

# INTEGRATED REPORT 2019

People matter, results count.



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# Preparing the future

As a leader in digital transformation, our mission has become all the more important today, as we aim to help our clients seize all the opportunities offered

by technology in order to keep their employees safe in these times of crisis, all while ensuring their business continuity, as well as boosting their agility and competitiveness to prepare for the future.

In addition, the social and environmental challenges facing the world call for swift and strong action by companies and institutions. Our Group has long advocated for digital inclusion and the fight against climate change, notably by reducing our carbon emissions and developing service offerings to reduce our clients' emissions.

**Paul Hermelin,**  
Chairman

Backed by the continuously growing expertise and skills of our talented people, our entrepreneurial culture and the values that guide us on a daily basis, we are working to ensure that digital, technology and innovation serve as drivers of sustainable development.

**Aiman Ezzat,**  
CEO

**Shobha Meera,**  
Corporate Social Responsibility

Our multicultural organization, resolutely anchored in all communities where we operate, is now more resilient, committed, united and agile than ever before. Following a well-managed internal process of managerial transition, Capgemini also benefits from a governance with broad expertise adapted to the Group's challenges.

**Olivier Lepick,**  
Human Resources (interim) and Secretary General

For the third year in a row, we are publishing an Integrated Report based on the Reference Framework published by the International Integrated Reporting Council (IIRC) to present how the Group creates and shares value.

**Rosemary Stark,**  
Sales

Feel free to share your comments by sending us a message at the following address:  
[integratedreporting@capgemini.com](mailto:integratedreporting@capgemini.com)

# CAPGEMINI

## A GLOBAL LEADER IN CONSULTING, DIGITAL TRANSFORMATION, TECHNOLOGY AND ENGINEERING SERVICES



AMERICAS

26,120 people



EUROPE, MIDDLE EAST AND AFRICA

75,740 people



ASIA-PACIFIC

117,440 people



**With Altran,**  
we have created a global leader in Intelligent Industry.

To learn more, visit:  
[reports.capgemini.com/2019/files/altran/Capgemini\\_Altran\\_2019\\_VA.pdf](http://reports.capgemini.com/2019/files/altran/Capgemini_Altran_2019_VA.pdf)

### WHAT WE DO

Innovative and high-added-value services:

- Strategy & Transformation
- Applications & Technology
- Operations & Engineering

### OUR PRIORITY OFFERS

- Customer Experience
- Cloud
- Cybersecurity
- Artificial Intelligence & Analytics
- Digital Engineering & Manufacturing
- Digital Core with SAP S/4HANA®
- ADMnext

### HOW WE OPERATE

Seven core values:

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

### WHO WE ARE

**219,300**  
employees drawn from over **120 nationalities** in more than **40 countries**

### WHO WE WORK WITH

**76%**  
of the 200 largest public companies on the Forbes Global 2000 List are our clients

**96%**  
of our revenues come from existing clients

### WHAT WE ACHIEVED IN 2019

**€14.1bn**  
revenue  
+7% since 2018

**12.3%**  
operating margin

**€1.3bn**  
free cash flow

**27,300+** beneficiaries supported by our digital literacy programs

Recognized once again in 2019 as one of the **World's Most Ethical Companies**

Named on **CDP's\* 'A List'**

**PAUL HERMELIN —**  
CHAIRMAN\*

## CONVERSATION

**AIMAN EZZAT —**  
CEO\*

Since it was founded in 1967 by Serge Kampf, the Capgemini group has always distinguished itself by its audacity and its determination to build, grow and develop its talents and its clients. During this very turbulent spring of 2020, the entire company has mobilized to take on new challenges together and continue its development.



Watch the video on  
[reports.capgemini.com/2019/en/annual-report.html](http://reports.capgemini.com/2019/en/annual-report.html)

**After the Shareholders' Meeting in May 2020, Paul Hermelin, you will remain Chairman of the Board and Aiman Ezzat will succeed you as Chief Executive Officer. How are you approaching this new phase?**

**Paul Hermelin** — In 2017, I proposed to adopt a governance structure separating the functions of Chairman and Chief Executive Officer, which the Board accepted in principle at that time. I was convinced that we could find an internal solution: a rapidly growing group must certainly generate talent. Today, I am delighted that the Board has chosen Aiman Ezzat as Chief Executive Officer. Aiman has more than 20 years of experience within the Group and has worked alongside me since 2005. This choice sends a strong message to all of Capgemini's talents.

**Aiman Ezzat** — I would like to thank the Board of Directors for the confidence it has shown in me. Paul has left his mark on more than half of our Group's history. I am very proud to succeed him and I will do my utmost to continue the success of the last few years. I fully appreciate my responsibility in leading this tremendous Group, to which I am deeply attached. We are fortunate that our profession fulfills a role of particular importance today. Technology is key to ensuring the resilience of our economy and, beyond that, the resilience of our society.

**Since you mentioned the current health crisis, how have you organized the Group's response?**

**A. E.** — We have set up a crisis unit primarily to manage the health and protection of our employees. Our second priority was to ensure business continuity for all our clients across 50 countries. During this unprecedented period, the Group



\*Aiman Ezzat succeeded Paul Hermelin as Chief Executive Officer of the Group at the Shareholders' Meeting on May 20, 2020. Paul Hermelin continues as Chairman of the Board of Directors.

has demonstrated its remarkable agility and responsiveness. In geographies such as India, we switched to over 90% remote working in just a few days. The credit for this achievement goes first and foremost to our colleagues. They have shown an unfailing commitment at all times, as well as an enormous generosity that has led to numerous initiatives, particularly in the field of public health. I would like to express my sincere thanks to them and my hope that we will come out of this experience even stronger, as an industry, as a company and as a society at large.

**P. H.** — This crisis calls on us to rethink the way we work. Remote work on such a massive scale is changing us. I am convinced that it can become an essential element in redefining how we work together at a distance. It will also shape the methods employed by a new generation of leaders.

**At the beginning of April, Altran became part of the Capgemini group. What new prospects does this acquisition open up?**

**P. H.** — We are thrilled to welcome Altran's 50,000 employees. With them, Capgemini is expanding and will now cover not only digital technologies but also industrial

technologies. We had the intuition that, after digital marketing, Intelligent Industry would be the next wave of innovation, driven by connected objects and 5G. Altran brings us technological skills and valuable R&D expertise in many sectors. The integration will be facilitated through the proximity of our cultures and business models. With Altran, we are embarking on a new chapter in the history of our Group. Essentially, we were engineers in consulting, and IT and digital technologies. With Altran, we are broadening our range to include all technologies. Capgemini has become a leader in technology services, now capable of defining and implementing new objects and services for its clients.

**A. E.** — This is a strategic operation. It is a powerful accelerator for developing our relationships with all of the company's decision-makers. At the same time, together with Altran, we are creating the world leader in Intelligent Industry. Combining the expertise of Capgemini and Altran will enable us to propose a unique offer to the market. Let's take the example of autonomous cars: Altran works on the connected vehicle and Capgemini manages digital systems to process the data generated and required by the vehicle. This unprecedented combination will position us as the strategic partner for the digital transformation of industrial and technology companies.

**It is now more difficult than ever to anticipate the future, but can you tell us the principles that will shape your efforts?**

**A. E.** — "These are the values that will retain their meaning in our common adventure when the challenges of the times call everything into question," as Serge Kampf, the founder of Capgemini, once said. Our fundamentals are very solid. Technology will be more than ever a part of our lives and of all chains, whether logistical, industrial, relational or solidarity-based. The massive adoption of digital technology that we have seen since the start of the health crisis is leading to a paradigm shift that will have a lasting impact on expectations in terms of customer experience and the digitalization of business processes. We will also have to be attentive – as I will be – to the ethical use of these technologies and the digital inclusion of the greatest number of people. Finally, I will ensure that the fight against climate change remains a priority. We must work together to reinvent the way we live and work. This is our responsibility as a leader in our industry. ☺



**"WITH ALTRAN, WE ARE CREATING THE WORLD LEADER IN INTELLIGENT INDUSTRY."**



We strive to address all the challenges of our ecosystem in order to transform shifts in our markets and technological innovations into levers for creating long-term value for our clients. Our growth strategy is based on our solid performance, our cutting-edge expertise and our agile portfolio of services. Following the acquisition of Altran, we benefit from a unique ability to support the digital transformation of industrial and technology companies.

