

2019

Universal Registration Document

Annual Financial Report

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2019

Universal Registration Document

Annual Financial Report

Capgemini is made up of nearly 220,000 women and men in over 40 countries, who work with world-renowned clients to find solutions to their most demanding challenges. As a global leader in consulting, technology services, and digital transformation, with unrivalled sectorial expertise, we enable our clients to design and build tomorrow's businesses, to make the most of the opportunities offered by technology, and to boost their competitiveness and agility.

For more than 50 years, the way we operate, work, and collaborate has been guided by our seven core values: Honesty, Boldness, Trust, Freedom, Team Spirit, Modesty, and Fun. These values have shaped who we are today – a responsible leader determined to have a positive impact on all stakeholders within our ecosystem.

AMF

AUTORITÉ
DES MARCHÉS FINANCIERS

The French version of this Universal Registration Document (*Document d'Enregistrement Universel*) was filled with the *Autorité des marchés financiers* (AMF – the French Financial Market Authority), as the competent authority under Regulation (EU) 2017-1129, without prior approval in accordance with Article 9 of this Regulation. The Universal Registration Document may be used when securities are offered to the public or admitted to trading on a regulated market, if supplemented by a securities note and, where applicable, a summary and all amendments made to the Universal Registration Document. The resulting documents are approved as a whole by the AMF in accordance with Regulation (EU) 2017-1129.

CAPGEMINI

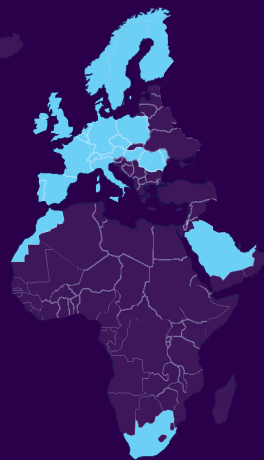
A GLOBAL LEADER
IN CONSULTING,
TECHNOLOGY SERVICES
AND DIGITAL
TRANSFORMATION



AMERICAS



26,120 people



EUROPE, MIDDLE EAST
AND AFRICA



75,740 people



ASIA PACIFIC



117,440 people

WHAT WE DO

Innovative and high-added-value services:

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

WHO WE ARE

219,300

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

WHAT WE DELIVER

A portfolio of services integrating the best of technologies:

- ⊙ Customer Experience
- ⊙ Cloud
- ⊙ Cybersecurity
- ⊙ Artificial Intelligence & Analytics
- ⊙ Digital Engineering & Manufacturing
- ⊙ Digital Core
- ⊙ ADM

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

HOW WE OPERATE

Seven core values:

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

WHAT WE ACHIEVE

€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'**

* Carbon Disclosure Project

1.

Presentation of the Group and its activities

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1.1 Capgemini group fundamentals

1.1.1 Group history

From 1967 to today, the milestones of a world leader

Founded in 1967 by Mr. Serge Kampf in Grenoble, the Group has developed around principles which continue to guide us today: an entrepreneurial spirit, followed by a passion for clients, an obsession with getting the best from people, extremely high performance expectations, and a commitment to being ethically irreproachable at all times.

Now led by Mr. Paul Hermelin, its Chairman and Chief Executive Officer, Capgemini has over 219,314 employees, including over 110,000 in India, and it operates in over 40 countries. Capgemini has had the same goal since 1967: Helping businesses to be more efficient, innovative and agile through technology.

1967-1974 | The rise of an entrepreneurial spirit

1967 Mr. Serge Kampf founds Sogeti, an IT services company, in Grenoble.

1970 The visionary Sogeti is the first IT services company in Europe to offer organizational Consulting Services.

1974 The first acquisitions with the purchase of two competitors: CAP (France) and Gemini Computer Systems (USA).

1975-1989 | Expansion

1975 Sogeti becomes Cap Gemini Sogeti, the European leader in IT services, with 2,000 employees.

1976 SESA, the French IT services company specializing in system integration (which will join the Group in 1987), develops TRANSPAC, the first public European data transmission network.

1978 Cap Gemini Sogeti launches on the US market and creates Cap Gemini Inc. in Washington.

1985 Cap Gemini Sogeti is listed on the Paris Stock Market: the share price surges +25% in just 5 days.

1987 Acquisition of SESA, the French IT services company. Cap Gemini Sogeti had already held a 42% stake in the company since 1982.

1990-1997 | Pursuing leadership

1990-1992

Cap Gemini Sogeti acquires the UK company Hoskyns, the European leader in managed services. Just two years later, Cap Gemini Sogeti becomes the European leader in its sector following successive acquisitions of the Dutch company Volmac – recognized at the time as the most profitable IT services company in Europe – and Programmator, one of the largest IT services companies in Sweden.

1996 Name change to Cap Gemini – removing the Company's original name (Sogeti).

1998-2001 | Emergence of a global champion

1998 Multinational contract signed with General Motors to develop new client/server systems in 42 countries.

2000 Cap Gemini acquires the consulting arm of Ernst & Young, with integration proving more difficult than expected. The Group opens its first offshore delivery center in Mumbai, India. Cap Gemini now has over 50,000 employees.

2002-2009 | New horizons

2002 Mr. Paul Hermelin, who had worked alongside Mr. Serge Kampf since 1993, becomes Group CEO. The Sogeti name returns with the creation of a subsidiary specializing in local IT services.

2003 The Group signs one of the largest outsourcing contracts in its history with the UK's Inland Revenue.

2007 The Group closes another key acquisition with Kanbay International. This US IT services company specializing in Financial Services has a significant presence in India (7,000 employees). The Group now has 12,000 employees in India.

2007 also marks Capgemini's commitment to rugby, by becoming the official sponsor of the World Cup in France.

Since 2010 | An industry leader

- 2010** Capgemini, now operating in 30 countries, launches in South America with the acquisition of CPM Braxis, the Brazilian IT services company. The Group now has over 100,000 employees worldwide.
- 2012** 45 years after creating the Group, Mr. Serge Kampf stands down as Capgemini Chairman and passes the torch to Mr. Paul Hermelin, who becomes the Group's Chairman and Chief Executive Officer.
- 2015** Capgemini acquires the US company IGATE and significantly reinforces its presence in the US and India.
- 2016** Mr. Serge Kampf passes away at the age of 81 in Grenoble, where he had created Capgemini 49 years previously.
- 2017** Capgemini launches its new brand identity on its 50-year anniversary.
The Group reinforces the flagship Digital and Cloud businesses with the targeted acquisitions of Itelios, TCube Solutions, Idean and Lyons Consulting Group.
- 2018** Capgemini creates Capgemini Invent, a new line of global services dedicated to digital innovation, consulting and transformation. The Group becomes the *Global Innovation Partner* of the men's and women's HSBC World Rugby Sevens Series.
- 2019** As part of the internal managerial transition process initiated in 2017 by Paul Hermelin, Chairman and Chief Executive Officer, the Board of Directors announces it has chosen Aiman Ezzat, currently Chief Operating Officer, to succeed Paul Hermelin as Chairman and Chief Executive Officer after the Shareholders' Meeting scheduled for May 20, 2020. Paul Hermelin will continue his role as Chairman of the Board of Directors at this time.
2019 is also marked by the acquisition of Leidos Cyber, a leader in corporate security in North America, to strengthen the Group's cybersecurity services and solutions. The acquisition of Konexus Consulting, a major player in strategy and management Consulting Services, confirms Capgemini's leadership in the energy and utilities sector in Germany.
Capgemini launches a tender office to acquire Altran, a global leader in Engineering and R&D services. The resulting Group will be a global digital transformation leader for industrial and tech companies.
Capgemini signs a historical contract with the German group, Bayer AG, to transform its IT landscape and accelerate the digitalization of its organization. This six-year contract is worth over €1 billion.

1.1.2 Seven values, the foundation of our culture at the heart of what we do

Since the creation of the Group in 1967 by Serge Kampf, culture and business practices have been inspired and guided by our seven core Values. These are the guiding principles that we collectively and individually stand for and are at the heart of our approach as an ethical and responsible business.

Honesty signifies loyalty, integrity, uprightness, a complete refusal to use any underhanded method to help win business or gain any kind of advantage. Neither growth nor profit nor independence have any real worth unless they are won through complete honesty and probity. And everyone in the Group knows that any lack of openness and integrity in our business dealings will be penalized at once.

Boldness, which implies a flair for entrepreneurship and a desire to take considered risks and show commitment (naturally linked to a firm determination to uphold one's commitments). This is the very soul of competitiveness: firmness in making decisions or in forcing their implementation, an acceptance periodically to challenge one's orientations and the *status quo*.

Trust, meaning the willingness to empower both individuals and teams; to have decisions made as close as possible to the point where they will be put into practice. Trust also means giving priority, within the Company, to real openness toward other people and the widest possible sharing of ideas and information.

Fun means feeling good about being part of the Company or one's team, feeling proud of what one does, feeling a sense of accomplishment in the search for better quality and greater efficiency, feeling part of a challenging project.

Freedom, which means independence in thought, judgment and deeds, and entrepreneurial spirit, creativity. It also means tolerance, respect for others, for different cultures and customs: an essential quality in an international group.

Modesty, that is simplicity, the very opposite of affectation, pretension, pomposity, arrogance and boastfulness. Simplicity is about being discreet, showing natural modesty, common sense, being attentive to others and taking the trouble to be understood by them. It is about being frank in work relationships, having a relaxed attitude, having a sense of humor.

Team spirit, meaning solidarity, friendship, fidelity, generosity, fairness in sharing the benefits of collective work; accepting responsibilities and an instinctive willingness to support common efforts when the storm is raging.

These values are reflected in our motto: People matter, results count. We believe that our clients' success does not depend on technology only, but also on the women and men who give that technology life and who make all the difference. Our approach thus enables companies and organizations to respond faster to market trends, to adapt and to improve their performance.

1.1.3 The Group business lines

— Strategy & Transformation

With the creation of Capgemini Invent in 2018 (merging Capgemini Consulting and recent Group acquisitions: LiquidHub, Fahrenheit 212, Idean, Adaptive Lab, Bachelite, June21 and Konexus Consulting), Capgemini builds on its expertise in the strategy, technology, data science, and creative design fields to support clients within the digital economy.

— Applications & Technology

Capgemini helps clients to develop, modernize, extend, and secure their IT and digital environment, using the latest technologies. Our teams design and develop technological solutions and help our clients to optimize and maintain their applications for agile operations.

Through its subsidiary Sogeti, part of Capgemini, the Group provides a local technology services model, working closely with our clients' teams.

— 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 that regroup the installation and maintenance of client IT infrastructures in data centers or in the cloud. Our Business Services (including our Business Process Outsourcing) are the third pillar within this category. These Operational Management Services offer greater efficiency and improved operational and technological excellence.

1.1.4 An agile and innovative offer portfolio

Just like clients' digital transformation requirements, technological innovations change quickly. For example, Cloud and digital offers now represent more than 50% of the Group's activity in 2019 in response to these changes, compared to 18% in 2014.

The sustained pace of innovation has encouraged Capgemini to implement agile and innovative management of its offer portfolio, to continually anticipate market developments. The Group has therefore chosen to accelerate its development in seven priority markets by offering innovative and high added-value services.

- The **Customer Experience (CX)** offer allows our clients to create experiences which provide rapid and sustainable value, both for their end customer and their own company. We reach this balance by implementing service offers that allow us to reimagine customer journeys and activate technological platforms for Marketing, Sales, Customer Services and E-Commerce functions.

We activate data available within the company, its ecosystem or the customer's ecosystem to provide a very high level of personalization for every interaction between the customer and the brand.

- The **Cloud** offer is a comprehensive portfolio of services that deliver a Cloud-first way of working for companies. It aims to simplify adoption of a cloud-first strategy to replace or supplement IT systems in place. It also allows clients to develop innovative services directly in the Cloud to remain competitive.
- The **Cybersecurity** offer provides Group clients with a complete portfolio of specialized services in consulting, protection and surveillance, aiming to secure both traditional computing and the Cloud, as well as Internet of Things and digital systems.
- **Artificial intelligence (AI)** is a complete portfolio of Consulting Services, development of specific AI services, deployment of an AI platform and a series of technologies which allows us to make AI part of all the services that we offer. These trusted services, which can be deployed on a large scale, place business and human impacts and transparency at the heart of AI

transformation projects. Smart companies make the use of their data and the deployment of AI services a driver to reach their objectives more quickly or even exceed them, and to reinvent themselves on the market and within their ecosystem. Using their data and our artificial intelligence solutions, companies can, for example, increase the effectiveness of their operations, notably through smart automation, and help risk analysis, fraud detection, regulatory compliance and developing talent.

- The **Digital Manufacturing** offer proposes a complete portfolio of technology and Consulting Services to accelerate and secure convergence between our clients' physical and digital worlds. Capgemini's expertise in this field extends from PLM (Product LifeCycle Management), which ensures digital continuity throughout the product life cycle, through to factories 4.0, allowing companies to reach new levels of performance. We offer cutting-edge services to transition from responsive management to proactive management, such as predictive maintenance, which analyses industrial process data in real-time. Internet of Things and artificial intelligence platforms are at the heart of this transformation 4.0.

Digital Core with SAP S/4HANA® is our service offer to help clients migrate their existing SAP landscapes, however complex, to the latest modern, simplified, technology-charged SAP landscape. This move allows clients to unleash the power of new digital technologies to evolve their businesses and processes. In particular, it enables the real-time management and analysis of vast data volumes and uses AI, integrated analysis, the DevOps model, Cloud architecture, API (Application Programming Interface) and microservices.

- The **ADMnext offer** allows us to supervise, manage (thanks to a smart automated platform) and transform our clients' application environment. We provide agile transformation of applications, processes and delivery methods for our clients, adapted to their digital strategy and alignment with business issues. The ADMnext offer is a real driver of growth.

1.1.5 Enhanced sectoral expertise

The Group cultivates expertise across seven major sector groupings.

- **Consumer Goods & Retail:** consumers are commanding the spotlight; they want to engage with brands in increasingly personalized, intelligent, and digital ways. Capgemini guides clients through the rapidly changing business and technology environment, identifying ways in which many of the world's biggest consumer brands can transform their business. Benefiting from a transversal view of the production chain, from producer to end user, our teams support players in the consumer goods sector, helping them define relevant digital transformation strategies.
- **Energy & Utilities:** the appearance of new players in the energy market, the rapid growth of renewable energies and constant technological progress leads energy production and distribution companies to go beyond the simple supply of energy and balance growth with the need to transform. Our comprehensive approach is purpose-built to guide energy and utility companies in these market shifts. Our experts work with clients to master these technologies – mobile, social network, analyses and Cloud – to transform their businesses into true energy services companies.
- **Financial Services (Banking, Capital Markets & Insurance):** Capgemini steers the digital and operational transformation of leading financial institutions. Focusing on open enterprises, data compliance, deep customer experience, and automation, Capgemini helps create scalable and flexible systems for our clients. We leverage the full breadth of Capgemini's expertise to create end-to-end solutions and invent, build and run the intelligent technologies specific to this sector's challenges. Using AI in particular, our solutions also help clients manage risks, ensure compliance with prevailing regulations and capitalize on the full potential of FinTechs.

- **Manufacturing:** to establish a position in a changing digital world, industrial companies must innovate rapidly, be close to their customers and radically improve their operating efficiency. To help them, we provide full end-to-end capabilities. Our extensive knowledge of the sector, combined with the expertise of our teams enable us to respond to client needs by building industry-specific, client-proven solutions that activate business-growth platforms. Pioneers in the Intelligent industry, we help our clients fully benefit from the roll-out of the Cloud, IoT, edge computing, artificial intelligence and 5G.
- **Public Sector:** the rapid pace of technological change and disruption deeply influences how governments, public workers, and administrations provide services to citizens around the world. Capgemini has extensive experience working with public organizations, agencies, and enterprises at every level to envision and implement proven solutions that both modernize and enable levels of efficiency and flexibility often only seen in business.
- **Telecommunications, Media & Technology:** the rapidly changing demands of a new generation of end-consumers are driving unprecedented disruption as companies strive to find ways of delivering immersive consumer experiences while they adapt to innovative and emerging technology platforms. From the growing importance of 5G for telecoms, to the evolving content consumption and distribution models for media and entertainment clients, to the speed of technological change for all players, Capgemini partners with clients to address the challenges they are facing in these industries.
- **Services:** the Services sector is changing exponentially, at a time when technological advances enable more personalized and efficient interactions with customers. Whether they operate in the transport and travel, engineering and construction, or more generally, the professional services sector, we build a comprehensive approach with our clients to support the digital transformation of their model and thereby offer services even better adapted to their customers' expectations.

1.1.6 Recognized achievements

Once again, Capgemini received in 2019 numerous awards and prizes from our technology partners, analysts, and independent bodies.

Partner prizes

Achieved AWS Industrial Software Competency status from Amazon Web Services

In September 2019, Capgemini achieved *Amazon Web Services Industrial Software Competency* status, differentiating Capgemini as an AWS Partner Network (APN) member that provides specialized demonstrated technical proficiency and proven customer success for workloads based on production design, helping customers run design and manufacturing entities without the need of their own data centers.

2019 SAP on Azure Partner of the Year, according to Microsoft

Capgemini was singled out as *2019 SAP on Azure Partner of the Year*, from among a global field of top Microsoft partners. The award was given for Capgemini's demonstration of excellence in innovation and implementation of customer solutions based on Microsoft technology. Capgemini helps clients to take advantage of the Microsoft platform and achieve business agility, security, cost savings, flexibility and availability.

EMEA Systems Integrator & Value-Added Reseller Partner of the Year 2019, according to MuleSoft

Capgemini was named *EMEA SI & VAR Partner of the Year* by MuleSoft, a provider of the leading platform for building application networks. The award was in recognition of Capgemini's EMEA market impact in 2018 and its contributions to empowering clients with expertise and best practices. Working together, MuleSoft and Capgemini deliver an on-premise, cloud and hybrid integration platform based on open-source API connectivity.

Pega Partner Award for Excellence in Growth and Delivery, from Pegasystems

For the eighth year in a row, Capgemini was handed the *2019 Pega Partner Award for Excellence in Growth and Delivery*. The unprecedented run demonstrates Pegasystems' ongoing recognition of Capgemini's ability to deliver business value to its clients. Capgemini and Pega have been working together for over a decade to transform the customer service and operations domains of their clients' IT landscapes, to drive business value both for them and their end customers.

Commerce Cloud Partner Trailblazer Award for B2C, from Salesforce

Capgemini was given the inaugural Commerce Cloud Partner Trailblazer Award for B2C by Salesforce. The award celebrates Salesforce's global partners who have designed, developed, and delivered outstanding digital experiences that drive conversion and return on investment.

Sogeti named Intel Partner of the Year for Digital Transformation Innovation 2019, according to Intel

Sogeti part of Capgemini was recognized by Intel as Partner of the Year, for our work deploying Intel technologies and solutions. The award was given for Sogeti's excellence in technology platform design and integrated solutions sales, marketing and training. The Partner of the Year is awarded to companies achieving the highest standards of design, development, integration and technology deployment to accelerate innovation.

Market analysts' awards

Leader for Advanced Digital Workplace Services, according to NelsonHall

NelsonHall's *Evaluation & Assessment Tool (NEAT) Report* named Capgemini as a leader in Advanced Digital Workplace Services, thanks to our ability to deliver immediate benefits for clients, as well as meet future client requirements. Capgemini's digital workplace services support our connected employee experience solution, including being able to connect team members with a physical office, and support services to provide a comprehensive user-experience.

Find here the press release:

<https://www.capgemini.com/fr-fr/wp-content/uploads/sites/2/2019/04/2019-04-03-Capgemini-NelsonHall-News-Alert-ADWS.pdf>

Leader in CRM and Customer Experience Implementation Services, according to Gartner

Capgemini was also named a leader in *Gartner's Magic Quadrant for CRM and Customer Experience Implementation Services, Worldwide*. The Magic Quadrant evaluated 18 full-service providers and recognized Capgemini's vision and ability to consistently execute projects with quality and transparency.

Find here the press release:

<https://www.capgemini.com/wp-content/uploads/2019/02/Gartner-MQ-for-CRM-CX-News-Alert.pdf>

Leader in Data and Analytics Service Providers, according to Gartner

Gartner recognized Capgemini as a leader in its *2019 Magic Quadrant for Data and Analytics Service Providers, Worldwide*, thanks to our 16,000-strong Data & Insights team. The Gartner Magic Quadrant evaluated 19 service providers for a broad range of services across a variety of data and analytics needs and awarded recognition for completeness of vision and ability to execute.

Find here the press release:

<https://www.capgemini.com/fr-fr/wp-content/uploads/sites/2/2019/02/Capgemini-Gartners-MQ-for-Data-and-Analytics-Service-Providers-News-Alert.pdf>

Leader in Engineering, Research and Development services, according to Zinnov

Capgemini was placed in the leadership zone in the *Zinnov Zones 2019 Engineering, Research and Development (ER&D)* report. The report provided a comprehensive overview of the ER&D market

and its evolving priorities, with a focus on digital engineering, evaluating around 40 service providers. Capgemini was recognized for our domain specialization, the maturity of our R&D practice, plus our innovation, customer spread and scalability.

Find here the press release:

<https://www.capgemini.com/fr-fr/wp-content/uploads/sites/2/2019/06/2019-06-07-Zinnov-ERD-services-News-Alert-1.pdf>

Leader in Global API Strategy and Delivery Service Providers, according to Forrester

The Forrester Wave: Global API Strategy and Delivery Service Providers, Q2 2019, identified and evaluated nine of the most significant API strategy and delivery service providers, and recognized Capgemini as a leader. The report called out Capgemini's strengths in application programming interface (API) design and build services, and our focus on API skills transfer, managed operations, and business technology vision.

Find here the press release:

<https://www.capgemini.com/wp-content/uploads/2019/06/2019-06-12-Capgemini-named-a-Leader-for-API-Strategy-by-Independent-Research-Firm.pdf>

Leader in Utility Services, according to two vendor assessments from IDC MarketScape

IDC MarketScape's vendor assessment model is designed to provide an overview of the competitive fitness of ICT suppliers in a given market. Capgemini was positioned as a leader in two separate assessments in 2019: *Worldwide Digital Transformation Service Providers for Utilities* and *Worldwide Professional Services Firms for Utilities Customer Experience*. The evaluations were based on a comprehensive and rigorous framework encompassing capabilities and strategy.

Find here the press release:

<https://www.capgemini.com/fr-fr/wp-content/uploads/sites/2/2019/09/2019-09-04-IDC-MarketScape-Utilities-1.pdf>

Other awards

One of the World's Most Ethical Companies®, by Ethisphere Institute

Capgemini was named, for the seventh consecutive year, one of the World's Most Ethical Companies® by the Ethisphere Institute, a world leader in promoting best practices in business ethics. This award is determined based on the Ethisphere Institute's Ethics Quotient® (EQ) methodology, which is used to evaluate business performance in a qualitative, objective, consistent and standardized manner. It reflects Capgemini's objective to adhere to the highest standards of ethics and integrity.

Named on the Climate Change 'A List', by CDP

Capgemini has been commended for its climate action in 2019, achieving a place on, global environmental impact non-profit, CDP's prestigious 'A List' for climate change. Capgemini's improved score recognizes the robust approach taken to manage climate-related risks, the huge progress the company has made in cutting its greenhouse gas emissions, and also the efforts made to engage with clients on the topic of carbon reduction and embed sustainable transformation into its services.

2019 Corporate Governance Awards, by AGEFI

Capgemini received an award in two categories, "Compliance" and "Composition of the Board", at the Annual Corporate Governance Awards held by AGEFI.

Governance Prize at the Annual General Meeting Grand Prix Ceremony

Capgemini was awarded the Governance Prize at the fourteenth edition of the Annual General Meeting Grand Prix Ceremony, organized during the Paris Europlace international forum. It received this prize for its remarkable Shareholders' Meeting practices and notably the quality and relevance of information presented on governance and the executive compensation policy.

Capgemini Research Institute recognized by Source Global Research

For the third year running, Capgemini, thanks to the Capgemini Research Institute, was classified the number one consulting and technology company by the independent analyst Source Global

Research. The Group was recognized for the excellences of its publications and the appeal of its research.

Artificial Intelligence Breakthrough award from Tech Breakthrough

Capgemini's Cash Collections Assistant won the *Artificial Intelligence Breakthrough* award from AI Breakthrough, part of Tech Breakthrough, a leading market intelligence and recognition platform. The AI-powered assistant is a human-like-voice collector, delivering a seamless humanized virtual agent experience. It is designed to perform courtesy or overdue calls to debt owners in 24 languages. The AI Breakthrough awards honor excellence and recognize innovation, hard work and success in a range of AI and machine learning-related categories.

1.2 Unique assets in a constantly changing market

1.2.1 Ecosystem of dynamic technology Partners

Capgemini is active in the global professional IT services market, which as defined by Gartner⁽¹⁾ grew by approximately 6% (constant currency) in 2019. The IT services market has a global value of approximately \$1 trillion. The worldwide IT services market is forecast to grow at a 5.7% (CAGR Compound Annual Growth Rate) in U.S. dollars through 2023:

- North America is the largest global market representing approximately 44% of worldwide activity at \$451 billion⁽²⁾;

- Western Europe is the second largest market representing approximately 27% of worldwide activity at \$273 billion;
- rest of Europe, Eurasia, Middle East and Africa, Asia Pacific and Latin America makes up the balance at \$306 billion.

The below table approximates Capgemini market sizing.

Capgemini Market	North America	France	United Kingdom and Ireland	Rest of Europe	Asia Pacific and Latin America
Size of market	\$451B	\$36B	\$81B	\$165B	\$275B
Top 5 Capgemini Competitors in Regional Market	Accenture, Cognizant, Deloitte, IBM and TCS	Accenture, Atos, CGI, IBM, Sopra Steria	Accenture, CGI, IBM, Infosys and TCS	Accenture, Deloitte, IBM, Tieto and TCS	Accenture, Cognizant, Deloitte, IBM and TCS

In the worldwide IT professional services market:

- the worldwide consulting market is worth nearly \$200 billion. In this cyclical market, Capgemini maintains strong market positions;

- the managed services and cloud infrastructure services continue to grow, with a \$420 billion global market. The system integration and outsourcing markets remain predictable, and activities are based on long term relationships with clients;
- Business Process Outsourcing continues to grow (\$160 billion).

1.2.2 Market trends

Capgemini sees a growing addressable market⁽³⁾ beyond the "traditional" Chief Information Officer (CIO) perimeter driven by the growth of digitalization across the enterprise, with spending on technology becoming increasingly collaborative by executives.

- The Chief Marketing Officer (CMO) whose spend on technology continues to increase notably due to the growth of digital marketing, which has become a key enabler for the CMO to deliver the "end-to-end customer experience" to their customers. The IT spend on digital marketing is largely incremental to the traditional IT budget. CMO marketing budgets are slightly reduced at 10.5% of revenues (*versus* 11.2% in 2018) and spend

on marketing technology remains strong (26% of budget). CMOs continue to prioritize customer experience and customer analytics.⁽⁴⁾

- The Chief Operating Officer (COO) and/or Manufacturing Executives control significant spend across operations and process. There is a growing focus on enabling more intelligent delivery models, through increased efficiency, intelligent production and ongoing product customization (to meet changing consumer demands). Here again the IT spend is largely incremental to the traditional IT budget.

(1) A global market analyst specializing in the IT sector.

(2) Source: *Gartner Forecast : IT Services, Worldwide, 2017-2023*, 4th quarter 2019 (updated).

(3) Source: *IDC Worldwide Semiannual IT Spending Guide - Line of Business - 1st semester 2018*.

(4) Source: *Gartner 2019-2020 CMO Spend Survey*.

Intelligent Industry

Intelligent Industry goes beyond Industry 4.0, applying digital technologies to connect the entire end-to-end industrial value chain from design, research & development, and engineering, through to production, operations, supply chain and support – realizing the inherent value of data within manufacturing and the wider industrial world.

What happens then?

- Products become smart: as data is embedded in the design of products, then how they are made, tested, serviced, and supported.
- Factories become smart: thanks to automation, Internet of Things (IoT), predictive maintenance, robotics, Virtual Reality, digital twins, remote monitoring, and simulation of production methods.
- Resource use becomes smart: allowing for optimization of the supply chain, delivery, stock, and increased customer satisfaction.

Manufacturing will move from being uni-directional (humans directing machines to produce goods, which are then sold to consumers) to being multi-directional, where consumers request goods straight from companies, manufacturing planning systems direct production (thanks to automation and Industrial IoT), and organize raw materials (through digital supply chains) and relevant logistics (*via* self-driving/robot warehousing) accordingly.

At the heart of this is the need for the enterprise to become data driven in all that it does.

Capgemini is well positioned to do this for clients, leveraging the power of data to deliver innovation, better customer experiences and new sources of value.

Across the market, there is an increase in new buying centers as digital transformation moves from the front-end customer experience to pervade wider enterprise operations. An indicator of this is the increased collegiality in buying behavior across the c-suite with the CIO operating in partnership with the CxO stakeholders. As the market continues to evolve and clients look to harness the benefits of new solutions with an emergence of new enterprise buyers, it is important to stay close to our clients' decision-makers, which now include marketing and operational executives, to meet their new needs. This reflects a buoyant and natural market position for Capgemini.

This disruption is underpinned by:

- digital transformation is now inherent across the enterprise and considered the new normal, consistently driving a new digital landscape for the enterprise based on the key foundations of CORE IT;
- the infusion of increasingly ubiquitous and transversal digital enablers (AI, deep learning, analytics, automation, DevOps, public, hybrid or sovereign cloud) while protecting from cyber-attacks;
- the speed of adoption of new technologies is changing business behavior as the new products and services become a major driver for companies' profitability, thus bringing CMO/CXOs to join the CIO (IT) in exploring and applying new technologies across the value chain. Therefore, CMO/CXOs have an increasing influence on technology spend.

1.2.3 A demanding competitive environment

Our global marketplace continues to evolve and we compete with a variety of organizations that offer solutions comparable to ours:

- Global Players (*e.g.* Accenture, IBM, TCS, Infosys);
- Consulting and Advisory Players (*e.g.* Deloitte, KPMG, PwC or EY);
- Regional and Boutique Players (*e.g.* EPAM, Sopra Steria or Tieto).

We also observe the continued evolution of Digital Agencies – *e.g.* Publicis Sapient or divisions of global players such as Accenture Interactive or Deloitte Digital.

Further, we see the continued growth of Engineering Research & Development spend within customers with the emergence of an addressable Digital Engineering market that increasingly looks to consume, integrate, deploy and secure new technologies across artificial intelligence, cloud, Internet of Things, cybersecurity, etc.

The main competitive factors that we believe exist in the marketplace are:

- ability to deliver – in both individuals and products;
- expertise – in business, technology as well as industry knowledge;
- innovation – through partner ecosystems, services and portfolio offers;
- reputation and integrity – in both testimonials and client references;
- value – in adding and improving business performance;
- pricing – in contractual terms and pricing;
- service and scope – in bringing the right people and products to clients;
- delivery – quality results on a timely basis;
- global reach and scale – in providing the right level of presence in key markets.

1.2.4 Ecosystem of partners

Capgemini has always forged strategic partnerships with high profile technology companies and with start-ups with specialist skills. The Group has always maintained an independent posture with partners so that we are free to select those that offer the best response to the expectations and challenges of Capgemini's clients on a case-by-case basis.

We have continued to accelerate joint initiatives with selected partners, to help clients manage and accelerate their digital transformation journey:

- **Cloud with Amazon Web Services (AWS):** we developed a range of market solutions that focuses on a cloud-first strategy that enables growth, innovation, cost-efficiency and business model disruption. In 2019 we expanded our strategic initiative to accelerate our North America market to further meet the needs of customers by focusing on mass application migrations, cloud native development, cloud application modernization, artificial intelligence (AI), machine learning (ML) and managed services. We plan to increase our AWS certifications by 7,700 to support this initiative.
- **Enterprise Portfolio Modernization with Microsoft:** The new Enterprise Portfolio Modernization (EPM) initiative includes several solutions to support Capgemini's Cloud and Application Development and Maintenance (ADMnext) portfolio of assets and services. EPM optimizes enterprise applications and enterprise ERPs (enterprise resource planning) and reaps the benefits of cloud economics to achieve new business speed and agility. This new initiative focuses on four key solutions based on Azure: Modernize and Migrate Legacy Applications, Data Centre Transformation, Develop Cloud-Native Applications and Migrate SAP applications to Azure.
- **Cloud native transformation with both IBM and Pivotal:** we help our customers accelerate their digital transformation by rapidly and efficiently creating, transforming and managing applications with cloud native delivery;
- **Field Service Lightning Accelerator with Salesforce** enhances and extends Field Service Lightning to address complex capital assets that require onsite corrective repair;
- **Fast Digital 4 Discrete Industries with SAP:** this suite of solutions deploys an agile methodology based on Capgemini's

highly successful digital transformation Framework, tailored for the discrete manufacturing industry (Industrial Machinery & Components (IM&C), Aerospace & Defense, High Tech and Automotive);

- **Cognitive IoT with IBM:** to be in line with the shift in the market towards cloud and digital, and the increasing explosively amount of data being generated through connected devices, there is a huge market demand to run smart analytics on this data to arrive at actionable intelligence. Our solution suite in alliance with IBM on cognitive IoT is a robust step forward in this direction.

In addition, Capgemini continued to build its innovation-centric emerging partner ecosystem from the relationships initiated since 2015. With over 200 participants covering AI & deep learning, analytics, AR/VR, cyber security, digital, and Fin-Tech technologies, Capgemini continues to maintain a flexible and forward-looking pattern of partnership evolution.

Through our global network of Applied Innovation Exchanges, our ecosystem of technology partners constantly work with clients to turn innovation into valuable, business-focused solutions at pace.

Capgemini has a global sales and delivery partner network with companies whose solutions are complementary to our own. Our unique expertise, in collaboration with our alliance partners' products and services, allows us to build new and valuable business solutions for our clients in less time and with a degree of accuracy not possible without this approach.

Our ecosystem of partners provides critical synergy and are crucial to our efforts to solve the toughest challenges for our clients, be it in new business model creation, new technology solution implementation, or progression into new global markets. Our alliances and partnerships are generally non-exclusive and can generate revenue from services we provide to implement their products, as well as resale of products.

Capgemini's global ecosystem includes the following partners:

- | | | |
|---------------------|--------------|--------------|
| — Adobe | — Intel | — SAP |
| — AWS | — Microsoft | — ServiceNow |
| — Dassault Systèmes | — Oracle | — Tenemos |
| — DELL | — Pega | — UiPath |
| — Google | — Pivotal | — VMware |
| — Guidewire | — PTC | — Workday |
| — IBM | — Salesforce | |

1.2.5 We continually communicate with our stakeholders

Dialog with different stakeholders is very important to Capgemini, including people, groups and organizations with which the Group shares a common objective: ensuring that the digital and technological transformation is a source of long-term and responsible performance, e.g. that it takes into account economic, social and environmental challenges.

Due to the very nature of Capgemini's four main businesses, dialog with stakeholders is established at three levels. It is built at Group level, the level of its organizational and local entities but also at the level of each employee. Our success depends on our ability to work constructively with each of our stakeholders. Their knowledge and innovative ideas fuel our discussions and allow us to better understand their needs.

For this purpose, the Group has defined and developed an *ad hoc* interaction method which it deems most efficient and appropriate with each of the players which it has grouped into 5 categories:

- **clients:** Clients, potential clients, our clients' ecosystem;
- **talents:** Employees, local and international work councils, candidates, our employees and alumni;
- **financial community:** Shareholders, banks, financial analysts, rating agencies, ESG indices (Environment Social & Governance);
- **business partners:** Alliances, suppliers, other partners, market leaders, professional or sector organizations, standardization organizations;
- **civil society and public authorities:** local communities, university institutions, opinion leaders, think tanks, local authorities, regulators, legislators including the European Union, Citizens, NGOs, media and international organizations.

Our external websites and social networks are priority channels for ongoing dialog with external stakeholders. We provide varied content to our communities on social networks to provide information to them and share our knowledge on Group business and expertise.

Deeply committed to the regions where it operates, the Group forms close relations with all stakeholders. The experience of this dialog also helps identify social, environmental or economic challenges and risks. The resulting benefits are improved prevention of risks and conflicts. They influence the Group's adaptation to sociological and technological changes within the company.

1.3 A strategy to support long-term growth

1.3.1 Value creation drivers

Capgemini is ideally positioned to capitalize on the growth opportunities of the worldwide consulting and IT professional services market, with the expertise to help our clients transform at scale.

A technology and innovation strategy at the core

We are proud of our expertise in new technologies: we understand their potential and the impact they will have on our clients' business activities. This outstanding expertise is essential in gaining our clients' trust and becoming their chosen transformation partner. We assess technology trends with our best global experts in domains including AI, blockchain, cloud, connectivity, cybersecurity, data, IoT, and immersive technologies.

We help enterprises navigate the compelling opportunities for business with TechnoVision, our annual technological guide to implement enterprise-ready technology in the complex systems of our clients.

Similarly, our Applied Innovation Exchange (AIE), a global network composed of 15 innovation labs, provides a controlled environment for organizations to immerse themselves in the understanding, experimentation, and application of emerging technologies.

Our partners, both business and technological, represent a strategic asset for Capgemini and our clients. By collaborating closely with our partners and through our deep understanding of our clients' business environments, we can create a competitive advantage and new business capabilities.

We constantly adapt our portfolio and strengthen our global presence

In 2018, we evolved our portfolio of offers towards digital and cloud, which are driving significant business and technological change at our clients. We are pursuing targeted acquisitions to reinforce our capabilities and accelerate the transformation of our portfolio of offers. In 2019, we reinforced our energy and utilities capabilities in Germany with the acquisition of KONEXUS Consulting, the leading strategy and management consultancy for the energy industry in the German market.

We continue to invest in cybersecurity as we see strong traction for our offers, geared towards securing our clients' infrastructure and systems. We completed the acquisition of Leidos Cyber, a leader in corporate security in North America. This addition to the Group

is in line with Capgemini's plans to strengthen further its expertise and portfolio of services in security, to help companies integrate cybersecurity into their broader growth initiatives and digital transformation efforts.

We are accelerating our efforts in artificial intelligence. We are developing and deploying AI-based and machine learning solutions for our clients, including top-tier investment banks, consumer products and automotive companies. In 2019, Capgemini launched Perform AI, a new portfolio of solutions and services to assist organizations in achieving and sustaining tangible business outcomes by building and operating enterprise-grade artificial intelligence at scale. We are also investing in our own AI-based platform to stay ahead of the curve and will expand on our solid community of more than 10,000 AI and automation professionals.

Our people as our best asset

Capgemini's spirit of conquest and passion for entrepreneurship on behalf of our clients have always been key for our employees. The women and men of Capgemini are proven experts in their fields and are our greatest strength. They are at the frontline of business transformation, driving our high-performance culture and providing our clients with cutting-edge services. Thanks to them, we are able to ensure high-quality deliverables and reach the most ambitious objectives. In 2019, we continued to invest in our people, attract and retain the best in the industry, and offer leadership opportunities to our diverse, emerging talents.

We work hand-in-hand with our clients to help them attain their objectives in terms of innovation, business development, effectiveness and we are passionate about our clients' challenges. Our conviction is that the purpose of a transformation program should not be digital for digital's sake. It should be driven by specific business needs and designed with the optimal architecture to best capture the value from innovation.

We partner with clients to drive end-to-end transformation enabled by our capabilities, which range from innovation, consulting, and systems integration to managed service operations.

Moreover, as a global strategic partner, we believe that in-depth industry knowledge is critical. We align our skills and expertise in seven key sectors to transform our clients' businesses. Our sectorial expertise is detailed in Section 1.1.5.

Our CSR Strategy

Our ambition is to be recognized globally as a leading responsible company, using our expertise for positive impact – we want to be **Architects of Positive Futures**.

Corporate Social Responsibility is a business imperative and is embedded as a core component of the Group business strategy. It focuses on 3 key pillars:

1. **Diversity and inclusion:** creating an inclusive and performing work environment where our people can thrive, regardless of their background (gender disability, sexual orientation, ethnicity, age...);
2. **Digital inclusion:** Making the digital revolution an opportunity for all, by reducing the digital divide and providing a bridge between technology and society;

3. **Environmental sustainability:** Minimizing our own business-related environmental impacts and providing support our clients on their sustainability challenges.

These three pillars are underpinned by employee engagement which is fundamental in order to translate this ambition into reality. We encourage our colleagues to play an active part in being *Architects of Positive Futures*.

Given the importance of CSR, our CSR governance comprises senior executives from across the Group, with sponsorship from the very top of our organization. The Group Executive Committee, the Group Executive Board and the Group Board of Directors are actively involved in the strategy and regularly review the progress made towards our targets.

OUR VALUE CREATION

TRENDS

Technology:
intelligent industry, data and artificial intelligence, cloud, edge computing, automation, cybersecurity, Internet of Things, 5G development

Work:
the talent race, importance of being aligned with the company's values, personalization of employee career paths and multiplicity of the way we work

OUR RESOURCES

Human

219,300 talented employees, seasoned specialists and young graduates, in **40+** countries
An average age of **33** within the Group
A broad diversity of profiles and expertise

Industrial

451 offices
25 data centers
10 Security Operations Centers

Intellectual (partnerships and co-innovation)

Strategic partnerships with technology and business leaders
Alliances with universities, schools, research centers, startups and recognized experts
The multi-award-winning Capgemini Research Institute

Financial

A strong balance sheet, with a net equity of **€8.4bn**
€1,288m free cash flow generation

OUR DRIVERS

Passionate and committed talents

Seven core values
A continuous entrepreneurial spirit
Ethical conduct at all times
CSR stakes at the heart of our decisions

Motivating development paths

The recruitment of the best talents
Recognized know-how in particular in the design and management of complex technological programs addressing business challenges
The development of tomorrow's skills
Regular training courses adapted to each employee

A global ecosystem of research and innovation

A global technology and innovation network, including **15** Applied Innovation Exchanges (AIE) to co-innovate with our clients
18 studies published by the Capgemini Research Institute in 2019
€160m cash invested in digital and innovation acquisitions

An agile organization

Global delivery model
Proven expertise in the allocation of talents and skillsets
Global Quality Management System
A hub of more than **110,000** employees in India

Figures at December 31, 2019



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

Economy:

the emergence of regional economic hubs and disruption to business models

The environment and society:

global warming, resource scarcity, demographic shifts, urbanization, the digital divide and increase of CSR criteria

OUR OFFER

FOR SUSTAINABLE GROWTH



↓
€14.1bn revenue

— Clients

4.1/5: client satisfaction level through regular assessment of our clients' expectations defined by contractual deliverables

A target of **10** million tons of CO₂ saved by 2030 by our clients thanks to our solutions

— Talents

€8,833m paid in gross wages and salaries, payroll taxes and benefits

29% of women amongst our promoted or hired Vice-Presidents

39 hours of training per employee

7.1/10: employee engagement score, as measured in monthly internal surveys

— Business and technology partners

€2,299m in purchase of goods and services with our suppliers

More than **50%** of our sales are made alongside our partners

— Society and public authorities

€502m income tax expense

191 social impact projects

74% of our social development projects are related to digital inclusion

— Shareholders and investors

An earnings per share of **€5.15** (up 18% on 2018)

€432m returned to shareholders (**€282m** dividend, **€150m** share buyback)

12.3% operating margin

1.3.2 An adapted investment policy

Since 2018 the Group continued on a Digital centric strategy with key acquisitions aiming at reinforcing Capgemini's leadership in Digital and Cloud. The Group announced in February 2018 the acquisition of LiquidHub, a recognized leader in digital client engagement with strong expertise in delivering solutions across the entire client lifecycle.

In early 2019 Capgemini completed both the acquisition of the commercial cybersecurity division of Leidos Corp, Leidos Cyber Inc, bringing key cybersecurity expertise to our North America practice and enhancing our portfolio and also the acquisition of KONEXUS Consulting, the leading strategy and management consultancy for the energy industry in the German market.

In mid-2019 Capgemini announced the intention to acquire Altran to create a global digital transformation leader for industrial and tech companies. The combination will create a unique combination of expertise to support the digital transformation of industrial companies – the market's most dynamic segment. This would enable Capgemini to take the lead in a very promising market segment what we call 'Intelligent Industry' or the digital transformation of industrial and tech companies.

Through 2020 the Group will continue to evaluate the market for opportunities to strengthen its positions across high-growth domains. These acquisitions will be possible thanks to the Group's very solid financial position and leading market positions.

1.3.3 Financing policy and financial rating

The Capgemini financing policy is intended to provide the Group with adequate financial flexibility and is based on the following main criteria:

- a moderate use of debt leveraging over the last ten years Capgemini has strived to maintain at all times a limited level of net debt including in the manner in which it finances its external growth;
- diversified financing sources adapted to the Group's financial profile: Capgemini bases its financing around "bank" sources (mainly a €750 million multi-currency syndicated credit facility undrawn at December 31, 2019 and a bridge loan secured as part of the Altran acquisition with an available, undrawn balance at December 31, 2019 of €4,400 million and market sources (€3,276 million in bonds in principal at December 31, 2019);
- a good level of liquidity and sustainable financial resources, which means:
 - maintaining an adequate level of available funds (€2 674 million at December 31, 2019), supplemented by a €750 million

multi-currency syndicated credit facility secured on July 30, 2014 and maturing on July 27, 2021,

- borrowings with maturities up to 2028, with only a limited portion falling due within 12 months (contractual cash flows within less than one year – see Note 22 to the consolidated financial statements) representing just 21% of total contractual cash flows at December 31, 2019,
- a bridge loan secured as part of the Altran acquisition with an available balance at December 31, 2019 of €4.4 billion. This bridge loan was signed on June 24, 2019 and has an initial term of one year, with two consecutive six-month extension options exercisable at Capgemini's initiative.

Financial rating

The Group's ability to access financial and banking markets and the cost of accessing such markets depend at least in part on the credit rating attributed by the rating agency Standard & Poor's. At March 1, 2020, Capgemini's credit rating was BBB/Stable.

1.3.4 Friendly tender offer for Altran Technologies

Capgemini launched a friendly tender offer for Altran Technologies, a global leader in Engineering and R&D services. The association and complementarity of these two groups' expertise will create a group with revenues of €17 billion and over 270,000 employees,

that aims to take leadership of the Intelligent Industry market, to serve the transformation of industrial and technology companies through digital technologies.

Impact of the acquisition of Altran Technologies on the main accounting results and the Capgemini consolidated financial statements

Based on the financial statements for the year ended December 31, 2019, before (i) any accounting standardization restatements, (ii) the fair value remeasurement of identifiable assets acquired and liabilities assumed, (iii) the impact on net finance costs of the

acquisition financing, and (iv) the impact of acquisition-related costs, the main combined financial data at December 31, 2019 is as follows:

	At December 31, 2019			
	Altran ⁽¹⁾	Capgemini	Acquisition financing ⁽²⁾	Capgemini+ Altran ⁽³⁾
Revenues (€ million)	3,217	14,125	n/a	17,342
Operating margin (€ million)	409	1,741	n/a	2,150
Operating margin rate	12.7%	12.3%	n/a	12.4%
Net profit (Group share)	144	856	n/a	1,000
Adjusted net income (Group share)	213	1,063	n/a	1,276
Average number of shares outstanding during the period	n/a	166,171,198	n/a	166,171,198
Basic earnings per share (€/share)				6.02
Adjusted net income per share (€/share)				7.68
Equity, Group share (€ million) (Capgemini)				8,424
Number of shares at December 31, 2019 (Capgemini)				169,345,499
Equity, Group share, per share (€/share)				49.74
Net debt	(1,280)	(600)	(3,315)	(5,195)

(1) Based on Altran financial information at December 31, 2019

(2) Based on the acquisition of the entire share capital of Altran, excluding costs and taxes. Excluding the financing of 29,378,319 Altran Technologies shares already held by Capgemini at December 31, 2019 and already included in Capgemini net debt.

(3) The combined financial data presented above is intended to illustrate, for information purposes only, the impacts of the acquisition and acquisition financing on a selection of balance sheet indicators at December 31, 2019 and the Income Statement for the year ended December 31, 2019, as if these transaction had taken place at December 31, 2019 for the balance sheet indicators and the number of shares and at January 1, 2019 for the Income Statement indicators. The impacts of acquisition financing on net finance costs and acquisition-related costs have been excluded. The above information does not represent proforma financial information. The combined financial information is presented exclusively for illustrative purposes and is not indicative of what would have been Capgemini's position or financial performance had the transactions been performed at December 31, 2019 and January 1, 2019, respectively. Similarly, the information is not indicative of the future financial position or results.

In the event of the acquisition by Capgemini of all Altran Technologies shares not yet held, provisional goodwill (difference between the acquisition price and the net assets of the Company per the financial statements for the year ended December 31, 2019, potentially

adjusted for accounting standardization restatements and the fair value remeasurement of identifiable assets acquired and liabilities assumed at the acquisition date) would be €4.3 billion.

1.4 An agile business organization

1.4.1 The main subsidiaries and a simplified Group organizational chart

The Group operates in more than forty countries and through subsidiaries – the main subsidiaries are listed in Note 32 to the consolidated financial statements.

The parent company, Capgemini SE, via its Board of Directors, defines the strategic objectives of the Group and ensures their implementation. In its role as a shareholder, Capgemini SE contributes, in particular, to the financing of its subsidiaries, either in the form of equity or loans. Finally, it makes its trademarks and methodologies available to its subsidiaries, notably "Deliver", and receives royalties in this respect.

Capgemini SE notably holds:

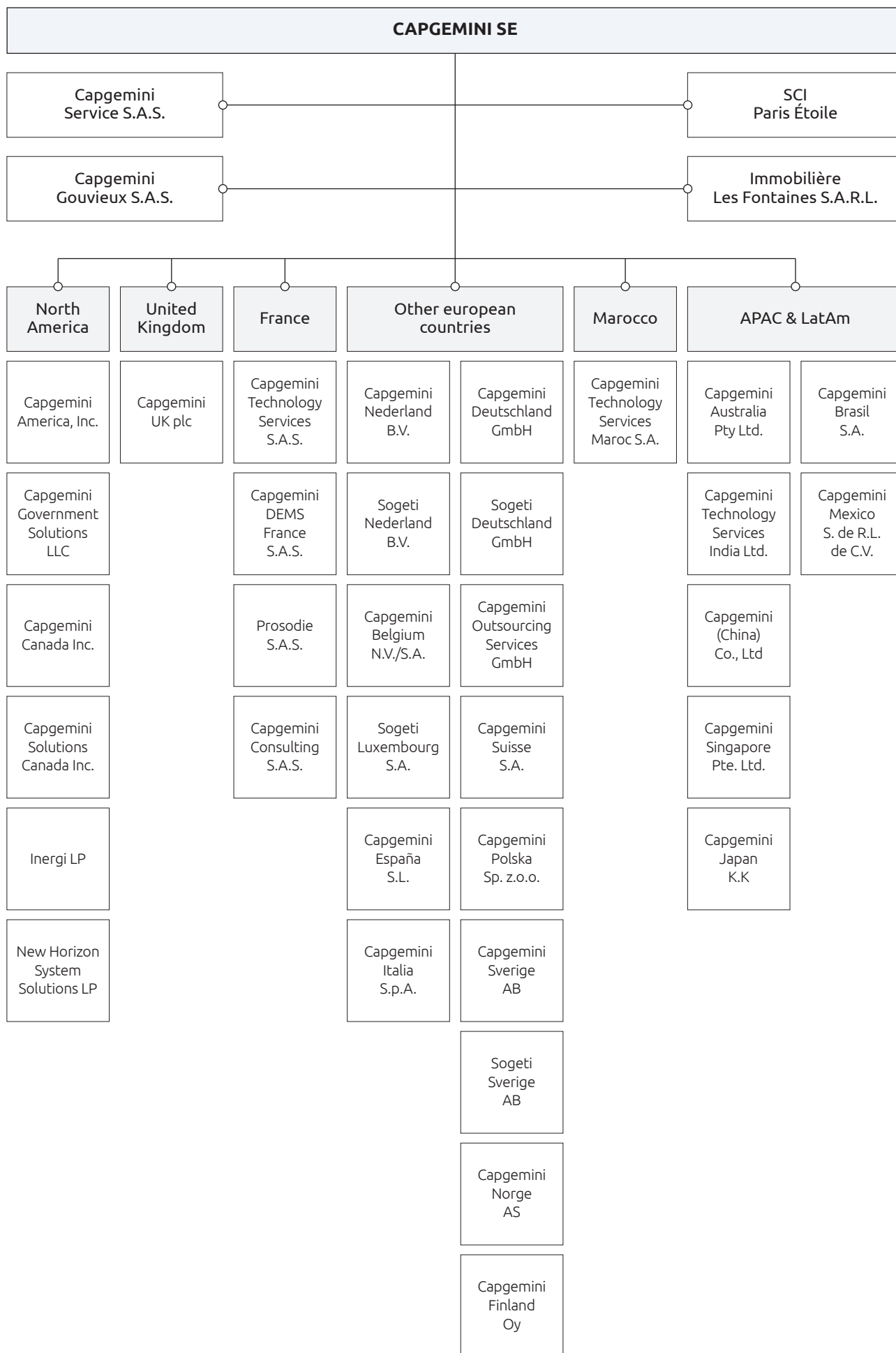
- the entire capital of an inter-company service company, Capgemini Service S.A.S.;
- the entire share capital of Capgemini Gouvieux S.A.S., which operates the campus Serge Kampf Les Fontaines, housing the Group's international training center;
- as well as operating subsidiaries held directly or indirectly via regional holding companies. The main operating subsidiaries are presented in the simplified organization chart below.

Finally, it is Group policy not to own its business premises, except in India where the significant growth and workforce concentration justify real estate property. The other Group subsidiaries rent their business premises from third-party lessors. There is no relationship between these lessors and the Group and its senior Executive Management.

The sole real estate assets owned by the Group are:

- a building owned by SCI Paris Étoile and housing Capgemini SE's headquarters, located at 11 rue de Tilsitt – 75017 Paris;
- the Group's international training center in Gouvieux owned by a real estate limited liability company Immobilière Les Fontaines; and
- nine campuses located in India (situated in Mumbai, Bangalore, Hyderabad, Chennai and Noida).

The organizational chart of the main operating subsidiaries (reporting revenue in excess of €50 million) and the Group's support and resource subsidiaries, directly or indirectly wholly-owned by Capgemini SE, with the exception of Capgemini Brasil S.A. (held 78.61%, representing 76.83% of voting rights) and Capgemini Technology Services India Ltd. (held 99.77%, representing 99.77% of voting rights) is presented below.



1.4.2 A client-focused organization

Capgemini remodeled its organization in 2018. Consistent and unified, it was redesigned to recognize client requirements, and adapted to markets where the Group operates. It draws on the full range of Capgemini's expertise and develops synergies between businesses, offerings and the geographical areas where the Group serves its clients.

Operating entities

At a global level, Capgemini is organized into major operating units (**Strategic Business Units** or SBU) to work closely with clients and respond to market developments. The Group is made up of three SBUs, two geographic and one sector:

- the **Europe SBU**;
- the **Americas and Asia Pacific SBU**;
- the **Global Financial Services SBU**.

These SBUs are themselves made up of Business Units (BU) which contain several Market Units (MU).

Operating Units

The **Business Units** deliver and grow the Capgemini offer portfolio with all clients in their market and in close collaboration with the Global Business Lines.

Market Units are responsible for client relations and sector strategies. They must promote, deliver and grow the Capgemini offer portfolio for Business Units. Market Units are sector based and coordinated at an international level.

- The Strategic Business Units are organized through 15 Business Units:
 - eight in the Europe SBU: France, Germany, Italy, the Netherlands, Scandinavia, Spain, United Kingdom, Europe Cluster;
 - three in the Americas and APAC SBU: North America, APAC, LatAm;
 - four in the Global Financial Services SBU: Banking, Insurance, Continental Europe, APAC.
- The most common Market Units are:
 - Consumer goods & Retail;
 - Energy & Utilities;
 - Financial Services;
 - Manufacturing;
 - Public Sector;
 - Telecoms, Media & Technology;
 - Services.

Some Market Units regroup at geographic level local technology services specialized in cloud, cybersecurity, quality assurance, testing and new technology fields. They operate under the brand Sogeti, part of Capgemini.

Entities responsible for the offer portfolio

Global Business Lines and **Application Business Lines** have responsibilities linked to the offer portfolio: managing offers, pre-sales and ensuring delivery quality. These entities must also ensure that Group deliverables are competitive and that they respond to excellence criteria and client requirements. Finally, they must develop talent and manage teams to ensure that the Group has the skills in markets which are mature, growing rapidly or emerging.

Global Business Lines are managed at a global level, and Application Business Lines are managed locally and coordinated globally.

Application Business Lines support Market Units with specific offers, expertise and skills. They help Capgemini to become a market leader and ensure that Group deliverables are competitive and that they respond to excellence criteria and client requirements.

The Group's Application Business Lines are as follows:

- Application Managed Services (AMS);
- Package-Based Services (PBS);
- Custom Software Development (CSD);
- Digital Customer Experience – DCX;
- Testing;
- Business & Technology Solutions – BTS;
- Business Lines specific to certain SBUs and BUs.

This list can be supplemented by specific Business Lines in some SBUs and BUs.

The **Global Business Lines** work closely with the Business Units, and specifically within them with the Market Units. They aim to develop and reinforce skills and expertise in the fields that will be key for Group growth in the coming years. The Group's Global Business Lines are as follows:

- Business Services (BS);
- Cloud infrastructure services (CIS);
- Insights & Data (I&D);
- Capgemini Invent brings together Capgemini expertise in the strategy, technology, data science and creative design fields to support major companies and organizations in creating new models and new products within the digital economy;
- DEMS (Digital Engineering and Manufacturing Services) which brings together Sogeti High Tech and Engineering Services and Products to draw on the Group's expertise in digital engineering while benefiting from the acceleration of its Digital Manufacturing activity.

The new Group organization reinforces synergies between Global Business Lines and Market Units. Thanks to this unified business approach, our clients benefit from a unique point of contact for all projects.

1.4.3 Innovation at the heart of our organization

The global network of Chief Technology & Innovation Officers

The Group Chief Technology Officer (CTO), assisted by the Chief Innovation Officer (CInO), leads a global network of Chief Technology and Innovation Officers (CTIO) who are responsible for implementing the Group Technology and Innovation strategy within their respective Strategic Business Units (SBU) or Global Business Lines (GBL), as well as developing a Group strategy for a dedicated technology or innovation domain. In some strategic regions, they are supported at a BU level by Applied Innovation Leaders (AIL). The Group's investment in this function meets the increased market demand for tech-driven business innovation; enabling clients to innovate and reinvent themselves over the long term.

Capgemini Applied Innovation Exchange (AIE)

The Applied Innovation Exchange (AIE) is Capgemini's global innovation platform focused on rewiring the client enterprise, to outmanoeuvre disruption, and create endurance through sustained application of innovation.

We have 15 AIE worldwide: Bordeaux (France), Grenoble (France), Lille (France), London (United Kingdom), Melbourne (Australia), Mumbai (India), Munich (Germany), New York (USA), Paris (France), San Francisco (USA), Singapore, Stockholm (Sweden), Toronto (Canada), Toulouse (France), and Utrecht (Netherlands). Through our comprehensive discipline and platform for applying innovation, clients can advance from a problem or opportunity statement and put them in context and experiment with them. They offer a unique setting to explore business solutions and to teach companies how to adopt innovation in a secure and sustainable manner (the right pace, the right scale and the right means). AIE are also networks to share experiences, which focus the capabilities of the Group. They rely on a global network of partners and startups to anticipate technological developments and major changes in practice.

They curate and enhance Capgemini's ability to both tackle the challenges of its clients' sectors and to select the emerging technologies best suited to each need. It also helps Capgemini become proficient at applying innovation. Clients can test the most innovative technologies to support their digital transformation: Internet of Things, artificial intelligence, data analysis, cloud, cybersecurity and cutting-edge IT.

Our AIE work as a network, and our clients can benefit from the global expertise of our centers, regardless of the region. To increase the ease of access and co-innovation opportunity with clients, Capgemini will open several more AIEs in 2020 including: Malmö (Sweden), Shenzhen (China), Milan (Italy), Hyderabad (India), and São Paulo (Brazil).

Capgemini Research Institute

Capgemini Research Institute is Capgemini's internal think tank. Thanks to a global network of experts, universities and partners in the technology sector, it is a recognized study and research center in the digital ecosystem.

With dedicated research centers in the United Kingdom, USA and India, each year the institute publishes various reports on major trends – particularly disruptive – in digital in digital, innovation and business transformation. Our institute's reports and studies are known particularly for their unique industry approach: for example,

the World Payments Report 2019 is the main source of data, trends and clarification on cashless payment at a global and regional level. The "Smart Factories @ Scale" report highlights the contribution of smart factories to global growth, mainly through increased productivity, improved quality and better customer service. The "Emotional intelligence – the essential skillset for the age of AI" report reveals that it is in companies' interest to invest in emotional intelligence, as these skills are increasingly sought after in the age of AI and automation.

The institute often works with major institutions, such as the Massachusetts Institute of Technology (MIT), and cooperates with leading startups across the world.

The Capgemini Research Institute was again ranked number one worldwide for the quality of its research by independent analyses (Source Global Research).

For a list of key reports and studies published in 2019, see Section 1.5.2.

Capgemini Centers of Excellence

Capgemini Centers of excellence are deployed within operational organizations, Business Lines and Global Business Lines. They are coordinated and controlled at a global level by Group Offer Leaders and more broadly by the Group Chief Portfolio Officer. They welcome experts, architects and solutioners to deploy offers with an assignment which encompasses four tasks.

1. Firstly, these centers must design and create selected offers in their market with the GBLs and Business Lines. This involves creating and deploying offers ready to be marketed with the support of a Capgemini partner ecosystem.
2. The Centers of Excellence support Business Units (BU) and Market Units (MU) during the offer pre-sales phase. They help sales teams to identify and qualify possible opportunities on markets and they prepare their proposals for clients.
3. They are responsible for Business Development actions with key accounts, analysts and advisors to present our service offers. They also work with the Marketing team to present our position and our vision for different communication channels.
4. They contribute to the success of our projects by providing the correct level of expertise for the most recent technologies and services.

A global ecosystem of leading technology partners and specialized startups

To keep at the forefront of technology, Capgemini forms strategic partnerships with renowned companies – from major international groups to startups. With them, the Group creates new offers and creates synergies to respond to the most demanding challenges, whether to design new business models, improve performance levels through automation, or conquer new markets.

This global ecosystem, which seeks to bring together leading experts in their fields, offers a new perspective on technology and digital trends. It encourages experimentation and the design of innovative offers, taking into account a unique industry approach.

For more information about the technology partner ecosystem, please read Section 1.2.4 of this document.

1.5 Good performance in 2019

Capgemini recorded a good performance in 2018, reflecting its ability to create value for its clients and capture the demand fueled by their transformation.

1.5.1 Major contracts won in 2019

Bookings totaled €15,138 million in 2019, an increase of 13% at constant exchange rates year-on-year compared to 2018. Our clients trust us to support them in their digital transformation, creation of new business models, consolidation of operational efficiency, and their capacity to innovate. Below are some examples of key contracts signed with our clients in 2019.

Airbus (Europe)

Capgemini is one of the first business partners of Airbus' Skywise digital platform. The objective is to develop and propose data services to airlines. More than 80 airlines are already connected. Signed for a duration of 18 months, this global partnership is the culmination of more than two years of close collaboration between Airbus and Capgemini. To ensure the deployment of the offerings associated with the platform, Capgemini has 300 trained experts operating around the world.

Skywise is based on a data lake hosted in the cloud, that allows airlines and other aeronautics players to store and use their data. The platform makes it possible to manage a fleet of aircraft over its entire lifespan (operation and maintenance) and to maximize availability to increase performance.

BAE Systems Maritime-Submarines (United Kingdom)

Capgemini signed a new five-year IT services contract with BAE Systems Maritime-Submarines, a defense, security, and aerospace specialist. Capgemini will provide a broad spectrum of IT services, including IT orchestration, networking, hosting, end-user computing, DevOps, reporting and analytics, automation, and a digital service desk. Objectives: take full advantage of innovative digital technologies in the sector, create better user experiences, ensure high service availability, and reduce the cost of IT. Capgemini will notably be responsible for enhancing the responsiveness of the IT service, and the effectiveness and agility of the delivery model, as well as supporting an increasingly mobile workforce.

Bayer AG (Germany)

Capgemini signed a new 6-year contract worth over €1 billion with Bayer AG, strengthening its partnership with the German global group with core competencies in the life science fields of health care and agriculture. This project aims to transform the IT landscape and to accelerate the digitalization of the organization. Capgemini will deliver a wide range of services, notably aimed at the transformation of the group's IT infrastructure Cloud and its Enterprise Resource Planning (ERP) and Business Intelligence/Analytics environments, as well as the Service Integration of Bayer's entire new supplier eco-system.

Celcom (Malaysia)

Capgemini successfully implemented new front-end digital channels for Celcom, the number one mobile operator in Malaysia, driving an increase in online revenues of over 60%. Initiatives led by Capgemini have resulted in more than 1.6 million new unique users per month for Celcom's mobile applications and a 13% increase in its Net Promoter Score Through simplifying processes, streamlining

working methods and agile ways of working, the new sales channels provide an improved online customer experience, better in-store efficiency and optimized internal processes. During the next five years, digital transformation will help Celcom to further increase its online sales and deliver hyper-targeted offers to its customers, with expected savings of approximately \$6 million.

European Commission (Europe)

Capgemini will coordinate the Phoenix cybersecurity project for the European Commission. The aim of this project is to strengthen the system that protects energy activities in Europe, and notably electricity systems and networks. Capgemini will participate by implementing a data protection program which includes constant monitoring for attacks. Coordinated by Capgemini, Phoenix is based on a consortium of 24 partners from 10 European Union member States and associated countries. Major European players in the fields of energy, public services and science provide active contributions to this program, which runs until the summer of 2022.

HMRC (Her Majesty's Revenue and Customs) (United Kingdom)

Capgemini signed a two-year extension to its existing contract with Her Majesty's Revenue and Customs (HMRC) in the UK. Capgemini will continue as a strategic supplier until June 2022, primarily providing data management, digital and cloud technologies and applications management services. Capgemini will also support HMRC in its strategic transformation programs and in growing HMRC's own IT capability. This extension builds on a successful 15-year partnership between the two organizations, which has been instrumental in the delivery of services that underpin the collection of UK tax revenues.

Imerys (France)

Imerys, the world leader in mineral-based specialty solutions for a wide range of industries, has selected Capgemini to support its digital transformation. Capgemini will implement a platform with the capacity to integrate the group's various functions and Business Areas. This unique platform is based on an intelligent Enterprise Resource Planning (ERP) solution, SAP S/4HANA®. Imerys aims to accelerate its digital transformation after an external growth phase and thereby support its growth while improving profitability.

Louisiana Pacific (USA)

Capgemini supports Louisiana Pacific's (LP) innovation strategy and IT transformation and, in just four months, migrated its SAP landscapes from a data center environment to Amazon Web Services (AWS). A leading building solutions company, LP is counting on the AWS environment to help it to easily scale production with demand, operate more efficiently and better serve its customers, while saving \$5 million over five years. LP has already seen improvement in application performance by nearly 20%. Potential use cases include outfitting their factories for real-time insights to more accurately track their logistics and swiftly identify and address challenges along the value chain. This project is part of a broader five-year, \$11 million agreement with LP that was signed in July 2017.

TIM Brasil (Brazil)

Capgemini has been chosen by telecommunications operator TIM Brasil, the Brazilian subsidiary of Telecom Italia, to foster artificial intelligence (AI) and RPA (Robotic Process Automation) innovation projects through a new contract focused on cognitive use case designs. Capgemini was selected for its deep expertise in telecom services and understanding of the business and culture of the Brazilian market, key attributes that enabled the creation of a fully tailored solution to meet TIM Brasil's needs and promote the adoption of AI technologies at the heart of the company's business model.

Valmet (Finland)

Capgemini signed a multi-year strategy partnership with Valmet, a leading global developer and supplier of process technologies, automation and services for the pulp, paper and energy industries. Capgemini was selected due to its innovation and automation focus, strong global delivery capabilities and close partnerships with key technology vendors. Capgemini's global capabilities will contribute to reducing Valmet's IT costs and improving operational efficiency through increased industrialization and consolidation of IT services and platforms. Part of Valmet's internal IT services team will transfer to Capgemini, which will manage and develop Valmet's extensive IT landscape, including integrated management suites (ERP).

Vår Energi (Norway)

Capgemini signed a new contract with Vår Energi, the largest, independent oil and gas exploration and production company on the Norwegian continental shelf. Capgemini will conduct a large transformation program, including delivery of Digital services, to help Vår Energi accelerate its digital transformation to achieve its revenue objectives. Digital solutions will be deployed across Vår Energi's entire operations to enhance safety, improve performance and optimize ways of working.

Volvo Cars (Scandinavia)

Capgemini consolidated its partnership with Volvo Cars with the signature of a new three-year Master Services Agreement. The Group will help the premium car brand digitally transform its operating model and modernize its IT landscape. Capgemini was selected, following a competitive tender process, for its ability to enable large and complex transformations and its global expertise within both business and IT environments. The Group's proven track record for delivering digital transformation solutions to reputed car manufacturers also weighed heavily in Capgemini's favor.

1.5.2 Recognized publications

To help our clients to analyze major trends in markets, interpret the impact of new technologies on their business and anticipate challenges, the Capgemini Research Institute publishes various reports and themed studies each year.

Discover a selection of reports published in 2019 and find all Group publications at: www.capgemini.com/research-institute

Skills and employees

Agile at Scale: four recommendations to gain enterprise-wide agility

The report reveals that a "Big Bang" approach is ineffective for companies wishing to deploy "Agile" on a large scale, as each organization has its own learning curve, culture, talents and appetite for risk. Organizations are also often confronted with technical, commercial and leadership obstacles. It is therefore essential to draw on the experience of "Agile" pioneers, to encourage experimentation, learning and adaptability to changing conditions.

Cybersecurity

Artificial intelligence in cybersecurity

According to the "Reinventing Cybersecurity with artificial intelligence: the new frontier in digital security" report, the number of connected devices, networks and user interfaces is constantly increasing in line with technological advances. Companies are therefore stepping-up the pace of investment in artificial intelligence systems to protect against the next generation of cyber-attacks.

Digital Manufacturing

Smart Factories @ scale

The "Smart Factories @ Scale" report surveyed over one thousand managers from manufacturing companies across 13 countries. It reveals that smart factories could contribute at least \$1,500 billion to global growth through increased productivity, improved quality, better customer service and resulting higher market share.

Digital client experience

Automobile: in-car voice assistants

The "Voice on the go: How can auto manufacturers provide a superior in-car voice experience" report looks at growing consumer adoption of the in-car voice experience and their expectations. While 95% of drivers will be using a voice assistant in the next three years, automotive companies must further improve the user experience and address data privacy and security concerns.

The last-mile delivery challenge

Nearly 3 in 4 customers would be more willing to choose retailers offering a good "last mile" delivery experience – the final leg of the online purchase journey before a product lands in the customer's hands "The last-mile delivery challenge" report presents recommendations on how food retailers can adapt to their customers' needs during this crucial stage.

World Insurance Report 2019

According to the World Insurance Report 2019 published by Capgemini and Efma (European Financial Management Association), policyholders are increasingly concerned they are inadequately covered for emerging risks, such as cyber security risks and environmental threats. Insurance companies are less well prepared for change than their customers and must use technology and forge partnerships to become more proactive with their policyholders.

World Payments Report 2019

With non-cash transactions booming globally, and particularly in emerging markets, and as competition intensifies, many banks are still reticent to adopt Open Banking through data sharing, partnerships and open platforms. Banks view implementing an open application programming interface as more of a regulatory compliance issue than a true growth opportunity.

Innovation

5G revolution: what is the potential for manufacturers and telecom operators?

Manufacturers are ready to adopt 5G as soon as it is available, while telecom operators consider they need at least three years to deploy all its functionalities. To leverage its full potential, manufacturers and telecom operators must work more closely together, to identify the areas where 5G can be a source of value in the short- and long-term and jointly build the methods that will promote its development and widespread adoption.

World FinTech Report 2019

While Open Banking is not yet fully adopted, the Financial Services sector is entering a new innovation phase, Open X, a more efficient and structured way of collaborating. Banks and other players in the Financial Services ecosystem must get ready and adapt their business models accordingly.

World Insurtech Report 2019

According to the *World InsurTech Report 2019* published by Capgemini and Efma, insurers must rethink their approach and work with InsurTechs to meet growing customer expectations for additional and customized services and flexible offers in this rapidly evolving sector.

World Retail Banking Report 2019

Banks are struggling to offer a customer experience that meets expectations for more comprehensive and customized services, according to the *World Retail Banking Report 2019* published by Capgemini and Efma. The report recommends that banks move from Open Banking to Open X, while forging partnerships with new FinTech and other business sector players, to supplement their product portfolios, improve their service offer and stimulate sales.

Artificial intelligence and automation

Accelerating Automotive's AI Transformation

The report, "Accelerating Automotive's AI Transformation: How Driving AI Enterprise-wide can turbo-charge organizational value" surveyed 500 executives from large automotive organizations in eight countries and interviewed a number of industry experts and entrepreneurs. It shows AI is viewed very positively in the sector and estimates the large-scale deployment of AI projects could boost operating income by up to 16%.

Ethics of artificial intelligence

According to the report, "Why addressing ethical questions in AI will benefit organizations", 62% of consumers surveyed said they would place higher trust in a company whose AI interactions they perceived as ethical. To win the public's trust and safeguard their brand image, organizations must therefore implement concrete measures at all levels to develop an ethical AI strategy.

Conversations: Towards Ethical AI

The "Conversations: Towards Ethical AI" report presents the insights of industry leaders on ethical and transparency issues raised by the generalization of artificial intelligence, and the role of regulation in this field.

Emotional intelligence: the essential skillset for the age of AI and automation

Companies making a sustained investment in emotional intelligence (EI) will see between a 2.2x and 4.4x return-on-investment when the impact on revenues, productivity, costs and attrition are taken into account, according to the report, "Emotional intelligence – the essential skillset for the age of AI". The report recommends companies prioritize EI in their recruitment, training and culture.

Intelligent Automation in Energy and Utilities

The report, "Intelligent Automation in Energy and Utilities: The next digital waves", highlights the technological and cultural changes and increased competition that are putting considerable strain on the traditional business models of energy companies and utilities. Automation and AI will be key to them attaining their climate objectives and meeting the growing demand for reliable and cheap, clean energy.

Autonomous vehicles

"The autonomous car: A consumer perspective" report surveyed 5,500 consumers and 280 executives of leading organizations, to explore consumer interest in autonomous cars, obtain a deep understanding of their expectations of these cars, assess car manufacturer investment in autonomous cars and examine the areas where they may diverge from consumer expectations.

GDPR

Compliance as a source of competitive advantage

More than a year after the entry into effect of the GDPR, the report, "Championing Data Protection and Privacy – a Source of Competitive Advantage in the Digital Century", reveals that companies are complying more slowly than expected with the new legislation, held back by the complexity of regulatory requirements, implementation costs and a lack of flexibility in their current systems. However, more than 81% of organizations that claim they are compliant report a positive impact on their reputation and brand image.

Digital transformation

Digital mastery in Financial Services

Banks and insurers must develop new value propositions to remain competitive and prosperous, focusing on leadership and digital capabilities. According to the report, "Where are banks and insurers on their digital mastery journey?", sector good practices notably include improving the customer experience and adopting collaborative, innovative and agile operating models.

A successful digital transformation

For the *Digital Transformation Review's* 12th edition, Capgemini interviewed a range of digital leaders from large organizations to gain first-hand perspectives on the key capabilities and characteristics required to succeed in a fast-evolving digital world.

1.5.3 Consolidated financial statements

<i>(in millions of euros)</i>	2015 reported ⁽¹⁾	2016 reported ⁽¹⁾	2017 restated ⁽¹⁾	2018	2019**
Revenues	11,915	12,539	12,525	13,197	14,125
Operating expenses	(10,653)	(11,099)	(11,032)	(11,600)	(12,384)
Operating margin*	1,262	1,440	1,493	1,597	1,741
<i>% of revenues</i>	10.6%	11.5%	11.9%	12.1%	12.3%
Operating profit	1,022	1,148	1,183	1,251	1,433
<i>% of revenues</i>	8.6%	9.2%	9.4%	9.5%	10.1%
Profit for the period attributable to owners of the Company	⁽²⁾ 1,124	⁽³⁾ 921	820	730	856
<i>% of revenues</i>	9.4%	7.3%	6.6%	5.5%	6.0%
Earnings per share					
<i>Average number of shares outstanding during the period</i>	168,452,917	169,450,721	168,057,561	167,088,363	166,171,198
Basic earnings per share <i>(in euros)</i>	6.67	5.44	4.88	4.37	5.15
Normalized earnings per share* <i>(in euros)</i>	⁽²⁾ 7.67	⁽³⁾ 6.69	6,22	⁽⁴⁾ 6.06	⁽⁴⁾ 6.76
Dividend per share for the year <i>(in euros)</i>	1.35	1.55	1.70	1.70	⁽⁵⁾ 1.90
Goodwill at December 31	7,055	7,176	6,830	7,431	7,662
Equity attributable to owners of the Company at December 31	6,887	7,272	6,956	7,480	8,424
(Net debt)/net cash and cash equivalents* at December 31	(1,767)	(1,413)	(1,209)	(1,184)	(600)
Organic free cash flow* at December 31	815	1,071	1,080	1,160	1,288
Average number of employees	161,268	185,593	196,755	204,904	216,104
Number of employees at December 31	180,639	193,077	199,698	211,313	219,314

(1) Only 2017 figures have been restated for the retrospective application of IFRS 15, Revenue from contracts with customers.

(2) Including the remeasurement of deferred tax assets on US tax loss carry-forwards in the amount of €476 million.

(3) Including tax income (net) of €180 million in respect of goodwill arising on legal restructurings.

(4) Excluding tax expense of €53 million in 2018 and €60 million in 2019 due to the transitional impact of the US tax reform.

(5) Subject to approval by the Shareholders' Meeting of May 20, 2020.

* The alternative performance measures monitored by the Group (operating margin, normalized earnings per share, net debt/net cash and cash equivalents and organic free cash flow) are defined in Note 3 – Alternative performance measures and broken down in Note 11 – Earnings per share, Note 22 – Net debt/net cash and cash equivalents and Note 23 – Cash flows.

** 2019 figures reflect the application of IFRS 16, Leases, using the modified retrospective method, (see Note 1 – Accounting Basis).

1.5.4 Non-financial achievements

KPIS	2017 value	2018 value	2019 value
Average total headcounts	196,755	204,904	219,300
Number of people hired across the Group	52,299	61,752	63,728
Share of women in the workforce (%)	31.4	31.9	33
Proportion of women in vice president inflow (internal promotions and external hires for VP positions) (%)	18.4	24	29.1
Total number of training hours (<i>millions of hours</i>)	8.7	8.8	8.5
Alignment of Social Impact projects towards Digital Inclusion (%)	N/A (New KPI)	64	74
Reduction of carbon emissions per employee compared to 2015 baseline (%)	15	20.4	29.3
Share of operations by headcounts covered by ISO 14001 environmental management certification (%)	82	87	91.5
Total energy use reduction compared to 2015 baseline (%)	10	17.5	19.5
Number of employees in face-to-face briefings, business challenges, workshops or training on sustainability	N/A (New KPI)	1,500+	2,250+



2.

Corporate Governance

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BENCHMARK CORPORATE GOVERNANCE CODE AND BOARD OF DIRECTORS' REPORT ON CORPORATE GOVERNANCE

The Board of Directors' report on Corporate Governance was prepared pursuant to:

- the provisions set out in the last paragraph of Article L. 225-37 and Article L. 225-37-4 of the French Commercial Code (*Code de commerce*);
- the recommendations set out in the "Corporate Governance Code" issued jointly by AFEP and MEDEF (French private business associations) in December 2008 (recommendations immediately adopted by our Board of Directors as a benchmark) and most recently revised in January 2020 and its application guidelines;
- as well as the rules of good governance, adopted, applied and complied with continuously by the Capgemini group since the closing of its first fiscal year on December 31, 1968 (*i.e.* more than 50 years ago!).

This report was approved by the Board of Directors on February 12 and March 11, 2020, following its review by the Compensation Committee and the Ethics & Governance Committee.

A detailed Cross-Reference Table is presented for the Corporate Governance report in Section 9.3 of the Universal Registration Document (Cross-Reference Table for the management report). Most of the information is presented in Chapter 2.

Under the "Comply or Explain" rule provided for in Article L. 225-37-4 8° of the French Commercial Code and stipulated in Article 27.1 of the AFEP-MEDEF Corporate Governance Code for listed companies revised in January 2020, the Company considers that its practices comply fully with the recommendations of the AFEP-MEDEF Code.

The most recent version of the AFEP-MEDEF Code updated in January 2020 and its application guidance may be consulted at www.afep.com and www.medef.com.

2.1 Company management and administration

2.1.1 History

The Capgemini group was founded over 50 years ago in 1967 by Mr. Serge Kampf, who was still Honorary Chairman and Vice-Chairman at the time of his death on March 15, 2016. Capgemini was marked by his quite exceptional personality. He was an exceptional entrepreneur and a captain of industry the likes of which are rarely seen. In 1967, he was among the first to understand the role of an IT services company. He had taken the Group to the top of its sector when he handed Mr. Paul Hermelin the Executive Management of the Group in 2002, followed by the Chair of the Board in 2012. He built the Group based on principles that still apply today: a spirit of enterprise, a passion for clients, an obsession to help employees grow, ethical conduct at all times and performance at its best.

The story of this half-century can be split into five major periods:

— period one (1967-1996): 29 years of independence

Sogeti was created in Grenoble in October 1967 as a “traditional” limited liability company, managed nearly 30 years by the same Chairman and Chief Executive Officer, Mr. Serge Kampf, its founder and the uncontested leader of a brilliant team of managers that he formed around him and never ceased to promote. Fully conscious that the Group – if it were to attain the increasingly ambitious objectives that he set each year – could not restrict much longer its financial capacities to those of its founding Chairman, Mr. Serge Kampf finally accepted in January 1996 under friendly pressure from the two other “main” shareholders (CGIP, a partner since 1988 and Daimler Benz, shareholder since 1991):

- to propose to the Shareholders’ Meeting of May 24, 1996 the merger-absorption within Capgemini of the two holding companies that had until then enabled him to retain majority control;
- to participate (personally in the amount of FRF 300 million) in a share capital increase of FRF 2.1 billion, with the balance subscribed in equal parts (FRF 900 million) by Daimler and CGIP;
- and finally to transfer the head office from Grenoble to Paris.

In May 1996, at the end of this initial period, the Group had 25,000 employees (7,000 in France, nearly 4,000 in the United States, some 12,000 in the triangle formed by the UK, Benelux and the Nordic countries and around 2,000 across approximately 10 other countries) – a 625-fold increase on its initial headcount! – and reported annual revenues of approximately FRF 13 billion (€2 billion), *i.e. per capita* revenues of around FRF 520,000 (€80,000).

— period two (1996-2002): a changing shareholding structure

On May 24, 1996, as announced in January to key Group managers, Mr. Serge Kampf presented his proposals to the Shareholders’ Meeting which adopted them with a large majority. Just after, a two-tier structure – more familiar to the German shareholder than the French *société anonyme* – was introduced for a four-year period, with Mr. Serge Kampf as Chairman of the Management Board and Mr. Klaus Mangold (Daimler-Benz) as Chairman of the Supervisory Board. One year later, following Daimler-Benz’s decision to refocus on its core businesses (a decision confirmed soon after by the spectacular takeover of Chrysler), this latter was replaced by Mr. Ernest-Antoine Seillière, Chairman of CGIP (now the principal shareholder of the Group, with 30% of the share capital). At the end of this four-year period, the Shareholders’ Meeting of May 23, 2000 held to approve the 1999 financial statements decided not to renew this two-tier governance structure and to reinstate Mr. Serge Kampf in his duties as Chairman and Chief Executive Officer and to create at his request a position of general manager, which had never really existed within the Group. The first holder of this position was Mr. Geoff Unwin, already considered to be the Group’s number two within the Management Board.

At the end of the 1990s, having recovered its independence, Capgemini benefited fully from the euphoria generated by the “internet bubble”, the Year 2000 and the birth of the Euro. The Group had great ambitions. A major milestone was reached in 2000 with the acquisition of Ernst & Young Consulting, making Capgemini the new global leader in its sector and consolidating its positions in the United States. However, the Group was hit hard by the 2001 economic crisis triggered by the burst of the internet bubble and difficulties integrating Ernst & Young Consulting.

In December 2001, after a difficult year whose disappointing results only confirmed the threat of recession hanging over the global economy at that time, the Group had 55,000 employees and reported annual revenues of around €7 billion, *i.e. per capita* revenues of approximately €125,000, more than 50% above that of the first period but merely the reflection of the incorporation in the headcount in May 2000 of 16,643 consultants from Ernst & Young.

Taking note of the decision made – and confirmed – by Mr. Geoff Unwin to retire in the near future, the Board of Directors decided, at the recommendation of its Chairman, to appoint as his replacement Mr. Paul Hermelin, who became Group general manager alongside Mr. Serge Kampf, Chairman and Chief Executive Officer, on January 1, 2002.

— period three (2002-2012): a well-prepared transfer of power

On July 24, 2002, Mr. Serge Kampf took the initiative to recommend to the Board of Directors – which accepted – to split the functions of Chairman and Chief Executive Officer, as recently made possible by the New Economic Regulations Law (NRE). He considered that after creating, expanding, leading and managing the Group for 35 years, the time had come for him to give more power and visibility to the person he considered the best qualified to succeed him one day. This two-man team operated efficiently and in harmony for 10 years, although, according to Mr. Serge Kampf, this was due more to the relationship of trust, friendship and mutual respect between the two individuals than what the NRE says regarding the respective roles, powers and responsibilities of the Chairman and the Chief Executive Officer.

Despite the heavy storm which battered the Group during the first four years of this period, the Group invested considerable sums in major restructuring operations, the most obvious outcome of which was the reinvigoration of all Group companies: for example, at the end of 2011, the Group had 120,000 employees (compared with 55,000 employees 10 years previously) and reported revenues of €10 billion compared with €7 billion in 2001.

— period four (2012 to 2016): a new dimension for the Group

On April 4, 2012, as he had already implied two years previously on the renewal of his term of office, Mr. Serge Kampf informed directors that “after having enjoyed the benefits of separation for 10 years” he had decided to place this office back in the hands of the Board of Directors. He recommended a return at this time to the “standard” method of governance (that of a company in which the duties of Chairman and Chief Executive Officer are exercised by the same individual) and the appointment as Chairman and Chief Executive Officer of the current Chief Executive Officer, Mr. Paul Hermelin, who had widely demonstrated, throughout a “probationary period” of a rather exceptional length, his ability to hold this role.

At its meeting of April 4, 2012, the Board followed these recommendations and solemnly conferred on Mr. Serge Kampf the title of “Honorary Chairman” and function of Vice-Chairman, which he retained until his death on March 15, 2016. At the Shareholders’ Meeting of May 24, 2012, Mr. Serge Kampf passed the torch to Mr. Paul Hermelin, who became Chairman and Chief Executive Officer of Capgemini. “The Group is assured to continue its great story”, emphasized its founder at this time. The Shareholders’ Meeting gave a standing ovation in honor of Mr. Serge Kampf’s immense contribution to the development and reputation of the Company. Since the appointment of Mr. Paul Hermelin as Chief Executive Officer in 2002 and then as Chairman and Chief Executive Officer in 2012, and the return to growth in 2004, the Group has set a course for new horizons. Firstly geographic, with expansion in India, the keystone of the Group’s industrialization process. Two major milestones were reached with the acquisition of Kanbay in 2007 followed by IGATE in 2015, both US Financial Services specialists with a strong presence in India. The Group also expanded in Brazil, taking control of CPM Braxis in 2010, a leading Brazilian player. These new horizons are also technological. The Group launched new offerings integrating major changes such as Cloud computing, Digital and big data and meeting cyber security challenges.

— **period five (2017 to this day): continued growth and preparation of the management transition**

With 219,300 employees in over 40 countries, including more than 100,000 in India, Capgemini is pursuing more than ever the same objective as in 1967: helping companies improve their performance and be more innovative and agile through technology.

Capgemini recorded a good performance in 2019, reflecting its ability to create value for its clients and capture the demand fueled by their digital transformation. In 2018, the Group remodeled its organization in line with the new ambitions set by the Board of Directors and Group Management: consistent and unified, the Group’s structure was redesigned to serve clients’ needs and adapted to the markets where the Group operates. It enables Capgemini to better draw on the full range of its expertise and develops synergies between businesses, offerings and the geographical areas where the Group serves its clients.

