up 31% compared to 2013. Earnings per share at 31 December 2014 were €3.55.

*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.
How we performed

FREE CASH-FLOW
in millions of euros
Organic free cash flow was €668 million. It was €455 million in 2013, before a one-off contribution to a UK pension fund.

NET CASH
in millions of euros
Net cash and cash equivalents at December 31, 2014 amounted to €1,218 million.

DIVIDEND PER SHARE
in euros
* Subject to shareholder approval at the annual General Meeting on May 6, 2015.

SHAREHOLDER INFORMATION
For current information about the Group, shareholders can consult a French voice service (freephone: 0800 20 30 40) and a dedicated section (capgemini.com/investors), available in French and English on the Capgemini website. In addition, Capgemini shareholders receive an annual newsletter. The registration document is available for download from capgemini.com/investors/2014-financial-report
A large range of financial information and data is available.

CAPGEMINI SHARE PRICE
in euros, compared to the CAC 40 index, from January 1, 2013 to April 1, 2015

“ I hold shares in twenty large companies, but also some small and medium companies. Capgemini is one of my favorites because of its track record. Just look at the excellent stock market performance it achieved in 2014. I also appreciate the quality of the information we receive. I am an avid reader of the business press, which often covers Capgemini. But I also like to get my information from the source, especially when the quarterly results are published.”

RENÉ PERNOLET, INDIVIDUAL CAPGEMINI SHAREHOLDER SINCE 1987

BREAKDOWN OF CAPGEMINI S.A.
(as of December 31, 2014 based on a shareholder survey)

Non-French institutional investors 61.4%
French institutional investors 23.8%
Group directors and employees 5.3%
Individual shareholders 0.6%
Treasury shares 8.9%
New orders recorded for the year reached €10.978 billion, an increase of 13% from 2013 at constant scope and exchange rates.

Revenues from SMAC (Social, Mobility, Analytics and Cloud) solutions rose by 25% year-on-year in 2014, representing 14% of Group revenues.

Application services
Other managed services*  
Local Professional Services (Sogeti)  
Capgemini Consulting

Public Sector
Financial Services (Insurance and Banking)

Industry
Retail, Distribution & Transportation
Energy, Utilities & Chemicals
Telecom, Media & Entertainment
Other

France
North America
UK & Ireland
Rest of Europe
Benelux
Asia Pacific & Latin America

* Percentage of total Group revenues

(1) These include integration, management and/or development of all or part of a customer’s system infrastructures, transactional services, on-demand services and/or support function services (Business Process Outsourcing).
Yann Sciberras
“A success story”
2014 key moments

EXTERNAL GROWTH

With Euriware, Capgemini hits a double

In May 2014, Capgemini integrated the activities of Euriware, the former outsourcing and integration subsidiary of Areva. We hit two birds with one stone with this acquisition, as it strengthened both our expertise in engineering and industrial IT, and our leadership in the energy sector. Thanks to its work with customers in energy, industry and defense, Euriware has unique expertise in the management of industrial IT systems, including the cybersecurity of sensitive installations and Product Lifecycle Management. The purchase agreement includes a 10-year, €1-billion contract for the transformation of Areva’s information systems.

TECHNOLOGY ALLIANCES

Big data: co-innovate to go further and faster

Today, companies are no longer wondering if they should get into big data, but rather how quickly can they do it successfully. That is why we continue to co-innovate with our technology partners. In 2014, we launched two new offerings with Cloudera, the leader in big data platforms based on Apache™ Hadoop®. The aim is to combine the advanced engineering of Cloudera with our expertise in data mining and analysis. Our Enterprise Data Hub Accelerator helps companies set up their first project. Data Science-as-a-Service delivers predictive services that transform big data into a decision-making tool for business.

NEW DEAL

Honeywell, a new client for our BPO business(1)

In a five-year agreement Capgemini will handle selected Honeywell finance processes. The goal is to streamline these processes to improve their efficiency, while remaining attentive to the diversity of the American conglomerate’s clients (aerospace, defense, construction and automotive). What really made the difference for us to win this contract is our Global Enterprise Model transformation methodology, which responds to the business challenges of each client.

(1) Business Process Outsourcing.
When an employer brand innovates

Nine million viewers and Internet users watched the third season of the Capgemini Super Techies Show in 2014: a reality show where students and engineers are confronted with real technological challenges faced by large companies. Twelve international teams from the UK, United States, France, India, the Netherlands and Sweden worked on issues related to SMAC\(^{1}\) and digital transformation. Started in 2012 in India, where it is broadcast on major Indian TV channels, the show has been very successful on YouTube and social networks. In a highly competitive industry where firms are battling to attract young talent, the Capgemini Super Techies Show has proved to be an original and effective employer brand initiative.

1 Social, Mobility, Analytics and Cloud

Building the utility of the future with Hydro One

Making relationships last means knowing how to innovate and collaborate. After 13 years of partnership, Hydro One renewed its contract with Capgemini, via its Canadian affiliate Inergi, to provide cost effective and high quality IT and business process services. Competition was fierce. The challenge was wide ranging, from transforming end-to-end, internal and customer-facing business processes to providing world-class IT management and services. Capgemini’s winning hand was a packaged services solution that mobilized our businesses (application services, IT infrastructure and BPO) and our expertise in process and operational efficiency and digital technologies. The reward was a new 5-year contract for us (3 years for Customer Care and Billing) and, for Hydro One, a platform of innovative processes and tools that it can count on to reduce the cost to operate and accelerate growth (to know more, read the interview on page 50).

1 Social, Mobility, Analytics and Cloud

Increase in offshore operations

Using the best skills of each employee, whether based onshore, close to customers, nearshore or offshore, is the principle of Rightshore\(^{®}\), our global production model. In 2014, the number of offshore employees increased by 17%. Capgemini now has more than 56,000 employees in India and over a thousand in Morocco.
NEW CLIENT CHALLENGES

Delivering a new customer experience: full house for DCX

Capgemini launched the DCX (Digital Customer Experience) global service line in 2014, partnering with our clients to achieve business outcomes and transform the enterprise in a sustainable way to turn digital investment into business advantage. Demand has far surpassed our sales targets and we have won many new clients, including City of Oslo, Caixa, Credit Agricole, Hitachi and Total. One of the keys to DCX’s success has been helping our clients put their customers’ experience at the heart of their business transformation. And that’s not all. In 2015, DCX will merge with the Mobility global service line to offer companies an even broader approach.

NEW OFFERINGS

Cybersecurity and Insights & Data: closer than ever to customer challenges

2015 has started strongly with the rollout of two global offers—Cybersecurity and Insights & Data—providing packaged and industrialized solutions. Our cybersecurity services cover consulting, full-system protection (IT, manufacturing, connected objects) and 24/7 device monitoring. Insights & Data takes an operational approach to big and fast data. Among the solutions is a platform that allows customers to perform real-time analysis on consumer data to make their business processes as responsive as possible.

CUTTING EDGE

The Labs: sharing innovation

Innovation must be useful and shared. This is why we continue to strengthen our world-wide network of innovation laboratories known as Labs. The objective is to present our customers with the latest technologies and solutions, work together on new innovations, and be open to new technology partnerships. Among the new Labs that joined the network in 2014 are the SMAC(1) Lab in Melbourne, Australia, and the Lab’innovation in Suresnes, France.

AWARD

One of the most ethical companies in the world

For the third consecutive year, we were named “One of the World’s Most Ethical Companies” by the Ethisphere Institute. This award recognizes our continued commitment to ethics and corporate social responsibility. Since 2014, all our employees are required, for example, to follow e-learning courses on three major issues: anti-corruption, competition laws and the Group’s ethical charter.

(1) Social, Mobility, Analytics-Big Data and Cloud.
Les Fontaines: a true eco-campus

Les Fontaines, the Capgemini Global Campus located near Paris, renewed its European Ecolabel certification in 2014. The site goes well beyond the bi-annual certification requirements, thanks to its outstanding environmental approach. Les Fontaines is powered by renewable energy, recycles its waste and uses environmentally sustainable equipment. A very active hub for internal meetings, it has also hosted more than 2,000 external events since it was opened in 2003.

www.les-fontaines.com

Leading Digital: Capgemini and the MIT publish their take on digital transformation

Three years of research, 400 companies examined by Capgemini Consulting and MIT. This is the work that went into our latest book Leading Digital: Turning Technology into Business Transformation, a practical guide to digital transformation. To understand its impact, the authors focused on organizations whose core businesses are outside of the tech sector. Their conclusion is clear: new competitors will blindside companies that do not have a digital transformation program. Addressing this hot topic explains the commercial success of the book. Upon release, it rose to #1 on Amazon in the Business Information Technology category. Deeply influenced by our digital transformation experience, Leading Digital was presented to customers at fifty events in Europe and the United States, including Oracle OpenWorld ’14, before an audience of 20,000 participants, business leaders and technology partners.

The authors are three digital transformation specialists in their organizations: Didier Bonnet (Capgemini Consulting), George Westerman (MIT) and Andrew McAfee (MIT).