PART I  
—  
A Group  
designed to

create  
long-term  
value

S'ÉVADER  
(ESCAPE), 2017  
MIRYAM HADDAD  
Oil on canvas,  
22x16cm

Photo: Claire Dorn  
Courtesy of the artist and Art: Concept, Paris

# A SOLID PERFORMANCE, THE FOUNDATION OF OUR FUTURE GROWTH

Our strong financial performance in 2019 reflects our sound business model and rigorous approach to management. Combined with our extra-financial performance, these results will enable us to pursue our long-term growth strategy.

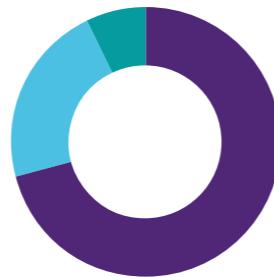
**REVENUE BY REGION**  
in percentage



**REVENUE BY SECTOR**  
in percentage



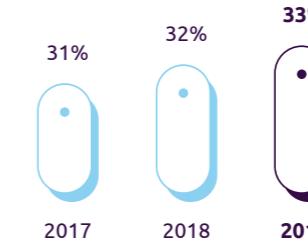
**REVENUE BY BUSINESS**  
in percentage



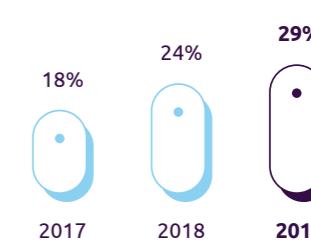
**TOTAL HEADCOUNT**  
in thousands



**PERCENTAGE OF WOMEN IN THE HEADCOUNT**



**PERCENTAGE OF NEW VICE-PRESIDENTS WHO ARE WOMEN**



## WORKFORCE

**BY GEOGRAPHY**  
in percentage



**39 hours**

of training on average per employee

**2.75 million**

shares applied for under the sixth employee shareholding plan carried out in 2019

**74%**

of our social projects focus on digital inclusion

**13**

Digital Academies\*  
in 7 countries with more than  
**1,560** graduates

\* Global network of learning institutions helping disadvantaged groups and those excluded from the job market to acquire digital skills

**REVENUES**  
in millions of euros



**OPERATING MARGIN**  
in millions of euros



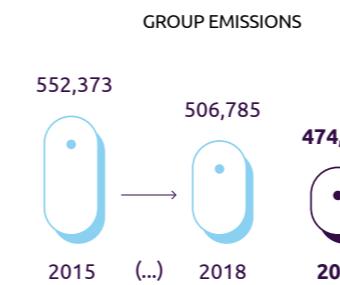
**ORGANIC FREE CASH FLOW**  
in millions of euros



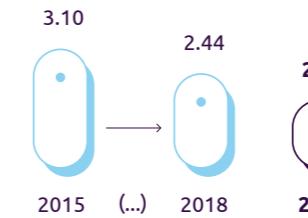
**DIVIDEND PER SHARE**  
in euros



**GREENHOUSE GAS EMISSIONS**  
in tCO<sub>2</sub>eq



**EMISSIONS PER EMPLOYEE**



**-29%**

compared to 2015, the benchmark for our targets for reducing our carbon footprint

\*In view of the global coronavirus pandemic, the Board of Directors on April 27, 2020, decided, in a show of solidarity between the various stakeholders, to reduce by 29% the dividend proposed for approval at the Shareholders' Meeting on May 20, from €1.90 initially planned to €1.35 per share.

# TACKLING THE CHALLENGES OF TOMORROW



## TECHNOLOGY

**Data and artificial intelligence, cloud and digital, edge computing, automation, Internet of Things**

**50+%**  
of European manufacturing corporations utilize AI  
(Source: Capgemini)

**175**  
zettabytes of data – or a stack of DVDs extending 23 times the distance between the Earth and the Moon – will be generated worldwide in 2025, compared with 33 zettabytes in 2018  
(Source: IDC)

### Cybersecurity

**2,244**  
cyberattacks a day worldwide, or one every 39 seconds  
(Source: University of Maryland)

### Large-scale development of 5G

**2 bn**  
people will be covered by 5G by 2030  
(Source: McKinsey)



We are strengthening our expertise in data platform technologies and developing new offers, particularly in AI. Capgemini makes every effort to attract and train numerous cybersecurity experts to provide our clients with comprehensive consulting, monitoring and protection services.



## WORK

### The race for talent

**756,000**  
job openings in information and communication technologies in Europe in 2020  
(Source: World Economic Forum)

### Importance of sharing the company's values and personalization of employee pathways

**83%**  
of thriving employees are more likely to work for a company they trust to train them in the skills tomorrow.  
(Source: Mercer)

### Multiple ways of working

**69%**  
of American organizations authorize their employees to work remotely some of the time and...

**27%**  
of these organizations have implemented full-time remote-work terms  
(Source: Society for Human Resources Management)



## ECONOMY

### Rise of regional economic hubs

**2<sup>nd</sup>**  
biggest economy worldwide in 2050: India  
(Source: PwC)

### Disrupting business models and the rise of new players

**Less than 20 years**  
the average age of S&P 500 companies, compared with 60 years in the 1950s  
(Source: Crédit Suisse)  
**8 out of 10**  
companies with the largest market capitalization are digital and tech giants, compared with two out of 10 in 2010  
(Source: FXSSI - January 2020)



Present in more than 40 countries around the world, including India, our Group endeavors to develop its activities in a balanced way throughout each of its geographic areas.



## THE ENVIRONMENT AND SOCIETY

### Climate change and natural resource depletion

**43.1 Gt**  
of CO<sub>2</sub> released into the atmosphere in 2019 (an increase), compared with a target of zero net emissions in 2050  
(Source: Global Carbon Budget)

### Demographic shifts and urbanization

**60%**  
of people will live in cities by 2030, among a total population estimated at 8.5 bn  
(Source: United Nations)

### Digital divide

**Nearly 60%**  
of humanity is connected to the web – but the internet is 50 times faster in Singapore than Algiers  
(Source: WeAreSocial)

### The rise of ESG criteria

**US\$32,000 bn**  
in managed assets including ethics and ESG (environmental, social and governance) criteria  
(Source: Financial Times)



Together with its clients and partners, Capgemini develops solutions to meet the targets outlined by the Paris Climate Agreement, while conducting its CSR program – Architects of Positive Futures.

Strengthened by the acquisition of Altran, our Group is built on five strategic pillars, which have now become more relevant than ever before.

