**Answer to the written question received by the Company**

**Question**

The fifth resolution on Mr. Paul Hermelin’s compensation provides an overview of his compensation letter. The annual compensation structure of Mr. Paul Hermelin, a Capgemini employee, therefore comprises a fixed component (FC = €1,452,000) representing 60% of his Theoretical Annual Compensation (TAC) and a variable component (VCo = €968,000 on target), representing 40% of his TAC.

A close reading of the document communicated shows that the definitive amount of this variable component is calculated as follows:

\[
\text{Variable component} = 0.5 \times \text{VCo} \times V1 + 0.5 \times \text{VCo} \times V2
\]

where V1 and V2 result from an assessment of the objectives set for your employee for a (V1) sub-component based on quantitative criteria and a (V2) sub-component based on qualitative criteria. Account is also taken of Group standards (application of a 70/130 flex to V1 and V2, with each coefficient capped at 200%, etc.).

Why does the structure of Mr. Paul Hermelin’s compensation letter differ from that applicable to Capgemini employees (in recent years) and Sogeti employees (since 2014), that is:

\[
\text{Variable component} = \text{VCo} \times \text{BPF} \times \text{PCF}
\]

where BPF (Business Performance Factor) is a coefficient based on quantitative criteria linked to the results of the entity (in the same way as V1) and PCF (Personal Contribution Factor) is a coefficient based on qualitative criteria (in the same way as V2)?

**Answer**

The Group’s variable compensation policy varies according to the employee category, with:

- on the one hand, a compensation system applicable to the 1,400 Group Vice-Presidents, the terms of which are determined annually in a memorandum communicated to the business units for this entire population and the characteristics of which are disclosed in the Annual Report on pages 59 and 60. These include in particular a breakdown into two components (V1 and V2), application of an upward and downward flex, variability of the theoretical variable component between 0 and 200% and a calculation based on quantitative budgetary objectives and personal objectives set at the beginning of the year. The variable component of Mr. Hermelin’s compensation falls within this compensation system;

- on the other hand, a compensation structure for non-Vice-President employees which is not governed by a single rule; the business units are responsible for the implementation of this structure which must nonetheless be based on two major principles:
  - a link with the economic performance of the related business unit reflected by the BPF (Business Performance Factor),
  - a link with individual performance in the context of the annual appraisal process applicable within the Group, represented by the PCF (Personal Contribution Factor).