Operational Excellence and Global Delivery

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London, December 2007
Launch of the 303 PLAN
"3 objectives over 3 years"

- Operate as a global company
- Improve operational efficiency
- Accelerate organic growth capabilities

» Industrialization
» Global Sourcing
» MS Global factory
» Support functions
» Purchasing
» Talents

» Portfolio review and optimization
» Global and focused sales

» An integrated and related set of initiatives
Leverage Atos Origin scale for growth and efficiency

- Complete Integration
- Common Enterprise Framework
- Selected Consolidation
- Aggregation

**Impacts on Process, Organization, Systems & Tools**

- **Risk of Unnecessary spending**
- **Establish basic Inter-business linkages**
- **Standardize Key Processes Systems & Tools**
- **Incapable of supporting desired business outcomes**

- **Retain All models**
- **Adopt one model**

- **Holding Company**
- **Network of Businesses**
- **Shared Services**
- **Fully Integrated**

Degree of integration determined by business requirements
From 3o3 to Operational Excellence

Organization
» Organizational Responsibilities
» Process Owners who perform process management and control

IT Solution & Tools
» IT-solutions which support Business Process automation and business change

KPIs
» Performance driven
» Change linked to Financial measures

Required controls
» Business Process Risks and related Controls to meet regulatory and compliance requirements

3o3 → Operational Excellence → Business as Usual
It is about Controlled Change and Business Continuity
The purchasing action plan has moved into execution.

### 303 PLAN

#### 7 Initiatives

<table>
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<tr>
<th>Category</th>
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- Consolidation of Atos Origin purchasing power and supplier rationalization
An initiative to focus finance, HR and IT teams on added-value tasks

**303 PLAN**

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- Improved business support
- Less administration
The Talents initiative will help us become an employer of choice in the IT sector.

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» Attract, develop and retain the best people
Transformation of our core business processes

303 PLAN

Global Delivery

- Industrialization
- Global Sourcing
- MS Global Delivery
Through the Global Delivery Strategy we have started to leverage our scale and presence...

Bundle and align existing knowledge
...through economies of scale and reuse

Global Delivery
- Closeshore
- Nearshore
- Offshore

Industriallization
- Shared Services Centers
  - Common processes
  - Common tooling
- Global MO factory
- Mainframe consolidation

Industry Standards
- CMMI
- ITIL

Partnerships
- SAP

Higher growth, increased efficiency
From Geographies to Matrix

From

Management Board
Support Functions
GMO
C&SI
Region 1
Region 2
Region 3
Region 4
AEMS

To

Management Board
Group Sales & Markets
Consulting
Systems Integration
Managed Operations
Support Functions
ACSIMO – Leverage presence x-service line
Using Enterprise Architecture to build end-to-end solutions

» **Atos Consulting**
  » Strategy and Business Case
  » Business Processes Models
  » Operational Transformation

» **Systems Integration**
  » Product implementation
  » Integration
  » Rollout

» **Managed Operations**
  » Infrastructure
  » Storage
  » Compliance
Global Delivery key enablers: Global Sourcing and Industrialization

**Standard delivery**
- From T&M to SLA
- Common processes and tools
- Consistent metrics and KPIs
- Output based

**Distributed delivery**
- Customer intimacy and innovation with resources close to market and customer
- Efficiencies of scale through specialized factories in low cost regions
- Capabilities to deliver to all regions

» Shared service centers provide common infrastructure for all Atos Origin staff
Global Sourcing Centers for SI: Critical size across the regions through specialization

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<th>Technologies/Specialization</th>
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<td>Morocco</td>
<td>Casablanca</td>
<td>French clients, IBM Mainframe, IBM Technologies</td>
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<tr>
<td>Armenia</td>
<td>Yerevan</td>
<td>Primary offshore center, SAP, Oracle, .net, J2EE</td>
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<tr>
<td>Brazil</td>
<td>Curitiba</td>
<td>US time zone, Ibero-European clients, SAP configuration services, CRM</td>
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<tr>
<td>India</td>
<td>Mumbai, Pune, Bangalore, Calcutta</td>
<td>Primary offshore center, SAP configuration services, CRM</td>
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SI: In 2007, progress on global sourcing has been best-in-class (70% organic growth)