## A CONFIRMED STRATEGIC INTENTION

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**1**

### BE THE PREFERRED PARTNER FOR OUR CLIENTS' TRANSFORMATION AND GROWTH CHALLENGES

We support our clients with their digital and technological transformation plans to enable them to achieve their growth, innovation and efficiency targets. We place our clients at the center of all our efforts and provide them with our expertise,

**2**

### INVEST IN OUR EMPLOYEES, WHO ARE OUR MOST VALUABLE ASSET

As specialists recognized in their field of expertise, our employees are essential to our success. They work on the frontlines of business transformation, embodying our entrepreneurial culture and delivering leading-edge services. With their help, we offer a high level of support to our clients. To achieve our ambitious growth objectives, we invest in our teams, attract and retain the top talents in our industry and offer our people motivating development opportunities, including international career paths. We also ensure that we offer them a dynamic environment that fosters performance, where dialogue and a spirit of conquest are encouraged and rewarded. ☀

**3**

### ROLL OUT A BALANCED PORTFOLIO OF INNOVATIVE OFFERINGS

In order to offer our clients innovative and high value-added services, we have set up an agile management of our portfolio of offers. For example, using targeted acquisitions, we are developing our offerings in digital and cloud environments, which drive our clients' technological and business evolution. All the while, we continue to invest in cybersecurity. Building on our new Perform AI solutions and our community of AI and automation experts, we work to maintain our competitive edge by deploying AI solutions that deliver significant and measurable performance gains for our clients. Finally, through the acquisition of Altran, we have expanded our presence in the field of Intelligent Industry, dedicated to the digital transformation of industrial capacities. ☀

**4**

### INNOVATE BY MOBILIZING AN ECOSYSTEM OF STRATEGIC PARTNERS

The synergies offered by our ecosystem of preferred partners\* are essential to meeting our clients' most complex challenges, whether that means creating new business models, implementing new technological solutions or expanding internationally. We continue to broaden our ecosystem of new partners focused on innovation in a flexible and future-oriented manner. Our network of Applied Innovation

Exchanges (AIEs) enables us to consolidate and strengthen our positioning in applied innovation, by bringing together our clients, innovation players and our internal technology and engineering resources. Not only does this approach help to create disruptive models, it also enables our clients to set themselves apart in their markets. ☀

**5**

### STRENGTHEN OUR IMPACT AS A RESPONSIBLE COMPANY

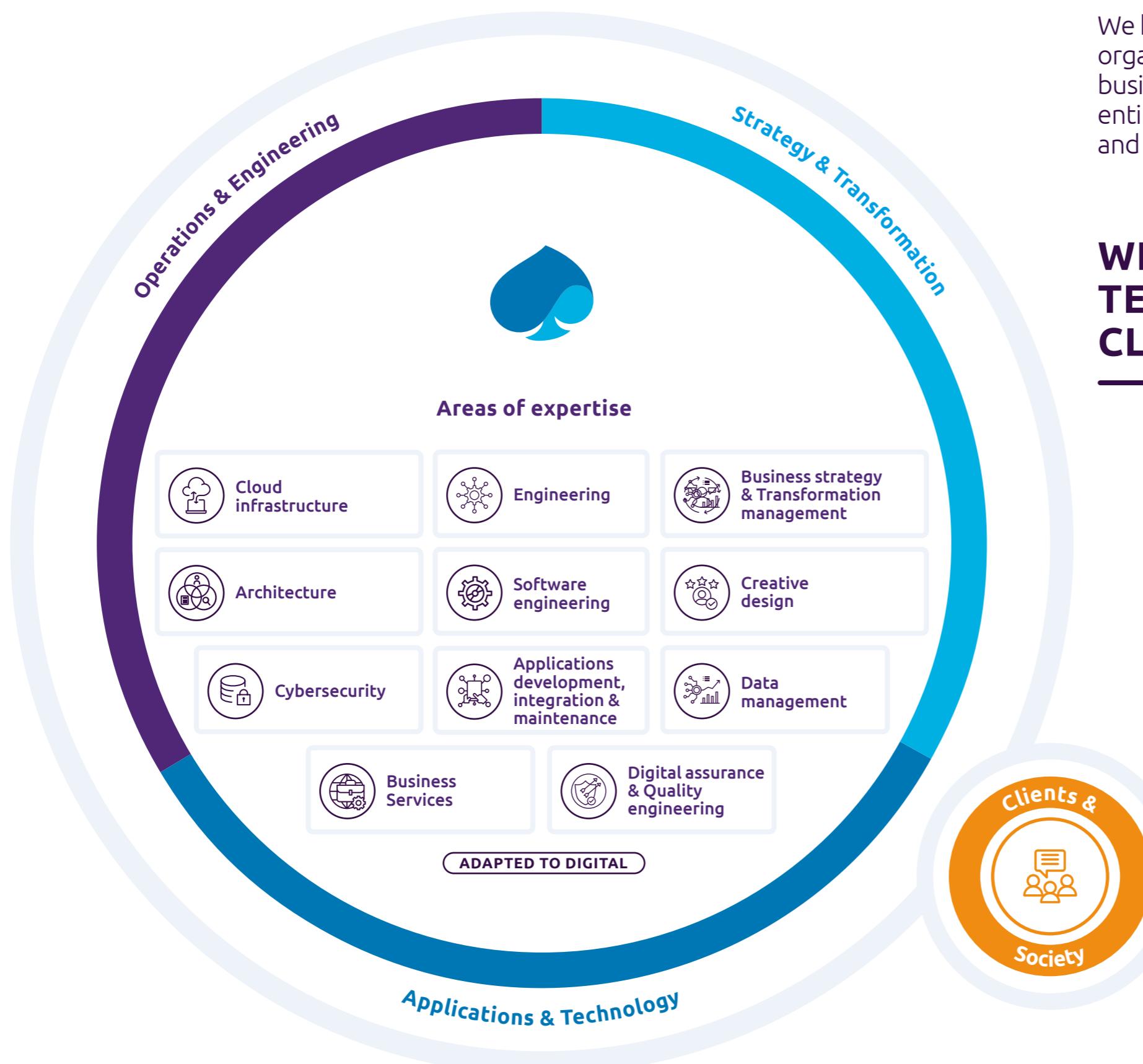
Architects of Positive Futures, our corporate social responsibility program, is one of the essential components of our strategy to become a leading responsible company whose expertise contributes positively to society. Our commitment is to provide a diverse and inclusive work environment for our employees, to help make the digital revolution an opportunity for all by building bridges between technology and society, and to ensure the ethical use of technology. We are also committed to developing solutions to reduce our environmental impacts and those of our customers by helping them build more responsible and sustainable models. ☀

# OUR VALUE CREATION

Using our operational excellence, innovative assets, and added-value partnerships, we link technology, business and society to deliver sustainable value to all stakeholders.



Figures at December 31, 2019



We have structured a cohesive and unified organization to foster long term collaboration. Our businesses and areas of expertise address the entire breadth of clients' needs and opportunities, and also serve our communities.

## WE LEVERAGE TECHNOLOGY TO SERVE OUR CLIENTS AND SOCIETY

### STRATEGY & TRANSFORMATION

With the creation of Capgemini Invent in 2018, Capgemini builds on its expertise in the fields of strategy, technology, data science, and creative design to support clients within the digital economy.

### APPLICATIONS & TECHNOLOGY

Capgemini helps clients to evolve, modernize, expand, and secure their digital and IT environments thanks to the latest technologies. Our teams design and develop technological solutions and help our clients optimize and maintain their applications to gain operational agility.

### OPERATIONS & ENGINEERING

Our Digital Engineering and Manufacturing (DEMS) services are grouped in this category, which benefits from the acceleration of our Digital Manufacturing activity. It also includes our infrastructure services – the installation and maintenance of client IT infrastructures in data centers or in the cloud – and our Business Services, which provide Operational Management Services.

**Customer Experience (CX)**

- With our Customer Experience services, we help our clients strengthen their relationships with their own customers, through rigorous analysis and cutting-edge technologies that enable them to better understand their tendencies, intuitions and personalities.

**Cloud**

- By applying a cloud-first approach, we help our clients define the most suitable cloud strategy for their business. We also help them manage their hybrid environments, while securing all their data.

**VALUE-GENERATING OFFERS****Cybersecurity**

- Our comprehensive portfolio of consulting, compliance, protection and monitoring services is designed to secure traditional IT, as well as cloud, Internet of Things and digital systems.

**ADMnext**

- We offer a unique approach to Application Development and Maintenance (ADM). Our services are powerful growth accelerators, bringing together the best of technology, processes and knowledge to enhance business agility in the face of automation, big data and other technological developments.

Our cloud and digital offers have grown from 18% in 2014 to over 50% of the Group's activity in 2019.

**Artificial Intelligence (AI) & Analytics**

- We provide our clients with AI solutions and services to develop their operational excellence, growth, performance and innovation through an ethical and responsible approach to AI.

