

54<sup>TH</sup>GENERAL MEETING OF  
SHAREHOLDERSLETTER  
TO SHAREHOLDERS

## A RECORD YEAR



## PAUL HERMELIN

Chairman of the  
Capgemini Board of Directors

Dear Shareholders,

The Board of Directors is satisfied and proud of Capgemini's remarkable performance in 2021. After having raised its financial objectives twice during the fiscal year, our Group ultimately delivered record results. Our revenue progressed by 15.1% at constant exchange rates, representing an organic growth of 10.2%. Profitability continued to improve and gained 1 point over 2020 to reach 12.9% of revenue. Cash flow generation reached an unprecedented level of €1.9 billion. These results are the first step in achieving our 2025 ambition of sustainable and profitable growth, which the Group announced in March 2021.

As the managerial transition begun two years ago is now complete, I would like to applaud the efforts of Aïman as Chief Executive Officer. First of all, he is a leader who remains loyal to the traditions and values of the Group, as established by its founder, Serge Kampf. I am thinking in particular of our value of solidarity, which has unfortunately found a new expression in support for our teams in Ukraine. Aïman has proven his ability and determination to give Capgemini a renewed momentum,

in particular by infusing our ESG policy with new priorities in connection with decarbonizing our clients' activities and pursuing social and societal innovation, which has placed us at the forefront of our industry in terms of building an inclusive and sustainable future. Now that the Group has passed the mark of 340,000 employees, these great challenges of our time are motivating and unifying the dedicated women and men of Capgemini. They are also essential for ensuring our performance over the long term.

I would also like to say a word about sharing our added value with our stakeholders in 2021. Capgemini will retain 11% of this value for investment, while 66% will benefit our employees, 19% will go to the French government and 1% to our creditors. Finally, 3% of this generated value is allocated to our shareholders in the form of a dividend increase.

I would like to thank you for the confidence you have placed in me by reappointing me as a Director of our Group. As Chairman of the Board, I will continue to work to improve our governance and place my knowledge of the market and my passion for technology in the service of Capgemini.



## AÏMAN EZZAT

CEO of Capgemini

Having demonstrated the Group's resilience in 2020, in 2021 we focused all our efforts on our growth ambition. The results of the past financial year are proof of our success. The acceleration of our activity in 2021, which picked up even further in the first quarter of 2022, reflects first of all the tremendous commitment of our employees. It also demonstrates our ability to gain market share thanks to the quality of our portfolio of innovative offerings and our knowledge of our clients' sectoral challenges.

Our ability to anticipate their needs, the relevance of our investment choices and the successful execution of our strategy have made us the undisputed market leader in Europe. We have returned to double-digit growth in the United States, and strengthened our presence in Asia-Pacific, a particularly dynamic market. Finally, our services platform in India has become a center for innovation and growth for the entire Group.

We are on track to win the talent battle that is a real challenge for our industry. With the quality of our development and training programs, our focus on inclusion and diversity, as well as the hybrid working model we rolled

out last year, Capgemini has reinforced its appeal. The successful integration of Altran, which led to the creation of Capgemini Engineering, positions us as a recognized leader in the promising field of Intelligent Industry. Finally, our image as a responsible group has gained in maturity and depth. Faced with the succession of crises we have experienced, Capgemini has responded through the exemplary mobilization of its teams. Finally, our ESG policy presented last December is one of the most ambitious in our sector.

Our objective now is to maintain and extend our competitive edge. To achieve this, in 2022, Capgemini has outlined three priorities: talent, with the ambition to expand and diversify our pool of talent; sustainable development, because in addition to reducing our own carbon footprint, decarbonizing that of our clients is a major business development opportunity; and finally, innovation in the service of companies and organizations.

It is a great honor to lead a Group that accompanies its clients, employees and society as a whole towards a promising future.