In addition, Capgemini launched a friendly tender offer in 2019, which enabled to acquire the majority of shares and voting rights of Altran Technologies in January 2020, thus creating a group with revenues of €17 billion and including more than 270.000 employees. As a global transformation leader for industrial and tech companies, the new group enjoys a unique position in a number of particularly promising sectors.

It was in this dynamic context that the Board of Directors’ meeting of September 16, 2019 chose Mr. Aiman Ezzat, Chief Operating Officer, to succeed Mr. Paul Hermelin as Chief Executive Officer at the end of the Shareholders’ Meeting to be held on May 20, 2020. Mr. Paul Hermelin will continue as Chairman of the Board of Directors after this date, while Mr. Aiman Ezzat will become Chief Executive Officer, the sole Executive Corporate Officer.

This choice forms part of the internal managerial transition process initiated in 2017 by Mr. Paul Hermelin. Following a review of the Group’s key talents and external candidates based on an assignment conducted by an external consultant and individual meetings, the Board of Directors, on the proposal of Mr. Paul Hermelin and the Ethics & Governance Committee, appointed Messrs. Thierry Delaporte and Aiman Ezzat as Chief Operating Officers with effect from January 1, 2018. The Vice-Chairman of the Board and Chairman of the Strategy & Investment Committee (renamed the Strategy & CSR Committee in March 2019), Mr. Daniel Bernard, was tasked with preparing the changes in the Group’s governance. An *ad hoc* committee assists him, currently comprising Messrs. Xavier Musca (Chairman of the Audit & Risk Committee), Pierre Pringuet (Chairman of the Ethics & Governance Committee and Lead Independent Director) and himself.

Finally, in line with the new planned governance structure following the upcoming Shareholders’ Meeting in May 2020 and at the recommendation of the Ethics & Governance Committee, 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. Mr. Thierry Delaporte remains a member of the Group Executive Board, as Deputy Chief Executive Officer from January 1, 2020.

For more information on the financial conditions relating to the termination of Mr. Thierry Delaporte’s term of office, please refer to Section 2.3.3.2.

2.1.2 Governance structure

BALANCED GOVERNANCE, TAILORED TO CAPGEMINI’S SPECIFIC REQUIREMENTS

The Company’s 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, as well as changes in best practices in this area.

General management

Since 2012, Paul Hermelin carries out the duties of Chairman of the Board of Directors and Chief Executive Officer of the Company.

In 2012, 2014 and 2018 on the renewal of Mr. Paul Hermelin’s terms of office, the Board considered that this method of governance regrouping the duties of Chairman of the Board of Directors and Chief Executive Officer seemed the most appropriate given the specific requirements of Capgemini, while allowing the Board to carry out its duties as well as possible. This governance method seemed the best adapted to Capgemini, enabling it to adapt to the circumstances and challenges specific to the Group.

During its meeting of May 23, 2018, the Board of Directors considered that a satisfactory balance of power existed within the Board of Directors, in line with best governance practices. The Board noted in particular:

- the presence of a majority of Independent Directors on the Board;
- the existence of four specialized board committees with different remits encompassing Audit & Risk, Compensation, Ethics & Governance and Strategy & CSR (see Section 2.2.4 for the roles and composition of these Specialized committees);
- the appointment of a Lead Independent Director in 2014, with specific prerogatives and duties (see below); and
- the restrictions introduced by the Board of Directors’ Charter on the powers of the Chief Executive Officer by requiring the prior approval by the Board of Directors of major strategic decisions and decisions likely to have a material impact on the Company (see below).

The separation of the duties of Chairman of the Board of Directors and Chief Executive Officer has been announced and will take effect at the end of the Shareholders' Meeting of May 20, 2020.

Limits on the powers of the Chief Executive Officer

The Charter stipulates that the Chief Executive Officer must seek and obtain prior approval from the Board of Directors for any decision which is of major strategic importance or which is liable to have a material impact, either directly or indirectly, on the financial position or commitments of the Company or those of one or more of its principal subsidiaries. This applies in particular to:

- the draft annual budget prepared in accordance with the three-year plan;
- the approval of the annual investment and divestment budget;
- the conclusion of material strategic alliances;
- acquisitions or disposals of assets or investments not recorded in the annual investment budget, individually worth more than €100 million, or for smaller investments, resulting in the €300 million cumulative annual ceiling being exceeded;
- financial transactions with a material impact on the Company financial statements or the consolidated financial statements of the Group and particularly issues of securities granting access to the Company's share capital or market debt instruments;
- the grant to employees of incentive instruments granting access to the Company's share capital and particularly performance shares;
- material internal reorganization transactions;
- material changes to the scope or range of businesses;
- increases or decreases in the share capital of a direct subsidiary of Capgemini, concerning an amount in excess of €50 million;
- specific authorizations concerning the granting of pledges, security and guarantees, other than the delegation of authority granted annually to him up to the maximum amount set by the Board of Directors.

The limits on the powers of the Chief Executive Officer set out in the Charter of the Board of Directors also apply to the Chief Operating Officers.

Lead Independent Director

As part of the constant drive to improve governance within the Company, the position of Lead Independent Director was created in May 2014 and entrusted to Mr. Daniel Bernard. Since the appointment of Mr. Daniel Bernard as Vice-Chairman of the Board of Directors in May 2017, the duties of Lead Independent Director are exercised by Mr. Pierre Pringuet, an Independent Director.

When the functions of Chairman of the Board of Directors and Chief Executive Officer are exercised by the same person, the Board of Directors appoints a Lead Independent Director. The duties of the Lead Independent Director are entrusted by the Board to the Chairman of the Ethics & Governance Committee, elected by the

Board of Directors from among its members classified as independent. The duties of Lead Independent Director and Chairman of the Ethics & Governance Committee may be revoked at any time by the Board of Directors.

As for any other director, the Lead Independent Director may be a member of one or more specialized board committees in addition to the Ethics & Governance Committee that he chairs. He may also attend the meetings of specialized board committees of which he is not a member.

During the last Board assessments, the directors expressed their full satisfaction with the creation of the position of Lead Independent Director, highlighting the importance of its role and activities in achieving the balance desired by the Board, in line with best governance practices.

Roles of the Lead Independent Director

The roles of the Lead Independent Director, resulting from the Charter of the Board of Directors and Board decisions, are as follows:

- he is consulted by the Chairman of the Board of Directors on the proposed Board meeting schedule presented for the approval of the Board and on the draft agenda for each meeting of the Board of Directors;
- he can propose to the Chairman the inclusion of items on the agenda of Board of Directors' meetings at his own initiative or at the request of one of more Board members;
- he can bring together Board members in the absence of Executive Corporate Officers in so-called "executive sessions", at his own initiative or at the request of one of more Board members, to discuss a specific agenda; he chairs any such meetings;
- he leads the assessment of the composition and performance of the Board of Directors and its Specialized committees;
- he steers the search for and selection of new directors;
- he chairs meetings of the Board of Directors convened to assess the performance of the Chairman and Chief Executive Officer or the Chief Executive Officer where these functions are separated;
- he holds regular discussions with the other directors to ensure they have the means necessary to perform their duties in a satisfactory manner and in particular that they receive sufficient information prior to the Board meetings;
- he conducts specific reviews to verify the absence of conflicts of interest within the Board of Directors;
- he may communicate with Company shareholders on governance and Executive Corporate Officer compensation issues;
- he reports on his actions to the Annual Shareholders' Meeting.

The Lead Independent Director is assisted by the Board Secretary in the exercise of his duties.

The report on his work in 2019 is presented in Section 2.2.2 (Activities of the Board of Directors in 2019).

Accordingly, while the duties of Chairman of the Board of Directors and Chief Executive Officer are exercised by a single individual, the Group's governance enjoys an active, diligent and independent Board of Directors with a collective approach to its organization and the vigilant authority of a Lead Independent Director with specific powers and duties.

2.1.3 Composition of the Board of Directors

AN INDEPENDENT AND BALANCED BOARD OF DIRECTORS



Paul Hermelin
Chairman & Chief Executive Officer

“
The Capgemini Board of Directors possesses a wide range of expertise, adapted to the current and future challenges facing the Group.
”



Pierre Pringuet
Lead Independent Director & Chairman of the Ethics & Governance Committee

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 ¹ 12 + 2	Independent Directors ² 82%	Gender balance ³ W : 50% / M : 50%	Average age 60 years	Internationalization 29%
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.

At December 31, 2019, the Capgemini SE Board of Directors has 14 members, including 12 members elected by Shareholders' Meeting and two members appointed in accordance with the employee representation system. The vast majority of directors are independent, with an identical number of male and female directors. Directors are appointed for a period of four years. Directors

are appointed by the Shareholders' Meetings, or in the case of employee directors, in accordance with the Company's bylaws.

Further information on the provisions of the bylaws governing the Board of Directors is presented in Section 8.1.17.

Composition of the Board – a range of profiles and experience

Composition policy and objectives

It is the Board of Directors' policy to regularly assess its composition and the various areas of expertise and experience contributed by each of its members. It also regularly identifies the direction to be taken to ensure the best possible balance with regards to international development and the diversity of the Group's employees, changes in its shareholding base and the various challenges facing Capgemini. It ensures that the Board retains a range of experience and nationalities and respects gender balance, while ensuring the commitment of all directors to the Group's fundamental values. To

this end, the work of the Ethics & Governance Committee, chaired by the Lead Independent Director is invaluable.

Following an assessment of its composition at the end of 2017, the Board of Directors adopted the following objectives for the period 2018-2022:

- (i) international diversification to reflect changes in Capgemini's geographic spread and businesses;
- (ii) diversity of profiles and expertise;
- (iii) staggered renewal of terms of office; and
- (iv) maintenance of a measured number of directors enabling coherence and collective decision-making.

Implementation in 2019 of the 2018-2022 objectives and results

The following table summarizes the implementation in 2019 of the various objectives regarding the Board of Directors' composition. More detailed information can be found in the presentation of changes in the Board of Directors' composition.

Objective	Implementation and results in 2019
International diversification to reflect changes in the Group's geographical spread and businesses.	<p>The appointments of Ms. Laura Desmond (cooptation with effect from January 1, 2019) and Ms. Xiaoqun Clever (appointed by the Shareholders' Meeting of May 23, 2019) furthered the international diversification of the Board's composition.</p> <p>Ms. Laura Desmond is a US citizen and lives in Chicago. North America is the Group's largest market in terms of revenues.</p> <p>Ms. Xiaoqun Clever is a German citizen and lives in Switzerland.</p>
Diversification of profiles and expertise	<p>The appointment of Ms. Laura Desmond enabled the Board of Directors to enrich the diversity of its profiles and deepen its industry expertise, notably in the data analytics, digital strategy and content sectors.</p> <p>Ms. Xiaoqun Clever brings to the Board her solid experience in the field of digital transformation and the use of data.</p>
Staggered renewal of terms of office	<p>Three of seven directors' terms of office were renewed in 2018. A new director was appointed in 2018 and a second in 2019. This limited number of renewals and appointments contributed to a more balanced renewal of terms of office.</p>
Maintenance of a measured number of directors enabling coherence and collective decision-making	<p>Between January 1, 2018 and May 23, 2019, the number of directors was reduced from 16 to 14 to amplify dynamic decision-making.</p>

Director selection process

The director selection process is led by the Lead Independent Director and Chairman of the Ethics & Governance Committee.

When one or more directorships become vacant, or more broadly when the Board of Directors wishes to expand or modify its composition, the Ethics & Governance Committee documents and ranks the selection criteria for potential candidates, taking account of the desired balance and diversity of the Board's composition. The Committee takes into account the diversity policy and the

2018-2022 objectives defined by the Board of Directors, as presented above.

Based on these criteria, the Committee Chairman steers the search for and selection of new directors, where appropriate with the assistance of an external consultant, and conducts the necessary verifications.

The members of the Ethics & Governance Committee then interview the candidates and issue a recommendation to the Board of Directors.

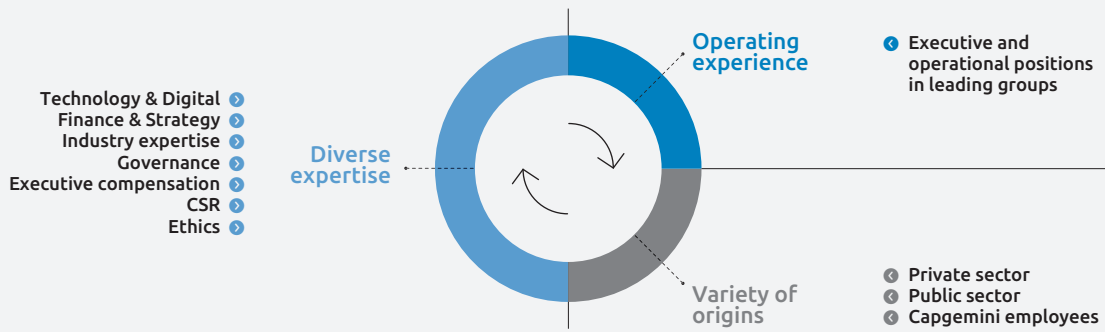
Composition of the Board – Experience and expertise represented

The change in the composition of the Board of Directors in recent years, has enabled the replacement of a large number of its members, increasing the number of independent and female directors and reducing the average age. The Board has also included a representative of employee shareholders since 2012 and two employee representatives since September 2016, further contributing to the range of experience and viewpoints.

The Board comprises individuals from diverse and complementary professional and cultural backgrounds, true to the Group's history and values. This enables it to perform its duties collectively and in an open manner.

The experience and expertise brought to the Board by each director at the date of this Universal Registration Document can be summarized as follows.

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.



Main experience & expertise

Paul HERMELIN Chairman and Chief Executive Officer	Chairman & CEO of the Group
Daniel BERNARD Vice-Chairman of the Board of Directors	Governance of listed companies in France-UK/Executive positions in leading international groups/Retail/Technologies & Digital/Strategy
Anne BOUVEROT Director	Technologies & Digital (identity and security)/Experience in international organizations (USA-UK)/CSR/Finance
Xiaoqun CLEVER Director	Technologies & Digital/Experience in international organizations (Asia/Central Europe)/Finance
Laura DESMOND Director	Technologies & Digital/Experience in international organizations (USA)/Governance of listed companies (USA)/Strategy
Laurence DORS Director	Executive positions in leading international groups/Governance of listed companies and executive compensation/Finance/Consulting/CSR & Ethics
Robert FRETTEL Director representing employees	Technologies & Digital/Employee perspective/Considerable knowledge of Capgemini group and its businesses/CSR
Siân HERBERT JONES Director	Finance & audit/External growth strategy and transactions/Executive positions in leading international groups/Services/Consulting
Kevin MASTERS Director representing employees	Technologies & Digital/Employee perspective/Considerable knowledge of Capgemini group and its businesses/Employee relations
Xavier MUSCA Director	Executive positions in leading international groups/Finance & Economy/Banking & Insurance/Services/Retail
Frédéric OUDÉA Director	Executive positions in leading international groups/Finance & Economy/Banking & Insurance/Services/Retail
Patrick POUYANNÉ Director	Executive positions in leading international groups/Strategy, macroeconomic and geopolitical challenges/Energy/Retail
Pierre PRINGUET Lead Independent Director	Governance of listed companies and executive compensation/Executive positions in leading international groups/External growth strategy and transactions/Consumer goods
Lucia SINAPI-THOMAS Director representing employee shareholders	Finance/Employee perspective/Considerable knowledge of the Capgemini group and its businesses

See Section 2.1.4 of this Universal Registration Document for an overview of the Board of Directors, including the experience and expertise brought by each director to the Board, followed by a detailed individual presentation of directors at December 31, 2019.

Changes in the composition of the Board in 2019

Shareholders' Meeting of May 23, 2019

The Board of Directors of Capgemini SE, meeting on March 20, 2019 under the chairmanship of Mr. Paul Hermelin, Chairman and Chief Executive Officer, and on the report of the Ethics & Governance Committee, deliberated on changes in the composition of the Board of Directors at the Shareholders' Meeting of May 23, 2019.

In line with the Board of Directors' ambition to further the international diversification of its composition, deepen its industry expertise and enrich the diversity of its profiles, the Shareholders' Meeting of May 23, 2019 appointed Ms. Xiaoqun Clever as a director for a term of four years. It also ratified the provisional cooptation of Ms. Laura Desmond as a director from January 1, 2019 by the Board of Directors' meeting of December 5, 2018, to fill the seat left vacant by Ms. Carole Ferrand. She will serve the remainder of Ms. Carole Ferrand's term of office, that is until the Shareholders' Meeting held in 2020 to approve the 2019 financial statements.

Summary of changes in 2019

	Departures	Appointments	Renewals
Board of Directors	–	Laura Desmond <i>(AGM 05/23/2019 – Ratification following cooptation with effect from January 1, 2019)</i> Xiaoqun Clever <i>(AGM 05/23/2019)</i>	–
Audit & Risk Committee	–	Anne Bouverot <i>(05/23/2019)</i> Xiaoqun Clever <i>(05/23/2019)</i>	–
Ethics & Governance Committee	–	–	–
Compensation Committee	–	–	–
Strategy & CSR Committee	–	Laura Desmond <i>(01/01/2019)</i>	–

At December 31, 2019, the Board of Directors therefore comprised 14 directors, with 82% of Independent Directors (excluding directors representing employees and employee shareholders) and 50% of

female directors (the two directors representing employees are not taken into account in calculating this percentage).

Upcoming changes in the composition of the Board

The Board of Directors of Capgemini SE, meeting on March 11, 2020 under the chairmanship of Mr. Paul Hermelin, Chairman and Chief Executive Officer, and on the report of the Ethics and Governance Committee, deliberated on the evolution of the composition of the Board of Directors proposed at the coming Shareholders' Meeting of May 20, 2020.

The Board of Directors decided to propose to the 2020 Shareholders' Meeting the renewal of the term of office of Ms. Siân Herbert-Jones and the appointment of Ms. Belen Moscoso del Prado as a member of the Board of Directors for a term of four years; Ms. Laura Desmond having expressed her wish not to renew her term of office. This proposal is in line with the Group's ambition to further the internationalization of its composition, deepen its sector expertise and enrich the diversity of its profiles.

Ms. Belen Moscoso del Prado is a Spanish citizen. She has acquired a solid experience in the field of innovation and transformation applied to Digital and Data strategy over the course of her career in international corporations. The Board has indicated that Ms. Belen Moscoso del Prado would be considered independent pursuant to the criteria of the AFEP-MEDEF Code to which the Company refers.

The Board of Directors warmly thanks Ms. Laura Desmond for her contribution to its work and its committees during her tenure.

In addition, as part of the internal management transition process initiated in 2017 on the initiative of Mr. Paul Hermelin, Chairman and Chief Executive Officer, the Board of Directors' decided on September 16, 2019 to appoint Mr. Aiman Ezzat, currently Chief Operating Officer, to succeed Mr. Paul Hermelin as Chief Executive Officer after the General Meeting of Shareholders' scheduled for May 20, 2020. The Board of Directors also wished to propose to the 2020 Shareholders' Meeting the appointment of Mr. Aiman Ezzat as a member of the Board of Directors for a term of four years.

Assuming the adoption of these resolutions by the Shareholders' Meeting of May 20, 2020, the Board of Directors would count 15 directors, including two directors representing employees, with 75% of independent directors⁽¹⁾, 27% of international profiles and 42% of female directors⁽²⁾.

(1) The directors representing employees and employee shareholders are not taken into account in calculating this percentage, in accordance with the provisions of the AFEP-MEDEF Code.

(2) 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.

Independence of the Board of Directors

Independence criteria

In accordance with the definition of independence adopted by the AFEP-MEDEF Corporate Governance Code, a director is independent when he/she has no relationship with the Company, the Group or its Management, that is likely to impair his/her judgment.

The following criteria are examined, initially by the Ethics & Governance Committee and then by the Board, to determine whether a director is independent (Article 8.5 of the AFEP-MEDEF Code):

- is not and has not been during the course of the previous five years:
 - an employee or executive corporate officer of the Company,
 - an employee or executive corporate officer or director of a company that the Company consolidates,
 - an employee or executive corporate officer or director of the Company's parent company or a company that this parent company consolidates;
- is not an executive corporate officer of a company in which the Company holds directly or indirectly a directorship or in which an employee designated as such or an executive corporate officer of the Company (currently or within the last 5 years) holds a directorship;
- is not a customer, supplier, corporate bank, financing bank or advisor:
 - material for the Company or its Group,
 - or for which the Company or its Group represents a material share of activity;

- does not have close family ties with a corporate officer;
- has not been the statutory auditor of the Company in the last 5 years;
- has not been a director of the Company for more than twelve years (the status of Independent Director is lost on the date of the twelve-year anniversary).

Ratio and Calculation rules

In companies with widely-held share capital, such as Capgemini SE, the AFEP-MEDEF Code recommends that at least one-half of Board members should be independent.

Directors representing employee shareholders and directors representing employees are not included when calculating the Board's independence, in accordance with the provisions of the AFEP-MEDEF Code. Accordingly, the percentage of Independent Directors on the Capgemini SE Board of Directors at the date of this Universal Registration Document, is calculated based on 11 members and not the full 14 members of the Board.

Review of director independence by the Board of Directors

Based on the report of the Ethics & Governance Committee, the Board of Directors examined the personal situation of each of the members of the Board of Directors with regard to the AFEP-MEDEF Code independence criteria set-out above during its meeting of February 12, 2020.

The following table summarizes the classification adopted for each director following this review, for the 11 directors included in the calculation of the Board's independence ratio in accordance with the AFEP-MEDEF Code.

	Is not and has not been within the last 5 years, an employee or executive corporate officer	No cross-directorships	No material business relationships	No family ties	Has not been the statutory auditor of the Company in the last 5 years	Has not been a director for more than 12 years	Classification
Paul HERMELIN	X	✓	✓	✓	✓	X	Not independent
Daniel BERNARD	✓	✓	✓	✓	✓	X	Not independent
Anne BOUVEROT	✓	✓	✓	✓	✓	✓	Independent
Xiaoqun CLEVER	✓	✓	✓	✓	✓	✓	Independent
Laura DESMOND	✓	✓	✓	✓	✓	✓	Independent
Laurence DORS	✓	✓	✓	✓	✓	✓	Independent
Siân HERBERT-JONES	✓	✓	✓	✓	✓	✓	Independent
Xavier MUSCA	✓	✓	✓	✓	✓	✓	Independent
Frédéric OUDÉA	✓	✓	✓	✓	✓	✓	Independent
Patrick POUYANNÉ	✓	✓	✓	✓	✓	✓	Independent
Pierre PRINGUET	✓	✓	✓	✓	✓	✓	Independent
TOTAL							9 independent directors 82%

✓ Independence criteria met

X Independence criteria not met

Based on the independence criteria set out above, the Board considered that 9 of its 11 members (excluding directors representing employees and employee shareholders), *i.e.* 82%, could be considered independent:

Anne Bouverot, Xiaoqun Clever, Laura Desmond, Laurence Dors, Siân Herbert-Jones, Xavier Musca, Frédéric Oudéa, Patrick Pouyanné and Pierre Pringuet.

Specific review by the Board of Directors of the business relationship criteria between Capgemini group and its directors

During its annual review of the independence of directors, the Board of Directors examined, in particular, any business relationships between Capgemini group and each director or company with which they are associated, in order to assess the materiality of these relationships.

This assessment was conducted with regard to both quantitative and qualitative criteria.

The quantitative assessment was based on a statement of business flows between Capgemini group and entities that are suppliers and/or clients of Capgemini and that have directors in common with Capgemini SE.

This analysis is supplemented by a review of more qualitative and contextual items reflecting the situations examined, such as negotiation terms and conditions for the delivery of services, the organization of the relationship between stakeholders and the relevant director's position in the contracting company and the existence of a long-term relationship or a position of potential economic dependence.

This review is one of the specific activities conducted by the Lead Independent Director as part of the procedure to assess the absence of conflict of interest (see below).

After assessing the above criteria and based on the work of the Ethics & Governance Committee, the Board of Directors concluded as follows:

- in 2019, Capgemini SE and its subsidiaries have, in the normal course of business, delivered services to and/or received services from companies in which certain of its Independent Directors are executives or directors;
- in addition, Capgemini SE received some services from companies in which certain of its Independent Directors are executives or

directors in the context of the Altran Technologies acquisition project through a public tender offer. These agreements were classified as regulated agreements due to the non-current nature of the acquisition project (see pages 284 and 306 for a description of these services);

- nonetheless, to the extent that the negotiation terms and conditions for the delivery of these services were normal and customary (including for the agreements classified as regulated agreements in the context of the Altran Technologies acquisition project due to their non-current nature) and that the corresponding revenues recognized by Capgemini and the relevant companies cannot be considered material or to indicate a position of economic dependence, in the Board of Directors' opinion these business relationships are not material for Capgemini group or the relevant companies and do not indicate a situation of economic dependence or exclusivity and are not likely to compromise the independence of the directors concerned.

In addition to procedures performed prior to entering into service agreements, a specific review was performed of relations with Société Générale, which reported increasing and decreasing its interest above and below the threshold of 5% of the Company's share capital and voting rights during the year and whose Chief Executive Officer is Mr. Frédéric Oudéa. In particular, it is noted that the most recent legal threshold crossing disclosure by Société Générale stated that it had decreased its interest below the 5% threshold on December 20, 2019 and held 8,229,021 shares corresponding to 4.86% of the share capital and voting rights. Additionally, of the total interest held by Société Générale, only 3,923,273 shares were held directly (*i.e.* 2.32% of the share capital and voting rights), with the balance, representing 2.54% of the share capital and voting rights, deemed held "by equivalence" in connection with its trading activity⁽¹⁾. The Board of Directors concluded that this was not likely to compromise Mr. Frédéric Oudéa's independence.

Independence of the Board after the 2020 Shareholders' Meeting

Assuming the Shareholders' Meeting of May 20, 2020 renews the term of office of Ms. Siân Herbert-Jones and appoints Ms. Belen Moscoso del Prado and Mr. Aiman Ezzat, the percentage of Independent Directors on the Board from May 20, 2020 will be 75% (*i.e.* 9 members out of 12).

Overview of the independent status of the Board of Directors

	Percentage of Independent Directors*	Classification of Board members**
At the date of the 2019 Universal Registration Document	82%	Anne Bouverot, Xiaoqun Clever, Laura Desmond, Laurence Dors, Siân Herbert-Jones, Xavier Musca, Frédéric Oudéa, Patrick Pouyanné and Pierre Pringuet, Paul Hermelin and Daniel Bernard
At the end of the Shareholders' Meeting of May 20, 2020	75%	Anne Bouverot, Xiaoqun Clever, Laurence Dors, Siân Herbert-Jones, Belen Moscoso del Prado, Xavier Musca, Frédéric Oudéa, Patrick Pouyanné et Pierre Pringuet Paul Hermelin, Daniel Bernard and Aiman Ezzat

* Directors representing employees and employee shareholders are not included in this percentage in accordance with the AFEP-MEDEF Code.

** In bold: members considered independent by the Board.

(1) Following the repeal of the so-called "trading" exception due to the enactment into French law of the revised Transparency Directive 2013/50/EU by Order no. 2015-1576 of December 3, 2015, service providers must include in their threshold crossing disclosures certain agreements or financial instruments deemed to have an economic effect similar to the ownership of shares, irrespective of whether they are settled in shares or cash (*e.g.* forward purchases with physical settlement).

Absence of conflict of interest

Article 7.1 of the Capgemini SE Board of Directors' Charter requires directors to comply with recommendation no. 19 of the AFEP-MEDEF Code concerning the prevention of conflicts of interest:

"Although they are themselves shareholders, the Directors represent all the shareholders and are required to act in all circumstances in the Company's interest. They are required to notify the Board of Directors of any one-off conflict of interest or potential conflict of interest and to refrain from participating in deliberations and voting on the related decision. Any director who has a permanent conflict of interest is required to resign from the Board."

In light of the recommendations of the French Financial Markets Authority (AMF) and the Corporate Governance High Committee, the Board of Directors implemented an appraisal procedure to assess the absence of conflict of interest for directors.

To this end and to assess any conflicts of interest potentially resulting from business relationships, a statement of business flows between Capgemini group and entities that are suppliers and/or clients of Capgemini group and that have directors in common with Capgemini SE is prepared annually and communicated to Mr. Pierre Pringuet, Lead Independent Director and Chairman of the Ethics & Governance Committee. A qualitative assessment of situations encountered is also conducted based on several criteria, as detailed in the Section "Independence of the Board of Directors" above. In addition, each year directors are required to issue a statement to the Company regarding the existence or absence, to their knowledge, of any conflicts of interest.

Based on this information, the Lead Independent Director confirmed the absence of any conflicts of interest.

These conflict of interest prevention measures supplement one of the general duties of the Ethics & Governance Committee which is to draw the attention of the Chairman of the Board of Directors to any potential situations of conflict of interest it has identified between a director and the Company or its Group or between directors. They also provide input for the Board of Directors' work on the independence classification of directors.

Declarations concerning corporate officers

As far as the Company is aware, none of the current members of the Board of Directors:

- has been found guilty of fraud at any time during the last five years;
- has been involved in any bankruptcy, receivership, liquidation or company placed in administration at any time during the last five years;
- has been subject to any form of official public sanction and/or criminal liability pronounced by a statutory or regulatory authority (including designated professional bodies);
- has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from participating in the management or conduct of the affairs of any issuer at any time during the last five years.

As far as the Company is aware, there are no:

- conflicts of interest among the members of the Board of Directors between their duties towards Capgemini and their private interests and/or any other duties;
- arrangements or agreements with the principal shareholders, customers or suppliers pursuant to which one of the members of the Board of Directors was selected;
- restrictions accepted by the members of the Board of Directors on the sale of their investment in the share capital of Capgemini (other than the obligation under the bylaws that each director must hold at least 1,000 shares throughout their term of office and the obligation for Mr. Paul Hermelin to hold his performance shares detailed in Section 2.3.2);
- service contracts between the members of the Board of Directors and Capgemini or any of its subsidiaries that provide for the granting of benefits upon termination thereof.

As far as the Company is aware, there are no family ties between members of the Board of Directors.

Information on regulated agreements with related parties

Agreements governed by Article L. 225-38 of the French Commercial Code were authorized by the Board of Directors during the year ended December 31, 2019 and in January 2020. They relate to the Altran Technologies acquisition project. These agreements are presented in the Board of Directors' report on the 4th resolution presented to the Shareholders' Meeting of May 20, 2020 (see page 306) and in the Statutory auditors' special report for the year ended December 31, 2019 (see page 284).

Internal Charter on regulated agreements

In accordance with Article L. 225-39 of the French Commercial Code, the Board of Directors' meeting of February 12, 2020 approved an Internal Charter specifying the methodology used to (i) identify and classify agreements that should be governed by the regulated agreements procedure at Company level prior to their conclusion, renewal or termination, and (ii) regularly assess whether agreements on ordinary transactions concluded at arm's length satisfy these requirements.

The Internal Charter and, particularly, the procedure for classifying agreements as ordinary transactions performed at arm's length, is reviewed annually by the Board of Directors, based on a preliminary study by the Ethics & Governance Committee.

In accordance with the law, this review seeks to ensure the relevance of the criteria adopted in general, to enable the Board Secretary to classify an agreement as an ordinary transaction performed at arm's length.

Following this review, the Board of Directors may modify the terms of the Internal Charter, notably to adapt the criteria used to classify agreements.

Loans and guarantees granted to directors and managers of the Company

None.

2.1.4 Information on the members of the Board of Directors

Overview of the Board of Directors (at December 31, 2019)

	Independent Director	Attendance rate (Board)	Board committees	First appointment	Expiry of term of office Shareholders' Meeting	Number of years on the Board
Paul HERMELIN Executive Corporate Officer	No	100%	Strategy & CSR	2000	2022	19
Daniel BERNARD Director	No	100%	Ethics & Governance, Strategy & CSR (C)	2005	2021	14
Anne BOUVEROT Director	Yes	90%	Strategy & CSR, Audit & Risk	2013	2021	6
Xiaoqun CLEVER Director	Yes	100%	Audit & Risk	2019	2023	0
Laura DESMOND Director	Yes	90%	Strategy & CSR	2019	2020	1
Laurence DORS Director	Yes	100%	Compensation (C), Audit & Risk, Ethics & Governance	2010	2022	9
Robert FRETTEL Director representing employees	No	100%	Strategy & CSR	2016	2020	3
Siân HERBERT JONES Director	Yes	100%	Audit & Risk	2016	2020	3
Kevin MASTERS Director representing employees	No	100%	Compensation	2016	2020	3
Xavier MUSCA Director	Yes	100%	Audit & Risk (C)	2014	2022	5
Frédéric OUDÉA Director	Yes	100%	Ethics & Governance	2018	2022	1
Patrick POUYANNÉ Director	Yes	90%	Strategy & CSR	2017	2021	2
Pierre PRINGUET Director	Yes	100%	Ethics & Governance (C), Compensation	2009	2021	10
Lucia SINAPI-THOMAS Director representing employee shareholder	No	100%	Compensation	2012	2020	7

(C) : Committee Chairman.

Number of shares owned	Nationality	Age	Sex	Number of offices in listed companies	Experience and expertise brought to the Company
309,048	French	67	M	1	Chairman & CEO of the Group
1,000	French	73	M	2	Governance of listed companies in France-UK/ Executive positions in leading international groups/Retail/Technologies & Digital/Strategy
1,000	French	53	F	3	Technologies & Digital (identity and security)/ Experience in international organizations (USA-UK)/ CSR/Finance
1,000	German	49	F	1	Technologies & Digital/Experience in international organizations (Asia/Central Europe)/Finance
1,000	American	54	F	2	Technologies & Digital/Experience in international organizations (USA)/Governance of listed companies (USA)/Strategy
1,000	French	63	F	2	Executive positions in leading international groups/ Governance of listed companies and executive compensation/Finance/Consulting/CSR & Ethics
12	French	62	M	1	Technologies & Digital/Employee perspective/Considerable knowledge of Capgemini group representing employees and its businesses/CSR
1,000	British	59	F	3	Finance & audit/External growth strategy and transactions/Executive positions in leading international groups/Services/Consulting
0	British	63	M	1	Technologies & Digital/Employee perspective/ Considerable knowledge of Capgemini group representing employees and its businesses/ Employee relations
1,000	French	59	M	3	Executive positions in leading international groups/ Finance & Economy/Banking & Insurance/ Services/Retail
1,000	French	56	M	2	Executive positions in leading international groups/ Finance & Economy/Banking & Insurance/ Services/Retail
1,000	French	56	M	2	Executive positions in leading international groups/ Strategy, macroeconomic and geopolitical challenges/Energy/Retail
1,700	French	69	M	4	Governance of listed companies and executive compensation/Executive positions in leading international groups/External growth strategy and transactions/Consumer goods
30,597	French	55	F	3	Finance/Employee perspective/Considerable knowledge of the Capgemini group and its businesses

Information on the members of the Board of Directors at December 31, 2019

Since May 23, 2019, the Capgemini Board of Directors has 14 members. The wide range of their experience and expertise contributes to the quality of discussions and the smooth operation of the Board, ensuring the best possible balance taking account of the Group's situation and the different challenges facing Capgemini.

A detailed individual presentation of each director is presented below.



PAUL HERMELIN

Chairman and Chief Executive Officer
Member of the Strategy & CSR Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Mr. Paul Hermelin is a graduate of École Polytechnique and École Nationale d'Administration. He spent the first fifteen years of his professional life in the French government, primarily in the Ministry of Finance. He held a number of positions in the Budget Office and on various ministry staffs, including that of Finance Minister, Jacques Delors. He was chief of staff to the Minister of Industry and Foreign Trade, from 1991 to 1993.

Mr. Paul Hermelin joined the Capgemini group in May 1993, where he was first in charge of coordinating central functions. In May 1996, he was appointed member of the Management Board and Chief Executive Officer of Capgemini France. In May 2000, following the merger of Capgemini and Ernst & Young Consulting, he became Chief Operating Officer of the Group and director. On January 1, 2002, he became Chief Executive Officer of the Capgemini group, followed by Chairman and Chief Executive Officer on May 24, 2012. He has been a member of the Strategy & CSR Committee since July 24, 2002.

Principal office:

Mr. Paul Hermelin has been Chairman and Chief Executive Officer of Capgemini SE since May 2012.

Date of birth:
April 30, 1952

Nationality:
French

Business address:
Capgemini SE
11, rue de Tilsitt
75017 Paris

First appointment:
2000

Expiry of term of office:
2022
(Ordinary Shareholders' Meeting held to approve the 2021 financial statements)

Number of shares held at Dec. 31, 2019:
309,048

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Chairman and Chief Executive Officer of:
— CAPGEMINI SE* (since May 2012)

Chairman of:
— THE BRIDGE SAS

Other offices held in Capgemini group:

Chairman of the Board of Directors of:
— CAPGEMINI NORTH AMERICA, INC. (USA) (since April 2002)
— CAPGEMINI AMERICA, INC. (USA) (since December 2000)

Chairman of the Supervisory Board of:
— CAPGEMINI N.V. (Netherlands) (until November 2012)

Chairman of:
— CAPGEMINI SERVICE S.A.S. (since March 2016)
— CAPGEMINI LATIN AMERICA S.A.S. (since November 2005)

Manager of:
— SCI PARIS ETOILE (since March 2016)

Chief Executive Officer of:
— CAPGEMINI NORTH AMERICA, INC. (USA) (since November 2005)

Director of:
— CAPGEMINI INTERNATIONAL BV (since March 15, 2019)
— CGS Holdings Ltd (UK) (since June 1999)
— CAPGEMINI TECHNOLOGY SERVICES INDIA LTD (since August 2017)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

Director of:
— AXA* (until April 2017)

Offices held in Capgemini group:

Chairman of:
— CAPGEMINI 2010 S.A.S. (until September 2015)
— SOGETI FRANCE 2005 S.A.S. (until May 2018)
— ODIGO S.A.S (Formerly CAPGEMINI 2015 S.A.S.) (until October 2018)

Chairman of the Board of Directors of:
— CAPGEMINI US LLC (USA) (until July 2016)

Chief Executive Officer of:
— CAPGEMINI SERVICE S.A.S. (until March 2016)

Director of:
— CAPGEMINI FINANCIAL SERVICES INTERNATIONAL, INC. (U.S.A.) (until March 2016)
— IGATE CORPORATION (U.S.A.) (until May 2016)

* Listed company.

**Date of birth:**

February 18, 1946

Nationality:

French

Business address:Provestis
14, rue de Marignan
75008 Paris**First appointment:**

2005

Expiry of term of office:2021
(Ordinary Shareholders' Meeting held to approve the 2020 financial statements)**Number of shares held at Dec. 31, 2019:**

1,000

DANIEL BERNARD**Vice-Chairman of the Board of Directors****Director****Member of the Ethics & Governance Committee****President of the Strategy & CSR Committee****BIOGRAPHY – PROFESSIONAL EXPERIENCE**

Mr. Daniel Bernard is a graduate of HEC business school. He was Chief Executive Officer of Groupe Métro France (from 1981 to 1989), followed by member of the Management Board of Métro International AG (from 1989 to 1992). He became Chairman of the Executive Board of Carrefour in 1992 and was appointed Chairman and Chief Executive Officer in 1998. Mr. Daniel Bernard was also an Independent Director of Alcatel Lucent (from 1997 to 2014) and of Saint-Gobain (from 2000 to 2006). He was a member of the Saint-Gobain Appointments Committee and chaired the Alcatel-Lucent Corporate Governance and Appointments Committee.

In 2006, Mr. Daniel Bernard joined the Board of Directors of Kingfisher Plc as Vice-Chairman and was Chairman of the Board of Directors from 2009 to June 2017. He also chaired the Appointments Committee. In July 2017, Mr. Daniel Bernard was appointed to the Peugeot SA Supervisory Board as the permanent representative of Lion Participations. Mr. Daniel Bernard is also President of Provestis, his own investment company, and Senior Advisor of Towerbrook Capital Partners, LP.

Mr. Daniel Bernard holds the ranks of Officer of the National Order of Merit and Knight of the Legion of Honor.

Mr. Daniel Bernard has been a director of Capgemini SE since May 12, 2005 and is Vice-Chairman of the Board of Directors since May 10, 2017. He was Lead Independent Director and Chairman of the Ethics & Governance Committee from May 2014 to May 2017. He has been a member of the Ethics & Governance Committee since May 7, 2014. He has also been a member of the Strategy & CSR Committee since July 26, 2006 and its Chairman since May 23, 2018.

He brings to the Board of Directors considerable experience in the management of leading international companies where he has held top positions, together with reputed expertise in Corporate Governance, gained through major Corporate Governance responsibilities in leading listed companies in France and the United Kingdom.

Mr. Daniel Bernard also contributes to the Board's strategic discussions, thanks notably to his considerable experience in the consumer goods sector and its digital transformation.

Principal office:

Mr. Daniel Bernard has been President of Provestis since 2006.

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019**Director of:**

— CAPGEMINI SE* (since May 2005)

Member of the Supervisory Board of:

— PEUGEOT SA* (permanent representative of Lion Participations) (since July 2017)

Chairman of:

— PROVESTIS SAS (since June 2006)

Senior Advisor of:

— TOWERBROOK CAPITAL PARTNERS, LP (UK) (since October 2010)

Member of the Board of Directors of:

— LA FONDATION HEC (since 2008)

— EESC HEC (since 2016)

Permanent Representation of Crédit Agricole SA on the Board of Directors of:

— OVH GROUPE (since 2016)

Honorary Chairman of:

— LA FONDATION HEC (since 2014)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)**Chairman of:**

— KINGFISHER PLC*(U.K.) (until June 2017)

— MAF RETAIL GROUP (Dubai) (until December 2015)

* Listed company.



ANNE BOUVEROT

Independent Director
Member of the Strategy & CSR Committee
Member of the Audit & Risk Committee (since May 23, 2019)

BIOGRAPHY – PROFESSIONAL EXPERIENCE

A graduate of École Normale Supérieure and of Télécom Paris, Ms. Anne Bouverot also holds a PhD in artificial intelligence (1991).

She started her career as IT project manager with Telmex in Mexico, before joining Global One in the USA in 1996. In 2002, she was appointed Vice-President at Equant's IT services unit. In 2004, she became Chief of Staff for the Chief Executive Officer of Orange in the United Kingdom, followed by Executive Vice-President, Mobile Services, for France Télécom Orange. In November 2006, Ms. Anne Bouverot became Executive Vice-President, International Business Development, at France Telecom. From 2011 to July 2015, she was Chief Executive Officer of GSMA, the international association of mobile network operators. She was Chairman and Chief Executive Officer of Safran Identity & Security (formerly Morpho), a world leader in security and identity solutions (biometrics and digital identity) until June 2017. She is currently Chairman of the Board of Directors of Technicolor.

Anne Bouverot holds the ranks of Knight of the National Order of Merit and Knight of the Legion of Honor.

She joined the Board of Directors of Capgemini SE on October 8, 2013 and was appointed a member of the Strategy & CSR Committee on the same date. She has also been a member of the Audit & Risk Committee since May 23, 2019.

Ms. Anne Bouverot has spent the majority of her professional career in the Telecoms sector, a key information technology sector, where she has held leading positions in international organizations. The duties she has performed allow her to make a key contribution to Capgemini group strategic discussions given the impact of mobile connections on technology uses. She also brings specific digital expertise to the Board of Directors in the areas of security and identity in digital and connected environments. Ms. Anne Bouverot also has considerable experience as an Independent Director of Euronext listed companies.

Principal office:

Ms. Anne Bouverot is Chairman of the Board of Directors of Technicolor.

Date of birth:
March 21, 1966

Nationality:
French

Business address:
Technicolor
8-10, rue du Renard
75004 Paris

First appointment:
2013

Expiry of term of office:
2021
(Ordinary Shareholders' Meeting held to approve the 2020 financial statements)

Number of shares held at Dec. 31, 2019:
1,000

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Director of:

- CAPGEMINI SE* (since October 2013)
- Edenred* (since June 2010)
- Cellnex Telecom* (since May 2018)
- Euveka (until June 2019)

Chairman of the Board of Directors of:

- TECHNICOLOR* (since June 14, 2019)

Founder and Chairman of:

- La Fondation ABEONA (*Data Science for Fairness and Equality*) (since December 2017)

Senior Advisor of:

- Towerbrook Capital Partners L.P. (since September 2018)

General Secretary of:

- Conseil des Industries, de la Confiance et de la Sécurité (until March 2019)

Vice-Chairman of:

- La Fédération des Industries Électriques, Électroniques et de Communication (until March 2019)

Chairman of:

- AnneB Advisors (since December 2017)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

Offices held in GSMA (International association of mobile network operators):

Member of the Board of Directors as Permanent Representative of France Telecom Orange S.A.:
— GSMA (until July 2015)

Chief Executive Officer of:
— GSMA SV (Switzerland) (until July 2015)

Director of:
— GSMA LTD (USA) (until July 2015)

Other offices held in Safran Identity and Security Group:

Chairman and Chief Executive Officer of:
— Safran Identity and Security SAS (Formerly MORPHO SAS) (until June 2017)
— MORPHO TRAK, LLC (USA) (until June 2017)

Chairman of:

- MORPHO USA, INC (USA) (until June 2017)

Chairman of the Board of Directors of:

- MORPHO DETECTION INTERNATIONAL, LLC (USA) (until June 2017)

Member of the Supervisory Board of:

- MORPHO CARDS GMBH (Germany) (until June 2017)

Director of:

- MORPHO DETECTION, LLC (USA) (until June 2017)

Senior Advisor of:

- Advent International (until August 2018)

* Listed company.



XIAOQUN CLEVER

Independent Director
Member of the Audit & Risk Committee (since May 23, 2019)

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Ms. Xiaoqun Clever holds an Executive MBA from the University of West Florida and a diploma in Computer Science and International Marketing from the Karlsruhe Institute of Technology (Germany). She also studied Computer Science & Technology at the University TsingHua of Beijing (China).

Ms. Xiaoqun Clever has over 20 years of experience as a technology manager. Born in China, she has held various senior management positions in international corporations. Among others, she spent sixteen years at SAP SE in various positions, including Chief Operating Officer, Technology & Innovation (from 2006 to 2009), Senior Vice-President, Design & New Applications (from 2009 to 2012) and Executive Vice-President & President of Labs in China (from 2012 to 2013). From 2014 to 2015, she was Chief Technology Officer of ProSiebenSat.1 Media SE, a German media company. She was also Chief Technology & Data Officer and member of the Group Executive Board at Ringier AG, an international media group based in Zurich, Switzerland (from January 2016 to February 2019).

Ms. Xiaoqun Clever has been a member of the Supervisory Board of Allianz Elementar Versicherungs AG and Allianz Elementar Lebensversicherungs AG (since 2015) as well as member of the Advisory Board of Maxingvest SE (since 2017).

She joined the Board of Directors of Capgemini SE on May 23, 2019 and is also a member of the Audit & Risk Committee.

Ms. Xiaoqun Clever is a German citizen. She has acquired solid experience in the field of digital transformation and use of data over the course of a successful career in the software and data industries. In addition, she brings to the Capgemini SE Board of Directors her excellent knowledge of the Asian and Central European markets, a valuable asset for the Group's future development in these key geographies.

Principal office:
Independent Director

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Director of:
— CAPGEMINI SE* (since 2002)

Member of the Supervisory Board of:
— MAXINGVEST SE (Germany) (since 2017)
— ALLIANZ ELEMENTAR VERSICHERUNGS AG (Austria) (since January 2015)
— ALLIANZ ELEMENTAR LEBENSVERSICHERUNGS AG (Austria) (since January 2015)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

N/A

* Listed company.

Date of birth:
June 11, 1970

Nationality:
German

Business address:
Capgemini SE
11, rue de Tilsitt
75017 Paris

First appointment:
2019

Expiry of term of office:
2023
(Ordinary Shareholders' Meeting held to approve the 2022 financial statements)

Number of shares held at Dec. 31, 2019:
1,000



LAURA DESMOND

Independent Director
Member of the Strategy & CSR Committee (since January 1, 2019)

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Ms. Laura Desmond is a US citizen and lives in Chicago. She holds a B.B.A. in Marketing from the University of Iowa.

Ms. Laura Desmond was Chief Executive Officer of Starcom MediaVest Group’s (SMG) Latin America Group, a global marketing and media services company which is part of Publicis Group from 2000 to 2002. From 2003 to 2007, she was Chief Executive Officer of MediaVest, based in New York. She was Chief Executive Officer of SMG – The Americas from 2007 to 2008, where she managed a network spanning the United States, Canada and Latin America. From 2008 to December 2016, she was the Global Chief Executive Officer of SMG. She was the Chief Revenue Officer of Publicis Group from December 2016 to December 2017.

Ms. Laura Desmond has been a member of the Board of Directors of Adobe Systems (since 2012) and Syniverse Technologies (since 2016) and also Lead Independent Director of DoubleVerify (since 2017). She is also Founder and Chief Executive Officer of Eagle Vista Partners, a strategic advisory and investment firm focused on marketing and digital technology, based in Chicago.

Ms. Laura Desmond was co-opted by the Board of Directors of Capgemini SE with effect from January 1, 2019 and has been a member of the Strategy & CSR Committee since this date. She brings to the Board her wealth of experience in digital strategy, data analytics and content, developed as a seasoned executive and director at key industry players servicing leading clients.

Principal office:

Ms. Laura Desmond has been Founder and Chief Executive Officer of Eagle Vista Partners since March 2017.

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Director of:

- CAPGEMINI SE* (since January 1, 2019)
- SYNIVERSE TECHNOLOGIES (since 2016)
- ADOBE SYSTEMS* (since 2012)

Founder and Chief Executive Officer of:

- EAGLE VISTA PARTNERS (since March 2017)

Lead Independent Director of:

- DOUBLE VERIFY (since 2017)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

Chairman of:

- ADVERTISING COUNCIL (since 2015)

* Listed company.

Date of birth:
March 5, 1965

Nationality:
American

Business address:
Eagle Vista Partners
330 North Wabash
Chicago, Illinois 60611,
United States

First appointment:
2019 (cooptation)

Expiry of term of office:
2020
(Ordinary Shareholders’ Meeting held to approve the 2019 financial statements)

Number of shares held at Dec. 31, 2019:
1,000



LAURENCE DORS

Independent Director
Chairman of the Compensation Committee
Member of the Audit & Risk Committee
Member of the Ethics & Governance Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Ms. Laurence Dors is a graduate of École Normale Supérieure and École Nationale d'Administration. A former senior civil servant in the French Finance Ministry and former member of the *Prime Minister's* staff (1995-1997) and the Ministry of the Economy's staff (1994-1995), Ms. Laurence Dors has spent much of her professional career in international and Executive Management positions in major international groups (Lagardère, EADS, Dassault Systems, Renault) and then as co-founder and Senior Partner of Conseil Theano Advisors (formerly Anthenor Partners 2012-2018). A specialist in governance issues and an Independent Director, she sits on the Board of Directors of IFA (French Institute of Directors).

Ms. Laurence Dors has been a member of the Board of Directors of Crédit Agricole SA since May 19, 2009. She chairs the Compensation Committee and is a member of the Audit Committee and the Appointments and Governance Committee. She also sits on the Board of Directors of Egis, a non-listed engineering company specializing in consulting and the development of projects offering added value through innovation. She chairs the Compensation Committee and is a member of the Engagements Committee.

Ms. Laurence Dors holds the ranks of Knight of the Legion of Honor and Officer of the National Order of Merit.

Ms. Laurence Dors has been a member of the Board of Directors of Capgemini SE since May 27, 2010. She has been Chairman of the Compensation Committee since May 10, 2017. She has been a member of the Audit & Risk Committee and the Ethics & Governance Committee since May 7, 2014.

Ms. Laurence Dors brings to the Board of Directors her considerable experience in governance and Executive Management compensation issues, her financial and business consulting expertise and her experience in the management of leading international groups in the technology sector.

Principal office:
Independent Director

Date of birth:
March 16, 1956

Nationality:
French

Business address:
Capgemini SE
11, rue de Tilsitt
75017 Paris

First appointment:
2010

Expiry of term of office:
2022
(Ordinary Shareholders' Meeting held to approve the 2021 financial statements)

Number of shares held at Dec. 31, 2019:
1,000

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Director of:

- CAPGEMINI SE* (since May 2010)
- Crédit Agricole S.A.* (since May 2009)
- EGIS SA (since November 2011)
- IFA (French Institute of Directors)

Member of:

- IHEAL (Institute of Latin American Studies) Strategic Policy Committee (since June 2012)
- CEFA (Franco-German Economic Club) Policy Committee (since October 2005)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

Director of:

- INHESJ (French National Institute for Advanced Studies in Security and Justice) (until April 2016)

Senior Partner of:

- THEANO ADVISORS (until October 2018)

* Listed company.



Date of birth:
October 17, 1957

Nationality:
French

Business address:
Capgemini
Technology Services
109, avenue
Eisenhower
31036 Toulouse

First appointment:
2016

Expiry of term of office:
2020
(Ordinary Shareholders' Meeting held to approve the 2019 financial statements)

Number of shares held at Dec. 31, 2019:
12

ROBERT FRETTEL

Director representing employees
Member of the Strategy & CSR Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Mr. Robert Fretel has an engineering degree from Institut du Génie Chimique (Toulouse).

He began his career in 1981 as a mathematics teacher in France and then Tunisia under a cooperation program.

In 1984, he joined the water treatment company, NALCO, as a technical sales engineer, where he developed software for the sales team. In 1986, he moved to Compagnie Générale d'Informatique, where during 7 years he performed assignments for clients such as Citroen and then EDF, focusing on the design and development of the operating and development technical architecture of an invoicing application (100 operating sites, Bull and IBM). He also performed training assignments both internally and for clients such as Crédit Agricole and Caisse d'Épargne.

Mr. Robert Fretel joined Capgemini Toulouse in November 1993 and now has 26 years' experience with the Group.

In addition to his operational duties, Robert Fretel has been an employee representative for 22 years within Capgemini and has developed over this period employee dialogue and mediation with many employees and management. He has also been a member of the International Works Council (IWC) for 10 years.

Mr. Robert Fretel has therefore gained considerable knowledge of employee representative bodies and their activities, as well as of employee consultation processes.

He joined the Board of Directors of Capgemini SE on September 1, 2016 as a director representing employees. He is also a member of the Strategy & CSR Committee.

Robert Fretel brings to the Board the perspective of an employee with considerable knowledge and experience of technological environments and their digital transformation. As a result of his duties, Mr. Robert Fretel also has an in-depth understanding of the Capgemini group and its businesses.

Principal office:

Mr. Robert Fretel is a software architect/MVS expert and software engineer with Capgemini Technology Services.

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Director of:

— CAPGEMINI SE* (since September 2016)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

N/A

* Listed company.



SIÂN HERBERT-JONES

Independent Director
Member of the Audit & Risk Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

A British Chartered Accountant, Ms. Siân Herbert-Jones initially worked for 13 years with PricewaterhouseCoopers in its London and then Paris offices, where she was in charge of mergers and acquisitions (from 1983 to 1993). She then joined the Sodexo Group, where she spent 21 years, including 15 years as Chief Financial Officer and member of the Executive Committee (until February 28, 2016). She is currently a director of l'Air Liquide SA (since 2011) where she chairs the Audit and Accounts Committee. She has also been a director of Bureau Veritas since May 17, 2016 and has been a member of the Audit & Risk Committee since May 2017.

Ms. Siân Herbert-Jones joined the Board of Directors of Capgemini SE on May 18, 2016. She has been a member of the Audit & Risk Committee (formerly the Audit Committee) since this date.

Of British nationality, she brings strong financial and audit expertise to the Board, as well as her experience with international transactions, particularly in the service sector (BtoB). She also contributes to the Board her multi-cultural management experience and expertise and her experience as an Independent Director on the Boards of leading international companies.

Principal office:
Independent Director

Date of birth:

September 13, 1960

Nationality:

British

Business address:

Capgemini SE
11, rue de Tilsitt
75017 Paris

First appointment:

2016

Expiry of term of office:

2020
(Ordinary Shareholders' Meeting held to approve the 2019 financial statements)

Number of shares held at Dec. 31, 2019:

1,000

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Director of:

- CAPGEMINI SE* (since May 2016)
- L'AIR LIQUIDE SA* (since May 2011)
- BUREAU VERITAS* (since May 2016)
- COMPAGNIE FINANCIÈRE AURORE INTERNATIONALE, a Sodexo group subsidiary (since February 2016)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

Chief Financial Officer and member of the Executive Committee of:

- SODEXO* (until February 2016)

Offices held in Sodexo Group:

Chairman of:

- ETIN SAS (until February 2016)
- SOFINSOD SAS (until February 2016)
- SODEXO ETINBIS SAS (until February 2016)

Permanent Representative of Sofinsod SAS on the Supervisory Board of:

- ONE SCA (until February 2016)

Director of:

- SODEXHO AWARDS CO (until February 2016)
- SODEXO JAPAN KABUSHIKI KAISHA Ltd (until February 2016)
- SODEXHO MEXICO SA DE CV (until February 2016)
- SODEXHO MEXICO SERVICIOS DE PERSONAL SADE CV (until February 2016)
- SODEXO REMOTE SITES THE NETHERLANDS B.V (until February 2016)
- SODEXO REMOTE SITES EUROPE Ltd (until February 2016)

- UNIVERSAL SODEXHO EURASIA Ltd (until February 2016)
- SODEXO, INC. (until February 2016)
- SODEXO MANAGEMENT, INC. (until February 2016)
- SODEXO REMOTE SITES USA, INC. (until February 2016)
- SODEXO SERVICES ENTERPRISES LLC (until February 2016)
- UNIVERSAL SODEXHO SERVICES DE VENEZUELA SA (until February 2016)
- UNIVERSAL SODEXHO EMPRESA DE SERVICIOS Y CAMPAMENTOS SA (until February 2016)
- SODEXO GLOBAL SERVICES UK Ltd (until February 2016)

Member of the Management Board of:

- SODEXO EN FRANCE SAS (until February 2016)
- SODEXO ENTREPRISES SAS (until February 2016)
- SODEXO PASS INTERNATIONAL SAS (until February 2016)
- ONE SAS (until February 2016)
- ONE SCA (until February 2016)

* Listed company.



Date of birth:
May 27, 1956

Nationality:
British

Business address:
Capgemini UK
No.1 Forge End
Woking – Surrey
GU21 6DB
UK

First appointment:
2016

Expiry of term of office:
2020
(Ordinary Shareholders' Meeting held to approve the 2019 financial statements)

Number of shares held at Dec. 31, 2019:
0

KEVIN MASTERS

Director representing employees
Member of the Compensation Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Mr. Kevin Masters joined the Capgemini group in 1973. Experience gained within Capgemini mainly revolves around managing large groups of people in an operations or support environment.

Mr. Kevin Masters has been engaged in the employee consultation process as the Chairman of both the Outsourcing Forum and National Works Council Groups since 2001. He was elected as the UK representative on the International Works Council (IWC), then as a member of the IWC Office, where he was the Secretary until his appointment as director representing employees in September 2016.

Between July 2014 and September 2016, Mr. Kevin Masters was invited as Secretary of the IWC to become a non-voting member of the Capgemini SE Board of Directors. He was then also a permanent guest of the Compensation Committee.

Mr. Kevin Masters was appointed as a director representing employees on the Capgemini SE's Board of Directors with effect from September 1, 2016. He is also a member of the Compensation Committee.

Mr. Kevin Masters brings to the Board of Directors his great knowledge of the Capgemini group and of its businesses, his experience of technological environments, as well as the vision of an employee of Anglo-Saxon culture, thus contributing to the diversity of profiles represented on the Board.

Principal office:
Project Management, cloud infrastructure services with Capgemini UK.

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Director of:
— CAPGEMINI SE* (since September 2016)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

N/A

* Listed company.



XAVIER MUSCA

Independent Director
Chairman of the Audit & Risk Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

A graduate of Institut d'Etudes Politiques in Paris and École Nationale d'Administration, Mr. Xavier Musca began his career at the General Finance Inspectorate in 1985. In 1989, he joined the Treasury Directorate, where he became head of the European Affairs Bureau in 1990. In 1993, he was called to the Prime Minister's staff, then returned to the Treasury Directorate in 1995. Between 2002 and 2004, he was Principal Private Secretary to Francis Mer, Minister for the Economy, Finance and Industry, then appointed Treasury Director in 2004. He was subsequently appointed Director General of Treasury and Economic Policy in June 2005. In these positions, he played a key role in preparing major European and global summits at the start of the financial crisis. He was the French negotiator at IMF and World Bank meetings and coordinated the bailout of the European Union banking sector with his European counterparts. In 2009, he became Deputy Secretary General to the French President in charge of economic affairs and was responsible for negotiations at the G20 meeting in London on April 2, 2009 on placing the global financial system on a sounder footing and improving supervision and the fight against tax havens. He was appointed Secretary General to the French President in 2011.

On June 13, 2012, Mr. Xavier Musca was appointed Deputy Chief Executive Officer of Crédit Agricole SA, responsible for International retail banking, Asset management and Insurance. He has been Deputy Chief Executive Officer of Crédit Agricole SA, as effective second Executive Director of Crédit Agricole SA since May 2015.

Xavier Musca is a Knight of the Legion of Honor, the National Order of Merit and the Order of Agricultural Merit.

Mr. Xavier Musca joined the Board of Directors of Capgemini SE on May 7, 2014. He has been a member of the Audit & Risk Committee (formerly the Audit Committee) since this date and was appointed Chairman on December 7, 2016. Mr. Xavier Musca brings to the Board of Directors his management experience with a major international group and his financial expertise. He has in-depth knowledge of the financial sector, including both retail and BtoB services, which accounts for some 25% of Group revenues. He also provides the Board with his knowledge of economic globalization issues.

Principal office:

Mr. Xavier Musca has been Deputy Chief Executive Officer of Crédit Agricole SA since July

Date of birth:

February 23, 1960

Nationality:

French

Business address:

Crédit Agricole S.A.
50, avenue Jean Jaurès
92120 Montrouge

First appointment:

2014

Expiry of term of office:

2022

(Ordinary Shareholders' Meeting held to approve the 2021 financial statements)

Number of shares held at Dec. 31, 2019:

1,000

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Director of:

— CAPGEMINI SE* (since May 2014)

— CA CONSUMER FINANCE (since July 2015)

Offices held in Crédit Agricole Group:

Deputy Chief Executive Officer (since July 2012) and effective second Executive Director (since May 2015) of:

— CRÉDIT AGRICOLE SA* (Member of the Management Committee – Member of the Executive Committee)

Director – Vice-Chairman of:

— PREDICA (since November 2012)

Director of:

— CA ASSURANCES (since November 2012)
— CARIPARMA (ITALY) (since October 2016)

Permanent Representation of Crédit Agricole SA on the Board of Directors of:

— PACIFICA (since October 2012)

Chairman of:

— AMUNDI SA* Director (since July 2012, renewed in April 2015) and Chairman (since December 2016)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

Offices held in Crédit Agricole Group:

Vice-Chairman of the Supervisory Board of:

— CRÉDIT DU MAROC* (until 2015)

Director – Vice-Chairman of:

— CRÉDIT AGRICOLE EGYPT S.A.E.* (until 2015)

Vice-Chairman of:

— UBAF (until 2015)

Director of:

— CACI (until 2017)
— CACEIS (until 2015)

Member of the Executive Committee of:

— CARIPARMA (ITALY) (until 2015)

* Listed company.



Date of birth:
July 3, 1963

Nationality:
French

Business address:
Tours Société Générale,
75886 Paris Cedex 18

First appointment:
2018

Expiry of term of office:
2022
(Ordinary Shareholders' Meeting held to approve the 2021 financial statements)

Number of shares held at Dec. 31, 2019:
1,000

FREDERIC OUDEA

Independent Director
Member of the Ethics & Governance Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Mr. Frédéric Oudéa is a graduate of the École Polytechnique and the École Nationale d'Administration.

From 1987 to 1995, Mr. Frédéric Oudéa held various positions in the French senior civil service (Audit Department of the Ministry of Finance, Ministry of Economy and Finance, Budget Ministry, Private Office of the Minister of Budget and Communication). In 1995, he joined Société Générale and in 1996 he was appointed Deputy Head then Head of the bank's Corporate Banking arm in London. In 1998, he became Head of Global Supervision and Development of the Equities division. In May 2002, he was named Deputy Chief Financial Officer of Société Générale Group, followed by Chief Financial Officer in January 2003. In 2008 he was appointed CEO of the Group, before becoming Chairman and Chief Executive Officer in 2009. Following the regulatory split between the roles of Chairman and Chief Executive, he was appointed Chief Executive Officer in May 2015. In 2010, he was named Chairman of the Steering Committee on Regulatory Capital ("SCRC") at the Institute of International Finance ("IIF") and is President of the French Banking Federation since January 2019.

Mr. Frédéric Oudéa joined the Board of Directors of Capgemini SE on May 23, 2018 and was appointed a member of the Ethics & Governance Committee on the same date.

Mr. Frédéric Oudéa brings to the Board his experience in managing a leading banking group with an ambitious international development plan and highly innovative in Digital.

Principal office:

Mr. Frédéric Oudéa has been Chief Executive Officer of Société Générale since May 2015.

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Director of:

— CAPGEMINI SE* (since May 2018)

Chief Executive Officer of:

— SOCIÉTÉ GÉNÉRALE* (since May 2015)

Chairman of:

— La Fédération bancaire française
(French Banking Federation)
(since September 1, 2019)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

N/A

* Listed company.



PATRICK POUYANNÉ

Independent Director
Member of the Strategy & CSR Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Mr. Patrick Pouyanné is a graduate of École Polytechnique and a Chief Engineer of France's Corps des Mines. Between 1989 and 1996, he held various administrative positions in the Ministry of Industry and other cabinet positions (technical advisor to the *Prime Minister* in the fields of the Environment and Industry – Édouard Balladur – from 1993 to 1995, Chief of Staff for the Minister for Information and Aerospace Technologies – François Fillon – from 1995 to 1996). In January 1997, he joined Total's Exploration & Production division, first as Chief Administrative Officer in Angola, before becoming Group representative in Qatar and President of the Exploration and Production subsidiary in that country in 1999. In August 2002, he was appointed President, Finance, Economy and IT for Exploration & Production. In January 2006, he became President, Strategy, Growth and Research in Exploration & Production and was appointed a member of the Group's Management Committee in May 2006. In March 2011, Mr. Patrick Pouyanné was appointed Vice-President, Chemicals, and Vice-President, Petrochemicals. In January 2012, he became President, Refining & Chemicals and a member of the Group's Executive Committee.

On October 22, 2014, he was appointed Chief Executive Officer of TOTAL S.A. and President of the Group's Executive Committee. On May 29, 2015, the Annual Shareholders' Meeting appointed him a director of TOTAL S.A. for a three-year term. TOTAL's Board of Directors appointed him as its Chairman from December 19, 2015. Mr. Pouyanné is now Chairman and Chief Executive Officer of TOTAL. Mr. Pouyanné's term of office was renewed by the Shareholders' Meeting of June 1, 2018 for a period of three years and the Board of Directors confirmed him in his duties of Chairman of the Board and Chief Executive Officer for the same period.

Mr. Pouyanné has been a director of Capgemini SE since May 10, 2017 and a member of the Strategy & CSR Committee since September 1, 2017.

He brings to the Board of Directors of Capgemini SE his expertise in macroeconomic and geopolitical issues and his experience in managing a leading international energy group, a sector where new technologies play an essential role.

Principal office:

Mr. Patrick Pouyanné has been Chairman and Chief Executive Officer of TOTAL S.A. since December 2015. He has been a Director of TOTAL S.A. since May 2015 and is Chairman of the Strategy & CSR Committee.

Date of birth:

June 24, 1963

Nationality:

French

Business address:

TOTAL S.A.
2, place Jean Millier,
92400 Courbevoie

First appointment:

2017

Expiry of term of

office:

2021
(Ordinary Shareholders'
Meeting held to
approve the 2020
financial statements)

Number of shares held

at Dec. 31, 2019:

1,000

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Director of:

— CAPGEMINI SE* (since May 2017)

Chairman and Chief Executive Officer of:

— TOTAL S.A. (since December 2015)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

N/A

* Listed company.



PIERRE PRINGUET

Independent Director
Lead Independent Director and
Chairman of the Ethics & Governance Committee
Member of the Compensation Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Mr. Pierre Pringuet is a graduate of École Polytechnique and École des Mines. He started his career in the French civil service, where he was appointed as an advisor to government minister Michel Rocard (1981-1985), before being given responsibility for the Farming and Food Processing Industries at the Ministry of Agriculture. He joined Pernod Ricard in 1987 as Development Director, playing an active role in the Group's international development and holding the positions of Managing Director of Société pour l'Exportation de Grandes Marques (1987-1996) and then Chairman and Chief Executive Officer of Pernod Ricard Europe (1997-2000). In 2000, he joined Patrick Ricard at the Headquarters as one of Pernod Ricard's two joint CEOs. He was appointed a director of Pernod Ricard in 2004 and led the successful acquisition of Allied Domecq in 2005 and its subsequent integration. In December of the same year, he became the Group's Deputy Chief Executive Officer & Chief Operating Officer. In 2008, he carried out the acquisition of Vin&Sprit (V&S) and its brand Absolut Vodka, which completed Pernod Ricard's international development. Following the withdrawal of Patrick Ricard from his operational duties, he was appointed Chief Executive Officer of Pernod Ricard on November 5, 2008. He performed his duties as CEO until February 11, 2015, the date of expiry of his term of office pursuant to the Company's bylaws. He was Vice-Chairman of the Board of Directors of Pernod Ricard from August 2012 to January 2019 and played an active role, together with the Appointments, Governance and CSR Committee, in the management of all Corporate Governance issues. He was also a director and member of the Pernod Ricard Strategy Committee and Compensation Committee from 2012 to 2019.

Mr. Pierre Pringuet is Vice-Chairman of the Vallourec Supervisory Board and Lead Independent Director since February 23, 2015. He is also Chairman of the Vallourec Appointments, Compensation and Governance Committee. Mr. Pierre Pringuet was appointed to the Board of Directors of ILIAD SA on July 25, 2007 and is a member of the Appointments and Compensation Committee.

Mr. Pierre Pringuet has also been a member of the Board of Directors of Française des Jeux since November 4, 2019.

Mr. Pierre Pringuet was President of the Association Française des Entreprises Privées (AFEP) (French Association of Private Enterprises) from June 2012 to May 2017.

Mr. Pierre Pringuet holds the ranks of Officer of the Legion of Honor, Knight of the National Order of Merit and Commander of the Order of Agricultural Merit.

Mr. Pierre Pringuet joined the Board of Directors of Capgemini SE on April 30, 2009. He has been Lead Independent Director and Chairman of the Ethics & Governance Committee since May 10, 2017 and a member of the Compensation Committee since June 17, 2009, which he chaired from May 2014 to May 2017.

Mr. Pierre Pringuet brings to the Board extensive experience in the Retail sector, as a senior executive of an international group. He shares with the Board his expertise in Corporate Governance issues and executive compensation, as well as his strategy and development experience, particularly in international external growth transactions.

Principal office:
Independent Director

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

- Director of:**
- CAPGEMINI SE* (since April 2009)
 - PERNOD RICARD* (until November 8, 2019)
 - ILIAD SA*(since July 2007)
 - LA FRANCAISE DES JEUX* (since November 4, 2019)
 - AVRIL GESTION SAS (GROUPE AVRIL) (since December 2014)

- Vice-Chairman of the Board of Directors of:**
- PERNOD RICARD* (until January 23, 2019)

- Vice-Chairman and Lead Independent Director of the Supervisory Board of:**
- VALLOUREC* (since February 2015)

- Chairman of:**
- Amicale du Corps des Mines (ACM) (since 2015)
 - Fondation ParisTech (since January 2016)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

- Chief Executive Officer of:**
- PERNOD RICARD*(until February 2015)

- Scotch Whisky Association (since December 2017)
- AgroParisTech (until December 2016)

- Chairman of:**
- AFEP (French Association of Private Enterprises) (until May 2017)

* Listed company.

**Date of birth:**

January 19, 1964

Nationality:

French

Business address:Capgemini Service
76, avenue Kléber,
75016 Paris**First appointment:**

2012

Expiry of term of**office:**

2020

(Ordinary Shareholders' Meeting held to approve the 2019 financial statements)

Number of shares held**at Dec. 31, 2019:**

30,597

LUCIA SINAPI-THOMAS**Director representing employee shareholders****Member of the Compensation Committee****BIOGRAPHY – PROFESSIONAL EXPERIENCE**

Ms. Lucia Sinapi graduated from ESSEC business school (1986) and Paris Law University – Panthéon Assas (1988), was admitted to the Paris bar (1989), and has a financial analyst degree (SFAF 1997). She started her career as a tax and business lawyer in 1986, before joining Capgemini in 1992. She has more than 20 years' experience within Capgemini group, successively as Group Tax Advisor (1992), head of Corporate Finance, Treasury and Investors Relations (1999), then head of Risk Management and Insurance (2005), and member of the Group Review Board. She was Deputy Chief Financial Officer from 2013 until December 31, 2015 and was appointed Executive Director Business Platforms of Capgemini group in January 2016. Since January 1, 2019, Ms. Lucia Sinapi-Thomas is Executive Director of Capgemini Ventures.

Ms. Lucia Sinapi-Thomas was appointed to the Dassault Aviation Board of Directors on May 15, 2014, where she is also a member of the Audit Committee. She has also been a director of Bureau Veritas since May 22, 2013 and was appointed to the Audit & Risk Committee on the same date.

Ms. Lucia Sinapi-Thomas joined the Board of Directors of Capgemini SE as a director representing employee shareholders on May 24, 2012. She has been a member of the Compensation Committee since June 20, 2012.

Ms. Lucia Sinapi-Thomas brings to the Board her finance expertise and her extensive knowledge of the Capgemini group, its businesses, offerings and clients, enriched by her ongoing operating responsibilities. In addition, her experience as a director of Euronext listed companies provides her with a perspective offering insight relevant to Capgemini's various activities.

Principal office:

Since June 2019, Ms. Lucia Sinapi-Thomas is Chief Executive Officer of Capgemini Ventures.

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019**Director of:**

- CAPGEMINI SE* (since May 2012)
- BUREAU VERITAS* (since May 2013)
- DASSAULT AVIATION* (since May 2014)

Other offices held in Capgemini group:**Chairman of:**

- CAPGEMINI EMPLOYEES WOLRLDWISE SAS (until June 24, 2019)

Chief Executive Officer of:

- CAPGEMINI VENTURES (since June 24, 2019)

Chairman of the Supervisory Board of:

- FCPE CAPGEMINI

Member of the Supervisory Board of:

- FCPE ESOP CAPGEMINI

Director of:

- AZQORE (Switzerland) (since November 2018)
- CAPGEMINI DANMARK A/S (Denmark) (since May 22, 2019)
- SOGETI SVERIGE AB (Sweden) (since November 2008)
- SOGETI SVERIGE MITT AB (Sweden) (until July 1, 2019)
- SOGETI NORGE A/S (Norway) (until May 15, 2019)
- CAPGEMINI BUSINESS SERVICES GUATEMALA S.A. (until August 12, 2019)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)**Deputy Chief Financial Officer of:**

- CAPGEMINI SE* (until December 2015)

Other offices held in Capgemini group:**Chairman of:**

- PROSODIE SAS (until November 2018)

Chief Executive Officer of:

- SOGETI FRANCE SAS (until July 2018)
- CAPGEMINI OUTSOURCING SERVICES S.A.S. (until January 2018)

Executive Director of:

- Business Platforms, Capgemini (until June 2018)

Director of:

- CAPGEMINI POLSKA Sp.z.o.o. (Poland) (until April 2018)
- CAPGEMINI REINSURANCE INTERNATIONAL S.A. (Luxembourg) (until April 2016)
- EURIWARE SA (until July 2015)

* Listed company.

2.1.5 Group Management

MANAGEMENT OF THE GROUP

Since January 1, 2020¹, 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. 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 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

1. 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.

Capgemini SE Group Management is led by Mr. Paul Hermelin, Chairman and Chief Executive Officer, assisted by Mr. Aiman Ezzat, Chief Operating Officer.

In 2019, Mr. Paul Hermelin was assisted by two Chief Operating Officers, Messrs. Thierry Delaporte and Aiman Ezzat. Mr. Thierry Delaporte had specific responsibility for steering the offerings, industrial expertise, innovation and the Indian platform, while Mr. Aiman Ezzat had specific responsibility for steering the operating accounts and the commercial management of clients.

In line with the new planned governance structure following the upcoming Shareholders' Meeting in May 2020, Mr. Aiman Ezzat will succeed Mr. Paul Hermelin as Chief Executive Officer. Mr. Thierry Delaporte's term of office as Chief Operating Officer therefore ended on December 31, 2019. Mr. Thierry Delaporte remains a member of the Group Executive Board, as Deputy Chief Executive Officer from January 1, 2020.

Group Management is assisted by two bodies comprising the Group's key operating and functional managers: the Group Executive Board and the Executive Committee.

In addition, four special-purpose committees assist Group Management:

- the **Group Review Board**, chaired by the Chairman and Chief Executive Officer, which examines the major business proposals in the course of drafting or negotiation, multi-national or multi-business framework agreements entered into with clients or suppliers and major contracts involving guarantees given by the Group;
- the **Merger & Acquisitions Committee**, also chaired by the Chairman and Chief Executive Officer, which examines acquisition and divestment projects in the course of identification, selection, assessment or negotiation;
- the **Investment Committee**, chaired by the Chief Financial Officer, which reviews and provides advice with respect to projects requiring investment, including those involving real estate or investment in technologies;
- the **Risk Committee**, chaired by the Chief Financial Officer, which is in charge of the effective implementation of the risk identification and risk management system and which leads the associated internal controls.



PAUL HERMELIN

Chairman and Chief Executive Officer

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Mr. Paul Hermelin, born on April 30, 1952, is a graduate of École Polytechnique and École Nationale d'Administration. He spent the first fifteen years of his professional life in the French government, primarily in the Ministry of Finance. He held a number of positions in the Budget Office and on various ministry staffs, including that of Finance Minister, Jacques Delors. He was chief of staff to the Minister of Industry and Foreign Trade, from 1991 to 1993.

Mr. Paul Hermelin joined the Capgemini group in May 1993, where he was first in charge of coordinating central functions. In May 1996, he was appointed member of the Management Board and Chief Executive Officer of Capgemini France. In May 2000, following the merger of Capgemini and Ernst & Young Consulting, he became Chief Operating Officer of the Group and director. On January 1, 2002, he became Chief Executive Officer of the Capgemini group, followed by Chairman and Chief Executive Officer on May 24, 2012. He has been a member of the Strategy & CSR Committee since July 24, 2002.

For more detailed information, please refer to the biography published in Section 2.1.4.



THIERRY DELAPORTE

Chief Operating Officer (until December 31, 2019)

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Mr. Thierry Delaporte, born on May 28, 1967, is a graduate in Political Sciences from SciencesPo Paris and holds a Masters in Law from the Paris La Sorbonne University.

He is a member of the Group Executive Board and was Chief Operating Officer of Capgemini SE from January 1, 2018 to December 31, 2019. He was previously Head of Capgemini's Financial Services Strategic Business Unit from January 1, 2013 to December 31, 2017, as well as overseeing Capgemini's operations in Latin America from January 2016 to December 31, 2017.

Mr. Thierry Delaporte has spent most of his career with Capgemini, based in various countries. He has driven Capgemini's operations and strategic planning in several of its key businesses and has participated in a number of key transformation programs.

Mr. Thierry Delaporte was Chief Operating Officer and Head of Sales for Application Services One (UK, Asia Pacific and North America) in 2011 and 2012, Chief Financial Officer for the Global Outsourcing Business Unit (2009-2010), Chief Financial Officer for North America (2005-2008), Chief Financial Officer of Southern Europe (2003-2005), Chief Financial Officer and Chief Operating Officer for Australia and New Zealand (2002-2003), Chief Financial Officer for the Asia-Pacific Telecom business following the integration of Ernst & Young (2000-2002) and Chief Financial Officer for Switzerland and Austria (1997-2000). Mr. Thierry Delaporte joined the Capgemini group in 1995 as Group Internal Auditor.

Mr. Thierry Delaporte began his career in 1992 as a Senior Auditor at Arthur Andersen in Paris and London.

Mr. Thierry Delaporte is also Co-founder and President of a Non-Profit Organization (Life Project 4 Youth).

Date of birth:

May 28, 1967

Nationality:

French

Business address:

Capgemini SE
11, rue de Tilsitt
75017 Paris

Number of shares held at Dec. 31, 2019:

19,800

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Chief Operating Officer of:

- CAPGEMINI SE* (until December 31, 2019)

Vice-Chairman of the Board of Directors of:

- AZQORE SA (Switzerland) (since November 2018)

Other offices held in Capgemini group:

Chairman of:

- CAPGEMINI VENTURES (USA) (since June 24, 2019)
- CAPGEMINI DEMS France SAS (since November 2018)
- IDEAN ENTREPRISES Inc. (USA) (since February 2017)

Chairman of the Board of Directors of:

- IDEAN ENTREPRISES OY (Finland) (since October 25, 2019)
- CAPGEMINI MEXICO S. DE R. L. DE C.V. (Mexico) (until January 1, 2019)

Director of:

- LIQUIDHUB INDIA PRIVATE LIMITED (India) (since August 2018)
- LIQUIDHUB ANALYTICS PRIVATE LIMITED (India) (since August 2018)
- CAPGEMINI TECHNOLOGY SERVICES INDIA LIMITED (India) (since May 2018)
- LIQUIDHUB SPZ.O.O (Poland) (until October 1, 2019)
- ANNIK Inc. (USA) (since March 2018)
- CAPGEMINI NORTH AMERICA (USA) (since January 3, 2019)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

Offices held in Capgemini group:

Chairman and Chief Executive Officer of:

- CAPGEMINI FINANCIAL SERVICES CANADA Inc. (Canada) (until January 2017)
- CAPGEMINI FINANCIAL SERVICES INTERNATIONAL Inc. (USA) (until December 2014)

Chairman of the Board of Directors of:

- LIQUIDHUB Inc. (USA) (until December 31, 2018)

Director of:

- CAPGEMINI BRASIL S.A. (Brazil) (until April 2018)
- CAPGEMINI SAUDI Ltd (Saudi Arabia) (until March 2018)
- CAPGEMINI (HANGZHOU) Co (China) (until March 2018)
- CAPGEMINI HONG KONG Ltd (China) (until March 2018)
- CAPGEMINI ESPAÑA S.L. (Spain) (until March 2018)
- CAPGEMINI JAPAN KK (Japan) (until March 2018)
- CAPGEMINI ASIA PACIFIC PTE Ltd (Singapore) (until March 2018)

- CAPGEMINI MALAYSIA SDN BHD (Malaysia) (until March 2018)
- CAPGEMINI SOLUTIONS CANADA Inc. (Canada) (until February 2018)
- CAPGEMINI CANADA Inc. (Canada) (until February 2018)
- CAPGEMINI JAMAICA Ltd (Jamaica) (until March 2017)
- CAPGEMINI MIDDLE EAST FZ Llc (Dubai) (until July 2016)
- CAPGEMINI FINANCIAL SERVICES USA Inc. (USA) (until July 2016)
- CAPGEMINI PHILIPPINES Corp (Philippines) (until March 2016)
- CAPGEMINI FINANCIAL SERVICES AUSTRALIA PTY Ltd (Australia) (until March 2015)
- GESTION CAPGEMINI QUEBEC Inc. (Canada) (until February 2018)
- STRATEGIC SYSTEMS SOLUTIONS Ltd (UK) (until February 2015)

Director of:

- KRENO CONSULTANT (until December 2017)
- CREADEV (until December 2017)

* Listed company.



AIMAN EZZAT

Chief Operating Officer

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Mr. Aiman Ezzat, born on May 22, 1961, holds a MSc (Master of Science) in chemical engineering from École Supérieure de Chimie Physique Électronique de Lyon in France and an MBA from the Anderson School of Management at UCLA.

Mr. Aiman Ezzat has been Chief Operating Officer of Capgemini since January 1, 2018. He was Chief Financial Officer from December 2012 to the end of May 2018. He is a member of the Group Executive Board. In March 2017, he was named the “Best European CFO” for the technology and software category in the “2017 All European Executive Team” Institutional Investor’s annual ranking of the region’s top corporate leaders.

From December 2008 to 2012, he led the Financial Services Global Business Unit (GBU) after serving as Chief Operating Officer from November 2007. Mr. Aiman Ezzat has also served as Capgemini’s deputy director of Strategy from 2005 to 2007. He played a key role in the development of the Booster turnaround plan for the Group’s activities in the United States, as well as in the development of the Group’s offshore strategy. He was part of the acquisition and integration team of Kanbay, a global IT services firm focused on the Financial Services industry, acquired by Capgemini in 2006.

Before joining Capgemini, from 2000 to 2004, Mr. Aiman Ezzat served as Managing Director of International Operations at Headstrong, a global business and technology consultancy, where he worked with Financial Services clients in Asia, North America and Europe.

Mr. Aiman Ezzat was also previously Global Head of the Oil & Gas and Chemicals practice of Gemini Consulting where he spent 10 years (Gemini Consulting was the former brand of the strategic and transformation consulting arm of the Capgemini group, now Capgemini Consulting).

Date of birth:
May 22, 1961

Nationality:
French

Business address:
Capgemini SE
11, rue de Tilsitt
75017 Paris

**Number of shares held
at Dec. 31, 2019:**
49,920

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Chief Operating Officer of:

— CAPGEMINI SE* (since January 2018)

Other offices held in Capgemini group:

Chairman of:

— SOGETI FRANCE 2005 SAS (since May 2018)

Director of:

- SOGETI UK Ltd (UK) (since February 1, 2019)
- CAPGEMINI SINGAPORE PTE Ltd (Singapore) (until November 7, 2019)
- CAPGEMINI HONG KONG Ltd (China) (until October 15, 2019)
- CAPGEMINI ESPAÑA S.L. (Spain) (since March 2018)
- CAPGEMINI CANADA Inc (Canada) (until March 19, 2019)
- GESTION CAPGEMINI QUEBEC Inc (Canada) (until March 21, 2019)
- CAPGEMINI SOLUTIONS CANADA Inc (Canada) (since February 2018)

- CAPGEMINI TECHNOLOGIES Llc (USA) (since December 2017)
- CAPGEMINI NORTH AMERICA Inc (USA) (since July 2013)
- CAPGEMINI AUSTRALIA PTY Ltd (Australia) (until April 30, 2019)
- CAPGEMINI UK Plc (UK) (since February 2013)
- CAPGEMINI (HANGZHOU) Co. Ltd (China) (since August 2010)
- SOGETI SVERIGE AB (Sweden) (until June 17, 2019)
- SOGETI SVERIGE MITT AB (Sweden) (until November 28, 2019)
- RESTAURANT APPLICATION DEVELOPMENT INTERNATIONAL (USA) (since August 2017)
- RADI HOLDING LLC (USA) (since August 2017)
- CGS HOLDING (UK) (until February 1, 2019)

Member of the Supervisory Board of:

- SOGETI NEDERLAND BV (Netherlands) (since December 2012)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

Offices held in Capgemini group:

Director of:

- CAPGEMINI ITALIA S.P.A. (USA) (until April 2018)
- CAPGEMINI BRASIL SA (Brazil) (until April 2018)
- CAPGEMINI ASIA PACIFIC PTE Ltd (Singapore) (until March 2018)
- CAPGEMINI FINANCIAL SERVICES CANADA Inc. (Canada) (until January 2017)
- CAPGEMINI FINANCIAL SERVICES USA Inc. (USA) (until July 2016)

- CAPGEMINI FINANCIAL SERVICES AUSTRALIA PTY Ltd (Australia) (until March 2015)
- CAPGEMINI BUSINESS SERVICES AUSTRALIA PTY Ltd (Australia) (until August 2015)
- KANBAY (ASIA) Ltd (Mauritius) (until September 2015)
- IGATE GLOBAL SOLUTIONS MEXICO SA DE CV (Mexico) (until July 2016)
- IGATE TECHNOLOGIES Inc (USA) (until July 2016)
- IGATE CORPORATION Inc (USA) (until May 2016)

* Listed company.

As far as the Company is aware, no Group Management member has, at any time during the last five years, been found guilty of fraud, been involved in any bankruptcy, receivership, or liquidation or company placed in administration, been subject to any form of official public sanction and/or criminal liability or been disqualified by a court from acting as an executive or from participating in the management or conduct of the affairs of any issuer.

At the date of this Universal Registration Document and as far as the Company is aware, there are no:

- family ties between the general management members or between a general management member and a director of the Company;

- potential conflicts of interest among general management members between their duties to the Company and their private interests and/or any other duties;
- arrangements or agreements with a shareholder, customer, supplier, or other party pursuant to which a general management member was selected;
- restrictions on the sale by general management members of their investment in the share capital of Capgemini (other than the obligation to hold preference shares detailed in Section 2.3.2).

For information on the compensation of Executive Corporate Officers, please refer to Section 2.3 of the Universal Registration Document.