**Digital Manufacturing & Engineering**

- Driven by data, our offer accelerates and secures the convergence of our clients' physical and digital worlds. Our expertise ranges from PLM (Product Lifecycle Management) to factories 4.0.

**Digital Core with SAP S/4HANA®**

- The Digital Core platform with SAP S/4HANA® is the backbone supporting the digital transformation of our clients. We combine technology, processes and operating models to accelerate innovation, while protecting business-critical SAP applications.

Continuing our acquisition strategy initiated more than 50 years ago, Capgemini's bid to acquire Altran successfully closed in 2020, creating the world leader in Intelligent Industry.

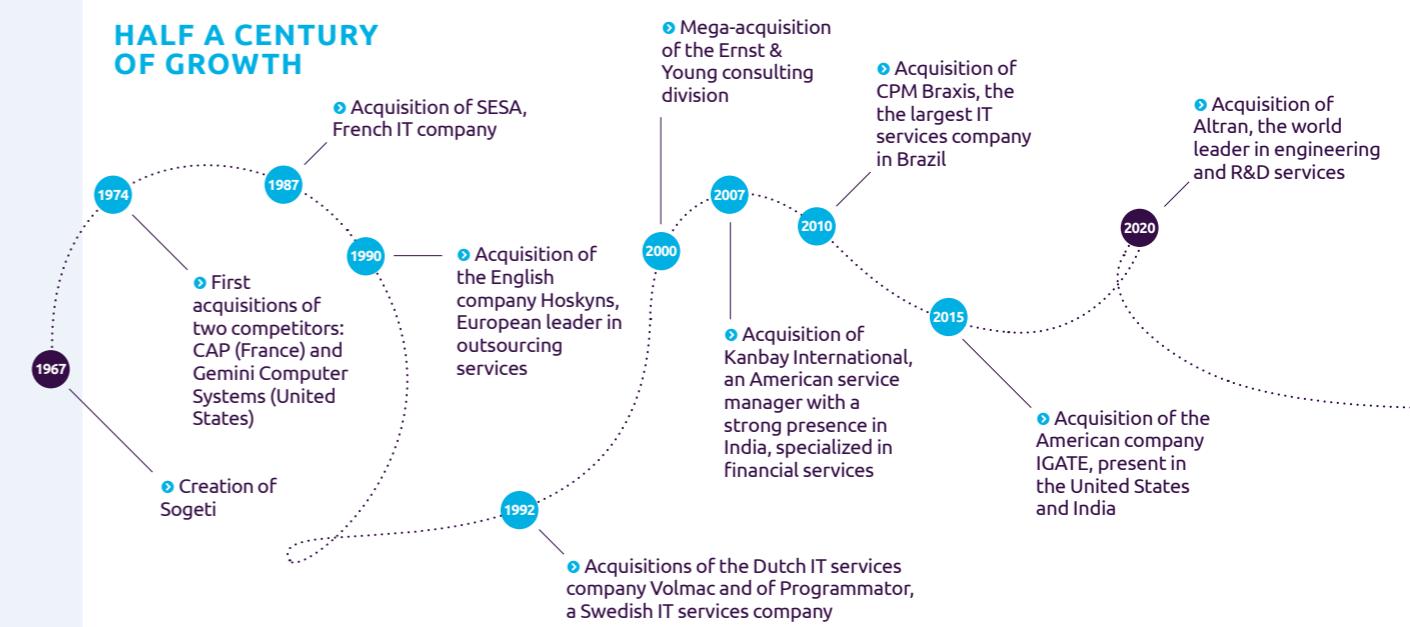
**A SERIES OF TARGETED AND STRATEGIC ACQUISITIONS**

In April 2020, Capgemini's acquisition of Altran created a global player in the digital transformation of industrial and technology companies, with 270,000 employees in nearly 50 countries and combined revenues of more than 17 billion euros in 2019.

The groundbreaking combination of Capgemini and Altran's expertise enables

us to offer a unique set of services to the market. As pioneers of Intelligent Industry, we use digital technologies to connect the entire industrial value chain, from design, engineering, production and support functions to operations.

This major transaction aligns with the acquisition strategy we have pursued since Sogeti's creation in 1967. It further expands and consolidates the scope of our expertise, making Capgemini the global leader in consulting, digital transformation, technology and engineering services. ☀

**HALF A CENTURY OF GROWTH**



As a leader in digital transformation, our goal is to help all our stakeholders harness the opportunities offered by technology. The crisis we are going through has highlighted the interdependence of all our geographic regions, while the challenges facing the world provide a daily reminder of the need to integrate social, societal and environmental factors into each of our decisions. All over the world, our teams are mobilized to work together to create a positive future.

PART II  
—  
Teams  
mobilized to  
shape a

# positive future

**ÉPOUVANTAILS  
(SCARECROWS), 2018**  
**MIRYAM HADDAD**  
Oil on canvas, quadriptych  
21.8x14cm

Photo: Fabrice Gousset  
Courtesy of the artist and Art: Concept, Paris  
Private collection

Our committed and passionate people ensure a sustainable transformation for our clients. It is only through the daily commitment of all our employees that we can have a positive impact on our ecosystem.

## INSPIRING VALUES AND MISSIONS WITH A POSITIVE IMPACT



**"We embrace learning together and solving problems collaboratively. The team spirit is real."**

Mary Ensabella,  
Lead Consultant – People & Organisation,  
Capgemini Invent, Australia

### VALUES

#### OUR CORPORATE CULTURE DRIVING PERFORMANCE

**O**ur seven values empower our people to grow in their careers, build constructive and trusted relationships with co-workers and clients, and become architects of a positive future. ☺

Our values have shaped who we are today: a responsible leader committed to making a positive impact on society. Our people-centric business approach is the driving force behind our commitment to performance. ☺



**"Culture – that's what I love about the way of working at Capgemini. It's a culture of personal development and growth; a culture of responsibility and empowerment, trust and fun; a culture of distributed locations and One Team."**

Dhwanit Shah,  
Delivery Executive, FS Insurance SBU, India



**"Boldness and entrepreneurial spirit are in Capgemini's DNA. If you have a proposition, an idea, or even a dream, you can bring it to life. You are even encouraged to do so!"**

Pascal Espinouse,  
Lead Architect, France



**"Capgemini is a company that values self-starters and people with an entrepreneurial spirit and it is my personal experience that you are always given a lot of freedom and responsibility early on, while working as a team."**

Marc-Olivier Hilgers,  
Director Travel & Transport,  
Capgemini Invent, United Kingdom



**"We are working with our clients to help them reduce their carbon footprint by 10 million tonnes by 2030. Our ability to demonstrate excellent working from home capability while delivering well for clients in the recent crisis may also help us with this."**

Eileen Sweeney, Executive Vice President and Director for Manufacturing, Automotive and Life Sciences (MALS), North America

Nieves Pacheco  
CSR Lead, Spain



**"Digital Inclusion is our way of contributing, through technology, to generate opportunities of inclusion for those people that do not have access to them. This digital inclusion promotes diversity in our teams and generates better and more innovative solutions for our clients."**



### POSITIVE IMPACT

#### ENABLING THE TRANSFORMATION OF OUR CLIENTS' BUSINESS MODELS

**W**e believe technology is one of the key levers to address the challenges posed by climate change. We bring all our expertise in innovation and technology to the service of our customers, in order to develop solutions that meet these challenges. We are also innovating together with

leaders in the healthcare sector for the benefit of all to improve services, care models and information.

More broadly, we help our clients optimize their use of available data and explore new sustainable models, combining artificial intelligence, economic performance and ethics.