(1) Published in October 2014 in English. It will be available in Chinese, French, Portuguese, and Turkish in 2015.

EMPLOYEE SHARE OWNERSHIP

3rd employee share ownership plan: 50% increase in subscriptions

Five million newly issued shares, 17,660 subscribers representing 13.7% of the eligible population. The success of the 2014 employee share ownership plan showed a strong sign of employees’ confidence in the future prospects of the Group. It also demonstrates our commitment to enabling employees to share in the rewards of our performance. The plan began just as the previous plan, ESOP 2009, was ending. It enables the Group to maintain a significant employee share ownership, above 6%.
Christophe Catelain
“Love People”
Talent at work for our clients

People matter, results count: our philosophy is expressed in our brand signature. Our talented people are living proof of our commitment to delivering expertise to our clients, and they ensure the results. To strengthen our pool of talent, we have launched a comprehensive transformation plan. Entitled “Excellerate”, it combines the drive for excellence and acceleration.

“For our customers, Capgemini is all about the men and women who make up the company. Our team members are on the front line, dealing with rapidly changing needs that require agility and speed. It is our responsibility to give them the keys to handle these new expectations.”

HUBERT GIRAUD, EXECUTIVE VICE-PRESIDENT, PEOPLE MANAGEMENT AND TRANSFORMATION

143,650 team members

56,000 team members in India on December 31, 2014.

39,900 new hires in 2014, of whom 41% are new graduates.

Expert Connect: 900 members, 250,000 followers

Expert Connect brings Capgemini experts and clients together on social media.
LEARNING AND TRAINING:
ON THE CUTTING EDGE OF TECHNOLOGY
FOR OUR CLIENTS
—
Our clients face fast-moving economic, technological and social changes. Our experts are there to help them take these fluctuations in stride.

Train continuously to be at the forefront of the market
Integrating new technologies, challenging convention, adopting new approaches: these are techniques used by Capgemini University. In 2014, it provided over 3 million hours of learning via online and face-to-face courses.

It invested significantly in 577 virtual classrooms and MOOCs (Massive Open Online Courses). MOOCs offer the advantage of letting students use an online platform to take classes and interact with the other students and their trainers.

Face-to-face learning also grew strongly. We increased the number of international learning events organized at our Les Fontaines campus near Paris. Twenty-four events were held in 2014, focused on hot client and market themes. Verena Gertz, Capgemini Consulting in Germany, for example, participated in a “Consulting Week” dedicated to digital transformation.

“I learned a lot about what we can offer in the areas of big data, customer experience and the connected objects. This will help me help my clients,” she said.

RECRUITMENT:
INNOVATING IN THE BATTLE FOR TALENT
—
In 2014, we hired more than 39,900 new recruits worldwide, up 23% from last year, including over 16,000 new graduates. We seek out candidates with a wide variety of profiles—business, strategic, and technical—who share the values of Capgemini (see page 9). We look for employees who want to work in a multicultural environment and who are comfortable with constant change.

This year, we further strengthened our use of LinkedIn and recruited 2,200 candidates through this social network. It has been a real asset when it comes to establishing a more direct contact with candidates. Thirty-five Capgemini employees now have LinkedIn recruiter certification.

We have also set up innovative initiatives to recruit young graduates. In France, for example, we launched Digistart, a video contest on Facebook in which students could win an exceptional internship. In India, technology fans were able to attend the second annual Tech Challenge, a huge online game that allows us to identify the best software developers. Finally, the third season of the Capgemini Super Techie Show was aired in 2014. Created in India, this TV reality show allows young professionals and students to tackle real technological challenges faced by large companies. The participants came from six different countries this year (see page 23).
2014 HIGHLIGHTS

Many campus learning events also included co-creation challenges, in which Group experts and University participants worked together on real strategic problems provided by clients. Ten of them benefited from this in 2014.

Our investment in training was rewarded in 2014, when the prestigious European Foundation for Management Development (EFMD) renewed Capgemini University’s accreditation. This association comprises more than 800 members from academia, business and public services from 81 countries. Steven Smith, head of Capgemini University, pointed out: “We are the only member of our industry to have an accredited corporate university, and we are proud of that.”

Sharpening the agility of team members and the Group

We regularly launch innovative new offerings featuring the latest technologies, which means that we have to make sure that our employees update their skills at the same time. Working with the latest technologies is an “added bonus” that helps employees build their careers in the Group or elsewhere. Through reskilling, employees replace obsolete skills with new ones to address market needs.

We also develop solutions to aid employees who are looking at career paths outside of Capgemini. In the Netherlands, nearly 300 people have benefited from personal coaching to implement their career plans. This initiative will be extended to our other European markets in 2015. We are also developing a social network for Capgemini alumni. This will allow past and present employees to maintain personal or professional ties and forge new ones.

LEADERSHIP: STRENGTHEN TODAY’S AND CULTIVATE TOMORROW’S LEADERS

Capgemini’s leaders are at the forefront of the Group’s ongoing transformation. To be successful, they must have several key leadership qualities, such as knowing how to innovate, collaborate and manage change. The profile of our leaders is updated regularly to ensure we continue to meet the challenges of our clients. We recently added two criteria. The first is “Group alignment” to ensure the quality of our services, regardless of the entity or the country delivering them. The second is “risk taking” in a controlled manner, to ensure we find innovative solutions.

Every year, we hold an annual “talent review” to identify and strengthen leaders at Capgemini. The review takes into account the potential of employees as well as their performance. Customized “acceleration programs” are then used to develop the most promising “green shoots”. Our principle: promote the best talent first, before recruiting external candidates.

Increasing Diversity: essential for business

The business challenges of our customers come in all shapes and sizes. Diversity is a lever to address them. In 2014, we launched an awareness campaign on “unconscious bias” which can influence our decisions and damage diversity. To combat this bias, the involvement of our top managers of the Group is essential. That is why they took part in a series of sessions led by Howard Ross, a recognized expert on the subject (see box on the right). Our women@capgemini program, meanwhile, continues to promote gender equity and equality of opportunity in all our entities. We also extended our work on behalf of people with disabilities. This includes the creation of a dedicated university degree in partnership with Cergy-Pontoise University (France) and four other major French companies (Atos, Crédit Agricole, Dassault Systèmes and Orange). The goal is to train students with disabilities on advanced technologies.
What is “unconscious bias”?
Unconscious biases are part of human nature. As neuroscience shows us, our brain functions are wired to make quick decisions. We categorize everything we see in an attempt to decide whether or not it is beneficial for us. This unconscious process is common to all cultures.

What are the consequences for a company?
The main risk is making decisions that are not based on the right criteria and, therefore, are not good for the company. For example, I am a musician and I might tend to recruit fellow music lovers rather than people with the best qualifications. This applies in all fields: marketing, distribution, customer relations, etc. Although we cannot eliminate these biases, we can significantly reduce their impact by simply being conscious that they exist.

Why is it a challenge for Capgemini?
Like other global companies, Capgemini has to create a common language around unconscious bias. But the nature and perception of these biases are very different in different countries and cultures. It is a long process.
Another way we hone leadership is with a more dynamic and flexible mobility policy, to encourage greater movement within the company. It is a valuable asset for the Group, but also for employees. See what Émilie Darrasse, who joined Capgemini in 2005, has to say on the subject (see page 30).

**MOVE FASTER TO ACCELERATE GROUP PERFORMANCE**

In 2015, we will continue to deploy “Excellerate,” our Talent Transformation Plan. It will concentrate on three priorities: strengthening leaders, energizing careers, and increasing the performance of the human resources department. This plan is based on our medium-term vision of which skills the Group will need in the future. Developed in conjunction with our business leaders, the plan shows us that by 2017 we will need 30,000 experts in emerging technologies such as big data and the cloud. These changes are the subject of ongoing discussions with our social partners, including the International Works Council (IWC). Furthermore, the Board of Directors has invited Kevin Masters, Secretary of the IWC, to participate in its meetings. This is a new opportunity for employees to contribute to the Group’s strategic decisions.
Corporate Responsibility & Sustainability: moving faster

For Capgemini, CR&S is a real driver for business performance. Throughout the world, the Group and its employees are engaging in actions which are both concrete and useful for everyone. We accelerated our efforts in 2014, most noticeably by strengthening CR&S governance at the highest corporate level.

NEW PROGRESS IN ENVIRONMENTAL SUSTAINABILITY

Although Capgemini does not manufacture products, our business activities have an impact on the environment and it is our responsibility to identify, measure and reduce these effects. In 2014, we entered a new phase of our program with several major projects.

Capgemini India received ISO14001 certification, attesting the performance of our Environmental Management System and at the same time building a Group-wide center of environmental excellence. Aruna Jayanthi, head of Capgemini in India, said: “We are the entity with the most employees: 56,000 people. It is therefore very important for everyone here to be aware of our environmental commitments.” India joins eight other ISO14001-certified countries in the Group: Belgium, Brazil, Spain, Finland, France (Sogeti, a 100% owned subsidiary of Capgemini), the Netherlands, Portugal and the United Kingdom. A center of excellence has also been created to encourage best environmental practices to spread through the Group.