Group Executive Board

The role of the Group Executive Board is to facilitate the carrying out of the Group's operations and to take the necessary measures, notably with regard to the setting of quantitative objectives and appointing and assessing the performance of executives with a

wide range of responsibilities. The GEB defines the broad strategies and actions to be submitted to the Executive Committee for approval and ensures their implementation by the major business units.

At the date of this Universal Registration Document, the Group Executive Board brings together Group Management and the following individuals:

Paul HERMELIN	Chairman and Chief Executive Officer
Aiman EZZAT	Chief Operating Officer
Jean-Philippe BOL	Americas and Asia Pacific Strategic Business Unit
Anirban BOSE	Financial Services Strategic Business Unit
Thierry DELAPORTE	Intelligent Industry, Digital Engineering & Manufacturing Services
Carole FERRAND	Finance
Cyril GARCIA	Capgemini Invent, Sectors
Hubert GIRAUD	People Management & Transformation
Franck GREVERIE	Portfolio, Cloud infrastructure services, Business Services, Insights & Data, Digital Customer Experience
Patrick NICOLET	Technology & Innovation
Olivier SEVILLIA	Europe, Group Sales, Sogeti Strategic Business Unit

Executive Committee

The role of the Executive Committee is to assist Group Management define broad strategies concerning the Group's operating structure, the choice of priority offerings, production rules and organization and the implementation conditions for human resources

management. The Executive Committee meets once a month and comprises, in addition to the Chairman and Chief Executive Officer, the Chief Operating Officer and the other Group Executive Board members.

At the date of this Universal Registration Document, the Executive Committee comprised the following individuals:

Paul HERMELIN	Chairman and Chief Executive Officer	Group Management	Group Executive Board
Aïman EZZAT	Chief Operating Officer		
Jean-Philippe BOL	Americas and Asia Pacific Strategic Business Unit		
Anirban BOSE	Financial Services Strategic Business Unit		
Thierry DELAPORTE	Intelligent Industry, Digital Engineering & Manufacturing Services		
Carole FERRAND	Finance		
Cyril GARCIA	Capgemini Invent, Sectors		
Hubert GIRAUD	People Management & Transformation		
Franck GREVERIE	Portfolio, Cloud Infrastructure Services, Business Services, Insights & Data, Digital Customer Experience		
Patrick NICOLET	Technology & Innovation		
Olivier SEVILLIA	Europe, Group Sales, Sogeti Strategic Business Unit	Executive Committee	
Fernando ALVAREZ	Strategy and Development, Alliances		
Nive BHAGAT	Cloud & Infrastructure Services		
Anis CHENCHAH	Business Services		
André CICHOWLAS	Delivery		
Jean COUMAROS	Transformation		
Christine HODGSON	Corporate, Social and Environmental Responsibility		
Aruna JAYANTHI	APAC & LatAm		
Paul MARGETTS	United Kingdom Business Unit		
John MULLEN	North America Business Unit		
Maria PERNAS	Legal Affairs		
Virginie RÉGIS	Marketing & Communication		
Jérôme SIMÉON	France Business Unit		
Rosemary STARK	Sales		
Hans Van WAAYENBURG	Netherlands Business Unit		
Ashwin YARDI	India		

Diversity policy for management bodies

Diversity is one of the three pillars of the Group's Corporate Social Responsibility (CSR) strategy. In a constantly changing global market with a skills shortage, Capgemini believes diversity drives innovation and creativity. A range of diverse profiles and inclusive practices in our work environment are key to ensuring the Group remains attractive and guaranteeing its long-term success.

As part of its CSR strategy and to accompany these changes, the Group decided the following regarding diversity in its management bodies:

- to set the objective of a progressive increase in both female and international representation on the Group's Executive Committee. With regard to female representation, this has led to a steady increase since 2016 in the percentage of women in this management body, rising successively from 7.5% in 2016 to 17.4% in 2017, 24% in 2018 and finally 26.9% at the end of 2019. The long-term objective is to achieve the same percentage of women in the Executive Committee as in the Group's headcount by 2025;
- 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, by similarly setting annual objectives in this respect for the Group's key managers. In 2018, 14% of Group executive leader positions were held by women. The target for 2019 was to increase this percentage to 16%. The percentage at the end of 2019 was 16.8% and the new target is to reach 20% by end of 2020 and hereafter to increase this percentage every year at a rate equal to or higher than the rate of female representation 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. A specific focus will be placed on gender equality, with a long-term objective of progressively

aligning the percentage of female senior executives with the overall percentage of women in the Vice-President population.

A more detailed description of the Group's policies and indicators for gender diversity in general, as well as the measures taken to increase the percentage of women in management positions, is presented in Chapter 4 of the 2019 Universal Registration Document.

As part of various duties, the Capgemini SE Board of Directors monitors the implementation by Group Management of this policy of non-discrimination and diversity, notably with regard to the balanced representation of men and women on the Group's management bodies.

The Group's CSR strategy, which is monitored specifically since October 2018 by the Strategy & Investment Committee, renamed the Strategy & CSR Committee, and which includes diversity as a key pillar, is reviewed annually by the Board of Directors. In addition, new duties were entrusted to the Compensation Committee in 2019 to ensure the implementation of the diversity policy for management bodies. The various diversity quantified indicators are verified by an external expert as part of the Report on non-financial performance.

Finally, the Board of Directors has set Executive Corporate Officers objectives to increase female representation in the Group in the variable part of their annual compensation and, since 2018, the Board of Directors includes a criterion applicable to performance shares granted to Executive Corporate Officers and Group managers targeting an increase in the number of women becoming Vice-President.

See Section 2.3 of this Universal Registration Document for more information on the individual objectives of the Executive Corporate Officers – Diversity is included in the objective concerning the roll-out of the Group's CSR strategy; and the description of the criteria applicable to performance shares granted in 2019 in Note 12 of the financial statements.

2.1.6 Transactions carried out in the company's shares

Transactions carried out in the Company's shares or related financial instruments, by the individuals referred to in Article L. 621-18-2 of the French Financial and Monetary Code, of which the Company is aware, as follows:

	Transaction	Transaction date	Average price (in euros)	Report reference
Paul Hermelin Chairman and Chief Executive Officer	Sale of 30,000 shares	March 6, 2019	107.8986	2019DD598238
	Vesting of 37,800 performance shares (Plan dated 07/26/2016)	August 1, 2019	0.00	2019DD627901
	Subscription of 197.2323 FCPE "ESOP Capgemini" units (2019 employee share ownership plan)	December 18, 2019	92.27	2019DD663318
	Subscription of 2,962.6917 units in the "Capgemini Classic" compartment (reinvestment on expiry of the 2014 employee share ownership plan)	December 18, 2019	108.82	2019DD663319
Thierry Delaporte Chief Operating Officer	Vesting of 9,800 performance shares (Plan dated 07/29/2015)	August 1, 2019	0.00	2019DD627870
	Subscription of 29.6461 FCPE "ESOP Capgemini" units (2019 employee share ownership plan)	December 18, 2019	92.27	2019DD663168
Aiman Ezzat Chief Operating Officer	Sale of 18,220 shares	February 19, 2019	101.50	2019DD595629
	Sale of 15,000 shares	March 8, 2019	104.6561	2019DD598126
	Vesting of 16,200 performance shares (Plan dated 07/26/2016)	August 1, 2019	0.00	2019DD627852
Xiaoqun Clever Director	Purchase of 1,000 shares	June 4, 2019	98.2941	2019DD610439
Laura Desmond Director	Purchase of 1,000 shares	March 6, 2019	107.5423	2019DD598242
Carole Ferrand Chief Financial Officer	Subscription of 36.0804 FCPE "ESOP Capgemini" units (2019 employee share ownership plan)	December 18, 2019	92.27	2019DD663287
Robert Fretel Director	Subscription of 12.8228 FCPE "ESOP Capgemini" units (2019 employee share ownership plan)	December 18, 2019	92.27	2019DD663251
	Sale of 30.1615 FCPE "ESOP Capgemini" units (expiry of 2014 employee share ownership plan)	December 18, 2019	260.86	2019DD663252
Kevin Masters Director	Subscription of 12.2919 FCPE "ESOP Capgemini" units (2019 employee share ownership plan)	December 18, 2019	92.27	2019DD663171
	Sale of 41.5763 FCPE "ESOP Capgemini" units (expiry of 2014 employee share ownership plan)	December 18, 2019	260.86	2019DD663172
Lucia Sinapi Director	Vesting of 3,600 performance shares (Plan dated 07/26/2016)	August 1, 2019	0.00	2019DD628292
	Subscription of 41.5470 FCPE "ESOP Capgemini" units (2019 employee share ownership plan)	December 18, 2019	92.27	2019DD663190
	Sale of 249.8365 FCPE "ESOP Capgemini" units (expiry of 2014 employee share ownership plan)	December 18, 2019	260.86	2019DD663194

2.2 Organization and activities of the Board of Directors

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' Meeting 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 ²			
Attendance	Members	Independence	Meetings	Attendance	Members	Attendance	Members	Independence	Meetings
100%	4	75%	5	98%	14	97%	6	60%	5
COMPENSATION COMMITTEE				Independence ¹	Meetings	AUDIT & RISK COMMITTEE			
Attendance	Members	Independence	Meetings	Executive Sessions	Attendance	Members	Independence	Meetings	
100%	4	100%	6	3	97%	5	100%	8	

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.

2.2.1 Organization of the Board of Directors

The role of the Board of Directors

The principal role of the Board of Directors is to determine the key strategies of Capgemini SE and the Group it controls, to ensure that these strategies are implemented, to validate the legal and operational structure and the appointment of key managers and, more generally, to address any issues that arise in respect of the day-to-day operation of the Group. Given Capgemini's business as a service provider, the Board pays particular attention to the management of the Group's 219,300 employees and thousands of managers across the globe.

Operating rules

For many years, the Capgemini SE Board of Directors has applied the best governance practices now aligned with the recommendations of the AFEP-MEDEF Corporate Governance Code to which Capgemini refers. Accordingly, the Board has:

- prepared, adopted, applied and amended where useful or necessary the **Charter of the Board of Directors**, particularly as part of a constant drive to improve the governance of the Company (see below);
- set up **four specialized board committees** – the Audit & Risk Committee, the Compensation Committee, the Ethics & Governance Committee, and finally the Strategy & CSR Committee – and given each a clearly defined role (see Section 2.2.4);
- created the role of **Lead Independent Director** in May 2014, with specific prerogatives and duties to contribute to the balanced governance of Capgemini where the duties of Chairman and Chief Executive Officer are regrouped (see 2.1.2 below);
- adopted a **system for allocating directors' compensation**, whereby the majority of such fees are indexed to attendance at Board and Committee meetings (see Section 2.3.1);
- **periodically reviewed the personal situation** of each director in light of the definition of **independence** adopted by the AFEP-MEDEF Corporate Governance Code ("a director is independent when he/she has no relationship of any sort with the Company, the Group or its Management, that is likely to impair his/her judgment") (see Section 2.1.3);

- **regularly assessed its organization and operation**, either at the time of the annual internal assessment performed by the Lead Independent Director or three-yearly, through the assessment conducted by an external consultant under the responsibility of the Lead Independent Director (see Section 2.2.3);
- **assessed since 2015 the effective contribution of each director** to the activities of the Board of Directors, at the time of the annual Board assessment (see Section 2.2.3).

Compliance with the AFEP-MEDEF Code

Capgemini SE is constantly seeking to improve its governance and regularly monitors its compliance with the provisions of the AFEP-MEDEF Code.

Under the "Comply or Explain" rule provided for in Article L. 225-37-4 of the French Commercial Code and stipulated in Article 27.1 of the AFEP-MEDEF Corporate Governance Code for listed companies revised in January 2020, the Company considers that its practices comply fully with the recommendations of the AFEP-MEDEF Code.

Board Charters

The Charters of the Board of Directors and the specialized board committees are available on the Company's website: www.capgemini.com.

Regularly updated Charters

When the legal form of the Company returned to that of a traditional limited liability company (*société anonyme*) in May 2000, a new Charter was debated and adopted by the Board of Directors.

The Charter has since been amended several times in line with changes in the Company and as part of the constant drive to improve governance with the dual aim of facilitating the collective performance of the Board of Directors' activities and satisfying the Corporate Governance expectations of shareholders and their representatives.

In particular, the position of Lead Independent Director was created in 2014. The respective duties of the Compensation Committee (formerly the Selection & Compensation Committee) and the Ethics

& Governance Committee were revised in 2014, with the Compensation Committee focusing exclusively on setting Executive Corporate Officer compensation and defining compensation policy for Group senior executives and the duties of the Ethics & Governance Committee expanded to include the selection of and succession plans for key managers of the Group. Following the 2015 Board assessment which identified the need to improve the coordination of risk monitoring activities by associating the Board of Directors and the Audit Committee, the Charter of the Audit Committee was revised in December 2016 to extend and clarify its risk monitoring duties. The Committee's name was also changed to the Audit & Risk Committee. The Charter of the Board of Directors was also amended: (i) in 2016, in a variety of areas, including risk monitoring and the participation of directors representing employees on the Board, and (ii) in May 2017, following the adoption of the European company legal status, with Capgemini SA becoming Capgemini SE.

At the end of 2018 and in 2019, the Board of Directors deliberated and took due note of the changes to be made to the Charters of the Board of Directors and its committees as a result of the evolution of the AFEP-MEDEF Code and of new regulatory and legislative requirements. The Board of Directors also entrusted the Strategy & Investment Committee, subsequently renamed Strategy & CSR Committee, with a specific duty relating to the monitoring of the Group's Corporate Social Responsibility strategy. These changes were approved at the March 20 and October 2, 2019 meetings. Furthermore, at the end of 2019 and in early 2020, the Board and Ethics & Governance Committee discussed the necessary changes for the separation of the functions of Chairman of the Board of Directors and Chief Executive Officer at the end of the May 20, 2020 Shareholders' Meeting.

Organization of powers

The Charter sets out or clarifies the scope of and bases for exercising the various powers entrusted to the Board of Directors, the four specialized board committees, the Chairman and Chief Executive Officer, the Vice-Chairman and the Lead Independent Director.

The **Board of Directors** represents shareholders. With the exception of the Chairman and Chief Executive Officer, the directors have no individual powers and actions and decisions must therefore be taken on a collective basis.

The role of the **four specialized board committees** is to study and document the issues that the Board has scheduled for discussion

and to present recommendations on the subjects and sectors within their remit to plenary sessions of the Board. The Committees are consultation bodies and therefore hold no decision-making powers. Their members and the Chairman are appointed by the Board of Directors and are selected exclusively from among Capgemini SE directors. They are appointed in a personal capacity and may under no circumstances be represented at the meetings of the Committee(s) to which they belong. The Board reserves the right to amend at any time the number and/or make-up of these Committees, as well as the scope of their duties. Finally, the Charters of each of the four Committees – and any amendments thereto which the Committees may later propose – must be formally approved by the Board.

As **Chairman of the Board of Directors**, the **Chairman and Chief Executive Officer** prepares, organizes and leads its work. He sets the agenda of meetings, communicates to directors all information necessary to carry out their duties and oversees the proper operation of the Company's bodies, the correct implementation of Board decisions and compliance with the rules of good conduct adopted by Capgemini. He chairs Shareholders' Meetings to which he reports on the activities and decisions of the Board.

In the absence of the Chairman, the **Vice-Chairman** chairs meetings of the Board of Directors and Shareholders' Meetings. The Board of Directors decided to entrust him with a specific assignment to prepare future changes in the Group's governance during the period 2017-2019. He was therefore closely involved in discussions during the period on changes in the Group's governance, the appointment of two Chief Operating Officers and monitoring management transition, up to the announcement of the choice for future Chief Executive Officer to succeed Mr. Paul Hermelin in May 2020.

A **Lead Independent Director** is appointed from among independent directors where the duties of Chairman of the Board of Directors and Chief Executive Officer are regrouped.

The roles and composition of the specialized board committees are presented in Section 2.2.4. The role and prerogatives of the Lead Independent Director are set-out in Section 2.1.2.

As **Chief Executive Officer**, the **Chairman and Chief Executive Officer** has the most extensive powers to act in all circumstances in the name of the Company, subject to the restrictions presented in Section 2.1.2. He may be assisted in his duties by one or more **Chief Operating Officers**.

Director ethics

The Charter of the Board of Directors sets out the main obligations of the Code of Business Ethics that Capgemini SE directors undertake to comply with throughout their term of office.

An extract of the Code of Business Ethics is included in the Charter of the Board of Directors and detailed below:

"The Directors (and any other person who attends Board or Committee meetings) are required to treat as strictly confidential matters discussed during Board or Committee meetings and all Board or committee decisions, as well as any information of a confidential nature or that is presented as such by the Chairman and Chief Executive Officer or Chairman (as applicable) or any other Director. Each Director undertakes to comply with the following obligations, unless he/she has informed the Chairman and Chief Executive Officer or Chairman (as applicable), in writing, of any objections to one or several of such obligations:

1. Although they are themselves shareholders, the Directors represent all the shareholders and are required to act in all circumstances in the Company's interest. They are required to notify the Chairman of the Ethics & Governance Committee or the Board of any one-off conflict of interests or potential conflict of interests and to refrain from attending deliberations and voting on the related decision. Any director who has a

permanent conflict of interest is required to resign from the Board. Board members must inform the Chairman of the Ethics & Governance Committee of business dealings between the Company and the companies or entities with which they are linked, as well as any offers of appointments they receive (see 3 below) in order to ensure that they are compatible with their appointment and the functions they carry out within the Company.

2. Each Director undertakes to hold (or to purchase within six months of his/her election) at least 1,000 shares of the Company. The shares acquired to fulfill this obligation must be held in registered form. This obligation does not apply to directors representing employees and employee shareholders.
3. The Directors are required to devote the necessary time and attention to their functions. The Directors may not hold more than four other appointments in French or foreign listed companies that are not members of the Capgemini group and must comply with all applicable regulations restricting the number of directorships held by a single person. The Chief Executive Officer and any Chief Operating Officers may not hold more than two other directorships in French or foreign listed companies that are not members of the Capgemini group; they must request the opinion of the Board before accepting any new appointment in a listed

company. If the Chairman is not also the Chief Executive Officer, the Board may issue specific recommendations, given his/her status and specific assignments. During the term of their office at the Company, Directors must keep the Chairman of the Board informed of any offers of appointments they would like to accept in other French or foreign companies, and their membership on Board committees of these companies, as well as any change in their appointments or participation in these committees. If the functions of Chairman and Chief Executive Officer are combined, he/she will inform the Chairman of the Ethics & Governance Committee. The Chairman informs the Board of Directors of appointments accepted.

4. The members of the Board of Directors must attend all meetings of the Board and all meetings of the committees of which they are members, as well as all Shareholders' Meetings. In its annual Registration Document, the Company publishes Directors' individual attendance rates at meetings of the Board and the committees of which they are members, as well as their average attendance rates.
5. The Directors are obliged to keep abreast of the Company's situation and development. To this end, they may ask the Chairman to communicate on a timely basis all information that is essential to allow them to contribute effectively to the discussion of matters included on the agenda of the next Board meeting. Regarding information not available to the public that is obtained in their capacity, Directors are subject to secrecy rules extending beyond the simple requirement of discretion imposed by law.

6. In accordance with laws and regulations applicable to insider trading, as set more specifically by the French Monetary and Financial Code and the general regulations of the French Financial Markets Authority (AMF), the members of the Board of Directors shall refrain from:
 - carrying out any transactions on the securities (including derivatives) of companies about which (and in the extent to which) they have privileged information by virtue of their position as member of the Board of Directors of the Company,
 - carrying out any transactions, whether direct, indirect or through derivatives, involving the securities of the Company:
 - during a period commencing on the thirtieth calendar day preceding the public release of mid-year and full-year results and ending after the close of the first trading day following the said public release,
 - and during a period commencing on the fifteenth calendar day preceding quarterly announcements and ending after the close of the first trading day following the said public release.
7. In conformity with the Monetary and Financial Code and with the general regulations of the French Financial Markets Authority (AMF), each Director is required to notify the AMF and the Company by electronic means of all transactions carried out involving Capgemini SE securities within three business days following their execution."

The Board seeks to comply with and ensure compliance with all rules of good governance together with a certain number of values which each Board member has solemnly undertaken to respect. A "Code of Business Ethics" was drafted at its initiative and distributed to all Group employees (and is signed by all new recruits) with the following main objectives:

- ensure all Group companies comply with a certain number of rules of good behavior and primarily that of perfect integrity in the conduct of business and the management of employees;
- implement measures stopping, fighting and sanctioning non-compliance with the core values of the Group, or prevailing laws and regulations in the relevant country;
- provide an institutional framework for the actions, controls and dissuasive measures required to deal with the problems identified by these measures.

The report on the work of the Ethics & Governance Committee (see below) describes in detail the actions undertaken in 2019 by the Ethics & Compliance Department and the implementation of the Code of Business Ethics. Each of the directors signed the initial Code and the recent update at the beginning of 2019, evidencing their commitment and support (both individual and collective) for all the measures contained therein.

Director training

Integration of new directors

Capgemini ensures that directors joining the Board receive training in the specific aspects of the Group, its businesses and activity sectors, particularly through meetings with the various members of Group Management. New directors are also advised on the specific aspects of the Company's Board of Directors during meetings

with the Chairman and Chief Executive Officer, the Lead Independent Director, Committee Chairmen and the Board Secretary. In addition, the new members joining the Audit & Risk Committee receive information on the specific accounting, financial and operating aspects of the Company.

Ongoing training

Capgemini ensures that the directors have sufficient understanding of the Group, its ecosystem and its challenges. The Board members therefore meet regularly with the members of the Group Executive Board during Board and Committee meetings. The directors are also invited to the Group "Rencontres" gatherings, a recurring event bringing together, over three days, around 500 of the Group's key managers and emerging talent. In addition, 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. These seminars also enable directors to constantly refine their understanding of the challenges facing the Group through themed-based presentations and site visits. In 2019, this seminar was held in Munich, Germany.

Finally, in accordance with the priorities identified following the external assessment of the Board in 2016, the Board organizes a range of specific training sessions throughout the year to enable directors to increase their knowledge of the Group (through presentations of its ecosystem, challenges, businesses and certain of its regions) and its competitive environment, as well as recent market disruption trends and technological developments.

Furthermore, the directors representing employees regularly receive special external training, enabling them to obtain and perfect the knowledge and techniques necessary to the exercise of their duties, in accordance with legislative provisions.

2.2.2 Activities of the Board of Directors in 2019

Board of Directors' meetings

Number of meetings and attendance rate

The Board meets at least six times a year. Meetings are convened by the Chairman in accordance with a schedule decided by the Board before the end of the prior year. This schedule may be amended during the year in response to unforeseen circumstances or at the request of more than one director.

In 2019, the Board met **10 times** during the year, five times during the first-half and five times during the second-half.

The Board retained the principle of an "off-premises" meeting in Munich, Germany, focusing primarily on Group strategy. This meeting was held on June 12 and 13, 2019.

In addition, the Board held **three executive sessions** chaired by the Lead Independent Director and without the presence of the Chairman and Chief Executive Officer, to discuss the latter's compensation (annual compensation and performance share grant).

The **average attendance rate** at Board meetings was **98%**, despite the increase in the number of meetings. This demonstrates the involvement and availability of the directors throughout the year for issues of particular importance to the Group. The following table presents individual attendance rates at meetings of the Board of Directors and the Specialized committees on which the directors sit.

Number of meetings of the Board of Directors and its committees in 2019 and individual attendance rates

	Board of Directors	Ethics & Governance Committee	Strategy & CSR Committee	Audit & Risk Committee	Compensation Committee
Total number of meetings	10	5	5	8	6
Average attendance rate	98%	100%	97%	97%	100%

Individual director attendance rate

Name	Board of Directors		Ethics & Governance Committee		Strategy & CSR Committee		Audit & Risk Committee		Compensation Committee	
	No. of meetings	%	No. of meetings	%	No. of meetings	%	No. of meetings	%	No. of meetings	%
Paul Hermelin	10	100%	-	-	5	100%	-	-	-	-
Daniel Bernard	10	100%	5	100%	5	100%	-	-	-	-
Anne Bouverot ⁽¹⁾	9	90%	-	-	5	100%	3/4	75%	-	-
Xiaoqun Clever ⁽²⁾	7/7	100%	-	-	-	-	4/4	100%	-	-
Laura Desmond ⁽³⁾	9	90%	-	-	5	100%	-	-	-	-
Laurence Dors	10	100%	5	100%	-	-	8	100%	6	100%
Robert Fretel	10	100%	-	-	4	80%	-	-	-	-
Siân Herbert-Jones	10	100%	-	-	-	-	8	100%	-	-
Kevin Masters	10	100%	-	-	-	-	-	-	6	100%
Xavier Musca	10	100%	-	-	-	-	8	100%	-	-
Frédéric Oudéa	10	100%	5	100%	-	-	-	-	-	-
Patrick Pouyanné	9	90%	-	-	5	100%	-	-	-	-
Pierre Pringuet	10	100%	5	100%	-	-	-	-	6	100%
Lucia Sinapi-Thomas	10	100%	-	-	-	-	-	-	6	100%

(1) Ms. Anne Bouverot was appointed to the Audit & Risk Committee at the end of the Shareholders' Meeting of May 23, 2019.

(2) Ms. Xiaoqun Clever was appointed a Director during the Shareholders' Meeting of May 23, 2019 and a member of the Audit & Risk Committee at the end of this meeting.

(3) The Shareholders' Meeting of May 23, 2019 ratified the cooptation of Ms. Laura Desmond decided by the Board of Directors' meeting of December 5, 2018, with effect from January 1, 2019. She has been a member of the Strategy & CSR Committee since January 1, 2019.

Organization and preparation

The notice of meeting, sent to directors two weeks before the meeting date, contains the agenda set after the Chairman and Chief Executive Officer has consulted with the Lead Independent Director and any directors who proposed specific points to be discussed by the Board.

In accordance with the Board of Directors' Charter, preparatory documentation is sent to directors a week before the meeting.

In addition, important press releases (signature of major contracts, alliances, etc.) issued by the Company together with financial analysts' studies of Capgemini or the sector are regularly brought to the attention of directors.

Documents relating to the Board of Directors as well as the above-mentioned information are communicated by a secure platform accessible solely by Board members using an individual password. This platform is hosted on a server located in France. In 2015, this platform, which is used for Board of Directors' and Committee meetings, was reviewed and modernized in response to wishes expressed by directors during the 2014 Board assessment, to make it more mobile, accessible from any location and even more secure.

Activities of the Board in 2019

The agenda of Board of Directors' meetings is defined not only to provide directors with an overview of the Group's position, but also with regard to Group governance principles, which, pursuant to prevailing texts and to the Board of Directors' Charter, presuppose that Board members will make decisions on specific topics.

Group strategy, organization and CSR <ul style="list-style-type: none"> ➤ Review of the Group's strategic priorities ➤ External growth opportunities including acquisition of Altran Technologies by public tender offer ➤ Review of the main market trends and changes in the Group's competitive environment ➤ Follow up of the implementation of the Group's new operating model ➤ Monitoring of the CSR strategy 	Group performance <ul style="list-style-type: none"> ➤ Group performance and activities ➤ Active management of the Group's balance sheet and liquidity (including financing operations related to the planned acquisition of Altran Technologies) 	Governance <ul style="list-style-type: none"> ➤ Changes in the composition of the Board and its Committees ➤ Preparation of the Shareholders' Meeting ➤ External assessment of the Board of Directors ➤ Monitoring of dialogue with shareholders and proxy advisors
Management transition <ul style="list-style-type: none"> ➤ Follow-up of management transition with the choice of Mr. Aiman Ezzat to succeed Mr. Paul Hermelin as future Chief Executive Officer ➤ 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 May 20, 2020 Shareholders' Meeting 	Audit & Risk <ul style="list-style-type: none"> ➤ 2018 Company financial statements ➤ 2018 annual and 2019 half-year consolidated financial statements ➤ Risk monitoring (including mapping) ➤ Internal control and internal audit ➤ Follow-up of the Group's various actions in terms of ethics and compliance 	Talent management and compensation <ul style="list-style-type: none"> ➤ Monitoring of Group talent management ➤ Compensation of the Chairman and Chief Executive Officer and the Chief Operating Officers ➤ Performance share and free share grants ➤ New employee share ownership plan

Accordingly, in addition to approving the 2018 annual financial statements and the financial statements for the first-half of 2019 and convening the Shareholders' Meeting of May 23, 2019, the activities of the Board of Directors focused on:

1. Group strategy, performance and organization

- monitoring of Group performance and activities;
- the roll-out of the Group's strategic priorities, with the review and follow-up of various external growth opportunities, in particular the decision to purchase Altran Technologies as part of a cash public tender offer;
- during the annual strategy seminar in June, the Board of Directors was informed of and debated the different market trends, changes in the Group's competitive environment and the strategic challenges facing the Group over a two-day period. These activities focused particularly on:
 - the Group's operations in Germany,
 - the Group's mid-term strategic objectives,

- competitive positioning and market trends,
- the Group's Digital Marketing and Digital Manufacturing strategy, and
- the Group's transformation with the implementation of the necessary programs to complete the roll-out of the Group's new operating model.

2. Governance and management transition

- changes in the composition of the Board of Directors and its Specialized committees, with (i) an examination of the personal situation of each director with regard to the AFEP-MEDEF Code independence criteria, (ii) review of the Board of Directors' diversity policy, (iii) appointment of a new director and approval of the cooptation of a director by the May 2019 Shareholders' Meeting, and (iv) amendments to the Company's bylaws and the Charters of the Board of Directors and its Specialized committees;
- follow-up of the Capgemini management transition with the choice of Mr. Aiman Ezzat, Chief Operating Officer, to succeed

Mr. Paul Hermelin as future Chief Executive Officer in May 2020. Mr. Paul Hermelin will remain Chairman of the Board of Directors; the decision to terminate Mr. Thierry Delaporte's term of office as Chief Operating Officer with effect from December 31, 2019;

- 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 May 20, 2020 Shareholders' Meeting;
- authorization of the regulated agreements governed by Article L. 225-38 of the French Commercial Code entered into as part of the planned acquisition of Altran Technologies;
- the monitoring of dialogue between the Company and its shareholders and proxy advisors in preparing the Shareholders' Meeting and feedback on meetings between the Lead Independent Director and several institutional investors to present Capgemini's governance principles;
- external assessment of the Board of Directors for fiscal year 2019, carried out with the help of an external consultant;
- follow-up of the Group's various actions in terms of ethics and compliance;
- follow-up of the statutory auditor selection process for the 2020 Shareholders' Meeting.

3. Risk monitoring

- update of the Group's risk mapping;
- monitoring of the Group's most significant risks and its organization in terms of risk management.

4. Active management of the Group's balance sheet and liquid assets

- financing operations relating to the planned acquisition of Altran Technologies;
- share capital reduction by cancellation of 698,231 treasury shares purchased under the multi-year share buyback program.

5. Talent management, diversity and Corporate, Social and Environmental Responsibility

- monitoring of Group talent management;
- review of the diversity policy of the Group's management bodies;
- monitoring of the roll-out of the Group's Corporate Social Responsibility strategy focused on three key areas (see Section 4.1).

6. Compensation of the Executive Corporate Officer and long-term compensation of employees

- in February and March 2019, (i) the compensation policy for the Chief Operating Officers for 2019 (variable component objectives and theoretical compensation) and assessment of the attainment of their 2018 variable component objectives, and (ii) compensation policy for the Chairman and Chief Executive Officer (variable component objectives and theoretical compensation) and assessment of the attainment of his 2018 variable component objectives (executive sessions during the Board meetings of February 13 and March 20, 2019);
- in December 2019, (i) an initial assessment of the attainment by the Chief Operating Officers of their 2019 objectives and preliminary discussions on the individual objectives for 2020,

and (ii) an initial assessment of the attainment by the Chairman and Chief Executive Officer of his 2019 objectives and preliminary discussions on his individual objectives for 2020;

- grant of performance shares to 1,861 Group managers, including Messrs. Paul Hermelin, Thierry Delaporte and Aiman Ezzat (executive session during the Board meeting of October 2, 2019);
- authorization to carry out a share capital increase reserved for employees under the Group's sixth employee share ownership plan (ESOP 2019), involving a maximum issue of 2,750,000 shares.

Report on the Lead Independent Director's activities in 2019

The Lead Independent Director, Mr. Pierre Pringuet, focused his activities on the following areas in 2019:

- he was closely involved in the preparation of Board of Directors' meetings, particularly as concerns the different governance issues presented to the Board and was consulted by the Chairman and Chief Executive Officer on the agendas of all Board meetings;
- he monitored, jointly with the Vice-Chairman, Mr. Daniel Bernard, the management transition process launched in 2017;
- he met with several institutional investors to present Capgemini's governance principles and compensation policies as part of the Company's dialogue with its shareholders; he reported on these discussions to the Board of Directors and to the Ethics & Governance Committee, whose members include the Chairman of the Compensation Committee;
- he also steered the three-yearly assessment performed with the assistance of an external consultant in the fourth quarter of 2019 (see Section 2.2.3);
- in the context of the Ethics & Governance Committee, he led the search process for candidates upstream of the Shareholders' Meeting of May 23, 2019 which appointed a new female director;
- he chaired the three executive sessions of the Board during the year, held without the presence of the Chairman and Chief Executive Officer. These meetings focused on:
 - (i) the compensation of the Chairman and Chief Executive Officer (attainment of his individual objectives for 2018, setting of his effective compensation for 2018 and theoretical compensation for 2019, setting of individual objectives for 2019) (sessions held during the Board of Directors' meetings of February 13 and March 20, 2019), and
 - (ii) the grant of performance shares under the 2019 plan (session of October 2, 2019);
- he was kept informed of business between the Company and companies or structures with which directors are related and of any directorship proposals received by directors, in order to avoid any potential situations of conflict of interest. He also performed the annual review of director independence criteria;
- he reported to shareholders of the Company on his activities and on the activities of the Board and its Specialized committees in 2018 at the Shareholders' Meeting of May 23, 2019.

Financial authorizations

A summary table of current delegations of authority granted by Shareholders' Meetings to the Board of Directors to perform share capital increases and detailing utilizations of these delegations in 2019, is presented in Section 6.1.2 of this Universal Registration Document.

2.2.3 Assessment of the Board of Directors

2018 assessment: conclusions and actions implemented in 2019

An internal assessment of the composition and activities of the Board of Directors and its Specialized committees in 2018 was conducted under the responsibility of the Lead Independent Director and was presented in detail in the 2018 Registration Document.

Following this assessment, the following measures were implemented in 2019 for the three priorities approved by the Board of Directors:

— Management transition as part of the Executive Management succession plan

The Board of Directors' top priority for 2019 remained the managerial transition process for the succession of the Chief Executive Officer in mid-2020.

The work of the ad-hoc committee chaired by the Vice-Chairman of the Board of Directors and the Ethics & Governance Committee on the managerial transition continued in 2019 and was regularly discussed at Board of Directors' meetings. Based on this work, on September 16, 2019, the Board of Directors chose Mr. Aïman Ezzat, Chief Operating Officer, as future Chief Executive Officer to succeed Mr. Paul Hermelin in preparation for a separated governance at the end of the May 20, 2020 Shareholders' Meeting. Mr. Paul Hermelin will remain Chairman of the Board of Directors (see Section 2.1.2 on changes in governance).

— Composition of the Board of Directors

As part of its work on changes in its composition and in accordance with the objectives set for the period 2018-2022 (international diversification, diversification of profiles, staggered renewal of terms of office, maintenance of a measured number of directors enabling coherence and collective decision-making), the Board of Directors proposed the appointment of Ms. Xiaoqun Clever and approval of the cooptation of Ms. Laura Desmond at the May 23, 2019 Shareholders' Meeting.

These appointments enabled the Board of Directors to further the internationalization of its composition, deepen its industry expertise and enrich the diversity of its profiles, while maintaining a measured number of directors and high level of independence within the Board.

— Definition and monitoring of mid-term strategic objectives

The Board continued to closely monitor the Group's mid-term strategic objectives at Board meetings and during the annual strategic seminar.

Detailed reports were regularly presented by the Chairman of the Strategy & CSR Committee at Board meetings, contributing to a better coordination of work between the Strategy & CSR Committee and the Board in this area.

2019 external assessment: conclusions and priorities for 2020

In accordance with the three-year frequency recommended by the AFEP-MEDEF Code, a formal assessment of the activities of the Board of Directors and its Specialized 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, who guaranteed the confidentiality of opinions expressed, the objectivity of analyses and the consultant's ability to freely express his recommendations. This review assessed changes in the activities of the Board compared with the last external assessment carried out in 2016.

To ensure independence and avoid any conflict of interest, it was decided to appoint a firm that was not otherwise involved in the recruitment of directors on behalf of the Group. The assessment was therefore conducted by Mr. Jean-Philippe Saint-Geours, a

partner with the firm Leaders Trust International, which conducted the assessments in 2011, 2013 and 2016, helping to put in context any recent changes or changes still required and facilitating open dialogue with members of the Board of Directors and management.

For the purposes of the assessment, each director was asked to complete a detailed questionnaire validated beforehand by the Lead Independent Director. The answers provided were used to prepare "interview guidelines" for meetings held with each director to obtain, with complete anonymity, their comments and suggestions.

The questions focused on the composition and activities of the Board of Directors and its Committees and enabled a self-assessment of the effective contribution of each director. A similar exercise was performed during the internal assessment of activities in 2015. The Lead Independent Director provided individual feedback on these assessments of the effective contribution of each director.

A summary report was presented to the Board of Directors on December 4, 2019 by the external consultant, analyzing the information gathered both through the questionnaires and the individual meetings. This report was discussed in detail.

The assessment highlighted the continued progress in the activities of the Board and its Committees since 2016 and confirmed the collective approach to the Board's work and the spirit of openness which characterizes its discussions. The members of the Board of Directors noted the improvement in strategy monitoring by the Board of Directors and the coordination of work between the Board of Directors and the Strategy & CSR Committee in this area and risk monitoring by the Audit & Risk Committee and the Board of Directors. The changes in the Board's composition over 2016-2019 were deemed as positive, allowing for better representation of diversity and competencies on the Board as well as greater international diversification, which is still to be followed up. Finally, directors indicated their satisfaction with the process implemented since 2017 for a management transition in mid-2020. This issue remains the number one priority of the Board and the Ethics & Governance Committee in 2020.

The role and activities of the Lead Independent Director were identified as facilitating the balance desired by the Board, in line with best governance practices.

Directors also expressed their general satisfaction with the activities and organization of the Board and its Committees, having enabled the Board to make two major strategic decisions during the year for the Group, *i.e.* the acquisition of Altran Technologies and the choice of the future Chief Executive Officer.

Certain areas of improvement were also expressed, mainly the desire for the Ethics & Governance Committee and Board of Directors to become more involved in talent management and the monitoring of the Group's succession plans for management (excluding corporate officers) as well as improved monitoring of non-financial performance indicators and the consideration of social and environmental issues.

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

— Management transition as part of the Executive Management succession plan

Monitoring of the managerial transition process and set-up of a separated governance at the end of the May 20, 2020 Shareholders' Meeting.

— Composition of the Board of Directors

Continuation of the 2018-2022 objectives set by the Board of Directors (international diversification, diversification of profiles, staggered renewal of terms of office, maintenance of a measured number of directors enabling coherence and collective decision-making).

Talent management

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 (excluding corporate officers).

Corporate, Social and Environmental Responsibility (CSR)

Enhanced monitoring of non-financial performance indicators in line with the Group's CSR strategy and consideration of social and environmental issues.

2.2.4 Role and composition of the four specialized board committees

The Audit & Risk Committee



N.B. All figures are up to date at December 31, 2019.

Committee duties

The duties of the Audit Committee were changed on December 7, 2016 to strengthen the monitoring of risk management and include the impacts of the European statutory audit reform. The Committee name was also changed to the Audit & Risk Committee.

These changes in the Committee's duties followed the concerns expressed by directors during the assessment of the Board's activities in 2015 to improve risk monitoring by associating the Board of Directors and the Audit Committee.

In accordance with Article L. 823-19 of the French Commercial Code, the French Financial Markets Authority (AMF) recommendation of July 22, 2010 and best market practice, the duties of the Audit & Risk Committee fall into three categories.

Firstly, the Audit & Risk Committee monitors issues concerning the preparation and control of financial and accounting information. It monitors the financial information preparation process and, where applicable, suggests recommendations to guarantee its integrity. It examines the draft annual and half-yearly consolidated financial statements of the Group, the annual accounts of Capgemini SE and the management presentation of risk exposure and material off-balance sheet commitments of the Company, as well as the accounting options adopted.

Following the amendment of its Charter in March 2019, it ensures that there is a rigorous process for preparing the Group's non-financial information and reviews the draft non-financial performance statement.

Secondly, the Audit & Risk Committee ensures the existence and efficiency of internal control systems, internal audit and the management of major risks to which the Group is exposed in the course of its business. Following the strengthening of these risk monitoring duties, the Committee must notably review the major risks to which the Group may be exposed at least once annually, in particular through a review of the risk mapping prepared and updated by the Group Management Risk Committee.

Finally, the Committee is responsible for monitoring the statutory audit of the annual and half-yearly consolidated financial statements of the Group and the annual accounts of the Company, ensuring the independence of the Statutory auditors and generally monitoring the conduct of their engagements.

Where it considers it useful or necessary, the Audit & Risk Committee may be assisted by experts appointed for this purpose.

Composition and participation

The Committee has five directors since May 23, 2019:

Mr. Xavier Musca (Chairman and Independent Director), **Ms. Anne Bouverot** (Independent Director), **Ms. Xiaoqun Clever** (Independent Director), **Ms. Laurence Dors** (Independent Director) and **Ms. Siân Herbert-Jones** (Independent Director).

Through their professional careers, Audit & Risk Committee members have amassed the necessary accounting and financial expertise to perform their duties. Mr. Xavier Musca acquired considerable expertise in the French and international financial and banking sectors throughout his career in the French civil service, ministerial offices and the private sector. Ms. Anne Bouverot and Ms. Xiaoqun Clever have both held Executive Management positions in international groups and therefore bring financial expertise and a business perspective particularly useful for risk monitoring activities. Ms. Siân Herbert-Jones was Chief Financial Officer of Sodexo from 2001 to 2016. Finally, Ms. Laurence Dors' career in Executive Management positions and the Economy and Finance Ministry allows her to contribute both financial expertise and a transversal view of organizations.

The Committee met eight times in 2019, with an average attendance rate of 97%.

The individual attendance rate of each member of the Audit & Risk Committee was as follows:

Xavier Musca (Chairman)	100%
Anne Bouverot*	75%
Xiaoqun Clever**	100%
Laurence Dors	100%
Siân Herbert-Jones	100%

* Ms. Anne Bouverot was appointed to the Audit & Risk Committee at the end of the Shareholders' Meeting of May 23, 2019.

** Ms. Xiaoqun Clever was appointed a Director during the Shareholders' Meeting of May 23, 2019 and a member of the Audit & Risk Committee at the end of this meeting.

Committee activities in 2019

The Committee reviewed the annual accounts of Capgemini SE and consolidated financial statements of the Group for the year ended December 31, 2018 and the half-year ended June 30, 2019.

It focused in particular on the accounting treatment of events with a material impact on the annual or half-year financial statements.

It reviewed in particular the measurement of goodwill and impacts of the US tax reform. It also reviewed changes in research tax credits in France, the change in provisions for pensions and other post-employment benefits, the accounting treatment of acquisitions, the analysis of other operating income and expenses and the implementation of IFRS 16, *Leases*. The Committee also reviewed the information systems that contribute to accounting and financial information.

The Statutory auditors reported to the Board on the quality of the accounting monitoring of projects and the good control of the accounts closing process.

As part of its risk management supervisory activities, the Committee took due note of the risk mapping update completed at the end of 2018 based on interviews conducted with around thirty Group managers. This work resulted in the identification of fourteen critical risks for which action plans were drawn up, monitored by the risk owners and reviewed twice a year by the Group Management Risk Committee. The owners of certain critical risks (cybercrime, major customer contract commitments and personal data protection) presented a report on the management of these risks to the Committee.

In this context, the Audit & Risk Committee interviewed:

- **Mr. Philippe Christelle**, Internal Audit Director, questioning him on working methods, planning, areas of intervention and the findings of audits carried out during the year;
- **Mr. André Cichowlas**, Delivery Director (Production/Methods and Support) and Support Services, questioning him in particular on the impact on the operating accounts of major contracts that are separately monitored;
- **Mr. Hubert Giraud**, Director in charge of pre-sales risk management, questioning him on the activities of the Group Review Board during the period and the terms and conditions of major commercial proposals.

The Committee reviewed the draft non-financial performance statement.

The Committee also monitored the Group statutory auditor selection process for the 6-year period from 2020 to 2025.

Finally, the Committee took note of the non-audit services approved during the fiscal year. It also finalized its work program for 2020.



N.B. All figures are up to date 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 AFEF-MEDEF Code.

Committee duties

On October 8, 2014, the Selection & Compensation Committee changed its name to the "Compensation Committee" and now concentrates exclusively on setting the compensation of Executive Corporate Officers and defining compensation policies for Group executives. This committee has several duties set out in its Charter that was last amended by the Board of Directors on June 17, 2015.

Firstly, it must present proposals to the Board of Directors on the fixed and variable compensation of Executive Corporate Officers and, with regards to the variable portion and where appropriate, propose a detailed list of individual objectives (quantitative and qualitative), enabling an assessment of performance and the calculation of the variable compensation component (s). To this end, the Committee meets in the final quarter of each year (Y) to propose to the Board of Directors executive corporate officer objectives for the following year (Y+1) and at least once at the beginning of Y+1 to prepare the assessment by the Board of

Directors of performance in the previous year. The Committee reviews the information presented to shareholders for the vote on executive corporate officer compensation (so-called "Say on Pay") and is consulted on financial terms and conditions in the event of the appointment or departure of an executive corporate officer.

The Compensation Committee must be informed of the compensation policies adopted by Capgemini group companies in the management of senior executive careers and the application of these policies with respect to the Group's medium and long-term strategy presented to the Board of Directors. The Committee must also be informed annually by Group Management of the (fixed and variable) compensation of Executive Committee members.

Following the amendment of its Charter in March 2019, the Committee ensures that the Group Management implements a diversity policy for management bodies.

Finally, the Committee reviews the various schemes enabling senior executives to better share in the Group's profits (long-term incentive instruments and particularly performance share grants, Group savings schemes, etc.) and proposes to the Board of Directors the incentive instruments it considers appropriate and capable of being implemented in all (or certain) Capgemini group companies.

Composition and participation

The Committee has four directors since June 1, 2018:

Ms. Laurence Dors (Chairman and Independent Director), **Mr. Pierre Pringuet** (Independent Director), **Mr. Kevin Masters** (director representing employees) and **Ms. Lucia Sinapi-Thomas** (director representing employee shareholders).

This committee met six times in 2019, with an average attendance rate of 100%.

The individual attendance rate of each member of the Compensation Committee was as follows:

Laurence Dors (Chairman)	100%
Kevin Masters	100%
Pierre Pringuet	100%
Lucia Sinapi-Thomas	100%

Committee activities in 2019

In accordance with the Committee's remit, it ensured throughout 2019 the consistency of the Group's Senior Executive Management compensation policy. Its Chairman regularly reported on the Committee's work and presented recommendations to the Board of Directors concerning the following areas:

- the consistency of the general compensation policy of the Group and its subsidiaries;
- the compensation of Executive Corporate Officers and members of the Executive Committee. These recommendations focused at the beginning of the year on:
 - an appraisal of the individual performance of each of the Executive Corporate Officers compared with their objectives set at the beginning of the previous year,
 - the calculation of the variable compensation paid after the Shareholders' Meeting vote for Executive Corporate Officers,
 - determination of the fixed compensation and theoretical variable portion for the following year,
 - selecting and setting objectives to be used for the current year as a basis for defining the calculation of the actual variable portions due.

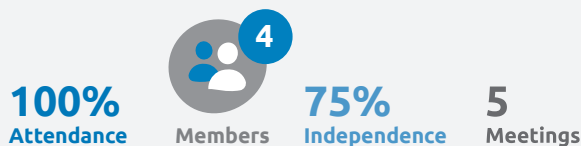
In connection with the announced changes in governance, the Committee has begun working on the organization of the compensation related to this new governance and requested external analyses in support of its work to draw up a final proposal for the Board of Directors.

The Committee also reviewed the financial conditions governing the termination of Mr. Thierry Delaporte's term of office as Chief Operating Officer.

The Committee reviewed the principle and means of granting shares subject to performance and/or presence conditions and the introduction of non-financial performance conditions consistent with the Company's Corporate Social Responsibility policy. It also studied the principle and means of granting shares subject to performance and/or presence conditions to certain managers and drafted and communicated a list of beneficiaries and the proposed individual share grants to the Board of Directors for agreement on October 2, 2019.

The Committee also monitored the Group employee share ownership plans and was regularly advised of the potential impact of regulatory changes could have on Executive Corporate Officers' compensation packages.

The Ethics & Governance Committee



N.B. All figures are up to date at December 31, 2019.

Committee duties

Since October 8, 2014, the roles of the Ethics & Governance Committee now include not only Executive Corporate Officer selection and succession plans and the proposal of new directors to ensure the balanced composition of the Board but also Group senior executive selection and succession plans.

The main remit of this committee (created in July 2006 by decision of the Board) is to verify that the Group's seven core values (Honesty, Boldness, Trust, Freedom, Team Spirit, Modesty and Fun) are correctly applied and adhered to, defended and promoted by the Group's corporate officers, senior management and employees in all of its businesses and in all subsidiaries under its control, in all internal and external communications – including advertising – and in all other acts undertaken in the Group's name.

It is also tasked more generally with overseeing the application of best Corporate Governance practice within Capgemini SE and its subsidiaries. The Ethics & Governance Committee is responsible for all matters relating to the selection, appraisal, annual independence review and compensation of the Company's directors. It draws the attention of the Chairman of the Board of Directors to any potential situations of conflict of interest it has identified between a director and the Company or its Group or between directors. It ensures the implementation of a corruption and influence peddling prevention and detection system and oversees Group compliance with rules and conventions on human rights and fundamental freedoms in the exercise of its activities. It must be ready to implement the measures necessary should the need to replace the Chairman and Chief Executive Officer suddenly arise. It must handle and propose to the Board any changes it considers appropriate or relevant to the Board's operation and composition in particular as part of its diversity policy (co-opting a new director or replacing a resigning director, increasing the proportion of female directors, diversity of profiles and expertise of directors, etc.) or to the governance structure currently in place within the Group. The Committee is briefed on succession plans for key operating and functional managers of the Group. It is also informed of the policy for the

identification, development and retention of high potential executives. The Chairman and Chief Executive Officer is involved in this work. The Committee must be consulted by Group Management prior to any appointment to the Executive Committee.

Composition and participation

The Committee has four directors since June 1, 2018: **Mr. Pierre Pringuet** (Chairman, Independent Director and Lead Independent Director), **Mr. Daniel Bernard** (Vice-Chairman), **Ms. Laurence Dors** (Independent Director) and **Mr. Frédéric Oudéa** (Independent Director).

It is recalled that the Charter of the Board of Directors provides that the duties of Lead Independent Director be conferred by the Board on the Chairman of the Ethics & Governance Committee.

This committee met five times in 2019, with an average attendance rate of 100%.

The individual attendance rate of each member of the Committee was as follows:

Pierre Pringuet (Chairman)	100%
Daniel Bernard	100%
Laurence Dors	100%
Frédéric Oudéa	100%

Committee activities in 2019

The activities of the Ethics & Governance Committee focused on the following issues in 2019:

Governance

The Ethics & Governance Committee:

- in preparation of May 23, 2019 Shareholders' Meeting, recommended the candidacy of Ms. Xiaoqun Clever for the Board of Directors and the provisional approval of the cooptation of Ms. Laura Desmond at the December 5, 2018 Board meeting;
- proposed the appointments by the Board of Directors, at the end of the May 23, 2019 Shareholders' Meeting, of Ms. Anne Bouverot and Ms. Xiaoqun Clever as Audit & Risk Committee members;
- issued a recommendation on the choice of the future Chief Executive Officer to succeed Mr. Paul Hermelin at the end of the May 2020 Shareholders' Meeting, the latter remaining Chairman of the Board of Directors;
- proposed to terminate Mr. Thierry Delaporte's term of office as Chief Operating Officer effective December 31, 2019;
- as part of its managerial transition process monitoring, launched a debate on the governance to be adopted for the separation of the functions of Chairman of the Board of Directors and Chief Executive Officer in May 2020;
- monitored the dialogue between the Company and its shareholders and proxy advisors in preparation of the 2019 Shareholders' Meeting and prepared the governance issues presented to the Board and then to the Shareholders' Meeting of May 23, 2019;
- was briefed on the meetings between the Lead Independent Director and several institutional investors to present Capgemini's governance principles;
- debated several times the changes in and composition of the specialized board committees;
- deliberated at the end of 2019 on fiscal year 2019 directors' compensation (corresponding to former 'attendance fees');
- under the auspices of its Chairman, the Lead Independent Director, was briefed on and discussed the launch of the three-yearly external assessment of the composition and activities

of the Board and its Specialized committees in respect of 2019, the conclusions of this assessment and the action plan to be proposed to the Board of Directors;

- deliberated the Board of Directors' diversity policy and its implementation during 2019;
- deliberated the independence of directors and the absence of conflicts of interest in preparation of the 2018 Registration Document;
- proposed amendments to the Company's bylaws and the Board and Committees Charters, notably to ensure compliance with the PACTE law;
- reviewed the governance section of the Board of Directors' report, prepared in accordance with Article L. 225-37 of the French Commercial Code;
- launched a debate on the composition of the Board in preparation of the Shareholders' Meeting of May 20, 2020.

Ethics & Compliance

The Ethics & Governance Committee interviewed the Ethics, Compliance and Internal Audit Director (**Mr. Philippe Christelle**), these three functions being held by the same person since September 2015. Mr. Philippe Christelle submitted his report to the Committee presenting:

- in the first section, the Ethics & Compliance activities focusing on training, communication, SpeakUp ethics helpline alerts reported during 2019, ethical due diligences, the results of the survey on ethical culture within the Company, completed by over 13,000 employees in 40 countries, compliance activities and initiatives planned for 2020 were presented. The report highlighted the significant efforts of the Group to raise-awareness and to provide e-learning courses. It also noted that Capgemini has been recognized as "One of the World's Most Ethical Companies" for the seventh consecutive year by the American Institute, Ethisphere, confirming the high quality of the Group's ethical responsibility towards all its stakeholders. This year, only three companies, including Capgemini, were recognized in the consulting sector;
- in the second section of the report, an audit report concluding that the ethical framework within which the Group has decided to operate, is, overall, correctly understood and followed throughout the Group.

In addition, the Ethics & Governance Committee was kept informed of the compliance program set up by the Group pursuant to the so-called Sapin 2 law on transparency, the fight against corruption and the modernization of the economy, with specific monitoring of the corresponding risk mapping.

The Strategy & CSR Committee



N.B. All figures are up to date 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.

Committee duties

At the end of 2018, the Board of Directors entrusted the Strategy & Investment Committee, subsequently renamed Strategy & CSR Committee, with a specific duty relating to the monitoring of the Group's Corporate Social Responsibility (CSR) strategy, ensuring consistency in the consideration of social and environmental aspects in the Group's main strategic orientations.

The role of this committee is to:

- study in-depth the strategic options open to the Group to ensure its continued growth, improve its profitability and maintain its independence to enrich Board discussions;
- study the Group's mid- and long-term strategic focus, considering the social and environmental issues associated with its activities and major technological and competitive trends and developments;
- determine the amount of investment required to implement each of these possible strategies;
- monitor material investments, alliances and divestments;
- examine the Group's Corporate Social and Environment Responsibility (CSR) strategy, monitor annually the results of this strategy and issue any opinions or recommendations.

More generally, the committee identifies and deliberates on any direction or issue considered relevant to the Group's future, provided it does not compromise the smooth running of operations and guarantees operating and financial stability.

Composition and participation

The Committee has six directors since January 1, 2019:

Mr. Daniel Bernard (Chairman), **Ms. Anne Bouverot** (Independent Director), **Ms. Laura Desmond** (Independent Director) and **Messrs. Robert Fretel, Paul Hermelin and Patrick Pouyanné** (Independent Director).

The Committee met five times in 2019, with an average attendance rate of 97%.

The individual attendance rate of each member of the Committee was as follows:

Daniel Bernard	100%
Paul Hermelin	100%
Anne Bouverot	100%
Laura Desmond*	100%
Robert Fretel	80%
Patrick Pouyanné	100%

* Ms. Laura Desmond has been a member of the Strategy & CSR Committee since January 1, 2019.

Committee activities in 2019

The Committee systematically reviewed the external growth opportunities proposed by Group Management and its Strategy Department. For 2019, the defined priorities mainly focused on the continued strengthening of the Group's business portfolio in the Board's activities (e.g. acquisition of Konexus in Germany), SaaS, data management or digital activities. In this last respect, the Committee focused most of its attention on the Altran Technologies public tender offer, which fuels the Group's ambition to become the "Intelligent Industry" leader, and also regularly monitored its completion.

It helped to prepare the Board of Directors' mid-June strategy seminar held in Munich, which this year was an opportunity to meet the German teams of Capgemini and Capgemini Invent at the forefront of digital transformation, particularly in the automobile sector.

Considering the numerous US acquisitions in 2017 and 2018, the Committee also verified that the latest scope additions had been properly integrated (Liquidhub, Leidos, Lyons Consulting Group or even Idean).

Finally, it increased its work on the Group's priorities and commitments, in terms of Corporate, Social and Environmental Responsibility, with a specific focus on the latter aspect.

2.3 Compensation of Executive Corporate Officers

2.3.1 Directors' compensation

2.3.1.1 Directors' compensation policy

Total compensation cap

In compensation for their participation in Board and Committee meetings, the Company was authorized by the Shareholders' Meeting of May 18, 2016 to pay total compensation to directors of up to €1,200,000 per year.

The authorization given by the Shareholders Meeting of May 18, 2016 to increase the total maximum amount of directors' compensation enabled the strategic objectives set by the Board of Directors to be attained. This increase in the total amount allowed the Board to continue the renewal of its composition, welcoming four new directors in 2016 including two directors representing employees. It was also able to focus the increase both on directors not residing in France and on those heavily involved in the work of the committees (as Chairmen or members of several committees), while retaining the international outlook of the Board consistent with the international development and global presence of the Group.

Allocation rules

The method of allocating compensation to directors was reviewed in 2014, following the external assessment of the Board of Directors performed in 2013. This review sought to take better account of the increasing workload of committee Chairmen and encourage good attendance at meetings as well as of the travel time of Directors resident outside France. Accordingly, directors' compensation is now allocated on the following basis:

- payment of a fixed annual amount to each director (currently €15,000);
- payment of a fixed amount for each attendance at an official meeting of the Board (currently €4,000);
- compensation for sitting on the specialized board committees was set with regard to the specific role of each committee and the ongoing work required of Chairmen, who now solely receive a fixed annual payment as follows:

- €45,000 for the Lead Independent Director and Chairman of the Ethics & Governance Committee and €45,000 for the Vice-Chairman of the Board of Directors,
- €35,000 for the Chairman of the Audit & Risk Committee,
- €25,000 for the Chairmen of the Compensation Committee and the Strategy & CSR Committee;

- payment of a fixed amount for each attendance at a meeting of one of the four specialized board committees, excluding the Committee Chairmen (currently €2,500);
- payment of additional compensation per Board or Committee meeting to take account of the travel time of directors resident outside Europe (currently €5,000) and directors resident outside France but in Europe (currently €2,000). This additional compensation is not allocated to Directors representing employees, whose travel costs are covered otherwise;
- the compensation amount is calculated in two parts, at the end of the first six months and at the end of the year and is paid in two installments;
- under the compensation scale for a given fiscal year, if circumstances require the Company to hold a greater than scheduled number of meetings, resulting in the maximum amount authorized by the Shareholders' Meeting being exceeded, these fixed amounts would be reduced in order to comply with the maximum amount authorized by the Shareholders' Meeting.

2.3.1.2 Directors' compensation in respect of 2019

In application of the above principles, total compensation of €1,083,500 is due to directors in respect of 2019, representing 90% of the maximum amount authorized by the Combined Shareholders' Meeting. After deduction of French and foreign withholding tax, a net amount of €795,688 was paid in respect of 2019.

It is recalled that Mr. Paul Hermelin voluntarily waived his right to collect the compensation that should have been paid to him as a director of Capgemini SE in respect of 2019 (as he has done for the past ten years).

Compensation due in respect of one fiscal year and paid during another fiscal year is detailed below:

<i>(in euros)</i>	Amount assigned in respect of 2018	Amount assigned in respect of 2019	Gross amount paid in 2018	Gross amount paid in 2019
Daniel BERNARD	136,000	137,500	141,516	129,500
Anne BOUVEROT	66,000	71,000	70,016	60,500
Xiaoqun CLEVER**	(nil)	68,000	(nil)	17,000
Yann DELABRIÈRE	15,500	(nil)	41,516	(nil)
Laura DESMOND**	(nil)	78,500	(nil)	41,000
Laurence DORS	113,500	112,500	126,516	104,500
Carole FERRAND	27,250	(nil)	64,766	(nil)
Robert FRETTEL*	66,000	65,000	74,016	59,500
Siân HERBERT-JONES	64,500	75,000	75,016	67,000
Paul HERMELIN	(waiver)	(waiver)	(waiver)	(waiver)
Phil LASKAWY**	29,500	(nil)	69,016	(nil)
Kevin MASTERS**	61,000	70,000	74,016	59,500
Xavier MUSCA	82,000	90,000	88,516	82,000
Frédéric OUDÉA	37,500	67,500	10,500	59,500
Patrick POUYANNÉ	63,500	63,500	67,516	62,000
Pierre PRINGUET	106,000	115,000	110,016	104,500
Bruno ROGER	46,000	(nil)	98,516	(nil)
Lucia SINAPI-THOMAS	61,000	70,000	74,016	59,500
Caroline WATTEEUW-CARLISLE**	43,500	(nil)	108,516	(nil)
TOTAL	1,018,750	1,083,500	1,293,990	906,000

* Compensation for this beneficiary's duties as director is paid to his trade union organization.

** As required by law, the Company deducted withholding tax on the amounts paid to these non-resident beneficiaries. A 30% deduction at source for income tax and CSG/CRDS social security contributions was also applied to amounts paid to beneficiaries tax-resident in France.

The non-executive directors did not receive any compensation other than the above compensation, with the exception of the directors representing either employee shareholders (Ms. Lucia Sinapi-Thomas) or Group employees (Messrs. Robert Fretel and Kevin Masters), who hold employment contracts from their respective Group legal entities in respect of their local functions, that are unrelated to their corporate office in the Company.

Other compensation

A breakdown of compensation paid in 2019 or granted in respect of fiscal year 2019 to Executive Corporate Officers is presented in Section 2.3.3.

There are no shareholder agreements or pacts in force.

2.3.2 Executive Corporate Officer compensation policy

The Executive Corporate Officer compensation policy presented below forms part of changes in the Group's governance announced to the market.

During the meeting of September 16th 2019, the Board of Directors chose Mr Aiman Ezzat, Deputy Chief Executive Officer, to succeed to Mr Paul Hermelin as Chief Executive Officer at the closing of the Annual General Meeting scheduled for 20 May 2020. Mr Paul Hermelin will continue to serve as Chairman of the Board of Directors from that date, while Mr Aiman Ezzat will assume the role of Chief Executive Officer as the sole executive corporate officer.

In line with this new governance structure, the Board of Directors decided on December 4th 2019, following the recommendation of the Ethics and Governance Committee, to terminate the term of office of Mr Thierry Delaporte as Deputy Chief Executive Officer with effect from December 31st 2019. Mr Thierry Delaporte remains

a member of the Management Committee as Deputy Chief Executive Officer as of January 1st, 2020.

In 2020, the Group will have two separate governance periods with:

- from January 1st, 2020 until the Shareholders' Meeting of May 20th, 2020, a governance structure comprising a Chairman and Chief Executive Officer (Mr. Paul Hermelin) and a Chief Operating Officer (Mr. Aiman Ezzat), it being recalled that Mr. Thierry Delaporte's term of officer as Deputy Chief Operating Officer ended on December 31st, 2019;
- from May 20th, 2020, subject to the approval by shareholders of the corresponding resolutions and a decision of the Board of Directors, a governance structure comprising a Chairman of the Board of Directors (Mr. Paul Hermelin) and a Chief Executive Officer (Mr. Aiman Ezzat).

Compensation of Executive Corporate Officers

Accordingly, given the differences in the nature of the offices and the changes to the compensation structure proposed by the Board of Directors following the Shareholders' Meeting, in addition to the Directors' compensation policy, the compensation policies for executive and non-executive corporate officers are presented below:

- a compensation policy for the Chairman and Chief Executive Officer (Executive Corporate Officer), office held by Mr. Paul Hermelin up to the Shareholders' Meeting of May 20th, 2020;
- a compensation policy for the Deputy Chief Operating Officer (Executive Corporate Officer), office held by Mr. Aiman Ezzat up to the Shareholders' Meeting of May 20th, 2020;
- a compensation policy for the Chief Executive Officer (Executive Corporate Officer), office to be held by Mr. Aiman Ezzat following the Shareholders' Meeting of May 20th, 2020;
- a compensation policy for the Chairman (non-executive corporate officer) office to be held by Mr. Paul Hermelin following the Shareholders' Meeting of May 20th, 2020.

2.3.2.1 General Principles

Compliance and transparency

The procedures for setting Executive Corporate Officer compensation comply with the recommendations set out in the most recent version of the AFEP-MEDEF Code. Compensation components and structure are determined in accordance with the recommendations of this Code, whether fixed or variable compensation, the grant of equity instruments or supplementary pension benefits and are in line with existing Group practices and market rules. These principles are regularly reviewed and discussed by the Compensation Committee which submits a report on its work and its resulting proposals to the Board of Directors for approval. Compensation components are disclosed in detail as part of the Say on Pay procedure.

Competitiveness and consistency

The Compensation Committee refers in particular to comparative studies to ensure the **consistency** and **competitiveness** of both the compensation level and structure and calculation methods with market practice. The Committee's recommendations take account of Executive Management compensation levels and components in CAC 40 companies as well as observed practice in leading French and foreign Group competitors in the IT services and consulting sector. Compensation publication practice varies significantly between the countries and legal structures of competitors, in particular in the case of private partnerships. CAC 40 companies are therefore the most relevant benchmark and the most transparent, but additional analyses take account of the international and competitive aspects of the sector and geographies in which the Company operates.

Balance and performance

When performing comparisons with French companies of comparable size and ambition, the Compensation Committee ensures that Capgemini's practices are in line with the best practices of CAC 40 companies in terms of both the clarity and consistency of methods applied. As in previous years, the Group participated in 2019 in comparative studies of the main French companies carried out by specialist firms. These comparisons show that Mr. Paul Hermelin's global compensation is close to the median compensation for CAC 40 companies and is of an adequate level compared with comparable sector compensation in France and abroad. In addition, an independent study was commissioned from a well-known international firm, to support the compensation level setting of the two Chief Operating Officers appointed in 2018, in accordance with the practices which exist within the Group and in reference to French market practice and to international benchmarks. Another study was commissioned from the same firm, to support the compensation level setting of the future Chief Executive Officer, as part of the announced change in the Group's governance. The Compensation Committee also ensures that the respective

proportions of fixed and variable components and share grants valued in accordance with IFRS are **balanced**, in line with market practices, **linked to the Company's performance and aligned to Group strategy**.

2.3.2.2 Compensation policy: Chairman and Chief Executive Officer (Executive Corporate Officer)

Together with the general principles set out above, the items presented below comply with Article L. 225-37-2 of the French Commercial Code and represent the Board of Directors' report on the Chairman and Chief Executive Officer compensation policy that will be presented for approval to shareholders at the Shareholders' Meeting of May 20, 2020.

Compensation structure

The Chairman and Chief Executive Officer compensation policy seeks a balance between short-term and long-term performance to ensure the sustainable development of the Company and aims for consistency between changes in overall compensation and Company performance trends.

Procedures for setting fixed and variable compensation

The procedures for setting Executive Corporate Officer compensation in respect of fiscal year Y are adopted by the Board of Directors' meeting in Y held to approve the financial statements of fiscal year Y-1. The Board of Directors therefore approves at the beginning of the year for the year in progress:

— The fixed component

Fixed compensation seeks to reward the responsibilities associated with the office. It takes into account the complexity of the position's duties and responsibilities and the skills, expertise and experience required as well as the competitive position.

The fixed component is not reviewed annually, but after several years in accordance with the AFEP-MEDEF Code. However, in the event of a significant change in the scope of responsibilities or a major difference in positioning compared with the market, a review could be envisaged based on clearly explained reasons. For example, the Chairman and Chief Executive Officer's fixed compensation was increased in 2008 and was only reviewed once in 2013 (+10%) following an extension of his responsibilities and to reflect the strong growth and international expansion of the Group. The fixed portion is paid in 12 equal monthly installments and currently represents 55% of the total theoretical compensation if objectives are attained. The Board aims to reduce this percentage to 50% of total theoretical compensation.

— The theoretical variable compensation: components and calculation method

The Board of Directors, taking into account market practice for Executive Corporate Officers, decided **to progressively increase the percentage of theoretical variable compensation if objectives are attained to 100% of fixed compensation** for Executive Corporate Officers. This move was initiated at the beginning of 2018, the date of the last increase in the Chairman and Chief Executive Officer's compensation, which led the Board of Directors to increase the percentage of the variable component from 66.6% of fixed compensation (Group historical practice where the theoretical variable component represented 40% of the total of the theoretical fixed and variable component) to 82.6% of the fixed compensation.

In the event of an appointment or departure during a fiscal year, the variable component is calculated based on the percentage defined in this way, pro rata to the period the office is exercised during the relevant fiscal year.

The Board also set the procedure for calculating the variable component of Mr. Hermelin's compensation for his duties as Chairman

and Chief Executive Officer, defining the performance indicators underlying the V1 calculation, as well as the personal strategic objectives adopted for the V2 component for 2020.

The variable compensation comprises two equal components:

1. **An initial component, V1**, tied to internal performance indicators of the Company, with a stable structure and weighting over time. The level of attainment of these indicators is determined based on a comparison of actual audited and budgeted Group consolidated results. The performance indicators are adopted in line with the key indicators presented regularly to the market and are also stable over time. **The V1 component varies in line with its theoretical level, between nil and a ceiling of 200%** and is calculated using a formula that accelerates the weighted performance of financial indicators upwards or downwards, such that a one-point change in the economic performance has a four-point impact on the calculation of the variable component, under a risk/reward approach. The V1 component is therefore nil if the weighted performance of financial indicators is less than or equal to 75% and can reach twice the theoretical amount if the weighted performance is greater than or equal to 125%, varying on a straight-line basis between these two limits.
2. **A second component, V2**, based on the attainment of individual objectives set by the Board of Directors, with 50% minimum based on quantified objectives. In 2019, the Board of Directors decided to cap the purely qualitative objectives at their theoretical amount and they can therefore vary between nil and 100%. The quantifiable objectives can still vary between nil and 200%.

The Board of Directors ensured that the objectives set could be objectively assessed and measured, such that **at least 75% of the total variable compensation is based on quantitative data**. Objectives must also be clearly tied to the roll out of the Group's strategic priorities approved by the Board of Directors as essential to the delivery of the long term strategic plan.

The Board of Directors also decided to increase, from the Shareholders' Meeting of May 2020, the weight of the V1 component, increasing it to 60% compared with 40% for the V2 component, so as to increase the impact of performance indicators on determining the variable compensation.

Therefore, as a result of this system, the fixed plus variable compensation of the Chairman and Chief Executive Officer, which currently varies between 55% and a maximum of 145% of the annual theoretical/target compensation for the pro rata variable component for the period to the upcoming Shareholders' Meeting, will ultimately vary between 50% and a maximum of 150%. **The variable component and the total compensation are therefore both capped and the variable component for 2020 may not represent more than the percentage of fixed compensation presented in the summary table below, prepared according to the respective weightings of the quantified and purely qualitative objectives set for the year.**

The level of attainment of objectives and the amount of the variable compensation components are decided pursuant to the recommendations of the Compensation Committee, by the Board of Directors' meeting in Y+1 held to approve the financial statements of fiscal year Y. The Committee meets on several occasions before the Board of Directors' Meeting to assess the percentage attainment of Executive Corporate Officer objectives. A Committee meeting was held in November 2019 and another in February 2020 to assess this performance before the Board of Directors' meeting which decides the level of attainment by Executive Corporate Officers of their objectives. Objective attainment percentages are communicated annually for each criterion.

Variable compensation is paid following approval by the Shareholders' Meeting in Y+1 of compensation components for fiscal year Y for all Executive Corporate Officers.

Summary table of the theoretical structure of fixed and variable compensation for the Chairman and Chief Executive Officer

Theoretical compensation structure, base 100	Chairman and Chief Executive Officer		
	Target	Min	Max
Gross fixed compensation	55	55	55
Annual variable compensation V1 – 50% weighting	22.5	0	45
Annual variable compensation V2 – 50% weighting	22.5	0	33.9
Multi-year variable compensation	0	0	0
Theoretical total if objectives are attained	100	55	133.9
% variable/fixed	82.6%	0%	144.5%

Capgemini share-based incentive policy procedures

The Group stopped granting stock options in 2009 and now grants performance shares in accordance with the following principles:

- **subject to performance and presence conditions:** performance shares are granted subject to the same conditions of presence and performance as applicable to other Group beneficiaries and **all shares are subject to performance and presence conditions**. However, in the event of inclusion of an outperformance clause, this clause would not apply to Executive Corporate Officers:
 - the associated conditions are **ambitious**, as demonstrated by the effective share grant percentages for the six fully vested plans of respectively 42.3% for the 2009 plan, 56.7% for the 2010 plan, 87.9% for the 2012 plan, 83.9% for the 2013 plan, 82.5% for the 2014 plan and 82.5% for the 2015 plan, of the number of shares initially granted,
 - the performance **conditions** include, internal and external performance conditions in accordance with the AMF recommendation, and are calculated over a 3-year period to ensure a sustainable performance and to align Executive Corporate Officer and shareholder interests in the long run;
- **limited volume:** the volume of shares granted to Executive Corporate Officers pursuant to the resolutions presented to shareholder vote is limited (maximum of 10% of shares available for grant set in the last resolution voted on May 23, 2019). The performance shares granted to the Chairman and Chief Executive Officer in 2018 and 2019 represented 1.66% and 1.67% respectively of the total amount authorized by the Combined Shareholders Meeting for the corresponding periods and 2.02% and 1.84% of the total amount granted to all beneficiaries under these resolutions. Overall, in 2019, the volume of shares granted to Executive Corporate Officers was well within the cap set in the resolution, with total percentages of 3.78% and

4.17% respectively, compared with 3.61% and 4.41% respectively in 2018. Since 2009 and over twelve performance share grants, the average percentages are 2.08% (of the authorized amount) and 2.68% (of the amount granted) for Mr. Paul Hermelin;

- **cap:** the IFRS value of shares granted aims not to exceed 100% of the theoretical yearly cash compensation for a given year, and over the last 5 years this value has ranged from 60% to 95% of the theoretical cash compensation;
- **obligation to hold shares:** in accordance with legal provisions, the Board of Directors must set the number of vested shares granted in connection to their office that Executive Corporate Officers must continue to hold until the termination of their office.

Mr. Paul Hermelin was required to hold all vested performance shares received under the 2009, 2012 and 2013 plans until the later of:

- the end of the mandatory two-year holding period (2009 plan), extended to four years (2012 and 2013 plan), and
- the expiry of his term as Executive Corporate Officer.

Since then and in accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors decided that vested performance shares representing at least 50% of shares

must be retained, where the amount of shares held, valued at the share price on the vesting date, represents less than a threshold expressed as a multiple of the theoretical annual compensation (fixed and variable). Once this threshold is reached, the obligation to retain performance shares only applies to one third of shares vested. Finally, the Board of Directors decided on February 14, 2018 that if the number of shares valued on the vesting date represents more than twice the above threshold, then the obligation to hold shares that vest as a result of these grants would be set at 5% of vested shares. Executive Corporate Officers are therefore entitled to freely sell their shares as long as i) the value of their shares remains above the latter threshold and ii) at least five percent of each share grant is held until the termination of their office as Executive Corporate Officer.

The threshold under which 50% of vested shares must be held until termination of his office has been set for Mr. Paul Hermelin at twice his annual compensation applicable at the vesting date. Mr. Paul Hermelin currently owns Capgemini SE shares representing over 10 years' annual fixed and variable theoretical compensation. As this threshold had been met each year since the July 2014 grant, the obligation to hold shares that vest as a result of these grants has been set at one-third of vested shares for the corresponding plans.

If the value of the portfolio held at the vesting date is:	< two years' fixed and variable theoretical compensation	Two years' fixed and variable theoretical compensation and < four years' fixed and variable theoretical compensation	Four years' fixed and variable theoretical compensation
Obligation to hold vested shares under the later of the end of the term of office and the plan date	50%	33.3%	5% subject to remaining above the two-year threshold

- **Ban on hedging:** share hedging transactions are prohibited before the end of the mandatory holding period. This ban is included in the grant plan rules and applies to all beneficiaries, who must acknowledge in writing that they will comply with the plan rules. The ban applies since the first performance share grant plan in 2009.
- **Effective presence required, subject to three exceptions:** effective presence on the vesting date is required for shares to be definitely granted as per the terms of the plan rules with the exception of death, disability and retirement. In the case of retirement, shares still vest on scheduled dates as per plan rules and conditions. These presence conditions and exceptions have applied since the first performance share grant plan. In other circumstances, the shares are forfeited.
- **Grant in the same periods:** in accordance with the recommendations of the AFEP-MEDEF Code, performance shares are now granted in the same calendar periods and are decided by either the Board of Directors' meeting at the end of July or the following meeting held in October. This has been the case since 2015, as grants were performed in July in 2015 and 2016 and in October in 2017, 2018 and 2019.

Two small special grants were made outside this time frame. One took place in February 2016 targeting former IGATE employees. At the time of the July 2015 grant, IGATE had just

been bought not leaving enough time to ensure a proper selection of the beneficiaries. Therefore, and after having informed the HCGE of our intention, a special grant was performed in February 2016 for this specific and limited population. For the second one, while the decision to make the annual grant was taken in October, a small grant took place in July 2017 targeting a limited population from a newly bought company (IDEAN) in 2017 as part of the purchase agreement. Neither the Chairman and Chief Executive Officer nor the Group Executive Committee members were concerned by these two grants.

If regulatory developments or any other circumstances make the use of equity-based incentive instruments restrictive, impossible or economically inappropriate, use of a special purpose long-term incentive mechanism with the same terms, criteria and ceilings could be envisaged.

One-off award

A one-off award, if any, would only be applicable in case of an external hiring of an executive with the need to buy out rights that would be lost following this hiring decision. In such case, the award would be proportionate to the lost amounts and implementation and payment of this remuneration would be subject to approval by Shareholders' Meeting pursuant to Article L 225-37-2.

Severance pay

The Chairman and Chief Executive Officer is not entitled to severance pay and does not have a non-compete clause.

Benefits in kind

In addition to the above-mentioned items, the Chairman and Chief Executive Officer's compensation structure may also comprise the provision of a company car, under prevailing conditions within the existing plan in place in France. The Chairman and Chief Executive Officer has not however subscribed to this offer. The Chairman and Chief Executive Officer is covered by collective healthcare and welfare plans applicable within the Company.

Supplementary pension benefits

Mr. Paul Hermelin is a member of the supplementary collective defined benefit pension plan (Article 39) set up in 2006 in Capgemini Service, under the same conditions applicable to other employee members. This plan was reviewed by an external firm which confirmed that it complies with the AFEP-MEDEF recommendations of October 6, 2009 and also the revised AFEP-MEDEF Governance Code issued in June 2013.

The plan was closed to new beneficiaries in 2015 and rights of existing members have been frozen as of October 31, 2015.

In order to receive benefits under this plan it is necessary to be with the Group at the time of retirement, to have at least 10 years of seniority, to have been a Group Executive Member for at least 5 years and to have a compensation level above eight times the French annual social security ceiling (PASS) during 5 years at least.

Benefits are based on reference earnings equal to the average of the three best years (fixed and variable components) from among the ten years preceding retirement.

In addition, this supplementary pension is subject to three cumulative limits such that the pension amount cannot exceed:

- 40% of reference earnings;
- 50% of reference earnings, including pensions received under all other pension plans; and
- reference earnings are capped at 60 times the French annual social security ceiling.

Benefits are proportional to length of service (minimum of 10 years required and a maximum of 30 years), reflecting the required progressive acquisition of entitlement, which remains well below the threshold set by the AFEP-MEDEF Code and the recent legal ceiling of 3% *per annum*. Entitlement is acquired at a rate of 1.5% per year for the first 10 years of seniority and for subsequent years only at rates of:

- 1% up to 20 times the French annual social security ceiling
- 2% between 20 and 40 times the French annual social security ceiling

- 3% between 40 and 60 times the French annual social security ceiling

Therefore, the maximum possible annual entitlement is equal to 1.83% before the potential impact of the cumulative limits. Due to the long seniority of our Chairman and Chief Executive Officer (frozen at 23 years in 2015) the value of the annual pension is estimated at a net amount after income tax and employee social contributions of K€300, corresponding to a gross amount of K€901.

The plan is financed through an external insurance company and as such the required funds to pay the pension support a contribution of 24%. 21 members have benefited from this regime since its launch with eight presently active as of December 31, 2019.

Application of the compensation policy to Mr. Paul Hermelin, Chairman and Chief Executive Officer of Capgemini SE until the Shareholders' Meeting of May 20, 2020

Fixed component

At the recommendation of the Compensation Committee, the Board of Directors decided to maintain unchanged Mr. Paul Hermelin's theoretical compensation for his duties as Chairman and Chief Executive Officer in fiscal year 2020. As in 2018, his fixed compensation is therefore €1,452,000 and will be payable monthly pro rata to his term of office in the fiscal year.

Variable component

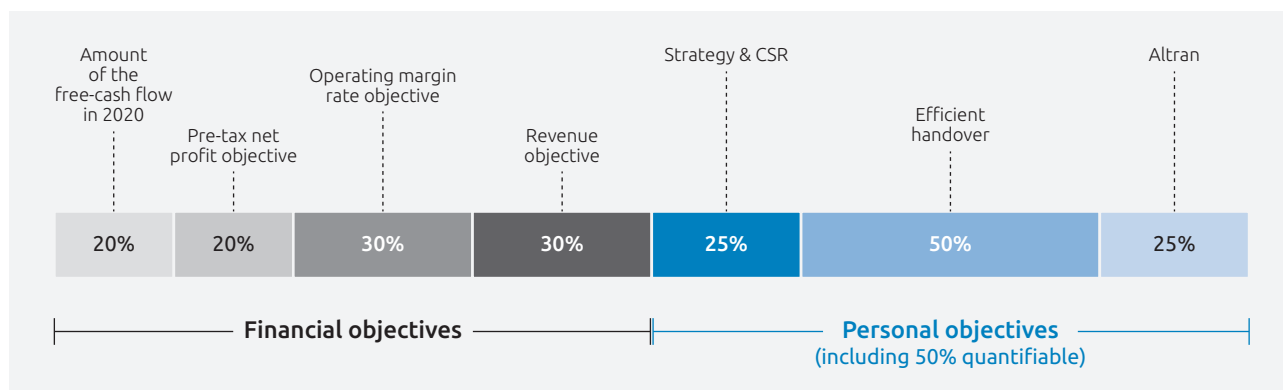
Given the announced change in governance following the Shareholders' Meeting in May 2020 and the Board of Directors' decision to leave unchanged Mr. Paul Hermelin's theoretical compensation for his duties as Chairman and Chief Executive Officer in 2020, the theoretical variable compensation if objectives are attained is maintained at €1,200,000. This represents 45% of the total theoretical compensation and 82.6% of the fixed component.

Performance indicators for the V1 variable component and their respective weighting for 2020 (as since 2013) are:

- growth for 30% (Group revenues);
- operating profitability for 30% (Group operating margin rate);
- cash generation for 20% (Group organic free cash flow);
- shareholders return for 20% (net profit before taxes).

Individual performance objectives for the V2 variable component set by the Board of Directors for the Chairman and Chief Executive Officer for 2020 are:

- Objective 1: hand-over to the new CEO for 50%;
- Objective 2: completion of the Altran acquisition for 25%, quantifiable;
- Objective 3: implementation of the CSR strategy for 25%, quantifiable.



2.3.2.3 Compensation policy – Chief Operating Officer (Executive Corporate Officer)

Together with the general principles set out above, the items presented below comply with Article L. 225-37-2 of the French Commercial Code and represent the Board of Directors' report on the Chief Operating Officer compensation policy that will be presented for approval to shareholders at the Shareholders' Meeting of May 20, 2020.

Compensation structure

The Chief Operating Officer compensation policy seeks a balance between short-term and long-term performance to ensure the sustainable development of the Company and aims for consistency between changes in overall compensation and Company performance trends.

Procedures for setting fixed and variable compensation

The procedures for setting Executive Corporate Officer compensation in respect of fiscal year Y are adopted by the Board of Directors' meeting in Y held to approve the financial statements of fiscal year Y-1. The Board of Directors therefore approves at the beginning of the year for the year in progress:

— The fixed component

Fixed compensation seeks to reward the responsibilities associated with the office. It takes into account the complexity of the position's duties and responsibilities and the skills, expertise and experience required as well as the competitive position.

The fixed component is not reviewed annually, but after several years in accordance with the AFEP-MEDEF Code. However, in the event of a significant change in the scope of responsibilities or a major difference in positioning compared with the market, a review could be envisaged based on clearly explained reasons. The fixed portion is paid in 12 equal monthly installments and represents 60% of the total theoretical compensation if objectives are attained for a Chief Operating Officer, unchanged on the 2019 policy. The Board wishes to reduce this percentage to 50% of the total theoretical compensation if objectives are attained for Executive Corporate Officers and therefore a future Chief Operating Officer.

— The theoretical variable compensation: components and calculation method

The percentage represented by variable compensation for a Chief Operating Officer is unchanged on 2019 and is 66.6% of fixed compensation, in line with historical practice in the Group for its key managers. The Board of Directors, taking into account market practice for Executive Corporate Officers, decided to **progressively increase the percentage of theoretical variable compensation if objectives are attained to 100% of fixed compensation** for Executive Corporate Officers. This move was initiated at the beginning of 2018.

In the event of an appointment or departure during a fiscal year, the variable component is calculated based on the percentage defined in this way, pro rata to the period the office is exercised during the relevant fiscal year.

The Board also set the procedure for calculating the variable component of Mr. Aiman Ezzat's compensation for his duties as Chief Operating Officer, defining the performance indicators underlying the V1 calculation, as well as the personal strategic objectives adopted for the V2 component for 2020.

The variable compensation comprises two components:

1. **An initial component, V1**, tied to internal performance indicators of the Company, with a stable structure and weighting over time. The level of attainment of these indicators is determined based on a comparison of actual audited and budgeted Group consolidated results. The performance indicators are adopted in line with the key indicators presented regularly to the market and are also stable over time. **The V1 component varies in line with its theoretical level, between nil and a ceiling of 200%** and is calculated using a formula that accelerates the weighted performance of financial indicators upwards or downwards, such that a one-point change in the economic performance has a four-point impact on the calculation of the variable component, under a risk/reward approach. The V1 component is therefore nil if the weighted performance of financial indicators is less than or equal to 75% and can reach twice the theoretical amount if the weighted performance is greater than or equal to 125%, varying on a straight-line basis between these two limits.
2. **A second component, V2**, based on the attainment of individual objectives set by the Board of Directors, with 50% minimum based on quantified objectives. In 2019, the Board of Directors decided to cap the purely qualitative objectives at 100% of their theoretical amount and they can therefore vary between nil and 100%. The quantifiable objectives can still vary between nil and 200%.

The Board of Directors ensured that the objectives set could be objectively assessed and measured, such that at least 75% of the total variable compensation is based on quantitative data. Objectives must also be clearly tied to the roll out of the Group's strategic priorities approved by the Board of Directors as essential to the delivery of the long-term strategic plan.

The Board of Directors also decided to increase, from the Shareholders' Meeting of May 2020, the weight of the V1 component, increasing it to 60% compared with 40% for the V2 component, so as to increase the impact of performance indicators on determining the variable compensation.

