Dear Shareholders,

In May 2020, when I handed over the reins of Capgemini’s General Management to Aiman Ezzat, I highlighted the Group’s remarkable agility in the first weeks of the pandemic. This excellent ability to react has only been reinforced throughout the year and explains the very good results recorded in 2020 given the context. Aiman and his team have met and exceeded their financial targets, while at the same time leading the major acquisition of Altran. They deserve all the confidence we have placed in them.

I would also like to pay tribute to the dedication of our employees, who have embodied like never before the spirit of enterprise and solidarity that was so dear to Capgemini’s founder, Serge Kampf. Covid-19 is still with us, and it has hit our colleagues hard, especially in India. My thoughts are with all those who have been or are still personally affected by this pandemic.

Our shareholders know the importance of human capital in our service businesses. It will come as no surprise to them that the mission Capgemini defined in 2020 is above all addressed to the 270,000 women and men of the Group and to the tens of thousands of candidates who join us each year: “Unleashing human energy through technology for an inclusive and sustainable future”. There is no corporate project more inspiring than to serve our society through our passion.

I would like to say a few words about the managerial transition. I have seen a lot of continuity since the handover, and some differences. In recent years, the Group already improved its growth profile significantly. It has grown even stronger with the 15% increase in our cloud and digital activities, which represented 65% of our revenues at the end of the year.

Following the integration of Altran, no technology is outside of our reach. I am pleased with Aiman’s bold decision to bring in some of the best leaders in our industry. I am also happy with our progress in the environmental field, not only in terms of decarbonization but also in terms of our contribution through technology.

I will continue to support Aiman in carrying out his development project for the Group. It’s an exciting new role!

Paul Hermelin
Chairman of the Capgemini Board of Directors

Together with the management team, we aimed to make sure Capgemini would emerge stronger from the crisis we experienced in 2020. In this, we have succeeded.

First of all, we reacted very quickly to a situation that seemed unthinkable just 18 months ago: to remain successful with more than 95% of our employees working remotely. Thanks to their unfailing mobilization and the confidence of our clients, our business recovered strongly in the second half of 2020 and limited its organic contraction to -3.2% for the year. I am especially proud to see the outpouring of solidarity from our employees at such an exceptional time in our history.

Capgemini has demonstrated an unprecedented capacity for resilience and agility. The health crisis had little impact on our profitability, which stood at 11.9% of revenues in 2020. Our cash generation has reached a remarkable level, at €1,119 million, exceeding our objectives. We are therefore returning to a higher dividend this year, at €1.95 per share.

Altran’s integration has gone according to plan, positioning the Group as a leader in the promising Intelligent Industry market. Capgemini now has a diverse profile in terms of geographies, businesses and sectors. We are ideally positioned to take advantage of the accelerating digital transformation needs of large international corporations, our core target.

Presented last March, our new medium-term financial ambitions are to achieve average annual revenue growth of 7 to 9% at constant exchange rates between 2020 and 2025, and an operating margin of 14% by 2025. The Group will rely in particular on three key markets, which are already our growth drivers: enterprise management, our traditional business and which will continue to grow; client experience, which is developing strongly; and of course, Intelligent Industry, which should be our most dynamic market.

Finally, I am committed to placing our environmental and social impact, as well as the quality of our governance, at the heart of this development project. I am deeply convinced that, despite the health crisis we are experiencing, there has never been a better time to put technology and people at the service of progress.

Aiman Ezzat
CEO of Capgemini
Regrettably, due to the Covid-19 health crisis, Capgemini SE held its Shareholders’ Meeting behind closed doors for the second consecutive year, with a particularly high quorum of 76%. Shareholders were able to follow the live webcast on the Company’s website, and to ask questions during the meeting via the webcast interface. This was in addition to the legal mechanism for written questions and the possibility of sending their questions by e-mail in the days preceding the meeting.

All votes were cast by mail and shareholders adopted all resolutions on the agenda.

Paul Hermelin warmly thanked Ms. Bouverot, Mr. Bernard and Mr. Pringuet for their contribution to Capgemini’s success.