# SUMMARY OF THE SHAREHOLDERS' MEETING



After two Shareholders' Meetings held behind closed doors, due to the health situation, it was with tremendous pleasure that the managers and Board of Directors of Capgemini met in person with shareholders, while this year's meeting was also presented through a live webcast. The quorum reached 72.67% and votes were cast in person, in addition to mail or online voting beforehand. Shareholders adopted all resolutions on the agenda.

Paul Hermelin extended a warm thanks to Laurence Dors, who chose not to renew her term, for her contribution to the work of the Board of Directors and its Committees. Following the Shareholders' Meeting, Patrick Pouyanné, Board member, replaced her as Chairman of the Compensation Committee.

## COMPOSITION OF THE BOARD OF DIRECTORS

*By Frédéric Oudéa, 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 2021 and its internal evaluation.

### Reappointment of three members

Paul Hermelin, Xavier Musca and Frédéric Oudéa were reappointed for a four-year term on the Board. Convening at the end of the Shareholders' Meeting, the Board of Directors reappointed Mr. Oudéa as Lead Independent Director.

### Continuation of the governance system separating the Chairman and Chief Executive Officer

Through the intermediary of Mr. Oudéa, the Board underlined the success of the governance system put in place two years ago as part of the managerial transition phase culminating in this Shareholders' Meeting. At the close of the Meeting, the Board subsequently approved a four-year continuation of this governance system, which separates the functions of Chairman and Chief Executive Officer. Mr. Hermelin was reappointed as non-executive Chairman of the Board of Directors in order to benefit from his experience, expertise and in-depth knowledge of the Group.

### Changes in the composition of the Board

Maria Ferraro, Chief Financial Officer of Siemens Energy AG and Siemens Energy Management GmbH, and Olivier Roussat, Chief Executive Officer of Bouygues SA, were appointed to the Board of Directors for a four-year term. They join the Board as independent directors.

Ms. Ferraro, a Canadian citizen, brings to the Board her financial expertise and solid experience in the technology and energy sectors, which are central to the development of Intelligent Industry. Mr. Roussat, a French national and head of a global player in the construction, energy and transport infrastructure sectors, notably brings his experience in the telecommunications and media sectors, as well as his expertise in digital and technological transformation.

The Board now comprises 15 directors, including two employee representatives. 83% of its members are independent, 42% are women, and 40% have an international profile.

## COMPENSATION OF THE EXECUTIVE MANAGEMENT

*By Laurence Dors, Chairman of the Compensation Committee*

The Shareholders' Meeting approved the compensation and benefits paid or granted for fiscal year 2021 to Mr. Hermelin, Chairman of the Board (96.10%), and to Mr. Ezzat, Chief Executive Officer (92.83%). The Board also adopted the compensation policies for executives and corporate officers for fiscal year 2022.

As the managerial transition period is over, it should be noted that, following this Shareholders' Meeting, Mr. Hermelin will no longer receive a fixed salary, but only a director's fee, which will be a significantly lower sum.

The shareholders also approved an increase in the total annual compensation package for directors, which was set at a maximum amount of €1.7 million. This was done in order to reflect the change in compensation for the Chairman of the Board, and to increase compensation for directors (by approximately 10%) in order to remain attractive in light of the objective of continuing to internationalize and diversify the profiles and skills of Board members.

## WATCH THE 2022 SHAREHOLDERS' MEETING:

<https://investors.capgemini.com/en>

## QUESTIONS FROM SHAREHOLDERS

Shareholders had the opportunity to submit questions to the speakers before and during the meeting, with a new feature this year allowing it to be done live via the internet. Various topics were discussed, including:

### • What are the consequences for Capgemini of the conflict in Ukraine?

From the start of the Russian invasion, Capgemini has strongly condemned this aggression and the violence inflicted on the Ukrainian people. The Group has taken preventive measures since the end of 2021 to ensure the safety of its Ukrainian teams – who represent well under 1% of our global workforce – and their families. We applaud the solidarity shown by Group employees to welcome these teams, particularly in Poland and Romania. As far as our clients are concerned, we have put in place business continuity plans and our activity in Ukraine is currently at 90% of its pre-invasion level. We are continuing to recruit in the area, with 160 people hired since the end of February.