Therefore, as a result of this system, the fixed plus variable compensation of the Chief Operating Officer, which currently varies between 60% and a maximum of 140% of the annual theoretical/target compensation for the pro rata variable component for the period to the upcoming Shareholders' Meeting, will ultimately vary between 50% and a maximum of 150%. **The variable component and the total compensation are therefore both capped and the variable component for 2020 may not represent more than the percentage of fixed compensation presented in the summary table below, prepared according to the respective weightings of the quantified and purely qualitative objectives set for the year.**

The level of attainment of objectives and the amount of the variable compensation components are decided pursuant to the recommendations of the Compensation Committee, by the Board of Directors' meeting in Y+1 held to approve the financial statements of fiscal year Y. The Committee meets on several occasions before the Board of Directors' Meeting to assess the percentage attainment of Executive Corporate Officer objectives. A Committee meeting was held in November 2019 and another in February 2020 to assess this performance before the Board of Directors' meeting which decides the level of attainment by Executive Corporate Officers of their objectives. Objective attainment percentages are communicated annually for each criterion.

Variable compensation is paid following approval by the Shareholders' Meeting in Y+1 of compensation components for fiscal year Y for all Executive Corporate Officers.

Summary table of the theoretical structure of fixed and variable compensation for the Chief Operating Officer up to the Shareholders' Meeting of May 2020

Theoretical compensation structure, base 100	Chief Operating Officer		
	Target	Min	Max
Gross fixed compensation	60	60	60
Annual variable compensation V1 – 50%	20	0	40
Annual variable compensation V2 – 50%	20	0	30
Annual variable compensation	0	0	0
Theoretical total if objectives are attained	100	60	130
<i>% variable/fixed</i>	<i>100%</i>	<i>0%</i>	<i>117%*</i>

Summary table of the theoretical structure of fixed and variable compensation for the Chief Operating Officer from the Shareholders' Meeting of May 2020

Theoretical compensation structure, base 100	Chief Operating Officer		
	Target	Min	Max
Gross fixed compensation	50	50	50
Annual variable compensation – financial indicators	30	0	60
Annual variable compensation – quantifiable indicators	10	0	20
Annual variable compensation – qualitative objectives	10	0	10
Multi-year variable compensation	0	0	0
Theoretical total if objectives are attained	100	50	140
<i>% variable/fixed</i>	<i>100%</i>	<i>0%</i>	<i>180%</i>

Capgemini share-based incentive policy procedures

The Group stopped granting stock options in 2009 and now grants performance shares in accordance with the following principles:

- **subject to performance and presence conditions:** performance shares are granted subject to the same conditions of presence and performance as applicable to other Group beneficiaries and **all shares are subject to performance and presence conditions**. However, in the event of inclusion of an outperformance clause, this clause would not apply to Executive Corporate Officers:
 - the associated conditions are **ambitious**, as demonstrated by the effective share grant percentages for the six fully vested plans of respectively 42.3% for the 2009 plan, 56.7% for the 2010 plan, 87.9% for the 2012 plan, 83.9% for the 2013 plan, 82.5% for the 2014 plan and 82.5% for the 2015 plan, of the number of shares initially granted,
 - the performance **conditions** include, internal and external performance conditions in accordance with the AMF recommendation, and are calculated over a 3-year period to ensure a sustainable performance and to align Executive Corporate Officer and shareholder interests in the long run;
- **limited volume:** the volume of shares granted to Executive Corporate Officers pursuant to the resolutions presented to shareholder vote is limited (maximum of 10% of shares available for grant set in the last resolution voted on May 23, 2019). The performance shares granted to Mr. Aïman Ezzat in 2018 and 2019 represented 0.98% and 1.13% respectively of the total amount authorized by the Combined Shareholders Meeting for the corresponding periods and 1.19% and 1.25% of the total amount granted to all beneficiaries under these resolutions. Overall, in 2019, the volume of shares granted to Executive Corporate Officers was well within the cap set in the resolution,

with total percentages of 3.78% and 4.17% respectively, compared with 3.61% and 4.41% respectively in 2018;

- **cap:** the IFRS value of shares granted aims not to exceed 100% of the theoretical yearly cash compensation for a given year, and over the last 5 years this value has ranged from 60% to 95% of the theoretical cash compensation;
- **obligation to hold shares:** in accordance with legal provisions, the Board of Directors must set the number of vested shares granted in connection to their office that Executive Corporate Officers must continue to hold until the termination of their office.

The Board of Directors decided that vested performance shares representing at least 50% of shares must be retained, where the amount of shares held, valued at the share price on the vesting date, represents less than a threshold expressed as a multiple of the theoretical annual compensation (fixed and variable). Once this threshold is reached, the obligation to retain performance shares only applies to one third of shares vested. Finally, the Board of Directors decided on February 14, 2018 that if the number of shares valued on the vesting date represents more than twice the above threshold, then the obligation to hold shares that vest as a result of these grants would be set at 5% of vested shares. Executive Corporate Officers are therefore entitled to freely sell their shares as long as i) the value of their shares remains above the latter threshold and ii) at least five percent of each share grant is held until the termination of their office as Executive Corporate Officer.

The threshold under which 50% of vested shares must be held until termination of their office has been set for Chief Operating Officers at one year of their theoretical annual compensation (fixed and variable), applicable from the vesting date.

If the value of the portfolio held at the vesting date is:	< one years' fixed and variable theoretical compensation	> one years' fixed and variable theoretical compensation and < two years' fixed and variable theoretical compensation	> two years' fixed and variable theoretical compensation
Obligation to hold vested shares under the later of the end of the term of office and the plan date	50%	33.3%	5% subject to remaining above the two-year threshold

- **Ban on hedging:** share hedging transactions are prohibited before the end of the mandatory holding period. This ban is included in the grant plan rules and applies to all beneficiaries, who must acknowledge in writing that they will comply with the plan rules. The ban applies since the first performance share grant plan in 2009.
- **Effective presence required, subject to three exceptions:** effective presence on the vesting date is required for shares to be definitely granted as per the terms of the plan rules with the exception of death, disability and retirement. In the case of retirement, shares still vest on scheduled dates as per plan rules and conditions. These presence conditions and exceptions have applied since the first performance share grant plan. In other circumstances, the shares are forfeited.
- **Grant in the same periods:** in accordance with the recommendations of the AFEP-MEDEF Code, performance shares are now granted in the same calendar periods and are decided by either the Board of Directors' meeting at the end of July or the following meeting held in October. This has been the case since 2015, as grants were performed in July in 2015 and 2016 and in October in 2017, 2018 and 2019.

Two small special grants were made outside this time frame. One took place in February 2016 targeting former IGATE employees. At the time of the July 2015 grant, IGATE had just been bought not leaving enough time to ensure a proper selection of the beneficiaries. Therefore, and after having informed the HCGE of our intention, a special grant was performed in February 2016 for this specific and limited population. For the second one, while the decision to make the annual grant was taken in October, a small grant took place in July 2017 targeting a limited population from a newly bought company (IDEAN) in 2017 as part of the purchase agreement. Neither the Chairman and Chief Executive Officer nor the Group Executive Committee members were concerned by these two grants.

If regulatory developments or any other circumstances make the use of equity-based incentive instruments restrictive, impossible or economically inappropriate, use of a special purpose long-term incentive mechanism with the same terms, criteria and ceilings could be envisaged.

One-off award

A one-off award, if any, would only be applicable in case of an external hiring of an executive, Chief Operating Officer, with the need to buy out rights that would be lost following this hiring decision. In such case, the award would be proportionate to the lost amounts and implementation and payment of this remuneration would be subject to approval by Shareholders' Meeting pursuant to Article L 225-37-2.

Severance pay

In anticipation of Messrs. Thierry Delaporte and Aïman Ezzat taking office as Chief Operating Officers on January 1, 2018 and at the recommendation of the Compensation Committee, the Board of Directors, during its meeting of December 6, 2017, authorized, in principle, severance pay in the event of cessation of their duties as Chief Operating Officer and a non-compete clause. These commitments were also approved by the Combined Shareholders' Meeting of May 23, 2018.

The Board of Directors considered it was in the Company's interest during this transition period to protect both the newly appointed Chief Operating Officers, by introducing a severance pay mechanism, and the Group, through a non-compete clause. The employment contracts of the Chief Operating Officers do not contain a severance pay clause, other than the provisions provided for in the collective bargaining agreement.

a) Non-compete undertaking

Subject to compliance with the non-compete obligation for a period of 12 months as from the date of termination of their employment contract further to the termination of their corporate office, each Chief Operating Officer may be entitled to a compensation payment equal to half of their theoretical gross compensation (fixed plus variable), applicable on the date of termination of their corporate office. The Board of Directors can decide to lift this non-compete obligation on the departure of the Chief Operating Officers. This compensation is spread over the application period of the clause and is not payable if the Chief Executive Officer or Chief Operating Officer exercises his right to retire or is over 65 years old at the end of his term of office.

b) Capped severance pay subject to performance conditions payable in the event of termination of the function of Chief Operating Officer

Severance pay will be due to each Chief Operating Officer at the end of their term of office. However, no severance pay is due if the Chief Operating Officer leaves the Company on his own initiative, changes functions within the Group, is entitled to assert in a near future his rights to retirement or in the event of a gross negligence or serious misconduct.

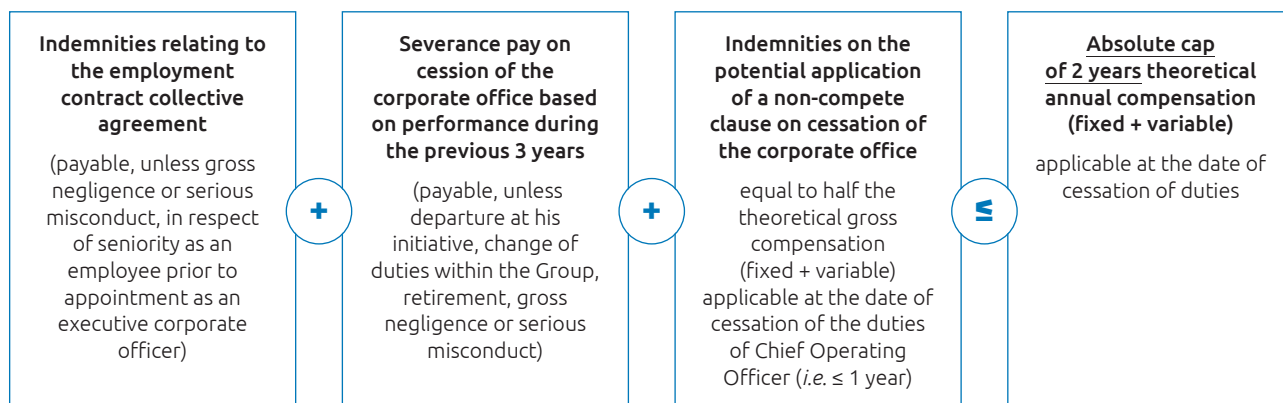
The Chief Operating Officer employment contracts do not contain any clauses concerning severance pay, other than the provisions required by the collective bargaining agreement.

The Board ensured strict performance conditions were attached to the severance pay in the event of cessation of the corporate office. These are based on the weighted performance of the financial indicators applicable to the V1 variable component of the Chief Operating Officer's compensation (tied to Group performance indicators and consolidated results), observed annually during the last three full fiscal years preceding the cessation of duties, with a heavier weighting applied to the final year (40% compared with 30% for the two preceding years).

The Board will confirm the effective achievement of these performance criteria.

In compliance with the recommendations of the revised AFEP-MEDEF Code, the aggregate amount of (i) severance pay effectively paid, (ii) any indemnity likely to be paid in connection with the termination of an employment agreement, and (iii) any indemnity

likely to be paid in consideration for the non-compete undertaking, may not exceed a maximum amount equal to twice the applicable gross theoretical compensation (fixed plus variable) at the date of termination of the functions of Chief Operating Officer.



As specified below, no non-compete or severance payments were made on termination of the terms of office of one of the Chief Operating Officers Thierry Delaporte on December 31st, 2019, as he continues his professional activity within the Group.

Benefits in kind

In addition to the above-mentioned items, the Chief Operating Officer's compensation structure may also comprise the provision of a company car, under prevailing conditions within the existing plan in place in France. The Chief Operating Officer is covered by collective healthcare and welfare plans applicable within the Company.

Multi-year Variable Compensation

Long saving plan

The Board of Directors, on the proposal of the Compensation Committee, decided that a Chief Operating Officer can benefit from the long saving mechanism. This plan has been implemented since 2016, to remain attractive for senior executives while being able to offer a long term incentive vehicle with better economic conditions for both the Company and the beneficiary than under the previous plan which was closed to new entrants at the end of 2015 with pension rights frozen. This mechanism is more aligned with developments in the market and the European legal framework (portability, performance conditions, agility) and seeks to cover the absence of contributions and therefore pension rights above eight times the French annual social security ceiling (this threshold could be considerably reduced). The plan consists in the payment of an annual allowance, at least half of which is allocated to a third-party body in the context of a supplementary optional pension insurance plan (Article 82), with the rest of the cash allowance being kept by the beneficiary, considering the immediate taxation upon entry of this mechanism.

This allowance would be made under the following conditions:

- the allowance is subject to the attainment of performance conditions;
- the amount of the allowance if all objectives are attained is equal to 40% of the annual fixed compensation component; it will vary according to the unflexed weighted performance of the financial indicators used for the V1 component;
- the payment of the allowance in respect of year Y, subject to the satisfaction of the performance conditions for year Y, is deferred as follows:
 - 50% of the amount calculated is paid in year Y+1,

- 50% of the amount calculated is paid in year Y+2, provided the Chief Operating Officer is present in the Group at June 30 of year Y+2.

The calculation procedure and the objectives related to this allowance will be set each year by the Board of Directors, on the proposal of the Compensation Committee. The Board of Directors decided that the calculation procedure, the Company's internal performance indicators taken into account for the calculation of the V1 component, and the level of weighting associated to each indicator for fiscal year 2020, will be set by the Board of Directors, on the proposal of the Compensation Committee, during the meeting held to approve the results for the year ended December 31, 2019. The calculation is performed over the effective duration of the current term of office in a given year in the event of entry into or termination of duties during the year.

Supplementary pension benefits

Chief Operating Officers are not covered by a supplementary pension plan.

Application of the compensation policy to Mr. Aiman Ezzat, Chief Operating Officer of Capgemini SE until the Shareholders' Meeting of May 20, 2020

— Fixed component

At the recommendation of the Compensation Committee, the Board of Directors decided to maintain unchanged Mr. Aiman Ezzat's theoretical compensation for his duties as Chief Financial Officer in fiscal year 2020. As in 2018, his fixed compensation is therefore €936,000 and will be payable monthly pro rata to his term of office in the fiscal year.

— Variable component

Given the announced change in governance following the Shareholders' Meeting in May 2020 and the Board of Directors' decision to leave unchanged Mr. Aiman Ezzat's theoretical compensation for his duties as Chief Operating Officer in 2020, the theoretical variable compensation if objectives are attained is maintained at €624,000 and represents 40% of the total theoretical compensation and 66.6% of the fixed component.

Performance indicators for the V1 variable component and their respective weighting for 2020 (as since 2013) are:

- growth for 30% (Group revenues);
- operating profitability for 30% (Group operating margin rate);
- cash generation for 20% (Group organic free cash flow);
- shareholders return for 20% (net profit before taxes).

Individual performance objectives for the V2 variable component set by the Board of Directors for the Chief Operating Officer for 2020 are:

Quantifiable objectives

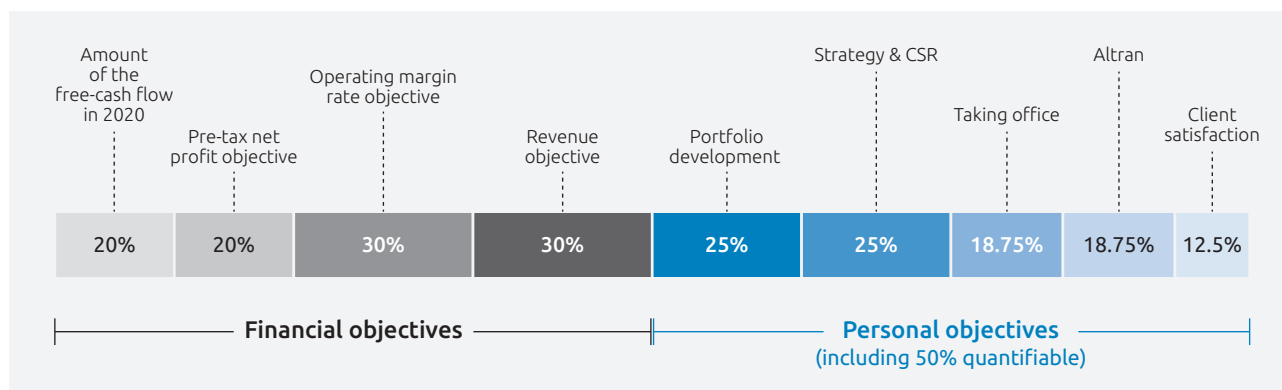
- Objective 1: implementation of the CSR strategy for 25%;
- Objective 2: portfolio development for 25%.

Qualitative objectives

- Objective 1: taking office for 18.75%;
- Objective 2: Altran and Group strategy for 18.75%;
- Objective 3: client satisfaction for 12.5%.

Taking into account the announced changes in governance, the personal objectives set by the Board of Directors for 2020 are equally applicable to the duties of Chief Operating Officer and those of Chief Executive Officer.

The amount applicable for the long savings plan is unchanged on 2019 at €375,000 and will be calculated pro rata to the duration of the term of office in 2020.



2.3.2.4 Compensation policy – Chief Executive Officer (Executive Corporate Officer)

Together with the general principles set out above, the items presented below comply with Article L. 225-37-2 of the French Commercial Code and represent the Board of Directors’ report on the Chief Executive Officer compensation policy that will be presented for approval to shareholders at the Shareholders’ Meeting of May 20, 2020.

Compensation structure

The Chief Executive Officer compensation policy seeks a balance between short-term and long-term performance to ensure the sustainable development of the Company and aims for consistency between changes in overall compensation and Company performance trends.

Procedures for setting fixed and variable compensation

The procedures for setting Executive Corporate Officer compensation in respect of fiscal year Y are adopted by the Board of Directors’ meeting in Y held to approve the financial statements of fiscal year Y-1. The Board of Directors therefore approves at the beginning of the year for the year in progress:

The fixed component

Fixed compensation seeks to reward the responsibilities associated with the office. It takes into account the complexity of the position’s duties and responsibilities and the skills, expertise and experience required as well as the competitive position.

The fixed component is not reviewed annually, but after several years in accordance with the AFEP-MEDEF Code. However, in the event of a significant change in the scope of responsibilities or a major difference in positioning compared with the market, a review could be envisaged based on clearly explained reasons. The fixed portion is paid in 12 equal monthly installments and represents 50% of the total theoretical compensation if objectives are attained for the Chief Executive Officer after validation by the Shareholders’ Meeting of May 2020.

The theoretical variable compensation: components and calculation method

The Board of Directors, taking into account market practice for Executive Corporate Officers, decided to progressively increase the percentage of theoretical variable compensation if objectives are attained to 100% of fixed compensation for Executive Corporate Officers. This move was initiated at the beginning of 2018, the date of the last increase in the Chairman and Chief Executive Officer’s compensation, and the target objective of 100% of fixed compensation now applies to the Chief Executive Officer.

In the event of an appointment or departure during a fiscal year, the variable component is calculated based on the percentage defined in this way, pro rata to the period the office is exercised during the relevant fiscal year.

The Board also set the procedure for calculating the variable component of Mr. Aiman Ezzat’s compensation for fiscal year 2020, defining the performance indicators underlying the variable compensation calculation, as well as the personal strategic objectives set for the year.

The variable compensation comprises two components:

quantifiable performance indicators for 80% of the variable compensation based upon:

- financial performance indicators of the Company for 60%, with a stable structure and weighting over time. The level of attainment of these indicators is determined based on a comparison of actual audited and budgeted Group consolidated results. The performance indicators are adopted in line with the key indicators presented regularly to the market and are also stable over time. **This component varies in line with its theoretical level, between nil and a ceiling of 200%** and is calculated using a formula that accelerates the weighted performance of financial indicators upwards or downwards, such that a one-point change in the economic performance has a four-point impact on the calculation of the variable component, under a risk/reward approach. This component is therefore nil if the weighted performance of financial indicators is less than or equal to 75% and can reach twice the theoretical amount if the weighted performance is greater than or equal to 125%, varying on a straight-line basis between these two limits.

- **quantifiable performance indicators for 20%**, based on the attainment of individual objectives set by the Board of Directors. The quantifiable objectives can still vary between nil and 200%.
- **qualitative objectives for 20% of the variable compensation based upon:** attainment of individual qualitative objectives set by the Board of Directors. Purely qualitative objectives are capped at 100% of their theoretical amount and they can therefore vary between nil and 100%.

The Board of Directors ensured that the objectives set could be objectively assessed and measured, such that **at least 80% of the total variable compensation is based on quantitative data**. Objectives must also be clearly tied to the roll out of the Group's strategic priorities approved by the Board of Directors as essential to the delivery of the long-term strategic plan.

The Board of Directors also decided **to increase from 2020, the weight of the financial component**, increasing it to **60%** so as to increase the impact of financial performance indicators on determining the variable compensation.

Therefore, as a result of this system, fixed plus variable compensation of the Chief Executive Officer may vary between 50% and a maximum of 150% of the annual theoretical/target compensation. **The variable component and the total compensation are therefore both capped and the variable component for 2020 may not represent more than the percentage of fixed compensation presented in the summary table below, prepared according to the respective weightings of the quantified and purely qualitative objectives set during 2020.**

The level of achievement of objectives and the amount of the variable compensation components are decided pursuant to the recommendation of the Compensation Committee, by the Board of Directors' meeting in Y+1 held to approve the financial statements of fiscal year Y. The Committee meets on several occasions before the Board of Directors' Meeting to assess the percentage attainment of Executive Corporate Officer objectives. A Committee meeting was held in November 2019 and another in February 2020 to assess this performance before the Board of Directors' meeting which decides the level of attainment by Executive Corporate Officers of their objectives. Objective attainment percentages are communicated annually for each criterion.

Variable compensation is paid following approval by the Shareholders' Meeting in Y+1 of compensation components for fiscal year Y for all Executive Corporate Officers.

Summary table of the theoretical structure of fixed and variable compensation for the Chief Executive Officer

Chief Executive Officer (from the Shareholders' Meeting of May 20, 2020)

Theoretical compensation structure, base 100	Target	Min	Max
Gross fixed compensation	50	50	50
Annual variable compensation financial indicators	30	0	60
Annual variable compensation quantifiable indicators	10	0	20
Multi-year variable compensation qualitative objectives	10	0	10
Multi-year variable compensation	0	0	0
Theoretical total if objectives are attained	100	50	140
<i>% variable/fixed</i>	<i>100%</i>	<i>0%</i>	<i>180%</i>

Capgemini share-based incentive policy procedures

The Group stopped granting stock options in 2009 and now grants performance shares in accordance with the following principles:

- **subject to performance and presence conditions:** performance shares are granted subject to the same conditions of presence and performance as applicable to other Group beneficiaries and **all shares are subject to performance and presence conditions**. However, in the event of inclusion of an outperformance clause, this clause would not apply to Executive Corporate Officers:
 - the associated conditions are **ambitious**, as demonstrated by the effective share grant percentages for the six fully vested plans of respectively 42.3% for the 2009 plan, 56.7% for the 2010 plan, 87.9% for the 2012 plan, 83.9% for the 2013 plan, 82.5% for the 2014 plan and 82.5% for the 2015 plan, of the number of shares initially granted,
 - the performance **conditions** include, internal and external performance conditions in accordance with the AMF recommendation, and are calculated over a 3-year period to ensure a sustainable performance and to align Executive Corporate Officer and shareholder interests in the long run;
- **limited volume:** the volume of shares granted to Executive Corporate Officers pursuant to the resolutions presented to shareholder vote is limited (maximum of 10% of shares available

for grant set in the last resolution voted on May 23, 2019). Overall, in 2019, the volume of shares granted to Executive Corporate Officers was well within the cap set in the resolution, with total percentages of 3.78% and 4.17% respectively, compared with 3.61% and 4.41% respectively in 2018;

- **cap:** the IFRS value of shares granted aims not to exceed 100% of the theoretical yearly cash compensation for a given year, and over the last 5 years this value has ranged from 60% to 95% of the theoretical cash compensation;
- **obligation to hold shares:** in accordance with legal provisions, the Board of Directors must set the number of vested shares granted in connection to their office that Executive Corporate Officers must continue to hold until the termination of their office.

The Board of Directors decided that vested performance shares representing at least 50% of shares must be retained, where the amount of shares held, valued at the share price on the vesting date, represents less than a threshold expressed as a multiple of the theoretical annual compensation (fixed and variable). Once this threshold is reached, the obligation to retain performance shares only applies to one third of shares vested. Finally, the Board of Directors decided on February 14, 2018 that if the number of shares valued on the vesting date represents more than twice the above threshold, then the obligation to hold shares that vest as a result

of these grants would be set at 5% of vested shares. Executive Corporate Officers are therefore entitled to freely sell their shares as long as i) the value of their shares remains above the latter

threshold and ii) at least five percent of each share grant is held until the termination of their office as Executive Corporate Officer.

If the value of the portfolio held at the vesting date is:	< one years' fixed and variable theoretical compensation	> one years' fixed and variable theoretical compensation and < two years' fixed and variable theoretical compensation	> two years' fixed and variable theoretical compensation
Obligation to hold vested shares under the later of the end of the term of office and the plan date	50%	33.3%	5% subject to remaining above the two-year threshold

The threshold under which 50% of vested shares must be held until termination of his office has been set for the Chief Executive Officer at one year of his theoretical annual compensation (fixed and variable), applicable from the vesting date.

- **Ban on hedging:** share hedging transactions are prohibited before the end of the mandatory holding period. This ban is included in the grant plan rules and applies to all beneficiaries, who must acknowledge in writing that they will comply with the plan rules. The ban applies since the first performance share grant plan in 2009.
- **Effective presence required, subject to three exceptions:** effective presence on the vesting date is required for shares to be definitely granted as per the terms of the plan rules with the exception of death, disability and retirement. In the case of retirement, shares still vest on scheduled dates as per plan rules and conditions. These presence conditions and exceptions have applied since the first performance share grant plan. In other circumstances, the shares are forfeited.
- **Grant in the same periods:** in accordance with the recommendations of the AFEP-MEDEF Code, performance shares are now granted in the same calendar periods and are decided by either the Board of Directors' meeting at the end of July or the following meeting held in October. This has been the case since 2015, as grants were performed in July in 2015 and 2016 and in October in 2017, 2018 and 2019.

If regulatory developments or any other circumstances make the use of equity-based incentive instruments restrictive, impossible or economically inappropriate, use of a special purpose long-term incentive mechanism with the same terms, criteria and ceilings could be envisaged.

One-off award

A one-off award, if any, would only be applicable in case of an external hiring of an executive with the need to buy out rights that would be lost following this hiring decision. In such case, the award would be proportionate to the lost amounts and implementation and payment of this remuneration would be subject to approval by Shareholders' Meeting pursuant to Article L. 225-37-2.

Termination clauses

During the meeting of March 11, 2020, the Board of Directors considered that it was in the Company's interest to maintain the existing Chief Operating Officer system for the Chief Executive Officer, in strict compliance with the AFEP-MEDEF Code. This system encompasses:

— **A non-compete obligation**

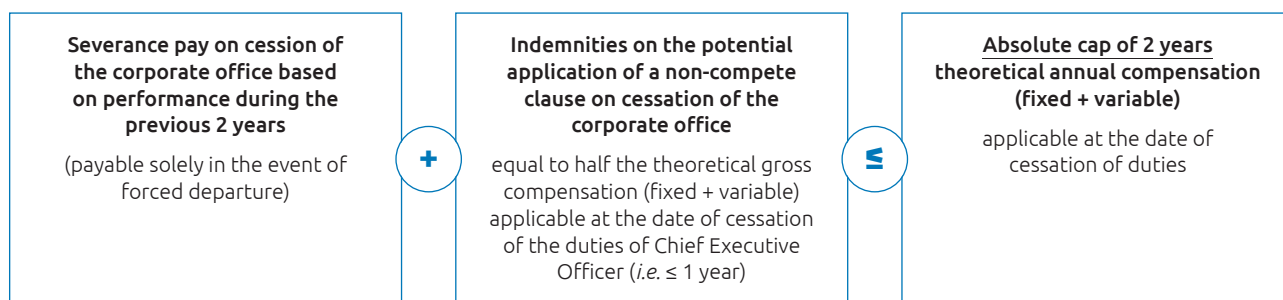
Subject to compliance with the non-competition obligation for a period of 12 months as from the date of termination of his corporate office, the Chief Executive Officer may be entitled to a compensation payment equal to half of his theoretical gross compensation (fixed plus variable), applicable on the date of termination of his duties as Chief Executive Officer. The Board of Directors can decide to lift this non-compete obligation on the departure of the Chief Executive Officer. This compensation is spread over the application period of the clause and is not payable if the Chief Executive Officer or Chief Operating Officer exercises his right to retire or is over 65 years old at the end of his term of office.

— **Capped severance pay subject to performance conditions due in the event of termination of the function of Chief Executive Officer**

A severance indemnity will only be due to the Chief Executive Officer at the end of his term of office in case of a forced departure in connection with (i) a merger or spin-off affecting the Company, (ii) a change of control within the meaning of article L. 233-3 of the French Commercial Code, or (iii) a significant change in strategy of the Company or a fundamental disagreement with the Board of Directors. However, no severance pay shall be due if the Chief Executive Officer leaves the Company on his own initiative, is entitled to assert his rights to retirement or in the event of a gross negligence or serious misconduct. The Board ensured strict performance conditions were attached to severance pay in the event of termination of the corporate office, based on the weighted performance of the financial indicators applicable to the so-called V1 variable component of the Chief Executive Officer's compensation (tied to Group performance indicators and consolidated results), observed annually during the last two full fiscal years preceding the termination of duties, with a heavier weighting applied to the final year (60% compared with 40% for the preceding year).

The Board will confirm the effective achievement of these performance criteria.

In compliance with the recommendations of the revised AFEP-MEDEF Code, the aggregate amount of (i) severance pay effectively paid, and (ii) any indemnity likely to be paid in consideration for the non-compete undertaking, may not exceed a maximum amount equal to twice the applicable annual theoretical compensation (fixed plus variable) at the date of termination of the functions of Chief Executive Officer.



Directors Compensation

Within the framework of the directors' compensation policy presented in Section 2.3.1, the Chief Executive Officer is eligible to receive remuneration for serving as a director. Mr. Ezzat has informed of his intention to waive his right to compensation as part of his term of office as director.

Benefits in kind

In addition to the above-mentioned items, the structure of the Chief Executive Officer compensation may also comprise the provision of a company car, under prevailing conditions within the existing plan in place in France. The Chief Executive Officer has not however subscribed to this offer. The Chief Executive Officer is covered by collective healthcare and welfare plans applicable within the Company.

Multi-year Variable Compensation

Long saving plan

The Board of Directors, on the proposal of the Compensation Committee, decided that a Chief Executive Officer can benefit from the long saving mechanism. This plan has been implemented since 2016 to remain attractive for senior executives while being able to offer a long term incentive vehicle with better economic conditions for both the Company and the beneficiary than under the previous plan which was closed to new entrants at the end of 2015 with pension rights frozen. This mechanism is more aligned with developments in the market and the European legal framework (portability, performance conditions, agility) and seeks to cover the absence of contributions and therefore pension rights above eight times the French annual social security ceiling (this threshold could be considerable reduced). The plan consists in the payment of an annual allowance, at least half of which is allocated to a third-party body in the context of a supplementary optional pension insurance plan (Article 82), with the rest of the cash allowance being kept by the beneficiary, considering the immediate taxation upon entry of this mechanism.

This allowance would be made under the following conditions:

- the allowance is subject to the attainment of performance conditions;
- the amount of the allowance if all objectives are attained is equal to 40% of the annual fixed compensation component; it will vary according to the unflexed weighted performance of the financial indicators used for the V1 component;
- the payment of the allowance in respect of year Y, subject to the satisfaction of the performance conditions for year Y, is deferred as follows:
 - 50% of the amount calculated is paid in year Y+1,
 - 50% of the amount calculated is paid in year Y+2, provided the Chief Executive Officer is present in the Group at June 30 of year Y+2.

The calculation procedure and the objectives related to this allowance will be set each year by the Board of Directors, on the proposal of the Compensation Committee. The Board of Directors decided that the calculation procedure, the Company's internal performance indicators taken into account for the calculation of the V1 component, and the level of weighting associated to each indicator for fiscal year 2020, will be set by the Board of Directors, on the proposal of the Compensation Committee, during the meeting held to approve the results for the year ended December 31, 2019. The calculation is performed over the effective duration of the current term of office in a given year in the event of entry into or termination of duties during the year.

Supplementary pension benefits

The Chief Executive Officer is not covered by a supplementary pension plan.

Application of the compensation policy to Mr. Aiman Ezzat, Chief Executive Officer of Capgemini SE from the Shareholders' Meeting of May 20, 2020

— Fixed component

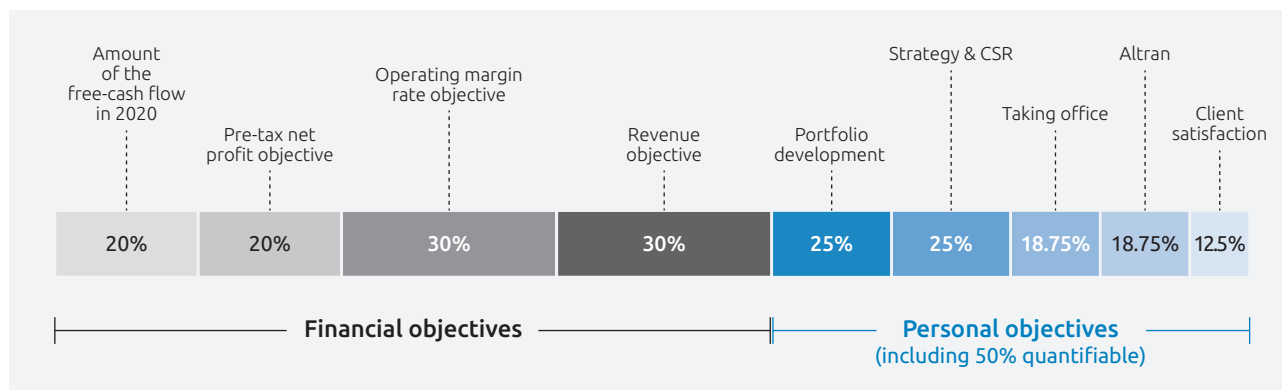
At the recommendation of the Compensation Committee, the Board of Directors decided to position Mr. Aiman Ezzat's theoretical compensation for his duties as Chief Executive Officer in fiscal year 2020 at €1,000,000, payable monthly pro rata to his term of office in the fiscal year. This represents a 6.8% increase in his fixed compensation, commensurate with Mr. Aiman Ezzat's new extended responsibilities following his appointment.

— Variable component

The Board of Directors decided to position Mr. Aiman Ezzat's variable compensation with effect from his appointment as Chief Executive Officer at 100% of his fixed compensation, that is an amount of €1,000,000. This represents 50% of the total theoretical compensation. The increase in Mr. Aiman Ezzat's fixed and variable compensation is therefore focused on the variable component, ensuring a strong alignment with the Company's performance, in as much as, the variable part is based for 80% on performance indicators, the variable compensation now being based 60% on performance indicators.

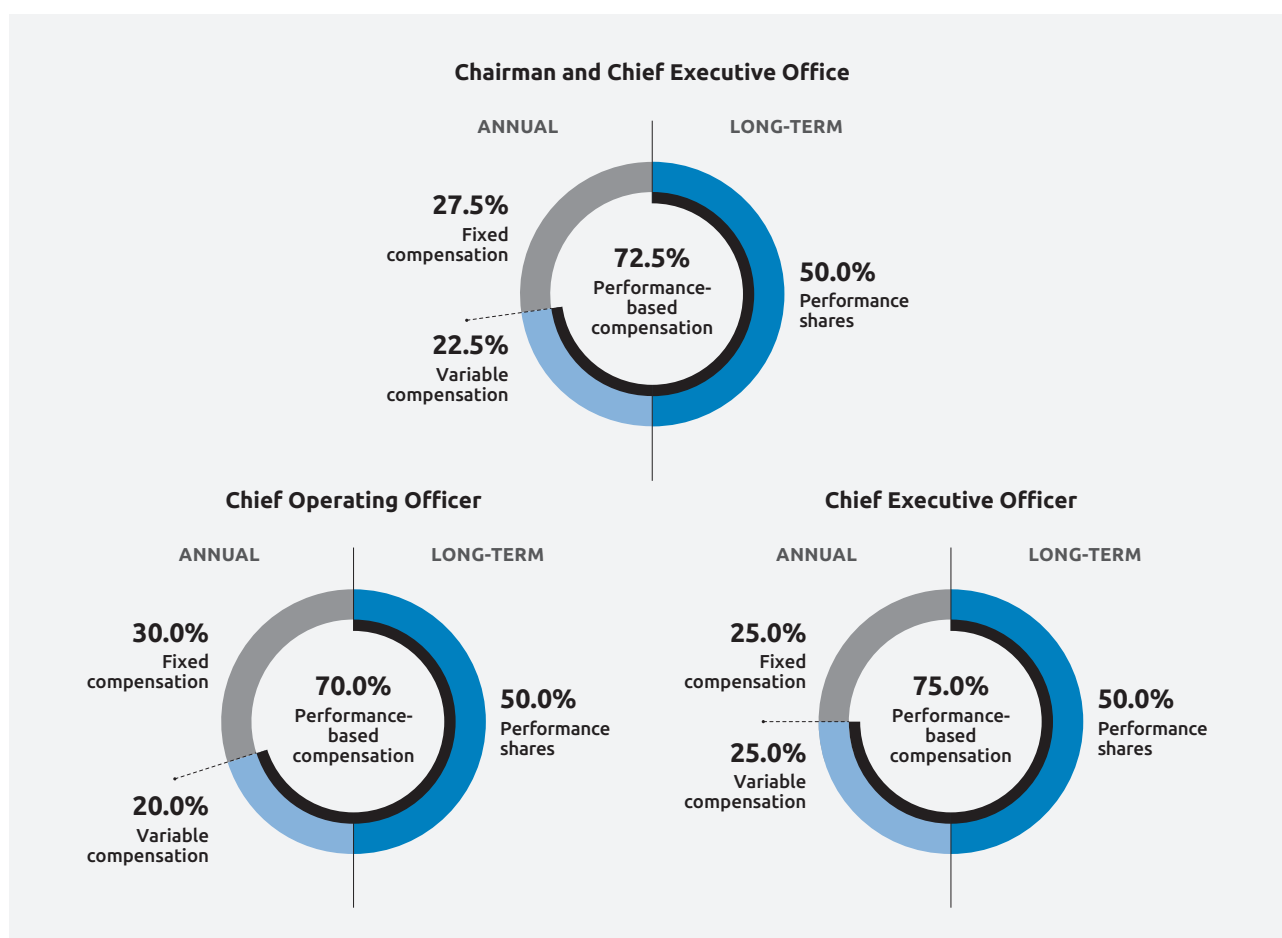
Taking into account the announced changes in governance, the personal objectives set by the Board of Directors for 2020 are equally applicable to the duties of Chief Operating Officer and those of Chief Executive Officer and are therefore the same as those presented for the Chief Operating Officer in §2.3.2.3.

2.



As the fixed compensation is €1,000,000, the amount applicable for the long savings plan was set at €400,000 for 2020 and will be calculated pro rata to the duration of the term of office in 2020.

2020 annual compensation target structure



2.3.2.5 Compensation policy – Chairman of the Board of Directors

Together with the general principles set out above, the items presented above comply with Article L. 225-37-2 of the French Commercial Code and represent the Board of Directors' report on the Chairman of the Board of Directors' compensation policy that will be presented for approval to shareholders at the Shareholders' Meeting of May 20, 2020.

Compensation structure

In compliance with the recommendations of the AFEP-MEDEF Code, the Chairman of the Board of Directors' compensation policy solely includes fixed compensation, the continuation of the supplementary collective defined benefit pension plan closed and frozen in 2015 and the coverage provided by the collective health and welfare plans applicable within the Company.

The compensation structure therefore excludes the payment to the Chairman of the Board of Directors of:

- annual or deferred variable compensation;
- equity-based instruments;
- exceptional compensation;
- severance pay.

Fixed compensation

The procedures for setting the compensation of the Chairman of the Board of Directors, a non-executive corporate officer, in respect of fiscal year Y are adopted by the Board of Directors' meeting in Y held to approve the financial statements of fiscal year Y-1. The Board of Directors therefore approves at the beginning of the year for the year in progress, the fixed compensation that seeks to reward the responsibilities associated with the office and takes into account the competitive position, based on a market study, the level and complexity of duties, the responsibilities of the function, the skills, expertise and experience and the role of ambassador for the Company's image and guarantor of the Group's values defined by its founder.

The fixed component is not reviewed annually, but after several years in accordance with the AFEP-MEDEF Code. The fixed component is paid in 12 equal monthly installments.

On this basis and at the recommendation of the Compensation Committee, the Board of Directors decided to set the Chairman's compensation, subject to the vote of the Shareholders' Meeting, at €800,000 from June 2020, payable monthly pro rata to his term of office in the fiscal year.

The Board of Directors set this compensation taking account of the specific role that Mr. Hermelin will play as Chairman of the Board in the context of the managerial succession. Mr. Hermelin would become Chairman of the Strategy & CSR Committee and would continue to represent the Company, in support of the Chief Executive Officer, in its high-level relations at national and international level, enabling Capgemini to continue to benefit from his experience and knowledge of the Group. When representing the Company with major clients and partners, he would act only with the full agreement of the Chief Executive Officer and at his request. The Chairman would also be responsible for promoting the Group's values, culture and reputation. This managerial succession period would not exceed two years, terminating at the end of the 2022 Shareholders' Meeting.

Director compensation

Under the Director compensation policy presented in Section 2.3.1, the Chairman is eligible to receive Director compensation. The Chairman has however already indicated that he will waive his right to such compensation, as he has now done for over a decade.

Supplementary pension benefits

Mr. Paul Hermelin is a member of the supplementary collective defined benefit pension plan (Article 39) set up in 2006 in Capgemini Service, under the same conditions applicable to other employee members. This plan was reviewed by an external firm which confirmed that it complies with the AFEP-MEDEF recommendations of October 6, 2009 and also the revised AFEP-MEDEF Governance Code issued in June 2013.

The plan was closed to new beneficiaries in 2015 and rights of existing members have been frozen as of October 31, 2015.

In order to receive benefits under this plan it is necessary to be with the Group at the time of retirement, to have at least 10 years of seniority, to have been a Group Executive Member for at least 5 years and to have a compensation level above eight times the French annual social security ceiling (PASS) during 5 years at least.

Benefits are based on reference earnings equal to the average of the three best years (fixed and variable components) from among the ten years preceding retirement.

In addition, this supplementary pension is subject to three cumulative limits such that the pension amount cannot exceed:

- 40% of reference earnings;
- 50% of reference earnings, including pensions received under all other pension plans; and
- reference earnings are capped at 60 times the French annual social security ceiling.

Benefits are proportional to length of service (minimum of 10 years required and a maximum of 30 years), reflecting the required progressive acquisition of entitlement, which remains well below the threshold set by the AFEP-MEDEF Code and the recent legal ceiling of 3% *per annum*. Entitlement is acquired at a rate of 1.5% per year for the first 10 years of seniority and for subsequent years only at rates of:

- 1% up to 20 times the French annual social security ceiling
- 2% between 20 and 40 times the French annual social security ceiling
- 3% between 40 and 60 times the French annual social security ceiling

Therefore, the maximum possible annual entitlement is equal to 1.83% before the potential impact of the cumulative limits. Due to the long seniority of our Chairman and Chief Executive Officer (frozen at 23 years in 2015) the value of the annual pension is estimated at a net amount after income tax and employee social contributions of K€300, corresponding to a gross amount of K€901.

The plan is financed through an external insurance company and as such the required funds to pay the pension support a contribution of 24%. 21 members have benefited from this regime since its launch with eight presently active as of December 31, 2019.

2.3.3 Compensation paid in 2019 or granted in respect of 2019 to Executive Corporate Officers

2.3.3.1 2019 Compensation of the Chairman and Chief Executive Officer Mr. Paul Hermelin

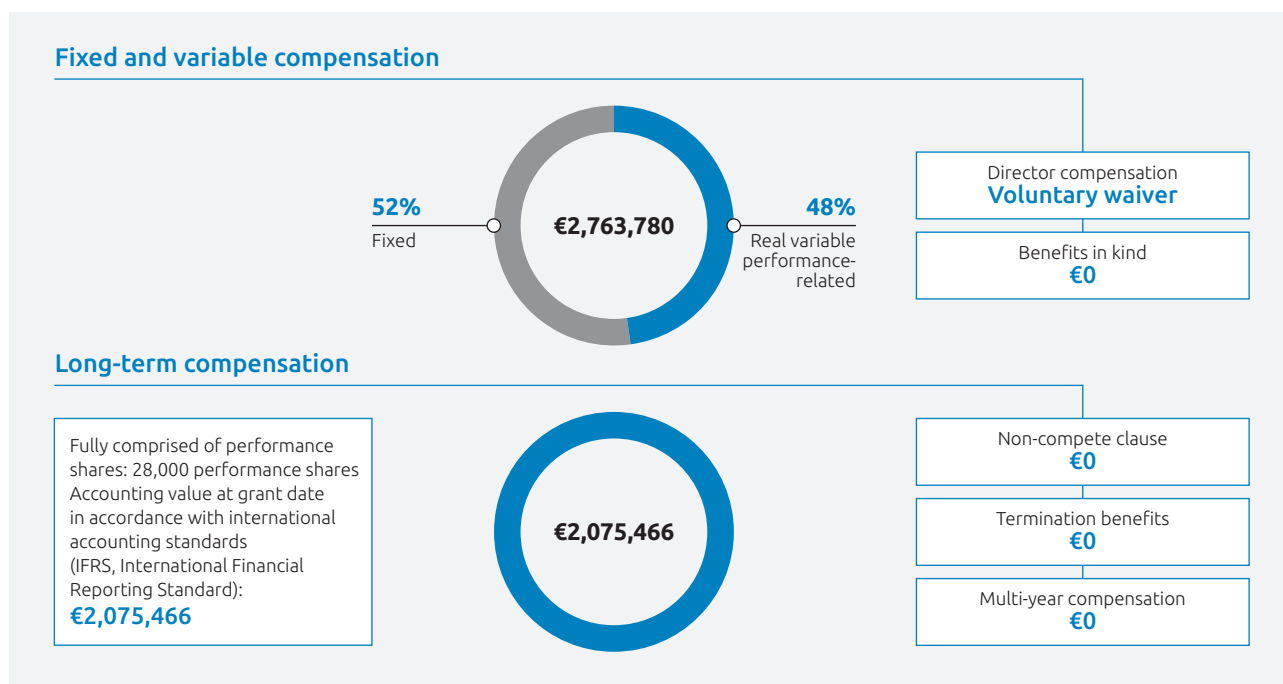
The general principles described in Section 2.3.2.1, the compensation policy set out in Section 2.3.2.2 and the summary table on Section 2.3.3.4 represent the Board of Directors' report to shareholders established pursuant to the provisions of Article

L. 225-37-2 of the French Commercial Code. These principles and criteria are subject to the approval of the Combined Shareholders' Meeting of May 20, 2020 (for more information see Chapter 7 of this Universal Registration Document).

<i>(gross amount)</i>	Compensation for 2018			Compensation for 2019		
	Paid in 2018	Assigned in 2018, paid in 2019	Total 2018	Paid in 2019	Assigned in 2019, paid in 2020	Total 2019
Mr. Paul Hermelin : Chairman and Chief Executive Officer						
Gross fixed compensation	1,452,000	-	1,452,000	1,452,000	-	1,452,000
Annual variable compensation		1,337,226	1,337,226	-	1,311,780	1,311,780
Multi-year variable compensation	-	-	-	-	-	-
Exceptional compensation	-	-	-	-	-	-
Compensation for duties as a director	-	-	-	-	-	-
Benefits in kind	-	-	-	-	-	-
TOTAL COMPENSATION PAID OR GRANTED IN RESPECT OF THE FISCAL YEAR	1,452,000	1,337,226	2,789,226	1,452,000	1,311,780	2,763,780

In addition, the value of performance shares **granted** during the year and valued as per the IFRS rules on the grant date is reported below:

<i>(gross amount)</i>	Compensation for 2018			Compensation for 2019		
Mr. Paul Hermelin : Chairman and Chief Executive Officer	Assigned in 2018		Total 2018	Assigned in 2019		Total 2019
Value of multi-year variable compensation granted during the year	-	-	-	-	-	-
Value of options granted during the year	-	-	-	-	-	-
Value of performance shares granted during the year	2,248,954	-	2,248,954	2,075,466	-	2,075,466
TOTAL GRANTED	2,248,954	-	2,248,954	2,075,466	-	2,075,466
TOTAL			5,038,180			4,839,246



Pursuant to Say on Pay policy and the most recent revised AFEP-MEDEF Code with which Capgemini complies, the compensation of Executive Corporate Officers paid during the year or granted in respect of the year then ended must be presented to the

Shareholders' Meeting for a mandatory vote. The following table summarizes the 2019 compensation components subject to shareholder advisory vote pursuant to the Say on Pay policy.

Compensation components paid in 2019 or granted in respect of 2019 to Mr. Paul Hermelin, Chairman and Chief Executive Officer and subject to shareholder mandatory vote

	Amount or accounting value subject to vote	Presentation
Fixed compensation	€1,452,000 (paid in 2019)	The gross fixed compensation of €1,452,000 for fiscal year 2019 was approved by the Board of Directors on March 20, 2019 at the recommendation of the Compensation Committee. It represents 55% of the total theoretical compensation if objectives are attained and is reviewed at long intervals in accordance with the AFEP-MEDEF Code. This amount is unchanged on 2013 when it was increased by 10% to reflect the change in Mr. Paul Hermelin's role who became Chairman and Chief Executive Officer at the end of the Combined Shareholders' Meeting of May 24, 2012, the extension of his responsibilities and the evolution and internationalization of the Group since 2008, when his compensation was last modified. The annualized increase in his theoretical compensation since 2008 and therefore in his fixed compensation is less than 0.9% <i>per annum</i> . This theoretical compensation falls within the median of CAC 40 executives.
Annual variable compensation	€1,311,780 (paid in 2020 in respect of 2019) Reminder €1,337,226 (paid in 2019 in respect of 2018 after approval by Shareholders' Meeting)	<p>During the Board of Directors' meeting of March 11, 2020, the Board, based on the audited and approved accounts and at the recommendation of the Compensation Committee, assessed the amount of Mr. Paul Hermelin's variable compensation for fiscal year 2019, of a target amount if objectives are attained of €1,200,000, <i>i.e.</i> 45% of his total theoretical compensation and 82.6% of his fixed compensation and comprising two equal components, V1 and V2, that may vary between 0% and 200% of the theoretical amount for quantifiable objectives and 0% and 100% of the theoretical amount for purely qualitative objectives.</p> <p>V1 component: this component is calculated in accordance with quantifiable criteria and the following respective weightings, all relating to the financial results as compared to an ambition decided by the Board:</p> <ol style="list-style-type: none"> 1) % attainment of revenues: 30% weighting; 2) % attainment of operating margin rate: 30% weighting; 3) % attainment of pre-tax net profit: 20% weighting; 4) 2019 free cash flow: 20% weighting. <p>These objectives were assessed with respect to the objectives set by the Board of Directors' meeting of March 20, 2019.</p>

Amount or accounting value subject to vote	Presentation
	<p>Attainment rates for these four objectives were 98.2%, 97.38%, 102.37% and 111.98% respectively, which taking account of the relative weighting of each objective, gives a weighted attainment rate of 101.54%.</p> <p>The Group's historical calculation formula accelerates actual performance upwards or downwards such that for 2019:</p> <ul style="list-style-type: none"> — if the weighted performance of the above four financial indicators is less than or equal to 75%, the V1 component will be nil; — if the weighted performance of the above four financial indicators is greater than or equal to 125%, the V1 component will be capped and equal to twice its theoretical amount; — accordingly, a one-point variance in the weighted attainment rate increases or decreases the variable component by 4%; — a weighted rate of 101.54% in 2019 results in the multiplication of the theoretical variable component by 106.18%; — giving a final V1 amount of €1,200,000/2*106,18% equal to €637,080. <p>V2 component: The assessment and associated proposal were based on work performed by the Compensation Committee, which reviewed the various personal objectives grouped into two categories: "shared objectives" for 50% and "specific objectives" for 50%.</p> <p>For the shared objectives, the Board defined three sets of indicators, evenly spread, around (i) the operational transformation of the Group and its commercial structure and strengthening of the client-focus (including 7.5% quantifiable) (ii) accelerating the transition of the Group's business portfolio (20% quantifiable) and (iii) the roll-out of the CSR strategy (including 10% quantifiable).</p> <p>In regard to the first set of shared objectives, the Board assessed the efficiency of the transformation program, validating the achievement of the 2019 market guidance, based on strengthened client relations, as well as an ambitious 2020 budget, and identified major commercial wins (including the Bayer contract recently announced to the market). For the quantitative part, the Board noted a resignation rate for managers holding key positions below the target rate set and an external hires percentage for managers in line with objectives. These two indicators reflect the attractiveness of the Group and its new organization toward the talent market. On this basis the Board assessed the first set of shared objectives to be attained 126%.</p> <p>For the second set of shared objectives the Board validated the published growth in Digital and Cloud offers of over 20%, in excess of the growth objective set. On this basis the Board assessed the objectives for the second set of shared objectives to be attained 135%.</p> <p>The <i>third shared objective</i> (15%) concerned the deployment of the CSR strategy around three pillars (diversity and digital inclusion, quantitative objectives and environmental responsibility, a qualitative objective). The diversity objective was measured based on the % of women in key senior executive positions, with an improvement objective of 3 points. This ambitious objective was only attained in the amount of 2.8 percentage points. The digital inclusion objective sought to focus over 70% of internal initiatives in this sector, based on a methodology validated and audited by an external firm. This objective was attained, with nearly 74% of internal initiatives concerning this sector. The environmental responsibility qualitative objective was to support our clients accelerate their energy transition and roll-out the "client carbon saving" project. The strategy and actions taken and deployed were presented to and approved by the Board. Given these achievements, the Board considered the objectives set for this category to be attained 110%.</p> <p>The Board defined three specific personal objectives.</p> <p>The first specific objective (20% qualitative) concerned the impact of mergers and acquisitions on the Company's growth (quantitative). 2019 was marked by the announcement of a friendly tender offer for the listed company, Altran. This strategic acquisition was validated by the Board and the completion of this acquisition has been validated by the AMF in January 2020. The Board considered the objectives set for this category to be attained 100%.</p> <p>The second specific objective (20% qualitative) concerned the efficiency of Group governance. Given the market announcement of the choice of future Chief Executive Officer, the fluid managerial transition and the cohesion of the management team, the Board considered the objectives set for this category to be attained 100%.</p> <p>The third specific objective (10%) concerned supporting the development of new trends and innovative technologies to enable the Group attain its growth objectives. This was reflected, in particular, by the presentation of the data strategy at Munich and the resulting implementation of pilot projects with partners and clients. The Board considered the objectives set for this category to be attained 100%.</p>

Amount
or accounting
value subject
to vote

Presentation

The Board approved a weighted performance rounded to 112.5% as per the table below:

Objective	Target			Proposal	
	Computed	Qualitative	Max	Computed	Qualitative
Operational transformation of the Group	7.5%	7.5%	22.5%	12.5%	6.5%
Accelerating the transition of the business portfolio	20%	n/a	40.0%	27.0%	n/a
Deployment of the CSR strategy	10%	5%	25.0%	11.5%	5.0%
Impact of M&A on growth and successful integration	20%	n/a	40.0%	20.0%	n/a
Efficient governance	n/a	20%	20.0%	n/a	20.0%
Supporting the development of new trends and innovative technologies	n/a	10%	10.0%	n/a	10.0%
Total	57.5%	42.5%	157.5%	71.0%	41.5%
	Target	100%		Proposed	112.5%

leading to a **V2 calculation of €600,000*112.5% = €674,700**

Accordingly, **variable compensation of €1,311,780** was approved by the Board for 2019, *i.e.* **90.3% of fixed compensation for the same year and 109.3% of the theoretical variable compensation. Total fixed and variable compensation for 2019 is therefore €2,763,780 i.e. 104.2% of the theoretical compensation** and may be summarized as follows:

2019 Variable compensation calculation for Mr. Paul Hermelin

V1: quantitative part based on budgeted financial targets

Indicator	Weight	% attainment	Weighted
Revenues	30%	98.20%	29.46%
Operating Margin rate (%)	30%	97.38%	29.21%
Pre-tax net profit	20%	102.37%	20.47%
Organic free cash flow	20%	111.98%	22.4%
Weighted total performance before flex			101.54%
Weighted total after 75/125 flex (4*weighted performance – 3)			106.18%
Variable V1 on target			600,000
Computed V1			637,080

V2: qualitative part based on 2019 objectives

Category	Weight	Weighted total
Operational transformation of the Group	15%	
Accelerating the transition of the business portfolio	20%	
Deployment of the CSR strategy	15%	
Impact of M&A on growth and successful integration	20%	112.5%
Efficient governance	20%	
Supporting the development of new trends and innovative technologies	10%	
Variable V2 on target		600,000
Computed V2		674,700
TOTAL 2019 VARIABLE COMPENSATION		1,311,780
<i>As a % of the total variable on target</i>		<i>109.3%</i>
<i>As a % of fixed compensation</i>		<i>90.3%</i>

	Amount or accounting value subject to vote	Presentation
		The variable compensation due in respect of a given year is calculated based on the audited accounts approved by the Board at the beginning of Y+1 and is paid after the approval of the compensation components by shareholders.
Deferred variable compensation	N/A	There is no deferred variable compensation.
Multi-year variable compensation	N/A	There is no multi-year variable compensation mechanism.
Exceptional compensation	N/A	No exceptional compensation was paid.
Stock options, performance shares or any other form of long-term compensation	Performance shares €2,075,466 (IFRS accounting value on grant date)	<p>28,000 shares granted subject to performance and presence conditions.</p> <p>The vesting of performance shares is contingent on the realization of both an external performance condition and two internal performance conditions. The external performance conditions accounts for 35% of the grant and is based on the comparative performance of the Capgemini share over three years against the average performance of a basket of 8 comparable companies in the same business sector and from at least 5 countries (Accenture/Indra/Atos/Tieto/Sopra Steria/CGI Group/Infosys and Cognizant) the CAC 40 index and the Euro Stoxx 600 index. Accordingly, no shares vest if the relative performance of the Capgemini share is less than 100% of the performance of the basket of comparable companies, while 100% of shares vest only if this relative performance is at 110% or above. If performance is similar to that of the market, only 50% of the initial grant vests. The external condition has been strengthened since 2016, as the effective vesting of shares starts from a minimum achievement of 100% of the basket of comparable companies, while historically it started at 90%. The internal performance condition based on organic free cash flow generation over the three-year period from 2019 to 2021 accounts for 50% of the grant. The minimum amount necessary for shares to vest is €3.1 billion. Above this threshold, shares vest progressively on a straight-line basis, with the maximum grant requiring organic free cash flow of €3.4 billion or more. The internal performance condition relating to CSR performance indicators measured at the end of 2021 is based for 50% on the percentage inflow of female executives (VPs) through promotion and external hiring during the period 2019 to 2021. This % must be 25% to receive 100% of the grant with no grant if it is below 22%. For the remaining 50%, it is based on a reduction in GHG emissions/employee of at least 20% vs. the 2015 benchmark, with 100% of the grant vesting if this reduction reaches 23%.</p> <p>The number of shares that may vest to the Executive Corporate Officer may not exceed 0.001% of the share capital.</p> <p>Authorized by the Combined Shareholders' Meeting of May 23, 2019 Fourteenth resolution Grant authorized by the Board of Directors on October 2, 2019</p>
	Stock options = N/A Other items = N/A	No stock options or other items were granted.
Compensation for the mandate of director	Voluntary waiver	The Board of Directors took due note of Mr. Paul Hermelin's decision to waive his right to collect any compensation as a director of Capgemini SE in respect of 2019 (as he has done for the past ten years).
Valuation of benefits in kind	€0	No company car

Other compensation components

	Amount subject to vote	Presentation
Severance pay	N/A	No entitlement to severance pay
Non-compete indemnities	N/A	No non-compete indemnities
Supplementary pension benefits	€0	<p>No amount due in respect of the year</p> <p>Mr. Paul Hermelin is a member of the supplementary collective defined benefit pension plan (Article 39) set up in 2006 in Capgemini Service, under the same conditions applicable to other employee members. This plan was reviewed by an external firm which confirmed that it complies with the AFEP-MEDEF recommendations of October 6, 2009, and also the revised AFEP-MEDEF Governance Code issued.</p> <p>The plan was closed to new beneficiaries in 2015 and rights of existing members have been frozen as of October 31, 2015.</p> <p>In order to receive benefits under this plan it is necessary to be with the Group at the time of retirement, to have at least 10 years of seniority, to have been a Group Executive Member for at least 5 years and to have a compensation level above eight times the French annual social security ceiling (PASS) during 5 years at least.</p> <p>Benefits are based on reference earnings equal to the average of the three best years (fixed and variable components) from among the ten years preceding retirement.</p> <p>In addition, this supplementary pension is subject to three cumulative limits such that the pension amount cannot exceed:</p> <ul style="list-style-type: none"> — 40% of reference earnings; — 50% of reference earnings, including pensions received under all other pension plans; and — reference earnings are capped at 60 times the French annual social security ceiling. <p>Benefits are proportional to length of service (minimum of 10 years required and a maximum of 30 years), reflecting the required progressive acquisition of entitlement, which remains well below the threshold set by the AFEP-MEDEF Code and the recent legal ceiling of 3% <i>per annum</i>. Entitlement is acquired at a rate of 1.5% per year for the first 10 years of seniority and for subsequent years only at rates of:</p> <ul style="list-style-type: none"> — 1% up to 20 times the French annual social security ceiling — 2% between 20 and 40 times the French annual social security ceiling — 3% between 40 and 60 times the French annual social security ceiling <p>Therefore, the maximum possible annual entitlement is equal to 1.83% before the potential impact of the cumulative limits. Due to the long seniority of our Chairman and Chief Executive Officer (frozen at 23 years in 2015) the value of the annual pension is estimated at a net amount after income tax and employee social contributions of K€300, corresponding to a gross amount of K€901 or 34% of his 2019 theoretical compensation.</p> <p>The plan is financed through an external insurance company and as such the required funds to pay the pension support a contribution of 24%.</p> <p>21 members have benefited from this regime since its launch with eight presently active as of December 31, 2019.</p> <p>Presented to the Combined Shareholders' Meeting of April 26, 2007 Fourth resolution in respect of regulated agreements.</p>

2.3.3.2 2019 Compensation of the Chief Operating Officer: Mr. Thierry Delaporte

The general principles described in Section 2.3.1, the compensation policy set out in Section 2.3.2.3 and the synthesis table in Section 2.3.3.4 represent the Board of Directors' report to shareholders established pursuant to the provisions of Article

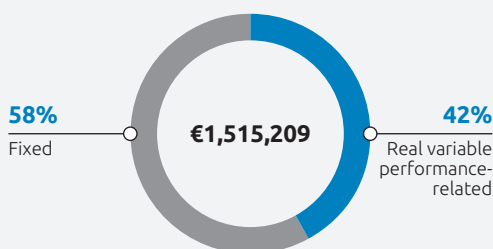
L. 225-37-2 of the French Commercial Code, on the principles and criteria governing the Chief Operating Officer's compensation. These principles and criteria are subject to the approval of the Combined Shareholders' Meeting of May 20, 2020 (for more information see the 6th resolution in Chapter 7 of this Universal Registration Document).

Thierry Delaporte : Chief Operating Officer from January 1, 2018 to December 31, 2019	Compensation for 2018				Compensation for 2019			
	Paid in 2018	Assigned in 2018, paid in 2019	Assigned in 2018, paid in 2020	Total 2018	Paid in 2019	Assigned in 2019, paid in 2020	Assigned in 2019, paid in 2021	Total 2019
Gross fixed compensation	885,000	-	-	885,000	885,000	-	-	885,000
Annual variable compensation	-	647,148	-	647,148	-	630,209	-	630,209
Multi-year variable compensation	-	181,440	181,440	362,880	-	180,234	180,234	360,468
Exceptional compensation	-	-	-	-	-	-	-	-
Compensation for duties as a director	-	-	-	-	-	-	-	-
Benefits in kind	2033	-	-	2033	2033	-	-	2033
Total compensation paid or granted in respect of the fiscal year	887,033	828,588	181,440	1,897,061	887,033	810,443	180,234	1,877,710

In addition, the value of performance shares granted during the year and valued as per the IFRS rules on the grant date is reported below:

	Assigned in 2018	Total 2018	Assigned in 2019	Total 2019
Value of multi-year variable compensation granted during the year	-	-	-	-
Value of options granted during the year	-	-	-	-
Value of performance shares granted during the year	1,325,277	-	1,223,043	-
TOTAL GRANTED	1,325,277	-	1,223,043	-
TOTAL		3,222,338		3,100,753

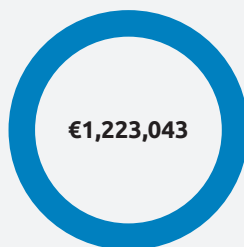
Fixed and variable compensation



Director compensation	N/A
Benefits in kind	€2,033

Long-term compensation

Fully comprised of performance shares: 16,500 performance shares
Accounting value at grant date in accordance with international accounting standards (IFRS, International Financial Reporting Standard):
€1,223,043



Non-compete clause	€0
Termination benefits	€0
Multi-year compensation	€360,468

Pursuant to Say on Pay policy and the most recent revised AFEP-MEDEF Code with which Capgemini complies, the compensation of Executive Corporate Officers paid during the year or granted in respect of the year then ended must be presented to the

Shareholders' Meeting for a mandatory vote. The following table summarizes the compensation components subject to shareholder advisory vote pursuant to the Say on Pay policy.

Compensation components paid in 2019 or granted in respect of 2019 to Mr. Thierry Delaporte, Chief Operating Officer and subject to shareholder mandatory vote

	Amount or accounting value subject to vote	Presentation
Fixed compensation	€885,000 (paid in 2019)	The gross fixed compensation of €885,000 for fiscal year 2019 was approved by the Board of Directors on March 20, 2019 at the recommendation of the Compensation Committee. It represents 60% of the total theoretical compensation if objectives are attained and is reviewed at long intervals in accordance with the AFEP-MEDEF Code. This amount was proposed following the nomination as of January 1, 2018 of Mr. Thierry Delaporte as Chief Operating Officer and approved by the Combined Shareholders' Meetings of May 23, 2018 and May 20, 2019.
Annual variable compensation	€630,209 (paid in 2020 in respect of 2019)	During the Board of Directors' meeting of March 11, 2020, the Board, based on the audited and approved accounts and at the recommendation of the Compensation Committee, assessed the amount of Mr. Thierry Delaporte's variable compensation for fiscal year 2019, of a target amount if objectives are attained of €590,000, <i>i.e.</i> 40% of his total theoretical compensation and 66.6% of his fixed compensation and comprising two equal components, V1 and V2, that may vary between 0% and 200% of the theoretical amount for quantifiable objectives and 0% and 100% of the theoretical amount for purely qualitative objectives.
	Reminder €647,148 (paid in 2019 in respect of 2018 after approval by Shareholders' Meeting)	<p>V1 component: this component is calculated in accordance with quantifiable criteria and the following respective weightings, all relating to the financial results as compared to an ambition decided by the Board:</p> <ol style="list-style-type: none"> 1) % attainment of revenues: 30% weighting; 2) % attainment of operating margin rate: 30% weighting; 3) % attainment of pre-tax net profit: 20% weighting; 4) 2019 free cash flow: 20% weighting. <p>These objectives were assessed with respect to the objectives set by the Board of Directors' meeting of March 20, 2019.</p> <p>Attainment rates for these four objectives were 98.2%, 97.38%, 102.37% and 111.98% respectively, which taking account of the relative weighting of each objective, gives a weighted attainment rate of 101.54%.</p> <p>The Group's historical calculation formula accelerates actual performance upwards or downwards such that for 2019:</p> <ul style="list-style-type: none"> — if the weighted performance of the above four financial indicators is less than or equal to 75%, the V1 component will be nil; — if the weighted performance of the above four financial indicators is greater than or equal to 125%, the V1 component will be capped and equal to twice its theoretical amount. — accordingly, a one-point variance in the weighted attainment rate increases or decreases the variable component by 4%; — a weighted rate of 101.54% in 2019 results in the multiplication of the theoretical variable component by 106.18%; — giving a final V1 amount of €590,000/2* 106.18% equal to €313,231. <p>V2 component: The assessment and associated proposal were based on work performed by the Compensation Committee, which reviewed the various personal objectives grouped into two categories: "shared objectives" for 50% and "specific objectives" for 50%.</p> <p>For the shared objectives, the Board defined three sets of indicators, evenly spread, around (i) the operational transformation of the Group and its commercial structure and strengthening of the client-focus (including 7.5% quantifiable) (ii) accelerating the transition of the Group's business portfolio (20% quantifiable) and (iii) the roll-out of the CSR strategy (including 10% quantifiable).</p> <p>In regard to the first set of shared objectives, the Board assessed the efficiency of the transformation program, validating the achievement of the 2019 market guidance, based on strengthened client relations, as well as an ambitious 2020 budget, and identified major commercial wins (including the contract recently announced to the market). For the quantitative part, the Board noted a resignation rate for managers holding key positions below the target rate set and an external hires percentage for managers in line with objectives. These two indicators reflect the attractiveness of the Group and its new organization toward the talent market. On this basis the Board assessed the first set of shared objectives to be attained 126%.</p>

2.

Amount
or accounting
value subject
to vote

Presentation

For the second set of shared objectives the Board validated the published growth in Digital and Cloud offers of over 20%, in excess of the growth objective set. **On this basis the Board assessed the objectives for the second set of shared objectives to be attained 135%.**

The *third shared objective* (15%) concerned the deployment of the CSR strategy around three pillars (diversity and digital inclusion, quantitative objectives and environmental responsibility, a qualitative objective). The diversity objective was measured based on the % of women in key senior executive positions, with an improvement objective of 3 points. This ambitious objective was only attained in the amount of 2.8 percentage points. The digital inclusion objective sought to focus over 70% of internal initiatives in this sector, based on a methodology validated and audited by an external firm. This objective was attained, with nearly 74% of internal initiatives concerning this sector. The environmental responsibility qualitative objective was to support our clients accelerate their energy transition and roll-out the “client carbon saving” project. The strategy and actions taken and deployed were presented to and approved by the Board in March 2020. **Given these achievements, the Board considered the objectives set for this category to be attained 110%.**

The Board defined three **specific personal objectives**.

The first specific objective (20% quantifiable) concerned the improvement in the gross margin percentage compared to 2018. Based on the audited accounts, the Board noted that the gross margin improved in 2019 compared with 2018 in accordance with the objective set and **considered the objectives set for this category to be attained 100%.**

The second specific objective (15% quantifiable) concerned the commercial success of a selection of strategic partnerships. The Board noted that the sales growth objective of over 20% jointly set with these partnerships was exceeded, reflecting the “New” momentum and **considered the objectives set for this category to be attained 127%.**

The third specific objective (15%, including 5% quantifiable) concerned operational transformation in India as part of its strategic plan. The quantitative objective concerned a significant reduction in the employee turnover rate. This objective was not attained. In addition, the strategic plan was presented to the Board and the related choices included in the 2020 plans. **The Board considered the objectives set for this category to be attained 40%.**

The Board approved a weighted performance rounded to 107.5% as per the table below:

Objective	Target			Proposal	
	Computed	Qualitative	Max	Computed	Qualitative
Operational transformation of the Group	7.5%	7.5%	22.5%	12.5%	6.5%
Accelerating the transition of the business portfolio	20%	n/a	40.0%	27.0%	n/a
Deployment of the CSR strategy	10%	5%	25.0%	11.5%	5.0%
Improvement in the gross margin vs. 2018	20%	n/a	40.0%	20.0%	n/a
Commercial success of strategic partnerships	15%	n/a	30.0%	19.0%	n/a
Operational transformation in India	5%	10%	20.0%	0.0%	6.0%
Total	77.5%	22.5%	177.5%	90.0%	17.5%
	Target	100%		Proposed	107.5%

leading to a **V2 calculation of €295,000*107.5% = €316,978**

Amount
or accounting
value subject
to vote

Presentation

Accordingly, **variable compensation of €630,209** was approved by the Board for 2019, *i.e.* **71.2% of fixed compensation for the same year and 106.8% of the theoretical variable compensation**. Total fixed and variable compensation for 2019 is therefore **€1,515,209** *i.e.* 102.% of the theoretical compensation and may be summarized as follows:

2019 Variable compensation calculation for Mr. Thierry Delaporte

V1: quantitative part based on budgeted financial targets

Indicator	Weight	% attainment	Weighted
Revenues	30%	98.2%	29.46%
Operating Margin rate (%)	30%	97.38%	29.21%
Pre-tax net profit	20%	102.37%	20.47%
Organic free cash flow	20%	111.98%	22.4%
Weighted total performance before flex			101.54%
Weighted total after 75/125 flex (4*weighted performance – 3)			106.18%
Variable V1 on target			295,000
Computed V1			313 231

V2: qualitative part based on 2019 objectives

Category	Weight	Weighted total
Operational transformation of the Group	15%	
Accelerating the transition of the business portfolio	20%	
Deployment of the CSR strategy	15%	
Improvement in the gross margin vs. 2018	20%	107.5%
Commercial success of strategic partnerships	15%	
Operational transformation in India	15%	
Variable V2 on target		295,000
Computed V2		316,978
TOTAL 2019 VARIABLE COMPENSATION		630,209
<i>As a % of the total variable on target</i>		106.8%
<i>As a % of fixed compensation</i>		71.2%

The variable compensation due in respect of a given year is calculated based on the audited accounts approved by the Board at the beginning of Y+1 and is paid after the approval of the compensation components by shareholders.

Deferred
variable
compensation

N/A

There is no deferred variable compensation.

Multi-year
variable
compensation

€360,468 for
2019, paid 50%
in July 2020
and 50% in
July 2021

Reminder
€181,440 will
be paid in
July 2020 in
respect of
2018

During the Board of Directors' Meeting of March 11, 2020, the Board, based on the audited and approved accounts and at the recommendation of the Compensation Committee, assessed the Mr. Thierry Delaporte's long saving plan for fiscal year 2019, of a target amount if objectives are attained of €355,000. This allowance is subject to a performance condition based on the unflexed weighted performance of the V1 financial indicators. For 2019, this gives a weighted attainment of 101.54%, giving an amount of $101.54\% * €355,000 = €360,468$.

- 50% of this amount, *i.e.* €180,234, will be paid in July 2020;
- 50%, *i.e.* €180,234, will be paid in July 2021, subject to Mr. Thierry Delaporte being present in the Group at June 30, 2021.

As a reminder, the amount of €181,440 payable in July 2020 in respect of 2018 and subject to Mr. Thierry Delaporte being present in the Group at the end of June 2020, was approved by the Shareholders' Meeting of May 23, 2019.

Compensation of Executive Corporate Officers

	Amount or accounting value subject to vote	Presentation
Exceptional compensation	N/A	No exceptional compensation was paid.
Stock options, performance shares or any other form of long-term compensation	Performance shares €1,223,043 (IFRS accounting value on grant date)	<p>16,500 shares granted subject to performance and presence conditions</p> <p>The vesting of performance shares is contingent on the realization of both an external performance condition and two internal performance conditions. The external performance conditions accounts for 35% of the grant and is based on the comparative performance of the Capgemini share over three years against the average performance of a basket of 8 comparable companies in the same business sector and from at least 5 countries (Accenture/Indra/Atos/Tieto/Sopra Steria/CGI Group/Infosys and Cognizant) the CAC 40 index and the Euro Stoxx 600 index. Accordingly, no shares vest if the relative performance of the Capgemini share is less than 100% of the performance of the basket of comparable companies, while 100% of shares vest only if this relative performance is at 110% or above. If performance is similar to that of the market, only 50% of the initial grant vests. The external condition has been strengthened since 2016, as the effective vesting of shares starts from a minimum achievement of 100% of the basket of comparable companies, while historically it started at 90%. The internal performance condition based on organic free cash flow generation over the three-year period from 2019 to 2021 accounts for 50% of the grant. The minimum amount necessary for shares to vest is €3.1 billion. Above this threshold, shares vest progressively on a straight-line basis, with the maximum grant requiring organic free cash flow of €3.4 billion or more. The internal performance condition relating to CSR performance indicators measured at the end of 2021 is based for 50% on the percentage inflow of female executives (VPs) through promotion and external hiring during the period 2019 to 2021. This % must be 25% to receive 100% of the grant with no grant if it is below 22%. For the remaining 50%, it is based on a reduction in GHG emissions/employee of at least 20% vs. the 2015 benchmark, with 100% of the grant vesting if this reduction reaches 23%.</p> <p>The number of shares that may vest to the Executive Corporate Officer may not exceed 0.001% of the share capital.</p> <p>Authorized by the Combined Shareholders' Meeting: May 23, 2019 Fourteenth resolution Grant authorized by the Board of Directors on October 2, 2019</p>
	Stock options = N/A Other items = N/A	No stock options or other items were granted.
Compensation for the mandate of director	N/A	N/A
Valuation of benefits in kind	€2,033	Benefits in kind correspond to a company car within the existing plan in place in France.

Other compensation components

	Amount subject to vote	Presentation
Severance pay	€0	<p>No amount due in respect of the year</p> <p>It is reminded that Mr Thierry Delaporte, in his capacity as Deputy Chief Executive Officer, was entitled to a potential severance payment in the event of termination of his corporate office, subject to compliance with certain conditions. As Mr. Thierry Delaporte will continue to hold positions within the Capgemini group at the end of his term of office, the Board of Directors meeting in December 2019 noted that one of the cases of exclusion provided for under the severance indemnity had thus been established and that, as a result, no indemnity was due to Mr. Thierry Delaporte at the end of his term of office as Deputy Chief Executive Officer.</p> <p>It is also reminded that following the appointment of Mr. Thierry Delaporte as Chief Operating Officer as of January 1, 2018, the Board, based on the proposal of the Compensation Committee, authorized the principle of severance pay due to each Chief Operating Officer in the event of termination of their corporate office. However, no severance pay is due if the Chief Operating Officer leaves the Company on his own initiative, changes functions within the Group, is entitled to assert in a near future his rights to retirement or in the event of a gross negligence or serious misconduct.</p> <p>In compliance with the recommendations of the revised AFEP-MEDEF Code, the aggregate amount of (i) severance pay effectively paid, (ii) any indemnity likely to be paid in connection with the termination of an employment agreement, and (iii) any indemnity likely to be paid in consideration for the non-compete undertaking, may not exceed a maximum amount equal to twice the applicable gross theoretical compensation (fixed plus variable) as at the date of termination of the functions.</p> <p>The grant and amount of the severance pay will depend on the percentage attainment of the weighted performance of the financial indicators applicable for the Chief Operating Officer's V1 variable component during each of the three completed fiscal years preceding the termination of his duties as Chief Operating Officer, it being specified that the last year will count for 40%, while the two previous fiscal years will count for 30% each. As the grant and amount of the V1 variable component is subject to performance indicators and to the Group's consolidated results, the severance pay will therefore also be subject to the satisfaction of these same performance conditions.</p> <p>The Board will confirm the effective achievement of these performance criteria.</p> <p>Board approval on December 6, 2017 Authorized by the Combined Shareholders' Meeting of May 23, 2018 Seventh resolution (regulated agreements)</p>
Non-compete indemnities	€0	<p>No amount due in respect of the year</p> <p>Thierry Delaporte retaining functions within Capgemini, the Board of Directors of December 2019, acknowledged that the non-compete obligation undertaken by Thierry Delaporte upon his appointment as Chief Operating Officer will not be applicable as the termination of his office as Chief Operating Officer will not be followed by the termination of his employment agreement. As a consequence, no indemnity will be due to Thierry Delaporte under the non-compete undertaking at the end of his corporate office.</p> <p>It is reminded that, on a proposal of the Compensation Committee, the Board decided that each Chief Operating Officer will be subject to a non-compete undertaking for a period of twelve months as from the termination of his employment contract following termination of his functions of Chief Operating Officer, and will receive an indemnity equal to half of the applicable gross theoretical compensation (fixed plus variable) if objectives are attained on the date of termination of the functions of Chief Operating Officer. The Board of Directors will be entitled, at its own discretion, to lift this non-compete obligation on departure of the Chief Operating Officer and therefore in such case, not to implement this non-compete indemnity.</p> <p>Board approval on December 6, 2017 Authorized by the Combined Shareholders' Meeting: May 23, 2018 Seventh resolution (regulated agreements)</p>
Supplementary pension benefits	N/A	No supplementary pension benefits

2.3.3.3 2019 Compensation of the Chief Operating Officer: Mr. Aiman Ezzat

The general principles described in Section 2.3.1, the compensation policy set out in Section 2.3.2.3, and the synthesis in Section 2.3.3.4 represent the Board of Directors' report to shareholders established pursuant to the provisions of Article

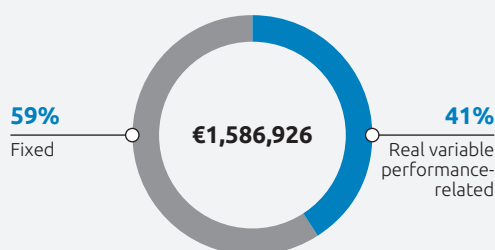
L. 225-37-2 of the French Commercial Code, on the principles and criteria governing the Chief Operating Officer's compensation. These principles and criteria are subject to the approval of the Combined Shareholders' Meeting of May 20, 2020 (for more information see the 7th resolution in Chapter 7 of this Universal Registration Document).

Aiman Ezzat : Chief Operating Officer since January 1, 2018	Compensation for 2018				Compensation for 2019			
	Paid in 2018	Assigned in 2018, paid in 2019	Assigned in 2018, paid in 2020	Total 2018	Paid in 2019	Assigned in 2019, paid in 2020	Assigned in 2019, paid in 2021	Total 2019
Gross fixed compensation	936,000	-	-	936,000	936,000	-	-	936,000
Annual variable compensation	-	687,562	-	687,562	-	650,926	-	650,926
Multi-year variable compensation	-	191,662	191,662	383,324	-	190,388	190,388	380,776
Exceptional compensation	-	-	-	-	-	-	-	-
Compensation for duties as a director	-	-	-	-	-	-	-	-
Benefits in kind	-	-	-	-	-	-	-	-
Total compensation paid or granted in respect of the fiscal year	936,000	879,224	191,662	2,006,886	936,000	841,314	190,388	1,967,702

In addition, the value of performance shares granted during the year and valued as per the IFRS rules on the grant date is reported below:

	Assigned in 2018	Total 2018	Assigned in 2019	Total 2019
Value of multi-year variable compensation granted during the year	-	-	-	-
Value of options granted during the year	-	-	-	-
Value of performance shares granted during the year	1,325,277	1,325,277	1,408,352	1,408,352
TOTAL GRANTED	1,325,277	1,325,277	1,408,352	1,408,352
TOTAL		3,332,163		3,376,054

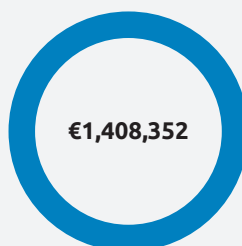
Fixed and variable compensation



Director compensation	N/A
Benefits in kind	€0

Long-term compensation

Fully comprised of performance shares: 19,000 performance shares
Accounting value at grant date in accordance with international accounting standards (IFRS, International Financial Reporting Standard):
€1,408,352



Non-compete clause	€0
Termination benefits	€0
Multi-year compensation	€380,776

Pursuant to Say on Pay policy and the most recent revised AFEP-MEDEF Code with which Capgemini complies, the compensation of Executive Corporate Officers paid during the year or granted in respect of the year then ended must be presented to the

Shareholders' Meeting for a mandatory vote. The following table summarizes the compensation components subject to shareholder advisory vote pursuant to the Say on Pay policy.

Compensation components paid in 2019 or granted in respect of 2019 to Mr. Aiman Ezzat, Chief Operating Officer and subject to shareholder mandatory vote

	Amount or accounting value subject to vote	Presentation
Fixed compensation	€936,000 (paid in 2019)	The gross fixed compensation of €936,000 for fiscal year 2019 was approved by the Board of Directors on March 20, 2019 at the recommendation of the Compensation Committee. It represents 60% of the total theoretical compensation if objectives are attained and is reviewed at long intervals in accordance with the AFEP-MEDEF Code. This amount was proposed following the nomination as of January 1, 2018 of Mr. Aiman Ezzat as Chief Operating Officer and approved by the Combined Shareholders' Meetings of May 23, 2018 and May 20, 2019.
Annual variable compensation	€650,926 (paid in 2020 in respect of 2019)	During the Board of Directors' meeting of March 11, 2020, the Board, based on the audited and approved accounts and at the recommendation of the Compensation Committee, assessed the amount of Mr. Aiman Ezzat's variable compensation for fiscal year 2019, of a target amount if objectives are attained of €624,000, <i>i.e.</i> 40% of his total theoretical compensation and 66.6% of his fixed compensation and comprising two equal components, V1 and V2, that may vary between 0% and 200% of the theoretical amount for quantifiable objectives and 0% and 100% of the theoretical amount for purely qualitative objectives.
	Reminder €687,562 (paid in 2019 in respect of 2018 after approval by Shareholders' Meeting)	<p>V1 component: this component is calculated in accordance with quantifiable criteria and the following respective weightings, all relating to the financial results as compared to an ambition decided by the Board:</p> <ol style="list-style-type: none"> 1) % attainment of revenues: 30% weighting; 2) % attainment of operating margin rate: 30% weighting; 3) % attainment of pre-tax net profit: 20% weighting; 4) 2019 free cash flow: 20% weighting. <p>These objectives were assessed with respect to the objectives set by the Board of Directors' meeting of March 20, 2019.</p> <p>Attainment rates for these four objectives were 98.2%, 97.38%, 102.37% and 111.98% respectively, which taking account of the relative weighting of each objective, gives a weighted attainment rate of 101.54%.</p> <p>The Group's historical calculation formula accelerates actual performance upwards or downwards such that for 2019:</p> <ul style="list-style-type: none"> — if the weighted performance of the above four financial indicators is less than or equal to 75%, the V1 component will be nil; — if the weighted performance of the above four financial indicators is greater than or equal to 125%, the V1 component will be capped and equal to twice its theoretical amount. — accordingly, a one-point variance in the weighted attainment rate increases or decreases the variable component by 4%. — a weighted rate of 101.54% in 2019 results in the multiplication of the theoretical variable component by 106.18%. — giving a final V1 amount of €624,000/2* 106,18% equal to €331,282. <p>V2 component: The assessment and associated proposal were based on work performed by the Compensation Committee, which reviewed the various personal objectives grouped into two categories: "shared objectives" for 50% and "specific objectives" for 50%.</p> <p>For the shared objectives, the Board defined three sets of indicators, evenly spread, around (i) the operational transformation of the Group and its commercial structure and strengthening of the client-focus (including 7.5% quantifiable) (ii) accelerating the transition of the Group's business portfolio (20% quantifiable) and (iii) the roll-out of the CSR strategy (including 10% quantifiable).</p> <p>In regard to the first set of shared objectives, the Board assessed the efficiency of the transformation program, validating the achievement of the 2019 market guidance, based on strengthened client relations, as well as an ambitious 2020 budget, and identified major commercial wins (including the contract recently announced to the market). For the quantitative part, the Board noted a resignation rate for managers holding key positions below the target rate set and an external hires percentage for managers in line with objectives. These two indicators reflect the attractiveness of the Group and its new organization toward on the talent market. On this basis the Board assessed the first set of shared objectives to be attained 126%.</p>

2.

Amount
or accounting
value subject
to vote

Presentation

For the second set of shared objectives the Board validated the published growth in Digital and Cloud offers of over 20%, in excess of the growth objective set. On this basis the Board assessed the objectives for the second set of shared objectives to be attained **135%**.

The *third shared objective* (15%) concerned the deployment of the CSR strategy around three pillars (diversity and digital inclusion, quantitative objectives and environmental responsibility, a qualitative objective). The diversity objective was measured based on the % of women in key senior executive positions, with an improvement objective of 3 points. This ambitious objective was only attained in the amount of 2.8 percentage points. The digital inclusion objective sought to focus over 70% of internal initiatives in this sector, based on a methodology validated and audited by an external firm. This objective was attained, with nearly 74% of internal initiatives concerning this sector. The environmental responsibility qualitative objective was to support our clients accelerate their energy transition and roll-out the “client carbon saving” project. The strategy and actions taken and deployed were presented to and approved by the Board in March 2020. Given these achievements, the Board considered the objectives set for this category to be attained **110%**.