**COMPOSITION OF THE BOARD OF DIRECTORS**
*By Pierre Pringuet, Lead Independent Director and Chairman of the Ethics & Governance Committee*

The Lead Independent Director presented his report on the activity of the Board of Directors in 2020, its internal evaluation and the evolution of its composition.

**Evaluation of the governance system separating the Chairman and Chief Executive Officer**

The internal evaluation conducted with each director, in full confidentiality, confirms that the governance system put in place as part of the management succession fully meets expectations. Recall that at the end of the 2020 Shareholders’ Meeting, the Board of Directors voted unanimously to adopt a form of governance that would separate the functions of Chairman of the Board of Directors and Chief Executive Officer, with Paul Hermelin continuing to hold the former position and Aiman Ezzat assuming sole responsibility for the Group’s management and operations.

**Changes in the composition of the Board**

Tanja Rueckert, Chairman of the Board of Directors of Bosch Building Technologies, and Kurt Sievers, Chairman and CEO and Executive Director of NXP Semiconductors N.V., have been appointed to the Board of Directors for a period of four years. Both German nationals, they join the Board as independent directors. Ms. Rueckert brings a solid experience as a business unit manager at international groups in the software sector, and expertise in the Internet of Things (IoT), artificial intelligence and digital transformation. Mr. Sievers, head of a leading international semiconductor group, also brings expertise in the automotive sector, technology and artificial intelligence. Patrick Pouyanne, an independent director, was reappointed for a four-year term.

The Board now has 14 directors, including two employee representatives. 82% of its members are independent, 45% are women and 43% have an international profile. At the end of the Shareholders’ Meeting, the Board appointed Frédéric Oudéa as Lead Independent Director and Chairman of the Ethics & Governance Committee, replacing Pierre Pringuet, and Vice-Chairman of the Board, replacing Daniel Bernard.

**COMPENSATION OF THE BOARD OF DIRECTORS**
*By Laurence Dors, Chairman of the Compensation Committee*

The Shareholders’ Meeting approved the compensation and benefits paid or granted for fiscal year 2020 to Paul Hermelin, through May 20 as Chairman and Chief Executive Officer (97.99%), then as Chairman of the Board (99.92%), and to Aiman Ezzat, first as Chief Operating Officer (98.34%), then as Chief Executive Officer (94.37%). As announced last year, Mr. Hermelin and Mr. Ezzat received only 75% of their fixed and variable compensation for this fiscal year. Capgemini also donated €640,000 to the Pasteur Institute to finance research on Covid-19.

Shareholders also adopted the compensation policies for executives and corporate officers for fiscal year 2021.

Watch the 2021 Shareholders’ Meeting:
https://investors.capgemini.com/en

**QUESTIONS FROM SHAREHOLDERS**

Despite a closed-door General Meeting, shareholders could still submit questions to the speakers before and during the meeting as usual. Among these questions:

- **Up to 95% of Capgemini employees worked remotely during the pandemic. Will the company maintain this organization in the future?**

After the pandemic, Capgemini expects to continue operating with 40-50% of its workforce telecommuting, with employees alternating between remote and in-person work at the company. This is the main purpose of the transformation program called “New Normal”, launched in June 2020 to introduce flexible work solutions, including adjustable and reduced working hours. This crisis has taught us to work in a new way, with the same level of performance, often by maintaining a closer relationship with our clients, and while ensuring the well-being of our employees at work. Today, work from home is an asset that allows us to deploy resources with greater flexibility, complementing our platform in India.
2020 highlights

New offers in Intelligent Industry

Three new offers, based on the combined skills of Capgemini and Altran, were launched in the second half of 2020:

- For all industries, a solution focused on 5G and Edge¹ to drive innovation and product performance, business assets and processes,
- For automotive, a solution for validating and verifying autonomous driving systems,
- For the biopharmaceutical industry, a solution for optimizing their R&D function based on data.

¹Edge Computing: an optimization method used in the cloud that expands the limits of a network in terms of applications, data and computing power.