As for our presence in Russia, where Capgemini provides services to only a limited number of international brands, we announced in March

# 2021 HIGHLIGHTS



## Integration of Altran: cost and business synergies that exceed our objectives

Confirming the strategic and operational relevance of the Altran acquisition, completed in 2020, the Group has achieved the expected synergies a year ahead of schedule. Synergies in terms of costs and operating models amounted to more than €80 million on an annualized basis at the end of 2021, compared with the €70 to €100 million expected three years after the takeover (which took place in 2020). Commercial synergies are expected to exceed €350 million by 2021, compared with a long-term target of €200 to €350 million.

The integration of Altran's operations has been successfully completed and has produced highly satisfying results in terms of talent retention, the development of joint offerings and business dynamics. Over the past two years, the combination of our engineering and R&D expertise has positioned Capgemini as the world leader in the highly promising Intelligent Industry market. Begun in 2021, the integration of two former Altran subsidiaries – frog and Cambridge Consultants – into our digital innovation brand Capgemini Invent is strengthening our position as a strategic partner for companies to drive large-scale transformations.



## Continuation of targeted acquisitions

In 2021, the Group strengthened its presence in the Asia-Pacific region through four acquisitions: RXP (announced at the end of 2020 and finalized in March 2021), an Australian provider of end-to-end digital solutions in data and cloud; SAP services from Multibook in Japan and Southeast Asia; Acclimation, an Australian expert in SAP solutions based on leading cloud

technologies; and Empired, whose portfolio of services positions Capgemini as the leader in digital, data and cloud in Australia and New Zealand.

In France, the Group acquired Possible Future, a leading player in sustainable innovation consulting. In the United States, we acquired VariQ to consolidate our presence with US government agencies.



## Offers to accompany our clients towards carbon neutrality

In line with our ESG objective of helping our clients reduce 10 million tons of CO<sub>2</sub> by 2030, Capgemini has launched three new offerings. Sustainable IT enables companies to reduce their carbon footprint of their IT infrastructure. Sustainable Operations & Supply Chain, that of their entire supply chain (sustainable procurement, production, product life cycle, circular economy, etc.). Finally, our Net Zero Strategy offer allows companies to set a clear and well-defined trajectory, in particular by evaluating the various decarbonization levers, while our "New Business Models" service helps our clients reinvent their offer, brand and organizations.

## Success of the 8th employee share ownership plan

The eighth ESOP (Employee Share Ownership Plan) was adopted by more than 49,000 employees, across 29 participating countries, for a total of €589 million. This increase in capital, which enables employees to share in Capgemini's development and performance, brings employee share ownership to 8.43% of the Group's share capital.

2022 that we would end our presence in the country. We are working on this objective, while respecting the rights of our Russian employees and complying with all applicable legislation.

### • How is the Group's liquidity evolving?

It is very solid and evolving favorably. At the end of 2021, Capgemini had €3.5 billion in free cash flow and a €1 billion credit line maturing in 2027, which has not been used. At the same time, the Group's bond debt amounts to €6.7 billion, with maturities staggered through 2032. Our unused short-term debt securities program amounts to €1 billion. These elements demonstrate a financial policy aimed at guaranteeing strong liquidity while ensuring a measured use of leverage. In February 2022, Standard & Poor's confirmed its BBB rating, while upgrading the outlook from stable to positive, thus substantiating Capgemini's extremely solid financial profile.

### • What are you doing to combat the digital divide?

Digital inclusion is one of our eight ESG priorities, which we pursue through two flagship initiatives. The first is to provide the most excluded populations with access to digital tools and basic skills, in close collaboration with local NGOs. In 2021, these programs benefited more than 327,000 people in the countries where we operate, and we plan

to reach at least 350,000 new beneficiaries in 2022. Our second major lever is our digital academies where we train young people in technology skills. By 2022, we plan to train 5,500 graduates, with a commitment to hire 10% of these graduates at Capgemini. We are also strengthening our collaboration with our clients and business partners to increase job opportunities.