The Board defined three **specific personal objectives**.

The *first specific objective* (20% quantifiable) concerned the improvement in the gross margin percentage compared to 2018. Based on the audited accounts, the Board noted that the gross margin improved in 2019 compared with 2018 in accordance with the objective set and considered the objectives set for this category to be attained **100%**.

The *second specific objective* (15% including 5% quantifiable) concerned the increased contribution to growth of top accounts. The Board noted that the growth objective for the main accounts was attained and exceeded the objective set. It also noted that the new client-focused structure generated significant contract wins, including the Bayer contract and considered the objectives set for this category to be attained **133%**.

For the *third specific objective* (15% quantifiable) concerning growth in a strategic geographic region, the ambitious objective set by the Board was **not attained** which was acknowledged by the Board.

The Board approved a weighted performance of 102.5% as per the table below:

Objective	Target			Proposal	
	Computed	Qualitative	Max	Computed	Qualitative
Operational transformation of the Group	7.5%	7.5%	22.5%	12.5%	6.5%
Accelerating the transition of the business portfolio	20%	n/a	40.0%	27.0%	n/a
Deployment of the CSR strategy	10%	5%	25.0%	11.5%	5.0%
Improvement in the gross margin vs. 2018	20%	n/a	40.0%	20.0%	n/a
Contribution of top accounts to growth	5%	10%	20.0%	10.0%	10.0%
Growth of a strategic geographic region	15%	n/a	30.0%	0.0%	n/a
Total	77.5%	22.5%	177.5%	81.0%	21.5%
	Target	100%	Proposed	102.5%	

leading to a **V2 calculation of €312,000*102.5% = €319,644**

Amount
or accounting
value subject
to vote

Presentation

Accordingly, **variable compensation of €650,926** was approved by the Board for 2019, *i.e.* **69.5% of fixed compensation for the same year and 104.3% of the theoretical variable compensation**. Total fixed and variable compensation for 2019 is therefore **€1, 586,926** *i.e.* 101.7% of the theoretical compensation and may be summarized as follows:

2019 Variable compensation calculation for Mr. Aiman Ezzat

V1: quantitative part based on budgeted financial targets

Indicator	Weight	% attainment	Weighted
Revenues	30%	98.20%	29.46%
Operating Margin rate (%)	30%	97.38%	29.21%
Pre-tax net profit	20%	102.37%	20.47%
Organic free cash flow	20%	111.98%	22.40%
Weighted total performance before flex			101.54%
Weighted total after 75/125 flex (4*weighted performance – 3)			106.18%
Variable V1 on target			312,000
Computed V1			331,282

V2: qualitative part based on 2019 objectives

Category	Weight	Weighted total
Operational transformation of the Group	15%	
Accelerating the transition of the business portfolio	20%	
Deployment of the CSR strategy	15%	102.5%
Improvement in the gross margin vs. 2018	20%	
Contribution of top accounts to growth	15%	
Growth of a strategic geographic region	15%	
Variable V2 on target		312,000
Computed V2		319,644
TOTAL 2019 VARIABLE COMPENSATION		650,926
<i>As a % of the total variable on target</i>		104.3%
<i>As a % of fixed compensation</i>		69.5%

The variable compensation due in respect of a given year is calculated based on the audited accounts approved by the Board at the beginning of Y+1 and is paid after the approval of the compensation components by shareholders.

Deferred
variable
compensation

N/A

There is no deferred variable compensation.

Multi-year
variable
compensation

€380,776
for 2019,
paid 50% in
July 2020
and 50% in
July 2021

Reminder
€191,662
will be paid in
July 2020 in
respect of
2018

During the Board of Directors' Meeting of March 11, 2020, the Board, based on the audited and approved accounts and at the recommendation of the Compensation Committee, assessed Mr. Aiman Ezzat's long saving plan for fiscal year 2019, of a target amount if objectives are attained of €375,000. This allowance is subject to a performance condition based on the unflexed weighted performance of the V1 financial indicators. For 2019, this gives a weighted attainment of 101.54%, giving an amount of $101.54\% \times €375,000 = €380,776$.

- 50% of this amount, *i.e.* €190,388, will be paid in July 2020;
- 50%, *i.e.* €190,388, will be paid in July 2021, subject to Mr. Aiman Ezzat being present in the Group at June 30, 2021.

As a reminder, the amount of €191,662 payable in July 2020 in respect of 2018 and subject to Mr. Aiman Ezzat being present in the Group at the end of June 2020, was approved by the Shareholders' Meeting of May 23, 2019.

Compensation of Executive Corporate Officers

	Amount or accounting value subject to vote	Presentation
Exceptional compensation	N/A	No exceptional compensation was paid.
Stock options, performance shares or any other form of long-term compensation	Performance shares €1,408,352 (IFRS accounting value on grant date)	<p>19,000 shares granted subject to performance and presence conditions.</p> <p>The vesting of performance shares is contingent on the realization of both an external performance condition and two internal performance conditions. The external performance conditions accounts for 35% of the grant and is based on the comparative performance of the Capgemini share over three years against the average performance of a basket of 8 comparable companies in the same business sector and from at least 5 countries (Accenture/Indra/Atos/Tieto/Sopra Steria/CGI Group/Infosys and Cognizant) the CAC 40 index and the Euro Stoxx 600 index. Accordingly, no shares vest if the relative performance of the Capgemini share is less than 100% of the performance of the basket of comparable companies, while 100% of shares vest only if this relative performance is at 110% or above. If performance is similar to that of the market, only 50% of the initial grant vests.</p> <p>The external condition has been strengthened since 2016, as the effective vesting of shares starts from a minimum achievement of 100% of the basket of comparable companies, while historically it started at 90%. The internal performance condition based on organic free cash flow generation over the three-year period from 2019 to 2021 accounts for 50% of the grant. The minimum amount necessary for shares to vest is €3.1 billion. Above this threshold, shares vest progressively on a straight-line basis, with the maximum grant requiring organic free cash flow of €3.4 billion or more. The internal performance condition relating to CSR performance indicators measured at the end of 2021 is based for 50% on the percentage inflow of female executives (VPs) through promotion and external hiring during the period 2019 to 2021. This % must be 25% to receive 100% of the grant with no grant if it is below 22%. For the remaining 50%, it is based on a reduction in GHG emissions/employee of at least 20% vs. the 2015 benchmark, with 100% of the grant vesting if this reduction reaches 23%.</p> <p>The number of shares that may vest to the Executive Corporate Officer may not exceed 0.001% of the share capital.</p> <p>Authorized by the Combined Shareholders' Meeting: May 23, 2019 Fourteenth resolution Grant authorized by the Board of Directors on October 2, 2019</p>
	Stock options = N/A Other items = N/A	No stock options or other items were granted.
Compensation for the mandate of Director	N/A	N/A
Valuation of benefits in kind	€0	No company car

Other compensation components

	Amount subject to vote	Presentation
Severance pay	€0	<p>No amount due in respect of the year</p> <p>Following the appointment of Mr. Ezzat as Chief Operating Officer as of January 1, 2018, the Board, based on the proposal of the Compensation Committee, authorized the principle of severance pay due to each Chief Operating Officer in the event of termination of their corporate office. However, no severance pay is due if the Chief Operating Officer leaves the Company on his own initiative, changes functions within the Group, is entitled to assert in a near future his rights to retirement or in the event of a gross negligence or serious misconduct.</p> <p>In compliance with the recommendations of the revised AFEP-MEDEF Code, the aggregate amount of (i) severance pay effectively paid, (ii) any indemnity likely to be paid in connection with the termination of an employment agreement, and (iii) any indemnity likely to be paid in consideration for the non-compete undertaking, may not exceed a maximum amount equal to twice the applicable gross theoretical compensation (fixed plus variable) as at the date of termination of the functions.</p> <p>The grant and amount of the severance pay will depend on the percentage attainment of the weighted performance of the financial indicators applicable for the Chief Operating Officer's V1 variable component during each of the three completed fiscal years preceding the termination of his duties as Chief Operating Officer, it being specified that the last year will count for 40%, while the two previous fiscal years will count for 30% each. As the grant and amount of the V1 variable component is subject to performance indicators and to the Group's consolidated results, the severance pay will therefore also be subject to the satisfaction of these same performance conditions.</p> <p>The Board will confirm the effective achievement of these performance criteria.</p> <p>Board approval on December 6, 2017 Authorized by the Combined Shareholders' Meeting: May 23, 2018 Seventh resolution (regulated agreements)</p>
Non-compete indemnities	€0	<p>No amount due in respect of the year</p> <p>On a proposal of the Compensation Committee, the Board decided that each Chief Operating Officer will be subject to a non-compete undertaking for a period of twelve months as from the termination of his employment contract following termination of his functions of Chief Operating Officer, and will receive an indemnity equal to half of the applicable gross theoretical compensation (fixed plus variable) if objectives are attained on the date of termination of the functions of Chief Operating Officer. The Board of Directors will be entitled, at its own discretion, to lift this non-compete obligation on departure of the Chief Operating Officer and therefore in such case, not to implement this non-compete indemnity.</p> <p>Board approval on December 6, 2017 Authorized by the Combined Shareholders' Meeting: May 23, 2018 Seventh resolution (regulated agreements)</p>
Supplementary pension benefits	N/A	No supplementary pension benefits

Employment contract of Executive Corporate Officers

With regards to Mr. Paul Hermelin, the Board reminds readers that his employment contract has been suspended in its entirety since May 24, 1996 (date from which he exercised his first term of office as a member of the Management Board), but that it was decided in 2009, pursuant to a recommendation by the Selection & Compensation Committee, to maintain jointly his term as corporate officer and his employment contract. This decision was based on the desire to maintain for this Executive Corporate Officer his entitlement to pension benefits, given his seniority in the Group on this date (23 years) and the services he has rendered to the Company. It was in no way motivated by a desire to maintain for his benefit any entitlement to a severance pay provision stipulated in his employment contract (his contract does not contain any such provision). In keeping with this measure, Mr. Paul Hermelin, following his commitment to the Board of Directors to waive his employment contract on reaching the age at which he may legally exercise his right to retire, informed the Board of Directors' Meeting of February 18, 2015 that he waived his employment contract as from that date.

Mr. Aiman Ezzat's employment contract was suspended following his appointment as Chief Operating Officer on January 1, 2018, when he became an Executive Corporate Officer of the Group. Mr. Aiman Ezzat informed the Board of Directors' meeting of March 11, 2020, of his decision to waive his employment contract following his appointment as Chief Executive Officer by the Shareholders' Meeting.

Mr. Thierry Delaporte's employment contract was suspended on January 1, 2018 following his appointment as Chief Operating Officer and was reactivated on January 1, 2020, after termination of his duties as Chief Operating Officer in December 31, 2019.

The suspension of the Chief Operating Officers' employment contracts complies with the recommendations of the AFEP-MEDEF Governance Code and is deemed appropriate given their seniority in the Group. It should nonetheless be noted that their contracts do not stipulate any entitlement to severance pay.

Executive Corporate Officers: employment contracts and deferred compensation

	Employment contract	Supplementary pension plan (see before)	Indemnities or benefits following appointment, termination or change in function	Indemnities in respect of non compete clause
Mr. Paul Hermelin Chief Executive Officer up to May 24, 2012 and Chairman and Chief Executive Officer thereafter	No	Yes, closed with frozen rights	No	No
Mr. Thierry Delaporte Chief Operating Officer from January 1, 2018 to December 31, 2019	Suspended since 01/01/2018 Reactivated on 01/01/2020	No	Yes	Yes
Mr. Aiman Ezzat Chief Operating Officer since January 1, 2018	Suspended since 01/01/2018	No	Yes	Yes

2.3.3.4 Compensation paid in 2019 or granted during the fiscal year 2019 to all corporate officers in respect of duties as a director

Directors

Compensation for duties as a director paid to non-executive corporate officers	Paid in 2019	Granted in 2019	Presentation
Total compensation paid or granted in respect of the fiscal year to directors for their duties as a corporate officer	906,000	1 083 500	See the Directors' compensation policy in Section 2.3.1.
Executive Corporate Officers	Paid in 2019	Granted in 2019	Presentation
Paul Hermelin: Chairman and Chief Executive Officer			
2019 gross fixed compensation	1,452,000		Unchanged on 2018
2018 annual variable compensation	1,337,226		Compensation paid in respect of 2018 and approved by the Shareholders' Meeting of May 23, 2019
2019 annual variable compensation		1,311,780	See Section 2.3.2.2 on the Chairman and Chief Operating Officer compensation policy and Section 2.3.3.1 on the calculation method and indicators adopted for 2019 variable compensation
Multi-year variable compensation	-	-	n/a
Exceptional compensation	-	-	n/a
Performance shares		2,075,466	See Section 2.3.2.2 on the Chairman and Chief Executive Officer compensation policy and Section 2.3.3.1 on the performance and presence conditions and the % concerned
Compensation for duties as a director	-	-	Waiver
Benefits in kind	-	-	See Section 2.3.2.2 on the Chairman and Chief Executive Officer compensation policy
Golden hello	-	-	n/a
Severance pay	-	-	n/a
Supplementary pension benefits	-		See Section 2.3.3.1 on the supplementary pension plan closed since 2015
Total compensation paid or granted in respect of the fiscal year to the Chairman and Chief Executive Officer	2,789,226	3,387,246	

Directors	Paid in 2019	Granted in 2019	Presentation
Thierry Delaporte: Chief Operating Officer from January 1, 2018 to December 31, 2019			
2019 gross fixed compensation	885,000	0	Unchanged on 2018
2018 annual variable compensation	647,148	0	Compensation paid in respect of 2018 and approved by the Shareholders' Meeting of May 23, 2019
2019 annual variable compensation	-	630,209	See Section 2.3.2.3 on the Chief Operating Officer compensation policy and Section 2.3.3.2 on the calculation method and indicators adopted for 2019 variable compensation
Multi-year variable compensation	181,440	360,468	See Section 2.3.2.3 on the Chief Operating Officer compensation policy and Section 2.3.3.2 on the calculation and payment methods for the long saving plan
Exceptional compensation	-	-	
Performance shares	0	1,223,043	See Section 2.3.2.3 on the Chief Operating Officer compensation policy and Section 2.3.3.2 on the performance and presence conditions and the % concerned
Compensation for duties as a director	-	-	n/a
Benefits in kind	2,033	-	See Section 2.3.2.3 on the Chief Operating Officer compensation policy
Golden hello	-	-	n/a
Severance pay	-	-	See Section 2.3.2.3 on the Deputy Chief Operating Officer compensation policy and Section 2.3.3.2 for the non-application of severance pay following the end of a mandate
Supplementary pension benefits	-	-	n/a
Total compensation paid or granted in respect of the fiscal year to the Chief Operating Officer	1,715,621	2,213,720	

Directors	Paid in 2019	Granted in 2019	Presentation
Aiman Ezzat: Chief Operating Officer from January 1, 2018			
2019 gross fixed compensation	936,000		Unchanged on 2018
2018 annual variable compensation	687,562		Compensation paid in respect of 2018 and approved by the Shareholders' Meeting of May 23, 2019
2019 annual variable compensation		650,926	See Section 2.3.2.3 on the Chief Operating Officer compensation policy and Section 2.3.3.3 on the calculation method and indicators adopted for 2019 variable compensation
Multi-year variable compensation	191,662	380,776	See Section 2.3.2.3 on the Chief Operating Officer compensation policy and Section 2.3.3.3 on the calculation and payment methods for the long saving plan
Exceptional compensation	-		n/a
Performance shares		1,408,352	See Section 2.3.2.3 on the Chief Operating Officer compensation policy and Section 2.3.3.3 on the performance and presence conditions and the % concerned
Compensation for duties as a director	-	-	n/a
Benefits in kind	-	-	See Section 2.3.2.3 on the Chief Operating Officer compensation policy
Golden hello	-	-	n/a
Severance pay	-		See Section 2.3.2.3 on the Deputy Chief Operating Officer compensation policy
Supplementary pension benefits	-	-	
Total compensation paid or granted in respect of the fiscal year to the Chief Operating Officer	1,815,224	2,440,054	
Total compensation paid or granted in respect of the fiscal year to all corporate officers	7,216,071	9,124,520	

Besides, in addition to the previous elements, in accordance with the "Ordonnance" 2019-1234 of November 27, 2019 concerning listed companies directors' compensation, it is specified that:

- the Group's compensation policy does not include the use of a clause enabling it to demand repayment of variable compensation;
- in the event of failure to apply the law on gender equality within the Board of Directors, directors' compensation would be suspended;
- the compensation policy has been applied in the manner described and voted last year during the Combined Shareholders' Meeting May 23, 2019;

- the results of the votes on compensation at the previous Combined Shareholders' Meeting May 23, 2019 were as follows:
 - the resolutions related to votes on ex ante resolutions were approved by 89.27% for the Chairman and Chief Executive Officer and 94.81% for the Deputy Chief Executive Officers, and the resolutions relating to votes on ex post resolutions were approved by 94.27% for the Chairman and Chief Executive Officer and 95.51% for the Deputy Chief Executive Officers.

Compensation multiples-Equity ratio

Pursuant to Article L. 225-37-3-6° of the French Commercial Code, the Group is required to calculate, over a 5-year period, the ratio between the compensation of each Executive Corporate Officer and the average and median compensation on a full-time equivalent basis of employees of the relevant scope (excluding corporate officers). The scope adopted by the Group encompasses French companies of the economic and social unit. France, which is the Group's home country and the second largest country in size, was considered the natural reference scope for calculating these ratios, with the Group holding company and over half the Group Executive Board also based in France. Thus, the scope taken into consideration concerns more than 98% of the French workforce.

The calculations were performed in accordance with AFEP guidelines and include all compensation components paid during the relevant year, both in the numerator and in the denominator (fixed, variable, exceptional and deferred compensation, benefits in kind, profit-sharing, incentive payments, social contributions), as well as the IFRS valuation of shares granted during the relevant year. The denominator includes active employees present throughout the relevant year, on a full-time equivalent basis (sabbatical, trainees, long term absence, professional contracts are not taken into consideration in the employee average).

Year	2015	2016	2017	2018	2019	2019/2015
Executive directors paid and granted compensation evolution (in k€)						
CEO	4,891	4,774	4,851	4,693	4,865	-0.5%
COO A. Ezzat				3,237	3,413	n/a
COO T. Delaporte				3,078	3,118	n/a
Average employees present full year paid and granted compensation evolution (in k€)						
France perimeter	50.8	51.8	53.2	53.7	55.2	8.8%
Ratios evolution vs. average						
CEO	84.9	78.4	80.5	74.4	76.9	-9.4%
COO A. Ezzat				51.7	54.1	n/a
COO T. Delaporte				49.1	49.5	n/a
Ratios evolution vs. median						
CEO	104.9	96.5	100.6	92.5	96.4	-8.1%
COO A. Ezzat				64.3	67.9	n/a
COO T. Delaporte				61.1	62.1	n/a

Trends in compensation, Company performance and average compensation

The CEO was the only Executive Corporate Officer present in all five years. His compensation changed little during this period except for changes related to the Group's annual performance compared to annual objectives and to the valuation of the granted performance shares. With regard to the global performance recorded over the

period, whether in terms of growth (+19%) or profitability (+38%), CEO compensation trends reflect the ambitious nature of the Group's objectives, while over the same period the average compensation of employees present on a full year basis has increased by 8.8%.

Year	2015	2016	2017	2018	2019	2019/2015
Group key business indicators performance evolution (in millions of euros)						
Revenue	11,915	12,539	12,525	13,197	14,125	18.5%
Operating margin	1,262	1,440	1,493	1,597	1,741	38.0%

2.3.4 Stock subscription options, stock purchase options and performance shares

The following tables present a breakdown of stock options and performance shares granted to, exercised by or vested to Executive Corporate Officers during 2019 and historical information on stock options and performance shares granted.

It should be noted that no stock options have been granted by the Group since 2009.

Stock options granted during the year to each executive corporate officer by Capgemini SE and/or any other Group company	Plan date and number	Number and type (purchase or subscription) of options granted during the year	Value of options using the method adopted in the consolidated financial statements	Strike price	Exercise period
Paul HERMELIN	n/a	n/a	n/a	n/a	n/a
Thierry DELAPORTE	n/a	n/a	n/a	n/a	n/a
Aiman EZZAT	n/a	n/a	n/a	n/a	n/a

Stock options exercised during the year by each executive corporate officer	Plan date and number	Number of options exercised during the year	Strike price	Exercise period
Paul HERMELIN	n/a	n/a	n/a	n/a
Thierry DELAPORTE	n/a	n/a	n/a	n/a
Aiman EZZAT	n/a	n/a	n/a	n/a

Performance shares granted during the year to each executive corporate officer by Capgemini SE and/or any other Group company	Plan date and number	Theoretical maximum number of shares granted during the year	Value of shares calculated using the method adopted in the consolidated financial statements	Potential vesting date	Potential availability date	Performance conditions
Paul HERMELIN	12 th plan of 10/2/2019	28,000	€2,075,466	10/03/2022	Later of the end of his term of office and 10/3/2024	A detailed description of the conditions is presented in Note 12 of the Consolidated Financial Statements
Thierry DELAPORTE	12 th plan of 10/2/2019	16,500	€1,223,043	10/03/2022	Later of the end of his term of office and 10/3/2024	Idem
Aiman EZZAT	12 th plan of 10/2/2019	19,000	€1,408,352	10/03/2022	Later of the end of his term of office and 10/3/2024	Idem

Performance shares vested to each executive corporate officer	Plan date and number	Number of shares vested during the year	Vesting conditions	Year of grant
Paul HERMELIN	8 th plan July 2016	37,800	Performance and presence	2016

Historical information concerning stock options granted to corporate officers

The Group has not granted any stock options since 2008 and the last grant performed on June 1, 2008 expired in 2013.

Date of Shareholders' Meeting	05/12/2005	05/12/2005	05/12/2005	05/12/2005	05/12/2005
Grant date	10/01/2005	10/01/2006	04/01/2007	10/01/2007	06/01/2008
Plan number	6 th plan	6 th plan	6 th plan	6 th plan	6 th plan
Total number of shares granted	1,915,500	2,067,000	400,000	1,932,500	219,000
<i>o/w granted to Paul Hermelin</i>	<i>50,000</i>	<i>50,000</i>	<i>(nil)</i>	<i>(nil)</i>	<i>(nil)</i>
<i>o/w granted to the ten employees receiving the greatest number of shares</i>	<i>109,000</i>	<i>200,000</i>	<i>86,000</i>	<i>114,000</i>	<i>60,000</i>
Start of exercise period	10/01/2006	10/01/2007	04/01/2008	10/01/2008	06/01/2009
Expiry date	09/30/2010	09/30/2011	04/01/2012	10/01/2012	06/01/2013
Subscription price (in euros)	30	43	55	44	40.5
Exercise conditions	10% after 1 year, 30% after 2 years, 60% after 3 years and 100% after 4 years				

Historical information concerning performance shares – position at December 31, 2019

Plans ended

Plan number	2009 Plan	2010 Plan	2012 Plan	2013 Plan	2014 Plan	2015 Plan
Grant date	03/05/2009	10/01/2010	12/12/2012	02/20/2013	07/30/2014	07/29/2015
Number of performance shares initially granted	1,148,250	1,555,000	1,003,500	1,209,100	1,290,500	1,068,550*
<i>o/w to Paul Hermelin*</i>	<i>50,000</i>	<i>(nil)</i>	<i>50,000</i>	<i>50,000</i>	<i>50,000</i>	<i>40,000</i>
Number of shares vested	485,750	881,048	882,500	1,014,700	1,065,000	881,510
<i>o/w to Paul Hermelin*</i>	<i>25,000</i>	<i>(nil)</i>	<i>50,000</i>	<i>50,000</i>	<i>50,000</i>	<i>39,200</i>
Cumulative number of shares canceled or expired	662,500	673,952	121,000	194,400	225,500	187,040
Vesting date – France	03/05/2011	10/01/2012	01/01/2015	03/01/2015	08/01/2016	03/01/2018
Vesting date – outside France	03/05/2013	10/01/2014	01/01/2017	03/01/2017	08/01/2018	08/01/2019
End of holding period – France	03/05/2013	10/01/2014	01/01/2019	03/01/2019	08/01/2020	03/01/2021
End of holding period – outside France	03/05/2013	10/01/2014	01/01/2017	03/01/2017	08/01/2018	08/01/2019
Share price at grant date (in euros)	23.3	37.16	33.15	36.53	53.35	87.6

* Complete historical information on active performance share plans in 2019 is provided in Note 12 of the Consolidated Financial Statements.

Active plans

Plan number	2015 Plan	2016 Plan	2017 Plan	2017 Plan	2018 Plan	2019 Plan
Shareholders' Meeting	05/06/2015	05/18/2016	05/10/2017	05/10/2017	05/23/2018	05/23/2019
Grant date	02/17/2016	07/26/2016	07/26/2017	10/05/2017	10/03/2018	10/02/2019
Number of performance shares initially granted	180,500	1,663,500	63,597	1,522,500	1,384,530	1,523,015
<i>o/w to Paul Hermelin*</i>	<i>(nil)</i>	<i>42,000</i>	<i>(nil)</i>	<i>35,000</i>	<i>28,000</i>	<i>28,000</i>
<i>o/w to Thierry Delaporte*</i>					<i>16,500</i>	<i>16,500</i>
<i>o/w to Aiman Ezzat*</i>					<i>16,500</i>	<i>19,000</i>
Number of shares vested	7,000	364,810	n/a	n/a	n/a	n/a
<i>o/w to Paul Hermelin*</i>	<i>n/a</i>	<i>37,800</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Cumulative number of shares canceled or expired	66,050	434,915	16,951	149,250	43,810	7,853
Number of shares potentially available for grant at the end of 2019	107,450	863,775	46,646	1,373,250	1,340,720	1,515,162
<i>o/w to Paul Hermelin*</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>35,000</i>	<i>28,000</i>	<i>28,000</i>
<i>o/w to Thierry Delaporte*</i>					<i>16,500</i>	<i>16,500</i>
<i>o/w to Aiman Ezzat*</i>					<i>16,500</i>	<i>19,000</i>
Vesting date – France	03/01/2018	08/01/2019	n/a	10/05/2020	10/03/2021	10/02/2022
Vesting date – outside France	03/01/2020	08/01/2020	08/01/2020	10/05/2021	10/03/2022	10/02/2023
End of holding period-France	03/01/2020	08/01/2021	n/a	10/05/2022	10/03/2023	10/02/2024
End of holding period-outside France	03/01/2020	08/01/2020	08/01/2020	10/05/2021	10/03/2022	10/02/2023
Share price at grant date (<i>in euros</i>)	71.61	83.78	94.2	100.25	112.35	107.35

* Complete historical information on active performance share plans in 2019 is provided in Note 12 of the Consolidated Financial Statements.

Historical information concerning stock options granted to the top ten employees (non-executive corporate officers)

Stock options granted by Capgemini SE to the ten employees (non-executive corporate officers) having received the greatest number of shares and the number of shares vested to the ten

employees (non-executive corporate officers) having thus subscribed for the greatest number of shares are as follows:

Stock options granted to/exercised by the ten employees (non-executive corporate officers) having received the greatest number of shares	Total number of stock options granted/exercised	Weighted average price	Plan number
Options granted during the year by Capgemini SE to the ten employees of all eligible companies having received the greatest number of shares	No	n/a	No
Options exercised (held previously on Capgemini SE) by the ten Group employees having exercised the greatest number of shares	No	n/a	No

Performance shares granted by Capgemini SE to the ten employees (non-executive corporate officers) having received the greatest number of shares and the number of performance shares vested

to the ten employees (non-executive corporate officers) holding the greatest number of vested shares are as follows:

Performance shares granted/vested to the ten employees (non-executive corporate officers) having received the greatest number of shares	Total number of shares vested/ granted	Plan number
Performance shares granted during the year by Capgemini SE to the ten employees of all eligible companies having received the greatest number of shares	91,000	12 th Performance share plan
Performance shares (held previously on Capgemini SE) of the ten Group employees holding the greatest number of vested shares	109,950	6 th and 8 th Performance share plans

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3.

Risks and Internal Control

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3.1 Internal control and risk management systems

This Section was drafted jointly by several Group stakeholders. The departments that play a key role in identifying and controlling major risks include particularly the Internal Audit, Ethics & Compliance, Finance, Insurance, Legal, Human Resources and Security & Mobility Departments.

In accordance with the Law of July 3, 2008, this Section was reviewed and approved by the Board of Directors on February 13, 2019, following a review by the Audit & Risk Committee.

3.1.1 Definition of the internal control and risk management systems

a) Framework

The Group builds on the reference framework and the application guidance published initially in January 2007 and updated on July 22, 2010 by the French Financial Markets Authority (AMF).

The risk management and internal control systems contribute to controlling the activities of the Group and satisfy complementary objectives.

b) Objectives of the internal control and risk management systems

The Group's internal control and risk management systems seek to create and protect the Group's value, assets and reputation, and identify and measure the major risks to which the Group is exposed, anticipate and foresee changes in these risks and finally implement risk prevention and transfer measures.

In this context, Capgemini group has defined and implemented a control system that seeks to ensure:

- compliance of all management acts with relevant laws and regulations;
- compliance with the Group's seven core values and guidelines set by the Board of Directors and/or Group Management;
- application by the subsidiaries of instructions communicated;
- the smooth functioning of the Group's internal control processes safeguarding assets; and
- the reliability of accounting and financial information.

c) Scope of the internal control and risk management frameworks

Capgemini group ensures the implementation of a risk management and internal control system covering all consolidated subsidiaries and Group businesses in 2019.

Acquired companies are integrated progressively into the internal control and risk management system. All material Group subsidiaries are currently integrated into the general system presented in this report.

d) Limitations

While contributing to the improved efficiency of its operational support functions, the optimal use of resources and good risk control, this system does not however offer an absolute guarantee of the control of all possible risks imaginable, no more than it can – irrespective of the skills of the employees performing the controls – guarantee alone the attainment by the Group of all objectives set.

e) Organization of the internal control and risk management frameworks

Group values

Since its creation, Capgemini has placed significant importance on compliance with the values and principles which guide and inspire its actions and, in particular, its business practices. These seven core values, defined by the Group's founder Mr. Serge Kampf, are honesty, boldness, trust, freedom, fun, modesty and team spirit. They represent the Group's fundamental DNA and justify its reputation as an ethical and responsible company. In this respect, Capgemini has, for several years, been rated one of the "World's Most Ethical Companies" by the Ethisphere Institute.

The ethics system founded on the Group's values and the Code of Business Ethics has been supplemented by several policies. This system seeks to:

- develop within new recruits an ethical culture promoting integrity of behavior;
- raise awareness of compliance with international and national laws and regulations;
- implement initiatives aimed at strengthening the system to prevent and avoid infractions, non-compliance and negligence in these areas.

General internal control and risk management principles

Group Management has discussed, drafted, approved and distributed a set of rules and procedures known as the Blue Book. Compliance with the Blue Book is mandatory for all Group employees. The Blue Book sets out and comments Capgemini's seven core values, sketches out the overall security framework within which the Group's activities must be conducted, and, finally, describes the desired behaviors and specifies the prohibitions applicable in each of the Group's main functions.

These principles ensure consistent, efficient and accountable decision-making. They concern:

- delegation of decision-making powers and authorization; the decision-making process applied within the Group is based on rules governing the delegation of powers. These rules are regularly updated, comply with the principle of subsidiarity and define three levels of decision-making depending on the issues involved, corresponding to the three levels of Capgemini's organization:
 - the Business Unit, for all issues that fall within its remit,
 - provisions common to the Strategic Business Unit (SBU) and to the Global Business Line (GBL) for all issues concerning several Business Units and Business Lines under its authority,

- the Group (Office of the CEO, Group Executive Board, Group Executive Committee, central functions, etc.) where a decision concerns a wider scope than the Strategic Business Unit and for all transactions that must be decided at Group level due to their nature (acquisitions, divestments, etc.) and/or transactions with financial impacts in excess of well-defined materiality thresholds.

This process has been formalized in an authorization matrix which requires both prior consultation and the provision of sufficient information to the parties involved. Recommendations submitted to the final decision-maker must include the views of all interested parties as well as an assessment of the advantages and drawbacks of each of the possible solutions.

- the framework of general policies and procedures; the Blue Book defines the governance and organization of the Group and the main principles and basic guidelines underpinning the Group's internal control procedures, and sets out the Group's requirements in each of the following areas:
 - Group key principles,
 - Group organization and governance,
 - authorization and approval processes,
 - sales and production rules and guidelines,
 - risk management, pricing, contracting and legal rules, in the client contract pre-sale phase,
 - financial management, merger, acquisition, divestment and insurance rules and guidelines,
 - human resources policies,
 - marketing and communications, knowledge management and Group IT guidelines,
 - procurement policies, including ethical requirements and supplier selection,
 - environmental and community policies.

This set of rules and procedures, which has force of law within the Group, reminds employees of their obligations in this area and inventories the tools and methods which help them control risks identified in the exercise of the Group's businesses.

These rules and procedures are updated periodically to reflect the development of the Group's business activities and changes in its environment.

Risk management and internal control stakeholders

The Group developed a risk management framework administered by a Risk Committee and involving various parties operating at different levels of the organization. These key players are presented below for each of the three lines of defense.

Governance bodies

The Audit & Risk Committee

The Capgemini SE Board's Audit & Risk Committee is responsible for ensuring the existence and monitoring the efficiency of risk management and internal control systems.

The Audit & Risk Committee is therefore required to review all systems implemented by Group Management. These reviews cover:

- the overall consistency of the framework;
- verification that the major risks faced by the Group are identified and monitored, particularly through a review of the risk mapping prepared and updated by the Group Management Risk Committee;
- presentation of new or emerging risks;
- a review of projects comprising major risks.

Group Management and the Risk Committee

Group Management has delegated to a Risk Committee, created in 2016, the definition and implementation of the various activities relating to the risk management process within the Group. The Risk Committee, chaired by the Group Chief Financial Officer, is responsible for the effective implementation of a risk management and internal control system within the Group. It reports to the Audit & Risk Committee on all issues concerning these systems.

The Risk Committee brings together the main members of Group Management with key players in the risk management process within the Group. At least two meetings are held annually to discuss the following main issues:

- monitoring of the implementation of risk management and internal control systems;
- identification and prioritizing of risks; the Risk Committee validates the mapping of the Group's critical risks;
- monitoring of plans defined and implemented for critical risks;
- the potential review of new or emerging risks communicated by the various Business Units.

The Risk Committee is also responsible for:

- proposing to the Board of Directors the Group's acceptable risk level;
- monitoring changes in the Group's main risks;
- selecting the critical risks to be covered by short-term action plans;
- monitoring these action plans in conjunction with the critical risk owners, as designated by the Risk Committee;
- approving and implementing the risk management and internal control policies.

The Risk Committee builds on the actions of the Insurance Director, who is responsible for coordinating Group risk management and the managers of the various Business Units and functional departments.

In this respect, the risk management coordinator:

- makes methodology tools and approaches available to the various management bodies;
- coordinates all risk management activities within the Group;
- centralizes and consolidates all work and particularly work performed by the various critical risk owners;
- encourages the sharing of good practices within the Group.

The risk management and internal control system comes from the interaction between the Risk Committee and other stakeholders, including Internal Audit, the Insurance Department and the functional departments with risk expertise, as well as the operating departments that are responsible for day-to-day risk management in their specific areas.

1st line of defense: from management to employees

Operations and Business Unit management supplement and adapt the Blue Book drafted by Group Management, by drawing up detailed internal control procedures which comply with the relevant laws, regulations and customary practices in the country where they operate, in order to exercise control more effectively over risks specific to their local market and culture.

Operations and Business Unit management duties include the identification and control of risks relating to their own environment, in compliance with the rules and procedures implemented and communicated by the Group functional departments.

2nd line of defense: functional departments with risk expertise

The various Group functional departments assist the Risk Committee with the identification and prioritizing of risks. Each department defines and rolls out risk control systems in its activity sector and ensures, in particular, the consistency of actions undertaken in the Business Units. It assists all Group entities by facilitating the sharing of risk management and internal control best practice.

3rd line of defense: Internal Audit

In accordance with professional standards governing this activity, the Internal Audit function independently assesses the effectiveness of internal control and risk management procedures given that, irrespective of how well they are drafted and how stringently they are applied, these procedures can only provide reasonable assurance – and not an absolute guarantee – against all risks.

Internal Audit is therefore tasked with:

- reviewing the internal control procedures implemented in the Strategic Business Units and their component legal entities to ensure that they comply with the general principles and rules laid down by the Group and with certain specific procedures enabling the elimination or mitigation of the risks to which they are exposed locally;
- auditing the Group's major contracts considered to present significant risk.

For over 30 years, the Capgemini group has had a central Internal Audit function. Its Director reports directly to the Chairman and Chief Executive Officer, guaranteeing the internal audit function is independent of the functions and Business Units audited. The internal audit team comprises 35 auditors (full time equivalent), representing 8 different nationalities and covering 90% of the languages spoken locally in the Group. This significant internationalization of the internal audit team reflects the desire to accompany the expansion of the Group into new regions of the world; the Internal Audit

Department also has a Bombay desk with 17 auditors including 5 technical experts specializing in the review of IT projects.

Each Business Unit is audited in line with a bi-annual program covering the entire Group. The Chairman and Chief Executive Officer has the power to modify this program in the event of an emergency (delays and irregularities, major divergence from budgetary commitments, etc.). At the request of the Chairman and Chief Executive Officer, the Internal Audit Department may also perform special assignments to review specific situations.

In 2019, the Internal Audit Department conducted 46 audits of units belonging to all Group Strategic Business Units.

Each audit involved an average of 35 man-days in the field. It concluded with the issue of an action plan that management of the unit audited undertook to implement as quickly as possible in order to improve or correct the internal control weaknesses identified by the audit. The Internal Audit Department uses a tool covering the entire Group and enabling it to monitor real-time the implementation of action plans defined by local management following audits. Close attention is paid to actions plans considered a priority.

In 2019 the audit approach was strengthened by integrating critical risks presented in the risk mapping identified by Group Management.

The Internal Audit Director presents twice annually to the Capgemini SE Board's Audit & Risk Committee, a comprehensive report on the department's work, particularly regarding the efficiency of internal control and risk management in the preparation and processing of financial and accounting information.

The Internal Audit Director presents twice annually to the Capgemini SE Board's Audit & Risk Committee, a comprehensive report on the department's work, particularly regarding internal control efficiency and risk management in the preparation and processing of financial and accounting information.

3.1.2 Implementation of risk management and internal control objectives for the preparation and processing of financial and accounting information

These procedures ensure application of and compliance with accounting and financial rules defined by the Group relating to budgets and forecasts, operational reporting, consolidation, financial control and financial communications.

a) Financial and accounting structure

The Group's financial functions are integrated into the operating structure, that is, both Business Units and countries. They have access to common resources encompassing accounting rules and procedures, information and management systems and shared service centers.

Each Business Unit has a dedicated financial controller (reporting to the corresponding Strategic Business Unit's financial controller) who is responsible for ensuring that the results of its activities are accurately reported in the accounts in accordance with Group accounting rules and methods. The financial controller verifies that services are correctly billed and paid, checks profit estimates for ongoing projects and assesses their accounting impact, and attests to the quality of the information contained in the financial reports and accounting packages used as the basis for preparing the Group's consolidated financial statements. The Strategic Business Unit financial controllers, whose main responsibility is to ensure that high-quality financial and accounting information is reported to the parent company on a timely basis, report to the Group Chief Financial Officer in order to

safeguard the independence required when preparing accounting results. Financial control is, therefore, decentralized.

The countries and geographic areas have a Legal Financial Director, whose duties and responsibilities include rolling-out Group systems and procedures in the country, helping maintain an effective internal control environment, ensuring that all financial staff in the country or region are well-versed in the Group's accounting policies and methods, checking compliance with local taxation and statutory reporting requirements, liaising with shared service centers and the Statutory auditors, setting accounts closing and financial reporting timetables, signing off on the consolidation packages of the subsidiaries under his or her authority, signing the representation letter, jointly with the head of the Business Unit, and bringing any and all matters that he or she sees fit to the attention of the Group Chief Financial Officer.

All financial staff are required to apply the Group's accounting procedures and policies contained in the TransFORM manual, which sets out:

- the strict rules of internal control;
- what information must be reported, when, and how often;
- management rules and procedures;
- accounting policies, rules and methods;
- performance measures.

In addition, the Group has a global integrated management system (GFS). The application as a whole migrated to the publisher's latest version on January 1, 2015 and its roll-out in the Group's subsidiaries continued during 2019. The desired uniformity of management systems is therefore a step closer, strengthening the control environment.

Finally, the shared service centers pool the accounting processing resources of the Group's subsidiaries. The main centers are located in Cracow (Poland) and Kolkata (India). These various centers are consolidated within a globalized structure.

b) Budgets, forecasts, reporting and consolidation

In order to exercise effective control over their operations, the Group requires Business Units to submit weekly, monthly, quarterly, half-yearly and annual reports of all budget, forecast, operational and accounting information required for the general management of the Group as follows:

- budget and forecasting process; budgets form the basic building blocks in the management control process. They are debated and negotiated at length between the different Group Business Unit managers and their superiors, with each budgetary item decided based on past performance, the Group's chosen strategic priorities and available information concerning expected market trends. Group Management sets quantified targets for each geographic area, Strategic Business Unit and their component Business Units. The budget preparation process is a key moment in the relationship between the different levels of the Group's management and makes it possible to substantially link the variable portion of the compensation paid to Business Unit managers to the attainment of the budgetary targets of their Business Unit and the next level Business Unit to which they belong. A forecast operating income statement (for the current month, the following six months and the full year) is prepared monthly by each Business Unit manager;
- operational reporting process; information reporting is mainly structured by geographic area and business. This allows revenues and costs to be analyzed on a monthly basis both by type and function, and performance measures to be updated and compared with budget (A/B), the latest forecasts (A/F) and prior-year figures (A/A). A monthly management report is prepared for each Strategic Business Unit jointly by the manager and financial controller, and is submitted to Group Management for review. This report gives a detailed breakdown of actual performance, forecasts for the following six months and actions taken in the event of material variances between actual and budget figures. Reconciliations are performed systematically to ensure that financial information derived from the operational reporting system is consistent with the consolidated financial information provided by the legal entities within the Group;
- consolidation process; at each yearly or half-yearly closing, the scope of consolidation is updated at Group level by the Finance Department and validated by the Legal Department. Written instructions are issued providing the schedule for period-end tasks (particularly the reconciliation of inter-company transaction balances), highlighting current accounting issues requiring specific attention, and describing the control procedures applied during the preparation of the consolidated financial statements. Each yearly and half-yearly closing is preceded by a hard-close phase based on the accounts closed at November 30 and May 31, respectively.

The consolidation process is based on accounting packages by geographic area, which must be signed off by the person responsible for preparing them. Income statements, balance sheets and other key management indicators required for subsequent analysis are stored in a single database maintained at Group level. Access to this information system is strictly controlled.

During each annual closing period, the Finance Department sends out a questionnaire to all subsidiaries covering the application of general internal control principles and procedures relating to the processing of reported financial and accounting information. These questionnaires are analyzed for any irregularities and corrective measures devised where appropriate.

c) Financial information

Financial information and its communication are subject to specific controls at half-year and annual period ends. These include:

- a systematic review carried out with the assistance of the Legal Department of all material operations and transactions occurring during the period;
- a procedure to identify, collate and report off-balance sheet commitments and any other information liable to have significant repercussions on the financial position of the Group or one of its subsidiaries at the period-end;
- a review of the tax position of each of the Group's legal entities;
- a review of the value of intangible assets;
- a detailed analysis of the statement of cash flows.

The controls described above and carried out by the Finance Department are supplemented by the work of two independent bodies tasked with carrying out checks on the internal control environment and verifying the quality of the financial statements: the internal auditors and the Statutory auditors:

- Internal Audit; based on a program covering the Group's Business Units, drawn up in agreement with the Chairman and Chief Executive Officer (to whom it reports directly), Internal Audit is responsible for carrying out controls to ensure that procedures relating to the safeguarding of assets, the valuation of work-in-progress, the actual amount of trade accounts receivable, and the proper recognition of liabilities, are applied in each Business Unit in accordance with the rules and methods established by the Group. In particular, Internal Audit is required to pay special attention to revenue recognition methods and to controlling the percentage of completion of projects, so as to ensure that these are accounted for on the basis of rigorous, up-to-date technical assessments. The Internal Audit brief also includes a review of the procedures and controls in place within the Business Unit to ensure the security and validity of transactions and accounting entries;
- the Statutory auditors, who it need merely be noted here, carry out an ongoing review of internal control procedures with an impact on the preparation and quality of the financial statements as part of their audit engagement.

Communicating financial information is subject to rigorous internal control, with a particular focus on three key media used to report financial information:

- the Half-Year Financial Report, the Annual Report and the Universal Registration Document;
- financial press releases;
- analyst and investor meetings.

The financial reports and Universal Registration Document comprise all the information that must be provided pursuant to legal and regulatory requirements and are drawn up under the responsibility of the Finance Department.

Financial press releases are only published further to formal validation of the Board of Directors or the Chairman and Chief Executive Officer. Financial press releases are published outside the trading hours of the Paris Stock Exchange, except in exceptional circumstances.

3.1.3 Compliance

The Ethics & Compliance Department is directly responsible for the ethics and compliance programs and the ethics phase of due diligence assignments on companies that the Group is considering acquiring. These reviews (ethical due diligence) involve an examination, from an ethical stance, of all the activities of the target company in order to ensure, in particular, their compatibility with expectations and ethics controls defined by the Capgemini group.

Finally, the Ethics & Compliance and Internal Audit Departments may at any moment draw up a special report for presentation to the Chairman and Chief Executive Officer on any matter they consider should be brought to his attention and inform the Audit and Risk Committee and/or the Ethics & Governance Committee where significant deviations have been identified.

The Capgemini Board of Directors launched the Ethics & Compliance Program in 2009 to further strengthen the ethical culture that has been a core part of the Group since its creation. As part of this program, the Group set up a global network of Ethics & Compliance Officers, and launched a Code of Business Ethics, a Group Anti-Corruption Policy, a Group Competition Law policy, a conflicts of interest policy and whistle-blowing procedure (SpeakUp), to reassert our values in every country in which we operate. All employees are expected to comply with the principles embedded in these five fundamental documents, and to complete three online training courses (e-learnings) on their content.

In addition to demonstrating the Group's deep-rooted values and strong ethical culture, the Ethics & Compliance Program is a key factor in attracting, developing and engaging employees by nurturing a strong ethical culture.

Creating an ethical environment also strengthens our reputation, contributes to developing new business and positions the Group as a "Leader for Leaders", in line with our strategy.

Analyst and investor meetings are subject to specific preparation, and their content is presented to the Board of Directors prior to such meetings. This preparatory work is then used as a framework for comments and explanations provided by the Chairman and Chief Executive Officer, the Chief Financial Officer, or employees in charge of investor relations during the meetings.

Ethics & Compliance organization

The Chief Ethics & Compliance Officer (CECO) is responsible for the Ethics & Compliance program across the entire Group and reports to the Group Chairman and Chief Executive Officer.

The managers of the Group's operating units (SBUs/BUs) are accountable for ethics and compliance in their respective units. They are also responsible for driving the Ethics & Compliance program in line with local legislation, regulations and procedures.

The Ethics & Compliance Director presents once annually to the Capgemini SE Board's Ethics & Governance Committee a specific report on measures implemented under the ethics program and the results of compliance audits of the Group's Code of Business Ethics (in particular the Ethics Code of Conduct, the Group Competition Laws policy and the Group's anti-corruption policy).

General Counsels also serve as Ethics & Compliance Officers (GC-ECO) in their jurisdictions. They ensure implementation of the Ethics & Compliance program within their regions and liaise with the CECO (see Section 4.2).

Group principles, guidelines and policies: the Blue Book

In our decentralized organization, it is essential to have a set of common guidelines, procedures and policies that govern our daily operations. These are described in the Company confidential Blue Book, created in 1989 (see Section 3.1.1).

3.1.4 Measures implemented as part of constant improvements to risk management and internal control systems

a) Focus on the main measures implemented in 2019

During 2019, the Group implemented and continued to deploy a number of measures aimed at rolling-out and standardizing processes and procedures within the Group. Among these measures, the following may be highlighted:

- communication, within Capgemini, of the Group risk management policy;
- continued monitoring and improvement of critical risk action plans;
- update of the Group risk mapping including the identification and assessment of critical risks;
- mapping of anti-corruption risks and drafting of the related action plans, validated by the Group Executive Committee and local mapping of risks in the large majority of Group countries ;
- formal documentation of a Group crisis management plan, to optimize governance and notably reduce exposure to reputation risk;
- roll-out of the Group IT network access control tool, extended to cover functional applications and integrating segregation of duty control rules;
- continuation of the audit program of internal and external risks at Group operating sites, in partnership with an external consultant, covering damage to assets and the environment and health and safety issues;
- roll-out of a talent strategic review management system in all Group business and functional units, to identify the strengths and weaknesses of the management teams and document succession plans;

- global roll-out of a continuous internal survey (Pulse), aimed at measuring commitment and expectations among the Group's employees;
- roll-out of an integrated compensation management process to provide a common decision-making tool for these issues;
- provision of a mobile application enabling all employees, if required, to issue an alert and be geolocated and receive assistance;
 - implementation of a global communication application for all sites as part of the management of serious events;
 - implementation of an information and training program for all employees on the General Data Protection Regulation (GDPR);
- roll-out of purchasing management applications in new countries;
- implementation of a "source to contract" process management application across the entire Purchasing structure;
- assessment of supplier risk integrated into the referencing process and monitoring of trends in related indicators;
- appraisal of strategic supplier performance and definition of the necessary progress plans.

b) Constant improvement measures in 2020

The risk management process will continue to be rolled out in 2020 based on the most recent risk mapping updated at the end of 2019. Close attention will be paid to the consistency of the internal audit plan (3rd line of defense) with the actions implemented to reduce critical risks.

As part of measures to strengthen risk management and internal control systems, in 2020 the Group will also:

- continue monitoring and improving critical risk action plans;
- roll-out of the new purchasing management application, launched in 2019, in the majority of countries;
- strengthening of external expenditure management tools and related key indicators aimed at strengthening control over our supplier relationships;
- roll-out of an ethical help line for the Group, SpeakUp.

3.2 Risk analysis

Covid-19

As a preamble to the risk analysis, note that in this unprecedented context of the global coronavirus pandemic, Capgemini's priority is the Health and Safety of its employees and ensuring the continuity of services to its clients. These issues are covered in the critical risks presented below and notably: "market slowdown" and "risks to individual safety".

The Group is therefore implementing prevention and protection measures and is constantly monitoring compliance with the decisions and recommendations of local public authorities. In addition, the Group is implementing business continuity plans that are being constantly adapted to the changing situation. To this end, Capgemini has set-up a dedicated management unit reporting directly to the Group Executive Committee. This unit, which includes representatives of all key Group functions, has implemented a series of Group instructions, protocols and processes, that are exceptional and temporary, to manage the crisis on two fronts:

EMPLOYEE SAFETY with the implementation of the following measures:

- ban on all but critical travel;
- ban on international meetings;
- postponement and cancellation of planned events;
- information campaign on preventive measures and hygiene precautions;
- placing of at-risk employees in 14-day quarantine;
- site supplies: anti-bacterial hand wash, masks, temperature readers;
- filtering of visitors;
- set-up of a psychological support program;
- implementation of a site cleaning and disinfection program.

BUSINESS CONTINUITY with the massive roll-out of systematic home working in all countries impacted by the pandemic and the introduction of operational rotation for the engagements that must be conducted on-site.

The Group has already adopted distributed delivery models for a number of years, supported by several sites spread around the world and using cutting-edge digital and on-line collaborative working tools. Home working has been widely deployed across the whole Group, in agreement with our clients, to guarantee the continuity of operations and the safety of our employees. An extremely limited number of activities which, due to their nature, cannot be performed remotely, are performed on an individual case basis by rotating teams, with the appropriate Health and Safety measures implemented.

Thanks to good planning and rapid execution, capitalizing on internal investment in these technologies, Capgemini enjoys one of the most extensive rates of home working in this sector, across all its activities worldwide.

The Covid-19 unit meets daily and coordinates with local units in each of the countries where the Group is present. It ensures the application of Group rules, the consistency of communication inside and outside the Group and informs the Executive Committee daily on the situation.

At this stage, the Group considers that it is in a position, notably thanks to its digital capabilities, to ensure the continuity of essentially all the services currently requested by its clients. Nonetheless, future developments in the coronavirus pandemic and uncertainties as to its duration, could very significantly increase the level of risk associated with the environment in which the Group operates.

3.2.1 Critical risks

The analysis of the risks to which the Group's activities are exposed is an integral part of the Group's various decision-making processes, whether for short-term annual plans or mid-term strategic plans.

In this context, the Group has implemented a systematic and dynamic risk management process in order to ensure the proper conduct of business and the attainment of the various strategic objectives, structured around four key stages – identification, prioritizing, processing and steering.

The Group has an up-to-date overview of its key risk exposures thanks to the risk mapping exercise and has defined a specific risk strategy for each risk considered critical.

The different risks are presented below by category and decreasing order of criticality (reflecting a combination of the estimated impact and potential probability) within each of these categories:

- strategy and market risks;
- operational risks;
- security risks;
- legal and regulatory risks;
- human resource risks;
- reputation risks;
- financial risks.

Financial risks are presented but were not identified as critical for the Group in 2019.

The assessment is made on the basis of net risk (after taking into account risk management measures).

a) Identification of risks

Capgemini updated the mapping of its major risks at the end of 2019, during which it assessed the risks likely to have a significant negative impact on its activity, financial position or results. The risks presented below are the result of this analysis work. Only critical risks relating to non-financial exposures, are detailed hereafter.

It remains possible that changes in economic conditions or the legal environment could give rise to certain risks not currently identified as material that could impact the results of the Group, its objectives, reputation or the share price.

Compared to last year, collective employee action is no longer considered a critical risk at Group level, however it continues to be monitored. Furthermore, major acquisition risk was assessed as critical this year given the Group's current projects.

b) Strategy and market risks

Market downturn

Risk factors

Broadly speaking, a major crisis impacting the financial markets or unfavorable trends in macro-economic indicators could potentially restrict the Group's ability to attain its objectives and continue its development.

The Group's growth and financial results may be adversely affected by a general downturn in the IT services and related consulting sector or in one of Capgemini's other key client business segment (such as financial services, banking and insurance).

The general economic context and more precisely restrictions affecting public bodies in the various countries subject to budgetary efforts, may weigh on the Group's revenues and operating margin. A continued slowdown in the activity of certain economic sectors in which our clients operate would also limit their ability to invest and accordingly impact the results of the Group.

Conversely, a period of slowdown in one or more key Group markets could offer opportunities, if financial institutions in the widest sense decide to increase cost cutting programs by investing in digitizing their key processes.

The possibility of a business downturn, whether global or regional, increases with geopolitical tension in different areas of the world (e.g. protectionist measures or trade tensions between the United States and China). In this respect, the situations in the United Kingdom following recent voting results, could have a negative impact on the European or global economy and market conditions. Brexit could contribute to instability in the financial markets and the international foreign exchange markets, with notably increased volatility in the pound sterling or euro. Brexit could, furthermore, generate legal uncertainties and potentially changes to UK laws and regulations, as the country decides which European Union laws to copy or replace. Each of these impacts, as well as other impacts not anticipated by the Group, could have a negative impact on its activities, operating performance, financial position and cash flow generation.

Risk management systems

The Group monitors and anticipates, as far as possible, macroeconomic developments at global level, by closely monitoring company trends in the markets where it operates, as well as analyzing the potential impacts of these changes on its own businesses and those of its clients.

While a substantial proportion of the Group's operations depends on its clients' investment capacity, the fact that the Group is organized around medium-sized Business Units close to their target market allows for rapid responsiveness to changes in the business environment.

The Group regularly monitors Brexit developments, so as to take appropriate measures to mitigate these risks based on decisions taken by the relevant countries and the European Union.

A crisis management plan was prepared in 2019 in order to specifically control the effects, particularly financial, of a major crisis leading to a global market slowdown that could affect the Group.

Country risks, political violence and natural disasters

Risk factors

Capgemini has permanent operations in approximately 40 countries. The bulk of its revenues are generated in Europe and North America, which are relatively economically and politically stable. Its Rightshore® production model involves transferring production of part of the Group's services to sites or countries other than those in which the services are used or in which the Group's clients are located and particularly India (which alone accounts for over 50% of the Group headcount), Poland, China, Guatemala, Morocco and other Asian and Latin America countries.

This operating method may increase the risk of business interruption at a given production site following a natural disaster, the likely occurrence of which rises with climate change, or due to an incident making it difficult or impossible to access telecommunication networks. Political violence in a country or region, or a geopolitical crisis simultaneously impacting several Business Units could be a source of risk for the Group's performance and reputation.

Risk management systems

The Group has implemented rigorous monitoring of its major clients with the aim of identifying, as early as possible, the faintest of signals from the markets where it operates and more directly from its clients, certain of which are more exposed than others to geopolitical risks.

In addition, the use of a large number of production sites across the globe reduces business interruption risk by favoring backup solutions. Production systems and services provided by the Group to its subsidiaries are duplicated and covered by back-up plans that are tested. For example, in the same way as other Group entities, the Group's Indian subsidiary has set-up a Business Continuity Management (BCM) structure, that ensures service continuity using ISO 22301 compliant measures. This has allowed it to launch the ISO 22301 certification process at all Indian sites.

Telecommunications networks used by the Group are duplicated in cases where offshore production resources are deployed. In the event of a breakdown in the preferred (fastest) communications network between Europe and India, service continuity is ensured by tried and tested alternative routes.

Finally, Capgemini has implemented an audit program of internal and external risks at its operating sites, in partnership with an external consultant, covering environmental, health and safety issues for people and buildings. This program is being roll-out progressively, focusing initially on the Group's main sites across the globe. Audit recommendations are then monitored by the site management team.

Please refer to Section 4.1.3.1 for more information on this risk's management system.

Failure to adapt the services portfolio

Risk factors

The adaptation of Capgemini's service portfolio to rapid market changes could be too slow. Nonetheless, major technological changes such as the cloud, digitalization of key processes, big data and artificial intelligence, offer real opportunities for the Group.

Risk management systems

By regularly adapting and renewing the portfolio of service offerings, a specific focus is placed by the Group on incorporating technological developments and new client requests. The Group implements several processes to assess and integrate the relevant technological developments and new client requests. In certain cases, these technologies and the related expertise are acquired through external growth transactions. For instance, the group has recently acquired companies specializing in services related to cyber security, digital transformation in various industrial and technological fields, and digital marketing.

Partnerships are also forged with universities, schools, research centers, start-ups and independent experts.

In addition, training programs are rolled-out within the Group to guarantee perfect knowledge of these technologies and respond to our clients' needs.

Finally, as part of the roll-out of the LEAD project, aimed at optimizing the Group's organization and governance, the global business lines were tasked with defining and steering the service offerings. This new structure will provide the Group with the agility necessary to incorporate changes in client and market expectations and adapt our service offering accordingly.

Major acquisition risks

Risk factors

Capgemini regularly acquires companies of varying sizes to strengthen its presence in certain markets or complete its service offering.

Acquisitions always comprise a level of risk, that may be tied to the financial solidity of the target, the complementarity of the businesses or the integration of its activities within Capgemini. In particular, the integration process may prove more complex than predicted, only produce a portion of the expected synergies (financial, commercial, technical or human, etc.), lead to the departure of key employees, mobilize significantly the teams involved and, ultimately, not reach the objectives set and negatively impact the Group's financial results.

Even if Capgemini has successfully completed a large number of acquisitions, the combination with Altran will increase post-integration risk due to the size of the transaction.

Risk management systems

The Merger & Acquisitions Committee, chaired by the Chairman and Chief Executive Officer, examines acquisition projects in the course of identification, selection, assessment or negotiation.

Prior to each acquisition project, the Group performs due diligence procedures, notably to analyze the potential exposure of the target to the Group's critical risks, with the assistance of external consultants. These audits cover both financial aspects and the valuation of the target, as well as tax and legal, human resources, governance, compliance and ethics issues.

An integration plan is drawn-up for every acquisition, to anticipate and monitor all key steps of the process, from a strategic, operational, financial and human perspective. Integration plans for major acquisitions are presented to the Group Executive Board.

c) Operational risks

Loss and lack of competitiveness

Risk factors

In a highly competitive environment, constantly adapting production capacity to changes in the order backlog (type and complexity of projects, location of projects, client requests for increasingly short engagement completion periods) is a major challenge for a service group such as ours. If we take longer than our competitors to implement these adjustments, or we do so under less favorable conditions, our financial results could be impacted.

In this context, the Group pays close attention to various identified risk factors, an increase in which could limit the ability to adapt the Group's production tool. Identified factors include limitations currently imposed by certain countries, including the United States, on the location of certain resources in its territory, as well as regulatory changes in certain countries, notably concerning compensation issues. Technological developments could make it more difficult to secure specialist resources, increasing the cost of these rare profiles.

More generally, the Group could be unable to control changes in its cost base, materially impacting the overall profitability of its operations.

Risk management systems

The definition of a good productivity level for our production centers is a major issue for the Group. Several initiatives, processes and structures exist within the Group to meet this challenge, at both human resource and systems levels.

In terms of governance and organization, the LEAD project places greater responsibility on managers to know their markets and clients, enabling them to adapt their production capacity more rapidly to changing situations.

At the process level, technology plays a key role in the Group's ability to increase industrialization of certain low added-value tasks. To this end, initiatives concerning the main production centers (India, Poland, etc.) were recently deployed to increase production capacity automation and agility.

Major delivery service failure

Risk factors

Difficulties in performing services under contractual commitments given by the Group to its clients and/or the associated costs could be underestimated. This may result in cost overruns not covered by additional revenues, especially in the case of fixed-price contracts, or reduced revenues without any corresponding reduction in expense in the case of certain outsourcing contracts where there is a commitment to provide a certain level of service.

Despite the stringent control procedures that the Group applies in the project performance phase, it is impossible to guarantee that all risks have been contained and controlled. In particular, human error, omissions, and infringement of internal or external regulations or legislation that are not, or cannot be identified in time, may cause damage for which Capgemini is held liable and/or may tarnish its reputation.

Risk management systems

The Group has developed a range of methods, organized and documented in its DELIVER methodology, in order to ensure the high quality performance of client projects. Project managers receive specific training to develop their expertise and obtain certification levels consistent with the complexity of projects entrusted to them. The Group continues its active policy of external certification of its Business Units (CMM, ISO, etc.).

Project performance monitoring satisfies the management and control procedures defined by the Group, with projects classified as "complex" subject to more specific controls. Internal Audit also verifies the application of project management and control procedures. At the initiative of the Production/Methods and Support Department, specialist teams of experts audit projects considered high-risk or facing performance difficulties.

The Group has devised a formal process to identify and control risks associated with the delivery of projects ordered by clients, from pre-sale to acceptance and payment by the client of the last invoice for the project. In a simplified approach, this process differentiates between:

1. Pre-sale risk control

Decisions to commit the Group to commercial opportunities and particularly fixed-price projects and in Outsourcing (long-term commitments, sometimes involving transfers of assets, staff and the related obligations) are subject to risk analyses and an approval process adapted to their size, complexity and expected risk exposure. Opportunities meeting pre-defined size and complexity criteria are the sole responsibility of the Group Review Board. A specific review of risks relating to the performance of these projects is presented to the Group Review Board.

The risk analysis is produced by Business Risk Management teams present at the different Group levels. It is performed using a reporting and monitoring tool covering all commercial opportunities and involves the validation, during the sales process, of the main technical, financial and legal characteristics of the contract.

2. Production and quality control

The Group has approved policies for monitoring the proper performance of contracts that are applied throughout the life of the project to ensure that it runs smoothly.

The main policies include a clear definition of the roles and responsibilities of each individual, throughout the entire production process, regarding performance (use of Group production methodologies, access to the expertise available in the applications development centers), supervision (monthly inventory of all "at-risk" projects), client relationship management, billing, estimation of costs to completion, joint oversight arrangements with the client, or, where applicable, independent technical audits conducted by the Production/Methods and Support Department to complement the upstream independent technical audits carried out by the Business Units.

In addition, the Group conducts specific reviews (known as "flying squads") of projects in difficulty or potentially presenting a higher level of risk.

3. Business control

Depending on its size, each Business Unit has one or more project financial controllers whose role is to:

- monitor the financial aspects of each project and primarily the related production costs compared to the budget initially approved. Progress reports and management indicators are built into the monitoring process, which relies mainly on the periodic analysis of estimated costs to completion and their accounting impact;
- permanently control compliance with contractual commitments – particularly billing and payment milestones. In case of a significant deterioration in key financial performance indicators, the Group may conduct specific reviews (known as "flying squads").

d) Security risks

Cyber risks

Risk factors

Digital technologies (Cloud computing, mobility, connected devices and artificial intelligence, etc.) and their professional and personal use (social networks, Software-as-a-Service – SaaS, collaborative working – DevOps, and sharing code and data, etc.) inevitably expose the Group to new risks.

Malicious parties (individuals, organizations or even States, etc.) are increasingly active with more and more sophisticated means. They test and challenge the security of our internal IT systems and those of our clients and any cybersecurity failures could have an extremely negative impact on our reputation. Human error is also possible, as is employee non-compliance with Group rules, facilitating malicious acts.

Risks relating to all kinds of cyber criminality could lead to the loss or disclosure of data, delays in the delivery of our projects, service interruptions at our clients, or additional costs that could impact the reputation or financial health of the Group.

Risk management systems

The Group continuously ensures the security of its tangible and intangible assets and compliance with its contractual commitments and any applicable legislative and regulatory provisions. It works to implement, with stakeholders, necessary and tailored preventive/protection and detection/reaction measures.

To this end, the Group's Cybersecurity Department is tasked with anticipating, preventing and mitigating cyber risks impacting internal information systems and projects conducted for our clients. The cybersecurity strategy defined for the Group has three risk management pillars: internal and external threats, external infrastructure vulnerabilities visible from the internet and compliance with laws and regulations governing cybersecurity (e.g. network and information security (NIS) Directive of July 6, 2016) and data protection (e.g. GDPR European regulation of April 14, 2016).

This dedicated structure is headed by the Group Chief Technology Officer (member of the Group Executive Board).

This Department manages these cyber risk exposures and has three subunits dealing with measures relating to the definition of technology architectures and standards (responding to threats), the implementation of tailored governance (organization, guidelines and policies, awareness-raising and communication, control plan and transversal projects) and security operations (cyberattack detection, threat and incident management).

The Group's Cybersecurity community has three categories of stakeholder:

- the Group Cybersecurity Officer and his team, who oversee the above three areas;
- the Chief Information Systems Security Officers in the Business Units, who are responsible for the deployment of the strategy and policies in the service offering, client projects and internal information systems;
- the Cybersecurity Officers in the Business Units in each country where the Group operates, who support the Business Units and liaise with local authorities.

Specifically, the Group has implemented business continuity procedures in the event of a cyberattack or interruption to IT services. The main IT management systems are covered by back-up plans in different data centers. The Group is highly vigilant about internal communication network security and protects its networks *via* security rules meeting international standards, proactive controls and tests, a cyberattack detection center operating continuously and specific technical equipment such as firewalls used 24/7 (firewalls, anti-malware, access controls, encryption etc.).

The cybersecurity policy is defined and rolled out uniformly in all Group entities. It includes aspects of the NIS Directive and is founded on international standards (notably NIST (National Institute for Standards and Technology) guidelines) and global and local procedures (e.g. operational sites have a minimum ISO 27001 certification). This security policy and the back-up plans are validated, updated and audited periodically.

A mandatory cyber risk awareness-raising and training program covers all employees, to ensure common rules and discipline are respected across the Group.

For some projects or clients, enhanced systems and network protection are provided on a contractually agreed basis.

In addition, a large number of our clients have been identified as operators of vital importance by their national authorities. Certain clients are or will also be identified as operators of essential services (OES) under the NIS Directive. The security of their information systems must therefore be approved by the national authorities and our Group, as a major sub-contractor, must also comply with these regulations.

To meet global and transversal cyber threat challenges, the Group has implemented a steering program grouping together the efforts of four central functions (IT, Cybersecurity, Delivery and Purchasing). These functions work together on key projects to strengthen cybersecurity: system vulnerability and obsolescence management, roll-out and control of policies, supervision of workstations, data protection. A monthly report is presented to the Group Executive Board.

Personal security and occupational safety risks

Risk factors

Capgemini's employees are its primary asset: they are key to the Group and their security is fundamental.

The Capgemini group operates in countries able to offer satisfactory guarantees in terms of individual security. Nonetheless, for certain clients, employee may travel to countries that are geopolitically unstable or to dangerous regions where there is a risk to their physical integrity.

Furthermore, sudden external or serious events (natural disasters, terrorist attacks, popular uprisings or civil war, acts of banditry, epidemic, even pandemic, etc.) could occur anywhere in the world, placing the safety of individuals at Group sites, on client premises or in transit, in danger.

As indicated in the Section "Country risks, political violence and natural disasters", more than 50% of the Group headcount is located in India. Close attention is given regarding healthcare and people security issues associated with natural events, such as floods, or the risk of political violence.

In addition, terrorist risks exist throughout the world and particularly in France where the Group is headquartered.

Risk management systems

At operating level, entity managers are responsible for the security of their own employees and employees made available to them. The Group has implemented several measures to limit the impact and occurrence of risks to individual safety.

Accordingly, work on client engagements in certain countries classified as "at risk" is subject to approval by the Group Review Board. Rules and procedures have been drawn up for "at risk" territories in which the Group conducts engagements in order to satisfy the demands of its major clients.

In addition, specific contracts have been agreed with organizations specialized in managing these risks to assess independently the risk exposure in each country. Accordingly, some countries are subject to strict travel bans. The risk is reassessed continuously based on the geopolitical position and warning systems are used to inform employees of country risks.

All employees working in a foreign country receive specific training to raise awareness of specific situations to be taken into account during the foreign assignment.

Risk analysis

All employee trips to high-risk countries are closely monitored and compliance with the various clearly defined protocols and communiques is verified.

The Group also monitors access security to its building and those of its clients.

Finally, a dedicated worldwide insurance program with a specialist company, provides assistance to all employees covering their security, medical emergencies and potential repatriation (see Section 3.3 "Insurance").

For more information on the Group's Health and Safety at work policies, please refer to Section 4.1.1.4 of this document.

e) Legal risks

Data protection failure

Risk factors

The Group must comply with various international and local regulations regarding data privacy protection. With the constant increase in projects to digitize the key businesses of our clients, those clients are seeking increasingly strong guarantees from the Group covering the risk of failure to protect data. This is exacerbated by increased regulatory pressure in this area, not only due to the entry into effect of the European data protection regulation in May 2018, but also due to the adoption of similar legislation by numerous countries outside the European Union.

The Group could be held liable in the event of non-compliance with applicable data protection rules or the voluntary or involuntary disclosure of all or part of personal data belonging to a client or third-party. Data privacy protection authorities could also impose financial penalties, exposing the Group to financial and reputation risk.

Risk management systems

To mitigate increasing data protection risks, the Group continues to strengthen its compliance program through a range of procedures and policies and with the support of its dedicated structure.

The Group Data Protection Officer (GDPO) defines and implements the data protection program. The GDPO is supported by a network of Data Protection Officers and Data Protection Champions, representing the functions and the Global Business Lines. This network ensures that the various data protection obligations are communicated and respected across the Group.

The Group has implemented a range of policies and procedures to ensure compliance with applicable data protection regulations. In 2016, the Group adopted the Binding Corporate Rules (BCR) validated by all European data protection authorities. In January 2019, the Group updated the BCR and communicated the new version to the French data protection authority, to ensure compliance with the new regulatory requirements. The Group's overall policy is founded on the commitments given by Capgemini in the BCR. These commitments are broken down into procedures and guidelines to enable their implementation. The Group thereby ensures that any personal data processing, performed either on its own behalf or that of its clients, incorporates data protection restrictions. Similarly, during acquisitions or on the launch of a new business line, the Group performs a focused due diligence review of the target or an analysis of the activity as well as of applicable regulations.

Finally, for a compliance program to be effective, employees must be properly trained in data protection issues and challenges. We have therefore rolled out a highly successful training program for

all employees and more specific programs for each of the Group functions.

Major contract exposures and liabilities (pre-sale and service delivery)

Risk factors

The Group has entered into and signed numerous contracts and extensions to existing contracts and is not therefore immune from litigation and legal action.

The Group operates in a competitive environment. Contractual risks may notably arise when the Group's liability for failing to fulfill certain obligations is unlimited, or any limits on liability are disproportionate, on the acceptance of financial guarantees, when there is no liability protection clause in relation to services affecting health and safety or the environment, and when the rights of third parties are not respected.

In a constantly changing regulatory environment, the significant proportion of projects to digitize clients' key businesses exposes the Group to new liability. These risks concern data protection and security (see Data protection privacy failure, Section 4.2.2 of this document) and the development of new service offerings (artificial intelligence, Internet of Things, big data, etc.)

Finally, this risk can also stem from unfavorable conditions inherited from prior contracts negotiated by targets acquired by Capgemini and difficulties in adapting these ongoing contracts.

Risk management systems

The Group has established Client Contract Negotiation Guidelines, which identify clauses exposing the Group to risk and require information to be reported to the Legal Department and its approval in the event of derogation from accepted standard positions. Criteria determining when it is necessary to report to the Group Review Board have also been defined for contracts identified by the Group as presenting a high level of risk due to their size or complexity. The Group Review Board is the only entity authorized to approve derogating clauses following a thorough review of the potential impacts.

During the pre-sale phase, the Business Risk Management dedicated structure is in charge of analyzing the risks associated with the most complex projects, including their contractual terms. Throughout the contract term, it regularly assesses the risks identified during this phase and oversees implementation of the action plans defined, under the responsibility of the Business Units. The review process for replies to tender offers has been strengthened, with notably the addition of a review of contractual and operating risks and the identification of mitigating measures to be implemented.

A procedure has been implemented for reporting information to the Group Legal Department on actual and potential litigation and other disputes and government inquiries. A network of dedicated jurists has been created to accompany the Global Business Lines, global accounts, the negotiation of major contracts and the Group's activities in the Financial Services sector.

There are no governmental, legal or arbitration proceedings, including any proceedings of which the Group is aware, that are pending or liable to arise, which are likely to have or have had in the past 12 months a material impact on the Group's financial position or profitability other than those that are recognized in the financial statements or disclosed in the notes thereto (see Note 26 to the consolidated financial statements).

Adverse changes and/or non-compliance with laws and regulations

Risk factors

The Group is a multinational company operating in several countries and providing services to clients who, in turn, operate around the world and are subject to numerous and constantly changing laws and regulations. These mainly include, for example, anti-corruption laws, import and export controls, competition laws, data protection regulations, sanctions, immigration rules (the Group's ability to relocate resources abroad to serve projects), safety obligations and employment legislation, or any changes to taxation (e.g. transfer pricing).

The sheer diversity of local laws and regulations applicable and the constant changes therein, exposes the Group to a risk of infringement of such laws and regulations by under-informed employees especially those working in countries that have a different culture to their own – and to the risk of indiscretion or fraud committed by employees. As stringent as they may be, the legal precautions taken by the Group both at a contractual and an operational level to protect its activities or to ensure adherence by employees to internal rules can only provide reasonable assurance and never an absolute guarantee against such risks.

Risk management systems

The Group has a Legal Department with an established presence in the main geographic areas. Its role is to monitor changes in legislation relevant to the Group's contractual and corporate activities and provide training in the main legal issues.

The Group has also adopted a Code of Business Ethics, a Competition Law policy and an Anti-corruption policy. Capgemini calls on a network of Legal Counsels who double-up as Ethics & Compliance Officers and participate in identifying risks and train and monitor employees in order to contribute to compliance.

Furthermore, to meet the requirements of the French Law no. 2016-1691, known as the Sapin 2 law, Capgemini continues to implement measures and procedures to prevent and detect, in France and elsewhere, acts of corruption or influence peddling. In 2019, the Group notably mapped anti-corruption risks and implemented an 11-point action plan to further strengthen controls in certain areas. Capgemini also mapped risks in most countries where the Group operates. As part of constant improvement efforts, Capgemini also strengthened the whistle-blowing procedure, held face-to-face training sessions on anti-corruption risks and finalized a sanction and third-party anti-corruption policy.

For more information on the Group's ethical risk management and compliance policy, please refer to Section 4.2 of this document.

For more information on the Group's ethical risk management policy, please refer to Section 4.2 of this document.

f) Human resources risks

Failure to attract, develop and retain and/or loss of key talents and executives

Risk factors

The vast majority of the Group's value is founded on its human capital and its ability to attract, train and retain employees with the technical expertise necessary to the performance of the projects on which they work. In particular, this requires a strong reputation in the employment market and ensuring fair appraisal and promotion procedures as well as the professional development and retention of our employees.

The development of new services based on mastering new technologies (cloud, digitalization, artificial intelligence, etc.) in a highly competitive environment, can create tension in the talent market for certain profiles or expertise.

The loss of talent or a team could also follow accidental events, after an acquisition or a change in Group or entity management.

Similarly, the Group could be affected by the accidental and/or unexpected departure of experienced managers, impacting the governance of certain activities or the operational management of projects conducted for the Group's strategic clients.

Figures concerning, in particular, the attrition rate, changes in headcount, career management, the development of expertise, building employee loyalty and the level of employee commitment are presented in Section 4.1.1 of this document.

Risk management systems

The Group pays close attention to internal communication, diversity, equal opportunity and good working conditions and to the quality of its human resource management and employee commitment. The Group has therefore rolled out globally a continuous internal survey (Pulse) aimed at measuring commitment and expectations among the Group's employees. This survey is an appraisal tool and action plans are established based on identified results.

Furthermore, our human resources management information system rolled-out globally by the Group Human Resources Department ensures the comprehensive management of all processes concerning the management of high-performing individuals and enabling a uniform approach to monitoring performance, compensation packages, the career plans of our employees, the management of international mobility and succession plans, in a manner consistent with the strategic objectives of the Group and the interests of our clients.

The Group has implemented several measures to limit the impact and occurrence of risks to individual safety. (See Personal security and occupational safety risks, Section 4.1.1.4 of this document).

For more information on the Group's human resources policies, please refer to Section 4.1.1 of this document.

Unethical behavior and misconduct

Risk factors

Our fundamental values of trust and honesty are historically embedded in the Group's culture. Our professional reputation is founded on these ethical values and principles.

Despite all the measures implemented and constantly updated, the Group is not immune to inappropriate behavior by employees and managers, in areas of human rights, commercial practices, harassment and discrimination. These actions could cause lasting damage to the Group's reputation. The Group therefore constantly educates, controls and empowers its employees so that they live according to its values and ethical principles and in accordance with its policies and the law.

Risk management systems

Capgemini communicates regularly on the Group's values and its "zero tolerance" policy towards unethical behavior. Frequent training sessions are held to raise the awareness of all employees and managers of appropriate behavior both in the company and with external stakeholders.

The Group adopted a Code of Business Ethics and these ethical compliance rules are stated in the Group's Code of Conduct and covered by specific internal communication and training programs. From this perspective, the Code of Business Ethics represents the continuation and formal documentation of cultural reflexes already firmly embedded in Capgemini. The Group has historically defined and deployed a specific policy dealing with the prevention of corruption, that was updated in 2018 on the implementation of the Sapin 2 law, and another policy covering competition law. All new recruits are asked to undertake to comply with the principles explained in these two policies and follow an e-learning training course thereon. Furthermore, these expected behavior rules are accompanied by disciplinary measures that could be applied in the event of proven misconduct.

The Group's Ethics Department has also set-up an ethical helpline, SpeakUp, for employees and external third parties to report unethical behavior. Any reports are investigated by the Ethics Department.

For more information on the Group's ethical risk management policy, please refer to Section 4.2 of this document.

g) Reputation risks

Crisis management failure and reputation risk

Risk factors

Numerous events of varying nature (performance issues on major or sensitive projects, information system security breaches and/or failure to protect data privacy with the disclosure, voluntary or not, of confidential information, unethical employee behavior, accident involving a breach of individual security within Capgemini, etc.) could arise and provoke a major crisis for the Group.

The Group has significant media exposure (in traditional media, social media, etc.) and a failure in the crisis management process (late decision or reaction, failure to reply to the media, etc.) could seriously damage the Group's reputation and impact its credibility and image with clients and third parties in general, and accordingly its ability to main or develop certain activities.

Risk management systems

All the risk management systems set out in this document and mainly those relating to employee safety, project performance, information systems and service continuity, contribute to preventing the risk of a crisis and significantly reduce the Group's exposure to reputation risk.

In particular, since 2011, the Group has implemented a solution for measuring and monitoring conversations on Group brands on social media. Internal social media are also monitored in order to best respond to employee comments. Finally, in order to strengthen governance rules covering the activities of Group employees on internal and external social media, a social media code of conduct was also drafted and is freely available on the Group's website.

As a listed company on the Paris Stock Exchange and a global leader in its business sector, the Group is frequently called upon by the media and the financial community to provide information on its activities. Therefore, to control and limit risks to its reputation, only persons duly authorized by Group Management are permitted to speak on behalf of the Group.

Finally, the Group has drafted a comprehensive crisis management plan to reduce its exposure to reputation risk in the event of a major crisis. This plan is currently in the test phase prior to its roll-out Group-wide.

h) Financial risks

Liquidity risk

Risk factors

Liquidity risk for the Group could correspond to a temporary or permanent inability to fulfill all or part of its commitments in respect of its financial liabilities (including in particular borrowings and accounts and notes payable) or the inability to find new sources of financing in order to maintain the balance between revenue and expenditure, continue its activities and undertake the necessary investments for its development.

Financial liabilities whose early repayment could expose the Group to liquidity risk mainly consist of outstanding bonds issued by Capgemini SE and some commitments in respect of employee liabilities.

Risk management systems

The majority of Group financing is borne by the parent company and, as such, implementation of the financial policy is largely centralized. The Group adopts a prudent financial policy based primarily on:

- prudent use of debt leveraging, coupled with limited use of any clauses that could lead to early repayment of borrowings;
- the maintenance of an adequate level of liquidity at all times;
- the active management of financial liability maturities, aimed at limiting the concentration of borrowing maturities;
- using diverse sources of financing, allowing the Group to reduce its reliance on certain categories of lenders.

In this context, the Company undertook a specific review of its liquidity risk and considers it is able to meet future scheduled payments (see Note 22 to the consolidated financial statements).

Foreign currency risk

Risk factors

The Group is exposed to two types of currency risk that could impact earnings and equity: risks arising in connection with the consolidation process on the translation of the accounts of consolidated subsidiaries whose functional currency is not the euro, and currency risks arising on operating and financial cash flows which are not denominated in the entities' functional currency.

The significant use of offshore production centers in India, but also in Poland, China and Latin America, exposes Capgemini to currency risk with respect to some of its production costs. Capgemini SE is also exposed to the risk of exchange rate fluctuations on inter-company financing transactions and royalties paid to the Group by subsidiaries whose functional currency is not the euro (see Note 24 to the consolidated financial statements).

Risk management systems

The Group implements a policy aimed at mitigating and managing foreign currency risk:

- production cost risks primarily concern internal flows with India and Poland. A hedging policy is defined by the Group. Its implementation is mainly centralized at Capgemini SE level and primarily involves forward purchases and sales of currency;
- financial flows exchanged as part of inter-company financing activities are primarily centralized within Capgemini SE and are mainly hedged (primarily using forward purchases and sales of currency);
- royalty flows payable to Capgemini SE by subsidiaries whose functional currency is not the euro are also generally hedged.

Counterparty and credit risk

Risk factors

Capgemini group is exposed to credit and counterparty risk in respect to its asset financial instruments, which depend particularly on the debtor's ability to fulfill all or part of its commitments (see Note 20 and Note 24 to the consolidated financial statements).

Financial assets which could expose the Group to credit or counterparty risk mainly relate to financial investments and accounts receivable. The hedging agreements entered into with financial institutions pursuant to its policy for managing currency and interest rate risks also expose the Group to credit and counterparty risk (see Note 24 to the consolidated financial statements).

Risk management systems

The investment policy authorizes the investment of cash surpluses in money market mutual funds (FCP and SICAV) satisfying the "monetary" classification criteria defined by the French Financial Markets Authority (AMF) and other types of investment (negotiable debt securities, term deposits, capitalization contracts) immediately available or with investment periods, potentially renewable, not exceeding three months, issued by companies or financial institutions with a good credit rating (minimum A2/P2 or equivalent). The Group also applies maximum concentration per counterparty rules.

The Group abides by similar risk quality/minimum rating and diversification rules when selecting counterparties for foreign currency and interest rate management hedging contracts.

Equity risk

Risk factors

For the Group, equity risk would consist of unfavorable movements in the stock market value of listed companies in which the Group holds investments.

However, the Group does not hold any shares for financial investment purposes and does not have any interests in listed companies. However, under its share buyback program, it may purchase, hold, sell or present its own shares or enter into derivatives in its own shares (see Note 12 to the consolidated financial statements).

Risk management systems

The Cash surplus investment policy defined by the Group Finance Department and documented in the internal manual (TransFORM), prohibits all equity investments. The proper application of this policy is regularly controlled by the internal auditors.

With a few exceptions, the Group holds the entire share capital of its subsidiaries and does not hold any listed equity investments excepted Altran shares as part of the proposed acquisition of the Altran Technologies group.

Capgemini has a share buyback program authorized by its Shareholders' Meeting. In this context, the Board of Directors decides (with the power of sub-delegation) the implementation of the share buyback program. The value of these treasury shares is deducted directly from Group equity and fluctuations in the Capgemini share price do not impact its results.

Interest rate risk

Risk factors

The Group's Income Statement could be impacted by interest rate risk if unfavorable movements in interest rates had a negative impact on future net finance costs and financial flows of the Group.

The Group's exposure to interest rate risk must also be considered in light of its cash position. The liquidity at its disposal is generally invested at floating rates, while the Group's debt – primarily comprising bond issues – is nearly entirely at fixed rates (see Note 24 to the consolidated financial statements).

Risk management systems

As part of its financing policy, the Group seeks to restrict interest rate risk by opting for fixed rates for a large part of its debt.

The Group favors investments offering a high level of security and generally floating-rates and as such accepts – in the event of a fall in interest rates – the risk of a drop in returns from the investment of cash surpluses (and as such an increase in the finance cost differential).

Risks relating to employee liabilities

Risk factors

Capgemini's consolidated financial statements could be impacted by provisions for pensions and other post-employment benefits related to defined benefit plans, which are also subject to volatility. Furthermore, the Group could be faced with calls for funds to make-up pension fund shortfalls, over a short or long-time period, potentially deteriorating its financial position.

The main factors of volatility risk are fluctuations in interest rates and more generally the financial markets, as well as inflation rates and life expectancy.

The plan assets of the main schemes whose risks have not been transferred to the insurance market are managed by the trustees of each fund and invested in different asset classes (including equities). They are subject to market risk, as well as the performance of the management policy defined by the trustees, implementation of which can in certain cases be delegated. Under these conditions, plan assets may be less than the present value of pension obligations, reflecting a funding shortfall or deficit. Changes over time in assets and/or liabilities are not necessarily in the same direction and are eminently volatile and can increase or decrease the funding asset/liability or the resulting deficit. Nonetheless, the potential economic impact of these changes must be assessed over the mid- and long-term in line with the timeframe of the Group's pension and other post-employment benefit commitments (see Note 25 to the consolidated financial statements).

Risk management systems

The Group strives to maintain a governance structure and management resources appropriate to the risk profile of its main pension funds. The investment strategy for these pension funds, encompassing the management of assets and liabilities, is reviewed and monitored periodically. It seeks, in particular, to reduce volatility and make-up any shortfalls over a period consistent with the average

duration of employee liabilities, through contributions and the return on plan assets. Increased life expectancy is taken into account as and when it is recognized by actuaries.

Group commitments to fund pension and other post-employment benefit shortfalls comply with local regulations.

Certain risks are transferred to the insurance market.

3.2.2 Corporate & Social Responsibility Materiality Assessment

Materiality Review

Our success depends on our ability to work constructively with our stakeholders, to improve outcomes for all. We rely on the knowledge and insight that stakeholders can bring to support robust business decisions. This ongoing dialog helps us to provide the services our clients need, and act as a responsible business.

Since 2018, we have built on the stakeholder engagement process we have been evolving over the past few years, most notably with the development of a new materiality assessment. In line with IIRC Integrated Reporting Framework, we consider economic, social, environmental and governance topics to be “material” if they have, or may have, an effect on our ability to create or protect value. This is determined by considering their effect on our strategy, governance, performance or prospects. A materiality review helps organizations to identify and rank the topics that matter and ensure these are built into decision-making, strategy and governance, as well as bringing focus and relevance to reporting.