Another significant development in 2014 was the reduction of greenhouse gas emissions. Emissions per employee reduced from 2.7 tons in 2013 to 2.3 tons in 2014, a decrease of 15%. The Carbon Disclosure Project (CDP), an international organization that analyzes the impact of global companies on climate change, has recognized our efforts. Capgemini is one of ten French companies to have been selected as a “CDP Climate Change Performance Leader Index” on the A list in 2014.

COMMUNITY ENGAGEMENT IN THE FIELD

Capgemini employees are tackling the challenges faced by the communities where they live and work, making tangible contributions especially in the fields of education and development. They are also involved in our long-term partnerships with the Naandi Foundation in India, which promotes the education of girls, and the MicroWorld online micro-finance platform.

In 2014, Capgemini launched its “Global Community Engagement Awards,” an internal competition that honors the contributions made by our employees. As James Robey, Group Corporate Responsibility & Sustainability Director, explains: “The inaugural awards were a great success: 139 projects from 17 countries were submitted in four categories: fundraising, volunteering, social innovation and collaboration with our clients.” The 12 winning projects received support to continue their activities.

The four pillars of our CR&S strategy

– Reducing the Group’s environmental footprint
– Community Engagement
– Culture of talent (see page 28)
– Values and Ethics (see pages 9 and 31)

(1) List A comprises 187 companies selected by the CDP Climate Change Performance Leaders Index.
GLOBAL COMMUNITY AWARDS FOR CAPGEMINI TEAMS:
139 PROJECTS FROM 17 COUNTRIES

1. FRANCE
OPENING BUSINESS DOORS FOR STUDENTS FROM LOW-INCOME FAMILIES
With the “Passeport Avenir” (Passport Future) association, Capgemini helps students from low-income families gain admittance to top-tier schools and universities. Since 2010, more than 300 Group employees have coached students during their degree.

2. INDIA
SUPPORTING FLOOD VICTIMS
In September 2014, floods caused extensive damage in northern India. Capgemini teams collected equipment and financial donations to support homeless families.

3. UNITED KINGDOM
RENOVATING A MUNICIPAL BUILDING AND HELPING THE COMMUNITY
Capgemini helped renovate a municipal building in Dawley. Companies and local associations can now rent it as a venue for different kinds of events. It generates income and jobs, and offers a range of services for residents.

4. NETHERLANDS
HELPING UNEMPLOYED GRADUATES
Capgemini employees help highly-qualified young graduates who are struggling to start their career. This project is run in cooperation with the city of Amsterdam, a long-standing Capgemini customer.

5. POLAND
USING THEATER TO SUPPORT PEOPLE WITH DISABILITIES
Capgemini teams produce a play each year to raise funds for people with disabilities. In 2014, 100 people participated in the project to ensure its success.

6. BRAZIL
ENCOURAGING BETTER DISPOSAL OF ELECTRONIC WASTE
Capgemini held an exhibition of contemporary art in São Paulo in which the artwork was created from used electronic components. The goal was to encourage the city’s residents to dispose of their electronic waste properly. Open to all, the exhibition attracted a number of Capgemini’s clients.

7. UNITED STATES
SUPPORTING THE FAMILIES OF SICK CHILDREN
92 Capgemini employees spent one day operating the Ronald McDonald House (near Atlanta), which provides accommodation for the families of sick children. They also raised funds towards building a new Ronald McDonald House.

For more information, see our 2014 CS&R report
Our businesses & solutions

**OUR SOLUTIONS**
We offer hundreds of different high-value services. Here is a selection of our main global solutions.

**Business Process Outsourcing**
Manage and optimize processes to achieve greater efficiency, visibility and control over business performance.

**Cloud Platform Solutions**
Enable clients to take advantage of cutting-edge cloud technologies to improve productivity, competitiveness and performance.

**Cybersecurity**
Guide and secure clients’ digital transformation while helping them define and implement their cybersecurity strategy. Protect their computer systems, industrial systems and connected devices.

**Digital Customer Experience**
Help our clients meet the new demands of their customers, through a personalized and fluid multichannel experience. Transform investment in digital into new development opportunities and a competitive edge.

**Digital Transformation**
Offer guidance on all aspects of digital transformation: digital strategy, marketing, customer experience, operational excellence, organization and governance.

**CLIENT CHALLENGE:**
How to succeed at digital transformation
Our businesses & solutions

**OUR BUSINESSES**

We provide a wide range of services to meet the needs of our clients and their customers.

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**Application services**

**Other managed services**

**High Tech Engineering**
Simplify processes, accelerate every stage of the product lifecycle and reduce time to market. Change how clients approach the engineering, design and development of their products by taking advantage of new digital technologies and cloud environments.

**Infrastructure services**
Combine the flexibility and return on infrastructures with outsourcing and optimization services. Offer cloud solutions that meet the customer’s storage and data access requirements.

**Insights & Data**
Help public and private organizations to harness the power of big data with a new technology platform. Enable them to use data better to make the right decisions at the right time.

**Mobility**
Deploy a mobile business strategy to enable clients to interact anytime with their own customers and employees. Use mobile technologies as powerful levers to transform business.

**Next Generation Application Management**
Manage our clients’ application systems in a way that is innovative, results-oriented and industrialized, driving their competitiveness through greater flexibility and lower costs.

**Testing**
Structured and industrialized application testing ensures the highest level of quality, cost optimization and time to market.

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* These include integration, management and development of system infrastructures, transactional services, on-demand services and/or support function services (Business Process Outsourcing).
Alliances & Innovative Sector Solutions

Driving growth for Capgemini, and for our clients

Inventing the business models of the future is the main challenge facing our clients. We have what it takes to meet their strategic challenges and support their digital transformation, notably new and existing partners with the best technology, and specific solutions targeted to the needs of each sector.

“Our portfolio strategy is informed and augmented by our partners’ strategy and investments in new and disruptive technologies.”

PAUL NANNETTI, GROUP SALES AND PORTFOLIO DIRECTOR

PARTNERS SELECTED WITH CARE

Technology is an enabler for business transformation and market disruption. Each year, Capgemini works strategically with a focused group of partners within our technology partner ecosystem to identify joint opportunities that are strongly aligned with our group priorities.

According to Charlie Li, Head of Global Channels and Partners: “Our US West Coast based partner team acts as a filter to identify the promising bets from established and new players in our ecosystem”.

In 2014, we continued to invest with the biggest names in technology in the areas of cloud, big data, mobility and digital, while also increasing our investments with disruptive partners in the market such as Cloudera, Amazon Web Services, Pivotal, Google and NetSuite.

We were once again recognized as one of the top partners by Microsoft, Oracle, Salesforce and HP, while winning top accolades from EMC and IBM. We were named HANA(1) partner of the year by SAP. Finally, we continue to focus on co-innovation and sector IP solutions.

38 OUR PARTNER ECOSYSTEM

(1) HANA is the SAP cloud platform for building and deploying next-generation, real-time applications and analytics. It offers the ability to deal with huge amount of data (big data & analytics), to get key information from it and take decisions in real-time.
Alliances & sectors

Capgemini supports IT transformation at GDF Suez

The French group GDF Suez is a world leader in the energy sector. It has picked Capgemini to help transform its SAP application portfolio and significantly lower its application management costs. Our ability to think differently about application management made the difference. Our Links tool, for example, makes it possible to analyze the entire application portfolio and identify areas for optimization. Another benefit is our deep understanding of the challenges facing the utilities sector.

CO-INNOVATE TO HELP CUSTOMERS STAY AHEAD

Our solution development teams work hand in hand with our partners to invent new and breakthrough offers. As an example, in 2014 we launched two new joint offers with Cloudera, the leader in big data platforms based on Apache™ Hadoop®, as Tom Reilly, Cloudera Chairman and CEO, put it: “Together we are developing the future of information management architectures.”

We were one of the few companies chosen by Intel to develop solutions for its new Internet of Things platform. This decision reinforces our long-standing collaboration with the chipmaker and sends an important signal in the industry.

We have also combined Capgemini’s IP with multiple technology stacks to create new, differentiated solutions in the Cloud.

Finally, our partner ecosystem often plays a key role in helping us land large strategic client contracts. For example, in 2014 we teamed up with IBM to sign a major mobile commerce strategy transformation deal with Caixa, Brazil’s third largest bank (see the testimonial from Roberto Zambon, Caixa’s CIO, on page 63).

ADDRESS MAJOR CHANGES IN DIFFERENT SECTORS

One thing is sure: together with its partners, Capgemini is able to respond effectively to the challenges faced by its clients. But our sector expertise also makes the difference. It allows us to understand the changing landscape of each sector and provide practical solutions adapted to each business.

We are developing new global offerings to support our clients throughout the value chain. For example, one of our Utilities offerings combines several innovations: a power distribution network control system and real time simulation tools (developed by Sogeti High Tech, a 100% owned subsidiary of Capgemini); a cloud platform to collect data from these networks (developed by our infrastructure teams); teams to permanently monitor operations (managed by the BPO entity); the development of specific business applications; and finally, global contract management provided by Capgemini Consulting.