Strengthened environmental commitments

Capgemini is committed to achieving carbon neutrality for its operations no later than 2025, and to be net zero across its entire value chain by 2030. By January 2020, ten years ahead of schedule, the Group already reached the target set in 2015 of reducing CO₂ emissions per employee by 30%.

Of our main clients, 70% have already set carbon neutrality targets. For them, we are mobilizing all of the Group’s expertise in technology, engineering and business model transformation to build a portfolio of offerings that covers every stage of their decarbonization. Capgemini is currently leading more than 100 such projects around the world and has set a goal of helping clients reduce their own carbon emissions by 10 million metric tons by 2030.

Targeted acquisitions

In addition to Altran, which became an integral part of our operational organization on January 1, 2021, the Group has added the expertise of four companies to support our development ambitions. Purpose, one of the world’s leading social impact agencies, will help our clients transform their model and practices. Advectas consolidates our business intelligence and data science capabilities in Scandinavia. Capgemini is also strengthening its presence in Australia with the acquisitions of WhiteSky Labs, the world’s leading independent consultancy for MuleSoft optimization, and RXP, a provider of end-to-end digital data and cloud solutions.

Success of the 7th employee shareholding plan

The seventh employee shareholding plan, which enables employees to share in the Group’s development and performance, proved highly successful with a subscription rate of 174%. Nearly 41,000 employees from the 26 participating countries subscribed to the plan, representing 16% of eligible employees. As a result of this plan, which amounted to 3 million shares representing approximately 1.8% of the Group’s share capital, employee share ownership grew to 6% of Capgemini SE’s share capital.

Investing in our employees is a priority in order to meet the needs of our clients and support the Group’s development. In 2020, unlike other companies, Capgemini has maintained its policy of reevaluating salaries and variable compensation for jobs under extra pressure. In addition to our attractive careers, our flexible working arrangements, including work from home, enhance the quality of our work environment and the advancement opportunities for employees who cannot travel. Capgemini benefits from an attractive employer brand. As such, 40,000 employees joined us in 2020, and we expect to recruit 70,000 in 2021, including 6,200 in France.

Your aeronautics clients are still heavily impacted by the Covid-19 crisis. Has the Group maintained its expertise in this sector?

Yes, Capgemini has maintained employment at its dedicated platform in Toulouse by redirecting its teams to projects in other sectors and countries through remote work. This strategy is supported by a training plan aiming to develop employees’ skills. When business with our aeronautics clients picks up again, we will be ready.

• How did the Altran acquisition in 2020 impact the Group’s debt?

The Altran acquisition represents an investment of €5.4 billion: €3.7 billion for the share purchase (including 11.4% acquired in 2019) and €1.7 billion for the purchase of Altran’s gross debt. As soon as the project was announced in June 2019, Capgemini had secured this €5.4 billion in funding through a bridge loan. In April 2020, the Altran acquisition was finalized by raising €1 billion of our own cash, as we had committed to do. The debt previously contracted by way of a bridge loan, as well as Altran’s gross debt, were refinanced on very favorable terms thanks to two multi-tiered bond issues – the first, completed in April, for €3.5 billion, of which €2.8 billion was used for this acquisition, and the second, in June, for €1.6 billion. These refinancing operations extended the average maturity of the Group’s bond debt to 6 years, with an average cost of 1.8%. At the end of 2020, the Group’s net debt stood at €4.9 billion compared with €600 million a year earlier. In September, Standard & Poor’s confirmed the Group’s BBB long-term debt rating with a stable outlook, validating Capgemini’s extremely solid financial profile.
In 2020, Capgemini demonstrated unprecedented resilience and agility by adapting quickly to the severity and scale of the global crisis arising from the pandemic. This performance is all the more remarkable given that the Group also finalized the 100% acquisition of Altran Technologies and successfully completed its refinancing.

In 2020, Capgemini demonstrated that the sectoral and geographical diversification of its client base, as well as the quality of its portfolio of offerings developed in recent years, have significantly strengthened the resilience of the Group’s revenues, which contracted by only 3.2% at constant exchange rates and scope in 2020.