We have taken five key steps to evolve our materiality review since 2018:

1. we reviewed and expanded our list of potentially material topics developed in 2017, through a process of analyzing industry and reporting guidelines (including IIRC, GRI and SASB), conducting media and peer reviews and assessing our potential to impact the UN Sustainable Development Goals and targets. We also evaluated the alignment of these topics and definitions

with our Group Risk Management approach including risk mapping;

2. the findings of this process were validated by an expert Steering Committee, made up of senior executives, with clear definitions agreed for each topic;
3. we gathered external stakeholder perspectives on these topics through interviews with key stakeholder groups (clients, investors & analysts, business partners, NGOs & charity partners), with a focus on understanding their views on the importance and ranking of topics in their relationship with Capgemini;
4. we gathered internal stakeholder perspectives from the Steering Committee and a sample of employees representative of the Group’s demographics, through surveys and questionnaires, with a particular focus on assessing the potential impact of each topic on Capgemini’s ability to create and protect value;
5. the findings from this process have been validated and taken forward by the Steering Committee, and are an important input both for this report and the Group Integrated Report.

The Group risk mapping was updated and validated in 2019, with a specific focus on Corporate, Social and Environmental Responsibility issues. There has been no significant change in the criticality of these Corporate, Social and Environmental Responsibility risks since 2018, and materiality is therefore assessed as identical.

In addition to the critical risks described in Section 3.2.1, the following material topics are covered in Chapter 4.

CSR Axe	Material topics (from 2018 materiality assessment)	Description	Reference
People & Diversity	People Engagement	Providing an engaging working environment, where people are empowered to share their views and engaged in purposeful work	4.1.1
	Diversity & inclusive environment	Diversity encompasses different cultural identities, ethnic and social origins, sexual orientation, ideologies and lifestyles, as well as gender equality. Inclusion means building a workplace culture where everyone can feel valued, included and empowered	4.1.1
Digital inclusion	Digital inclusion and contribution to local development	Programs to develop access, adoption and application of technology to a broad audience and help societies address the impact of the digital revolution. Contributing to development of local communities, including through employment, knowledge transfer and education, philanthropy, volunteering and fundraising	4.1.2
Environmental sustainability	Climate change	Climate change strategy & resilience: including minimizing carbon impacts and building resilience to adapt to climate change	4.1.3
	Environmental Management	Minimizing environmental impacts, including those from energy use, business travel, waste (particularly e-waste) and water	4.1.3
	Helping Clients Deliver their Sustainability Objectives	Services that support clients in their own sustainability programs	4.1.3
Duty of Care	Responsible procurement	Ensuring suppliers comply with social, ethical and environmental standards, including protecting human rights and preventing modern slavery	4.3

3.3 Insurance

The Group risk management and insurance policy encompasses the identification, assessment, prevention, protection and transfer of all or part of the risks relating to individuals, assets and equipment under the Group's responsibility. The Group's strategy for transferring risks to the insurance and reinsurance market is to adjust insurance coverage to reflect the estimated maximum exposure to each of the Group's major risks: the maximum replacement value of assets to be insured, or in the case of liability insurance, an estimate of its own risks and reasonably foreseeable third party risks in its business sector. Account is taken of local insurance obligations, legislation and specific risks in each country and the emergence of new risks, as well as changes in major exposure, particularly under contracts

signed with clients. Deductibles and retentions are set so as to encourage Business Unit managers to commit to risk prevention and protection and seek out-of-court settlement of claims, without exposing the Group as a whole to significant financial risk.

The Group Insurance Department reports to the Group Finance Department and is responsible for the design, placement and monitoring of all non-life insurance policies. The management and coordination of employee benefits insurance is overseen by a joint governance body representing the Finance/Insurance Department and the Group Human Resources Department.

Commercial general liability and professional indemnity

This insurance program, which is key for clients, is designed, taken out and managed centrally at Group level. Capgemini SE and all subsidiaries in which it has a stake of 50% or more (direct or indirect control), are insured by a worldwide integrated Group insurance program covering the financial consequences of their commercial general liability and professional indemnity, *i.e.*, any damage caused to third parties within the course of our usual business activities, anywhere in the world. This insurance program is structured in layers contracted with highly reputable leading insurance companies.

The terms and conditions of this program, including coverage limits, are periodically reviewed and adjusted to reflect changes in risk exposure, due particularly to legislation, the Group's activities, new countries where Capgemini operates and changes in client contracts, as well as changes in the worldwide insurance and reinsurance markets.

The €20 million primary layer of this program is reinsured through a consolidated captive reinsurance subsidiary and has been in operation for several years.

Property damage and business interruption

The Group has set-up an integrated property damage and business interruption insurance program covering all of its subsidiaries worldwide. Its real estate policy is to rent rather than to buy its business premises. It owns little property, except in India where high growth and the large number of employees justify owning real estate.

Capgemini's business premises are located in a wide variety of countries, and the Group operates at multiple sites in most of them. The Group has slightly over 427 sites with an average surface area of 4,268 square meters. Some of the Group's consultants work off-site at client premises. This geographic dispersion limits risk, in particular the risk of loss due to business interruption that might arise from an incident at a site. The Group's largest site, which is located in India, employs nearly 17,000 people in a number of different buildings. Client and supply shortage risk is assessed and insured to the extent possible, based on knowledge of the materiality of the risk and the available offering in the insurance market.

Employee benefits and mobility insurance

The Group uses specialist companies to train and assist its employees throughout the world. Risks concerning medical emergencies, personal security, assistance and repatriation of employees working outside their home countries, is managed centrally at Group level *via* global insurance policies.

Employee benefits insurance programs (death and disability, healthcare, medical costs, life and pensions, etc.) are tied to the different benefits received by employees and are generally managed by the Human Resources Departments in each country. The Group Insurance and Human Resources Departments are jointly responsible

for the management and international coordination of these programs. Decision are made jointly by the Group and the countries in compliance with the governance structure. The main objectives are (i) to comply with local insurance obligations, (ii) to comply with local legislation, (iii) to develop, standardize and improve current coverage, in accordance with the different regulations in the relevant countries and coverage standards integrating best local practice and the Group's businesses, while optimizing alternative risk transfer/financing mechanisms.

Other risks

Crime and fidelity coverage (especially for information systems) is managed centrally at Group level *via* a global insurance program. Other risks – including motor vehicle, transport of goods, and employer liability for workplace accidents – are insured locally using insurance policies that reflect local regulations.

Some risks are excluded from coverage or restricted under the general conditions imposed by the insurance and reinsurance market.

4.

Our commitment to Corporate Social Responsibility

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The statement on non-financial performance (*Déclaration de performance extra-financière*) was reviewed and approved by the Board on February 12, 2020, after a first review by the Audit & Risk Committee on February 10, 2020.

Architects of Positive Futures

Capgemini's values have been a guiding principle for over 50 years and our commitment to Corporate Social Responsibility runs through the veins of our organization.

As a leader in digital transformation, we are a responsible company and we ensure that technology and innovation drive sustainable and social development. We have strengthened this commitment to our employees, clients, and partners by leveraging three fundamental pillars: Diversity & Inclusion, Digital Inclusion, and Environmental Sustainability.

Our action is about creating a diverse and inclusive work environment where our employees can thrive and bring the best value to our clients. This will help make the digital revolution an opportunity for all and build a bridge between technology and society but also, deliver positive solutions for environmental issues by managing our own impacts and supporting our clients in reducing theirs.

Our Corporate Social Responsibility is embodied by our public commitments made in several areas, at national, regional or global level such as the Global Compact of the United Nations. As Evidence of these commitments, Capgemini has been recognized and rewarded by several independent rating agencies, NGOs and think tanks. The following achievements are some of our 2019 highlights:

- we have integrated the CDP's prestigious "A-list" (previously called Carbon Disclosure Project) which distinguishes the most active global companies in addressing climate change, allowing us to be positioned among the top 2% rated companies in our industry;
- we have retained our "Prime" status in the ISS ESG Corporate Performance index, increasing our score to reach a place among the highest 2% rated companies in our sector;
- we have also received the *Best Place to Work for LGBTQ Equality* award in the US and we have obtained *Global EDGE* certification (the countries where we have this certification cover 80% of our workforce).

Using our expertise for positive impact

As *Architects of Positive Futures*, we are all playing our part at every level of the Group to make our CSR program a reality.

Our employees are the heart of our CSR program: individual and collective actions, promotion of diverse teams' contributions to the collective performance and designing sustainable and inclusive solutions are examples of their involvement.

Communication and raising awareness are also key in the success of our CSR program. We aim to feature role models, and good practices that can be replicable by or for employees, we aim to initiate dialogue with our clients, and collaborate with our partners to advocate for inclusive futures.

4.1 Corporate, social, and environmental policies and results

4.1.1 Employees and diversity

4.1.1.1 Strengthening our employee engagement

Our goal is to provide a stimulating professional environment, in which employees are encouraged to share their point of view and are engaged in meaningful work.

Capgemini implemented a policy of **continuous professional development for its employees**, developing their skills and ensuring **their employability** in order to meet demanding market requirements. This commitment is anchored in various practices such as performance management, feedback culture, **listening, and in a wide range of training opportunities** so that each employee is adequately supported. Employees can also participate in various **engagement opportunities** – designed for different grades and positions – so that everyone can contribute based on their expertise, beyond their work with clients, to the development of internal engagements linked to their areas of interest.

Policies and Actions

a) Continuous performance management

The **performance management system** is a continuous process based on a regular cycle of interviews. It is based on adjusted objectives and helps optimizing employees' strengths by focusing on the value they create as well as their contribution to the business.

The **continuous performance management system**, involving ongoing feedback and multi-year performance assessments, will switch from a five-level scale with annual performance appraisals to a three-level scale with multi-year assessments. This will make it possible to:

- better appreciate one's **contribution** (achieving their objectives) to the business (assessing past performance) and the value (development potential) that they can bring to the Company in the future;
- ensure a **fair treatment**, based on facts and concrete achievements on a regular basis:
 - an individual's contribution is measured by the level of achievement of set targets. Those can vary depending on experience and grade, the entity and role personal capabilities and the expectations of the organization,
 - an individual's development potential is defined based on Company's requirements, the role they have, occupied their skills, expertise, energy and involvement in professional development, along with associated actions and good management.

b) Continuous listening

Employee engagement is our **main performance lever** and a key factor to attract and retain our talents. To ensure that our employees are interested in their work but also motivated, we must continuously engage with them to measure their **level of interest, satisfaction and of wellbeing at work**.

It is therefore essential that our employees can express themselves regularly – collectively and individually – so that we can adjust and adapt our management and Human Resources strategies, policies and practices. In 2018, we launched an **ongoing employee perception and engagement feedback** initiative, to ensure that the Group can constantly adapt and thus improve their level of satisfaction and engagement.

"Pulse" is our continuous listening initiative for employees, which measures employees' on a large scale. It was originally set up as an annual survey; it was tested as a continuous listening tool in 2018 and deployed throughout the Group in 2019.

c) Continuous learning

As we transition from a structured commercial and technological model toward a more agile, innovative and faster one, our **ability to train our employees and partners and develop their skills** has become paramount. To meet the expectations of our customers and employees, we must offer an environment of **continuous training solutions** tailored to everyone's role, grade, experience and potential. This must be set up Group-wide while leveraging the best content, technical and general skills (*i.e.* collaborative practices), and drawing on best experiences and expertise.

We design and implement the most relevant Training and Development (T&D) solutions to deliver on our Employer promise and on the expectations of our departments:

The Group's T&D teams handle the training strategy, focusing on the **development requirements of the Group's cross-disciplinary professional communities** (Engagement Managers, Architects, Data Scientists, IT Engineers, Management Consultants, sales and product portfolio managers, account managers, Support functions etc.), improving technological skills, developing cross-disciplinary talents, talent acceleration for Manager, Director, and Vice-President levels (D, E and F grades) and leadership development. Along with training programs, it also translates into educational events organized by the Group, such as *Talent Weeks*.

- The Strategic Business Units (SBU) and Global Business Lines (GBL) (and their operational units) define their T&D needs and priorities according to their business priorities, human resources and their **operational requirements**;
- the Group's T&D teams then organize the training needs and priorities along three categories:
 - **joint training for the Group**: defined, designed and provided by the Group's T&D teams, and deployed *via* the T&D ecosystem (see below),
 - **joint training for the Entities**: common to at least two SBU and GBL and defined, designed and provided by the T&D teams of the SBU and GBL concerned. The final training solutions are then shared with the T&D ecosystem,
 - **local training**: defined, designed and provided by the regional T&D teams, who design and deliver training in accordance with the Group's T&D guidelines and working methods. The final training solutions are also shared with the T&D ecosystem;
- these training priorities are validated by the **Group Learning & Development Committee**, which brings together the Group's management, to **review and validate the T&D priorities, the budget structure and the annual commitments**. The training proposed by the Group's T&D teams has two priorities:
 - foster the conditions for **continuing employability development**, through technical and general skills programs (digital or in person), in accordance with the professional community to which they belong, the requirements of their grade, level and prospects for current and future positions,
 - develop and offer a portfolio of **training tailored for senior executives**, to support them in their development and progress, shaping the leaders we need.

Entity and team managers must ensure that employees follow mandatory training programs and that learning days are duly recorded. These trainings can be related to:

- requirements relating to professional communities and positions;
- certification stages according to grades, levels and progress requirements;
- training programs specific to the SBU and GBL to maintain employability and development needs.

d) Talent acceleration and high potential development

The **Leadership Development Programs** are designed to allow every employee to improve their leadership skills, with explicit requirements for specific grades. Vice-Presidents are assessed annually, during their performance review, on their behavior and leadership skills. We offer a selection of **acceleration and**

development programs for employees with high potential – within each grade – to boost the progress of specific profiles and thus accelerate their career. We also offer a selection of Leadership Development Programs aimed at highflyers – within each grade – to train employees and align habits and behaviors with expected leadership skills.

The eligibility and enrolment conditions for these programs are updated every year, and existing programs and their students receive specific support as they progress within the Group.

“Promote first, Hire second”: internal candidates displaying development potential are given priority over external candidates regarding career development and new position openings. Publishing vacancies and internal job opportunities (if applicable) and reviewing various candidates with the Human Resources teams for each SBU/GBL are standard requirements before turning to external recruitment.

Results and Key Performance Indicators (KPI)

	KPI	2018	2019	2020 target
Training policy	Total number of training hours (<i>millions of hours</i>) ⁽¹⁾	7.6	8.5	> 9
	Average number of training hours per employee	35.8	38.9 ✓	
Development of internal talent	Number of consultants and senior consultants (A and B grades) onboarded in the new Performance Management System (Pilot phase)	8,720	12,000	Full deployment in all the Group’s entities (A and B grades)
Gradual implementation of “Continuous listening – Feedback – Training” policies	KPI to be defined			
Portfolio of training and talent acceleration programs for highflyers	Numbers of employees enrolled in talent acceleration programs	907	1,060	

(1) Note: There has been a change in methodology in how learning hours are reported from 2018 to 2019. In 2018, Capgemini reported all training hours captured in LMS (including by employees who left the Group during the financial year), while in 2019 we reported only learning hours from completed training delivered to employees still present by December 31st of the financial year. In 2019, only trainings completed in full by our employees were considered in the scope of calculation. Until 2018, even the ones partially completed were considered. 2018 data was recalculated according to 2019 methodology for comparability purposes.

✓ Data identified in these tables by a ✓ has been reviewed by KPMG with a reasonable level of assurance.



4.1.1.2 Talent attraction, retention and development

Attracting, developing and retaining high performing employees is an absolute necessity. The definition of "Talent" for Capgemini is based on much more than a set of skills. Our employees contribute to the Group's success with their continuously improved knowledge, their passion for our clients' transformation projects and their engagement in the Group's performance.

To support our clients in their transformation, we draw on an ever-widening range of talents, continually updating their skills and abilities, identifying medium and long-term individual development opportunities and a capacity to mobilize the best assets where they are most relevant.

In order to attract, recruit and retain the most competent, relevant and expert talent in accordance with our business requirements, we develop standards based on best practices, and make talent development a managerial principle. Employees are in an environment that enables them to improve their skills through exposure to diverse experiences, to enrich their career trajectory by collaborating with different professional experts, to contribute to the transformation goals of our clients by defining and delivering specific solutions to their challenges and eventually, to share their knowledge and enjoy a rewarding career.

This enables us to develop and provide a tailor-made employee experience in line with employees' expectations, by identifying their needs and aspirations and implementing the relevant Talent management and development solutions on a local and international level.

Policies and Actions

We aim to create the best possible working environment for our employees. This ambition translates into several pillars described below.

a) Group Talent Branding

Our brand image lies in the Group's relationship with our Talents. This is conveyed through the respect of our Employer Promise in all regions where we operate, and at all levels (for example, through our Promote first – Hire second policy, where priority is given to internal promotions), by the way our recruitment campaigns are conducted, and finally, by the large number of sponsorships.

Results and Key Performance Indicators (KPI)

	KPI	2018	2019	2020 target
Talent attractiveness	Number of people hired by the Group (external hiring)	61,752	63,728 ✓	n/a
Implementation of local initiatives preventing the unwanted departure of employees	Employee Attrition Rate (%)	22	20✓	<20%

✓ Data identified in these tables by a ✓ has been reviewed by KPMG with a reasonable level of assurance.

Given the range and volume of our recruiting, a multichannel approach is necessary:

- the Group defines the content, concept and rules of our brand image with the Marketing & Communication departments;
- recruitment campaigns and advertising must be approved by the SBU and GBL, and comply with the Group's standards;
- this brand image is reflected locally and globally in our recruiting process. These activities are coordinated by the local Human Resources teams, in the operational units and local Marketing & Communication departments and can mobilise the experience and support of the Group's Human Resources recruitment team.

b) Employees' onboarding

- All the entities develop employee integration programs (training, formal events etc.), in accordance with the Group's guidelines and requirements regarding contribution capabilities;
- Each new employee is subject to a documented assessment before the end of their trial period, or during the first six months of employment;
- When a Vice-President is hired, the Human Resources process is as follow:
 - all Vice-President recruitment must be approved by the responsible member of the Executive Committee and by the entity's Human Resources manager,
 - for recruitments of Vice-Presidents, an external assessment, different from the one carried out by the recruiting body, is mandatory,
 - all Vice-President candidates who have been hired, and their compensation package must be approved by the Group's Human Resources Director.

c) Staff management and the managerial pyramid

- Decisions and actions related to managing the structure of the workforce are a prerogative of the company and the management.
- those decisions and actions are fed by an analysis of individual staff's strengths and weaknesses, by an analysis of local market trends and employee mobility, and by attrition rates. They should result in specific recommendations and action plans.

4.1.1.3 Diversity

Corporate Social Responsibility is an essential part of our People Strategy and refers to the societal impacts the Group’s activities entail and the actions we initiate. Depending on the nature of impacts, we either aim to further develop, expand or reduce them.

Policies and Actions

a) A culture of inclusion

Diversity is key to who we are, reflecting the best creativity and innovation, tied to the presence and collaboration of multi-cultural teams and establishing a basis for an inclusive culture and mutual benefit.

This diversity must be interpreted widely, encompassing cultural identity, ethnicity, social origins, sexual orientation, ideologies and lifestyles, working methods, gender parity and disability. Beyond this diversity, which is merely a starting point, it is inclusion that is reflected in our corporate culture, where everyone can feel valued, included and responsible.

With over 219,000 employees in more than 40 countries representing 120 nationalities, Capgemini is proud of its wide diversity of profiles, experience and expertise, which enriches the Group.

By developing the integration of these differences, every day our employees create working methods that promote professional and personal growth.

We regularly review our practices and policies to ensure diversity and inclusion remain integral to our culture. These measures support our ambition to be “*Architects of Positive Futures*”, aimed at building a diverse and sustainable future for all.

Diversity is a business imperative to ensure that we get access to the skills we need, in order to deliver to our clients. By bringing in a range of talent, we gain different perspectives which are essential in the rapidly changing world in which we operate. We believe the factors that make people different are a source of innovation and creativity.

With an inclusive work environment where people can thrive, we are able to generate new ideas, anticipate market trends and be thought leaders in our chosen markets.

Through this approach we can more efficiently meet our clients’ needs and have a greater impact.

To guarantee diversity and its inclusion as stakeholders of our identity, we work on 3 main dimensions:

1. set-up a leadership vision and ambition – engage everyone in constantly improving their conduct and action as key players in our ambition;
2. guarantee fair management from hiring to development, promotion to career changes, commitment to retention of employees at all levels – promote positive interventions to hit diversity targets depending on the context;
3. foster a strong culture of diversity and an inclusive environment – secure a safe and respectful workplace where there is equality, fairness, consideration and a friendly environment.

If diversity goes way beyond gender, we tackle gender diversity as a key issue given the scale of the challenge. Other types of diversity such as ethnicity, LGBTQ and better integration of disabled employees into our workforce are handled locally, with best practices shared across the Group. Pursuing our efforts, we set relevant objectives and KPIs.

Results and Key Performance Indicators (KPI)

	KPI	2018	2019	2020 target
Promoting gender parity in management teams	Share of women in Executive leadership	14%	16.8%	20%
	Share of promotions to Vice-President positions that are women (internal promotions and external hiring)	24%	29%	29%
Promoting gender parity in the Group	Share of women in the workforce	31.9%	33% ✓	33.5%

✓ Data identified in these tables by a ✓ has been reviewed by KPMG with a reasonable level of assurance.

b) Disability and inclusion in the workplace

People with disabilities add real value to our activities, bringing a new dimension to our activities, while embodying the diversity within our company. Any limitation on business or any restriction in participating in society as a result of lasting impairment of a person’s mental or physical abilities constitutes a disability.

Not only do we comply with the specific legislation in each country, we are also convinced that this diversity is a source of strength that makes our workplace more balanced and more efficient.

In 2017, we joined the International Labour Organization’s “Global Business and Disability Network”, a network of several multinational enterprises, employers’ organizations, business networks and disabled persons’ organizations who share the conviction that talent and expertise can be found everywhere.

As a Digital services company, we know that people and skills development are the real capital of companies. Above and beyond our commitments, technological innovation represents a tremendous opportunity for compensating disability, be it visible or not. We have only scratched the surface of the immense opportunities that exist for supporting a growing number of users towards better inclusion.

The policies for the inclusion of people with disabilities and their results vary depending on the countries where the Group operates. The “Focus on” Sections below provide a snapshot of some initiatives, policies and actions taken in different countries.

Focus on France: We have been actively implementing a policy of inclusion for people with disabilities since 2006. In 2019, we signed a fifth Disability Agreement with the State approved social partners, in which we agreed to continue with this policy. This program, driven by the “*Mission Handicap*” covers five areas:

- recruitment and integration of people with disabilities;
- continued employment for people with disabilities;
- training with an objective to improving skills and employability;
- awareness raising and communication to fight against prejudice and improve understanding;
- subcontracting workers from the sheltered sector, which includes “*Entreprises Adaptées (EA)*” and “*Établissements et Services d’Aide par le Travail (ESAT)*” – a network that facilitates employment for persons with disabilities – to promote the indirect employment of people with disabilities. We can also support our clients with this kind of subcontracting to comply with their requirements of social inclusion.

The application of this policy is reflected in an employment rate higher than that the one observed in the rest of our sector of activity: 3.34% in 2019 compared to an average of 2.5% according to Syntec. At the end of 2019, 563 people with disabilities were employed within the Group in France. Our aim is to hire 55 people with disabilities in 2020.

Finally, within the "*Handi-Accueillante*" standard (NF X50-783), aimed at increasing employment rate for people with disabilities by improving their autonomy at work, we account for the fact that employees with disabilities need to be compensated in their daily activities and processes. This is particularly relevant with digital accessibility for visually impaired employees.

Focus on India: our "Inclusion of Persons with Disability" (PWD) program aims to overcome barriers to access to employment, self-development and career growth opportunities for PWD. It takes a three-pronged approach that addresses issues around (1) Accessibility; (2) Career; and (3) Engagement and Raising Awareness. Each of those pillars are further described below:

1. **Accessibility:** Removing barriers by providing accessible Infrastructure, IT systems, and reasonable accommodation to PWD.
 - Reasonable adjustments: effort made to adjust for the impairment of a person by structuring the job or the work environment in a manner that will enable the person with a disability to perform the essential functions of the job. For example, providing sign language interpretation support to a candidate with hearing impairment during the interview process, providing training material in accessible format and making the premises accessible.
 - Self-identification form: Capgemini in India launched a Disability Self Identification Form to allow PWD to voluntarily disclose their disability and avail reasonable adjustment benefits. This provides a platform for PWD to share their concerns, avail reasonable adjustments to get tax rebates under IT law with the relevant documentation and certification.
 - Infrastructure accessibility audits and modifications: Capgemini partnered with vendor partners (Diversity and equal opportunity centre and Social Equity) to conduct periodic infrastructure audits of its premises and has made modifications to ensure accessibility.
2. **Career:** ensuring inclusion through the non-discriminatory recruitment process, training, and HR policies.
 - Recruitment: ensuring non-discriminatory practices in recruitment processes so that people with disabilities have equal opportunity to participate. This includes sensitising, training and making all panel members across India aware of the Company's focus on hiring people with disabilities. Capgemini also proactively encourages people with disabilities to apply through its external recruitment communication;
 - For each position, a job analysis is conducted to ascertain the challenges a person with disability may face. This includes accessibility testing of applications based upon WCAG 2.0 guidelines. In few cases roles may be restructured or redefined to ensure equal opportunity.
 - Growth and development: creating a career trajectory for people with disabilities and ensuing internal engagement. This includes upskilling and cross-skilling through various training programs.

3. **Engagement and Raising Awareness:** engaging employees through sensitization and cultural building, and about the importance of inclusion.
 - Disability awareness training is part of new-hire on-boarding and is mandatory for all employees.
 - Capgemini has developed a process and targeted interventions to hire PWD. The Disability Self Identification Form: Launched in 2012 the form has a voluntary disclosure scheme as per which employees can ask for reasonable adjustments to the job structure or the job environment and includes those who have acquired disability during their employment with us. This could encompass making facilities accessible, adjusting work schedules, restructuring jobs, providing assisting devices or equipment, providing readers or interpreters, modifying work sites. The form has been modified in 2018 addressing the requirements of RPWD Act 2016.

Focus on the UK: in the United Kingdom, Capgemini UK has signed the Time To Change Employer Pledge committing to building a working environment where employees feel able to talk openly and honestly about mental health, and know where to go when seeking help.

Over 120 Mental Health Champions have been mobilized across the UK since 2018:- a trained community of approachable team members you can trust to speak to about any mental health concerns you may be facing, and who can signpost you to support.

- A confidential wellbeing app is available to all employees. Approved by the UK National Health Service, it helps to build resilience, prevent and manage stress, anxiety and a certain number of other mental health conditions tied to professional activity.
- Our commitment to supporting our people's mental health has been recognized by Mind, who awarded us Silver in their 2017/18 Workplace Wellbeing Index. We recently participated in the Mind Workplace Wellbeing Index assessment for 2019/20 and currently await the results.

In addition, everyone is welcome to join *CAPability*, our ability and caring network: whether you have a disability, are a career for someone, or a strong supporter (Ally) on these topics.

The objectives of the network are threefold:

- raise Awareness – Help everyone become more disability inclusive and confident by raising awareness of disability and caring matters across the business;
- support – Connect all colleagues through the network to help find support and share experiences;
- feedback – Act as a two-way feedback loop on policies and practices in relation to disability and careers.

Furthermore in 2018, we were re-accredited as a Disability Confident Employer by the UK government, which recognizes our commitment to supporting team members with disabilities;

Focus on Spain: In 2019, the Executive Committee participated in a disability awareness day (*Ability Experience Day*), where they experienced a day in the life of a person with disabilities. In 2018, we also consolidated the personalized support for people with disabilities. We continued our strong commitment by providing, with the support of Foundations and Associations, several training courses to encourage the hiring of people with disabilities.

Focus on Poland: Capgemini Poland is recognized as a leader in disability inclusion and cooperates with external partners on disability inclusion matters such as workstation adaptation for employees with disabilities, as well as disability training courses for managers and teams. In 2017, we implemented a disability inclusion program called “*Win with Capgemini*” whose aim is to support the employment of disabled people in the Company from the recruitment stage onward. To optimize integration, we offer technological adaptations and assistance from the first day at work. Finally, we guarantee the equal treatment of employees with disabilities.

Focus on the United States: Equal employment opportunity and positive discrimination programs are in place for people with disabilities, Vietnam War veterans and other disabled veterans in all our offices in the United States.

The figures presented here include data reported on a voluntary basis or under a legal obligation, according to the provisions in force in each country. In 2019, the Group employed 1,733 people with disabilities, of which 563 in France, 450 in India and 428 in the United Kingdom. The coverage rate for this data is 81.4% of the headcount at year end.

c) Anti-discrimination measures

In every country where it operates, the Group complies not only with the national and international labor law and standards, but also with its own Charter, which promotes diversity and inclusion. We adhere to the principles of the ILO fundamental conventions and of the Declaration of Human Rights of 1948, including the UN Guiding Principles on Business and Human Rights and we are committed to:

- recruiting and retaining talented individuals from diverse backgrounds;
- treating individuals with fairness and respect;
- providing work environments free from any form of harassment or abuse;
- encouraging our employees to maintain a good work-life balance;
- protecting the health and wellbeing of our staff; and
- providing a stable and fair professional environment, where our employees can develop and thrive.

Capgemini does not tolerate any kind of professional discrimination, whether direct or indirect. Direct discrimination is when a person is treated differently because of their gender, ethnicity, age, disability, religion or sexual orientation for example and this affects them adversely. Indirect discrimination is when a rule or condition effectively excludes a significant portion of a group from an activity without the condition having a valid basis.

A grievance procedure is in place in every country where the Group operates, so every employee who feels discriminated against can report a situation. Every complaint is scrupulously investigated, and disciplinary action may be taken if discrimination is proven.

Our ethics helpline SpeakUp exists in all the countries where the Group operates. The deployment of SpeakUp is still ongoing in four countries, which are currently equipped with the Alert Procedure. SpeakUp allows employees to escalate a complaint for any type of discrimination. Each complaint is thoroughly investigated and may result in disciplinary action if there is a case for it.

Refer to Section 4.2.1.2 for more details about SpeakUp.

4.1.1.4 Health, safety and wellbeing

We safeguard the health, safety and wellbeing at work of our employees and sub-contractors, particularly with regard to safe travel, mental health and work-life balance.

Policies and Actions

a) Health and Safety at work

Being a people centric company, the Health and Safety of our employees are of utmost importance. It is also an area where the close collaboration of our Workplace Services with Human Resources colleagues as well as external partners is a pre-requisite for achieving the best for all our people. Although Health & Safety regulation is country specific – and of course we have organized our work and guidelines to comply with local regulations on all sites – we strive for a global approach on this.

External audits are held to identify potential risks on all our sites, followed by a close monitoring of the given recommendations. This leads to initiatives at a global scale allowing reduction of risks such as falling in the office, but also allows to promote an ergonomic workplace with trainings, videos, and applications. We also have adapted office furniture such as height adjustable tables or areas with armchairs and couches. In addition to respecting global standards we ensure the exchange of best practices across our sites so that good ideas spread easily across countries.

Our policies in terms of Health and Safety provide information to all employees and promote regular training to keep their reactions in case of incidents sharp and prepare them to handle emergency situations. Employees who have received first aid and emergency trainings can thus ensure adequate response in case of emergency. Support through third parties is offered for work-life balance, disability and rehabilitation as well as when travelling.

Below is an overview of the scope of our Health and Safety policies, providing information, guidelines and training available for all employees:

- health & Safety in our offices;
- health & Safety on external sites and while travelling;
- handling of accidents and emergencies;
- handling of hazardous substances (also part of our Environmental Management System);
- guidelines and training for safe travel;
- initiatives to promote a healthy lifestyle and mental health;
- guidelines for sickness and rehabilitation;
- guidelines for employees with disabilities.

Besides these general guidelines, Capgemini also sets up suitable projects and security measures based on needs for different countries. For example, in India, a safety campaign was set up to offer women cab services when commuting to work late at night. Although food and diets vary by country, the general trend to eat a healthy and balanced diet is global. With this in mind, we have changed the menus of several of our cafeterias.

b) Health and Safety with our external partners

Many of our colleagues regularly work on clients', subcontractors' or on other non-Capgemini site. To account for the growing need for flexibility at work, it is important to extend the coverage of our Health and Safety information to external premises such as trains, planes as well as at home or in hotels. In order to support this flexibility, we provide access to trainings as well as tools to support such as laptop risers. At client sites we ensure that our employees are aware of and cooperate with the Health, Safety and Emergency rules on site.

c) Health and Safety when travelling and in high risk countries

The Group operates normally in countries with enough safeguards in terms of personal safety. Nevertheless, for some clients, employees might have to travel in geopolitically unstable countries or dangerous geographical areas, where there might be risks of a physical integrity violation.

Regardless of the country, there may be serious or severe external events (natural disaster, terrorist attack, popular uprising or civil war, act of banditry etc.), transportation accidents or health crises such as Zika or Ebola viruses, which could endanger the safety of people on the Group's site, at a client's premises, or while travelling.

These major and unforeseeable crises represent a threat to employees and can have a significant impact on the Company, and consequently a risk involving our duty of care and reputation.

To prevent risks and minimize their impacts, the following policies have been implemented:

- specific approval procedure for travel in "medium/high" risk countries with strict rules (Snapshot process);
- employees must carry a mobile phone which can make international calls and give the number to the Group's security unit;
- all reservations are tracked so we know when and where employees are travelling with a tool allowing us to contact them 24/7, by email, SMS, or phone;
- a mobile app has been created so that employees can geolocate themselves and send an emergency message if need be;
- this geolocation is mandatory 4 times a day for employees who travel in specific countries;
- safety training for all travellers;
- BTA (Business Travel Insurance) covering all emergencies worldwide;
- 24/7 call centre, for emergencies.

For more information about these risk factors and their management, refer to Section 3.2.c of this statement.

Results and Key Performance Indicators (KPI)

	KPI	2018	2019	2020 target
Health and Safety	Compliance with the Snapshot process (% of travellers who complied with the Snapshot process)	93%	98%	95%
	Compliance with Safety/Security training (% of travelers who have followed the training) – low risk countries	19%	19%	Maintain the same level of compliance
	Compliance with Safety/Security training (% of travelers who have followed the training) – medium/high risk countries	96%	96%	Maintain the same level of compliance

d) Wellbeing

The Health & Safety of all our colleagues is the pre-requisite for our successful work. However, as an IT service provider we also need to ensure the Wellbeing of our people. Of course, wellbeing is a shared responsibility. Nevertheless, the work environment can contribute significantly to a healthy lifestyle, mental health as well as effective prevention. In our workplace design we consider not only the aesthetics and functionality for the office space but also the contribution to wellbeing. The activities here range from acoustics *via* air quality to providing water dispensers, from light levels to collaborative spaces.

To successfully promote Wellbeing several stakeholders need to align their efforts, be it Learning & Development to promote trainings and e-learnings that address topics as work-life balance, *Corporate Real Estate Services* to design and maintain workspaces that foster wellbeing through natural light, areas to collaborate or work quietly; suppliers offering a healthy diet; partners such as insurers and healthcare providers that run initiatives to enhance the wellbeing and support in case of grief, loss or stress. Furthermore, specific initiatives are developed to improve the health and wellbeing of sick employees and to enable a quicker return to work, in the best possible conditions. The work of the Corporate Real Estate team to revamp our sites and open new even more wellbeing-oriented sites has continued in 2019.

A rather new but increasingly relevant topic to address is the digital wellbeing. Especially for an IT service provider it is a challenge to support digital transformation while at the same time ensuring the digital wellbeing of our people. In a highly innovative, flexible and global work environment, we address the topic by making it part of the agreement of how we want to work as a group so there is an alignment of the ways we work across geographies.

More and more countries develop initiatives to reduce stress at work and focus on mental health. Since India and France have been taking the lead on Health, Safety and Wellbeing topics, launched initiatives in these two countries are described below. These initiatives serve as best practices and deployment has also started in other countries.

e) Transforming the workspace

Our working conditions are changing, and the same goes for our workspace. In 2016, we launched an ambitious project to transform our traditional offices into open spaces which encourage interaction. In accordance with the *AgileWork@CAP* charter, our streamlined, harmonised and improved workspaces promote wellbeing, agility and innovation.

- Attractiveness: our new premises are designed to promote wellbeing at work, with natural light, functional furniture, customised and friendly spaces.
- Creativity: our spaces offer technological innovations, co-creation areas and an intellectually stimulating environment, with flexible layouts for different activities (*co-working* with partners and clients, *co-design* between teams etc.). They become a driving force for our creativity, with collaborative open spaces, modular spaces, mini-auditoriums, collaborative furniture and numerous meeting rooms.
- Collaboration: sharing information, knowledge and collaboration between departments is encouraged to offer more comprehensive and flexible solutions to our clients.
- Agility: these open spaces provide environments for a variety of activities (conferences, meetings, brainstorming sessions, gatherings, creative sessions), and mean operating activities can be reconfigured quickly.

- Mobility: the new offices are places where people can meet and interact. They promote dialogue and interaction both on site, and with Group’s other sites around the world, and employees working remotely, thanks to effective virtual conference tools.

Since 2016, 214 workplace transformation projects have been launched. 151 have already been completed, which represents 50% of our portfolio. Our large consolidation projects in Paris, New York, Mumbai, Hyderabad and Bangalore were completed in 2019. While continuing to modernize the rest of our real estate, we are now focusing on digital innovation in our work environments and accelerating our environmental programs.

On the digital front, we are deploying an “Internet of Objects” solution called SmartOffice which means we can optimize our building management using a network of sensors, while offering multiple services to our employees. We are also investing in new generation interactive collaboration solutions. Finally, we are improving the physical security of our employees and our assets, with innovative technology solutions led by our new operational security centres.

On the environmental front, we have raised our energy requirements with owners, accelerated the implementation of our renewable energy program, and are reducing our consumption of single use plastic to zero.

All these transformations mean we can respond to new operational requirements in terms of collaboration and connectivity, and design our offices as collaborative platforms, open to our clients and partners, reflecting the dynamism, innovation, diversity and versatility of our talent.

Health, Security and Wellbeing: Focus on India

Creating a safe and healthy work environment is critical to the success of India business and is one of the best ways to retain staff and maximize productivity. The OH&S (Occupational Health & Safety) program at Capgemini India encompasses a wide network of stakeholders: people, suppliers and clients. The organization, certified OHSAS 18001, is in the process of migrating to the new standard ISO 45001:2018 – The migration under the requirements of the new standard will be completed by H1-2020.

a) Health and Security

Capgemini India’s H&S policy was defined along with the Governance Board, that the Health Safety and Environment (HSE) team reports to on an annual basis. It includes a standardized medical service for all locations (doctor, paramedic and full-time ambulance on site). Ergonomic awareness sessions are available for all employees and Emergency Response Team (ERT) members are identified for every location and their contacts made available to all employees – the ERT team is trained twice a year on advanced first aid services by experts in the industry and floor emergency protocols. A hazard identification and risk assessment exercise is done every year for each location, resulting in new risks being identified (if any), prioritized, and the necessary corrective actions being taken. Appropriate control measures are adopted/modified, with defined and frequent monitoring, when a specific hazard is identified.

India’s H&S policy intends to:

- assign adequate resources to ensure continual improvement in OH&S performance;
- identify and comply with the relevant legal and other OH&S requirements;
- identify hazards and assess the risks, enabling suitable controls to be implemented to avoid those risks or to ensure it is as low as reasonably practicable;
- identify opportunities to improve OH&S performance and the OH&S management system on a risk basis;
- identify appropriate OH&S objectives and targets for periodic performance reviews;
- communicate and inform all employees, visitors and contractors of their obligations to take reasonable care for the safety and health of themselves and others;
- provide guidance, training and awareness to support employees to ensure a safe workplace;
- develop measures and processes to focus on the prevention of occupational-related accidents, injuries, illnesses as well as near misses;
- engage with employees on issues they face regarding OH&S through an effective feedback system and by providing access to medical services and wellness programs;
- ensure all the OHS issues associated with our key activities are considered during the procurement process and necessary stakeholders are consulted in the process. Where possible, we will favor the use of suppliers who can demonstrate sound business practices towards Health and Safety;
- address requirements from ISO 45001 certification standard, and collect regular feedback from employees, while providing access to medical services and wellness programs;
- communicate the policy to all persons working under the control of the organization and ensure it is made available to the interested parties upon request;
- provide a robust incident management system covering all functional areas and ensuring that incidents are investigated and that appropriate corrective actions are implemented to avoid future occurrences;
- ensure the policy is reviewed periodically and applies to all offices managed by Capgemini within India.

b) Wellbeing

India’s overarching framework of OH&S covers all the functional areas of employee wellbeing services from transport, food & beverage, onsite clinics, physical security, customer and visitor safety. Physical wellness policies include:

- fitness activities with onsite fitness centers, providing bicycles in most of the campuses, ergonomic programs and exercise video launches; ergonomic foot-rest provision for pregnant women & employees with leg injury;
- wellness with regular yoga camps introduced in many locations, wellness consulting, medical camps for all employees pan India, proactive disease management programs; fitness programs in collaboration with gym partner, focus on diet & nutrition;
- health talks, fire side chats, teleconsultation, medical advisory & bulletins/communications.

Apart from physical wellbeing, there is an established *Employee Assistance Program* being run in the organization which offers counseling on an array of topics ranging from stress management to work life balance.

Mental Wellness policies include:

- webinars on various topics, bay connects to de-stigmatize mental health and spot psychoanalysis of employee stress levels and unlimited phone counselling;
- improved on-ground employee engagement with provisions for on-site counselling; Pan-India weeklong on-site programs; communications & campaign.

Results and Key Performance Indicators (KPI)

Results of policies implemented in India are:

- established emergency response teams & protocols with on-site emergency support, ambulance evacuation and support for other emergency evacuation needs in all India offices;
- trained employees on ergonomics to encourage posture corrections;

- an established comprehensive wellness program providing a workplace environment that positively impacts health and mood;
- a robust incident management and reporting procedure covering all functional areas and ensuring that incidents/accidents/near-misses are investigated and that appropriate corrective actions are implemented to avoid future occurrences;
- integration of employee feedback “Pulse” mechanism with Incident management process to address on-ground issues proactively;
- ensure transition to ISO 45001 from current OHSAS 18001 which has been initiated in 2019.

	KPI	2018	2019	2020 target
Physical wellbeing	Number of medical incidents reported by location ⁽¹⁾	185	119	Reduction of medical Incidents by 36% in India (baseline: 2018) Providing a workplace environment that positively impacts health and mood Adopting best in class processes that encourage leadership in employee wellbeing
	Percentage of reduction of medical incidents	New KPI, no figure for 2018	15%	
	Percentage of hospital referrals	n/a	n/a	
	Ensure transition to ISO 45001 from current OHSAS 18001	n/a (new KPI)	On track	
Mental health	Utilization of <i>Employee Assistance Program</i> (EAP) (reporting and care)	0.4%	0.7%	Improving awareness and de-stigmatize Mental Health Increase EAP service utilization to 2.5% by 2020 ⁽²⁾

(1) Refers to physical sites / office locations.
 (2) The objective here is to increase service utilization by reducing the social stigma associated with mental health.

Health, Safety, Wellbeing: Focus on France

Capgemini France has forged a solid partnership with staff delegates and unions. With 25 Health and Safety Committees, we ensure compliance with relevant standards and agreements and work to optimize implementation from year to year. Since March 2017, a helpline has been launched to:

- support employees with work-related stress or problems and find a solution. Every employee can raise and alert and get help to resolve their problem;
- gather regular collective diagnoses, based on alerts raised, so as to carry out targeted and effective preventive actions, thus anticipating and dealing with the causes of stress and problems at work.

In June 2017, a Health at Work agreement was signed with the social partners and deployed collectively through dedicated Steering Committees. Given the new corporate structure, an amendment to this agreement was signed in December 2019.

Some of these initiatives are detailed below:

- a medical consultation service is available 24/7, on all the sites;
- a helpline provides a listening and support mechanism for any employee suffering because of their working conditions. This is also a health prevention initiative;
- employees can work remotely (telework) up to 3 days per week. This system is part of a preventive health care approach and contributes to a better work-life balance;
- right to disconnect: all employees are informed of their right to disconnect and receive e-learning training on how to effectively manage digital communication tools;
- to get an overall view, in 2018 Capgemini France carried out a survey on the quality of work life, which led in 2019 to deploying specific cross-disciplinary Economic and Social Unit (ESU) and local action plans with each Health, Safety and Working Conditions Committee (HSWCC).



The cross-disciplinary ESU action plan focuses on 3 areas:

1. Psycho Social Risk (PSR) training which trains managers in PSR and helps them to better support employees with work related stress factors (lack of time to do everything, too much complex information, recurrent interruptions in their tasks etc.);
2. Time management between jobs, aimed at improving the management of inter-contract periods and reducing the impact in terms of stress;
3. Quality of Work Life (QWL) and stress management, aimed at reducing the impact of stress factors by offering innovative QWL initiatives to our employees (pilot schemes on various QWL and health at work topics such as health, ergonomics, stress management).

Results and Key Performance Indicators (KPI)

	KPI	2018	2019	2020 target
Helpline	Effectiveness of the helpline <i>(number of files)</i>	38	23	Maintain the system and the quality of support for employees
Telework	Telework use rate by employees <i>(number of employees and % of the Capgemini France workforce)</i>	3,087 (12.4%)	3,985 (15.7%)	Maintain the number of employees who telework
Health Program	Employees with health and welfare coverage	100%	100%	

Explanation of the Results:

Helpline: The number of times the helpline was used between 2017 (66), 2018 (38) and 2019 (23) is falling, and the system is being used less for the following reasons:

- the HSWCC handled specific individual situations;
- new initiatives have been launched: SpeakUp (confidential phone and internet helpline managed by an independent contractor available for employees, suppliers, clients and partners);
- at the same time surveys have been conducted within the Group: stimulus and/or deployment of "Pulse" which employees can use to express concerns.

However, this should be qualified by recalling that the helpline comes in addition to existing mechanisms, without replacing them. The existing mechanisms are:

- Management;
- Human Resources Managers;

- Members of the HSWCC or staff delegates until 31 December 2019. Since January 2020, these bodies no longer exist and are replaced within Capgemini ESCU by the local representatives;
- Health at work department;
- Health and Safety contact.

Since the helpline was set up, work related calls are mainly about:

- work (organization, load, complexity): 44%;
- relationship problems: 21%;
- recognition: 14%.

Open files for personal reasons (health, family breakdown, death) represent 5.6%.

Quality of Life Survey: The quality of life survey was carried out in 2018, with a participation rate of 29.4% (or 6,961 employees). The figure in the "high stress level" category was 20.7%, which is lower than data from national (25%) and European (28%) surveys. The figures for low stress levels and high stress levels are 54% and 25.3% respectively and do not cause specific problems.

4.1.1.5 Changes to the headcount

Our employees are at the heart of our company culture and are our most valuable resource. As a responsible employer, we are committed to the quality of the working environment that we offer our employees and seek to ensure that it is conducive to their personal growth and the full expression of their professional skills.

As a consequence, our priorities are wellbeing at work, professional development and maintaining an open and welcoming environment, which respects and encourages diversity and gives our employees the means of achieving excellence.

New year of organic growth for our headcount in 2019

The Group's headcount broke the symbolic barrier of 200,000 employees at the start of 2018, just over seven years after having crossed the 100,000-employee mark in September 2010. The growth of the headcount remained steady in 2019 at +3.8%, largely fueled by organic growth. The 2019 financial year thus closed with a headcount of slightly less than 220,000 employees. The average headcount is calculated by adding the average headcount at the start of the financial year and the headcount for 12 months, divided by 13.

Changes over total headcount

Year	Average total headcount		Headcount as at 31 December	
	Number	Change	Number ✓	Change
2015	177,722	29.0%	180,639	25.8%
2016	185,593	4.4%	193,077	6.9%
2017	196,755	6.0%	199,698	3.4%
2018	204,904	4.1%	211,313	5.8%
2019	216,104	5.5%	219,314	3.8%

The above data reflects the headcount as at 31 December 2019 for the entire Group (100% coverage).

The buyback of IGATE in 2015, combined with strong organic growth, particularly marked in Asia-Pacific, had a significant impact on changes to the geographical breakdown of the Group's employees. The integration of Altran should increase the workforce of approximately 50,000 employees.

Geographical breakdown of the headcount

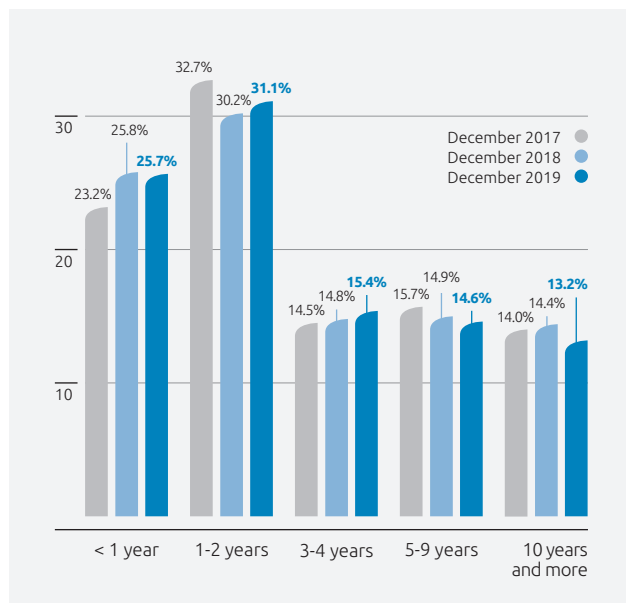
	31 December 2017		31 December 2018		31 December 2019	
	Headcount	%	Headcount	%	Headcount ✓	%
North America	17,112	8.6%	17,582	8.3%	17,848	8.1%
United-Kingdom and Ireland	7,977	4.0%	8,338	4.0%	8,877	4.0%
Nordic countries	4,247	2.1%	4,573	2.2%	4,884	2.2%
Benelux	8,011	4.0%	8,143	3.9%	8,264	3.8%
Germany and Central Europe	13,970	7.0%	15,306	7.2%	16,309	7.4%
France and Morocco	25,446	12.8%	26,470	12.5%	27,253	12.4%
Southern Europe	8,629	4.3%	9,284	4.4%	9,977	4.6%
Asia-Pacific	106,292	53.2%	113,349	53.6%	117,620	53.6%
Latin America	8,014	4.0%	8,268	3.9%	8,282	3.8%
TOTAL	199,698	100%	211,313	100%	219,314	100%

The Asia-Pacific region increased by 9 points in 2015 following the buyback of IGATE, which mainly operates in India. It continued to grow and broke the 100,000-employee barrier in December 2016. It totaled nearly 118,000 employees as of 31 December 2019, thus recording a further increase in its headcount over the year and a very slight increase of +0.1 point in the Group's total breakdown. Out of this total, India now represents 50.5% of the whole Group's headcount.

Germany and Central Europe, the UK and Southern Europe also increased their weight in the breakdown of the Group's headcount in 2019. In general, all geographical areas saw a growth in their headcount.

Breakdown of headcount by year of service: changes in 2017-2019

The below data refers to 99.9% of the headcount as at 31 December.



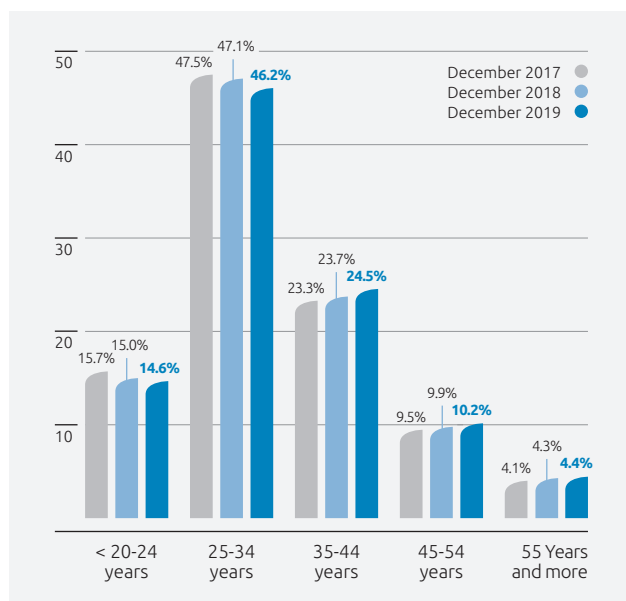
The change to average length of service testifies to the Group's dynamism in terms of recruitment in recent years: the number of new hires once again exceeded 60,000 in 2019 to reach more than 63,700. This was a new record for the Group after 61,750 new hires in 2018 and 52,000 in 2017. This explains the high proportion of recruits with less than three years of service (56.8%).

In 2019, the length of service in the Group fell to 4.58 years on average. This average covers geographical disparities: it fell by 0.1 year to 3 years in Asia-Pacific, due to India, (where most of the recruitment took place) compared to 9.3 years in Benelux (stable), 7.5 years in the and 7.4 years in France (-0.1 year in both locations).

When there is an acquisition, length of service is calculated from the employee's hire date in the acquired company, not the date of their incorporation in Capgemini.

Breakdown of the headcount by age: changes in 2017-2019 ✓

The below data refers to 99.8% of the headcount as at 31 December.



The average age of employees remained almost stable in 2019 and stood at 33.5 (+0.1 year). India had an average age of slightly less than 30 (29.9). The significant share of young graduates recruited (40% total) helps to maintain a stable average age. The share of employees under the age of 35 is down slightly to 60.8% (-1.3 point).

Outside of India, we find the lowest average age (under 30) in Guatemala, Morocco, China and Romania, while the UK, Switzerland, the Nordic countries (Finland and Denmark), Canada and the Netherlands have an average age between 40 and 42.4.

External hiring

New hires include employees who joined Capgemini after the usual recruitment process during the financial year and who are part of the headcount (new hires incorporated via acquisitions/operations are excluded). The coverage rate for new hires is 100%.

	External hiring ✓	Acquisitions
2015	46,181	30,265
2016	53,784	1,462
2017	52,299	1,394
2018	61,752	2,984
2019	63,728	897

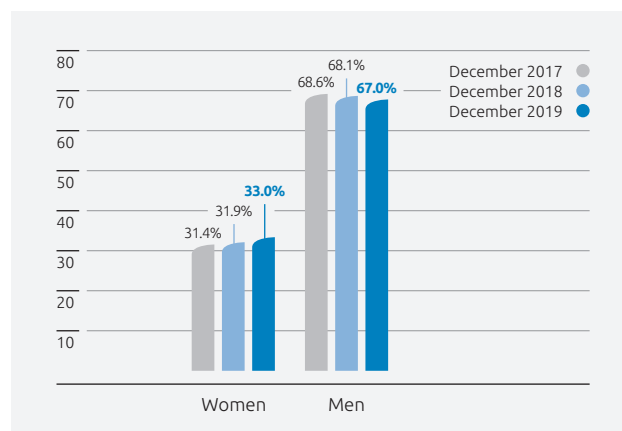
Countries outside Europe played a decisive role in our recruitment policy, totaling 73% of all new recruits in 2019. India saw its net headcount increase organically and by acquisition, welcoming more than 3,500 additional employees in 2019, which represents 45% of the net growth in the Group's headcount.

Attrition rate

In a globally positive economic situation for our industry, the attrition rate (share of voluntary departure) fell by 2 points (22% in 2018), to 20% ✓ which represents 43,017 voluntary departures. The headcount recovered more quickly in Asia-Pacific, the United States, Poland, Romania and India (where the IT services market is particularly dynamic) than in it did in Western Europe. This rate is subject to ongoing monitoring to check whether it is line with trends in the sector and the appropriate measures are deployed depending on the needs of each department and each region.

Breakdown of the headcount by gender: changes in 2017-2019 ✓

The below data refers to 99.8% of the headcount as at 31 December.



The number of women increased at a steady pace, reaching 33% of the headcount in 2019 compared to 31.9% in 2018, *i.e.* an increase of 1.1 point. This adds to a gain of 2.4 points recorded during the previous three years reflecting the fact that diversity is one of the three pillars of our CSR policy.

This figure is not evenly distributed at Group level and depends on the type of activity (it is higher in Business Services and lower in infrastructure) or the geographical area (Central Europe, Asia-Pacific and Latin America are above the Group’s average while Benelux which increased by 0.55 point again is only at 20.9%).

Overall, the breakdown between men and women is in large part a reflection of the situation in the IT sector, which recruits mainly from engineering schools, whose graduates are predominantly male in most countries. But it also highlights the impact of our mix of activities and countries on the overall gender balance in the headcount.

Increasing the number of women in the headcount is driven by three types of activities, Financial Services, consulting and process outsourcing. At recruitment, the total proportion of women increased by 1 point compared to the previous year and remains slightly higher than the Group’s average percentage at 35.9% (coverage rate of 96.7%). This is to be maintained to keep improving diversity. However, if we look at the top of the corporate ladder, the number of women decreases gradually and consistently. This calls for sustained action to increase female representation: currently 44.4% on the lower rungs of the corporate ladder, the percentage of women effectively falls to 17.3% at Vice-President level. This percentage has nevertheless increased by 2.6 points during the year because of external recruitments.

With regard to employee retention the percentage of women taking voluntary departures remained almost at the same level as last year, at 32.5% (compared to 32.3%) and below the overall percentage of women in the Group’s headcount which is 33%. This a slightly lower attrition rate for women than for men. The proportion of women increased in certain geographical areas such as India (now at 34.7%, *i.e.* +1.4 point), which contributes significantly to

improving the gender balance of the Group, given the size of the Indian headcount.

In addition, countries where process outsourcing services are firmly established contribute positively to the number of women in the Group and the proportion of women in Poland, China and Guatemala is close to, or higher than 50%.

In contrast, the proportion of women falls below the 25% mark in ten countries representing less than 4.5% of the total headcount.

More women at higher grades

With regard to career development, the Group is committed to promoting women in managerial positions. The proportion of women internally promoted to the highest grade of Vice-President was 27.4% during the 2019 promotion campaign, figure above the set target of 25% women promoted to Vice-President positions (both recruited externally and promoted internally). Although one percentage point less compared to 2018, historically this figure remains the second-best result. In addition, the percentage of external hires exceeded the threshold of 30% in 2019 reflecting the pro-active policy in this regard, in line with the target objectives.

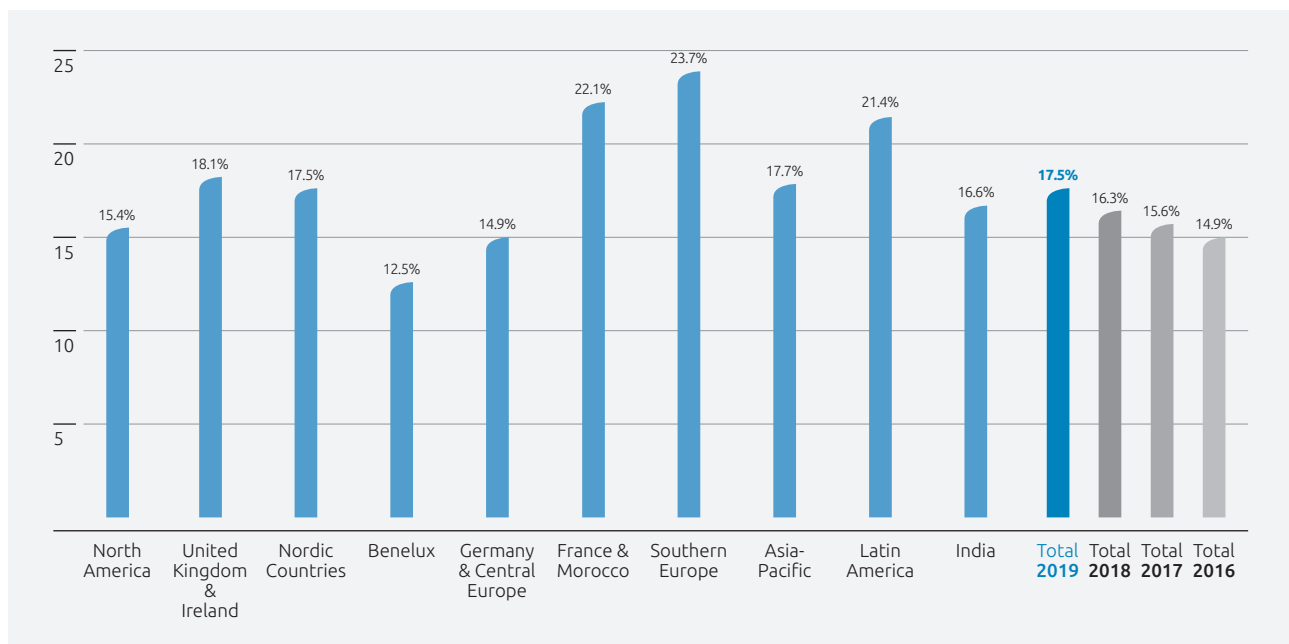
More generally, the number of women at the highest grades increased in 2019 and it is in the Mediterranean countries that the proportion of women is the highest, and is above 20%. The proportion of women in these positions has increased by 1.2 point even though it remains lower than the total share of women in our headcount.

The Group-wide strategic talent survey, carried out by the Chairman and CEO as well as Deputy Managing Directors at management team level but also in all operational units, to identify the highest potentials, at all grades and management levels combined, gives a good overview of the gender balance in our talent pool.

Several measures are intended to support these efforts and thus contribute to promoting the presence of women in the pool of Vice-Presidents: local executive training courses, mentoring conducted by senior executives and increased visibility and exposure for women identified as highflyers.



Proportion of women in management positions, by geographical area in 2019



4.1.2 Digital Inclusion

Digital transformation is a double-edged word. It can either be a major driver of change in our societies or create what's called the **digital divide**, that overlaps with existing social inequalities, and creating further exclusion. The least educated, the elderly, the marginalized Sections of society like refugees, homeless, ex-offenders, etc. lack access to digital tools and skills, deepening their exclusion from society. More and more middle-skilled jobs now require basic digital skills, and an increasing number of countries require from their citizens to go online to access public services, to apply for social benefits, search for employment, etc.

In the meantime, the digital revolution is driving major change in the job market, with the expected transformation or disappearance of several kinds of jobs all over the world in the coming decades, and the creation of many new job opportunities in technology, mostly located in urban areas.

If digital literacy and digital jobs only impact positively a minority of people, it would be a huge disservice to the potential of technology. As a leader in digital transformation, we believe it is our responsibility and within our reach to become the bridge between technology, business and society in order to create and shape a better future.

Cutting-edge technologies also present a unique opportunity to deliver positive social impact. With the ability to scale up solutions very quickly and efficiently with low marginal costs, more and more social entrepreneurs and NGOs are using AI, blockchain and digital learning to deliver impact in their field.

Our Digital Inclusion strategy is therefore embedded in the heart of our corporate strategy and with the help of a strongly coordinated network of Digital Inclusion leaders across the Group, we intend to get involved in this matter at the best of our abilities.

In 2019, we set as an objective to align 70% of our social impact initiatives around Digital Inclusion. We have exceeded this target, with an alignment of 74% and we are moving towards achieving our 2020 target of 80%. From here on, we will continue to maintain this alignment and deliver positive impact through Digital Inclusion across the Group.

We have spent much time this year thinking on how we will help to reduce the digital divide and lead on digital inclusion. Our strategy has three main areas of focus: (1) *Digital Literacy*; (2) *Digital Academies*; and (3) *Technology for Positive Futures*.

Policies and Actions

Capgemini is committed to making automation and digital an opportunity for all through its Digital Inclusion program which is focused on reducing the Digital Divide. We also encourage our colleagues to engage in our digital Inclusion projects where they can use their skills and expertise to affect positive change in society.

a) Reducing the digital divide

We continuously work on reducing the digital divide through our actions around digital literacy and *Digital Academies*.

Digital Literacy

Through our *Digital Literacy* programs, we work with several local NGOs to:

- provide meaningful support in order to empower digitally excluded people to be more autonomous in order to access public and private online services (accessing the internet, information and services, communicating, transacting, filing tax returns, searching and applying for jobs, etc.) and unlock new opportunities;
- inspire young generations and women, who may not otherwise have the opportunity, to consider digital and STEM (*Science, Technology, Engineering and Mathematics*) careers.

We are convinced that the digital empowerment is a vector of autonomy and inclusion for people who are socially excluded. The digital literacy programs can adopt different formats:

- training sessions with basic digital skills, in order to teach people how to use a keyboard and a mouse, to send an email, to buy a train ticket, or even access public services online for example;
- initiation workshops on programming or on robotics, possibly with a presentation of careers in digital/tech sector;
- workshops cyber-security and more generally, on the risks of the internet (threats related to data privacy, *phishing*, how to protect oneself, how to react, etc.);
- mentoring of young or under-represented populations in digital workplace (such as women) to help them gain confidence and professional skills, and support them to find a job in tech/consulting sector (how to get prepared for interviews, how to make a CV, etc.);
- organization of competition/award with children or students in STEM field;
- training sessions for trainers or pedagogues, who can then extend their expertise in skill development projects.

Capgemini contributes to these digital literacy programs by organizing volunteering activities and sponsoring or co-creating digital literacy programs. Capgemini has been focusing this year on formalizing and implementing this vision around *Digital Literacy*:

- we started to work in France with Emmaus Connect and WeTechCare, who will be a key knowledge partner on digital literacy, given their extensive work to date;
- we have initiated a corporate partnership with HSBC in India (Pune and Hyderabad) on "train the trainers" Program to extend trainers' expertise in skill development;
- we have set an objective with 8 countries (covering over 85% of our headcount) on the number of beneficiaries supported in our digital literacy program over the next 3 years while continuing to onboard other countries/geographies to join our drive on *Digital Literacy*: for 2020, we have set ourselves the target to help 100,000 people across the world with digital literacy skills.

In 2019, we have already supported more than 27,300 beneficiaries through our digital literacy programs. Below are some examples of our initiatives:

School adoption program in India – We worked with 83 government-run schools across India in 2019. In these schools, mostly located in the outskirts of cities and attended by kids from deprived backgrounds, we helped introducing the young students to STEM and inspired them to consider careers in tech; the program focused particularly on female students.

Digital Literacy centers, India – We have partnered with local NGOs in India to support *Digital Literacy* centers in under-served communities, to ensure at least one member of each family has basic digital skills. We strive to help digitally excluded people gain access to public services in a connected society. Change Initiatives is one of our five local partners for *Digital Literacy* projects in India. Through these projects, we have helped over 18,000 people gain basic digital skills in India so far.

In France, we signed a Memorandum of Understanding (MOU) in 2019 with Emmaus Connect and WeTechCare in order to (i) increase the engagement of our colleagues in volunteering activities within existing Emmaus Connect centers; (ii) support the deployment of WeTechCare strategy on *Digital Literacy*; and (iii) support the development of a digital platform through pro-bono projects. Some of our employees/colleagues have already participated to

volunteering activities by helping people develop basic digital skills, and we are working to pursue these activities in other cities in France. This project is a great opportunity to work as one team, by coordinating the efforts coming from the different business units (Global FS, CIS, Invent, etc.) to improve our Impact.

Digital Academies

Beyond helping excluded populations with basic skills, we can reduce the digital divide by targeting disadvantaged populations at risk, or already suffering from unemployment as a result of the digital revolution, enable them to find employment and integrate in the headcount. The targeted beneficiaries are:

- disadvantaged and excluded youth who are NEET (Not in Education, Employment or Training);
- people struggling with long term unemployment or needing professional retraining;
- populations in transition such as refugees;
- under-represented or marginalized groups such as women, LGBT+ groups, people with disabilities, etc.

We have already demonstrated a strong impact in 2018 by launching our *Digital Academies* program, a worldwide network of schools across countries targeting populations at risk and providing them with 6 to 10 months training on in-demand technologies. This program is carried out through partnerships with NGOs such as Simplon in France and India, Code your Future in the UK, and Year Up in the USA. Building on the success of 2018, we have continued this work in 2019; we have trained 150 people in 2018, and 1562 more in 2019. Some of our key projects are listed below:

- in collaboration with key partners such as Simplon, we are supporting more than 20 *Digital Academies* across 7 countries. Going beyond just France, UK, US and India, we now have *Digital Academies* in Spain, the Netherlands and Morocco;
- we are working with our teams in Australia, Canada and Germany to do feasibility studies and finding relevant local partners to launch *Digital Academies* to help disadvantaged youth in local communities;
- out of the total number of graduates from our *Digital Academies*, our HR teams, CSR teams and in some cases our clients, collaborated in different countries to integrate the graduates within Capgemini or in clients' organisations: Capgemini has recruited more than 590 graduates from *Digital Academies* as interns or employees, France being the biggest contributor in 2019;
- we have co-created and launched *Digital Academies* with one of our clients, JP Morgan in India (Pune, Mumbai, Bangalore).

In addition to training disadvantaged groups, we also work with them to ensure their integration in the headcount. We put as much focus on soft and tech skills. This not only opens tech jobs to the excluded population, but also provides a huge opportunity to the business to integrate diverse creativity from an overlooked pool of talent. While working on the development of the *Digital Academies*, we are also conscious of the need to work on being a more inclusive company for these profiles, by raising awareness among our business leaders, managers and clients to ease their integration in the IT job market. We will ensure that the diverse talents we develop find the right opportunity either in Capgemini or elsewhere ensuring we deliver on our goal of inclusion. In 2019, we worked with our HR department and our clients/partners to implement this:

- Capgemini India launched two *Digital Academies* in June 2019: one center in Mumbai, to train young individuals from disadvantaged backgrounds, and another residential center in Pune, to familiarize underprivileged women with the latest technologies and innovations. We trained 100 capable graduates from these *Digital Academies* and are currently working on how to integrate them best, either within Capgemini or within the external headcount in general;

- in the Netherlands, our *Digital Academy* program worked with 25 refugees coming from war torn countries like Syria and Afghanistan in software training. After a successful completion of the training, Capgemini Netherlands hired seven new staff from the *Digital Academy*, and one of them was hired by one of our clients.

We have set objectives with 8 countries (covering over 85% of our headcount) on the number of beneficiaries supported in our *Digital Academy* program for the next 3 years and target a total of 3,000 graduates from our *Digital Academies* in 2020. To reach this target, we expect to build on the existing initiatives while launching similar *Digital Academies* in other countries (Germany, Mexico, Canada, Australia,...). Also, starting in 2020, we have set the target of recruiting 10% of the graduates of *Digital Academies* in each country where a program has been launched.

b) Leading digital inclusion

Technology for Positive Futures

As a leader in technology, Capgemini recognizes the unique opportunity that cutting-edge technologies present to deliver positive social impact. Through our strategy on *Technology for Positive Futures*, we aim to bring together technology, business and society and solve key societal issues.

Our colleagues are already working on and delivering impactful technology solutions addressing societal issues all over the world, either through business-as-usual or through pro bono initiatives. In 2019, strengthened our link between internal operational teams and our local CSR Teams to better identify some of the most impactful technologies for positive futures projects across the Group.

Our objective is to communicate widely across our networks to raise awareness about the positive impact that technology can have, and to help scale up the impact of projects with high potential.

Following are examples of some of the projects where our colleagues from across the Group worked on delivering technology solutions addressing significant societal issues and creating positive futures:

- in the Netherlands, a Capgemini team built the Mukoko mobile application to help an NGO, Aidsfonds, to improve HIV data collection on patients in excluded rural areas of Zimbabwe, and ultimately to help treat them better;
- FARM an intelligent data platform built by an I&D team in the Netherlands uses geographical information systems such as weather data, satellite images, and pictures from the farm itself, to predict various factors from soil fertility to crop yield, thereby helping small-scale farmers to not only optimize the agricultural value chain, but also fight against the negative impacts of changing climate patterns;
- our colleagues in India collaborated with an NGO, Bachpan Bachao Andolan, to develop an AI face recognition-based application (RE Unite) to identify missing children in India and bring them back to their families or under the protection of relevant organizations working in child welfare;
- our teams in developed digital training material for the NGO "Family Promise" which supports and enables low income and homeless people access public info/services on housing, health etc. as well as how to search and apply for jobs.

In 2020, we will continue to identify more *Technology for Positive Futures* projects and plan to launch a Global Challenge, inviting our employees to innovate and share their ideas on a technology-based solution addressing a societal issue, select a winning technology solution and engage our top talents to build the solution and implement it.

At Capgemini, just like we recognize the negative impacts technological advancement can have, we are also conscious of how it can be leveraged to enable positive futures for society.

Thought leadership

As a leading responsible company, we want to demonstrate our commitment to Digital Inclusion and join forces with our clients, NGO partners, public bodies, and academics to continue to drive impact through our Digital Inclusion portfolio. We have committed in 2020 to work with key think tanks or intellectual bodies towards that goal.

We have commissioned research on Digital Inclusion with the help of the Capgemini Research Institute, which will not only help strengthen our own strategy, but can also be a guiding document for other organizations across the world looking to engage on the topic. We expect to complete and publish this paper in 2020, publicise it widely, and further consolidate Capgemini’s position as a world leader on the topic.

c) Employee engagement and volunteering

At Capgemini, our employees are our assets and we are proud to have their support and commitment from across the world as they are determined to share their skills, expertise, and resources to create a better tomorrow. It is this engagement that enables us to deliver and sustain the positive impact we are working for in society. At all levels, we encourage all colleagues to be involved in it.

In order to provide our employees with opportunities to volunteer and become *Architects of Positive Futures*, we are deploying a Global Volunteering platform starting with countries where the Group is most present. The platform has currently been deployed in India, France and the UK. In 2020, we will continue to develop and extend the Platform to other countries of the Group with the goal to make it accessible to all employees across all countries of Capgemini by the end of 2020.

In 2019, our employees across countries and GBLs engaged in volunteering activities on Digital Inclusion and other CSR initiatives creating positive impact in local communities. Below are some examples of volunteering initiatives from across the Group which demonstrate our commitment as *Architects of Positive Futures*:

- India CSR Week: for the 10th year in a row, our colleagues across India volunteered in activities around Digital Inclusion, Environmental Sustainability, Diversity & Inclusion and other social causes over one week. In 2019, over 3600 employees from different cities joined forces to create positive impact with their engagement;
- UK Digital Inclusion week: volunteering opportunities focused on Digital Inclusion encouraging our colleagues in the UK to engage using their skills and expertise to create impact in our *Digital Literacy* and *Digital Academy* programs;
- Cares Day: for the 7th year in a row, Capgemini n employees together with clients and partners, helped improve the communities in which we live and work. Over 1200 employees participated in different CSR initiatives for a day of service to society;
- Germany Volunteer Day: for the 7th year in a row, hundreds of our colleagues across different cities in Germany participated for a day in initiatives on Digital Inclusion, Diversity & Inclusion and Environmental Sustainability;
- FS *Impact Together* Week: for the 3rd year in a row, the Group Financial Services (FS) organized their Volunteering Week engaging not only 500 FS employees across Continental Europe alongside a few clients and partners, but also employees from Invent France, *Accelerate & Connect* participants and the French Legal Department. They contributed towards various initiatives around our 3 CSR Pillars as well as other social impact initiatives.

Capgemini volunteers who regularly participate in our CSR and Digital Inclusion projects echo our resolve and strength as a collective, with shared values, a vision and a mission. Along with increasing awareness on CSR and deploying a uniform global Volunteering platform, we will continue to encourage our colleagues to be involved in individual and collective actions, promote diverse teams’ contributions and spread best practices across our global network. Together, we are determined to become *Architects of Positive Futures*.

Results and Key Performance Indicators (KPI) ⁽¹⁾

	KPI	2018	2019	2020 target
Digital inclusion	Alignment of Social Impact projects towards Digital Inclusion	64%	74%	80%
Digital Academy	Number of <i>Digital Academy</i> graduates	150	1,562	3,000
Digital literacy	Number of beneficiaries supported in <i>Digital Literacy</i> programs	-	27,300	100,000

(1) Note: some of the impacts related to digital inclusion projects in India will be tracked in Q1 2020 due to the delays to consolidate the data at local level, notably regarding the number of graduates and of new hires from *Digital Academy* in Capgemini India, for which Q4 data is missing in the figure disclosed. Additionally, Capgemini in India has started following in 2019 a new reporting rule for social projects which requires that any project is accounted for as many times as the number of locations where it has been implemented. This rule will be implemented for all reporting countries in 2020.



4.1.3 Environmental Sustainability

The case for taking strong action to tackling sustainability challenges has never been stronger. This year marked the end of the warmest ever decade on record, with average global temperature increases in 2019 at around 1.1°C above pre-industrial conditions, creeping closer to the 1.5°C limit beyond which the most catastrophic impacts of climate change will be experienced. Extreme weather events are already becoming the new norm and this year was no exception, with flooding in Mumbai and Southern Brazil, drought and wildfires across Australia and temperature records broken in many European countries. 2019 was also a year of enhanced awareness around biodiversity loss, with the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) publishing the first global biodiversity assessment report in over 15 years, with a strong call to action for policymakers and the private sector. Public recognition of the urgency of sustainability challenges has grown, with the term “climate emergency” becoming common lexicon.

These challenges should matter to all businesses; they call for disruption of business models and systemic change. Businesses who fail to respond effectively are unlikely to thrive in the future or to remain attractive places to work. Capgemini has a longstanding commitment to environmental sustainability, with a strategy that focuses on managing and reducing our own environmental impacts and deploying our expertise in technology and business transformation to help clients address their sustainability challenges.

4.1.3.1 Climate Change

Capgemini has three central tenets to its climate change strategy:

- through our robust environmental management program (covered in more detail in Section 4.1.3.2), we measure, manage and reduce our own carbon emissions, with a strong focus on energy and travel, our largest emission sources;
- we build business resilience to climate change, with a rigorous Climate Change Risk Assessment (CCRA) process, which uses scientific research to identify the top climate hazards each country is facing and helps prioritize by developing mitigation strategies where they are needed most;
- we are fighting the consequences of global warming through a rigorous process of risks assessment. The latter enables to determine the hazards to which countries where we operate are faced and to prioritize mitigation plans according to risk level of the areas concerned;

Results and Key Performance Indicators (KPI):

	KPI	2018	2019	2020/2030 target
Climate change	Percentage of reduction in greenhouse gas (GHG) emissions per employee since 2015	20.4%	29.3% ✓	To reduce our total GHG emissions per employee by 20% by 2020 and 30% by 2030

✓ Data identified in these tables by a ✓ has been reviewed by KPMG with a reasonable level of assurance.

- recognizing that the greatest contribution we can make to addressing climate change is through the services we deliver to our clients. We have an ambitious program to help them reduce their carbon emissions (covered in more detail in Section 4.1.3.3).

Approach and Results

Capgemini has been commended for its climate action, achieving a place on CDP’s prestigious ‘A List’ for climate change. The improved score for our 2019 response recognizes our comprehensive response to tackling climate change, including the significant progress we have made in cutting greenhouse gas emissions and our efforts to engage clients on the topic.

a) Carbon reduction

We are committed to cutting our carbon emissions, with a headline target to reduce our total carbon footprint per employee by 20% by the end of 2020 and by 30% by the end of 2030 (compared to a 2015 baseline). We were one of the first companies in our sector to have this ambition validated by the Science Based Target initiative (SBTi), an important external confirmation that our long-term goals are consistent with the level of ambition required to combat climate change.

Our carbon reduction strategy is underpinned by two key management systems:

- our global Environmental Management System provides a framework for measuring the environmental performance of our business (more detail is given in Section 4.1.3.2), with climate change mitigation a key focus area globally;
- our carbon accounting system provides a comprehensive data set about our carbon impacts, with around 10 million data points covering 99.5% of our operations, collected and analyzed each year. We use this huge data set to enable a very granular view of greenhouse gas emissions, and to help us pinpoint opportunities to reduce emissions.

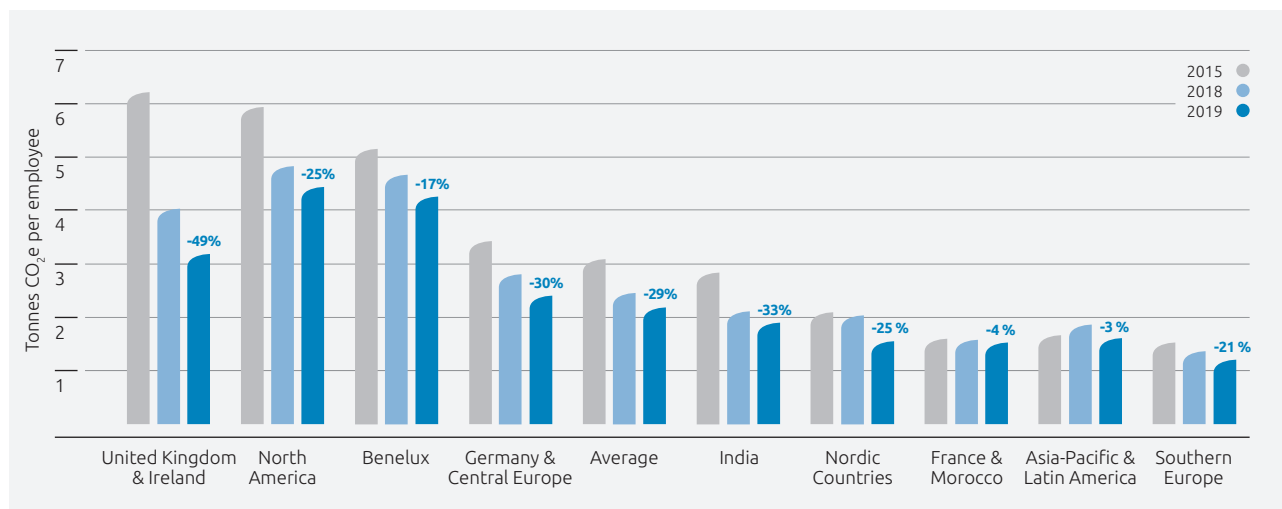
For Capgemini, having a global approach managed by a global team helps ensure our data is relevant and complete, and that we have an efficient approach for reducing our main environmental impacts.



Our carbon reduction targets were set in 2016, with an understanding that achieving the first 20% reduction over a five-year period would mean a higher cumulative reduction overall and therefore a better impact on the planet. At the same time, we had expected that after that first 20%, many of the “quick wins” would be complete and year-on-year reductions would become harder to achieve. Yet, we have outperformed our own expectations, and are on track to achieve our 2030 target a decade ahead of schedule.

Overall, we have achieved a 29% reduction in greenhouse gas (GHG) emissions per employee since 2015 (from 3.10 tons CO₂e per head in 2015 to 2.20 tons of CO₂e per employee in 2019). In 2019 alone, we achieved a 6% reduction in our total emissions, despite the fact that our business has grown. The drivers for the early achievement of our target are discussed in more detail in Section 4.1.3.2 but key to our progress has been a 20% reduction in travel emissions per employee and a 41% reduction in energy emissions per employee.

Total carbon emissions per head by region



Note: In this instance, Asia-Pacific excludes India, which is shown separately as it makes up such a significant proportion of our emissions.

b) Building resilience to climate change

Our CCRA process uses scientific research to identify the top climate hazards facing each country. We assess the exposure of our people, assets, offices and national infrastructure to these hazards and then model the likely impacts on our business. By assessing areas of greatest risk, we can prioritize developing mitigation strategies and action plans where they are needed most.

In 2019, climate change risk was incorporated more thoroughly into our annual Group Risk Review process. All involved stakeholders were given examples of reputational, policy, technology, market and physical risks associated with climate change, and asked to assess the significance of these risks according to our Group assessment approach.

We have also previously conducted country-level Climate Change Risk Assessment reviews in several major Capgemini entities including the UK, India, Sweden and the Netherlands, with a robust process which involved taking the following five key steps in each country.

Climate Change Risk Assessment (CCRA)



In the Netherlands, following the CCRA, a review of the crisis plan was conducted to check whether any additional measures needed to be added as a result of climate change risks. Environmental aspects were also added to the planning of building evacuations. In the UK, a description of climate change risks and current and future control measures was added to the UK Risk Register to ensure these could be monitored as part of usual risk management processes.

We do not currently have any global KPIs for our Climate Change Risk Assessment process as climate-related risks are largely managed and monitored at a country level (except for critical risks). Our next steps for 2020 will be to bring our Country and Group risk procedures together and align them more explicitly with the recommendations from the *Taskforce for Climate-related Financial Disclosure* (TCFD).

4.1.3.2 Environmental Management

As a global company operating in over 40 countries around the world, we need to ensure we have rigorous procedures in place to manage and reduce our environmental impacts and respond to an increasingly complex legislative landscape. We have a robust Environmental Management System (EMS) to help each Capgemini entity identify and manage its environmental impacts, as well as act to reduce them and ensure we meet Group-wide targets.

Capgemini’s most material operational environmental impacts result from our use of energy (in both offices and data centers), our business-related travel and from the disposal of office waste. We are committed to driving efficiency and innovation across these impact areas. Smaller impact areas like water supply, treatment and fugitive air-conditioning emissions are measured and reported on an ongoing basis and prioritized at a country level where appropriate. Other environmental impacts, such as those on biodiversity, land use, noise pollution and the sourcing of raw materials, while regularly reviewed, are not currently considered significantly material to our operations, and consequently are not discussed further in this report.

Approach and Results

a) A Global Environmental Management System

Having an Environmental Management System is not only a way of monitoring legal compliance, it also provides a framework for transforming our environmental performance as a business, and ensures we have the right measures and governance to manage our operations efficiently. Capgemini group has a global ISO 14001 certificate for its Environmental Management System (EMS), which follows several years’ effort developing a global approach to environmental management. During 2019, our certification was extended to cover nine further Capgemini entities in Asia, South America and Europe.

Our global ISO 14001 certificate now covers 22 countries, and operations associated with 189,801 people. A further three countries have retained individual ISO 14001 certificates covering all or part of their operations, meaning that across the Group 91.5% of our operations by headcount are now ISO 14001 certified. We are committed to increasing this coverage further, with a target to ensure all Capgemini entities with a headcount of over 1,000 people are ISO 14001 certified by the end of 2020.

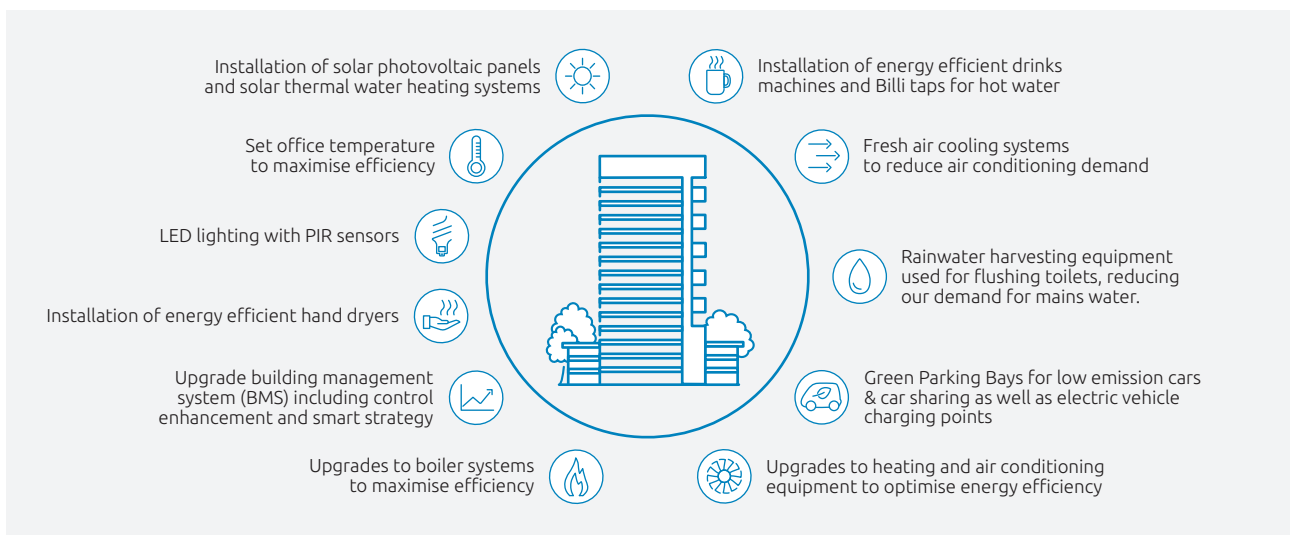
Our Environmental Management System is coordinated by a Global Sustainability Center of Excellence, a team of environmental experts, who make sure that we manage all our environmental risks and impacts effectively and remain compliant with all legal and regulatory requirements.

We also have an Environmental Policy, covering the entire Group, which is signed by CEO Paul Hermelin and sets out the minimum measures required by all Capgemini entities in support of our Global Environmental Sustainability program: <https://www.capgemini.com/resources/group-environmental-policy>.

b) Sustainable, energy efficient workplaces

We are committed to creating sustainable and energy-efficient workplaces which are good for both our people and the environment. Across our estate, we are embracing a range of efficiency measures to reduce energy and water use, embrace new technology and prompt employees into action, with examples given in the diagram below.