Different sector, but the same attention to our clients’ needs: we were selected by Office Depot Inc., a leading global provider of office products, services, and solutions formed by the merger of Office Depot and OfficeMax, to drive critical technology migration and finance and accounting services resulting from the merger (see interview with Todd Hale, CIO of Office Depot, pages 66–67).

A final example from banking: “We must fundamentally transform the distribution models to adapt to new consumer behaviors, says Perry Stoneman, Head of Sectors at Capgemini, while at the same time simplifying and modernizing computer systems in order to use real-time data.” This will be a powerful asset when managing risk and coping with increased regulations. In such a highly competitive environment, controlling costs by using cloud computing is also a hot topic in the banking industry.

Custom solutions for six major sectors

Consumer products & retail, distribution & transportation
Energy, utilities & chemicals
Financial services (Insurance and Banking)
Manufacturing
Public sector
Telecom, media & entertainment
Business and technological change:
Cutting-edge thinking and innovation

Each year, we publish a wealth of studies and analysis in which we share our convictions, decipher business issues, give the floor to our experts, and start the conversation. Here is our selection from 2014.

51% of shoppers predict that they will spend more money online than in-store 3 years from now.

85% of car buyers say they would like to interact with carmakers and dealers on social networks.

-10% 12-month drop in the satisfaction level of retail banking customers.

DIGITAL SHOPPER RELEVANCY —
This global report surveyed over 18,000 digital shoppers from 18 countries, providing insight into their changing online retail habits. High growth markets show a significantly stronger preference for digital technologies, and social media is integral to their customer journey. Smartphone shopping has also more importance and the globally preferred channel to inform retail decisions is the Internet. “Digitally-savvy markets offer a huge opportunity for brands present in, or expanding into, these regions,” said Ted Levine, Head of Consumer Products & Retail at Capgemini.

CARS ONLINE—GENERATION CONNECTED —
“Drivers are waiting for new features and connected services,” says Nick Gill, automotive expert, “and this from looking for a car to buying one.” Hence the need for manufacturers and dealers to use all the channels at their disposal to meet the expectations of customers. Moreover, Generation Connected (18-34 year olds) is willing to buy a car online or even skip car ownership in favor of new mobility services.

WORLD RETAIL BANKING REPORT —
Seen for the first time in three years, this decline concerns more than a quarter of the 32 countries covered by this study published with Efma*. It highlights, in particular, the new expectations of Generation Y. “To interact with these customers, banks need to be more agile, more innovative, more social and more mobile,” commented Simon Short, a Digital Customer Experience expert. The study also establishes for the first time a correlation between customer satisfaction and the performance of banks.

* The European Financial Management Association represents over 80% of the world’s main financial institutions.
European Energy Markets Observatory

In 2014, electricity markets remained volatile and the supply of gas uncertain. In the context of transitioning to greener sources of energy, this annual review analyzes the economic and regulatory environment of the Energy and Utilities sector. Perry Stoneman, Head of Sectors at Capgemini, says that Germany, which launched its energy transition in 2011, should serve as a lesson. “To maintain economic competitiveness, energy producers need to incorporate renewable energy into their future operating model.”

Internet of Things: Are Organizations Ready for a Multi-Trillion Dollar Prize?

All the sectors analyzed understand the interest of the Internet of Things. But according to Capgemini Consulting, its potential remains largely untapped. Why? The offers are too basic. Less than 30% of companies generate service revenues from their connected products and less than 40% use the data generated by the objects to improve their products. The monetization of this technological revolution is key. Three levers have been identified: develop a strategy and suitable marketing, but also IT infrastructures and the necessary analytical capabilities.

Staying Ahead in the Cybersecurity Game—What Matters Now

Digital interactions and connections make organizations more efficient, but also more vulnerable. Faced with ever more professional hackers, businesses are in danger. This is the alarming finding of this publication co-produced by Sogeti and IBM. Cybersecurity is a risk that needs to be managed, and this publication summarizes the actions that need to be taken without delay. This book is one of several reports published by Sogeti, a 100% owned subsidiary of Capgemini, and based on the work of its ViNT research lab (Vision—Inspiration—Navigation—Trends).

Capgemini in the Top 4 of thought leaders in the consulting arena

In its global ranking of consulting firm publications released in early 2015, Source Consulting praised the quality of Capgemini Consulting research. Since the creation of the Institute for Research on Digital Transformation, the Group has climbed by more than 10 places in two years.

For more thought leadership: capgemini.com/thought-leadership

Want to go deeper or join the conversation? Connect with the 900 Capgemini experts in the Expert Connect network: www.capgemini.com/expert-connect

+57%
Increase in energy prices for German households between 2006 and 2013.

58%
of the 100 biggest North American and European companies are already working on the Internet of Things.

120%
Increase in the number of cyber attacks worldwide between 2013 and 2014.

(1) The study focused on the following sectors: appliances, industry, utilities, insurance, pharmaceuticals, medical equipment and automotive.

(2) Source: Major News and Business Publications by Factiva.
Economic uncertainty, global competition, digital revolution, strong interdependence of business and technology... Companies operate today in an increasingly complex environment, which is also full of promise. To stay at the top in such a landscape means meeting one key challenge: combine competitiveness and innovation. How? Anticipate market changes, while offering products and quality services at the lowest cost. By combining competitiveness and innovation, Capgemini has found the right equation to help boost our clients’ business performance and provide them with concrete benefits: more agility, more security, more end-user intimacy, and more productivity.

More agile
How to make decisions and take action faster
page 54

More secure
How to securely conduct a digital transformation
page 56

More intimate
Anticipating the needs of the end user
page 60

More productive
And what if one day we could predict everything
page 64
Major business challenges

The main change in 2014 is that our clients realize more than ever before that technology remains the key factor for their business and longevity, but that it can also bring much more to them," says Hans Van Vaayenburg, Head of Sogeti Group (Sogeti is a wholly-owned subsidiary of Capgemini). How can we be more productive? How can we increase the turnover in five years? Businesses expect clear answers... and results.

MASTERING TECHNOLOGICAL COMPLEXITY - THE KEY TO PRODUCTIVITY

Information technology comprises a plethora of constantly changing technologies. Innovation keeps adding new systems, new applications, and new platforms to the point that application landscapes and business systems sometimes reach dizzying levels of complexity. Capgemini’s Infrastructure Services has made controlling this complexity its raison d’être. “In recent years, we have invested millions of euros to create solutions that enable our clients to better manage technological complexity,” says Patrick Nicolet, Executive Vice-President, Infrastructure Services. It has been successful, because according to technology research and advisory company Gartner, the Group is now one of the world’s leading integrators for IT infrastructure. Thanks to our mastery of business-related issues and different technology platforms, we have also become a recognized player in the rationalization of corporate business processes. As Chris Stancombe says: “In terms of BPO services, Capgemini is now recognized as the visionary leader. The transformation project signed with Honeywell in 2014 is strong proof of this status” (see page 22).

But the automation of application testing, which delivers substantial cost reduction and increased competitiveness, is also a key asset.

“In recent years, we have invested millions of euros to create solutions that enable our customers to better manage technological complexity.”

PATRICK NICOLET, EXECUTIVE VICE-PRESIDENT, INFRASTRUCTURE SERVICES
Putting our competitiveness to work to drive the competitiveness of our clients

To offer our clients cost-effective solutions, we continue to increase our competitiveness. First by growing our offshore workforce, which now includes 56,000 people in India, a thousand in Morocco, and continues to progress in Latin America and Poland.

We have also consolidated our global production model. The idea is to bring together, at any time, the teams and technical resources needed to tackle the challenges of our clients, wherever they are located. The investments we have made enable us to adapt our offer to market needs with great agility. They also strengthen the cost effectiveness of our industrial capacity. In 2014, Capgemini Infrastructure Services applied these principles and finalized the global reorganization of its production teams. The result was a double-digit increase in profitability in nine months and more competitively priced services for clients.

Industrialize, standardize, automate

Another important lever of our Group’s competitiveness is the increased industrialization of service delivery along the entire value chain, from design to operation. “We are gradually standardizing and automating recurring IT services,” says André Cichowlas, Director of Production Methods and Support. “For activities such as BPO or maintenance, we are already seeing a gain in competitiveness of up to 5% per year.” In 2014, the Group accelerated the implementation of this strategy in three areas. The industrialization of our supply chain helps optimize the continuous use of human and material resources. We also increased productivity through the standardization of the production methods used by infrastructure services, testing and development. Finally, the automation of certain tasks, including quality control of source code and incident prediction, improves the efficiency and agility of client services.