Similarly, our solutions enable governments and administrations to offer efficient and reliable digital public services, tailored to users' needs. ☺



**"I am working with my client to make his websites accessible, understandable, and usable for people with disabilities. I see a lot of purpose in my work, especially in such topics as accessibility."**

Faye Rutowicz  
Associate Architect, Germany



**"We are helping companies stay secure. With IOT and cloud becoming ever more prevalent in business, digital security skills will only become more necessary in the future and to be at the forefront of that is really exciting."**

Nick Shimmen,  
Consultant, Capgemini Invent, United Kingdom

**"We use AI to enhance the healthcare system, identify better cures and treatments, and innovate with startups and technology to provide better health outcomes for patients, and to relieve health professionals."**

Yolande Chavane,  
Senior Consultant, Citizen Services,  
Capgemini Invent, France



Capgemini's success has always stemmed from our ability to build trusted relationships with all our stakeholders, in accordance with our values and a high standard of ethics and performance.

## ETHICS AT THE CENTER OF OUR RELATIONSHIPS WITH STAKEHOLDERS

**D**riven by our seven historical values, which have taken on an even greater significance in the current context, our goal is always to adopt an ethical mindset and behavior in our activities and within our ecosystem.

Although we now operate in nearly 50 countries, we still share a common culture based on honesty, trust and mutual respect. Our strong values have guided our behavior through all the changes we have experienced, giving us the freedom to adapt to transformations in our markets and the boldness to become a leader.

For more than 10 years, we have worked to strengthen our ethical culture through a dedicated Ethics and Compliance program, which is essential to the success of a diverse and decentralized group like ours. This program aims to educate our teams on our ethical principles and

policies for better decision-making, in line with our values.

In 2019, we published our Code of Business Ethics\* to explain our values, our principles of action and our rules of conduct and behavior, particularly with regard to competition.

In 2018, we also launched SpeakUp, the Group's ethics helpline, which is available to employees and external stakeholders, either online or by phone, on a voluntary and confidential basis. ☀

### CAPGEMINI RECOGNIZED AS ONE OF THE MOST ETHICAL COMPANIES IN THE WORLD

In 2020, for the eighth consecutive year, Capgemini was recognized by the Ethisphere® Institute as one of the most ethical companies in the world. This distinction is awarded to companies that adopt responsible long-term strategies and play a leading role in the positive transformation of practices in the business world and civil society on an international level.

\* Discover our Code of Business Ethics at:  
[www.capgemini.com/our-company/values-ethics/our-code-of-business-ethics](http://www.capgemini.com/our-company/values-ethics/our-code-of-business-ethics)

## People

Employees, local and international works councils



Talent pool, families, alumni



**FOCUS**  
In 2019, we rolled out Pulse, an innovative tool for continuously listening to our teams by collecting their opinions through quick, regular surveys. By analyzing this data, we carry out targeted actions to promote employee engagement. We have supplemented this system with our annual survey on the ethical culture within the Group.

## Business partners

Alliances, suppliers, other partners



Market leaders, professional or industry organizations, standardization bodies



**FOCUS**

Through the application of our Supplier Code of Conduct, we are committed to working only with professionals who meet our requirements in terms of human rights, ethics, social responsibility, regulatory compliance and corruption prevention.

## Financial community

Shareholders



Banks, financial analysts, ratings agency, ESG indexes



## Clients

Existing clients



Potential clients, our clients' ecosystems

Through our new Perform AI solutions, we are helping our clients to develop an artificial intelligence that is intrinsically ethical. In 2019, we also published the study [Why addressing ethical questions in AI will benefit organizations](#).

## Civil society and public authorities

Local communities, academics, thought leaders, think tanks, local authorities, regulators, legislators, EU



Citizens, NGOs, media, international organizations (OECD, etc.)



As a socially committed company, we unleash energies to turn technology and innovation into a driving force of social and sustainable development for the greatest number of people.

## OUR SOCIAL AND ENVIRONMENTAL ROADMAP

**O**ur commitment to our employees, clients and partners is based on the three main pillars of our social responsibility program, Architects of Positive Futures: diversity, digital inclusion and environmental responsibility.

Our actions are built on the principle of a diverse and inclusive work environment where our people can thrive and bring their best to our customers; help make the digital revolution an opportunity for all while creating bridges between technology

and society; reduce our environmental impact; and offer solutions that enable our customers to reduce their impact.

Our social and environmental responsibility is reflected in our commitments taken at the national, regional or global level, such as the signing of the United Nations Global Compact. As such, the pillars of our CSR program enable us to contribute to five Sustainable Development Goals (SDGs). ☀



Inclusion in the prestigious CDP\* "A-list" of the world's most active companies in the fight against climate change



Achieved "Prime" status in the ISS ESG Corporate Performance Index, placing us in the top 2% of companies in our sector.



Global EDGE certification distinguishing our commitment to professional equality between women and men – the countries where we have obtained this certification cover 80% of our workforce

\* Carbon Disclosure Project, a not-for-profit charity that runs the global disclosure system for investors, companies, and other organizations to manage their environmental impacts.

## Diversity

We create an inclusive environment that fosters diversity to encourage innovation and drive the growth and development of our teams.

**D**iversity is an essential component of our Group's identity and corporate culture. We understand diversity in the broadest sense, including cultural identities, ethnic and social origins, sexual orientation and disabilities. We therefore regularly review our local practices and policies and share best practices across the Group to ensure that we maintain an inclusive environment where everyone can make their voice heard.

We have notably set specific targets in favor of parity between men and women. On this front, we have already made significant progress and achieved one of our targets a year ahead of schedule, in particular by strengthening parity in our management teams. As part of this commitment, we have launched specific programs to support high-potential women, while also taking part in events that highlight the role and place of women in digital and innovation. ☀

KEY PERFORMANCE INDICATORS	TARGETS 2020			
	2018	2019	2020	
IMPROVING PARITY IN MANAGEMENT TEAMS	PERCENTAGE OF WOMEN HOLDING EXECUTIVE ROLES	14%	17%	<b>20%</b>
	PERCENTAGE OF NEW VICE-PRESIDENTS WHO ARE WOMEN (INTERNAL PROMOTIONS AND EXTERNAL HIRES)	24%	29%	<b>29%</b>
IMPROVING PARITY THROUGHOUT THE GROUP	PERCENTAGE OF STAFF WHO ARE WOMEN	31.9%	33.0%	<b>33.5%</b>



### HIGHLIGHT

Capgemini America is proud to be named a "Best Place to Work for LGBTQ Equality" and received an excellent score on the 2019 Corporate Equality Index (CEI) developed by the Human Rights Campaign Foundation (HRC). The annual, national benchmarking survey and report rates companies on corporate policies and practices related to lesbian, gay, bisexual, transgender and queer (LGBTQ) workplace equality.



## Digital inclusion

We want to enable as many people as possible to seize all the opportunities offered by digital.

**W**e believe that we can be a bridge between technology, business and society, while working hand in hand with our clients, NGO partners and public and academic organizations. Our digital inclusion strategy is adapted on a daily basis through our strong internal network of local leaders. As part of our efforts to close the digital divide, we are implementing multiple digital literacy initiatives and expanding our Digital Academies program, a global network of learning institutions

that help disadvantaged groups and those excluded from the job market to acquire digital skills. Through our Technology for Positive Futures strategy, we also encourage our employees to get involved in developing technological solutions to address major social issues such as health, poverty alleviation and environmental protection. ☺

KEY PERFORMANCE INDICATORS	2018	2019	TARGETS 2020
<b>DIGITAL INCLUSION</b> PERCENTAGE OF SOCIAL IMPACT PROJECTS DEDICATED TO DIGITAL INCLUSION EFFORTS	64%	74%	<b>80%</b>
<b>DIGITAL ACADEMIES</b> NUMBER OF DIGITAL ACADEMY GRADUATES	150	1,562	<b>3,000</b>
<b>DIGITAL LITERACY</b> NUMBER OF DIGITAL LITERACY PROGRAM BENEFICIARIES	—	27,300	<b>100,000</b>



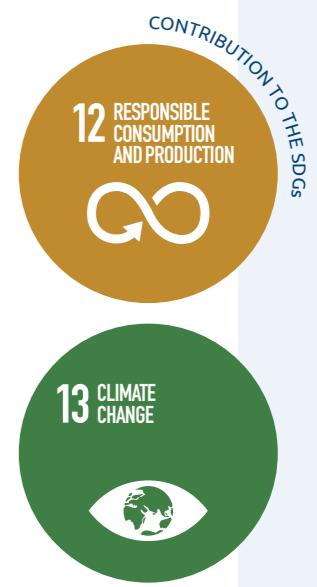
### HIGHLIGHT

Capgemini India launched two Digital Academies in June 2019, in Mumbai and Pune, to train people who were excluded from the job market, offering them skills in the latest technologies and innovations. We have already trained 100 graduates at these Digital Academies and are now working to integrate them into Capgemini and partner companies.