### • What prospects do you foresee for the metaverse?

The metaverse goes far beyond the creation of a virtual world. It is a comprehensive project for the evolution of Internet technologies. In other words, this is a new environment that mobilizes know-how – virtual and augmented reality, cloud, blockchain – in which Capgemini boasts leading expertise. The Group is currently working with its clients to develop relevant use cases and, above all, to stay ahead of the curve on key issues in the future of the metaverse: what can people do in the metaverse? How can we generate revenue or efficiencies for companies? And with what business models?



# 2021 IN FIGURES



## REMARKABLE PERFORMANCE

By Carole Ferrand,  
Chief Financial Officer

In 2021, Capgemini delivered results above its targets, which it raised again last October. Against the backdrop of a pronounced global economic recovery, the past year has demonstrated an acceleration in the digital transformation of large companies and organizations. The Group is benefiting from its investments in its portfolio of innovative offerings and its position as a strategic partner for its clients. This performance is also due to the successful integration of Altran, which has strengthened Capgemini's global leadership in the field of Intelligent Industry and enabled the Group to achieve the anticipated business and operational synergies ahead of its original plan.

Group **revenues** reached €18,160 million, up +14.6% on published data and up +15.1% at constant exchange rates, slightly above the increased target range of +14.5% to +15.0%. The net impact of acquisitions on growth is 4.9 points and corresponds largely to the integration of Altran since April 1, 2020. The Group's organic growth (as corrected for perimeter effects and exchange rates) reached +10.2%.

The **operating margin** reached €2,340 million, or 12.9% of revenues, substantially above the expected minimum rate, which was raised last October, of 12.7%. In addition to improving by 1.0 point over 2020, this rate is 0.6 points above the operating margin achieved before the pandemic (12.3% for fiscal year 2019).

Organic **free cash flow** reached €1,873 million, up €754 million over 2020. This total is slightly above the target, which was raised twice through the year, of €1,700 million for 2021.

## BUSINESS EVOLUTION BY REGION:

At constant exchange rates

Revenues in **North America** (29% of Group revenues) grew by +12.0%, driven mainly by the dynamic in the TMT sector (Telecoms, Media and Technology), Consumer Goods and Industry. The **United Kingdom and Ireland** region (11% of Group revenues) saw a particularly robust year, with growth in business of +18.3%. This performance relies in particular on a Public Sector that remained dynamic throughout the year and the strong recovery of Financial Services at the end of the year.

**France** (21% of Group revenues) recorded an increase in its revenues of +10.3%, fueled in large part by the strong recovery of the Manufacturing sector, and to a lesser extent Consumer Goods and Services. The **Rest of Europe** region (31% of Group revenues) posted a rise of +17.6%, also benefiting from the recovery of the Manufacturing sector. Finally, the **Asia-Pacific and Latin America** region (8% of Group revenues) reported robust growth of +27.3%. The Group's acquisitions in Asia-Pacific reinforced an organic dynamic in constant acceleration throughout the year.

## BUSINESS EVOLUTION BY ACTIVITY:

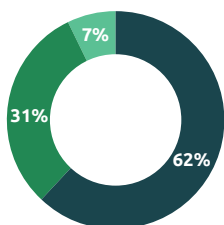
At constant exchange rates

Total revenues in **Strategy & Transformation** consulting services grew by +27.0%, reflecting the strong recovery in Group client discretionary expenditure.

**Applications & Technology** services, which constitute the core of Capgemini's business with 62% of the Group's total revenues, saw their total revenues increase by +13.1%.

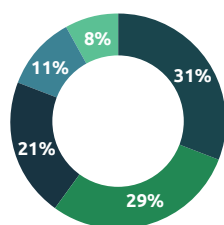
Finally, **Operations & Engineering** services saw their total revenue grow by +18.5%, with the acquisition of Altran and the sale of Odigo. Organic growth was primarily driven by the strong recovery in Engineering services during the year. In addition, both Infrastructure and Cloud services and Business Services showed solid growth.