INNOVATION AND DIGITAL TRANSFORMATION: HIT THE GAS

Companies must not only be champions of competitiveness, they must innovate tirelessly to keep the lead. Today innovation rhymes with digital transformation. “Our customers believe in the tremendous promise of digital and understand the speed of the transformation,” says Cyril Garcia, Head of Capgemini Consulting. “They must now take action using three levers: put digital to work for operational and commercial efficiency; implement solutions adapted to the specific challenges of their industry; and involve all their employees in this change and invent new ways to manage human resources and social relations.” This applies to all industries and has become a priority. Companies are working harder than ever to not lose ground to their competitors. One of the consequences of the digital transformation is the drastic shortening of the innovation cycle. “Our clients ask us to constantly monitor and inform them of anything new that may impact their industry or business,” said Paul Nannetti, Director of Global Sales and Portfolio. “They then expect us to guide them on how to successfully...”
“Today’s clients expect tangible solutions to their business challenges. They want us to provide strategic answers, not just technology.”

OLIVIER SEVILLIA, EXECUTIVE VICE-PRESIDENT, APPLICATION SERVICES TWO

deploy innovation for business benefit. Whenever possible, we accelerate value creation by incorporating innovation into their products and services.”

How is Capgemini responding to this need for velocity? The Group is structured according to the main areas of digital transformation. Internally we mobilize our business skills and ensure, through training at Capgemini University, that they are always up to the challenge (see page 29). Externally, we have established highly advanced, technology partnerships aimed at resolving the toughest business challenges. One example is our collaboration with Iterate Studio, an American “pathfinder” that discovers and curates disruptive technologies from start-ups, which began in 2014. Our global network of Innovation Labs also plays a central role, by bringing players together from different backgrounds to experiment with new solutions. The new Lab opened in Suresnes, France, is a good example (see p. 24).

By enabling our clients to rapidly transform the promising innovations of start-ups into business benefits, our global network of laboratories is significantly strengthening our added value,” says Lanny Cohen, Global Chief Technology Officer.

ALL-IN-ONE, INTERCONNECTED SOLUTIONS

In this context of technological complexity and accelerated innovation, one thing is certain: it is no longer possible to market a technology solution without the consulting and strategy to go with it. The history of our Mobility offer is indicative of the move within the Group towards a 360° approach to solutions. “The mobile solutions are now just the small visible part of a huge technology “iceberg”, where data are central for the resolution of our clients’ challenges”, says Fernando Alvarez, Global Chief Digital Officer at Capgemini Consulting. The Group, therefore, needed to break down the walls within its offers to better meet the needs of clients. This strategy resulted in the merger of our Mobility offer with Digital Customer Experience (DCX) dedicated to the transformation of the customer experience. Now, these offerings cover the full range of technologies available at Capgemini: consulting, analytics, testing, cloud, cybersecurity, etc.

A STRATEGIC PARTNER FOR BUSINESSES

With this holistic approach, Capgemini helps businesses take full advantage of the numerous benefits of technology. We have established ourselves as a true strategic partner for our clients and this trend will amplify with the rise of big data and the Internet of Things. In many sectors, such as manufacturing, automotive, utilities, banking and retail, we are co-innovating with our clients on breakthrough projects to help them define their technology strategy for the future. In turn, this experience fuels our sector expertise. In recent years, we have put considerable emphasis on renewing our portfolio of offers and on co-innovation. Beginning in 2015, we revamped our approach to the two key issues facing our clients: digital transformation and operational efficiency. “Being able to consistently align our strengths to address the two major issues of our clients: this is what underpins the added value that such a broad and multi-business Group such as ours provides,” concludes Virginie Régis, in charge of Marketing and Digital.

(1) France, Benelux, Nordic Country, Germany and Central Europe, South Europe.
Putting our strengths to work for our clients

In 1967, Capgemini was founded on the novel idea that the purpose of IT services was to improve business performance. Based on listening to our clients and understanding their issues, this belief continues to drive the Group’s business development strategy. Organic growth and acquisitions have made Capgemini one of the most multicultural and multi-skilled players in the industry.

With our clients, as with our partners, we always use the same unique approach which we believe is critical to the success of each project: collaboration. So that, together, we design, develop and implement.

ONE PRINCIPLE: TECHNOLOGY FOR BUSINESS

- 7 strategic technology partners
- Expertise in six sectors; dedicated solutions
- 20,000 SMAC(1) specialists
- 900 experts on Expert Connect, interacting with clients on social media

MULTICULTURAL AND MULTI-SKILLED BY DEFINITION

- 120 nationalities in more than 40 countries
- 4 businesses, 11 global offers
- Global delivery model: Rightshore®(2)

Listen and understand

Respond

(1) SMAC: Social, Mobile, Analytics and Cloud.
(2) The Rightshore® delivery model gives our clients the right resources in the right place, at the right time.
Capgemini has developed strengths that make the difference at all stages of the relationship with our clients. And because competitiveness and innovation are constantly changing, we are continually evolving our strengths. This is what makes us the preferred strategic partner for our clients.

**COLLABORATIVE BY NATURE AND CONVICTION**
A unique way of working: The Collaborative Business Experience™
90% of team members working in direct contact with our clients

**COMMITTED TO CLIENT SATISFACTION**
An average client satisfaction score above 4 out of 5 in 2014.
Around a hundred tools to drive performance in all areas: skills, contractual compliance, communications, etc.
Selected team—the “Flying Squads”—to manage difficult projects

**CONTINUOUSLY REINVENTING OURSELVES**
30 Innovation Labs to co-innovate
Monitoring of technology and industry trends (research, TechnoVision®, global network of technology specialists, etc.)
A digital transformation research partnership with MIT®

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(3) The Collaborative Business Experience™: Listen, create, challenge... this is how we work collaboratively with our clients, every day.
(4) TechnoVision provides provocative and innovative approach to today’s business technology landscape.
(5) Massachusetts Institute of Technology.
In December 2014, Inergi, a Canadian affiliate of Capgemini, signed a strategic agreement (see Electrifying Partnership, page 52) with Hydro One, one of North America’s largest electricity companies. Hydro One CEO, Carmine Marcello, explains how he drives Hydro One’s strategy.

Building belief: a transformational journey to serving the customer

CARMINE MARCELLO, PRESIDENT AND CEO OF HYDRO ONE
What is Hydro One’s strategy?

It's all about “believing.” A company only becomes the best when people actually believe you are the best, not because of a single KPI or a single metric. We want our employees, our customers and the people of Ontario to believe that we are a company of great people that provides safe, reliable, excellent and affordable service. This belief comes from an emotional connection created by gaining, or regaining, the trust of our customers. To make it happen, everything we do is guided by five key values (see box below).

Why is the need for alignment at the core of your strategy?

Before becoming CEO I was head of strategy and technology. It taught me that you can have a strategy, you can have an approach to technology, you can have a philosophy on the customer, on human resources, on execution, but if they are not integrated and aligned, things fail.

How does technology fit in with your strategy?

Our dedication to the customer needs to penetrate everything we do, whether we are talking data in a system or climbing a pole in an ice storm. Technology and processes are the keys to that dedication. We do not “do” technology for technology’s sake. If we use cloud computing it is because we have determined that it is the best way to meet our business requirement. It’s not because it’s new.

As a CEO, when you are trying to figure out what is not working, generally speaking, the problems are at the seams. In other words, the process is broken at a hand-off between people, processes or technology due to a lack of alignment.

I love European football, where alignment is a must... so I always tell my team: “the name which counts is the one on the front of the jersey, not your name on the back of the jersey!”

Strategy in the Cards

For the past two years, Carmine Marcello, the President and CEO of Hydro One, has been on a quest to align his entire organization around a single strategy and five core values. They are distributed to all employees in the form of a wallet card.
issue accurate bills. We have to help the customer figure out how to use technologies to reduce their cost. If we do this, we provide value, create alignment and drive belief in the company.

**What does this alignment allow you to achieve?**

There are many examples, but let me talk about smart meters to bill. We have installed smart meters and the infrastructure and resources that go with them, from the meter to the telecommunications, to the customer service and the billing. There are a lot of seams, places where things can go wrong. Even if our customer information system is 95% right, that means it is wrong 5% of the time. That’s too much.

This is especially important if people think the reason for the mistake comes from the technology. If I put the wrong meter in the wrong house, or I transpose the serial numbers of two meters in the system, the whole chain breaks down at one of the seams. The customer will say: “the bill is bigger than I expected. The meter must be wrong.” It’s human nature. So you have to drive towards zero error and perfect alignment in a cost effective manner, because each error undermines the customer’s belief in Hydro One. When you do this, new technologies are no longer perceived as disruption, but rather as an enabler of alignment, and like I said earlier, value for the customer.

**Where is Hydro One in technology today?**

For the past few years, we have been architecting all our enterprise systems to be a seamless platform on which we can build, grow and ultimately achieve our goals. The main complexity we face comes from a data perspective, not from the power system. We’re looking at questions like: “what do we do with big data?”, “what can we do with the Internet of things?” But we always ask these questions not for the technology, but for how they can eliminate seams and drive belief in Hydro One.

Hydro One is one of North America’s largest electricity companies, operating 97% of the high voltage transmission grid throughout the province of Ontario and serving over 1.4 million customers.