### HIGHLIGHT

We reduced our travel emissions by 20% since 2015 by engaging our people to make more sustainable travel choices. In the Netherlands, our mobility program brings together a number of incentives to encourage employees to make sustainable travel choices. In the UK, nine branded physical "hub" spaces have been created, which enable geographically dispersed teams to collaborate on documents and digital whiteboards across multiple locations in real time while on video calls.





In keeping with its history and corporate values, Capgemini recently completed a well-managed internal process of managerial transition, thereby continuing the dynamic of sustainable and responsible growth that has characterized the Group for over 50 years. The Board of Directors, which reflects strict gender parity, is composed of members from diverse backgrounds with complementary skills. Therefore, while respecting best practices, our Groups governance is able to address Capgemini's specific requirements, as well as the changes our company is undergoing in all areas where we operate.

### PART III

A renewed

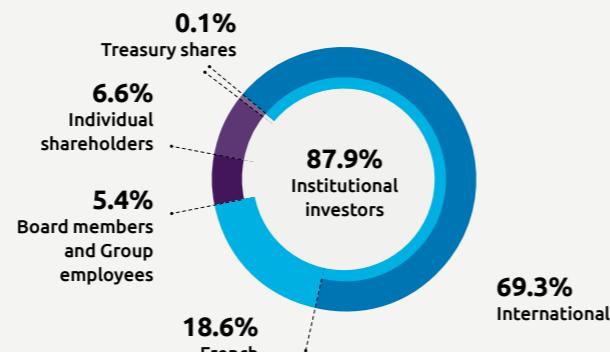
# governance

LE SAUVEUR  
(THE SAVIOR I), 2018  
MIRYAM HADDAD  
Oil on canvas,  
20x20cm

Photo: Fabrice Gousset  
Courtesy of the artist and Art: Concept, Paris  
Private collection

## CAPGEMINI AND ITS SHAREHOLDERS

At December 31, 2019, the Capgemini SE share capital was €1,354,763,992, divided into 169,345,499 shares. Capgemini SE is listed on the Euronext Paris market (compartment A). The shares are included in the CAC 40 and the Euronext 100 indexes, and the EURO STOXX, STOXX Europe 600, STOXX Europe 600 Technology and EURO STOXX ESG Leaders 50 indexes. The Board wishes to make the share capital accessible to a large number of employees: at the end of 2019, employees held 5.2% of our share capital.



## A WELL-MANAGED MANAGERIAL TRANSITION

## BOARD OF DIRECTORS

The Board of Directors sets the strategic direction of the Company and the Capgemini Group. It appoints the executive corporate officer(s) responsible for implementing this strategy, approves the financial statements, convenes the Shareholders' Meetings and proposes the annual dividend. It takes decisions on the major issues concerning the day-to-day operation and future of Capgemini, to promote sustainable value creation for its shareholders and all stakeholders.

ETHICS & GOVERNANCE COMMITTEE				BOARD OF DIRECTORS				STRATEGY & CSR COMMITTEE <sup>2</sup>			
Attendance	Members	Independence	Meetings	Attendance	Members	Independence	Meetings	Attendance	Members	Independence	Meetings
100%	4	75%	5	98%	14	97%	5	97%	6	60%	5
COMPENSATION COMMITTEE				AUDIT & RISK COMMITTEE				Executive Sessions			
100%	4	100%	6	97%	5	100%	8	82%	10	60%	3

**NB:** Information at December 31, 2019. **1.** The directors representing employees and employee shareholders are not taken into account in calculating the independence rate, in accordance with the provisions of the AFEP-MEDEF Code. **2.** The Strategy & Investment Committee was renamed the Strategy & CSR Committee in March 2019.

## MANAGEMENT OF THE GROUP

Since January 1, 2020<sup>1</sup>, Capgemini SE Group Management is led by Mr. Paul Hermelin, Chairman and Chief Executive Officer, assisted by Mr. Aiman Ezzat, Chief Operating Officer since January 1, 2018. Aiman Ezzat will succeed Paul Hermelin as Chief Executive Officer, following the May 20, 2020 Shareholders' Meeting. Group Management is assisted by two bodies, comprising the Group's key operating and functional managers:

## GROUP EXECUTIVE BOARD

It prepares the broad strategies submitted to the Executive Committee for approval and facilitates the carrying out of the Group's operations. It also takes the necessary measures with regards to the appointment, setting of quantitative objectives and performance appraisal of executives with a wide range of responsibilities.

## EXECUTIVE COMMITTEE

It assists Group management to define broad strategies and make decisions regarding the Group's operating structure, the choice of priority offerings, production rules and organization, and the methods of implementing human resources management.

## FOUR SPECIAL-PURPOSE COMMITTEES ASSIST GROUP MANAGEMENT:

• The Group Review Board

• The Mergers & Acquisitions Committee

• The Investment Committee

• The Risk Committee

<sup>1</sup> As part of the internal managerial transition process initiated in 2017 and in line with the new planned governance structure following the upcoming Shareholders' Meeting in May 2020, the Board of Directors' meeting of December 4, 2019 decided to terminate Mr. Thierry Delaporte's term of office as Chief Operating Officer with effect from December 31, 2019.

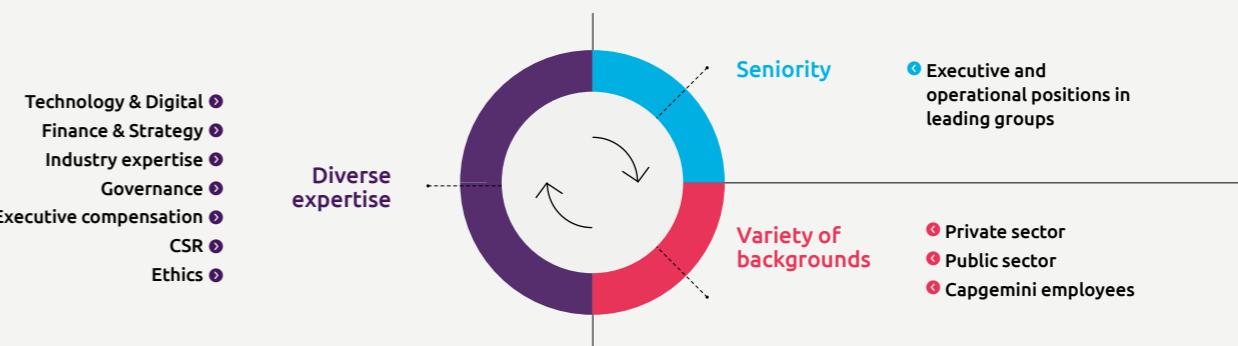
The Board of Directors seeks to implement a balanced governance structure tailored to Capgemini and able to adapt to the circumstances and challenges specific to the Group. True to its history and the Group's values, its action seeks to achieve the goal of sustainable and responsible growth, which has defined Capgemini for over 50 years.

Board of Directors <sup>1</sup>	Independent Directors <sup>2</sup>	Gender balance <sup>3</sup> W: 50% / M: 50%	Average age 60 years	Internationalization 29%
12 + 2	82%			
Average length of office 6 years	Director representing employee shareholders 1	Directors representing employees 2		

**NB:** Information at December 31, 2019. **1.** Twelve directors were elected by shareholders; the two directors representing employees were appointed in accordance with the employee representation system. **2.** The directors representing employees and employee shareholders are not taken into account in calculating the independence rate, in accordance with the provisions of the AFEP-MEDEF Code. **3.** The directors representing employees and employee shareholders are not taken into account in calculating this percentage, in accordance with the provisions of the French Commercial Code currently in force.