## BREAKDOWN OF REVENUES



### BY BUSINESS

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



### BY REGION

- Rest of Europe
- North America
- France
- United Kingdom and Ireland
- Asia Pacific and Latin America

## CAPGEMINI DELIVERS RECORD GROWTH OF 17.7% IN Q1 2022

- Revenues of €5,167 million, up 21% year-on-year at current exchange rates and 17.7% at constant exchange rates
- Bookings of €5,473 million, up 26% at constant exchange rates, leading to a book-to-bill ratio of 1.06

## OUTLOOK 2022

The Group's financial targets for 2022 are:

- Revenue growth of +8% to +10% at constant currency;
- Operating margin of 12.9% to 13.1%;
- Organic free cash flow above €1,700 million.

The inorganic contribution to growth should be 1 point at the lower end of the target range and 2 points at the upper end.

# STRATEGIC FOCUS



## ESG POLICY TO BOOST THE IMPACT OF OUR SUSTAINABLE DEVELOPMENT STRATEGY

In December 2021, Capgemini presented its ESG (Environmental, Social and Governance) policy and priorities. The aim is to focus our actions on areas where we can have the greatest impact, and to effectively integrate these 8 priorities paired with 11 objectives into the Group's strategy, decision-making processes, development of solutions and services for our clients, as well as relationships with our key stakeholders. Our ESG policy is accompanied by quantified targets for 2030, aligned with those set by the United Nations, which will allow our stakeholders to track Capgemini's progress in terms of non-financial performance.

### MAXIMIZING THE POTENTIAL OF TECHNOLOGY FOR THE GOOD OF SOCIETY

With this ESG policy, Capgemini is taking another concrete step towards implementing its conviction that digital transformation must benefit humanity at large. As a responsible leader in this movement, the Group intends to become a benchmark in addressing ESG challenges by leveraging not only technology, but also the human energy of its 340,000 employees and the support of its stakeholders.

In line with our Purpose defined in 2020 – “Unleashing human energy through technology for an inclusive and sustainable future” – Capgemini's ESG policy focuses on climate change mitigation, human capital development and responsible governance.

In these areas, the ESG policy provides Capgemini with a framework for making progress in its own operations, aligning suppliers with Group standards and having a positive impact on client operations. In particular, we help clients achieve their own carbon neutrality objectives by developing a portfolio of specific offerings.

### A BALANCED AND AMBITIOUS POLICY TO STRENGTHEN OUR IMPACT

Our ESG policy is an extension of initiatives begun many years ago and for which we have already achieved convincing results, as illustrated by the following examples:

- In terms of reducing its CO<sub>2</sub> emissions, Capgemini was one of the first companies in its sector to set quantified ambitions, beginning in 2016. A CO<sub>2</sub> emissions reduction target of -30% per employee compared to 2015 was achieved 10 years ahead of schedule in early 2020. Our new environmental commitments, announced last year, are integrated into our ESG objectives.
- Diversity and inclusion, as well as digital inclusion, are pillars of our corporate responsibility program launched 6 years ago. By the end of 2021, the share of women in our workforce reached 35.8% (up from 29.5% in 2015) and more than 762,000 people have benefited from our digital inclusion programs since 2018.
- For the 9th consecutive year, Capgemini was recognized in 2021 as one of the world's most ethical companies by Ethisphere® Institute.

With this ESG policy, Capgemini is now focusing its sustainability efforts on eight priorities that have a significant positive impact on the Group's business model and sustainable value creation, as well as its stakeholders.

Our 8 ESG objectives were approved by Capgemini's Board of Directors in 2021 and are integrated into our strategy. Their deployment at the Group level, as well as the promotion of local initiatives, are supported by a well-defined ESG governance and organization.