Electrifying Partnership

Capgemini, via its affiliate Inergi, has been working with Hydro One for twelve years. In December 2014 it won a very large, strategic, multi-year, multi-tower deal. The new Master Services Agreement, along with the previously awarded Customer Service Operations CSO business, creates a more strategic relationship with Hydro One, and reaffirms its confidence in our abilities to deliver transformation.
More agile

How to make decisions and take action faster

For a long time, continuously improving business processes was enough to increase the speed of decision-making and action-taking in organizations. Companies relied on statistics that, when combined with predictive simulation tools, allowed them to anticipate the needs of their customers and prospects, with an acceptable margin of error. But today the situation has changed. The ubiquity of mobile devices has made “immediacy” the new normal. Now, the challenge for companies is how to manage this need for instantaneousness and the diverse behaviors of their customers. They need to anticipate the full range of possible outcomes with greater agility. Because of the flexibility it promises to enterprises, the cloud has become the go-to agility lever. But also, in a world where technologies evolve in near real time, it important to know how to adapt information systems responsively. This is why we have deployed new work methods such as DevOps (see box below).

Over 30% faster

This is the time saving delivered by DevOps for certain phases of application lifecycle automation (testing, environment management and deployment, etc.).

DevOps is a package of technologies and methodologies that brings together the different teams in charge of conception, development and operations. The objective is to accelerate application development and updates.
CLIENT STORY

Sogeti accompanies the Dutch postal company PostNL in its “100% Cloud” strategy

PostNL, the Dutch postal organization, is on the way of transferring most of its current IT systems into the Microsoft public cloud (called Azure). Migration started in 2013 and will finish by the end of 2015. With the volume of letters and other mail items declining, while having to cope with a huge growth in the parcel business, PostNL had to reduce costs and gain flexibility. Sogeti, a 100% owned subsidiary of Capgemini, helped to define its roadmap to migrate more than 30 applications and now operates its platform Cloud. The company has reduced costs by more than 20% and gained flexibility in handling volume variances. Gerrie de Jonge, in charge of the project at PostNL, shares his tips for a successful migration: “Be bold and move to the cloud, because that’s where the future of organizations lies. Thoroughly assess your IT landscape. Lastly, find out which supplier suits you best and can give you the right added value. You have to have the confidence that you can jointly solve whichever problems you encounter on the way.”

THE CLOUD: A NEW AGILITY LEVER

Enable companies to focus on what matters the most: value creation

For companies that have decided to adopt the cloud for all or part of their IT systems, the advantages are numerous: the wide choice of software available and the anytime, anywhere, pay-as-you-go flexibility. But the offer is so vast that it can be difficult to make the right decision or even be sure how best to use the cloud. That is why, in this market, we position ourselves as an orchestrator, aggregating and integrating services for our clients. And we have notched up several successes. We used the cloud to renew the platform of services and applications used by the Lloyd’s Register, which wanted to improve customer service while reducing costs.

In 2014, we further strengthened our added value in the field of cloud. With our technology partner VMware—an American leader in cloud infrastructure and virtualization—we now provide pre-packaged solutions. Clients simply choose the services and suppliers best suited to their needs. Capgemini then manages on their behalf the multitude of vendors involved in providing the cloud solution, freeing up the client to focus on what matters most: value creation.

“Our market is not only changing very fast with the shift towards Cloud and ‘as-a-service’ solutions, but also becoming more global and complex, as our clients are ‘digitally’ transforming themselves and expanding into new countries and new business areas.”

SALIL PAREKH, EXECUTIVE VICE-PRESIDENT, APPLICATION SERVICES ONE (2)

(1) Expert Connect allows clients to interact with Capgemini experts on social media.
(2) North America, UK, Asia-Pacific and Financial Services.
More secure

In just one year, the number of reported cyberattacks has increased by 120% worldwide. This figure probably underestimates the real problem, with many cases going unreported. The attacks are also becoming much more dangerous. Hackers are increasingly determined and know their target’s information systems better than ever. The results can range from loss of data to total shutdown. The consequences can be dramatic when it comes to industrial facilities and initial infrastructures. Faced with the financial risk and devastating impact that cyberattacks can have on a company’s reputation, executives and investors are worried and seeking solutions. But the news is not all bad. Security solutions continue to improve. One example is the new global Cybersecurity offer launched by Capgemini in early 2015. It is based in large part on the expertise acquired during the many cybersecurity missions we have carried out over the past decade, for Cryptolog (a developer of electronic signatures) or for Foyer (the largest insurance group in Luxembourg) for instance.

$7.6 million/year
Estimated average increase in cost generated by cyberattacks for the studied companies, up 10.4% in 2014.

Source: 2014 Global Report on the Cost of Cybercrime report by the Ponemon Institute, October 2014. This survey was conducted among 257 organizations in the United States, UK, Germany, Australia, Japan and France.
SCADA SYSTEMS

With the Euriware deal, Capgemini acquires advanced cybersecurity capabilities for highly sensitive facilities

Energy production and distribution, transportation network monitoring, water supply management... The SCADA system operates at the heart of these crucial installations and ensures their security, providing real-time visualization of the physical and functional status of an installation. Protecting them requires specific skills that Capgemini has acquired as part of the integration of Euriware. The former outsourcing and integration subsidiary of Areva has specialized expertise in the management of IT systems for industrial infrastructures.

SYSTEM PROTECTION

New ways of detecting cyberattacks

Moving from passive defense to proactive systems was one of the significant technological advances of 2014. Now, data analytics can be used to detect abnormal traffic based on the median volumes of information normally handled by business systems. Using this principle, Capgemini and Pivotal, an American big data software specialist, have launched an offer called Anomalous Behavior Detection. Integrated into our new line of global Cybersecurity services, this solution can detect the most sophisticated external and internal security threats. Clients can also take an adaptive approach to abnormal behavior, categorizing risks and creating alerts so that the enterprise can react appropriately.

3 key strengths of Capgemini’s cybersecurity solution:

- All systems and devices are protected:
  - Information systems,
  - Industrial systems (infrastructures and manufacturing processes),
  - Devices connected to the Internet of Things.

- The solution is designed for next-generation IT:
  - Hadoop infrastructures, SDDC (Software-Defined Data Centers), hybrid, public and private clouds, etc.

- The services cover 100% of client needs:
  - Consulting and security audit,
  - Design and development of security systems,
  - Intruder alert, 24/7/365 monitoring thanks to security centers in France, the UK, Luxembourg and India.
What is cyber security?
It's about protecting the digital world from external threats, but also sometimes against human handling errors or intentional internal misconduct. There are three main kinds of external threats: cyberattacks by militants fighting for a particular cause, organized crime, and hackers paid by governments.

In recent years, cybercrime has supplied an organized and structured black market offering digital contraband such as email addresses, passwords, patents and other kinds of sensitive data. Cybersecurity must therefore protect information systems, but also the confidentiality and integrity of the data they contain, while ensuring access to authorized users. Cybersecurity is as much about people as it is about technology. You have to teach best practices and implement an effective security policy.

Why should customers care?
Because it takes six months to rebuild an information system after an attack. Because the risks are increasing and the consequences of cyber attacks are more and more serious. Hackers have become true professionals. They start by doing careful research. They then find a small weakness where they break into a system. They do everything it takes to stay off the radar for as long as possible. Sometimes a year or two will go by before a breach is detected. This leaves them plenty of time to find what they are looking for. Today there can be no digital transformation without cybersecurity! Our clients have realized this and our role is to help them implement it.
What are the advantages of the Capgemini cybersecurity offer?

Our ambition is to position ourselves as the world leader in cybersecurity services thanks to three advantages: the use of the latest technology, a high level of quality delivered using industrialized solutions, and finally, the worldwide adoption of security standards to ensure that the cybersecurity of our clients is the same worldwide.

As a service provider, we also have very detailed knowledge of cybersecurity products. Our teams test them before they are released on the market to make sure they do what it says on the tin, so to speak.

Among our 2,500 cybersecurity specialists, some are experts in defense, while others are specialized in intrusion testing. This gives us a comprehensive view of the risks and how to control them. Comprehensive, but also specific, because each situation is different and requires a custom security policy. Knowing how to select priorities is essential. 80% of attacks come through applications, which is why we provide an industrialized, global package for application security testing.

In short, what we offer our clients are intelligent, end-to-end cybersecurity services. We advise them, provide them with protection and supervise their security. Ultimately, this enables them to implement their digital transformation projects with confidence.

What advice do you have for company leaders when it comes to assessing their company’s security?

First, ask if your company has tested the security of its applications and its information system. Then, whether it has a cybersecurity surveillance system to detect and respond to attacks, which is currently the case for less than 5% of companies. Finally, make sure your company carefully manages network administrators, as they play a sensitive and important role in security.

BERNARD BARBIER, technical director of Cybersecurity

Bernard Barbier – previously Technical Director for the Directorate General for External Security (DGSE), part of the French Ministry of Defense— is the technical director of Capgemini’s cybersecurity offering and is in charge of cybersecurity at Capgemini. For him, the Group faces the same threats as its clients, which helps to make Capgemini a cybersecurity expert.