- New centers in Mumbai and Bangalore; new campus in Pune in 2009
- New center in Curitiba
- Expansion in Morocco
- Delocalization plans in all countries (e.g. 700 staff from Paris to regions)
- Germany: Meppen
- Spain: Valladolid
- UK: Nottingham

Number of staff CMMI3+ certified multiplied by 6 between 2006 and 2009
Substantial progress has been achieved in SI tooling

Shared service center for development & maintenance tools
» Testing factory
» Requirements Management
» Project Management
» Productivity Management
» Data Mining
» Configuration Management

Operating Model
» Software Development and Maintenance Centers” (SDMC)
» Global Software Engineering Process Group (SEPG)
» T&M part decreasing significantly for all

key enablers for global Sourcing and Industrialization
Renault
(Industrialization and Global Sourcing @ work)

» 5y Application Management Outsourcing

» Customer facing unit in Paris managing delivery centers in France (closeshore), Spain, India and Brazil

» Common processes, tools and metrics

» Implementation of Industry standards (CMMI) consistently through all locations

» Output based pricing with contractually committed cost savings through
  » Productivity improvements (CMMI)
  » Global Sourcing
  » Enterprise Architecture (Consulting)

Early large European AM outsourcing with successful delivery
ChemChina
(ACSIMO @ work)

SAP Consulting and Systems Integration

1. Jan ’07: Business and IT Consulting program successfully delivered out of UK and China
2. Sep ’07: Global Strategic Partnership Framework Agreement for BC and IT
3. Oct ’07: Signature of initial SAP implementation deal for systems integration in APAC

» Competence Centers: Support from SAP-MMT competence center in Walsrode (DE) and TCC in Brussels (BE)

Successful Consulting engagement opening up significant SI opportunities
Atos Origin Global Sourcing Model for MO
Distributed delivery through standard processes and tools

Service Desk
Op. Center
Op. Center Level 2
Service Desk
Op. Center Level 2
Service Desk
Op. Center Level 2
Service Desk
Op. Center Level 2
MO: Significant progress has been achieved on global sourcing & ITIL

Offshore

- Service Desk, EMC and 2nd level support
- Built in the Service Portfolio
- Activities are moved offshore

Global Processes

- Continuous Service Delivery Model (CSDM)
  - 100% ITIL compliant
  - Globally deployed
  - > 7,000 CSDM certified operational staff worldwide

Well on track for balanced sourcing
MO: Significant progress has been achieved on global sourcing & ITIL

**Server Management**

- **Stages:**
  - Basic
  - Standardized
  - Consolidated
  - Optimized

- Plan to move towards Optimized

**Monitoring Center (EMC)**

- Consolidation of EMC and further standardization and industrialization

**Service Desk**

- Increased efficiency through optimized process and industrialization

**Field Services**

- Increased usage of remote repair and optimized resource deployment

**Significant efficiency improvement**
Alstom Global Delivery Model
Global support for > 48,000 seats and 53 countries

Alstom phase 1 (seats):
Belgium (1,024), Brazil (2,323), Canada (1,050), France (12,000), Germany (4,085), India (1,400), Ireland (50), Italy (2,868), Mexico (365), Netherlands (107), Poland (1,776), Portugal (227), Spain (1,381), Sweden (925), Switzerland (6,208), UK (3,865) and US (4,630).

On-shore

Alstom phase 2:
Argentina, Australia, Bahrain, Bulgaria, Chile, China, Colombia, Croatia, Czech Republic, Denmark, Dubai, Egypt, Estonia, Greece, Hong Kong, Hungary, Indonesia, Japan, Korea, Latvia, Malaysia, New Zealand, Norway, Panama, Peru, Philippines, Romania, Russia, Saudi Arabia, Slovakia, Taiwan, Thailand, Turkey, UAE, Venezuela and Vietnam (with 3,745 seats combined).

Near/off-shore
In summary…

» Atos Origin owns a vast amount of industry, technology and process expertise.

» We are increasing the leverage of our scale and presence in order to design, build and globally operate innovative solutions faster, more efficiently and to a higher level of quality.

1 Global Sourcing
2 Industrialization
3 Innovation

are key elements of this strategy

» We will deliver these elements through a common operational model to best-in-class industry standards.
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