## EIGHT ESG PRIORITIES AND 11 OBJECTIVES TO MEASURE OUR PROGRESS



### ENVIRONMENT

- **Priority A** Acting on climate change by achieving carbon neutrality by 2025, and net zero emissions.
- **Priority B** Accelerating the transition to a low-carbon economy by helping our clients meet their environmental commitments.



### SOCIAL

- **Priority C** Investing continuously in our talent by developing the skills of tomorrow through a unique experience.
- **Priority D** Providing a diverse, inclusive and hybrid work environment.
- **Priority E** Supporting digital inclusion in our communities.



### GOVERNANCE

- **Priority F** Promoting diversified and responsible governance.
- **Priority G** Consistently maintaining strong ethical practices for shared growth.
- **Priority H** Protecting and securing data, infrastructure and identities.

Through these ESG priorities, Capgemini also contributes to the achievement of 11 of the 17 Sustainable Development Goals (SDGs) adopted in 2015 by the United Nations.



To measure its progress in achieving these ESG priorities by 2030, the Group has defined a total of 11 associated objectives, including:

- Achieving carbon neutrality for our own operations by 2025; in the entire Group supply chain by 2030; and net zero business well ahead of 2050;
- Transition to 100% renewable electricity by 2025, and electric vehicles by 2030;
- 40% of women in our teams by 2025;
- Increasing the average learning hours per employee by 5% per year to ensure regular lifelong learning;
- Maintaining over 80% of the workforce with Ethics Score between 7-10.

Each objective is accompanied by one or more key performance indicators, which will be communicated on a regular basis and used to measure our non-financial performance in the coming years, ensuring we deliver on our priorities.

# SHAREHOLDERS' NOTEBOOK



## 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. In 2021, given the health restrictions, the Group held a virtual meeting for individual shareholders.

## DIVIDEND FOR FISCAL YEAR 2021

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%. It was proposed and voted at the Shareholders' Meeting on May 19, 2022 to distribute a dividend of €2.40 per share for the fiscal year 2021.

## 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 indexes: CAC 40, CAC 40 ESG, Euronext 100, EURO STOXX, STOXX Europe 600, STOXX Europe 600 Technology, EURO STOXX ESG Leaders 50 and Bloomberg Gender Equality Index (GEI)

## FINANCIAL CALENDAR

July 28, 2022: Results for the first half of 2022  
October 27, 2022: Third quarter 2022 revenues  
February 21, 2023: Annual results 2022  
May 16, 2023: General Meeting

## CAPGEMINI SHARE PRICE EVOLUTION

In euros, compared to the CAC 40 index, from Dec. 31, 2019 to June 17, 2022

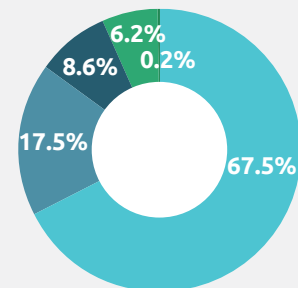


**DIVIDEND PAID FOR  
THE FINANCIAL  
YEAR 2021**

**€2.40  
PER SHARE**

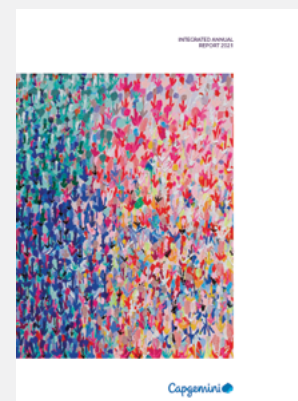
## DISTRIBUTION OF CAPGEMINI SE'S SHARE CAPITAL

at the end of December 2021 (based on a shareholder survey)



- International Institutional Investors
- French Institutional Investors
- Employees and Board Members
- Individual Shareholders
- Board Members

## ANNUAL INTEGRATED REPORT 2021



<https://investors.capgemini.com/en/>

## SHAREHOLDER CONTACT

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**N° Vert 0 800 20 30 40**

FREE PHONE NUMBER FROM FRENCH LANDLINES