“Capgemini has to be flawless in the way it protects client data. In fact, our consultants handle strategic information. Our network administrators, who work for our clients, can have access to sensitive data stored on our servers. It is therefore important that clients trust us. For the Group, this is an important competitive edge and increasingly our clients want proof of our ability to protect data (ISO 2700x* certification). Therefore, the diagnosis and the remedies we apply to ourselves are the same as those we deploy for our clients. In terms of security standards, we have defined a high level of requirements for all our entities. The shoemaker must be well shod!”

* The ISO 27000 family of standards covers the management of information security, notably financial data, intellectual property and information entrusted by third parties.
The widespread use of mobile devices is causing a deep and lasting change in consumer behavior. Customers now want immediate answers and demand ever more personalized services. For businesses, this new situation implies having a very detailed understanding of their needs. Using big data can provide a good basic level of knowledge. Mobile devices also allow companies to stay closer to their customers, thanks to geolocalization. The final step will come with the Internet of Things and the real-time connection of everyday devices. This will open the door to new, more agile offers and products that evolve as people’s needs do. In the meantime, it is vital to take advantage of big data. Many industries are seeing their business disturbed by new players with disruptive business models. That is why, in 2014, Capgemini expanded its big data offering and methodology to help clients develop effective data-driven business strategies.

Today, it takes just nine days to generate the equivalent of all the data created by mankind before the year 2000.

Source: Taken from the IDC market analysis *The Digital Universe in 2020*  
THE INTERNET OF THINGS

Business sensors

The disruption caused by the Internet of Things let us co-innovate with our clients and quickly turn innovations into business benefits. This is the case in manufacturing and energy for instance. Sogeti High Tech is working on ways of leveraging data collected from embedded sensors. Specialized in engineering and technology consulting, this Capgemini subsidiary has created 200 connected object prototypes for its customers in the past two years. In the opinion of Michiel Boreel, head of technologies at Sogeti: “2015 will be the year when our clients will start gaining more commercial benefits from data generated by sensors in real time.”

THE ERA OF BIG DATA

Making businesses smarter

In the span of a year, we have significantly enhanced our capacity to make big data a source of growth for our clients. Launched in early 2015, the Insights & Data offering provides a comprehensive methodology to quickly turn data into a decision making tool. Our approach is to avoid drowning users in a sea of information. The right information is sent to the right person according to predetermined criteria. Capgemini also innovates with its technology partners to make the most of big data. We have expanded our Business Data Lake offering to allow users to obtain personalized insights. Developed a year ago with Pivotal—a US big data and cloud software specialist—this ecosystem now includes a new partner: Informatica, one of the world’s leading independent software vendors. It brings new features that accelerate the transformation of raw data into usable information. With its technological ally Cloudera, Capgemini has also designed two new products to facilitate the implementation of big data for client projects (see page 22). The Group already has 10,000 big data and analytics specialists and we plan to strengthen our skills significantly over the next five years.

In 2014, the Group helped many clients to capitalize on the huge flow of information already available. Capgemini helped the Maharashtra Sales Tax Department in fighting tax fraud, notably by collating data from various external agencies across Maharashtra and as well as the Indian government. For the German pension fund Bayerische Versorgungskammer (BVK) we developed a robust IT system that takes into account regulatory changes.

One priority: big data

“Today, our clients have no choice but to learn how to bring insights coming from big, fast & smart data to the point of action and disrupt… or be disrupted by the fierce competition of those ‘born in data’!”

JOHN BRAHIM, HEAD OF INSIGHTS & DATA

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[1] Expert Connect allows clients to interact with Capgemini experts on social media.
Capgemini helps carmakers develop new driver services

The 2014 edition of our Cars Online-Generation Connected study (see page 40) shows that drivers now care more about onboard features than performance. With this in mind, Capgemini is working on connected vehicle pilot projects with several leading carmakers, including two major European automotive companies.

The objective is to use vehicle telemetry to design new personalized services, including navigation-based services and emergency assistance. Our approach is two-fold: use on-board telematics to retrieve real-time vehicle data, and develop technology solutions that enable manufacturers to combine this data with external sources, such as customer references and maintenance records.

The next step is to take the information collected and develop new services for tomorrow’s customers, for example in maintenance, extended warranty or corporate fleet management.

The expertise we have acquired in our pilot projects has also resulted in our first product designed specifically for the automotive sector. Called AutomotiveConnect and launched in early 2015, it aggregates the data generated by vehicles and drivers with other information available through big data. The goal is to provide manufacturers and dealers with a much finer understanding of the needs of their customers.

CLIENT STORY

The city of Oslo takes up the challenge of protecting young pedestrians

Young pedestrians are the most exposed road users. To be effective, city regulations need to focus on the areas where they are most at risk. To identify them, the city of Oslo, Norway, called on Capgemini. The mission was to obtain reliable data on the routes children take to school and get their input. The solution was to design and develop a mobile application with a simple and intuitive interface for children aged 8 to 12 years, on which they could also record their feedback. This included providing information on dangerous intersections and other traffic problems. The team in charge of the project talked to young pedestrians to understand what they expected from mobile applications. Pupils from two schools in Oslo successfully tested a first prototype, based on Apple iOS. The application is now being deployed to 43,000 primary school pupils. “The collaborative approach and Capgemini’s rapid prototyping enabled the delivery of an iOS prototype in just two weeks,” says Vibeke F. Rørhol-Bymiljøetaten, project manager at the city’s urban environment agency. “Primary school children had no problem using it, proof that the interface was easy to use.”

65%

of companies agree that they risk becoming irrelevant and/or uncompetitive if they do not embrace big data.

“Mobile services are the future of banking in Brazil, and we want to be the leader of that future.”

As Caixa’s strategic partner, Capgemini is deeply involved in its IT transformation roadmap.

Making mobile a key differentiator
Caixa’s Mobile Transformation Program began as a simple idea: “We live in a world that is changing fast due to digital. It was time to make the majority of our services available on mobile devices, for both customers and our workforce,” explains Roberto Zambon, CIO, Caixa. “The goal is to position Caixa as a leader in the mobile delivery of banking services.” Indeed, and as the 2014 World Retail Banking Report from Capgemini and Efma(1) states it (see page 40), customer satisfaction in banking is increasingly tied to the availability of mobile services and the use of social media, especially among Generation Y customers.

Power of partnership
“We brought together our financial services and mobility expertise in a framework called the Enterprise Mobility Orchestrator. It covers all the phases of the mobile app development cycle from design and testing to production, delivery and support,” says Alex Vieira, Vice-President, Financial Services, Capgemini, in charge of the relations with CAIXA. “We partnered with IBM in order to use their MobileFirst technology platform.” The Caixa project is the IBM’s second largest implementation of this platform.

“The Mobile Transformation Program is exactly what we expect from our partnership with Capgemini; performance and agility for our customers and for our workforce. The Program will help differentiate us from the competition. We are seen as more innovative,” says Mr Zambon. “Mobile services are the future of banking in Brazil, and we want to be the leader of that future.”

Wide-scale deployment of the Mobile Transformation Program is currently underway. We are now bringing our expertise to bear on other challenges, including a new credit solution for Caixa’s lending operations and a dedicated platform for the social programs that the bank manages on behalf of the government.

(1) Efma is an association comprising 80% of the world’s largest financial institutions.
Go faster, while doing as good a job or better—this is what mankind has been trying to do for centuries. And it has accelerated with the digital revolution. Technology has reduced barriers to entry in many markets. Take an innovative start-up. Find a tiny but real weakness in the ability of traditional players to meet the needs of their customers. Introduce a disruptive business model with an offer that becomes overnight the market reference adopted by millions of users. It is clear that no sector or company is immune from paradigm shifts in their market. In fact, for traditional players, it is not enough to increase productivity by reducing costs and to boost their competitiveness by using outsourcing, BPO and testing services. The key question is how to capitalize on digital transformation to stay one step ahead. Because these services will allow you to move from a world of products to an era of services, but also create new productivity levers. The Internet of Things and Digital Manufacturing are among the disruptions that will change the status quo.

Made possible by Digital Manufacturing, predictive maintenance will increase productivity by 30% through improved availability and reliability of industrial equipment and infrastructures.

Can you explain what Capgemini is doing in Digital Manufacturing?
The goal is to support our industrial clients, as well as those in energy, to help them digitize their production tools and processes. While ERP and PLM tools are widely deployed, new digital technologies can take performance to even higher levels in many areas. For example, the full digitalization of product development and industrialization allows for smooth and effective collaboration between all stakeholders: marketing, design, production, purchasing, subcontracting, etc. Same case for simulations and testing.

Why including the Internet of Things in Digital Manufacturing?
Manufacturing is at the root of all the connected devices hitting the shelves. Given the magnitude of this second Internet revolution, it is impossible to imagine Digital Manufacturing without involving the Internet of Things. Today, intelligence is embedded in equipments in the form of sensors, RFID chips, products that enable networking and interaction. That’s where the real revolution will come from: this new ability to combine data from information systems with real time data from the real world.