## A GOOD MATCH BETWEEN DIRECTORS AND THE GROUP'S STRATEGIC FOCUS

In accordance with its diversity policy, the Board of Directors ensures the balance and plurality of expertise on the Board with regard to the challenges facing the Group. It maintains a range of experience and nationalities and respects gender balance, while ensuring the commitment of all directors to the Group's fundamental values.



The Board of Directors therefore decided to adopt the following **objectives** for its **composition for the period 2018-2022**:

01. International diversification to reflect changes in Capgemini's geographical spread and businesses.
02. Diversification of profiles and expertise.
03. Staggered renewal of terms of office.
04. Maintenance of a measured number of directors, enabling coherence and collective decision-making.

## ACTIVITIES OF THE BOARD IN 2019

**Active and diligent, the Board of Directors met 10 times in 2019, with an average attendance rate of 98%.** It focused the majority of its work on (i) Group strategy, performance and organization, (ii) corporate governance and management transition,

(iii) risk monitoring, (iv) reviewing the financial statements, (v) talent, diversity and CSR strategy management, as well as (vi) executive corporate officer compensation.

### GROUP STRATEGY, ORGANIZATION AND CSR

- ➊ Review of the Group's strategic priorities
- ➋ External growth opportunities including acquisition of Altran by public tender offer
- ➌ Review of the main market trends and changes in the Group's competitive environment
- ➍ Follow up of the implementation of the Group's new operating model
- ➎ Monitoring of the CSR strategy

### GOVERNANCE

- ➏ Changes in the composition of the Board and its Committees
- ➐ Preparation of the Shareholders' Meeting
- ➑ External triennial assessment of the Board of Directors
- ➒ Monitoring of dialogue with shareholders and proxy advisors

### GROUP PERFORMANCE

- ➓ Group performance and activities
- ➔ Active management of the Group's balance sheet and liquidity (including financing operations related to the planned acquisition of Altran)

### MANAGEMENT TRANSITION

- ➎ Follow-up of management transition with the choice of Mr. Aiman Ezzat to succeed Mr. Paul Hermelin as future Chief Executive Officer
- ➏ Initial discussions on the allocation of powers between the Chairman of the Board of Directors and the Chief Executive Officer as part of the separation of these functions at the end of the Shareholders' Meeting expected to take place in May 2020.

### AUDIT & RISK

- ➊ 2018 company financial statements
- ➋ 2018 annual and 2019 half-year consolidated financial statements
- ➌ Risk monitoring (including mapping)
- ➍ Internal control and internal audit
- ➎ Follow-up of the Group's various actions in terms of ethics and compliance

### TALENT MANAGEMENT AND COMPENSATION

- ➏ Monitoring of Group talent management
- ➐ Compensation of the Chairman and Chief Executive Officer, and the Chief Operating Officers
- ➑ Performance share and free share grants
- ➒ New employee share ownership plan

## 2019 ASSESSMENT: CONCLUSIONS AND PRIORITIES FOR 2020

**A formal assessment of the activities of the Board of Directors and its committees was performed at the end of 2019** with the assistance of an external service provider and under the responsibility of the Lead Independent Director.

Following this assessment, the Board set the following priorities for 2020:

- ➊ Monitoring of the managerial transition process and set - up of a separated governance at the end of the May 20, 2020 Shareholders' Meeting;
- ➋ Continuation of the 2018-2022 objectives: international diver-

sification, diversification of profiles, staggered renewal of terms of office, maintenance of a measured number of directors enabling coherence and collective decision-making;

- ➌ Greater involvement by the Ethics & Governance Committee and Board of Directors in talent management and the monitoring of the Group's succession plans for management;
- ➍ Enhanced monitoring of non-financial performance indicators in line with the Group's CSR strategy and consideration of social and environmental issues.

## ONGOING TRAINING FOR DIRECTORS

The Board organized training sessions throughout 2019 to enable directors to increase their knowledge of the Group (through presentations of its ecosystem, challenges, business lines or some of its regions), of its competitive environment, as well as recent market disruption trends and technological developments.

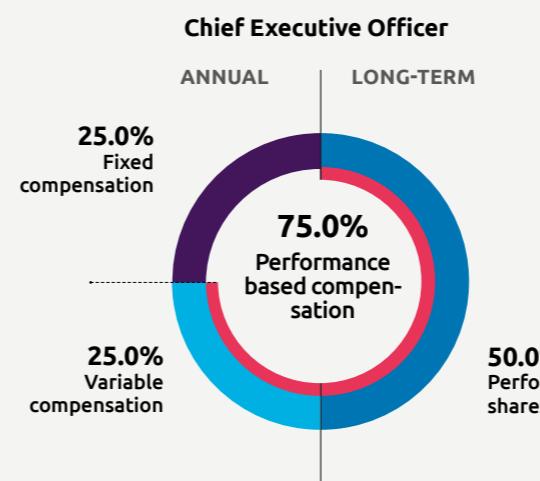
The Board members also meet regularly with the members of the Group Executive Board during Board meetings and Committees. Each year a Board meeting dedicated to strategy is held "off-premises" in the form of a seminar and invites key managers of the Group to contribute to Board discussions.

## COMPENSATION OF EXECUTIVE CORPORATE OFFICERS

The compensation policies for the Chairman and Chief Executive Officer, the Chief Operating Officer, then from the Shareholders' Meeting of May 20, 2020, for the Chairman of the Board and the Chief Executive Officer, were approved by the Board of Directors on March 11, 2020 on the recommendation of the Compensation Committee. The Chairman of the Board of Directors' compensation policy solely includes fixed compensation, the continuation of the supplementary collective defined benefit pension plan and the coverage provided by the collective health and welfare plans applicable within the Company.

### 2020 ANNUAL COMPENSATION TARGET STRUCTURE\*

\*At the end of the Shareholders' Meeting of May 20, 2020



### 2020 ANNUAL VARIABLE COMPENSATION CRITERIA

#### Indicators adopted for the variable compensation:

- ➊ Financial objectives for 60% of the variable compensation, based on the level of: **01. Revenue**, **02. The operating margin rate**, **03. Pre-tax net profit** and **04. Free cash flow generation**.
- ➋ Quantifiable personal objectives for 20% of the variable compensation, divided equally between the deployment of the CSR strategy and the portfolio development.
- ➌ Qualitative objectives for 20% of the variable compensation, divided between **01. Taking office**, **02. Altran** and **03. Client satisfaction**.

In accordance with say on pay rules, the compensation policy and executive corporate officer compensation due or awarded in respect of the past fiscal year, are presented to the Shareholders' Meeting each year for vote.

## EXECUTIVE MANAGEMENT COMPENSATION POLICY

**Through its compensation policy**, the Group seeks to promote the sustainable and responsible growth of the company and recognize individual and collective performance in line with the Group's results.

Capgemini ensures the roll-out of a competitive and inclusive compensation and benefits policy, in order to attract, moti-

vate and retain talent and, more particularly, Group executive management. Executive management compensation therefore comprises a fixed component equal to 60% of the target theoretical compensation and a variable component equal to 40% of this amount.

## DIVERSITY POLICY FOR MANAGEMENT BODIES

**As part of its CSR strategy**, the Group decided to set quantified objectives to achieve the same percentage of women in the Executive Committee as in the Group's headcount by 2025. The Group also seeks to increase female representation in the 10% of positions with the greatest responsibility within Group executive leaders and more widely in the Vice-President community. These objectives will be combined with the strengthening of the Group's internal policies to ensure the implementation of regular and fair practices supporting this strategic direction, enabling

diversified and non-discriminatory global representation at all levels of the organization. The Board of Directors has also set Executive Corporate Officers objectives to increase female representation in the Group in the variable part of their annual compensation. Since 2018, the Board of Directors includes a criterion applicable to performance shares granted to Executive Corporate Officers and Group managers, which targets an increase in the number of women becoming Vice-President.