Group revenues reached €15,848 million, up 12.2% on 2019 published figures and constant currency growth was 13.7%, at the upper end of the +12.5% to +14.0% target range (target adjusted at the time of publication of Q3 2020 revenues). Organic growth reported a measured contraction of -3.2% for the full year.

The operating margin reached €1,879 million, or 11.9% of revenues, an increase of 8% in value and a contraction of 40 bps in rate. This reflects a better than expected performance compared to the Group target contraction of 60 to 90 bps (target adjusted at the time of publication of Q3 2020 revenues).

Organic free cash flow reached the remarkable level of €1,119 million, largely exceeding the €900 million target for 2020 (target adjusted at the time of publication of Q3 2020 revenues).

Revenues in North America (31% of Group revenues) grew by 7.9%, driven by Altran’s contribution to revenues, mainly in the TMT (Telecommunications, Media and Technology) sector. The United Kingdom and Ireland region (11% of Group revenues) reported a growth of 6.7%, supported by Altran’s consolidation (mainly in the Manufacturing and TMT sectors) and robust Public Sector momentum throughout the year on an organic basis.

France (22% of Group revenues) saw its revenues increase by 14.2% over the period enhanced by the consolidation of Altran revenues, while the Rest of Europe region (29% of Group revenues) grew 23.7%. Finally, in the Asia-Pacific and Latin America (7% of the Group’s revenues) momentum remained strong with revenues increasing +12.2%.

Strategy and Transformation consulting services recorded 11.0% growth in total revenues. These services benefited from the integration of high value-added consulting services developed by Altran in recent years.

Applications and Technology services, which constitute the core of Capgemini’s business with 62% of the Group’s total revenues, reported a slight -0.2% decline in total revenues. The Altran acquisition had only a limited impact on growth at constant exchange rates in this service line.

Finally, Operations and Engineering total revenues grew +55.5% at constant exchange rates with the consolidation of Altran, which primarily delivers Engineering services.

**BREAKDOWN OF REVENUES**

- Applications & Technology: 31%
- Operations & Engineering: 62%
- Strategy & Transformation: 7%

**BY BUSINESS**

- North America: 31%
- Rest of Europe: 29%
- France: 11%
- United Kingdom and Ireland: 7%
- Asia Pacific and Latin America: 7%

**BY REGION**

- * based on total revenues, i.e. before elimination of inter-business billing

**Outlook 2021**

For the full year 2021, the Group aims to achieve:

- A constant currency growth of +7.0% to +9.0%. Given the strong growth in Q1 2021, our growth for the year is expected to be above the middle of this range;
- An operating margin of 12.2% to 12.4%, i.e. at 2019 level;
- An organic free cash flow above €1,300 million.

The inorganic contribution to growth is anticipated at c. 4.5 points
Strategic focus

NEW MEDIUM-TERM AMBITIONS

Having significantly improved its growth and margin profile since 2014, the Group has set new financial ambitions for the medium term at its Capital Markets Day on March 31, 2021, held remotely for institutional investors and financial analysts:

- Achieving an annual revenue growth of +7% to +9% at constant currency on average through 2025;
- Reaching an operating margin of 14% by 2025.

Our growth priorities:
The Group’s sustainable growth strategy is based on a strengthened sectoral approach designed to create more value for our clients. It will be based in particular on accelerating demand in client relations (Customer First) and transforming their industrial assets (Intelligent Industry), as well as continued growth in our traditional business of Enterprise Management.

Rapid adoption of the cloud combined with the use of data and artificial intelligence will serve as significant growth drivers for the Group’s entire portfolio of offerings.

Our priorities in terms of profitability:
Capgemini will maintain strict discipline in executing its business plan and also intends to increase its operating margin. The Group’s profitability will benefit primarily from the additional value added by a portfolio of innovative and sector-specific offerings.