What will be the benefits for manufacturers?
There are twofold. The first benefit is about optimizing workflow and logistics, and at all levels. The intersection of real-world and statistical data will improve the reliability of processes and infrastructures, thanks to predictive and preventive maintenance. From the moment all components of the chain are able to send real-time information, you have continuous traceability of products and equipment. Production as a whole will become intelligent through interaction between machines and products. Lastly, being able to know in real time how your products are being used will enable targeted innovation.

The second benefit is revolutionary: Manufacturers will gradually move from selling products to selling services. This is an extraordinary source of growth, but it must be controlled. If usage and service take precedence over the product, manufacturers run the risk of disintermediation. They must therefore anticipate and develop their digital ecosystems. All businesses become digital.

Our customers are fully aware of these issues, and Capgemini, thanks to our different businesses, supports them in this transformation.

The key benefits of our Capgemini Digital Manufacturing offer:
- Product development cycle:
  Collaboration tools, digitalization of data and digital simulations
- Infrastructure management:
  Configuration, operations and remote monitoring
- Preventive and predictive maintenance
- Digitalization of manufacturing processes (Factory 4.0)

#cloud and #microservices enable #BPO suppliers to rapidly and effectively build robust #solutions at the right cost.
Lee Beardmore, Business Process Outsourcing, member of Expert Connect

JEAN-PIERRE PETIT,
HEAD OF SOGETI HIGH TECH AND DIGITAL MANUFACTURING

“The convergence of the digitalization of production tools and the Internet of Things is creating a revolution.”

[1] Expert Connect allows clients to interact with Capgemini experts on social media.
Migration after the merger: when speed is of the essence

TODD HALE, CIO OF OFFICE DEPOT

Todd Hale, CIO of Office Depot, is in a hurry. He and his team are managing the integration of Office Max’s systems with Office Depot’s (see Throttling Up Integration, page 67). The sooner they can complete this integration, the faster they can improve business results.

As CIO of Office Depot, what are your priorities?

I have four main priorities. The first is how we take the IT platforms of two multi-billion dollar companies and bring them together in a single IT platform that we can run the business on. In 2014, we spent close to 80% of our discretionary resources on this integration. The second priority is providing secure, stable and consistent systems. The third area is how we enable and improve business results through the use of technology. The fourth is a continual focus on increasing the efficiency and effectiveness of IT.

How important is security in relation to your priorities?

Security concerns the whole company, not just the customer-facing side of the business. The core commitment of our IT organisation is to make sure that our platforms are stable, meet all uptime requirements, perform as expected, and make everyone feel confident in the security they provide.

I think that the team is doing a great job of focusing on best practices and doing what we can to ensure security, while also carrying out the appropriate maintenance programs to make sure that the technology we use is maintainable and supportable. This helps to provide security, but it also helps to provide consistency.
I do not think that cybersecurity is more important today than it was five years ago. It’s always been critically important, but the fallout of a failure is much greater. You have to take an integrated approach to handling these threats, from protecting the organization and customers to how you communicate on your response.

**How do you see Capgemini’s role in the integration?**

It was clear to us that the faster we could bring the business together on one platform, the faster business synergies, business process capabilities, and IT synergies could be attained. Partnering with Capgemini has sped things up in two important ways. First, by not having to allocate our own internal resources to managing and maintaining our applications, our teams can work on other high-value projects. Second, more and more functions are using Capgemini as the subject matter expert on given processes prior to them being integrated. This speeds up their integration.

**What have been the business benefits of the relationship with Capgemini?**

One of the reasons we made the decision to partner with Capgemini was to bring in best practices and increase the level of automation of our testing. Here, we see real opportunities in terms of time. By increasing the level of testing automation, we can deliver more releases to the business with the right level of quality. Therefore, I see Capgemini helping us introduce technology quickly that will improve business results and support the integration as well. We have a partnership that cuts across and enables multiple priorities.

**How is this transforming IT at Office Depot?**

Doing things faster and in a smarter and better way positions us as business partner, rather than a utility service. We listen to and understand what the business units need from a technology perspective. Then we find new operating models, like we’ve done in analytics, business intelligence, marketing and e-commerce.

This requires the business to trust IT and for IT to work with trusted vendors like Capgemini. You are forthright, transparent and pragmatic in your approach. You are willing to take a step back and do things a little differently. The relationship between our two companies is about collaboration, being pragmatic, understanding what we are trying to accomplish, and putting something together that works for both of us.
n the world of technology too, fashions come and go. Now that digital is in fashion, one might think that it will vanish soon. But this will not be the case. Digital might well be renamed, but what we are seeing is just the dawn of the digital era. Customer experience is the name of the game today, and will likely remain so, but this will be only one aspect of the overall digital revolution.

For companies and other organizations, whatever their size, there is still so much to invent, develop and innovate. We need to re-think their customers’ and their partners’ experience. We need to ensure that their employees’ experience match their personal digital experiences. And what about creating digital supply chains driven by instant demand and revolutionized by 3D printing?

What about cognitive computing—raising the IQ of people and enterprises? What about adding virtual reality to our view of the world? What about making every product and every service a natural extension of the company? And what about managing this future to make sure it does not overwhelm or even alienate us?

To help our clients take advantage of these thrilling perspectives, we at Cagermini are well equipped. We have many thousands of talented people—all different but with the single purpose of serving their clients. We have all the necessary capabilities—on our own or through our network of alliances. We have a tradition of associating business and technology, and a modus operandi which balances global drives and local speed. We have the will to invent the future in collaboration with our clients, not dictate our way. Finally, we cherish our traditions and heritage, with a ravenous appetite for the new!
Denis Riffard
*Par l’escalier*
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- Tax & Welfare
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- Telecoms
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Clemens Briels
"The luminous cube act and the hoop countes. Alegria"
A feast for the eyes for 27 years!

Every year since 1987 Capgemini has selected contemporary artists of different nationalities to illustrate our annual report. For 2014, 12 works were selected: paintings, wall sculptures, street art...a feast for the eyes.

JACKY BEIGNEUX
Self-taught, Jacky Beigneux carried his easel around the countryside for ten years, perfecting his technique as he went. Born in the west of France, he paints laborers, workers, country folk, clowns and everyday objects with strong and sharp colors. jackybeigneux.fr

ÉLISABETH BESNIER
Élisabeth Besnier began her painting apprenticeship in a workshop in northern France, where she was born. Through her use of oil paints applied with a palette knife, she seeks to express the emotion she feels in the presence of her subject. She has an affinity for portraits. elisabeth-besnier.com

OLIVIA BOA
French champion of full contact boxing, model, journalist...only 34 years old, Olivia Boa had already lived several lives before becoming a painter. Passionate about quantum physics and neurology, she developed a “ocular kinetic” technique that influences your brainwaves when you look at her paintings. ocularkineticboa.com

CLEMENS BRIELS
Born in 1946 in the Netherlands, Clemens Briels first worked in advertising before becoming a sculptor, painter and jewelry and furniture designer. His colorful works feed on Latin American influences. In 2002, he was named the official artist of the Winter Olympic Games in Salt Lake City. clemensbriels.nl

CHRISTOPHE CATELAIN
Pop art, street art, news and travel are just some of the many influences that inspire art photographer Christophe Catelain. Ché Guevara, a dollar bill, rock legends, film stars, superheroes... this self-taught Frenchman composes his works from thousands of assembled and “hijacked” images. catelain-art-photo.com

ELECTRICPOPPERS
Behind ELECTRICPOPPERS is a young Finnish artist who jubilantly mixes illustrations, comics and design. Self-taught and proud of it, she is guided by her imagination and flashes of inspiration. She creates very personal worlds where animals reign. electricpoppers.com
KOBRA
Rio de Janeiro, New York, Athens and London… big city walls are the playground of Kobra, a Brazilian artist born in 1976. In 2012, Capgemini donated one of his large, colorful murals to the city of São Paulo, birthplace of Kobra and home to Capgemini’s first office in Brazil. eduardokobra.com

DAVID KRACOV
Sculptor, painter and film animator, David Kracov was born in Boston, Massachusetts in 1968. At 12, he became one of the youngest artists to ever exhibit at the Boston Museum of Fine Arts. His hand-painted metal wall sculptures are highly sought after the world over. nuancesetlumiere.com

JEAN-FRANÇOIS LARRIEU

DENIS RIFFLARD
French artist Denis Rifflard used a pencil for many years to make people laugh with cartoons and advertising illustrations. After taking up painting, he highlighted the city in his work, which is often highly graphic and colorful. galeriepascalfremont.com

YANN SCIBERRAS
“Actualist” is how Yann Sciberras describes himself. This 47-year-old French artist, a child of the punk and rock culture, wants to be the real-time witness of our information society. Composed of streams of images and words, his works are “screen shots” of our era, his anxieties and his fantasies. yannsciberras.fr

MICHA TAUBER
Of Dutch origin, Micha Tauber graduated from the École Nationale Supérieure des Arts Appliqués et des Métiers d’Arts in Paris. Aged 48, she paints a dreamlike world of a universal nature. Her works are about sensuality, magic, dreams and distant or imaginary civilizations. artsymbol.com