Examples of the types of environmental initiatives undertaken across our global estate



We consider energy efficiency in all aspects of our office and data center operations, from the smart management of lighting, heating, and cooling systems, to efficient use of space, to promoting behavior change initiatives to encourage our people to save energy on-site. As a result of this continued focus, we have reduced total energy use by 19% since 2015, largely thanks to an 8% reduction in office energy usage and a 41% reduction in data center energy usage. We have also significantly improved the energy efficiency of our workspace, with 14% reduction in kWh per m² since 2015.

Home to over half of our workforce and nearly 60% of our office space, Capgemini India has taken steps to significantly enhance the energy efficiency of its estate. This process starts with strong environmental design, with 9 out of our 10 major campuses certified under the *Leadership in Energy and Environmental Design (LEED) Platinum* scheme. Energy use has also been significantly reduced through the deployment of the latest technologies, such as highly efficient air handling units, modular uninterruptible power supplies, LED lighting and precision air conditioning. In addition, the development of robust energy monitoring capabilities has helped to optimize operational use and avert power outages, with advanced Building Management Systems and digital monitoring of critical assets and solar plant performance. By the end of 2019, Capgemini India had reduced the kWh per sq m across Capgemini India by nearly 16% and reduced its total energy emissions by 21% (since 2015).

c) Switching to renewable energy

Across the Group, we continue to invest in switching to cleaner, more sustainable energy sources. We have deployed large solar PV arrays across six offices in India (as well as a small solar array in the UK) with a combined capacity of around 6MW of power. Solar PV panels are located across roofs, walkways and car ports, and resulted in a combined generation of over 7,800 MWh in 2019, the equivalent

of powering over 6,500 Indian homes. At our Chennai campus, a new solar plant with an advanced sunlight tracking system helps orient the panels towards the sun throughout the day and increases generation capacity by around 30% compared to a fixed system. As a result of these efforts, we increased our renewable energy generation by over 50% in 2019 (compared to 2018).







2019 also saw a significant increase in our renewable energy purchasing. Capgemini France and Capgemini Italy joined several Capgemini entities across Europe in switching to renewable electricity contracts. In India too, we continued to expand our renewable electricity purchasing with Power Purchase Agreements in place in several locations. Overall, we nearly doubled the proportion of electricity coming from renewable sources, from 23.6% in 2018 to 46.5% in 2019.

Capgemini's Bangalore EPIP campus was also the first corporate campus in India to receive the *Net-Zero Energy Platinum* certification from the *Indian Green Building Council (IGBC)*. This is the highest level of certification available under the IGBC rating system and is an important recognition of its unique status in having an equal amount of energy from renewable resources as is needed for its operations. This has been achieved through a combination of measures to minimize energy consumption such as water-cooled chillers and smart aisle containment measures as well as investing in a 1.1MW on-site solar plant with bi-directional energy meters and purchasing solar and wind energy from an off-site provider.

d) Smarter with our travel

The travel we undertake as a business contributes to over half of our greenhouse gas emissions, as well as being a source of pollutants (such as NO_x and diesel particulates). Whilst the mobility of our people is essential to meet the needs of our global client base, we are committed to embracing smart and sustainable travel.

Examples of sustainable travel initiatives introduced across Capgemini

					
<p>Virtual Collaboration</p> <p>We have invested in collaboration technologies including Microsoft Surface Hubs, Skype Video technology and Office365 to enable effective virtual collaboration from any location.</p>	<p>Video Conference</p> <p>Meeting rooms are equipped with technology for holding video conferences.</p>	<p>Electric Cars</p> <p>Electric vehicle charging points are installed across many key offices. In France and the Netherlands, electric pool cars are available for employees to use for short trips.</p>	<p>Rail Travel</p> <p>We make it easier to travel by rail, such as with ticket printing facilities in the UK and incentives such as free evening and weekend rail travel in the Netherlands.</p>	<p>Reducing car emissions</p> <p>Across the Group, we have various initiatives to reduce the impacts of car travel, such as car sharing apps in India and a car lease system in the Netherlands which rewards fuel efficient driving.</p>	<p>Cycle to work</p> <p>Cycle to work incentives are in place including reimbursement for cycle mileage and financial support with buying a bicycle.</p>

Our ability to work and collaborate virtually is essential with today's digital age and flexible workforce. Ensuring our people can seamlessly and securely connect with clients and colleagues from any device, in any location, is critical for continuing to reduce our carbon footprint and delivering a digitally enabled workplace. 2019 saw a continued focus on virtual collaboration, with training and roll-out of Office365 across the Group, as well as various country-specific initiatives (examples below) to encourage more sustainable travel. The decrease in emissions from business travel in 2019 is also partly due to the decrease in some key emission factors such as air travel (-7% in total for this specific emission factor). As a result of these efforts, we have achieved a 20% reduction in travel emissions per employee since 2015 and seen a shift from car (car emissions per employee down 29% since 2015) and air (air emissions per employee down 18% since 2015) to rail and other public transport (rail emissions per employee are up 6% since 2015). New policy measures to restrict non-essential travel have also helped drive emission reductions, as well as the overall reduction in the carbon intensity of air and hotel travel this year.

In the UK, travel emissions reduced by 14% in 2019 alone, with virtual collaboration key to that progress. The UK now has nine dedicated virtual collaboration hubs, with 92 change agents catalyzing new ways of working and 395 people trained on digital collaboration tools. Throughout 2019, 30 pilot groups in the UK (involving several clients) tested out new collaborative approaches to reduce travel, further supported by the deployment of a new dashboard interface which tracks GHG emissions at an account and project level. In the Netherlands too we have continued to make progress on reducing business travel emissions, with growth in the use of more sustainable transport options, including a 13% increase in rail km in 2019 and an increase in the use of electric cars (308 vehicles are now being leased by employees).

Several communication campaigns have this year focused on stimulating more sustainable commuting behaviors. The results of our Travel to Work Survey were released early last year, followed by a blog and intranet articles on the topic of air pollution. During European Mobility Week, Capgemini Poland organized a week-long cycle event, with teams of employees travelling between Capgemini's Polish offices.

Key Performance Indicators (KPI)

	KPI	2018	2019	2020 target
Environmental Management	Share of operations by headcount covered by ISO 14001 certification	87%	91.5% ✓	All Capgemini entities with a headcount of over 1,000 people are ISO 14001 certified by the end of 2020
	Office Energy efficiency (<i>kWh/m²</i>)	147.4	146.2 ✓	
	Renewable Energy: share of electricity from renewable sources	23.6%	46.5%	
	Business Travel emissions (<i>tCO₂e/employee</i>)	1.56	1.37 ✓	

✓ Data identified in these tables by a ✓ has been reviewed by KPMG with a reasonable level of assurance.

e) Waste management

Managing our waste effectively is important in terms of minimizing our use of finite natural resources, as well as being a tangible, impactful way of demonstrating our environmental commitments to our people.

We have reduced the total amount of waste we generate by 9% since 2015, a positive outcome given the fact that our workforce increased by 21% over the same period. The most efficient way of reducing the environmental impacts from waste is obviously not to generate waste in the first place. The concept of "circular economy" is the idea of effectively "closing the loop" – maintaining products and materials in a cyclical use phase so that waste is effectively designed out of the system.

We have applied the principles of the circular economy to our own operations in numerous ways, from innovative e-waste partnerships to reusing laptops and mobile phones, to local initiatives such as swapping disposable cups with reusable ones or replacing paper towels by high-efficiency hand driers. We also look for opportunities to partner with charities and universities to reuse stationary, furniture and IT equipment. In late 2019, we published Loops of Life, a report that looked at how our clients in consumer products and retail can create value and build resilience by deploying circular economy practices.

A key global focus throughout 2019 has been on taking steps to phase out single-use plastics. Our Environment Week campaign focused on action to #Rethinkplastic, with our people invited to join in with the action, through cutting down on unnecessary packaging and plastic bags and making the most of reusable water bottles, coffee cups and food packaging. Across the Group, we've taken further steps to phase out single-use plastic items from our offices with initiatives including:

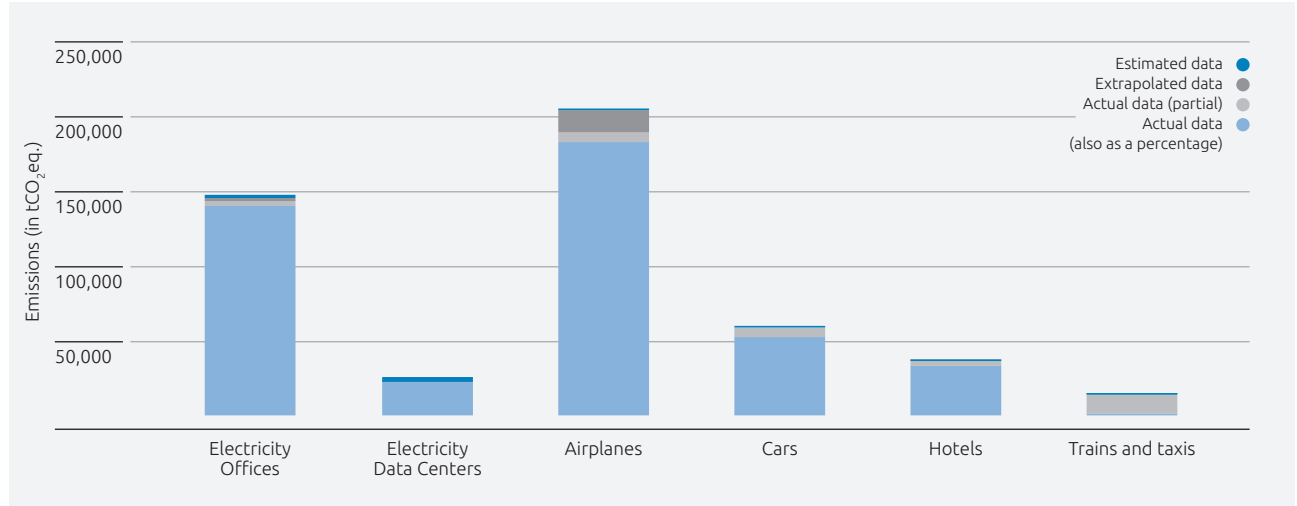
- Capgemini Germany introduced plastic-free Fridays and introduced 3000 cloth bags to replace plastic ones;
- Capgemini UK introduced a high capacity cleaning system to replace need for plastic cleaning bottles;
- Capgemini Netherlands introduced 100% biodegradable stirrers, straws, cutlery and water bottles;
- Capgemini Poland, France and Italy introduced water dispensers; and
- Capgemini France successfully piloted use of cardboard cups and mugs at its main site.

f) Detailed Insights on the Data

We are committed to continuously improving the quality of our data collection and analysis and to using these insights to make strategic decisions. We have gradually increased the coverage of our environmental data reporting and we want to reach a 99.5% coverage of our operations (with the remaining 0.5% estimated), as well as adding new emission sources to our inventory. In 2019, we added operations in four new countries (Japan, Singapore, Hong Kong and Malaysia) to our reporting and developed a new interactive

dashboard for our real estate teams to benchmark facilities against one another. We switched our reporting from quarterly to monthly for 70% of our emissions data, enabling faster engagement with the data and results and introduced a new process of internal audits to identify opportunities to improve data quality. Where possible, we gather actual data – such as kWh from digital metering systems or invoices and mileage data from travel agents and expense systems, with very little of our data estimated (see chart below for details).

Chart: Summary of Data Quality by Source



Notes

The chart shows the percentage of actual data, as well as a breakdown of other data types by source for 2018 (we expect the data quality to be similar in 2019). The data sources covered above account for 97% of our reported emissions. Estimates are used when actual data is not available (when the data is not reported/available by the given deadline for example). The estimated data is replaced by actual when it becomes available. When estimated, standard ratios are used (usage for energy sources is done based on the floor area, usage for waste, water and travel are done based on the headcount of the facility).



Table: Breakdown of Carbon Emissions

	Metric	Unit	Total 2015	Total 2018	Total 2019	Change vs 2015	
TARGET	To reduce our carbon footprint per employee by 20% by 2020 and 30% by 2030	tCO ₂ e per employee	3.10	2.47	2.20 ✓	-29.3% ✓	
Carbon Emissions by Scope (Location Based)	Scope 1	Office Energy	tCO ₂ e	5,728	5,262	5,032	-12.2%
		Data Center Energy	tCO ₂ e	236	86	123	-48.1%
		F-gas	tCO ₂ e	1,508	2,090	4,247	181.7%
		TOTAL Scope 1	tCO ₂ e	7,472	7,439	9,402	25.8%
	Scope 2	Office Energy	tCO ₂ e	151,585	128,908	122,584	-19.1%
		Data Center Energy	tCO ₂ e	48,435	25,275	23,013	-52.5%
		TOTAL Scope 2	tCO ₂ e	200,020	154,183	145,598	-27.2%
	Scope 3	Business Travel	tCO ₂ e	310,187	320,862	296,721 ✓	-4.3%
		Office T&D losses	tCO ₂ e	28,896	20,662	18,854	-34.8%
		Data Center T&D losses	tCO ₂ e	3,621	1,611	1,496	-58.7%
		Water	tCO ₂ e	1,731	1,575	1,789	3.4%
		Waste	tCO ₂ e	446	453	462	3.6%
		TOTAL Scope 3	tCO ₂ e	344,881	345,163	319,322	-7.4%
TOTAL EMISSIONS		tCO ₂ e	552,373	506,785	474,321 ✓	-14.1%	
Market Based Emissions	Scope 2 only	Market Based Emissions	tCO ₂ e	162,847	128,419	123,514	-24.2%

Table: Energy Use

	Metric	Unit	Total 2015	Total 2018	Total 2019	Change vs 2015
Office	Natural Gas	MWh	15,538	12,497	11,960	-23.0%
	Diesel & LPG	MWh	10,449	11,202	11,519	10.2%
	Renewable Electricity	MWh	41,994	41,143	88,679	111.2%
	Other Electricity	MWh	216,238	200,708	150,476	-30.4%
	District Heating	MWh	6,117	5,354	5,478	-10.4%
	Office Cooling	MWh	2,078	2,054	2,009	-3.4%
	Total Office Energy Use	MWh	292,413	272,958	270,120	-7.6%
	Office Energy Use per square meter	kWh/m ²	170.7	147.4	146.2 ✓	-14.4%
% Office Electricity from renewables	%	16.3%	17.0%	37.1%	20.8%	
Data Center	Natural Gas	MWh	339	0	0	-100.0%
	Diesel	MWh	641	312	478	-25.4%
	Renewable Electricity	MWh	72,979	40,496	67,846	-7.0%
	Other Electricity	MWh	90,687	63,467	29,624	-67.3%
	Total Data Center Energy Use	MWh	164,646	104,275	97,948	-40.5%
	% DC Electricity from renewables	%	44.6%	39.0%	69.6%	25.0%
TOTAL ENERGY	TOTAL ENERGY USE	MWh	457,059	377,234	368,068 ✓	-19.5% ✓
	% of Total Electricity from renewables	%	27.3%	23.6%	46.5%	19.2%

Table: Business Travel

	Metric	Unit	Total 2015	Total 2018	Total 2019	Change vs 2015
Travel by Source	Air Emissions	tCO ₂ e	192,130	206,863	190,245	-1.0%
	Car Emissions	tCO ₂ e	66,412	59,731	57,535	-13.4%
	Hotel Emissions	tCO ₂ e	37,983	37,432	31,945	-15.9%
	Rail Emissions	tCO ₂ e	5,934	7,465	7,628	28.5%
	Taxi Emissions	tCO ₂ e	6,602	7,750	7,616	15.4%
	Other Travel Emissions	tCO ₂ e	1,126	1,622	1,752	55.5%
	Total Travel Emissions	tCO ₂ e	310,187	320,862	296,721 ✓	-4.3%
Travel per employee	Total Travel Emissions per employee	tCO ₂ e/employee	1.74	1.56	1.37 ✓	-21.2% ✓

Table: Waste and Water

	Metric	Unit	Total 2015	Total 2018	Total 2019	Change vs 2015
Waste by Disposal Method	Landfill	t	4,223	3,116	3,362	-20.4%
	Recycled	t	1,360	1,166	1,203	-11.5%
	Waste to Energy	t	115	105	87	-24.1%
	Anaerobic Digestion & Composting	t	12	440	548	4,624.9%
Total Waste	Total Waste	t	5,710	4,827	5,201	-8.9%
	<i>% of Waste Diverted from landfill</i>	%	<i>26.0%</i>	<i>35.4%</i>	<i>35.4%</i>	<i>9%</i>
Water Use	Total Water Use	m ³	1,644,331	1,497,192	1,700,413	3.4%

Notes

- Data identified in these tables by a ✓ has been reviewed by KPMG with a reasonable level of assurance.
- Data for 2015 and 2018 differs from that reported in previous years' reports for the following key reasons:
 - an increase in the scope of reporting in 2019 to include four new entities in Asia-Pacific and additional data from local expense systems (in Australia, Belgium, Mexico, and the Nordics). Where these changes are significant, we have recalculated previous years data;
 - a few smaller data corrections and updates have been applied for India rail, Italy natural gas, Morocco hotel & taxi travel, and Poland car travel;
 - our carbon accounting approach follows the Greenhouse Gas Protocol Corporate Standard – the term "Scope" is used to categorize emissions reported according to the level of control a company has over an emissions source.
- All emission sources, except electricity, have been calculated using the emission factors recommended by DEFRA: <https://www.gov.uk/guidance/measuring-and-reporting-environmental-impacts-guidance-for-businesses>
- Electricity emissions have been calculated in the main body of the table above, in line with the GHG Protocol's "location-based" approach. Regional electricity emission factors have been applied for the UK (DEFRA 2019) and the US (eGrid). For all the other countries, emission factors from International Energy Agency (IEA) have been applied to calculate Scope 2 location-based emissions. Scope 3 "T&D losses" refers to electricity transmission and distribution grid losses i.e. the energy loss that occurs in transmitting the electricity from the generation source to our facilities. As recommended by the GHG Protocol, emissions of Fluorinated Gas (F-gas) not covered by the Kyoto Protocol such as chlorofluorocarbons (CFCs) are not reported as Scope 1 emissions and are therefore not included above. These F-gas emissions are, however, captured with a value of 1,212 tons of CO₂e for 2019.
- Our business travel emissions are calculated including the impact of radiative forcing for air travel, as well as the impact of hotel night stays. Whilst this is recommended best practice, many companies in our sector do not yet include these two emission sources and therefore caution should be applied trying to compare Capgemini's business travel emissions to those of other companies in our sector.
- The "Market-based emissions" given in the final row of the first table are a recalculation of Scope 2 emissions using the GHG Protocol's market-based approach. Where possible, market-based emissions have been calculated using supplier-specific emission factors. Where these are not available, we have used a residual fuel mix factor, sourced for from RE-DISS for countries in Europe and from green-e.org for US and Canada. For a few smaller entities, we have assumed an emission factor of 0 for electricity purchased on renewable energy tariffs. In locations where neither supplier-based nor residual fuel mix factors are available, we have used a location-based emission factor.
- "Renewable Electricity" denotes all renewable electricity purchased at renewable energy tariffs or through renewable energy certificates and a small amount of energy generated on-site in India and through solar photovoltaic panels in the United Kingdom. "Other electricity" means purchased electricity generated from other sources (nuclear or fossil fuels).
- Given the nature of our business, many of Capgemini's offices have large server rooms. These are not considered to be data centers but their presence should be taken into consideration when comparing the energy usage of our offices against those in other sectors.
- Due to lack of reliability in the data provided by the electricity supplier, 68% of the office energy data for France for Q1-Q3 2019 has been estimated based on a standard ratio kWh/m² also used in previous years. This estimated data accounts for approximately 6% of total Group energy use, 8.2% of total office energy use and 0.34% of total GHG emissions.
- "Other travel emissions" refers to travel by other modes of transportation (bus, tram, motorcycle).
- Where mileage data is not available this has been estimated by taking the cost data within that country and applying the average cost per mile ratio from other data within that country or region.
- The availability of accurate waste and water data varies considerably across the Group, depending on the type of site, the type of lease and local waste arrangements. Where actual data is not available, it has been estimated using relevant estimation methods.
- For anaerobic digestion and composting, data gathering was rolled out across the Group in 2016, hence the figure for 2015 is very low.

4.1.3.3 Helping Clients Deliver their Sustainability Objectives

As a global leader in consulting, technology services and digital transformation, we are in a position to transform the way our industry thinks about sustainability and ensure that the maximum positive impacts are achieved for the planet. We work with our clients to help them reduce their greenhouse gas emissions but also support and accelerate their transition towards a low carbon future.

Approach and Results

Throughout 2019, we have increased the involvement of our teams in our clients' sustainability issues.

a) Group Portfolio Offers

Working with the Portfolio leaders for Cloud, ADM Next, Perform AI and Digital Manufacturing, we are embedding sustainability within the existing portfolio offers. This means defining and integrating sustainability capabilities as part of each offer as well as identifying current projects which showcase sustainability benefits. These case studies help educate our sales and delivery teams, who in turn, engage and inspire their clients.

b) Account Engagement

Throughout 2019, we have focused our efforts on engaging with accounts across five key countries (France, United States, UK, the Netherlands and Germany) and within three key sectors (Energy & Utilities, Consumer Products & Retail Distribution and Automotive). Our approach includes:

- defining the sustainability challenges within the sectors;
- enhancing collaboration to enable a Carbon Conversation with the client; and/or;
- supporting specific client bids to embed our sustainability approaches beyond our own internal approaches.

Sustainability is enabling a more powerful relationship with clients. Two highlights for 2019 were:

- Capgemini Invent launched a new *Invent for Society* approach, which includes a strong environmental proposition. Invent sponsored the World Climate Summit at the COP25 climate conference in December 2019, further strengthening our credibility in this area;
- in the UK, working with the Department for Environment, Food and Rural Affairs (DEFRA), we have developed guidance on assessing and maximizing the environmental benefits of cloud computing. This was launched in October at a high-profile joint conference with DEFRA.

c) Mobilization of our People

Our engagement approach is a combination of campaigns that drive sustainable actions, such as switching to virtual collaboration to reduce travel impacts, and awareness-raising campaigns for climate change. Finally, we also recommend to the teams working hands-on with our clients to have an open discussion about their greenhouse gas emissions. Our mobilization activities are aimed at:

- increasing engagement and action to help us maximize the impact of our programs; and
- increasing awareness of our commitment and actions to make people want to work at Capgemini, and clients recognize us as a trusted sustainable partner.

We created a Global Environmental Sustainability network bringing together real estate and sustainability professionals who meet formally each quarter to spread information and launch awareness campaigns. Publications are largely released at a local level to ensure the right tone and language, but with a unified global message, and sharing of best practices.

Harnessing the enthusiasm and expertise of our team members is crucial for the success of our engagement with clients on sustainability. Our employee-led network of Sustainability Ambassadors has continued to grow and has been instrumental both in building new client connections and momentum but also for internal engagement. Throughout 2019 we have sought to incorporate sustainability into our standard work methods, with a focus on education, engagement and adaptation of existing frameworks.

- Education – through our Capgemini University and leadership programs we have set business challenges focused on sustainability. These provide an opportunity for us to deploy a diverse set of skills to address genuine sustainability challenges, whilst at the same time enhancing the collective sustainability knowledge of our people.
- Engagement – in the preparations of the COP25 and the World Climate Summit, we ran a series of events and campaigns, including:
 - a photo competition for employees to share what sustainability and climate change means to them,
 - an ASE inspiration day, including WWF led panel discussions, movie screenings and start-up pitches,
 - virtual knowledge share sessions in the UK which covered a wide variety of topics like designing for planet centricity, delivering services in a net zero carbon world, and moving towards sustainable architecture,
 - Streaming of the World Climate Summit sessions hosted by Capgemini in Madrid.
- Adaptation: As the awareness of our people evolves, we are adapting the methodologies within which we operate, specifically this year with the Integrated Architects Framework and the account planning framework processes.

Key Performance Indicators (KPIs)

As a vehicle for mobilizing the business, we have set a long-term target to help our clients save 10 million tons of CO₂e by 2030. Our more immediate focus throughout 2019 has been on initiating conversations with our clients about sustainability and carbon

reduction, and in 2019 we engaged 28 of our clients. We also focus on ensuring that we engage and mobilize as many employees as possible in our client sustainability program.

	KPI	2018	2019	2020 target
Helping Clients Deliver their Sustainability Objectives	Number of employees in face-to-face briefings, business challenges, workshops or training on sustainability	1,500+	2,750+	n/a

4.1.3.4 Political risk and natural disasters

For this Section please refer to Section 3.2.1.b.

4.2 Ethics & Compliance

4.2.1 Values and Ethics

Our Values and Ethics, part of our identity, differentiate us from our competitors – we have a unique set of humane Values – they are an excellent asset to instill a sense of pride and shared values among employees.

They justify its reputation as an ethical and responsible company. In this respect, Capgemini has been rated one of the “World’s Most Ethical Companies®”, for the last seven consecutive years by the Ethisphere Institute. Only three honorees, including us, belong to our industry, a commendation of our ethical business practices.

4.2.1.1 Human Rights

Human rights protection applies to our employees across our entire supply chain. These rights include freedom of expression, freedom of association, fight against child and forced labour.

Capgemini’s commitment to Human rights is deeply rooted in its values and culture since its creation in 1967. The Group has conducted its business on an ethical foundation, encouraging and enabling its employees and suppliers to operate within the same framework.

As an ethically responsible company, we comply with the Principles of the Universal Human Rights Declaration of 1948 and the fundamental conventions of the International Labour Organization (ILO) refusing the use of forced and child labour.

This commitment is further embodied by the signature of the UN Global Compact in 2004. Accordingly, we support and comply with the ten principles in the areas of environment, human rights, labour rights, and the fight against corruption. Our Ethics & Compliance principles and program, our CSR strategy and all the Group’s policies (Human resources, Procurement...) reflect this commitment and provide guidance on their effective application in every aspect of our activity, in every country in which we operate.

In our decentralized organization, every legal entity has an obligation to comply with those principles as well as with local legislation, translating the Group’s commitment into concrete local policies and actions that further improve human rights within our scope of activity.

In addition, in its procurement activities, the Group focuses also on environmental issues, social impacts, human rights, and the fight against corruption. Therefore, in application of our Supplier Code of Conduct, we committed to work only with suppliers whose professional practices are ethical and respect Human rights (see Section 4.3.2.1 Responsible procurement).

Focus on UK

Since 2015, Capgemini UK is taking steps to ensure that slavery and human trafficking are not taking place in its organization and supply chains, thus complying with the “Modern Slavery Act” legislation in the UK and strengthening our commitment to human rights not only within Capgemini, but also across the supply chain. A transparency statement was issued, available to all stakeholders on the website <https://www.capgemini.com/gb-en/resources/modern-slavery-transparency-statement>.

It states that Capgemini UK has a zero-tolerance approach with regard to bribery, corruption and human rights abuse such as forced and compulsory labour, slavery, servitude and human trafficking, in today’s modern businesses and in supply chains.

We assess all new suppliers and we re-assess existing suppliers annually. We started this process in 2008 and strengthened it further in August 2016 by implementing a sustainable compliance tool. In 2019, more than 1,080 suppliers have been assessed. Among them, 17 suppliers were deactivated.

Capgemini UK is committed to its employees, clients and suppliers to take appropriate steps to eradicate modern slavery in the business and the supply chain. A risk mitigation plan is in place to ensure continuous improvement. Our Company maintains a policy prohibiting agents and sub-contractors from engaging in modern slavery and requires that our Company terminates any agents, sub-contractors or sub-contractor’s employees that have engaged in modern slavery-related activities.

4.2.1.2 Ethics

Capgemini's founder, Serge Kampf, believed that sound ethics and integrity are the foundation of a profitable and sustainable business. From the outset, our belief in a certain way of doing business and our commitment to our 7 core Values has set us apart. Our teams might be located worldwide, we still share a common culture based on honesty, trust, and respect for each other's backgrounds and contributions to our joint enterprise. Being a value-based organization has guided our behaviour throughout the many evolutions our Group has seen, whilst allowing us the freedom needed to adapt to our fast-moving industry and the boldness we need to lead. In addition to providing a framework to comply with our principles and rules, our culture eases adequate decision making, and creates agile behaviours well fitted to unanticipated events that arise in complex situations. It relies on the ability of our team members to do the right thing. This ethical framework now connects all the Group employees in more than 40 countries.

Policies and Actions

Since 2009, we have structured a formal Ethics and Compliance program to further strengthen our competitive advantage. It aims to create awareness among employees, enabling them to make better decisions, based on honesty and integrity, driving compliance with 5 levers:

Our Policies: our Code of Business Ethics helps all team members understand how to behave and act in the right way, so no one is left with doubt or unanswered questions. It is complemented by more detailed Group policies for anti-corruption, conflicts of interest and competition laws, focused on ensuring that appropriate levels of control are implemented.

Our ethics helpline, SpeakUp: launched in 2018, as a significant enhancement to the previous Raising Concern Procedure. SpeakUp is a voluntary, confidential, web and phone-based helpline hosted by an independent service provider, and managed by Capgemini for its employees, external consultants, contractors, customers, suppliers and business partners and those of its affiliates. SpeakUp is a commitment from Capgemini: to listen to voices when raised in good faith; to be fair when investigating a concern, respect organizational justice, maintain confidentiality; and to protect the reporter from any form of retaliation; a commitment which is

endorsed by all members of the Board of Directors of Capgemini SE and members of the Group Executive Board (GEB) as part of their individual and collective support to the provisions of the Code of Business Ethics. SpeakUp empowers reporters to report concerns and/or ask for advice and guidance about actions or behaviors which are: 1. not aligned with our Values, our Code of Business Ethics and related Ethics & Compliance policies, 2. not in compliance with applicable laws, or 3. that may significantly affect vital interests of Capgemini and its affiliates.

Our Ethical Culture survey, in which all our employees are invited to participate and share their views annually, measures the pulse of our organizational ethical culture. The Group Ethics team conducted the Ethical Culture Survey in October 2019. More than 13,000 employees from 40 countries participated, a voluntary response rate of 1 in every 16 team members. The survey had 24 questions around our ethical culture, policies, behaviors and SpeakUp. It confirmed a very strong level of awareness of Capgemini's Code of Business Ethics (92%), which 84% found easy to understand and follow. While 70% of the participants agreed that Capgemini lives up to its 7 Values, a good 88% felt that Capgemini Values resonate well with their personal values. The insights from the survey results have been considered for Ethics program planning for 2020.

Our training program, includes:

- 3 mandatory e-learning courses (on Our Code of Business Ethics, Group Anti-Corruption Policy and Group Competition Law Policy);
- micro e-learnings on Ethics and Compliance topics: scenario-based modules, on different ethics topics, featuring short engaging videos on how to handle tricky ethical situations;
- "Ethics Café", featuring short thought-provoking awareness videos on a range of workplace-related ethical situations.

Our internal communication program, built globally at Group level and deployed locally in each country, addresses all employees and involves communication targeted by grade and role. The program uses multiple internal channels to communicate *via* recurring events such as the Ethics Week and Values Day, and through monthly newsletters such as Think Ethics targeting our team leaders, real-cases podcasts, videos, articles, quizzes and Yammer posts.

Results and Key Performance Indicators (KPI)

	KPI	2018	2019	2020 target
SpeakUp coverage	SpeakUp coverage ⁽¹⁾	82%	97%	100%
Ethical alerts reported on SpeakUp ⁽²⁾	Ethical alerts reported on the ethics helpline SpeakUp	n/a	221	n/a
Code of Business	Ethics e-learning Share of employees having completed the e-learning module on Code of Business Ethics	94%	95%	96%
Anti-corruption Policy e-learning	Share of employees having completed the e-learning module on Anti-corruption Policy	94%	96%	96%
Competition Laws Policy e-learning	Share of employees having completed the e-learning module on Competition Laws Policy	90%	90%	92%

(1) Calculated as a percentage of total headcount at December 31st.

(2) Our employees also reach out to their team leaders or HR for reporting their ethical dilemmas. The total number of ethical alerts received in 2019 would be higher.

4.2.1.3 Other initiatives (work in progress)

a) Diversity & equal opportunity

The Topic of diversity is further detailed in Section 4.1.1.3 of this document. The Company's CSR and equality policy ensures social diversity and equal treatment. Professional equality and Social Responsibility policies are based on the principles of non-discrimination and equal treatment. These principles are reflected in numerous provisions within the Company, on a professional equality basis.

Traditional Group employee surveys have evolved to a more advanced and better adapted process, as shown by the Pulse Survey process: Pulse is a continuous employee listening program that aims to manage and measure Employee Engagement at scale (see Section 4.1.1.1).

There are also specific surveys led at country-level, such as the one in France on wellbeing in December 2018 (reference to Section 4.1.1.4.2).

b) Social dialog at Group level: International Works Council (IWC)

Employee dialog is crucial to the success of the Group and goes hand in hand with its business development strategy, focused performance and delivery for our customers. Employees are the main factor of our success. In that respect, social dialogue is a powerful tool to move forward, while allowing safe and conflict-free change. We implement a strong social dialogue at all levels of the organisation, both locally and globally.

The International Works Council (IWC) was first implemented in 2001 ahead of European regulations, and then extended to other regions of the Group. Its mission is to put forward employees' interests to management, and to be kept informed of action plans and projects made by management with regard to their impact on employees.

The IWC aspires to:

- be an advisory body to Group Management on employee matters;
- exercise positive influence;
- foster to cooperation among individual employees and the different parts of the Group;
- contribute to make Capgemini an inspiring environment for all.

The representative of the Group Management is the Chair of the IWC, who acts in conformity with the Group's decisions and strategies.

IWC has a maximum of 60 members in total. The statutory members of the IWC are delegated by the countries participating in the European Agreement. Other delegated members are designated guest members. A guest member may represent a country or a minority group.

The employees are represented by country delegates and by a permanent standing body called IWC Bureau. The Bureau is composed of eight delegates: four representing the top four European countries, and four elected by voting country representatives. Only member countries have voting rights; invited members are only allowed to support the process.

The CEO attends the IWC Meeting at least once a year, and the Group Executive Board (GEB) members are regularly invited to attend the meetings for open discussions with IWC members.

Since 2016, two Directors representing the Employees have been appointed to the Board, ahead of the prevailing legislation. One Board member was designated by the French unions and the second was elected by the IWC noting that the latter was already invited by the Chairman and CEO of the Company since 2015 to sit at the Board and in the Compensation Committee.

c) Labor relations and social dialogue at local level

Country employees' representatives and Works Councils are strategic partners in all organizational and operational transformations. This is reflected operationally in the countries, where unions, Work Councils and social representatives lead a continuous dialog with Capgemini business leadership and HR. Labor agreements signed in cooperation with both parties contribute to a better, safer, healthier work environment for all employees.

Capgemini acknowledges that collective and enterprise agreements are an opportunity to materialize a healthy and transparent social dialog, as well as concrete advancements in labor conditions and work environment that benefit the Company by increasing wellbeing at work, employees' satisfaction and engagement. Some examples of our labor agreements are:

- in France, there were 13 agreements signed in 2019 encompassing compensation and benefits (including employee profit-sharing), Health and Safety, ESOP employee shareholding program, organizational evolutions, among others;
- in the UK, there is a National Works Council with representatives elected by employees in Market Units, Practices and Global Business Lines within the UK geography. Where required by law, Capgemini bargains on pay for union members and has framework agreements with three unions. 11 specific collective bargaining agreements are in place for groups of employees inherited through Transfer of Undertakings (Protection of Employment) regulations 2006 (TUPE);
- in the Netherlands, as of end of 2019, 12 collective agreements have been signed on labor conditions and People Management processes such as new sales, bonus schemes, new security unit, and implementation of Pulse and Platform;
- in Germany, 49 agreements were signed encompassing compensation, technical implementations, time value accounts, re-integration management of disabled/long-term sick employees and organizational evolutions among others.

4.2.2 Compliance

4.2.2.1 Anti-corruption

For additional information on anti-corruption, please refer to Section 3.2 of the document.

Capgemini first launched its Group Ethics & Compliance Program in 2009, followed by the Group Anti-Corruption Policy and an anti-corruption training and whistle-blowing system around 2011.

The adoption of the "Sapin II" law in France has strengthened the framework of the fight against corruption and raised the standards, now making it a legal obligation to adopt an anti-corruption compliance plan covering 8 pillars: (1) an anti-bribery policy, (2) a mandatory system for reporting policy violations, (3) a regularly updated map of corruption risks; (4) a mandatory due diligence procedures for clients, first-tier suppliers and intermediaries, (5) accounting controls to detect and prevent corruption, (6) a corruption risk training for managers and most exposed employees, (7) disciplinary actions against employees for breaches of the policy and (8) a mandatory internal corruption monitoring and assessment system. Moreover, this obligation applies not only to the parent company but to all of its consolidated affiliates world-wide.

In addition to the existing anti-corruption related action plans, the Group has focused on each pillar of the program as part of our continuous improvement plan. In 2019 the Group completed a new Group Anti-Corruption Risk Map and implemented an eleven-point action plan to further increase Group controls in certain areas. It further completed country-level validations of the Group

anti-corruption risk map in most countries across the Group. Following the same logic, it has also further enhanced and communicated on the whistle-blowing program, redesigned its approach and finalized a new Group policy on Anti-Corruption and Third Party Due Diligence, strengthened its anti-corruption audit plan and provided in-person anti-corruption training to country Management Boards.

In 2018, Capgemini also revised the English and French versions of the Anti-Corruption policy (see Section 4.2.1.2 for more information on SpeakUp and 2.1.2 for more information on our Conflict of Interest policy). This revised version was presented to the French and UK Workers Councils and integrated into the Règlement Intérieur in France. It is publicly available on the Capgemini internet site: <https://www.capgemini.com/our-company/values-ethics/group-anti-corruption-policy>.

Sapin II legal requirements and high-level action plan were also presented to the International Workers Committee and to the Ethics & Governance Committee of the Board of Directors in 2018 and again in 2019.

4.2.2.2 Data Privacy

Policies and Actions

Our policies and actions for data privacy are listed in Section 3.2.1.

Results and Key Performance Indicators (KPI)

	KPIs	2018	2019	2020 target
Training: Data privacy	Percentage of employees attending the data privacy training	76%	88%	80%
	Percentage of Vice-Presidents attending the data privacy training	n/a	69%	n/a

In the beginning of 2018, in anticipation of the implementation of the General Data Protection Regulation, Capgemini has updated its general training on Data Protection called "Understand Privacy". Capgemini took this opportunity to include this e-learning in the list of mandatory courses for all employees worldwide. This has been supported by a specific communication campaign inviting all

employees to participate in the training. An objective of 80% completion rate has been decided and reached globally during the course of 2018 and the results are improving months after months. The reporting on Grade F and above has started in 2019 and, though, no target has been defined, Capgemini will keep tracking the results regularly for accountability purposes.

4.3 Duty of care

Since 2017, Law No. 2017-399 on the Duty of Care of Parent Companies and Ordering Companies, it is mandatory for French companies with more than 5,000 employees to develop and implement vigilance plans to identify risks and prevent serious violations with regard to human rights and fundamental freedoms, the Health and Safety of people and the environment, resulting from its own activities and those of its subsidiaries, subcontractors and suppliers.

4.3.1 Our approach

When Capgemini updated its major risk mapping in late 2018, it assessed the risks likely to have a significant adverse effect on its business, its financial situation and its results.

In 2017, the Group carried out an initial risk assessment and mapping within its supply chain to identify countries and areas with the highest risks.

To this end, in close collaboration with the Risk and Insurance, Ethics and Compliance, Procurement, CSR and Legal Departments, we have:

- implemented the Group's risk management approach, ensuring that it is rigorous and consistent;
- assessed the risks to human rights country by country, based on external indicators established by independent bodies;
- identified the high-risk supply chain categories drawing on the internal expertise of our teams and procurement category managers;
- given priority attention to high risk and high value categories in terms of expenditure recorded.

4.3.2 Our achievements in 2019

4.3.2.1 Responsible procurement

Our supply chain both serves our clients and ensures that our internal operations are conducted properly. We strive to guarantee that it is in line with our ethical imperatives and that it meets the expectations of our clients. For over ten years, the Group has had a mandatory purchase order policy and a Global Purchasing System, which gives a clear picture of all our activities in this respect.

Capgemini's Procurement department complies with the Blue Book, which includes the Group's values, our Ethics and Compliance and CSR policies, and respects all the national and international legal and regulatory frameworks in place (see Section 3.1.1 Definition of internal control and risk management system).

To date, Capgemini's Global Purchasing System has more than 15,000 active suppliers and subcontractors. Having such a large supply chain, covering several continents, raises a number of issues and can lead to risks. As such, we remain vigilant about defending human rights and preserving the environment. The importance that we attach to suppliers' relationships is reflected in all the guidelines related to selecting and managing our suppliers and their ethics.

To comply with the duty of care obligations, Capgemini has implemented specific measures.

This Section presents a summary of Capgemini's vigilance plan and its implementation in the following areas: responsible procurement, human rights, Health and Safety of people and the environment. The topics covered by the declaration of extra-financial performance, namely human rights (Section 4.2), Health and Safety of people (Section 4.1.1.4) and the environment (Section 4.1.3) are detailed in the corresponding Sections. As a prerequisite these topics are methodologically aligned with the Group's risk mapping and materiality assessment (Section 3.2).

This risk assessment and mapping within the Group's supply chain is updated regularly.

In addition, our Ethics and Compliance program, launched in 2009 by the Board of Directors, relies on dedicated policies, an Ethical Charter, the SpeakUp helpline – available to both Capgemini employees and external stakeholders – and a specific organization whose manager reports directly to the CEO. One of the Special Committees of the Board of Directors, the Ethics and Governance Committee, ensures that our ethical principles are strictly enforced, and the vigilance plan monitored. This committee met on 14 December 2018 to this end and reported to the Board Meeting on 13 February 2019, for approval of the Management Report in which the vigilance plan features.

In 2019, several actions were defined and carried out to implement the vigilance plan regarding responsible procurement, human rights, Health and Safety of people, and the environment.

Supplier Standards of Conduct

Since 2015, Capgemini has a Supplier Standards of Conduct, which formalizes the standards that will be applied and enforced in its business relationships with its partners and suppliers. The terms of the Standards of Conduct define the prerequisites regarding ethics and compliance, Corporate Social Responsibility and sustainable development. It also defines our policy regarding the terms of our trade relations with our suppliers, such as the mandatory purchase order as a prerequisite to any commercial commitment.

These principles apply to all suppliers and all the countries where Capgemini operates.

The Supplier Standards of Conduct is available at the following link (in English): <https://www.capgemini.com/our-company/supplier-standards-of-conduct>.

In addition, our suppliers are informed in this document that they can use the Group's helpline (SpeakUp) to report any ethical discrepancies, any improper conduct, proven or suspected, in their interactions with the Group, its employees or its affiliates (see Section 3.2.1 Critical risks).

In 2019, 27% of procurement was covered by our Supplier Standards of Conduct. The referencing procedure for our suppliers now incorporates their formal commitment to the terms of this code, using a fully digital process, to improve the way our policy is implemented in this regard.

Supplier Relationship Management Program

Supplier Relationship Management or SRM is one of the main roles of the Procurement department, and without a doubt, the most impactful in the long run. It enables Capgemini and its suppliers to align their roadmaps, optimize operational performance, encourage co-innovation, positively affect the total cost of ownership and keep risks under control. This requires organizations, clear communication plans and regular performance reviews covering all aspects of the commercial relationship to be fully aligned. It fosters trust at decision-making level and ensures better cooperation in achieving shared objectives.

Since 2015, Capgemini's Procurement department has been implementing a program to build a robust supplier base, and boost relations with our main trading partners to create value for the Group's clients. This program also aims to reduce our exposure to supply risk and control any discrepancies with our supplier relationship policy.

Capgemini's Procurement department assesses all aspects of supplier relationships using a Time, Quality, Responsiveness, Delivery, Cost and Environment approach. It implements this program with the support of a digital platform, so this approach can be extended to a wider range of suppliers.

In 2019, the SRM program covered 70 suppliers, resulting in shared action plans, monitored with our suppliers' senior executives. We would like to extend this approach to more than one hundred of our suppliers in 2020.

Assessment of supplier risks

An assessment process is included in the referencing procedure for our suppliers using a digital platform. Its aim is to identify and prevent financial and extra-financial risks, and it covers the risks of corruption and unethical reputation in our potential partners.

If necessary, mitigation measures can be defined, and corrective action plans may be required. Suppliers presenting a serious risk may be excluded.

Digitization of the procurement process

Capgemini has deployed a digital platform to cover the sourcing and procurement processes end-to-end in order to make sure its Supplier Relationship Management policy is properly applied.

4.3.3 Our next steps

Defining and actually implementing a vigilance plan is a time-consuming process that may last for years. We have already taken concrete measures in this respect and intend to continue our efforts to continuously improve our performance.

Regarding the supply chain and the protection of human rights, we will focus on improving our vigilance plan, by building on the best practice developed by Capgemini in the UK in the context of the Modern Slavery Act. Deploying the CSR assessment tool in the rest of the Group – in addition to the UK and the Netherlands – will be studied in 2020.

4.3.2.2 Human rights

Capgemini's commitment to human rights has been deeply rooted in the Group's values and culture since its creation in 1967. The protection of human rights includes freedom of expression, freedom of association, and prohibiting child and forced labor. To this end, freedom is one of the Group's seven Values as defined by Serge Kampf, its founder.

In 2019, for the seventh consecutive year, Capgemini was recognized as one of the World's Most Ethical Companies by the Ethisphere Institute (see Section 4.2 Ethics).

In addition, regarding procurement, and in accordance with our Supplier Standards of Conduct, we are committed to working only with suppliers whose business practices are ethical and respect human rights (see Section 4.3.2.1 Responsible procurement).

4.3.2.3 Health and Safety of people

Our local policies ensure that the Group's standards are applied to all our employees, in all the countries where we operate (see Section 4.1.1 Employees).

All our suppliers and subcontractors are required to comply with the same demanding standards in their respective countries, in accordance with our Supplier Standards of Conduct (see Section 4.3.2.1 Responsible procurement).

4.3.2.4 Environment

With respect to environmental risks, the Group has an Environmental Management System (ISO 14001: 2015 certificated) which allows to identify and manage this category of risks, in compliance with the national and international regulatory frameworks in force and its own objectives.

Supply chain risks are included in the Environmental Management System. In this regard, environmental incidents and emergencies – particularly in relation to suppliers – are dealt with in accordance with the procedures in the Group's Environmental Management System.

A Climate Change Risk Assessment was added in 2017, and in 2018 was gradually incorporated in the standard management system in every country where the Group operates (see Section 4.1.3 Environmental sustainability).

Regarding the environment, training will be organized in 2020 for the Environmental Management System teams to implement Climate Change Risk Assessment in five new countries (Poland, Germany, Italy, China and Australia).

Finally, in 2020, defining and implementing sustainable governance in relation to the duty of care is a priority. This is a prerequisite for coordinating and effectively monitoring initiatives and action plans.

4.4 Other challenges

4.4.1 Fighting Tax Evasion

As a global leader in consulting, technology services and digital transformation, we have offices in more than 40 countries and operate in a sector in constant evolution.

Due to the international nature of its activities, the complexity and the absence of clarity of certain specific national or international tax regulations, the Group is exposed to tax risks. We strive to consider all the existing factors in this environment in order to make the right tax decisions, even where there is uncertainty.

We operate within well established and publicly advocated core values, such as honesty and trust, and a robust internal Code of Ethics, and we are internationally recognized in this regard (see Section 4.2 for additional information).

The Group's commitment to ethical behavior is directly reflected in its management of fiscal affairs through the following measures:

- 1) Capgemini does not engage in tax evasion and does not engage in any practice that goes against the Group's Code of Ethics and ethical values;
- 2) the Group implements a coherent, consistent and reasonable approach to its tax responsibilities, suited for its activities;
- 3) Capgemini does not practice aggressive tax planning or structure transactions with a view to tax evasion, or in a manner likely to harm its operating activities. The Group recognizes its revenue and pays its taxes in the countries where it is located, thus reflecting the actual value generated by its activities. It undertakes to apply arm's length prices in its internal cross-border transactions, in accordance with internationally recognized principles. Capgemini does not use opaque or artificial structures and constantly revises its legal structure to ensure it is suited to its operational needs;

- 4) the Group's tax planning is thus limited to enjoying existing tax measures and tax relief, after honest and objective analysis, and in accordance with the law;
- 5) these principles also apply to relationships with tax authorities. Capgemini maintains a cooperative, open and courteous relationship with them, in every country. Capgemini's tax situation and tax practices are regularly audited. Capgemini undertakes to respond within the given time limits to all requests from the tax authorities, to comply with all filing and reporting requirements and to pay its taxes on time;
- 6) given the complexity of the fiscal context in which Capgemini operates, an internal Tax function monitors regulatory developments, and provides the Group's companies with the appropriate advice and training. This function is composed of a network of international tax experts based in our main regions, which make their counterparts aware of tax issues and promote good governance. Regular interaction with stakeholders, combined with the appropriate involvement of the Taxteams, ensures that potential risks are identified in a timely manner, and that appropriate mitigation measures are implemented where appropriate. This Tax function regularly assesses its resources to ensure that they are consistent with the needs of the Group;
- 7) Capgemini recognizes that the use of external tax advisors, which are chosen by the Group according to their qualifications and their reputation, creates value, particularly when they provide advice on new legislation and the interpretation of case law. All advice thus received is reviewed internally to ensure that any resulting action complies with the Group's tax principles.

The principles mentioned above apply to all entities which are part of the Group, in every country and to all taxes due.

4.5 Methodology and scope for non-financial information

4.5.1 Alignment with French law requirements on *Déclaration de performance extra-financière*

4.5.1.1 Law requirements

Following the transposition in France of the European directive 2014/95/UE of 22 October 2014 with regards to the disclosure of social and environmental information (19 July 2017), Capgemini released in its 2018 management report its first non-financial information statement. As a listed company, Capgemini must disclose in the 2019 report, its action plan to measure the social and environmental consequences of its activities, including information on the consequences of its activity on human rights, on the fight against corruption, and on the fight against tax evasion. The non-financial information to be disclosed is described as follows:

- a) the company's business model, including main resources, main activities, main realizations, strategy;
- b) the main non-financial risks related to the company's activity or the use of its products and services;
- c) the policies implemented to handle those risks (including due diligence procedures if applicable);
- d) the actions implemented during the year and the results of these policies, including performance indicators.

We have positioned the different Sections of the reports as follows:

- a) Capgemini's business model highlights our value creation model and resources. For more information, please refer to Section 1.1.3 for a description of our four main activities, 1.1.4 for our offers' description, Section 1.2 dealing with our market, our competitive environment, our relations with strategic partners and dialogue with stakeholders and to Section 1.3 for a deeper overview of our business strategy;
- b) the presentation of the main risks relating the activity of the Company are presented in two parts:
 - Section 3.2.1: Presentation of the Group critical risks to be disclosed in the non-financial information reporting,
 - Section 3.2.2: Presentation of Corporate & Social Responsibility materiality assessment,
 - Chapter 4: Details of each material topic (non-financial reporting).

In line with the Framework published by the IIRC, we define material topic as follows: key topics that are economic, social and environmental issues that influence the organization's ability to create value. This is determined by considering their effect on the organization's strategy, governance, performance or prospects.

We present our non-financial risks relating to our business model in a dual manner: we have decided to identify both our material risks and topics to be included in this non-financial information statement by leveraging on two existing risk and materiality assessment methodologies at Group level. Indeed, in order to ensure the exhaustivity of our risk analysis, we have performed a cross analysis between the Group risk mapping (see Section 3.2) and the materiality assessment to identify non-financial material risks and topics. This Group's materiality assessment aims at identifying economic, social, environmental and governance material topics taking into account internal and external stakeholders. In 2014, we carried out our first materiality analysis. In 2018, we gathered insights from a global panel of stakeholders, which led to a strategic dialogue between internal and external viewpoints and strengthened our materiality analysis. We represented Capgemini's full ecosystem and prioritized our stakeholders by our level of engagement with them. By questioning senior managers representing the Group's leadership, we identified and selected the relevant issues having an impact on our ability to create long-term value (see Section 3.2.2 for more details on materiality assessment methodology). In 2019, we built on the work of previous years and updated the list of risks and non-financial material topics. This approach has been validated by the department in charge of the Group's risk management.

We identified 15 extra-financial material topics to be reported in the frame of this new regulation, and then matched these topics with the corresponding critical risks within the Group, when existing and overlapping. Those material topics are aligned with our Corporate & Social Responsibility & Human Resources strategies presented at the introduction of this Chapter. For each material topic, we detail the policies implemented to mitigate the related risks or missed opportunities, and the results of policies with relating key performance indicators. The materiality assessment and Group critical risk mapping methodologies are detailed in Chapter 3;

- c) presentation of policies implemented:
 - Section 3.2: Policies implemented for Group critical risks,
 - Chapter 4: Policies implemented for Group material CSR and human resources topics;
- d) results of policies and performance indicators:
 - Section 3.2: Results of policies for Group critical risks,
 - Chapter 4: Results of policies and key performance indicators for Group material CSR and human resources topics.

4.5.1.2 Group critical risks and material topics included in the DPEF

The table below presents the non-financial material topics and Group critical risks related to our business model and ecosystem and where it is reported on in the document. This table mentions the parts where those topics are described.

Strategic risks & opportunities	Material topics <i>(from 2018 materiality assessment, confirmed in 2019)</i>	Related Group critical Risk	References	DPEF category (IES)	DPEF subcategory (IES)
People & diversity	People engagement	Non-critical risk	4.1.1	Social	Employment Work organisation Social
	Talent attraction, retention & development	Failure to attract, develop and retain and/or loss of talents	3.2 4.1.1	Social	Employment
	Diversity & inclusive environment	Non-critical risk	4.1.1	Social	Equal treatment
	Health, safety & wellbeing	Individual safety risk	3.2 4.1.1	Social	Health & Safety
Digital inclusion	Digital inclusion & contribution to local development	Non-critical risk	4.1.2	Societal	Societal engagements
Environmental sustainability	Climate Change	Non-critical risk	4.1.3	Environmental	Climate change
	Environmental management	Non-critical risk	4.1.3	Environmental	Environmental general policy
	Helping clients deliver their sustainability objectives	Non-critical risk	4.1.3	Environmental	Environmental general policy
	Political risks & natural disasters	Country/political risks & natural disasters	3.2	Environmental	Climate change
Compliance & Ethics	Data privacy	Data protection failure	3.2 4.2	Societal	Data protection failure
	Compliance	Non-compliance with/adverse change in laws & regulations	3.2 4.2	Anti-bribery	Bribery
	Value & Ethics	Unethical behavior/misconduct	3.2 4.2	Societal	Fair practices Human Rights
	Human Rights	Non-critical risk	4.2	Human Rights	Human Rights
Duty of care	Responsible procurement	Non-critical risk	4.3	Societal	Subcontractors and suppliers
Tax evasion	Fight against tax evasion	Non-critical risk	4.4	Tax	Tax evasion

4.5.1.3 Non-material topics

The following topics mentioned in the law are deemed non-material because of the nature of our business model and activities and thus not reported on within this document:

- fighting against food insecurity;
- food waste;
- animal condition and wellbeing;
- responsible, sustainable and fair food.

4.5.2 Methodology and scope of non-financial performance indicators

We decided to present the key performance indicators for each material topic according to the following structure:

- indicator results for 2018 (except for new KPIs);
- indicator results for 2019.

For any significant change between 2018 and 2019, explanations are provided.

Consistency checks and trend analysis are performed regularly to guarantee the quality of data, and in case of doubt or inaccuracies, corresponding data are excluded. The coverage rate specified for each indicator reported in the content of the report and summarized below (4.5.2) only includes data deemed relevant and appropriate, even though the intention is to ensure a full coverage. Whenever an explanation on methodology is necessary, the paragraph below provides it.

4.5.2.1 Focus on HR, labor indicators, Learning and Development indicators

The Group's HR and labor data comes from two sources, for general management and reporting purposes:

- the Group's financial reporting tool, which provides data reported monthly or quarterly using common indicators, such as total permanent headcount (permanent and fixed-term contracts including non-actively working, excluding temporary agencies staff, individual freelancers, independent workers, subcontractors, trainees) and movements (hires/acquisitions/departures/attrition rate) as of December 31, 2019. The scope of this data is Group-wide and therefore, there is a match between the sustainability reporting and the financial reporting;
- an internal Business Intelligence (BI) tool, which is interfaced with most local human resources systems. It provides monthly statistics on seniority, age range, gender and grade, whenever legal. 97% of Group employee's data⁽¹⁾ is consolidated within this tool. A few countries are not interfaced though, due to either very stringent regulations on data privacy (Germany), or time required to get agreement and to build the appropriate interfaces, in particular for acquired companies.

Regarding the diversity indicators:

- the proportion of women in Executive Leaders (Section 4.1.1.3) represents the proportion of Group Position Holders being women, *i.e.* the important positions at Group level;
- the proportion of women in Executive position (Section 4.1.1.5) represents the % of women in Director and Vice-President positions (E and F grades).

For *Learning and Development*, the Group has implemented a system accessible to all employees, MyLearning. The system encompasses the full learning catalog (on site and virtual courses, webcasts, videos...). It enables monitoring and tracking of the training delivered.

Hours of training tracked by the business units *via* MyLearning system are calculated based on the predefined duration of each training session (and not on the time effectively spent by employees on the training).

As of 2017, all the training hours that were not tracked in the system are no longer reported. The reason for this is that tracked hours represent more than 96% of all formal learning in MyLearning, and we aim for it to be 100%. Reporting only on system-tracked hours allows us to have full visibility down to the individual learning activity and secures an auditable trail. In 2019, only the training hours carried out by employees still present in the company at 31.12 and of the sessions completed in full are now accounted for. 2018 data was recalculated using this methodology.

4.5.2.2 Focus on digital inclusion indicators

Below are criteria for projects falling under digital inclusion:

- definition: any initiative aiming to reduce the societal digital divide by giving disadvantaged populations the proper tools to integrate in the new world order, shaped by automation and digital revolution, or any initiative aiming to develop a technology solution addressing a social or societal challenge, is a Digital Inclusion project;
- beneficiaries can be:
 - people who do not have any access to digital tools and are excluded due to their lack of technological knowledge and skills *e.g.* the elderly, young school/college dropouts, former offenders, people with disabilities, migrants, homeless, etc.,
 - disadvantaged youth who are NEET (Not in Education, Employment or Training), people struggling with long term unemployment and those in transition such as refugees, etc.,
 - individuals who need to be reskilled because they lost their livelihood as a result of automation,
 - individuals suffering from social or societal challenges which can be tackled with a digital solution;
- objectives: an initiative will have to support either of the following objectives to be classified as digital inclusion project by the Group:
 - help marginalized populations to be connected to the "e" world: facilitating access to digital means and/or trainings to use technology in order to be more autonomous regarding public and daily services (health, administration, education, etc.) for disadvantaged or marginalized individuals,
 - inspire youth towards digital and opportunities in STEM (Science, Technology, Engineering, and Math streams): enabling younger generations to develop digital skills, thereby inspiring them to broaden their career's scope,
 - train and reskill in digital to facilitate employment: specialized training or reskilling of disadvantaged populations in market relevant digital skills with the aim of finding sustainable employment in the new world of work. This category of projects focused on enabling employment will qualify as a *Digital Academy* project, and will have to follow the *Digital Academy* Principles,
 - develop a technology solution suited to the stakes around societal issues (climate change, health, domestic violence, etc.),
 - possibility to have one project having both digital inclusion and non-digital inclusion initiatives. If the project focus is equal to or more than 50% towards digital inclusion, then it should count as digital inclusion project, otherwise is it deemed as non-digital inclusion;
- social/community impact projects: any project with the aim of bringing a sustainable social and environmental impact in local communities will be called a social/community impact project. Projects supported/sponsored by the Diversity and/or Environmental Sustainability Pillars will not be classified under this category.

(1) Manual adjustments are made to integrate some missing data into the tool, thus increasing the coverage rate of these data.

Implementation of social impact projects in the context of digital inclusion

To measure the alignment to digital inclusion at the end of 2019, we have focused on the number of digital inclusion initiatives as a percentage of the total number of social/community impact initiatives. Also, we have taken into consideration 13 countries covering 90% of our headcount at the end of December 2019 (India, France, United States, Canada, Germany, Netherlands, Spain, Poland, Guatemala, Morocco, Belgium, and Sweden). Their social impact initiatives condition their progress towards the 70% alignment goal for 2019.

Extrapolation method: as the focus was on 13 countries covering 90% of the headcount, we are at 82.7% alignment on digital inclusion globally at the end of 2019. Extrapolating this for the entire Group, *i.e.* for 100% of our headcount, the overall alignment towards Digital Inclusion is 74%.

Some of the impacts related to digital inclusion projects in India will be tracked in Q1 2020 due to the delays to consolidate the data at local level, notably regarding the number of graduates and of hires from *Digital Academy* in Capgemini India, for which Q4 data is missing in the figure disclosed. Additionally, Capgemini in India has started following in 2019 a new reporting rule for social projects which requires that any project is accounted for as many times as the number of locations where it has been implemented. This rule will be implemented for all reporting countries in 2020.

4.5.2.3 Focus on Environmental Sustainability indicators

- We measure and track our environmental impact through our global carbon accounting program. This process is facilitated by a web-based carbon accounting tool through which we gather 10 million data points every year, enabling us to analyze our data to a very granular level. Data on our key environmental impacts (energy usage, travel, F-gas, waste and water) is collected from 34 countries representing 99.5% of Group headcount, with estimated data for the remaining 0.5% of our operations. One central team manage the data processing and validation, to ensure consistent, high quality and accurate carbon data is available across the Group. Our Greenhouse Gas (GHG) emissions are calculated following the methodology outlined by the Greenhouse Gas Protocol Corporate Reporting and Accounting Standard, using an operational control approach.
- Our Group-wide commitment to improving our environmental performance is underpinned by a set of environmental targets, which are measured against a 2015 baseline. Our headline target focuses on carbon reduction, with a commitment to decoupling our development as a business from our greenhouse gas emissions. The number of people delivering our services is perhaps the most significant factor in determining our emissions and therefore our headline target focuses on reducing our total greenhouse gas emissions per employee. This target is supported by a focus on reducing our energy usage, business travel emissions and waste generated.

Non-financial performance indicator correspondence table

Material topics	KPI	2018 Value	2019 Value	Comment on KPI results (2018 VS 2019)
People Engagement	Number of consultants and senior consultants (A and B grades) onboarded in the new Performance Management System (pilot phase)	8,720	12,000	Program launched in France in 2017, scope progressively enlarged in 2018 and 2019 and full deployment in 2020 for grades A and B
	Progressive implementation of "Continuous Listening – Feedback – Learning" policies	n/a (new KPI)	n/a (KPI being developed)	KPIs to be fine-tuned based on initial findings
	Numbers of employees enrolled in talent acceleration programs	907	1,060	
	Average training hours per employee	35.8	38.9 ✓	
Talent attraction, retention & development	Number of people hired by the Group (external hiring)	61,752	63,728 ✓	
	Employee Attrition Rate	22%	20% ✓	
Diversity & inclusive environment	Share of women in Executive leadership	14%	16.8%	Target was 16% and was achieved
	Share of Vice-President promotions that are women (internal promotions and external hiring)	24%	29%	Driven by a high percentage of external hiring
	Share of women in the workforce ✓	31.9%	33%	
	Persons with disabilities in the workforce	France: 486 India: 353 Group Total: 1,544	France: 563 India: 450 Group Total: 1,733	
Health, safety & wellbeing	Compliance with the Snapshot process: % of travelers who complied with the Snapshot process	93%	98.2%	
	Compliance with Safety/Security training: % of travelers who have followed the training	Low risk: 19 Medium/High risk: 96	Low risk: 19 Medium/High risk: 96	
Health, Safety & wellbeing KPIs for India	Utilization of <i>Employee Assistance Program</i> (reporting and care)	0.4%	0.7%	
	Ensure transition to ISO 45001 from current OHSAS 18001	n/a (new KPI)	On Track	

Material topics	KPI	2018 Value	2019 Value	Comment on KPI results (2018 VS 2019)
Health, Safety & wellbeing KPIs for France	Effectiveness of the helpline	38	23	
	Teleworking use rate by employees: number of employees (% of the Capgemini France workforce)	3,087 (12.4%)	3,985 (15.2%)	
	Employees with health and welfare coverage	100%	100%	
	Employee stress rate, measured in the Quality of life survey participation	29.4%	n/a	
Additional HR information	Average total headcount	204,904	216,104	
	Workforce average years of service	4.7 years	4.6 years	Linked to the high volume of hiring
	Workforce age average	33.4 years	33.5 years	Stable
	Share of women in management position	16.3%	17.5%	Driven by female P & VP inflow
Digital Inclusion and Contribution to local development	Alignment of Social Impact projects towards Digital Inclusion	64%	74%	Results above target, which was 70% for 2019
	Number of <i>Digital Academy</i> graduates	150	1,562	Program growth with a strong increase of the number of <i>Digital Academies</i> in India
Climate Change	Percentage of reduction in greenhouse gas (GHG) emissions per employee since 2015	20.4%	29.3% ✓	
Environmental Management	Share of operations by headcount covered by ISO 14001 certification ✓	86.9%	91.5%	
	Percentage reduction in total energy use compared to 2015 baseline	17.5%	19.5% ✓	
	Proportion of total electricity consumption coming from renewable sources	23.6%	46.5%	
	Percentage reduction in business travel emissions per employee compared to 2015 baseline	10.3%	21.2% ✓	
Helping Clients Deliver their Sustainability Objectives	Number of employees in face-to-face briefings, business challenges, workshops or training on sustainability	1,500+	2,750+	

Material topics	KPI	2018 Value	2019 Value	Comment on KPI results (2018 VS 2019)
Ethics & Human Rights	Share of employees having completed the e-learning module on:			
	– Code of Business Ethics	94%	95%	
	– Anti-corruption policy	94%	96%	
	– Competition Laws Policy	90%	90%	
	SpeakUp coverage ⁽¹⁾	82%	97%	

(1) Calculated as a percentage of total headcount at December 31st.

√ Data identified in these tables by a √ has been reviewed by KPMG with a reasonable level of assurance.

4.6 External Report on the *Déclaration de performance extra-financière*

Report by one of the Statutory auditors, appointed as an independent third party, on the consolidated non-financial performance statement in the Management Report

For the year ended 31 December 2019

To the Annual General Meeting,

In our capacity as statutory auditor of your Company (hereinafter the “entity”), appointed as independent third party, and accredited by the French Accreditation Committee (*Comité Français d’Accréditation* or COFRAC) under number 3-1049⁽¹⁾, we hereby report to you on the consolidated non-financial statement for the year ended December 31st 2019 (hereinafter the “Statement”), included in the Group Management Report pursuant to the requirements of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Responsibility of the entity

The Management Board is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the “Guidelines”), the main elements of which are presented in the Statement and available upon request at the entity's head office.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Responsibility of the Statutory Auditor appointed as independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225-105 I, 3^e and II of the French Commercial Code, *i.e.*, the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the “Information”).

Our responsibility is also to provide a report expressing, at the request of the entity and outside of the scope of accreditation, a reasonable assurance conclusion that information selected by the entity, presented in Appendix and identified with the symbol ✓ in Chapter 4 has been prepared, in all material respects, in accordance with the Guidelines.

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

Nature and scope of our work

The work described below was performed in accordance with the provisions of article A.225-1 *et seq.* of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory auditors (*Compagnie nationale des commissaires aux comptes* or CNCC) applicable to such engagements and with ISAE 3000⁽²⁾:

- we obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- we verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks and includes, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with its their business relationships, its their products or services, as well as its their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented,
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix; concerning certain risks (Health, safety & wellbeing, Value & Ethics, Compliance with laws & regulations, Data privacy), our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on a selection of entities⁽³⁾;

(1) Of which the scope is available at www.cofrac.fr.

(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

(3) India, France, Netherlands, Italy.

- we verified that the Statement covers the scope of consolidation, *i.e.* all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code, within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities³ and covers between 40% and 77% of the consolidated data selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgment, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work was carried out by a team of eight people between November 2019 and February 2020 and took a total of ten weeks.

We were assisted in our work by our specialists in sustainable development and Corporate Social Responsibility. We conducted ten interviews with the people responsible for preparing the Statement.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Reasonable assurance report on a selection of non-financial information

Nature and scope of our work

With regard to the information selected by the entity presented in Appendix and identified with the symbol √ in Chapter 4, we conducted the same procedures as those described in the paragraph “Nature and scope of our work” (for the most important non-financial information). However, these procedures were more in-depth, particularly regarding the number of tests.

Consequently, the selected sample represents between 40% and 77% of the information identified with the symbol √.

We believe that these procedures enable us to express reasonable assurance regarding the information selected by the entity and identified with the symbol √.

Conclusion

In our opinion, the information selected by the entity and identified with the symbol √ in Chapter 4 has been prepared, in all material respects, in accordance with the Guidelines.

Paris-La Défense, on February 20th 2020

KPMG S.A.

Anne Garans
Partner
Sustainability Services

Stéphanie Ortega
Partner

Frédéric Quélin
Partner

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Financial information

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5.1 Analysis of Capgemini group consolidated results

5.1.1 General comments on the Group's activity in 2019

Capgemini continued its value creation trajectory in 2019, outpacing the market over time while improving its operating margin and cash generation, in a more contrasted economic environment. This performance validates the strategic directions taken by the Group in recent years and, particularly, the dynamic management of its innovative offerings portfolio, its firmly client-focused approach - combining vertical expertise with a unified commercial approach - and the launch of Capgemini Invent, its digital consulting and transformation brand. Capgemini has in this way strengthened its profitable growth model, which combines strong sector expertise, global production capabilities and cutting-edge Digital services.

In 2019, the Group generated revenues of €14,125 million, up 7.0% compared with 2018. Growth is 5.3% at constant exchange rates, in line with the 2019 target of "around 5.5%" (adjusted target announced at the Q3 2019 publication). Organic growth (*i.e.* excluding the impact of currency fluctuations and changes in Group scope) was 4.2%.

Digital and Cloud now account for over 50% of the Group's activities, with growth exceeding 20% at constant exchange rates in 2019.

The operating margin is €1,741 million, or 12.3% of revenues, an increase of 9% or 20 basis points year-on-year, in line with annual objectives. The portfolio of innovative offerings drove this value creation, as illustrated by the increase in gross margin of the same amount. Geographically, the United Kingdom & Ireland and France were the main contributors to this performance, as well as North America to a lesser extent.

Other operating income and expenses were down to a net expense of €308 million from €346 million in 2018. This was mainly due to the marked decrease in restructuring costs, as anticipated, from €122 million in 2018 to €82 million in 2019.

Operating profit totaled €1,433 million, or 10.1% of revenues, compared with €1,251 million, or 9.5% of revenues, in 2018.

The net financial expense is €79 million, virtually unchanged on last year's expense of €80 million. The income tax expense increased from €447 million in 2018 to €502 million this year and includes €60 million due to the transitional impact of the US tax reform, compared with €53 million last year. Adjusted for this expense, the effective tax rate decreased from 33.7% in 2018 to 32.6%.

Net profit (Group share) grew by a strong 17% to €856 million in 2019. Basic earnings per share was €5.15 for 2019. Normalized earnings per share is €6.40, or €6.76 adjusted for the transitional tax expense (*i.e.* up 12% year-on-year).

Group cash flow from operations increased significantly to €1,981 million from €1,536 million in 2018. Income tax payments totaled €217 million, up slightly on 2018 (€205 million). This was mainly due to a higher operating margin and, to a lesser extent, lower restructuring costs. The Group also benefited from a €30 million improvement in working capital requirements in 2019. Net cash from operating activities therefore increased €398 million year-on-year to €1,794 million. Capital expenditures, net of disposals, are broadly stable year-on-year at €219 million, representing 1.6% of revenues. Net interest paid and received resulted in a cash outflow of €15 million, compared with €7 million in 2018. Organic free cash flow generated by the Group was therefore up €128 million year-on-year to €1,288 million, largely exceeding the €1,100 million objective set at the beginning of the year.

Capgemini disbursed €578 million net for acquisitions in 2019 (including €411 million, excluding costs, for the block of 11.43% of Altran shares), and paid €282 million in dividends. The Group also allocated €150 million to share buybacks under the multi-year program. The 6th employee share ownership plan led to a gross capital increase of €254 million.

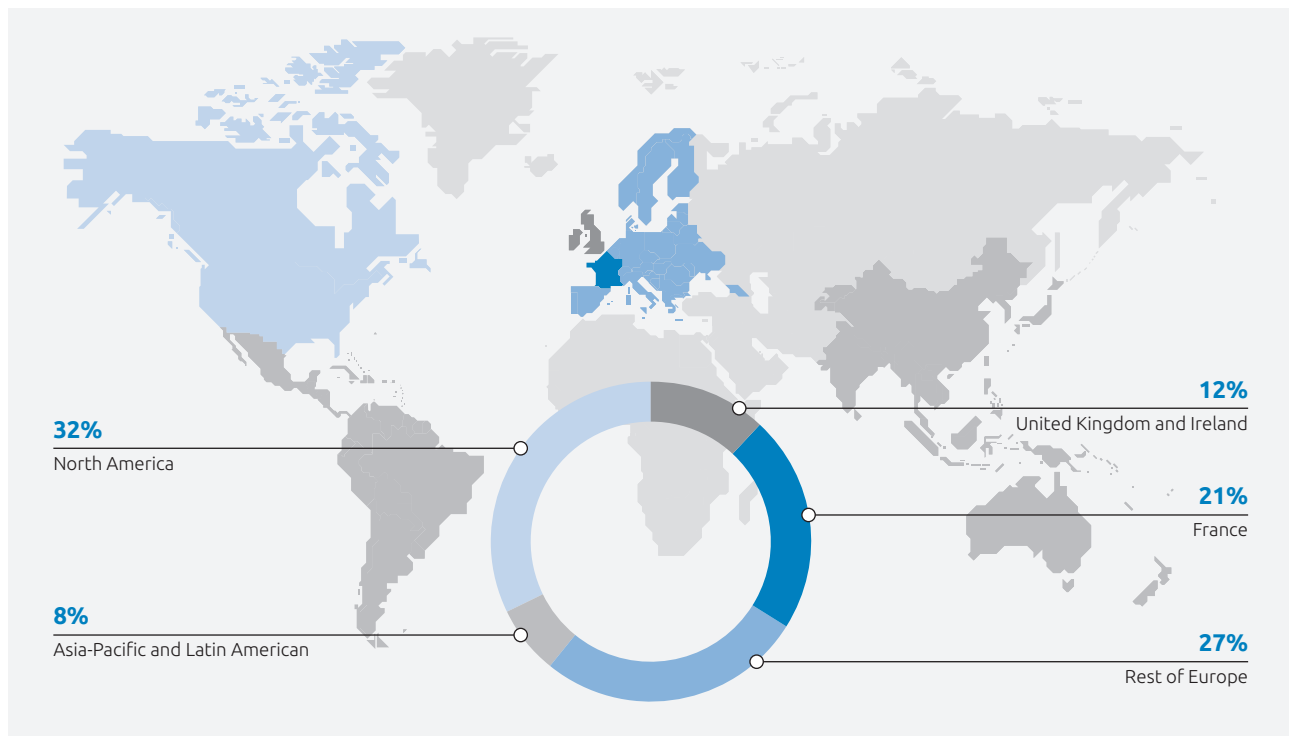
In 2019, Capgemini strengthened its financial structure with a €944 million increase in shareholders' equity and a €584 million reduction in net debt.

The structure of Capgemini's balance sheet remained globally unchanged during 2019. The Altran Technologies shares held by the Group correspond exclusively to the 11.43% of Altran's capital acquired in July 2019 and are recognised at this stage as a financial asset in the Group's balance sheet.

At December 31, 2019 the Group had €2,450 million in cash and cash equivalents compared with €2,004 million a year earlier. After accounting for borrowings (excluding lease liabilities) of €3,270 million, cash management assets and derivative instruments, Group net debt is €600 million at the end of 2019, compared with €1,104 million at January 1, 2019 and €1,184 million at December 31, 2018 (*i.e.* before the application of IFRS 16 from January 1, 2019).

The Altran Technologies shares held by the Group consist of the 11.43% stake in Altran acquired in July 2019 and are currently recognized as a financial asset in the Group's balance sheet for an amount of €413 million (taxes included).

Operations by major region



North America revenues (32% of Group revenues) grew 2.6% at constant exchange rates, on a challenging comparison basis as the region grew 14.4% in 2018. The Services and Energy & Utilities sectors were the most dynamic. The operating margin improved 30 basis points year-on-year to 13.9%.

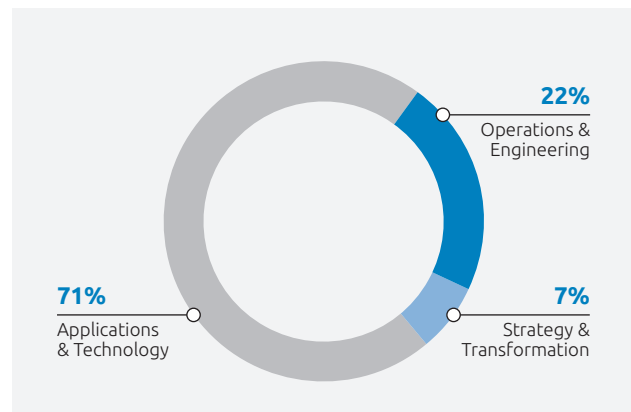
The **United Kingdom & Ireland** region (12% of Group revenues) recorded strong growth of 4.7% at constant exchange rates for the year, despite the slowdown recorded as anticipated in the final months of the year. The Manufacturing, Energy & Utilities and Consumer Goods & Retail sectors were the main growth drivers, while the public sector remained almost stable. The operating margin rate jumped to 15.2%, from 12.6% in 2018.

In **France** (21% of Group revenues), revenues rose year-on-year by a strong 5.9%. Demand was fueled in particular by the Manufacturing, Services and Public sectors. The operating margin rate improved further to 12.1% of revenues, an annual increase of 100 basis points.

Growth momentum remained robust in the **Rest of Europe** (27% of Group revenues), with a 6.2% increase in revenues at constant exchange rates. The Energy & Utilities, Consumer Goods & Retail and Manufacturing sectors were the strongest. Operating margin for the region eroded from 13.0% in 2018 to 11.8%.

Finally, the **Asia-Pacific and Latin America** region (8% of Group revenues) was particularly dynamic. Revenues grew 12.8% at constant exchange rates, with all the main sectors contributing to this performance. The operating margin rate nonetheless declined to 11.2%, from 12.8% in 2018.

Operations by business



When determining activity trends by business and in accordance with internal operating performance measures, growth at constant exchange rates is calculated based on **total revenue**, i.e. before elimination of inter-business billing. The Group considers this to be more representative of activity levels by business. As its businesses change, an increasing number of contracts require a range of business expertise for delivery, leading to a rise in inter-business flows (for information, approximately 7% of total revenues in 2018).

Strategy & Transformation Consulting Services (7% of Group total revenues), now grouped under *Capgemini Invent*, recorded a 15.1% increase at constant exchange rates in their total revenues. Growth was driven mainly by the Manufacturing, Energy & Utilities and TMT (Telco, Media & Technology) sectors.

Applications & Technology services (71% of Group total revenues), the Group's core business, reported total revenue growth of 4.8% at constant exchange rates. The Services, Energy & Utilities and Manufacturing sectors were the most dynamic in the past year.

Finally, **Operations & Engineering Services** (22% of Group total revenues) grew 4.9% at constant exchange rates. These business lines benefit from the Group's growing success in multi-year contracts, especially for cloud infrastructure services. With the Group's focus

on the Intelligent industry, Digital Engineering & Manufacturing Services (DEMS) continue to develop at a brisk pace.

The following table presents the utilization rates measuring the percentage of work time, excluding vacation, of production employees.

Utilization rate	2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Strategy & Transformation	75%	79%	74%	75%	74%	74%	74%	74%
Applications & Technology	77%	78%	77%	77%	78%	79%	79%	80%

Headcount

At December 31, 2019, the total Group headcount is 219,314 employees compared with 211,313 employees one year earlier. This 8,001 net increase (+3.8%) reflects:

- 64,625 additions; and
- 56,624 departures (including 43,017 resignations), representing a weighted attrition rate of 20.0% compared with 22.0% in 2018 (in 2019 the Group updated its attrition rate calculation methodology to more closely reflect sector practices).

Order book

Bookings were up sharply, rising 11.3% at constant exchange rates to €15,138 million, with a book-to-bill ratio of 107% over the period. This reflects the Group's ability to win large digital transformation contracts and secure multi-year client commitments.

Significant events of 2019

Changes in governance

As part of the internal managerial transition process initiated in 2017 by Mr. Paul Hermelin, Chairman and Chief Executive Officer, the Capgemini SE Board of Directors chose in September 2019 Mr. Aiman Ezzat, currently Chief Operating Officer (COO), to succeed Mr. Paul Hermelin as Chief Executive Officer after the Shareholders' Meeting scheduled for May 20, 2020. Mr. Aiman Ezzat, aged 58, has been Chief Operating Officer of Capgemini since January 1, 2018 and is a member of the Group Executive Board. With more than 20 years' experience at Capgemini, he has developed a deep knowledge of all the Group's businesses. Aiman served as Chief Financial Officer of the Group from December 2012 to 2018. In November 2007, he was appointed as COO of the Financial Services Global Business Unit (GBU) and became its Global Head in December 2008, a position which he held until 2012.

As regards its Board of Directors, the Group also appointed Ms. Xiaoqun Clever as a director with effect from January 1, 2019. Ms. Xiaoqun Clever is a German citizen. She has acquired solid experience in the field of digital transformation and data use over the course of a successful career in the software and data industries. In addition, she brings to the Capgemini SE Board of Directors her excellent knowledge of the Asian and Central European markets, a valuable asset for the Group's future development in these key geographies.

Acquisition of Altran Technologies

In June 2019, Capgemini and Altran Technologies entered into an agreement for Capgemini to acquire Altran through a friendly public tender offer. Altran is a world leading provider of Engineering and R&D services, with a portfolio of high-profile clients, extensive sector expertise and in-depth understanding of industrial business processes and operational technologies. The combination of the two companies will create a group with revenues of €17 billion and more than 265,000 employees.

The new Group will benefit from a unique ability to support industrial players in their digital transformation, by combining its intimate knowledge of their businesses, its privileged access to decision-makers and its portfolio of offers that spans digital transformation, consulting and innovation, information technologies (IT) and operational technologies (OT). Building on these strengths, Capgemini will reinforce its role as the strategic partner of choice of its clients in this "Intelligent Industry" space.

The public tender offer was launched on October 16, 2019 and closed on January 22, 2020, after the closing of the 2019 fiscal year. On January 27, 2020, Capgemini announced that following settlement-delivery on February 4, 2020, the Group will hold 137,674,545 Altran shares, thereby exceeding the offer success threshold set at 50.1% of the share capital and voting rights (on a fully diluted basis). After taking into account 2,461,800 treasury shares, this represents 54.52% of Altran's share capital and 54.37% of Altran's voting rights. Following the success of the offer, it was automatically reopened from January 28 to February 10, 2020. A court action has been filed with the Paris Court of Appeal against both the clearance decision of the AMF on the offer and the approval by the AMF of Altran's response document. The ruling is expected by the end of March at the latest. Capgemini has taken certain undertakings in this context⁽¹⁾.

Other external growth and investment transactions

In parallel with its above-described Altran acquisition project, Capgemini continued in 2019 its targeted acquisition strategy.

In February 2019, the Group completed the acquisition of the US company, Leidos Cyber, a leader in private sector corporate security. Through this acquisition, the Group reinforced its capabilities in North America, helping to meet growing client demand for its cybersecurity services across the region and adding value to the global security provisions of Capgemini's clients around the world. Capgemini also strengthened its position in the Energy & Utilities sector with the acquisition in August 2019 of Konexus Consulting, the leading strategy and management consultancy for the energy industry in the German market.

(1) See AMF notice 219C2818 dated December 18, 2019, setting out the commitments made by Capgemini to the AMF; see also Capgemini's press release dated January 14, 2020 stating that Capgemini will, for at least 18 months from January 14, 2020, neither file a new offer nor implement a statutory merger based on a price per Altran share higher than the offer price (i.e. 14.50 euros per share).

In June 2019, Capgemini also launched an investment fund for B2B start-ups and scale-ups, in partnership with ISAI, an investment firm created by Tech entrepreneurs. With a target allocation of €90 million, the ISAI Cap Venture fund aims to take minority stakes in young technology companies who have developed innovative solutions and that have reached a stage of maturity that allows a joint commercial approach with Capgemini.

Commercial momentum

In 2019, demand for Capgemini's services was driven particularly by the digital transformation needs of its major clients, across all main vertical sectors:

- in the Manufacturing and Life Sciences sector:
 - Capgemini developed an innovative solution for manufacturing components directly in space for a leading global aircraft manufacturer. The Group notably delivers robotic intelligence enabling the design and production of materials for the final structure, for 3D printing and robotics in space,
 - the Group was selected by a leading company in the defense sector to transform the IT offering of certain of its maritime businesses, and thereby leverage innovative digital technologies to improve the user experience, ensure high service availability and reduce IT costs,
 - Capgemini was selected by a leading European car manufacturer as their preferred partner for the design and delivery of its "Global Core Model" (encompassing all Group Management processes and rules), as part of the roll-out of S/4 HANA, the latest generation of SAP's flagship software suite,
 - the Group deployed its Industrial Internet of Things (IIoT) solution for a leading global oilfield services provider. This solution provides a permanent connection between manufacturing operations, machines used and supervising engineers,
 - Capgemini strengthened its partnership with a Scandinavian premium car manufacturer to support its digital transformation and modernize its IT infrastructure,
 - finally, Capgemini signed a new historical 6-year contract worth over €1 billion with Bayer, a global German group with core competencies in the life science fields of health care and agriculture, to transform its IT landscape and accelerate the digitalization of its organization. Capgemini will deliver a wide range of services, comprising management of the transformation of the group's IT infrastructure Cloud and its Enterprise Resource Planning (ERP) and Business Intelligence/Analytics environments, as well as the Service Integration of Bayer's entire new supplier eco-system;
- in the Financial Services sector:
 - Capgemini modernized the IT infrastructure of a Scandinavian consumer credit provider, using a microservices-based architecture that will facilitate applicative maintenance,
 - the Group deployed a new mortgage lending platform for a major Nordic bank, designed to reduce decision time and increase transparency for its customers,
 - finally, Capgemini was selected by a major European bank to implement Salesforce's "nCino" solution for its corporate lending business; this reputed solution will be used to digitalize all lending processes, while improving the customer experience;

- in the Energy & Utilities sector:
 - Capgemini was named by a world leading private utilities company as its strategic partner for the development and maintenance of all its IT systems and technologies for the next five years,
 - a major French energy supplier improved its customer experience with an Odigo CCaaS (*Contact Center as a Service*) offer. Odigo is Capgemini's cloud-based contact center solution,
 - finally, the largest independent oil and gas exploration and production company on the Norwegian continental shelf selected Capgemini to conduct a large program of digital projects to accelerate its digital transformation;
- in the Retail & Consumer Goods sector:
 - an American restaurant chain chose Capgemini for its reputed industry experience, to deliver their next generation of stores equipped with digital technologies,
 - under a five-year agreement, Capgemini will support the digital transformation of the Finance and Accounting functions of the world's largest producer of plant-based consumer products, in around 50 countries,
 - the Group will roll-out a Client Service, Marketing and Commencement solution in 80 countries for a leading luxury brand,
 - finally, Capgemini was selected by the world's leading spice company to help standardize, modernize and manage its IT infrastructure and support services, notably by building and operating a public Cloud;
- in the Public Sector:
 - Capgemini is preparing the overhaul of health data content management systems on behalf of various governments in continental Europe, to improve citizens' experience of the management of patients in the public healthcare sector,
 - the Group has deployed an unprecedented smart city project for a major French regional metropolis, by creating a connected control center to remotely manage public facilities for all municipalities in the region,
 - finally, the UK revenue and customs authority (HMRC) extended its contract with Capgemini for a further two years. Capgemini will continue to act as a strategic supplier to HMRC after over 15 years of close partnership.

Rewards and recognition

Capgemini's technical and sector expertise was recognized once again by several prizes and distinctions awarded throughout 2019 and particularly:

- by independent bodies:
 - the Group was positioned as a Leader by Gartner in its Magic Quadrant for Managed Workplace Services, Europe (January), CRM and Customer Experience Implementation Services, Worldwide and Data and Analytics Service Providers, Worldwide (February). Finally, for the fifth year running, Odigo (formerly Capgemini Prosodie) was named as a Leader for Contact Centers as a Service (CCaaS) in Western Europe (November),

- Capgemini was named as a Leader by Everest Group for Healthcare Payer Digital services (March), Services in the Insurance Sector (April, May and September), Finance and Accounting Outsourcing (May), Enterprise Platform IT Services in Banking and Financial Services (August), DevOps Services (October) and finally Data & Analytics Services (October),
 - the Group was named as a Leader by NelsonHall for Cloud and Multi-Process HR Services (February), Advanced Digital Workplace Services (April), Software Testing Services (May), Advanced Analytics Business Process Services (July), Robotic Process Automation and artificial intelligence for Banking (September) and Wealth and Asset Management Services (December),
 - finally, Capgemini was identified by Zinnov as a Leader for Engineering, Research and Development (June);
- by Group partners:
- the Group won the 2019 “SAP on Azure” Partner of the Year award from among Microsoft’s top global partners (May),
 - Capgemini received the Pega Partner Award for Excellence in Growth and Delivery 2019, from Pegasystems Inc. (June),
 - Capgemini was named Systems Integrator (SI) & Value Added Reseller (VAR) Partner of the Year for Europe, Middle-East and Asia (EMEA) by MuleSoft, the provider of the number one platform for building applicative networks (July).