# Miryam Haddad

The artist Miryam Haddad has lived and worked in Paris since 2012 and is a graduate of Paris' School of Fine Arts (L'école des Beaux-Arts de Paris). In 2019, she was the laureate of the Jean Francois Prat Prize, had a solo show at the Collection Lambert in Avignon, and was selected to create the poster for the 73<sup>rd</sup> Festival d'Avignon. Her work has recently featured in group exhibitions such as Métamorphoses, Fondation Cartier, Paris; Globe as a Palette, Hokkaido Obihiro Museum of Art, Japan.

"A canvas must assert itself in a strong way," she says. "In this sense, color is obviously one of the essential elements; the painting cannot be seen without it. Ever since my first painting experiences, I wanted many intense colors. I love to exaggerate colors. I do not appreciate the in-between. Taking this inspiration to extremes allows the invention of scenes that may seem joyful or illustrate the atmosphere of a party. However, by pushing this

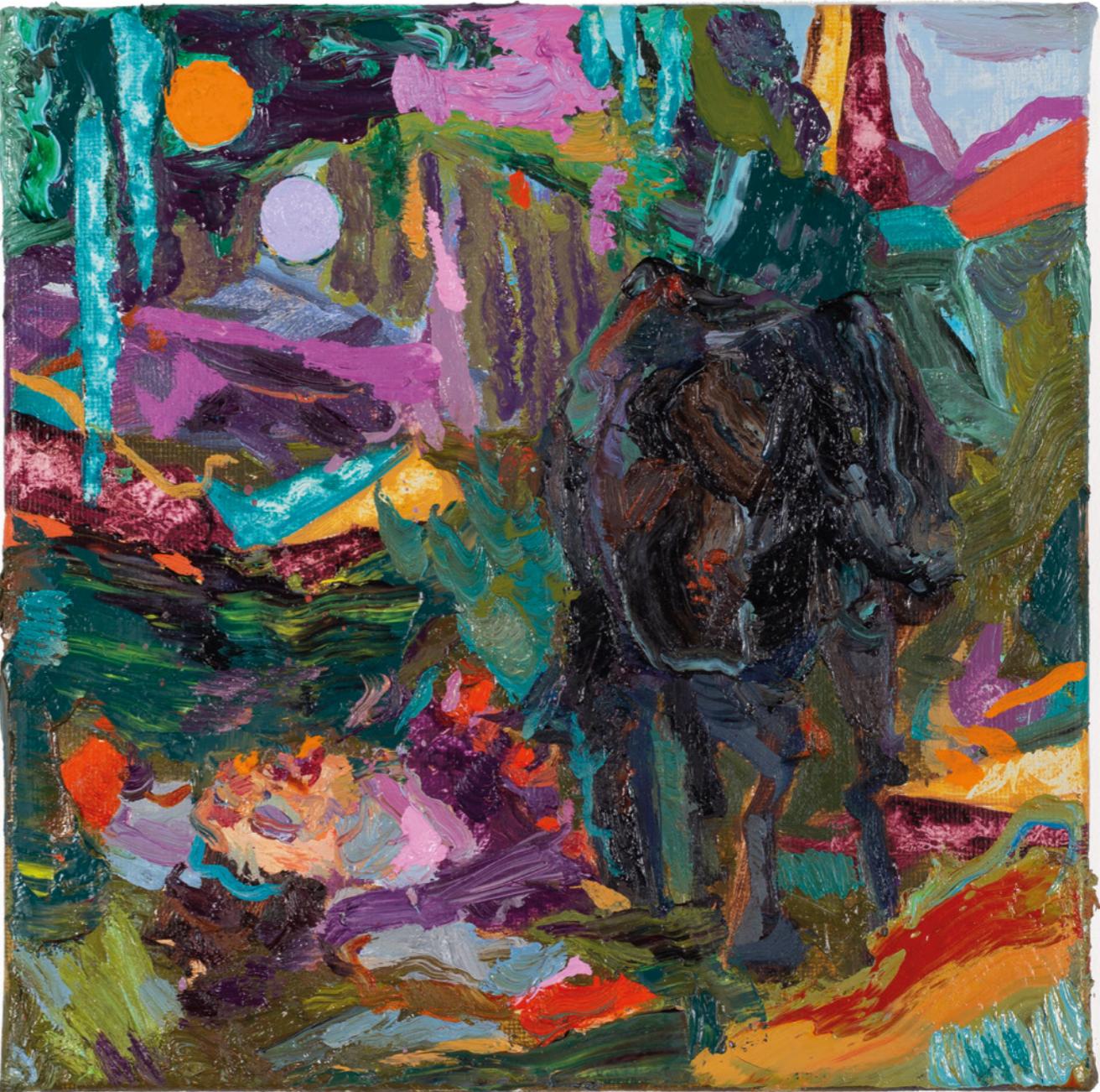
act to its limits, ambiguities appear. Extremes come together and the experience of the viewer is amplified: the colorful forms of this theater demand attention; they seem to testify to a positive energy..."

"The gaze is nevertheless troubled: these paintings ultimately show mixed feelings. They do not calm the mind; violence is felt... Tears are as much a product of joy as they are of sadness. It is important, then, to play on formats, large on one hand, very small on the other. To offer the same journey, there's the same attentive pause. I also rely on the thickness of the material or in other places I choose to use a very transparent medium. Then, the choices of titles confirm my reading, my orientation, leaving the spectator free to begin making their own interpretation." ☀

Extract from an interview with the artist for the 73<sup>rd</sup> edition of the Avignon Festival. By Marc Blanchet



[www.miryamhaddad.com](http://www.miryamhaddad.com)



TRÈVE D'AMITIÉ  
(CEASE FRIENDSHIP), 2019  
MIRYAM HADDAD  
Oil on canvas,  
20x20x2cm

Photo: Fabrice Gousset  
Courtesy of the artist and Art Concept, Paris  
Private collection

“A canvas must assert itself in a strong way, in this sense, color is obviously one of the essential elements; the painting cannot be seen without it.”



## Connect with us

Discover the digital version of our 2019 reports:  
[reports.capgemini.com/2019/en/](http://reports.capgemini.com/2019/en/)



The Annual Report outlines Capgemini's primary activities and the major events from the previous business year. Combining interviews and analysis, it retraces the transformations that have impacted our activities and our ambitions.



The Universal Registration Document provides complete legal, economic, financial, and accounting information about our activities, together with analysis of the company's results and future prospects.



The Integrated Report describes how Capgemini's strategy, governance and organization create long-term financial and extra-financial value for the Group and its stakeholders.

**On April 1, 2020, Capgemini and Altran completed a deal to come together as one Group with 270,000 employees across the globe and a combined revenue of €17 billion. Discover Altran's world-leading expertise and the future of Intelligent Industry.**



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### ADDITIONAL RESOURCES

Our website  
[capgemini.com](http://capgemini.com)

Investors section  
[investors.capgemini.com](http://investors.capgemini.com)

Careers section  
[capgemini.com/careers/](http://capgemini.com/careers/)

Insights and news  
[capgemini.com/insights-and-news](http://capgemini.com/insights-and-news)

CSR  
[capgemini.com/corporate-responsibility](http://capgemini.com/corporate-responsibility)

On the cover: Épouvantails, (Scarecrows), 2018 • Miryam HADDAD • Oil on canvas, quadriptych • 2.18x14cm • Photo: Fabrice Goussot • Courtesy of the artist and Art Concept, Paris • Private collection

**Project Management**  
**Group Corporate Social Responsibility and Group Marketing and Communications departments**  
 11 rue de Tilsitt, 75017 Paris, France  
[integratedreporting@capgemini.com](mailto:integratedreporting@capgemini.com)

**Graphic design, production, editorial and translation**  
 WordAppeal & Studio L'Éclaireur

**Integrated reporting expertise**  
 Consultland – Nick Landrot

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