The emergence of new hybrid business models will enable Capgemini to introduce a new operating environment, called the “New Normal”, allowing for additional cost savings and a more efficient allocation of our resources.

The Group will also benefit from synergies tied to the integration of Altran and the continuation of its efforts in industrialization and automation.

A LEADER IN INTELLIGENT INDUSTRY

In 2020, the integration of Altran and its 50,000 employees positioned Capgemini as the global leader in engineering and R&D services. By combining our historical expertise as a strategic partner in digital transformation for our industrial clients, it also made us a leader in what is known as Intelligent Industry. This is a promising new market, driven in particular by the rise of 5G, the Internet of Things and automation.

Capgemini Engineering: a brand to promote our expertise in engineering and R&D
In April 2021, just one year after the acquisition of Altran, the Group brought together its engineering and R&D expertise under a new brand, Capgemini Engineering. Its role: to support our clients in their research and development projects, from the design phase through product evolution, while capitalizing in particular on data and the Internet of Things. This is achieved through a range of services in three key areas: product and systems engineering, digital and software, and industrial operations. This new global business line, which mobilizes 52,000 engineers and scientists, combines the Group’s in-depth sector expertise with its mastery of digital technologies.

Intelligent Industry: a new growth driver for the Group
At a time when most products will become intelligent and connected, this new brand is a major asset for meeting the needs of clients wishing to rethink all or part of their industrial value chain. With the integration of Altran, Capgemini has become the only global player in its sector to combine all the engineering and data enhancement capabilities to support the end-to-end digital transformation of industrial and technology companies, thus connecting their entire value chain: from product development to associated connected services, including production and logistics.

In line with Industry 4.0, the development of Intelligent Industry will accelerate significantly, and Capgemini has made it one of its three growth drivers between now and 2025. In 2020, the Group has already achieved significant commercial success and delivered landmark projects, such as the Citroën Ami car (see below).

For Citroën, a turnkey automobile development program
An all-electric, ultra-compact vehicle to meet the challenges of urban mobility and a 100% digital client experience: this is the concept behind the Citroën Ami, on the market since May 2020. Based on the specifications defined by the manufacturer, the Group oversaw the vehicle’s development, from its design to the creation of the production line, including engineering and purchasing. Capgemini delivered a breakthrough solution to the Stellantis Group (the result of the merger between PSA and Fiat Chrysler), demonstrating its ability to innovate and help its clients develop new services and operating models.
Capgemini listens to its individual shareholders

In addition to the Shareholders’ Meeting held in Paris, Capgemini regularly meets with its individual shareholders at information meetings held in major cities in France (Lyon, Lille, Bordeaux, Nantes, Toulouse, etc.). These events provide an opportunity to discuss the Group’s strategy, results and outlook. The Group has not been able to organize such meetings since the beginning of 2020 due to the health context but intends to do so again as soon as conditions permit.

Dividend for fiscal year 2020

The Group has a long-standing policy of dividend distribution, which enables it to maintain a balance between the investments necessary for its development and the distribution of profits to shareholders. This profit distribution rate is approximately 35%. After a voluntarily reduced dividend in 2019, in light of the unprecedented situation and strict cost control measures implemented by the Group, it was proposed and voted at the Shareholders’ Meeting on May 20, 2021 to distribute a dividend of €1.95 per share for the fiscal year 2020.

Capgemini’s share profile

Listed on the Eurolist market of Euronext Paris (Compartment A)
Eligible for the Deferred Settlement Service, or the “Service de Règlement Différé (SRD)”,
ISIN Code: FR0000125338
Main indices: CAC 40, CAC 40 ESG, Euronext 100, EURO STOXX, STOXX Europe 600, STOXX Europe 600 Technology and EURO STOXX ESG Leaders 50

Financial calendar

July 28, 2021: Results for the first half of 2021
October 28, 2021: Third quarter 2021 revenues
February 14, 2022: Annual results 2021
May 19, 2022: Combined General Meeting

Capgemini share price evolution

In euros, compared to the CAC 40 index, from Dec. 31, 2018 to June 24, 2021