For the seventh year running, the Group was also recognized as one of the world’s most ethical companies by the Ethisphere Institute.

Employee Share Ownership

The sixth employee share ownership plan (November) aimed at associating employees with the Group’s development and performance was highly successful, with a subscription rate of 160%. This new employee share ownership plan (ESOP) will help maintain employee share ownership at over 5% of the share capital.

5.1.2 Comments on the Capgemini group consolidated financial statements and outlook for 2020

Consolidated Income Statement

Consolidated **revenues** total €14,125 million for the year ended December 31, 2019, compared with €13,197 million in 2018, up 7.0% on reported figures and 5.3% at constant exchange rates.

Operating expenses total €12,384 million, compared with €11,600 million in 2018.

An analysis of costs by nature highlights a €686 million increase in personnel costs (8.4%) to €8,833 million for 2019. Personnel costs represent 62.5% of revenues compared with 61.7% in 2018. The average headcount rose 5.5% in 2019 to 216,104, compared with 204,904 in 2018. Offshore employees represent 57% of the total Group headcount in 2019.

An analysis of costs by function reveals:

- the cost of services rendered is €10,274 million, or 72.7% of revenues, down 0.2 points on 2018. The gross margin is 27.3% of revenues in 2019, compared with 27.1% in 2018;
- selling costs total €1,123 million, or 8.0% of revenues;
- general and administrative expenses total €987 million (7.0% of revenues).

The **operating margin** is therefore €1,741 million in 2019, compared with €1,597 million in 2018, representing a margin rate of 12.3% (12.1% in 2018).

Other operating income and expense decreased from a net expense of €346 million in 2018 to €308 million in 2019, due to significantly lower restructuring costs, partially offset by higher integration costs for companies acquired and an increase in the performance share grant expense in line with share price trends.

Operating profit is €1,433 million (10.1% of revenues), compared with €1,251 million in 2018 (9.5% of revenues).

The **net financial expense** is €79 million, compared with €80 million in 2018. This stability is due to movements in currency hedges on inter-company financial transactions, offset by higher interest expenses on lease liabilities, following the application of IFRS 16, Leases, since January 1, 2019.

The **income tax expense** is €502 million, compared with €447 million in 2018. The effective tax rate is 37.1% in 2019, compared with 38.2% in 2018. Adjusted for the transitional impact of the US tax reform of €60 million in 2019 and €53 million in 2018, the effective tax rate fell from 33.7% in 2018 to 32.6% in 2019.

Profit for the year attributable to owners of the Company is €856 million in 2019, compared with €730 million in 2018. Normalized earnings per share are therefore €6.76 based on an average of 166,171,198 ordinary shares outstanding in 2019, excluding the tax expense of €60 million due to the transitional impact of the US tax reform, compared with €6.06 based on an average of 167,088,363 ordinary shares outstanding in 2018.

Consolidated Statement of Financial Position

Equity attributable to owners of the Company totaled €8,424 million at December 31, 2019, up €944 million on December 31, 2018. This increase was mainly due to:

- profit for the year of €856 million;
- the €75 million positive impact of other comprehensive income;
- the €92 million change in the fair value of the put option granted to Caixa Participações following the agreement reached out for the transfer of their shares to Capgemini in 2020;
- a €355 million increase in incentive and employee share ownership instruments and particularly the €253 million net impact of the share capital increase under the ESOP 2019 international employee share ownership plan, partially offset by the payment of dividends to shareholders totaling €282 million and the elimination of treasury shares for €136 million.

Non-current assets totaled €11,572 million at December 31, 2019, up €516 million on January 1, 2019 (including the impact of the first-time application of IFRS 16, Leases). This increase was mainly attributable to:

- a €231 million increase in goodwill due to 2019 acquisitions in the amount of €131 million and translation adjustments of €114 million recognized on goodwill primarily denominated in US dollars;
- the acquisition on July 2, 2019, under the Altran Technologies group acquisition project, of 29,378,319 Altran shares, representing 11.43% of Altran's share capital, at a price of €14.00 per share, for a total disbursement of €413 million.

Non-current liabilities totaled €4,596 million at December 31, 2019, down €726 million on January 1, 2019 (including the impact of the first-time application of IFRS 16, Leases), mainly due to the reclassification in current liabilities of the 2015 bond issue maturing in July 2020 in the amount of €681 million.

Trade receivables, contract assets and contract costs totaled €3,380 million at December 31, 2019 compared with €3,279 million at December 31, 2018. Trade receivables and contract assets excluding contract costs and net of contract liabilities totaled €2,461 million at December 31, 2019, compared with €2,323 million at December 31, 2018.

Accounts and notes payable mainly consist of trade payables and related accounts, personnel costs and accrued taxes other than income tax and total €3,011 million at December 31, 2019, compared with €2,944 million at December 31, 2018.

Consolidated net debt was €600 million at December 31, 2019, compared with €1,104 million at January 1, 2019 (including the impact of the first-time application of IFRS 16, Leases). This €504 million decrease on January 1, 2019 is mainly due to the generation of organic free cash flow during the year of €1,288 million and the €253 million share capital increase under the ESOP 2019 international share ownership plan, offset by:

- the payment of a €282 million dividend to shareholders;
- cash inflows and outflows on business combinations net of cash and cash equivalents acquired of €165 million;
- net cash outflows of €134 million in respect of transactions in Capgemini SE shares;
- the acquisition on July 2, 2019 of 29,378,319 Altran shares, representing 11.43% of Altran's share capital, at a price of €14.00 per share, for a total disbursement of €413 million.

Outlook for 2020

For 2020, the Group targets revenue growth of around 4% at constant exchange rates, improved profitability with an operating margin of 12.4% to 12.6% and organic free cash flow of around €1.2 billion.

This outlook does not factor in the impact of the Altran acquisition and is to be considered before the overall development of the pandemic.

5.2 Consolidated accounts

5.2.1 Consolidated Income Statement

<i>(in millions of euros)</i>	Notes	2018		2019	
		Amount	%	Amount	%
Revenues	4 and 6	13,197	100	14,125	100
Cost of services rendered		(9,627)	(72.9)	(10,274)	(72.7)
Selling expenses		(1,043)	(7.9)	(1,123)	(8.0)
General and administrative expenses		(930)	(7.1)	(987)	(7.0)
Operating expenses	7	(11,600)	(87.9)	(12,384)	(87.7)
Operating margin ⁽¹⁾		1,597	12.1	1,741	12.3
Other operating income and expense	8	(346)	(2.6)	(308)	(2.2)
Operating profit		1,251	9.5	1,433	10.1
Net finance costs	9	(12)	(0.1)	(3)	-
Other financial income and expense	9	(68)	(0.5)	(76)	(0.6)
Net financial expense		(80)	(0.6)	(79)	(0.6)
Income tax expense	10	(447)	(3.4)	(502)	(3.5)
PROFIT FOR THE YEAR		724	5.5	852	6.0
<i>Attributable to:</i>					
<i>Owners of the Company</i>		730	5.5	856	6.0
<i>Non-controlling interests</i>		(6)	-	(4)	-
EARNINGS PER SHARE					
Average number of shares outstanding during the period		167,088,363		166,171,198	
Basic earnings per share <i>(in euros)</i>	11	4.37		5.15	
Diluted average number of shares outstanding		171,697,335		171,047,762	
Diluted earnings per share <i>(in euros)</i>	11	4.25		5.00	

(1) Operating margin, an alternative performance measure monitored by the Group, is defined in Note 3 – Alternative performance measures.

5.2.2 Consolidated statement of comprehensive income

<i>(in millions of euros)</i>	2018	2019
Actuarial gains and losses on defined benefit pension plans, net of tax ⁽¹⁾	114	(35)
Remeasurement of hedging derivatives, net of tax ⁽²⁾	(53)	1
Other, net of tax ⁽¹⁾	-	1
Translation adjustments ⁽²⁾	177	108
OTHER ITEMS OF COMPREHENSIVE INCOME	238	75
Profit for the period (reminder)	724	852
Total comprehensive income for the period	962	927
<i>Attributable to:</i>		
<i>Owners of the Company</i>	967	931
<i>Non-controlling interests</i>	(5)	(4)

(1) Other items of comprehensive income that will not be reclassified subsequently to profit or loss.

(2) Other items of comprehensive income that may be reclassified subsequently to profit or loss.

5.2.3 Consolidated Statement of Financial Position

<i>(in millions of euros)</i>	Notes	December 31, 2018	December 31, 2019
Goodwill	13 and 16	7,431	7,662
Intangible assets	13	697	645
Property, plant and equipment	14	785	738
Lease right-of-use assets	15	-	762
Deferred taxes assets	17	1,128	999
Other non-current assets	19	303	766
Total non-current assets		10,344	11,572
Contract costs	20	92	83
Contract assets	20	1,123	1,176
Trade receivables	20	2,064	2,121
Current tax receivables		94	45
Other current assets	21	592	464
Cash management assets	22	183	213
Cash and cash equivalents	22	2,006	2,461
Total current assets		6,154	6,563
TOTAL ASSETS		16,498	18,135

<i>(in millions of euros)</i>	Notes	December 31, 2018	December 31, 2019
Share capital		1,338	1,355
Additional paid-in capital		2,979	3,150
Retained earnings and other reserves		2,433	3,063
Profit for the year		730	856
Equity (attributable to owners of the Company)		7,480	8,424
Non-controlling interests		(1)	(5)
Total equity		7,479	8,419
Long-term borrowings	22	3,274	2,564
Deferred taxes liabilities	17	180	185
Provisions for pensions and other post-employment benefits	25	1,011	1,046
Non-current provisions	26	19	17
Non-current lease liabilities	15	-	592
Other non-current liabilities	27	305	192
Total non-current liabilities		4,789	4,596
Short-term borrowings and bank overdrafts	22	83	717
Accounts and notes payable	28	2,944	3,011
Contract liabilities	20	864	836
Current provisions	26	91	99
Current tax liabilities		141	153
Current lease liabilities	15	-	221
Other current liabilities	27	107	83
Total current liabilities		4,230	5,120
TOTAL EQUITY AND LIABILITIES		16,498	18,135

5.2.4 Consolidated Statement of Cash Flows

<i>(in millions of euros)</i>	Notes	2018	2019
Profit for the year		724	852
Depreciation, amortization and impairment of fixed assets and lease right-of-use assets	1	302	545
Change in provisions		(39)	(48)
Losses on disposals of assets		16	19
Expenses relating to share grants		84	88
Net finance costs	9	12	3
Income tax expense/(income)	10	447	502
Unrealized (gains) losses on changes in fair value and other		(10)	20
Cash flows from operations before net finance costs and income tax (A)		1,536	1,981
Income tax paid (B)		(205)	(217)
Change in trade receivables, contract assets net of liabilities and contract costs		32	(98)
Change in accounts and notes payable		25	(26)
Change in other receivables/payables		8	154
Change in operating working capital (C)		65	30
NET CASH FROM (USED IN) OPERATING ACTIVITIES (D=A+B+C)		1,396	1,794
Acquisitions of property, plant and equipment and intangible assets	13 and 14	(236)	(222)
Proceeds from disposals of property, plant and equipment and intangible assets		7	3
Acquisitions of property, plant and equipment and intangible assets, net of disposals		(229)	(219)
Cash (outflows) inflows on business combinations net of cash and cash equivalents acquired		(461)	(165)
Cash outflows in respect of cash management assets		(18)	(30)
Cash outflows in respect of the acquisition of Altran Technologies shares	2	-	(413)
Other cash outflows, net		(20)	(41)
Cash outflows from investing activities		(499)	(649)
NET CASH USED IN INVESTING ACTIVITIES (E)		(728)	(868)
Proceeds from issues of share capital		230	253
Dividends paid		(284)	(282)
Net payments relating to transactions in Capgemini SE shares		(483)	(134)
Proceeds from borrowings		525	430
Repayments of borrowings		(592)	(448)
Repayments of lease liabilities	15	-	(272)
Interest paid		(56)	(77)
Interest received		49	62
NET CASH FROM (USED IN) FINANCING ACTIVITIES (F)		(611)	(468)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (G=D+E+F)		57	458
Effect of exchange rate movements on cash and cash equivalents (H)		(41)	(12)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD (I)	22	1,988	2,004
CASH AND CASH EQUIVALENTS AT END OF PERIOD (G+H+I)	22	2,004	2,450

5.2.5 Consolidated statement of changes in equity

<i>(in millions of euros)</i>	Number of shares	Share capital	Additional paid-in capital	Treasury shares	Consolidated retained earnings and other reserves	Translation adjustments	Total income and expense recognized in equity Other	Equity (attributable to owners of the Company)	Non-controlling interests	Total equity
At December 31, 2017	168,483,742	1,348	3,169	(61)	3,767	(364)	(903)	6,956	4	6,960
Impact of first-time application of IFRS 9⁽¹⁾	-	-	-	-	(6)	-	6	-	-	-
At January 1, 2018 including impact of IFRS 9	168,483,742	1,348	3,169	(61)	3,761	(364)	(897)	6,956	4	6,960
Dividends paid out for 2017	-	-	-	-	(284)	-	-	(284)	-	(284)
Incentive instruments and employee share ownership	2,833,291	23	207	64	28	-	-	322	-	322
Elimination of treasury shares ⁽²⁾	-	-	-	(483)	2	-	-	(481)	-	(481)
Share capital reduction by cancellation of treasury shares	(4,023,303)	(33)	(397)	430	-	-	-	-	-	-
Transactions with shareholders	(1,190,012)	(10)	(190)	11	(254)	-	-	(443)	-	(443)
Income and expense recognized in equity	-	-	-	-	-	176	61	237	1	238
Profit for the year	-	-	-	-	730	-	-	730	(6)	724
AT DECEMBER 31, 2018	167,293,730	1,338	2,979	(50)	4,237	(188)	(836)	7,480	(1)	7,479

<i>(in millions of euros)</i>	Number of shares	Share capital	Additional paid-in capital	Treasury shares	Consolidated retained earnings and other reserves	Translation adjustments	Total income and expense recognized in equity Other	Equity (attributable to owners of the Company)	Non-controlling interests	Total equity
At December 31, 2018	167,293,730	1,338	2,979	(50)	4,237	(188)	(836)	7,480	(1)	7,479
Impact of first-time application of IFRS 16⁽³⁾	-	-	-	-	(16)	-	-	(16)	-	(16)
At January 1, 2019 including impact of IFRS 16	167,293,730	1,338	2,979	(50)	4,221	(188)	(836)	7,464	(1)	7,463
Dividends paid out for 2018	-	-	-	-	(282)	-	-	(282)	-	(282)
Incentive instruments and employee share ownership	2,750,000	22	231	91	11	-	-	355	-	355
Change in the fair value of put options granted to a minority shareholder	-	-	-	-	92	-	-	92	-	92
Elimination of treasury shares	-	-	-	(136)	-	-	-	(136)	-	(136)
Share capital reduction by cancellation of treasury shares	(698,231)	(5)	(60)	65	-	-	-	-	-	-
Transactions with shareholders	2,051,769	17	171	20	(179)	-	-	29	-	29
Income and expense recognized in equity	-	-	-	-	1	108	(34)	75	-	75
Profit for the year	-	-	-	-	856	-	-	856	(4)	852
AT DECEMBER 31, 2019	169,345,499	1,355	3,150	(30)	4,899	(80)	(870)	8,424	(5)	8,419

(1) Equity at January 1, 2018 has been restated for the retrospective application of IFRS 9, Financial Instruments (see Note 1 – Accounting basis).

(2) Including -€264 million in respect of the share buyback agreement implemented prior to the share capital increase performed under the ESOP 2018 international employee share ownership plan (see Note 12 – Equity).

(3) Equity at January 1, 2019 has been restated for the application of IFRS 16, Leases, using the modified retrospective method (see Note 1 – Accounting Basis).

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Note 1 Accounting basis

The consolidated financial statements for the year ended December 31, 2019 and the notes thereto were adopted by the Board of Directors on February 12, 2020. The consolidated financial statements will be approved by the Combined Shareholders' Meeting, scheduled for May 20, 2020.

A) IFRS standards base

Pursuant to European Commission Regulation no. 1606/2002 of July 19, 2002, the 2019 consolidated financial statements have been prepared in accordance with international accounting standards (IFRS, International Financial Reporting Standards) as issued by the International Accounting Standards Board (IASB) and endorsed by the European Union (EU).

The Group also takes account of the positions adopted by Syntec Numérique, an organization representing major consulting and computer services companies in France, regarding the application of certain IFRS.

The main accounting policies are presented at the beginning of each note to the consolidated financial statements.

B) New standards and interpretations applicable in 2019

a) New standards, amendments and interpretations of mandatory effect at January 1, 2019

The accounting policies applied by the Capgemini group are unchanged on those applied for the preparation of the December 31, 2018 consolidated financial statements, except for the standards, amendments, and interpretations which entered into mandatory effect on January 1, 2019 that have an effect for the Group and are presented below.

b) Transition note on the application of IFRS 16

IFRS 16, Leases, was adopted by the Group on January 1, 2019. This standard introduces a single lessee accounting model and replaces the standard IAS 17, Leases, and the interpretations IFRIC 4, *Determining whether an arrangement contains a lease*, SIC 15, *Operating leases – Incentives* and SIC 27, *Evaluating the substance of transactions involving the legal form of a lease*.

As a lessee, the Group now recognizes:

- a “lease right-of-use asset” in the Consolidated Statement of Financial Position, representing its right to use the underlying asset and a lease liability representing its obligation to make future lease payments;
- depreciation of the lease right-of-use asset and interest on the related lease liability in place of the operating lease expenses previously incurred.

The Group has elected to adopt the modified retrospective approach. The Group therefore recognized a lease right-of-use asset and a related lease liability for the same amount at January 1, 2019, equal to the present value of future lease payments discounted over the estimated lease period, without restating comparative periods.

For certain major real estate leases, as permitted by the standard, the Group has elected to determine the value of the lease right-of-use asset at January 1, 2019 retrospectively, by recalculating the historical value of the asset at the lease commencement date and applying depreciation to December 31, 2018, to obtain the net carrying amount of the lease right-of-use asset at January 1, 2019.

Discount rates applied at the transition date are based on the incremental borrowing rate, estimated by currency based on market data available at this date. These discount rates were determined taking account of average residual contract durations at the date of first-time application, *i.e.* January 1, 2019. The weighted average incremental borrowing rate at January 1, 2019 for all lease liabilities is 2.5%.

The Group has also elected to apply the two capitalization exemptions proposed by the standard for leases with a term of 12 months or less and/or leases of assets with a value when new of below US\$5,000, other than IT equipment.

Additionally, the Group has elected not to separate lease and non-lease components for certain categories of underlying asset (notably the vehicle fleet) and to recognize the entire contract as a single lease component.

Finally, in accordance with the option proposed by the standard, finance leases already recognized in the balance sheet pursuant to IAS 17 at December 31, 2018, were reclassified in lease right-of-use assets and related lease liabilities at January 1, 2019.

The following table presents the impacts of the first-time application of IFRS 16 in the Consolidated Statement of Financial Position at January 1, 2019:

<i>(in millions of euros)</i>	December 31, 2018	First-time application of IFRS 16	January 1, 2019
Goodwill	7,431	-	7,431
Intangible assets	697	(7)	690
Property, plant and equipment	785	(70)	715
Lease right-of-use assets	-	785	785
Deferred taxes assets	1,128	4	1,132
Other non-current assets	303	-	303
Total non-current assets	10,344	712	11,056
Contract costs	92	-	92
Contract assets	1,123	-	1,123
Trade receivables	2,064	-	2,064
Current tax receivables	94	-	94
Other current receivables	592	(11)	581
Cash management assets	183	-	183
Cash and cash equivalents	2,006	-	2,006
Total current assets	6,154	(11)	6,143
TOTAL ASSETS	16,498	701	17,199

<i>(in millions of euros)</i>	December 31, 2018	First-time application of IFRS 16	January 1, 2019
Share capital	1,338	-	1,338
Additional paid-in capital	2,979	-	2,979
Retained earnings and other reserves	2,433	(16)	2,417
Profit for the year	730	-	730
Equity (attributable to owners of the Company)	7,480	(16)	7,464
Non-controlling interests	(1)	-	(1)
Total equity	7,479	(16)	7,463
Long-term borrowings	3,274	(41)	3,233
Deferred taxes liabilities	180	-	180
Provisions for pensions and other post-employment benefits	1,011	-	1,011
Non-current provisions	19	-	19
Non-current lease liabilities	-	576	576
Other non-current liabilities	305	(2)	303
Total non-current liabilities	4,789	533	5,322
Short-term borrowings and bank overdrafts	83	(39)	44
Accounts and notes payable	2,944	(28)	2,916
Contract liabilities	864	-	864
Current provisions	91	-	91
Current tax liabilities	141	-	141
Current lease liabilities	-	252	252
Other current liabilities	107	(1)	106
Total current liabilities	4,230	184	4,414
TOTAL EQUITY AND LIABILITIES	16,498	701	17,199

The first-time application of IFRS 16 therefore had the following impacts at January 1, 2019:

- recognition of lease right-of-use assets and the corresponding lease liabilities;
- reclassification of any lease incentives as a deduction from the lease right-of-use asset;
- reclassification of provisions for onerous leases as a deduction from the lease right-of-use asset;
- reclassification of finance lease assets and liabilities existing at December 31, 2018;
- reclassification of advance lease payments as an increase in the lease right-of-use asset.

Off-balance sheet commitments at December 31, 2018 reconcile with lease liabilities at the transition date as follows:

(in millions of euros)

Commitments given on non-cancellable leases at December 31, 2018	836
Exclusion of firm leases with a date of effect after January 1, 2019	(105)
Exclusion of non-lease components of certain contracts	(52)
Effect of optional periods not included in off-balance sheet commitments at December 31, 2018	116
Other	10
Lease liabilities before discounting at January 1, 2019	805
Effect of discounting	(57)
Reclassification of finance lease liabilities recognized at December 31, 2018	80
Lease liabilities after discounting at January 1, 2019	828

c) IFRIC 23

IFRIC 23, *Uncertainty over income tax treatment*, applicable from January 1, 2019, clarifies the accounting treatment of income tax uncertainties.

The adoption of this interpretation does not impact either the measurement of the Group's income tax expense, or the Consolidated Statement of Financial Position.

C) Use of estimates

The preparation of consolidated financial statements involves the use of estimates and assumptions which may have an impact on

the reported values of assets and liabilities at the period end or on certain items of either net profit or the income and expenses recognized directly in equity for the year. Estimates are based on economic data and assumptions which are likely to vary over time and interpretations of local regulation when necessary. As such, these estimates are subject to a degree of uncertainty and mainly concern revenue recognition on a percentage-of-completion basis, provisions, measurement of the recoverable amount of intangible assets and deferred tax assets, provisions for pensions and other post-employment benefits, the fair value of derivatives and the calculation of the tax expense, notably in the context of the US tax reform.

Note 2 Consolidation principles and Group structure

Consolidation methods

The accounts of companies directly or indirectly controlled by the parent company are fully consolidated. The parent company is deemed to exercise control over an entity when it has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investments in associates over whose management the parent company directly or indirectly exercises significant influence, without however exercising full or joint control, are accounted for by the equity method. This method consists of recording the Group's share in profit for the year of the associate in the Income Statement. The Group's share in net assets of the associate is recorded under "other non-current assets" in the Consolidated Statement of Financial Position.

Details of the scope of consolidation are provided in Note 33 – List of the main consolidated companies by country.

All consolidated companies prepared their accounts to December 31, 2019 in accordance with the accounting policies adopted by the Group.

Inter-company transactions are eliminated on consolidation, as well as inter-company profits.

The Group does not control any special purpose entities that have not been consolidated.

Foreign currency translation

The consolidated accounts presented in these consolidated financial statements have been prepared in euros.

The Consolidated Statements of Financial Position of subsidiaries denominated in foreign currencies are translated into euros at year-end rates of exchange with the exception of equity accounts, which are carried at their historical values. Income statements denominated in foreign currencies are translated into euros at the average rates of exchange for the year. However, for certain material transactions, it may be relevant to use a specific rate of exchange. Differences arising from translation at these different rates are recognized directly in equity under "Translation reserves" and have no impact on the Income Statement.

Exchange differences arising on monetary items which form an integral part of the net investment in foreign subsidiaries are recognized in equity under "Translation reserves".

Exchange differences on receivables and payables denominated in a foreign currency are recorded in operating profit or net financial expense, depending on the type of transaction concerned.

The exchange rates used to translate the financial statements of the Group's main subsidiaries into euros are as follows:

	Average rate		Closing rate	
	2018	2019	2018	2019
Australian dollar	0.63308	0.62096	0.61652	0.62520
Brazilian real	0.23279	0.22676	0.22502	0.22145
Canadian dollar	0.65372	0.67321	0.64082	0.68503
Chinese renminbi yuan	0.12812	0.12932	0.12698	0.12787
Indian rupee	0.01239	0.01268	0.01254	0.01247
Norwegian krone	0.10417	0.10156	0.10052	0.10138
Pound sterling	1.13034	1.14039	1.11791	1.17536
Polish zloty	0.23475	0.23270	0.23248	0.23492
Swedish krona	0.09753	0.09448	0.09752	0.09572
US dollar	0.84716	0.89329	0.87336	0.89016

Business combinations

Business combinations are accounted for using the acquisition method. Under this method, the identifiable assets acquired and liabilities assumed are recognized at fair value at the acquisition date and may be adjusted during the 12 months following this date.

Exchange gains and losses on inter-company transactions

The results and financial position of a foreign subsidiary are included in the Group's consolidated financial statements after the elimination of inter-company balances and transactions. However, a foreign exchange gain or loss arising on an inter-company monetary asset or liability (e.g. an inter-company receivable denominated in a currency different from the functional currency of the subsidiary) cannot be eliminated. Such foreign exchange gains and losses are recognized in the Income Statement or in Income and expense recognized directly in equity, if the underlying forms an integral part of the net investment in the foreign operation (e.g. a loan with no fixed maturity).

The fair values of hedging instruments relating to inter-company operating transactions performed as part of the centralized management of currency risk in the parent company are eliminated.

A) Changes in the consolidation scope in 2019

In February 2019, the Group completed the acquisition of Leidos Cyber Group in the United States.

In August 2019, the Group acquired Konexus Consulting Group GmbH in Germany.

The fair value remeasurement of the assets and liabilities and the calculation and determination of goodwill pursuant to IFRS 3 are ongoing and will be finalized within 12 months of the acquisition date. The contribution of these acquisitions to Group financial indicators in 2019 is not material.

B) Proposed acquisition of the Altran Technologies group

On June 24, 2019, Capgemini SE and Altran Technologies SA ("Altran"), the global leader in Engineering and R&D services, jointly

announced the proposed acquisition of Altran by Capgemini, through a friendly public tender offer at €14.00 per Altran share, payable in cash. This acquisition was unanimously approved by the Boards of Directors of both companies and seeks to create a global digital transformation leader for industrial and tech companies.

In this context, on June 24, 2019, Capgemini entered into an agreement for exclusive negotiations with Altran and a definitive agreement to acquire an 11.43% stake in Altran from a group of shareholders led by Apax Partners⁽¹⁾ (settlement and delivery of the transaction took place on July 2, 2019).

Following completion of the information or consultation process by Capgemini SE and Altran of their respective works councils, the two companies entered into a Tender Offer Agreement on August 11, 2019, to finalize the terms and conditions of the proposed acquisition of Altran by Capgemini through a public tender offer.

(1) Altrafin Participations, Mr. Alexis Kniazeff and Mr. Hubert Martigny.

Capgemini filed its draft offer and the related offer document with the French Financial Markets Authority (AMF) on September 23, 2019. On October 14, 2019, the AMF issued its clearance to the draft offer and approved Capgemini's offer document (AMF visa no. 19-489 dated October 14, 2019) and Altran's response document (AMF visa no. 19-490 dated October 14, 2019).

After the 2019 year-end, Capgemini increased the offer price on January 14, 2020, from €14.00 to €14.50 per share.

The offer opened on October 16, 2019 and closed on January 22, 2020, with Capgemini obtaining all necessary regulatory authorizations during this period.

On January 27, 2020, Capgemini announced that, after the settlement and the delivery taken place on February 4, 2020, the group will hold 137,674,545 shares, thereby exceeding the acceptance threshold set at 50.1% of Altran's share capital and voting rights (on a fully diluted basis). After taking account the 2,461,800 owned shares, Capgemini held 54.52% of Altran's share capital and 54.37% of Altran's voting rights⁽¹⁾.

In accordance with the AMF's general regulations, the offer was automatically reopened from January 28 to February 10, 2020. The results of the reopened offer period will be known mid-February 2020.

An action to annul the tender offer clearance decision and the visa granted to the offer document is currently before the Paris Appeal Court. A ruling is expected by the end of March at the latest. In this context, Capgemini has given undertakings⁽²⁾ and notably to the AMF, that it will not take control of Altran before the Paris Appeal Court has issued its ruling (see AMF notice no. 219C2818 of December 18, 2019).

The Capgemini group has secured in June 2019 a bridge financing of €5.4 billion, covering the purchase of securities in connection with the public tender offer as well as Altran's gross debt. The Group plans to refinance the bridge with available cash for €1 billion and the balance by debt issuance, primarily new bond issues. This bridge loan has an initial term of one year, with two consecutive six-month extension options exercisable at Capgemini's initiative.

Following a partial cancellation, the bridge financing totals €4.4 billion and is available in full at December 31, 2019.

Note 3 Alternative performance measures

The alternative performance measures monitored by the Group are defined as follows:

- **Organic growth**, or like-for-like growth, in revenues is the growth rate calculated at constant Group scope and exchange rates. The Group scope and exchange rates used are those for the reported period;
- **Growth at constant exchange rates** in revenues is the growth rate calculated at exchange rates used for the reported period;
- **Operating margin** is equal to revenues less operating expenses. It is calculated before "Other operating income and expense" which include amortization of intangible assets recognized in business combinations, the charge resulting from the deferred recognition of the fair value of shares granted to employees (including social security contributions and employer contributions), and non-recurring revenues and expenses, notably impairment of goodwill, negative goodwill, capital gains or losses on disposals of consolidated companies or businesses, restructuring costs incurred under a detailed formal plan approved by the Group's management, the cost of acquiring and integrating companies acquired by the Group, including earn-outs comprising conditions of presence, and the effects of curtailments, settlements and transfers of defined benefit pension plans;
- **Normalized earnings per share** are calculated by dividing normalized profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares. Normalized net profit or loss is equal to profit for the year attributable to owners of the Company corrected for the impact of items recognized in "Other operating income and expense" (see Note 8 – Other operating income and expense), net of tax calculated using the effective tax rate;
- **Net debt** (or net cash and cash equivalents) comprises (i) cash and cash equivalents, as presented in the Consolidated Statement of Cash Flows (consisting of short-term investments and cash at bank) less bank overdrafts, (ii) cash management assets (assets presented separately in the Consolidated Statement of Financial Position due to their characteristics), less (iii) short- and long-term borrowings. Account is also taken of the impact of hedging instruments when these relate to borrowings and own shares. Lease liabilities (including finance lease liabilities) are excluded from net debt at January 1, 2019.
- **Organic free cash flow** calculated based on items in the Statement of Cash Flows is equal to cash flow from operations less acquisitions of property, plant, equipment and intangible assets (net of disposals) and repayments of lease liabilities and adjusted for flows relating to the net interest cost.

(1) On the basis of Altran's capital consisting of 257,021,105 shares accounting for 257,748,693 voting rights.

(2) See AMF notice 219C2818 dated December 18, 2019, setting out the commitments made by Capgemini to the AMF; see also Capgemini's press release dated January 14, 2020 stating that Capgemini will, for at least 18 months from January 14, 2020, neither file a new offer nor implement a statutory merger based on a price per Altran share higher than the offer price (i.e. 14.50 euros per share).

Note 4 Operating segments

Group Management analyzes and measures activity performance in the geographic areas where the Group is present.

The geographic analysis enables management to monitor the performance:

- of commercial development: it focuses on trends in major contracts and clients in Group markets across all its businesses. This monitoring seeks to coordinate the service offering of the different businesses in the countries, given their considerable interaction and to measure the services rendered;
- at operational and financial level: management of treasury and support services, the operating investment and financing policies and the acquisition policy are decided and implemented by geographic area.

Accordingly, the Group presents segment reporting for the five geographic areas where it is located.

Costs relating to operations and incurred by Group holding companies on behalf of geographic areas are allocated to the relevant segments either directly or on the basis of an allocation key. Items not allocated correspond to headquarter expenses.

Inter-segment transactions are carried out on an arm's length basis.

The performance of operating segments is measured based on the operating margin*. This indicator enables the measurement and comparison of the operating performance of operating segments, irrespective of whether their business results from internal or external growth.

The operating margin* realized by the main offshore delivery centers (India, Poland and China) is reallocated to the geographic areas managing the contracts to enable a better understanding of the performance of these areas.

* Operating margin, an alternative performance measure monitored by the Group, is defined in Note 3- Alternative performance measures.

The Group communicates segment information for five geographic areas: North America, France, United Kingdom and Ireland, the Rest of Europe, Asia-Pacific and Latin America.

2019 (in millions of euros)	North America	France	United Kingdom and Ireland	Rest of Europe	Asia-Pacific and Latin America	Head-quarter expenses	Eliminations	Total
Revenues								
– external	4,567	3,017	1,653	3,809	1,079	-	-	14,125
– inter-geographic area	135	257	190	340	1,645	-	(2,567)	-
TOTAL REVENUES	4,702	3,274	1,843	4,149	2,724	-	(2,567)	14,125
OPERATING MARGIN⁽¹⁾	637	366	251	451	120	(84)	-	1,741
% of revenues	13.9	12.1	15.2	11.8	11.2	-	-	12.3
OPERATING PROFIT	519	296	214	402	103	(101)	-	1,433

(1) Operating margin, an alternative performance measure monitored by the Group, is defined in Note 3 – Alternative performance measures.

2018 (in millions of euros)	North America	France	United Kingdom and Ireland	Rest of Europe	Asia-Pacific and Latin America	Head-quarter expenses	Eliminations	Total
Revenues								
– external	4,230	2,848	1,565	3,605	949	-	-	13,197
– inter-geographic area	123	221	181	312	1,504	-	(2,341)	-
TOTAL REVENUES	4,353	3,069	1,746	3,917	2,453	-	(2,341)	13,197
OPERATING MARGIN⁽¹⁾	576	317	198	468	122	(84)	-	1,597
% of revenues	13.6	11.1	12.6	13.0	12.8	-	-	12.1
OPERATING PROFIT	455	222	166	416	76	(84)	-	1,251

(1) Operating margin, an alternative performance measure monitored by the Group, is defined in Note 3 – Alternative performance measures.

Note 5 Consolidated Income Statement

Income and expenses are presented in the Consolidated Income Statement by function. Operating expenses are broken down into the cost of services rendered (corresponding to costs incurred for the execution of client projects), selling expenses, and general and administrative expenses.

These three captions represent operating expenses which are deducted from revenues to obtain the operating margin*, one of the main Group business performance indicators.

Operating profit is obtained by deducting other operating income and expenses from the operating margin.

Other operating income and expenses include amortization of intangible assets recognized in business combinations, the charge resulting from the deferred recognition of the fair value of shares granted to employees (including social security contributions and employer contributions), and non-recurring revenues and expenses, notably impairment of goodwill, negative goodwill, capital gains or losses on disposals of consolidated companies or businesses, restructuring costs incurred under a detailed formal plan approved by the Group's management, the cost of acquiring and integrating companies acquired by the Group, including earn-outs comprising conditions of presence and the effects of curtailments, settlements and transfers of defined benefit pension plans.

Profit for the year attributable to owners of the Company is then obtained by taking into account the following items:

- net finance costs, including net interest on borrowings calculated using the effective interest rate, less income from cash, cash equivalents and cash management assets;
- other financial income and expense, which primarily correspond to the impact of remeasuring financial instruments to fair value when these relate to items of a financial nature, disposal gains and losses and the impairment of investments in non-consolidated companies, net interest costs on defined benefit pension plans, exchange gains and losses on financial items, and other financial income and expense on miscellaneous financial assets and liabilities calculated using the effective interest rate, as well as the interest expense on lease liabilities;
- current and deferred income tax expense;
- share of profit of associates;
- share of non-controlling interests.

* Operating margin, an alternative performance measure monitored by the Group, is defined in Note 3 – Alternative performance measures.

Note 6 Revenues

The method for recognizing revenues and costs depends on the nature of the services rendered:

Deliverable-based contracts

Deliverable-based contracts typically include fixed price projects, for example, system integration or design and development of customized IT systems and related processes. Contract terms typically range from 6 months to 2 years. Contract prices might be subject to incentives and penalties, based on achievement of specified performance targets or level of benefits delivered to the customer.

For deliverable-based contracts, revenue is generally recognized over time, because at least one of the following conditions is met: (i) the Group's performance enhances an asset that the customer controls as the Group performs or (ii) the Group builds an asset that has no alternative use (*e.g.* it is customer-specific) and the Group has an enforceable right to payment for performance to date in case of termination by the customer. The Group applies the "cost-to-cost" method to measure progress to completion. The percentage of completion is based on costs incurred to date relative to the total estimate of cost at completion of the contract. Estimates of total contract costs are revised when new elements arise. Changes in estimates of cost at completion and related percentage of completion are recorded in the Income Statement as catch-up adjustments in the period in which the elements giving rise to the revision are known.

The related costs on deliverable-based contracts are expensed as incurred.

The Group earns contractually the right to bill upon achievement of specified milestones or upon customer acceptance of work performed. The difference between cumulative billings and cumulative revenue recognized is reflected in the balance sheet as Contract assets (revenue in excess of billings) or Contract liabilities (billings in excess of revenue).

Resources-based contracts

Revenue from Resources-based contracts is recognized as the Group earns the right to bill the customer as the amount invoiced corresponds directly to the value to the customer of the performance completed to date. Each performance obligation is satisfied over time as the client continuously receives and consumes the benefits of the services. The Services are priced based on the number of hours spent on the contract. The amount to be billed is representative of the value of the service delivered to the customer and therefore, applying the right-to-bill practical expedient, revenue is recognized over time based on the hours spent.

The related costs on resources-based contracts are expensed as incurred.

Services-based contracts

Services-based contracts include infrastructure management, application management and Business Services activities. Contract terms typically range from 3 to 5 years. Fees are billable on a monthly basis, based on a fixed-price per work unit consumed, or based on monthly fixed fees subject to adjustment mechanisms for volume changes or scope changes. Contracts generally provide for service-level penalties.

Recurring services are generally considered to be one single performance obligation, comprised of a series of distinct daily units of service satisfied over time. Contract modifications are recorded on a prospective basis. Revenue on services-based contracts is recognized as rights to bill arise, except in specific cases where invoicing terms do not reflect the value to the customer of services rendered to date relative to the value of the remaining services (for example, in case of significant front-loaded or back-loaded fees or discounts). Service-level penalties or bonuses, if any, are accrued in full in the period when the performance targets are failed or achieved, as appropriate.

Upfront fees received from customers, if any, are deferred and recognized over the service period, even if non-refundable. Upfront amounts payable to customers, if in excess of the fair value of assets transferred from customer, are capitalized (presented in Contract assets) and amortized over the contractual period, as a deduction to revenue.

Resale activities

As part of its operational activities, the Group may resell hardware equipment, software licenses, maintenance and services purchased from third-party suppliers. When the asset or service is distinct from the other services provided by the Group, the Group needs to assess whether it is acting as an agent or a principal in the purchase and resale transaction. The Group acts as a “principal” when it obtains control of the hardware, software or services before transferring them to the customer. In such case, the transaction is presented on a gross basis in the Income Statement (amounts charged by suppliers are presented in operating expenses). If the Group acts as an “agent”, the transaction is recorded on a net basis (amounts charged by suppliers are recorded as a deduction to revenue). For example, transactions are recorded on a net basis when the Group does not have the primary responsibility for the fulfillment of the contract and does not bear inventory and customer acceptance risk.

Multi-deliverable contracts

These contracts are long-term complex contracts with multiple phases which may include design, transition, transformation, build and service delivery (run).

The Group may be required to perform initial transition or transformation activities under certain recurring service contracts. Initial set-up activities, mainly transition phases, necessary to enable the ongoing services, are not considered to be performance obligations. Any amount received in connection with those activities are deferred and recognized in revenue over the contractual service period. The other activities performed during the initial phase like design, transformation and build are treated as a separate performance obligation if they transfer to the customer the control of an asset or if the customer can benefit from those initial activities independently from the ongoing service. In such cases, the corresponding revenues are generally recognized over time.

When multiple Performance Obligations are identified within a single contract, the Group allocates the total contract price to the Performance Obligations based on their relative Standalone Selling Price (“SSP”). In the absence of directly observable prices for similar services sold separately to similar customers, SSPs are estimated, based on expected costs plus a margin rate commensurate with the nature and risk of the service.

Variable remuneration

Estimates of incentives, penalties, and any other variable revenues are included in the transaction price, but only to the extent that it is highly probable that the subsequent resolution of the price contingency will not result in a significant reversal of the cumulative revenue previously recognized. To make such an estimate, the Group considers the specific facts and circumstances of the contract and its experience with similar contracts. Changes in estimates of variable consideration are recorded as cumulative catch-up adjustments to revenue.

Costs to obtain and fulfill contracts

Sales commission incurred to obtain multi-year service contracts are capitalized and amortized over the contract period. Commissions are not capitalized if the amortization period is one year or less.

Costs incurred prior to the signature of an enforceable contract are capitalized only if they are directly attributable to the design or set-up phase of a specifically identified contract, if the signature of the contract is probable, and if the costs are expected to be recoverable from the contract.

Costs incurred to fulfill the contracts are expensed as incurred with the exception of certain initial set-up costs, such as transition and transformation costs that do not represent a separate performance obligation, which are capitalized if they create a resource that the Group will use to perform the promised service.

Reimbursements received from customers are recognized as revenue, as costs are incurred.

A provision for onerous contracts is recorded if all the necessary costs of fulfilling the contract exceed the related benefits.

Balance sheet presentation

Contract assets are presented separately from trade receivables. Contract assets reflect revenue recognized for which the corresponding rights to receive consideration are contingent upon something else other than the passage of time, such as the Group’s future performance, achievement of billing milestones, or customer acceptance. When customer contract assets are no longer contingent, except for the passage of time, they convert into trade receivables. The majority of contract assets relate to deliverable-based contracts (see above).

Contract liabilities represent consideration received or receivable in advance of performance. Contract assets and liabilities are presented on a net basis for each individual contract.

Financing components

If the expected time lag between revenue recognition and customer payments is greater than 12 months, the Group assesses, if a financing facility has been accorded or received by the client, and if the impact is significant, the financial component is recorded separately from revenues.

In 2019, revenues grew 7.0% year-on-year at current Group scope and exchange rates. Revenues grew 5.3% at constant exchange rates*, while organic growth* was 4.2%.

<i>(in millions of euros)</i>	2018	reported	Variation		2019
			at constant exchange rates ⁽¹⁾		
North America	4,230	8.0%	2.6%		4,567
France	2,848	5.9%	5.9%		3,017
United Kingdom and Ireland	1,565	5.6%	4.7%		1,653
Rest of Europe	3,605	5.7%	6.2%		3,809
Asia-Pacific and Latin America	949	13.6%	12.8%		1,079
TOTAL	13,197	7.0%	5.3%		14,125

(1) Organic growth and growth at constant exchange rates, alternative performance measures monitored by the Group, are defined in Note 3 – Alternative performance measures.

The firm bookings taken in 2019 were €15,138 million.

Note 7 Operating expenses by nature

<i>(in millions of euros)</i>	2018		2019	
	Amount	% of revenues	Amount	% of revenues
Personnel expenses	8,147	61.7%	8,833	62.5%
Travel expenses	535	4.0%	534	3.8%
	8,682	65.7%	9,367	66.3%
Purchases and sub-contracting expenses	2,237	17.0%	2,299	16.3%
Rent and local taxes	366	2.8%	176	1.3%
Charges to depreciation, amortization and provisions and proceeds from asset disposals	315	2.4%	542	3.8%
OPERATING EXPENSES	11,600	87.9%	12,384	87.7%

From January 1, 2019:

- the line “Rent and local taxes” excludes operating lease expenses falling under the scope of IFRS 16, Leases and replaced by depreciation of the lease right-of-use asset and interest on the related lease liability (see Note 15 – Lease right-of-use assets);
- the line “Charges to depreciation, amortization and provisions and proceeds from asset disposals” includes the net charge to depreciation of lease right-of-use assets. This net depreciation totaled €278 million in 2019 (see Note 15 – Lease right-of-use assets).

Breakdown of personnel expenses

<i>(in millions of euros)</i>	Note	2018	2019
Wages and salaries		6,588	7,205
Payroll taxes		1,500	1,554
Pension costs related to defined benefit pension plans and other post-employment benefit expenses	25	59	74
PERSONNEL EXPENSES		8,147	8,833

Note 8 Other operating income and expense

<i>(in millions of euros)</i>	2018	2019
Amortization of intangible assets recognized in business combinations	(75)	(73)
Expenses relating to share grants	(91)	(105)
Restructuring costs	(122)	(82)
Integration costs for companies acquired	(25)	(31)
Acquisition costs	(13)	(19)
Other operating expenses	(29)	(12)
Total operating expenses	(355)	(322)
Other operating income	9	14
Total operating income	9	14
OTHER OPERATING INCOME AND EXPENSE	(346)	(308)

Amortization of intangible assets recognized in business combinations

Amortization of intangible assets recognized in business combinations mainly concerns Customer Relationships (see Note 13 – Goodwill and intangible assets).

Expenses relating to share grants

The expense relating to share grants is €105 million, compared with €91 million in 2018 due to:

- share price movements during the period that impacted the IFRS expense for new plans and the closing share price at the year-end; and
- higher social security contributions with, since the 2016 Plan, the payment of social security contributions on vesting based on the value of the share at this date, compared with a payment initially calculated on the IFRS value on grant.

Restructuring costs

Fiscal year 2019 restructuring costs primarily concern workforce reduction measures in the amount of €57 million (€70 million in 2018) and the streamlining of real estate and production assets in the amount of €25 million (€40 million in 2018).

Integration costs for companies acquired

Integration costs for companies acquired total €31 million, including €11 million in respect of acquisitions during the fiscal year.

Acquisition costs

Acquisition costs mainly include the costs relating to the Altran Technologies group acquisition project (see Note 2 – Consolidation principles and Group structure) of €17 million.

Note 9 Net financial expense

<i>(in millions of euros)</i>	Note	2018	2019
Income from cash, cash equivalents and cash management assets		49	62
Net interest on borrowings		(58)	(57)
Net finance costs at the nominal interest rate		(9)	5
Impact of amortized cost on borrowings		(3)	(8)
Net finance costs at the effective interest rate		(12)	(3)
Net interest cost on defined benefit pension plans	25	(27)	(27)
Interest on lease liabilities		-	(22)
Exchange (Losses) gains on financial transactions		(13)	(31)
Gains (losses) on derivative instruments		(19)	14
Other		(9)	(10)
Other financial income and expense		(68)	(76)
<i>o/w financial income</i>		39	28
<i>o/w financial expense</i>		(107)	(104)
NET FINANCIAL EXPENSE		(80)	(79)

Net interest on borrowings (€57 million) and the impact of amortized cost on borrowings (€8 million) total €65 million and mainly comprise:

- coupons on 2015 bond issues of €37 million, plus an amortized cost accounting impact of €2 million;
- coupons on the 2016 bond issue of €2 million, plus an amortized cost accounting impact of €1 million;
- coupons on the 2018 bond issues of €15 million, plus an amortized cost accounting impact of €5 million.

Exchange losses on financial transactions and gains on derivative instruments primarily concern inter-company loans denominated in foreign currencies and their related hedging arrangements.

From January 1, 2019, the net financial expense includes interest on lease liabilities in accordance with IFRS 16, Leases. This interest totaled €22 million in 2019 (see Note 15 – Lease right-of-use assets).

Note 10 Income tax expense

The income tax expense is the sum of the current tax expense and the deferred tax expense. It is recognized in the Income Statement, except where it relates to a business combination or items recognized in equity or in income and expense recognized in equity.

Current income taxes

The current income tax expense is the estimated amount of tax payable (or receivable) in respect of the taxable profit (or loss)

for a period and any adjustment to the current tax amount in respect of prior periods. The tax payable (or receivable) is calculated using tax rates that have been enacted or substantively enacted at the year-end.

Deferred taxes

Deferred taxes are recorded to take account of temporary differences between the carrying amounts of certain assets and liabilities and their tax basis. See Note 17 – Deferred tax.

The income tax expense for fiscal year 2019 breaks down as follows:

<i>(in millions of euros)</i>	Note	2018	2019
Current income taxes		(290)	(322)
Deferred taxes	17	(157)	(180)
INCOME TAX (EXPENSE) INCOME		(447)	(502)

The difference between the French standard rate of income tax and the Group effective tax rate can be analyzed as follows:

(in millions of euros)	2018		2019	
	Amount	%	Amount	%
Profit before tax	1,171		1,354	
Standard tax rate in France (%)	34.43		34.43	
Tax expense at the standard rate	(403)	34.43	(466)	34.43
Difference in tax rates between countries	50	(4.3)	66	(4.8)
<i>Impact of:</i>				
Deferred tax assets not recognized on temporary differences and tax loss carry-forwards arising in the period	(16)	1.4	(19)	1.4
Net recognition of deferred tax assets on temporary differences and tax loss carry-forwards arising prior to January 1	7	(0.6)	5	(0.4)
Utilization of previously unrecognized tax loss carry-forwards	4	(0.3)	2	(0.1)
Prior year adjustments	3	(0.2)	(3)	0.2
Taxes not based on taxable profit	(43)	3.6	(29)	2.1
Permanent differences and other items	4	(0.3)	2	(0.2)
Income tax expense and effective tax rate before tax expense due to the transitional impact of the US tax reform	(394)	33.7	(442)	32.6
Tax expense due to the transitional impact of the US tax reform	(53)	4.5	(60)	4.5
Income tax expense and effective tax rate after tax expense due to the transitional impact of the US tax reform	(447)	38.2	(502)	37.1

In 2019, the "Taxes not based on taxable profit" primarily consist of:

- in France: the Corporate Value-Added Contribution (*Cotisation sur la Valeur Ajoutée des Entreprises, CVAE*);
- in the United States, certain State taxes;
- in Italy, the regional tax on productive activities (IRAP).

The tax expense of €60 million in 2019 due to the transitional impact of the US tax reform, based on current market interpretations of the related texts, comprises:

- the Base Erosion and Anti-abuse Tax (BEAT): this alternative tax is applicable from 2018. The tax rate is 5% in 2018 and 10% from 2019. The tax base is distinct from the corporate income tax base and includes certain payments to non-US Group entities, normally deductible for tax purposes. The resulting tax amount is compared with the standard income tax expense calculated

at the standard rate after allocating tax loss carry-forwards, and the higher of the two amounts is payable;

- the tax on Global Intangible Low-Taxed Income (GILTI): inclusion in the taxable profits of US companies earnings, of the taxable profits of foreign subsidiaries in excess of 10% of the fiscal value of the tangible assets of those subsidiaries. The applicable tax rate is 26%. Except where available tax losses carried forward are offset in full, a 50% deduction is applied to the tax base and foreign tax credits deduction is possible.

The effective income tax rate used to calculate normalized earnings per share (see Note 11 – Earning per share) at December 31, 2019 is 32.6%, as it is adjusted for the tax expense of €60 million due to the transitional impact of the US tax reform, compared with 33.7% at December 31, 2018.

Note 11 Earnings per share

Earnings per share, diluted earnings per share and normalized earnings per share are measured as follows:

- **basic earnings per share** are calculated by dividing profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares. The weighted average number of ordinary shares outstanding is calculated based on the number of ordinary shares outstanding at the beginning of the period, after deduction of treasury shares, adjusted on a time apportioned basis for shares bought back or issued during the period;
- **diluted earnings per share** are calculated by dividing profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the

year as used to calculate basic earnings per share, both items being adjusted on a time-apportioned basis for the effects of all potentially dilutive financial instruments corresponding to (i) bonds redeemable in cash and/or in new and/or existing shares, (ii) performance shares and (iii) free share grants;

- **normalized earnings per share** are calculated by dividing normalized profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding, excluding treasury shares. Normalized net profit or loss is equal to profit for the year attributable to owners of the Company corrected for the impact of items recognized in "Other operating income and expense" (see Note 8, Other operating income and expense), net of tax calculated using the effective tax rate.

Basic earnings per share

	2018	2019
Profit for the year attributable to owners of the Company <i>(in millions of euros)</i>	730	856
Weighted average number of ordinary shares outstanding	167,088,363	166,171,198
BASIC EARNINGS PER SHARE <i>(in euros)</i>	4.37	5.15

Diluted earnings per share

Diluted earnings per share are calculated by assuming conversion into ordinary shares of all dilutive instruments outstanding during the year.

In 2019, instruments considered dilutive for the purpose of calculating diluted earnings per share include:

- shares delivered in August 2019 to non-French employees under the 2015 performance share plan representing a weighted average of 342,914 shares;
- shares delivered in August 2019 to French employees and shares to be delivered in August 2020 for the non-French Section, under the performance share plan approved by the Board of Directors on July 26, 2016, representing a weighted average of 1,213,388 shares. Since August 1, 2019, the remaining shares are only subject to a condition of presence at the delivery date for non-French beneficiaries;
- shares available for grant in March 2020 to non-French employees, under the performance share plan approved by the Board of Directors on February 17, 2016, representing a weighted average of 113,200 shares and whose related presence conditions will be assessed at the end of February 2020;

- shares available for grant in August 2020 to non-French employees under the performance share plan approved by the Board of Directors on July 26, 2017, representing a weighted average of 54,448 shares and whose related presence conditions will be assessed at the end of July 2020;
- shares available for grant under the performance share plan approved by the Board of Directors on October 5, 2017, representing a weighted average of 1,415,725 shares and whose related performance conditions will be definitely assessed in October 2020;
- shares available for grant under the performance share plan approved by the Board of Directors on October 3, 2018, representing a weighted average of 1,357,117 shares and whose related performance conditions will be definitely assessed in October 2021;
- shares available for grant under the performance share plan approved by the Board of Directors on October 2, 2019, representing a weighted average of 379,772 shares and whose related performance conditions will be definitely assessed in October 2022.

<i>(in millions of euros)</i>	2018	2019
Profit for the year attributable to owners of the Company	730	856
Diluted profit for the year attributable to owners of the Company	730	856
Weighted average number of ordinary shares outstanding	167,088,363	166,171,198
<i>Adjusted for:</i>		
Performance shares and free shares available for exercise	4,608,972	4,876,564
Weighted average number of ordinary shares outstanding (diluted)	171,697,335	171,047,762
DILUTED EARNINGS PER SHARE (IN EUROS)	4.25	5.00

Normalized earnings per share

<i>(in millions of euros)</i>	2018	2019
Profit for the period attributable to owners of the Company	730	856
Other operating income and expenses, net of tax calculated at the effective tax rate ⁽¹⁾	229	207
Normalized profit for the year attributable to owners of the Company	959	1,063
Weighted average number of ordinary shares outstanding	167,088,363	166,171,198
NORMALIZED EARNINGS PER SHARE <i>(in euros)</i>	5.74	6.40

(1) See Note 10 – Income tax expense.

In fiscal year 2019, the Group recognized an income tax expense of €60 million in respect of the transitional impact of the US tax reform, reducing normalized earnings per share by €0.36. Excluding this income tax charge, 2019 normalized earnings per share would have been €6.76:

<i>(in millions of euros)</i>	2018	2019
NORMALIZED EARNINGS PER SHARE <i>(in euros)</i>	5.74	6.40
Tax expense due to the transitional impact of the US tax reform	53	60
Weighted average number of ordinary shares outstanding	167,088,363	166,171,198
Impact of the tax expense due to the transitional impact of the US tax reform	0.32	0.36
NORMALIZED EARNINGS PER SHARE – EXCL. THE TAX EXPENSE DUE TO THE TRANSITIONAL IMPACT OF THE US TAX REFORM <i>(in euros)</i>	6.06	6.76

Note 12 Equity

Incentive instruments and employee share ownership

a) Instruments granted to employees

Shares subject to performance and presence conditions

Performance shares are granted to a certain number of Group employees, subject to performance (internal and external) and presence conditions. Share grants become definitive after a vesting period of at least three years since July 2016 or four years, depending on the tax residence of the beneficiary.

The shares are measured at fair value, corresponding to the value of the benefit granted to the employee at the grant date.

The fair value of shares subject to external performance conditions is calculated using the "Monte Carlo" model, which incorporates assumptions concerning the share price at the grant date, implicit share price volatility, the risk-free interest rate, the expected dividend yield and market performance conditions.

The fair value of shares subject to internal performance and/or presence conditions is calculated using a model in compliance with IFRS 2, which incorporates assumptions concerning the share price at the grant date, share transfer restrictions, the risk-free interest rate and the expected dividend yield.

The expense recognized also takes into account staff attrition rates for eligible employee categories, which are reviewed each year and internal performance conditions (non-market conditions).

This amount is recognized in "Other operating income and expense" in the Income Statement on a straight-line basis over the vesting period, with a corresponding adjustment to equity.

b) Instruments proposed to employees

Employee savings plan

Leveraged employee share ownership plans offering the possibility to subscribe for shares at a discounted preferential rate have been set up by the Group. When determining the IFRS 2 expense measuring the benefit granted to employees, the Group adjusts the amount of the discount granted to employees on the subscription price based on the following two items:

- the cost of the non-transferability of shares granted to employees during a period of five years. This cost is measured taking account of the five-year lock-in period. It corresponds to the cost of a two-stage strategy under which the market participant enters into a forward sale effective at the end of the five-year lock-in period and simultaneously borrows the amount necessary to buy a share available for immediate transfer. This borrowing is financed with the proceeds from the forward sale of the share and the dividends received during the lock-in period. This cost is calculated based on the following assumptions:

- the subscription price is set by the Chairman and Chief Executive Officer pursuant to the powers delegated by the Board of Directors. This subscription price is equal to the average Capgemini SE share price, weighted for volumes, during the twenty trading days preceding the decision of the Chairman and Chief Executive Officer, to which a discount is applied,
- the grant date is the date at which employees are fully informed of the specific characteristics and terms and conditions of the offer and particularly the subscription price,
- the loan rate granted to employees and used to determine the cost of the non-transferability of shares, is the rate at which a bank would grant a consumer loan repayable on maturity without allocation, to a private individual with an average risk profile, for a term corresponding to the term of the plan;
- the opportunity gain reflecting the possibility granted to employees to benefit from market terms and conditions identical to those of the Group.

In certain countries where the set-up of a leveraged plan through an Employee Savings Mutual Fund (*fonds commun de placement entreprise*) or directly in the name of the employee is not possible, the employee share ownership plan (ESOP) includes a Stock Appreciation Rights (SAR) mechanism. The benefit offered by the Group corresponds to the amount of the discount on the share subscription price.

Treasury shares

Capgemini SE shares held by the Company or by any consolidated companies are shown as a deduction from equity, at cost. Any proceeds from sales of treasury shares are taken directly to equity, net of the tax effect, such that the gain or loss on the sale, net of tax, does not impact the Income Statement for the period.

Derivative instruments on own shares

When derivative instruments on own shares satisfy IAS 32 classification criteria for recognition in equity, they are initially recognized in equity in the amount of the consideration received or paid. Subsequent changes in fair value are not recognized in the financial statements, other than the related tax effect.

Where these instruments do not satisfy the aforementioned criteria, the derivative instruments on own shares are recognized in assets or liabilities at fair value. Changes in fair value are recognized in profit or loss. The fair value remeasurement of these instruments at the year-end is recognized based on external valuations.

Incentive instruments and employee share ownership

A) Share subscription plans

The Group no longer grants stock options since the plan authorized in 2005. The last grant under this plan was performed in June 2008.

B) Performance share plans

The Combined Shareholders' Meetings of May 6, 2015, May 18, 2016, May 10, 2017, May 23, 2018 and then May 23, 2019, authorized the Board of Directors to grant shares to a certain number of Group employees, on one or several occasions and within a maximum period of 18 months, subject to performance and/or presence conditions. On July 29, 2015, February 17, 2016, July 26, 2016, July 26, 2017, October 5, 2017, October 3, 2018 and October 2, 2019, the Board of Directors approved the terms and conditions and the list of beneficiaries of these seven plans.

The main features of these plans are set out in the table below:

	July 2015 Plan
Maximum number of shares that may be granted	1,721,759 shares
% of share capital at the date of the Board of Directors' decision	1%
Total number of shares granted	1,068,550 ⁽¹⁾
Date of Board of Directors' decision	July 29, 2015
Performance assessment dates	Three years for the two performance conditions
Vesting period	2 years and 7 months as from the grant date (France) or 4 years as from the grant date (other countries)
Mandatory lock-in period effective as from the vesting date (France only)	3 years
Main market conditions at the grant date	
<i>Volatility</i>	24.54%
<i>Risk-free interest rate</i>	0.10% – 0.55%
<i>Expected dividend rate</i>	1.60%
Other conditions	
<i>Performance conditions</i>	Yes (see below)
<i>Employee presence within the Group at the vesting date</i>	Yes
Pricing model used to calculate the fair value of shares	Monte Carlo for performance shares with external (market) conditions
Range of fair values (in euros)	
<i>Free shares (per share and in euros)</i>	n/a
<i>Performance shares (per share and in euros)</i>	61.73 – 82.18
<i>Of which corporate officers</i>	56.66
Number of shares at December 31, 2018	
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and presence)	593,292
<i>Of which corporate officers</i>	-
Change during the period	
Number of shares subject to performance and/or presence conditions granted during the year	-
<i>Of which corporate officers</i>	-
Number of shares forfeited or canceled during the year	38,073
Number of shares vested during the year	555,219 ⁽²⁾
Number of shares at December 31, 2019	
that may vest under the plan in respect of shares previously granted, subject to conditions (presence only)	-
Weighted average number of shares	342,914
Share price at the grant date (in euros)	87.60

	February 2016 Plan	July 2016 Plan
Maximum number of shares that may be granted	1,721,815 shares	1,721,815 shares
% of share capital at the date of the Board of Directors' decision	1%	1%
Total number of shares granted	180,500 ⁽⁵⁾	1,663,500 ⁽¹⁾
Date of Board of Directors' decision	February 17, 2016	July 26, 2016
Performance assessment dates	Presence condition only	Three years for the two performance conditions
Vesting period	2 years as from the grant date (France) or 4 years as from the grant date (other countries)	3 years and 1 week as from the grant date (France) or 4 years as from the grant date (other countries)
Mandatory lock-in period effective as from the vesting date (France only)	2 years	2 years
Main market conditions at the grant date		
<i>Volatility</i>	<i>n/a</i>	<i>26,35%</i>
<i>Risk-free interest rate</i>	<i>0.15% – 0.03%</i>	<i>0.2% – 0.17%</i>
<i>Expected dividend rate</i>	<i>1.60%</i>	<i>1.60%</i>
Other conditions		
<i>Performance conditions</i>	<i>n/a</i>	<i>Yes (see below)</i>
<i>Employee presence within the Group at the vesting date</i>	<i>Yes</i>	<i>Yes</i>
Pricing model used to calculate the fair value of shares	<i>n/a</i>	Monte Carlo for performance shares with external (market) conditions
Range of fair values (<i>in euros</i>)		
<i>Free shares (per share and in euros)</i>	<i>55.45 – 57.59</i>	<i>n/a</i>
<i>Performance shares (per share and in euros)</i>	<i>n/a</i>	<i>54.02 – 77.1</i>
<i>Of which corporate officers</i>	<i>-</i>	<i>52.68</i>
Number of shares at December 31, 2018		
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	118,950	1,502,200
<i>Of which corporate officers</i>	<i>-</i>	<i>42,000⁽¹⁾</i>
Change during the period		
Number of shares subject to performance and/or presence conditions granted during the year	-	-
<i>Of which corporate officers</i>	<i>-</i>	<i>-</i>
Number of shares forfeited or canceled during the year	11,500	273,615
Number of shares vested during the year	-	364,810 ⁽³⁾
Number of shares at December 31, 2019		
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	107,450 ⁽⁴⁾	863,775 ⁽⁴⁾
Weighted average number of shares	113,200	1,213,388
Share price at the grant date (<i>in euros</i>)	71.61	83.78

	July 2017 Plan	October 2017 Plan
Maximum number of shares that may be granted	1,691,496 shares	1,691,496 shares
% of share capital at the date of the Board of Directors' decision	1%	1%
Total number of shares granted	63,597 ⁽⁸⁾	1,522,500 ⁽¹⁰⁾
Date of Board of Directors' decision	July 26, 2017	October 5, 2017
Performance assessment dates	Presence condition only	Three years for the two performance conditions
Vesting period	3 years and 1 week as from the grant date (other countries)	3 years as from the grant date (France) or 4 years as from the grant date (other countries)
Mandatory lock-in period effective as from the vesting date (France only)	n/a	2 years
Main market conditions at the grant date		
<i>Volatility</i>	n/a	25.65%
<i>Risk-free interest rate</i>	-0.25%/-0.04%	-0.17%/+0.90%
<i>Expected dividend rate</i>	1.60%	1.60%
Other conditions		
<i>Performance conditions</i>	n/a	Yes (see below)
<i>Employee presence within the Group at the vesting date</i>	Yes	Yes
Pricing model used to calculate the fair value of shares	n/a	Monte Carlo for performance shares with external (market) conditions
Range of fair values (in euros)		
<i>Free shares (per share and in euros)</i>	89.05	86.98 – 93.25
<i>Performance shares (per share and in euros)</i>	n/a	62.02 – 93.25
<i>Of which corporate officers</i>	-	66.38
Number of shares at December 31, 2018		
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	62,251	1,458,200
<i>Of which corporate officers</i>	-	35,000 ⁽¹¹⁾
Change during the period		
Number of shares subject to performance and/or presence conditions granted during the year	-	-
<i>Of which corporate officers</i>	-	-
Number of shares forfeited or canceled during the year	15,605	84,950
Number of shares vested during the year	-	-
Number of shares at December 31, 2019		
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	46,646 ⁽⁸⁾	1,373,250 ⁽⁷⁾
Weighted average number of shares	54,448	1,415,725
Share price at the grant date (in euros)	94.20	100.25

October 2018 Plan

Maximum number of shares that may be granted	1,688,170 shares
% of share capital at the date of the Board of Directors' decision	1%
Total number of shares granted	1,384,530 ⁽¹¹⁾
Date of Board of Directors' decision	October 3, 2018
Performance assessment dates	Three years for the two performance conditions
Vesting period	3 years as from the grant date (France) or 4 years as from the grant date (other countries)
Mandatory lock-in period effective as from the vesting date (France only)	2 years
Main market conditions at the grant date	
<i>Volatility</i>	23.29%
<i>Risk-free interest rate</i>	-0.109%/0.2429%
<i>Expected dividend rate</i>	1.60%
Other conditions	
<i>Performance conditions</i>	Yes (see below)
<i>Employee presence within the Group at the vesting date</i>	Yes
Pricing model used to calculate the fair value of shares	Monte Carlo for performance shares with external (market) conditions
Range of fair values (in euros)	
<i>Free shares (per share and in euros)</i>	96.86 – 104.92
<i>Performance shares (per share and in euros)</i>	63.95 – 104.92
<i>Of which corporate officers</i>	80.32
Number of shares at December 31, 2018	
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	1,373,515
<i>Of which corporate officers</i>	61,000 ⁽¹¹⁾
Change during the period	
Number of shares subject to performance and/or presence conditions granted during the year	-
<i>Of which corporate officers</i>	-
Number of shares forfeited or canceled during the year	32,795
Number of shares vested during the year	-
Number of shares at December 31, 2019	
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	1,340,720 ⁽¹²⁾
Weighted average number of shares	1,357,117
Share price at the grant date (in euros)	112.35

	October 2019 Plan
Maximum number of shares that may be granted	1,672,937 shares
% of share capital at the date of the Board of Directors' decision	1%
Total number of shares granted	1,523,015 ⁽⁶⁾
Date of Board of Directors' decision	October 2, 2019
Performance assessment dates	Three years for the two performance conditions
Vesting period	3 years as from the grant date (France) or 4 years as from the grant date (other countries)
Mandatory lock-in period effective as from the vesting date (France only)	2 years
Main market conditions at the grant date	
<i>Volatility</i>	23.14%
<i>Risk-free interest rate</i>	-0.478%/-0.458%
<i>Expected dividend rate</i>	1.60%
Other conditions	
<i>Performance conditions</i>	Yes (see below)
<i>Employee presence within the Group at the vesting date</i>	Yes
Pricing model used to calculate the fair value of shares	Monte Carlo for performance shares with external (market) conditions
Range of fair values (in euros)	
<i>Free shares (per share and in euros)</i>	99.57
<i>Performance shares (per share and in euros)</i>	52.81 – 99.57
<i>Of which corporate officers</i>	74.12
Number of shares at December 31, 2018	
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	-
<i>Of which corporate officers</i>	-
Change during the period	
Number of shares subject to performance and/or presence conditions granted during the year	1,523,015
<i>Of which corporate officers</i>	63,500 ⁽¹⁾
Number of shares forfeited or canceled during the year	7,853
Number of shares vested during the year	-
Number of shares at December 31, 2019	
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	1,515,162 ⁽⁹⁾
Weighted average number of shares	379,772
Share price at the grant date (in euros)	107.35

(1) Grant subject to performance conditions only.

(2) In respect of the "foreign" plan only: these amounts include a 4% discount on the external performance condition.

(3) In respect of the French plan only: these amounts include a 20% discount on the external performance condition.

(4) In respect of the "foreign" plan only.

(5) Grant subject to presence conditions only for beneficiaries employed by IGATE, acquired on July 1, 2015.

(6) Grant subject to performance conditions only, except for 8,852 shares subject to presence conditions only.

(7) Of which 438,550 shares in respect of the French plan and 934,700 shares in respect of the foreign plan.

(8) Grant subject to presence conditions only for beneficiaries employed by Idean, acquired in February 2017.

(9) Of which 450,200 shares in respect of the French plan and 1,064,962 shares in respect of the Foreign plan.

(10) Grant subject to performance conditions only, except for 19,150 shares subject to presence conditions only.

(11) Grant subject to performance conditions only, except for 124,955 shares subject to presence conditions only.

(12) Of which 405,300 shares in respect of the French plan and 935,420 shares in respect of the foreign plan.

a) Shares vested under the 2015 and July 2016 plans

The assessment of performance conditions under the 2015 plan concluded the internal performance condition was 100% attained and the external performance condition was 96% attained. Satisfaction of the presence condition at the end of July 2019 led to the vesting of 555,219 shares on August 1, 2019.

The assessment of performance conditions under the July 2016 plan concluded that the internal performance condition was 100% attained and the external performance condition was 80% attained, given the performance of the Capgemini SE share, which, while above that of the comparison basket, was below the 110% threshold enabling the maximum allocation. Satisfaction of the presence condition at the end of July 2019 therefore led to the vesting of 364,410 shares to non-French beneficiaries on August 1, 2019, plus an additional 400 shares which vested in 2019 to the heirs of a non-French beneficiary who died at the end of 2018, representing a total of 364,810 shares.

b) Performance conditions of the plans

In accordance with the AMF recommendation of December 8, 2009 regarding the inclusion of an internal and external performance condition when granting performance shares, the Board of Directors decided as from the 2010 plan to add an internal condition to the external condition initially planned.

The following internal and external performance conditions apply:

Under the 2012 to 2017 plans, the external performance condition accounts for 50% of the grant calculation as does the internal performance condition.

External performance condition

The terms of the external performance condition were tightened for the 2016 to 2018 plans, compared with the preceding plans under which shares began to vest from a Capgemini SE share performance of at least 90% of the basket.

Accordingly, since 2016, under these plans:

- no shares are granted if the performance of the Capgemini SE share during the period in question is less than the performance of the basket of securities over the same period;
- the number of shares ultimately granted:
 - is equal to 50% of the number of shares initially allocated if the performance of the Capgemini SE share is at least equal to 100% of the basket,
 - is equal to 100% of the number of shares initially allocated if the relative performance of the Capgemini SE share is higher than or equal to 110% of the basket,
 - varies on a straight-line basis between 50% and 100% of the initial allocation, based on a pre-defined schedule, where the performance of the Capgemini SE share is between 100% and 110% of the basket.

Moreover, in 2019, an outperformance condition was added applicable to all beneficiaries except corporate officers, such that if the relative performance of the share reaches or exceeds 120% of the basket, the allocation may amount to 110% of the external performance portion (but the final grant may not exceed 100% of the initial grant).

The composition of the benchmark basket changed as follows:

- 2014, 2015 and 2016 plans: Accenture/CSC/Atos/Tieto/CAC 40 index/CGI Group/Infosys/Sopra/Cognizant. Listing of the CSC security was ceased on April 1, 2017 and it was therefore replaced in the basket by the Euro Stoxx 600 Technology index from this date for the 2015 and 2016 plans;
- for the 2017, 2018 and 2019 plans, the basket comprises the following companies: Accenture/Indra/Atos/Tieto/CGI Group/Infosys/Sopra Steria/Cognizant and two indices, the CAC 40 index and the Euro Stoxx 600 Technology index.

The fair value of shares subject to external performance conditions is adjusted for a discount calculated in accordance with the Monte Carlo model, together with a discount for non-transferability for the shares granted in France.

Internal performance condition

The internal performance condition is based on the generation of organic free cash flow⁽¹⁾ (OFCF) over a three-year period encompassing fiscal years 2015 to 2017 for the 2015 plan, fiscal years 2016 to 2018 for the 2016 plan, fiscal years 2017 to 2019 for the 2017 plan, fiscal years 2018 to 2020 for the 2018 plan and fiscal years 2019 to 2021 for the 2019 plan. Accordingly:

- no shares will be granted in respect of the internal performance condition if the cumulative increase in organic free cash flow over the reference period is less than €1,750 million for the 2015 plan, €2,400 million for the 2016 plan, €2,900 million for the 2017 plan, €3,000 million for the 2018 plan and €3,100 million for the 2019 plan;
- 100% of the initial internal allocation will be granted if organic free cash flow is equal to or exceeds €2,000 million for the 2015 plan, €2,700 million for the 2016 plan, €3,200 million for the 2017 plan, €3,250 million for the 2018 plan and €3,400 million for the 2019 plan. The trigger threshold for application of the 110% outperformance bonus is €3,700 million (but the final grant may not exceed 100% of the initial grant).

The fair value of shares subject to internal performance conditions is calculated assuming 100% realization and will be adjusted where necessary in line with effective realization of this condition. A discount for non-transferability is also applied for the shares granted in France.

(1) Organic free cash flow, an alternative performance measure monitored by the Group, is defined in Note 3 – Alternative performance measures and Note 23 – Cash flows.

Inclusion of a new CSR performance condition since 2018

The Board of Directors' meeting of March 13, 2018 wished to align the performance conditions with the Group's strategic priorities by proposing the inclusion of a performance condition based on diversity and sustainable development objectives reflecting the

Group's corporate, social and environmental responsibility strategy. This provision was retained in 2019 and in view of the inclusion of an outperformance condition, the following table summarizes the applicable performance conditions, under the 2019 plan, for each of the three conditions:

Summary of performance conditions applicable to beneficiaries of the 2019 plan

Performance condition	Weighting applied for managers ⁽¹⁾	Weighting applied for other beneficiaries	Percentage of the grant determined by each performance condition
Market condition: Performance of the Capgemini share over a three-year period	35%	15%	<ul style="list-style-type: none"> • 0% if < 100% of the average performance of the basket • 50% to 100% between 100% and 110% of the average performance of the basket over the reference period • 110% if the average performance of the share is 120% of the average performance of the basket or higher (excluding Executive Corporate Officers)
Financial condition: Organic free cash flow for the three-year cumulative period from January 1, 2019 to December 31, 2021	50%	70%	<ul style="list-style-type: none"> • 0% if < €3,100 million • 30% to 100% between €3,100 million and €3,400 million over the reference period • 110% if at least equal to €3,700 million (for beneficiaries other than Executive Corporate Officers)
CSR condition comprising two objectives:			
Diversity: increase in the number of women in the Vice-President inflow population over a three-year period (2019-2021)	7.5%	7.5%	<ul style="list-style-type: none"> • 0% if the % of women in the Vice-President inflow population through recruitment or internal promotion is < 22% • 30% to 100% if this percentage is between 22% and 25% over the reference period • 110% if at least equal to 27% (for beneficiaries other than Executive Corporate Officers)
Reduction in the carbon footprint in 2021 compared with 2015	7.5%	7.5%	<ul style="list-style-type: none"> • 0% if the reduction in greenhouse gas emissions/person is < 21% • 30% to 100% if the reduction in greenhouse gas emissions/person in 2021 is between 21% and 23% compared with reference emissions in 2015 • 110% if at least equal to 24% (for beneficiaries other than Executive Corporate Officers)

(1) Executive Corporate Officers (Chairman and Chief Executive Officer and Chief Operating Officers), members of the general management team and key executive managers of the Group.

C) International employee share ownership plan – ESOP 2014

The Group set up an employee share ownership plan (ESOP 2014) in the second-half of 2014. On December 18, 2014, the Group issued 5,000,000 new shares reserved for employees with a par value of €8, representing a share capital increase of €229 million net of issue costs. The total cost of this employee share ownership plan in 2014 was €1.1 million, attributable to the Stock Appreciation Rights (SAR) mechanism for employees in countries where the set-up of an Employee Savings Mutual Fund (*fonds commun de placement entreprise*, FCPE) was not possible or relevant. This plan expired on December 18, 2019.

D) International employee share ownership plan – ESOP 2017

The Group set up an employee share ownership plan (ESOP 2017) in the second-half of 2017. On December 18, 2017, the Group issued 3,600,000 new shares reserved for employees with a par value of €8, representing a share capital increase of €320 million net of issue costs. The total cost of this employee share ownership plan in 2017 was €2.2 million, attributable to the Stock Appreciation Rights (SAR) mechanism for employees in countries where the set-up of an Employee Savings Mutual Fund (*fonds commun de placement entreprise*, FCPE) was not possible or relevant.

E) International employee share ownership plan – ESOP 2018

The Group set up an employee share ownership plan (ESOP 2018) in the second-half of 2018. On December 18, 2018, the Group issued 2,500,000 new shares reserved for employees with a par value of €8, representing a share capital increase of €230 million net of issue costs. The total cost of this employee share ownership plan in 2018 was €1.3 million, attributable to the Stock Appreciation Rights (SAR) mechanism for employees in countries where the set-up of an Employee Savings Mutual Fund (*fonds commun de placement entreprise*, FCPE) was not possible or relevant.

F) International employee share ownership plan – ESOP 2019

The Group set up an employee share ownership plan (ESOP 2019) in the second-half of 2019. On December 18, 2019, the Group issued 2,750,000 new shares reserved for employees with a par value of €8, representing a share capital increase of €253 million net of issue costs. The total cost of this employee share ownership plan in 2019 was €1.6 million, attributable to the Stock Appreciation Rights (SAR) mechanism for employees in countries where the set-up of an Employee Savings Mutual Fund (*fonds commun de placement entreprise*, FCPE) was not possible or relevant.

Impact of incentive instruments and employee share ownership plans

The following table presents the expense recognized in "Other operating income and expense" (including payroll taxes and employer contributions) for incentive instruments and employee share

ownership plans and the residual amount to be amortized in future periods.

(in millions of euros)	Note	Expense of the period	2018	2019
			Residual amount to be amortized in future periods	Residual amount to be amortized in future periods
EXPENSE ON INCENTIVE INSTRUMENTS AND EMPLOYEE SHARE OWNERSHIP PLANS	8	91	242	105
			Expense of the period	270

G) Employee incentive instruments – IGATE

The main features of this plan, which expired in June 2019, are set out in the table below:

	2015 Plan
Vesting period	One, two or three years for the market condition and three years for the internal condition
Number of Performance Units at December 31, 2018 that may vest under the plan in respect of units previously granted subject to performance and presence conditions	16 692
Number of Performance Units subject to performance and presence conditions granted during the year	-
Number of Performance Units forfeited or cancelled during the year	2 037
Number of Performance Units vested during the year	14 655
Number of Performance Units at December 31, 2019 that may vest under the plan in respect of units previously granted subject to performance and presence conditions	0
Main market conditions at the grant date	
<i>Risk-free interest rate</i>	0,35%
<i>Expected dividend rate</i>	1,60%
Fair value in euros (per unit)	€56.30

On July 1, 2015, in the context of the IGATE acquisition, Capgemini exchanged IGATE Performance Share Awards (PSA) held by beneficiaries for Capgemini Performance Units (PUs):

- the number of PUs granted was calculated by multiplying the number of IGATE PSAs outstanding by the following ratio:

US\$48 (unit purchase price of IGATE shares paid by Capgemini)

$$\frac{\text{€78.37 (closing price of the Capgemini SE share on April 24, 2015)}}{1.0824 \text{ (€/US\$ exchange rate on April 24, 2015)}}$$

- this calculation is equivalent to adjusting the number of PSAs by the exchange parity of the IGATE and Capgemini SE shares in US\$ on April 24, 2015;
- the vesting of PUs is subject to the attainment of internal and market performance conditions and the presence of the beneficiary in the Group at the vesting date:
 - the internal performance condition consists of a cumulative organic free cash flow (OFCF)⁽¹⁾ objective for the period 2015 to 2017, as presented in the audited, published Statements of Cash Flows for fiscal years 2015, 2016 and 2017, with the

maximum number of units vesting for an aggregate amount of €2 billion,

- the market performance condition is based on the ability of the Capgemini SE share to outperform a reference basket comprising the CAC40 index and the following listed companies in equal weighting: Accenture, CSC, Atos, Tieto, CGI Group, Infosys, Sopra, and Cognizant;
- the vesting schedule is as follows:
 - 25% of PUs on July 1, 2016, subject to presence and market performance conditions,
 - 25% of PUs on July 1, 2017, subject to presence and market performance conditions,
 - 25% of PUs on July 1, 2018, subject to presence and market performance conditions,
 - 25% of PUs on July 1, 2019, subject to presence and internal performance conditions;
- in addition, PUs vesting in the first three years are subject to a final adjustment clause tied to the change in the Capgemini SE share price between the vesting dates and July 1, 2019.

(1) Organic free cash flow, an alternative performance measure monitored by the Group, is defined in Note 3 – Alternative performance measures and Note 23 – Cash flows.

The external condition was only satisfied 54% at the first vesting date, resulting in the vesting of 15,400 PUs and the cancellation of 13,118 PUs for this first tranche.

The external condition was only satisfied 44% at the second vesting date, resulting in the vesting of 9,212 PUs and the cancellation of 34,471 PUs for this second tranche, including the impact of failure to satisfy the presence condition.

The external condition was only satisfied 44% at the third vesting date, resulting in the vesting of 7,345 PUs and the cancellation of 17,835 PUs for this third tranche, including the impact of failure to satisfy the presence condition.

The internal condition was satisfied 100% at the fourth vesting date, therefore resulting in the vesting of 14,655 PUs, while 2,037 PUs were canceled following failure to satisfy the presence condition. An additional amount of €0.8 million was paid to beneficiaries present in the Group, in respect of the increase in the share price between the initial price and the share price at the end of the four-year plan.

Treasury shares and management of share capital and market risks

The Group does not hold any shares for financial investment purposes and does not have any interests in listed companies, except the Altran shares purchased under the Altran Technologies group acquisition project (see Note 2 – Consolidation principles and Group structures).

At December 31, 2019, treasury shares were deducted from consolidated equity in the amount of €30 million. These consist of (i) 184,971 shares purchased under the share buyback program and (ii) 131,747 shares held under the liquidity agreement (the associated liquidity line is €19 million) and the contractual holding system for key employees of American activities.

In view of the small number of treasury shares held, the Group is not therefore exposed to significant equity risk. Finally, as the value of treasury shares is deducted from equity, changes in the share price do not impact the Consolidated Income Statement.

The Group's capital management strategy is designed to maintain a strong capital base in view of supporting the continued development of its business activities and delivering a return to shareholders, while adopting a prudent approach to debt. At December 31, 2019, the Group had net debt⁽¹⁾ of €600 million (compared with €1,184 million at December 31, 2018). In order to best manage the structure of its capital, the Group can notably issue new shares, buy back its own shares, adjust the dividend paid to shareholders or enter into derivative instruments on its own shares.

Currency risk and translation gains and losses on the accounts of subsidiaries with a functional currency other than the euro

Regarding risks arising on the translation of the foreign currency accounts of consolidated subsidiaries, in 2019 the Group's consolidated financial statements are particularly impacted by fluctuations in the US dollar, generating a positive impact on foreign exchange translation reserves as a result of the appreciation of the US dollar against the euro and in the Indian rupee, generating a negative impact on foreign exchange translation reserves resulting from the depreciation of the Indian rupee against the euro.

The Group does not hedge risks arising on the translation of the foreign currency accounts of consolidated subsidiaries whose functional currency is not the euro. The main exchange rates used for the preparation of the financial statements are presented in Note 2 – Consolidation principles and Group structure.

5.

Note 13 Goodwill and intangible assets

Goodwill

Goodwill is equal to the excess of the acquisition price (plus, where applicable, non-controlling interests) over the net amount recognized in respect of identifiable assets acquired and liabilities assumed. Where an acquisition confers control with remaining non-controlling interests (acquisition of less than 100%), the Group elects either to recognize goodwill on the full amount of revalued net assets, including the share attributable to non-controlling interests (full goodwill method) or on the share in revalued net assets effectively acquired only (partial goodwill method). This choice is made for each individual transaction.

Goodwill balances are allocated to the different cash-generating units (as defined in Note 16 – Cash-generating units and asset impairment tests) based on the value in use contributed to each unit.

When a business combination with non-controlling interests provides for the grant of a put option to these non-controlling interests, an operating liability is recognized in the Consolidated Statement of Financial Position in the amount of the estimated exercise price of the put option granted to non-controlling interests, through a reduction in equity. Changes in this put option resulting from any changes in estimates or the unwinding

of the discount are also recognized through equity. Any additional acquisitions of non-controlling interests are considered a transaction with shareholders and, as such, identifiable assets are not remeasured and no additional goodwill is recognized.

When the cost of a business combination is less than the fair value of the assets acquired and liabilities assumed, the negative goodwill is recognized immediately in the Income Statement in "Other operating income and expense".

Acquisition-related costs are expensed in the Income Statement in "Other operating income and expense" in the year incurred.

Goodwill is not amortized but tested for impairment at least annually, or more frequently when events or changes in circumstances indicate that it may be impaired.

Customer relationships

On certain business combinations, where the nature of the customer portfolio held by the acquired entity and the nature of the business performed should enable the acquired entity to continue commercial relations with its customers as a result of efforts to build customer loyalty, customer relationships are valued in intangible assets and amortized over the estimated term of contracts held in portfolio at the acquisition date.

(1) Net debt, an alternative performance measure monitored by the Group, is defined in Note 22 – Net debt/net cash and cash equivalents.

Licenses and software

Computer software and user rights acquired on an unrestricted ownership basis, as well as software and solutions developed internally and which have a positive, lasting and quantifiable effect on future results, are capitalized and amortized over three to five years.

The capitalized costs of software and solutions developed internally are costs that relate directly to their production, *i.e.* the salary costs of the staff that developed the relevant software.

<i>(in millions of euros)</i>	Goodwill	Customer relationships	Licenses and software	Other intangible assets	Total
GROSS					
At January 1, 2018	6,925	754	463	274	8,416
Translation adjustments	205	31	(2)	(4)	230
Acquisitions/Increase	-	-	42	-	42
Internal developments	-	-	-	12	12
Disposals/Decrease	-	-	(34)	(5)	(39)
Business combinations	392	70	2	9	473
Other movements	-	(20)	10	(9)	(19)
At December 31, 2018	7,522	835	481	277	9,115
First-time application of IFRS 16	-	-	-	(7)	(7)
At January 1, 2019	7,522	835	481	270	9,108
Translation adjustments	113	14	2	1	130
Acquisitions/Increase	-	-	48	-	48
Internal developments	-	-	-	2	2
Disposals/Decrease	-	(5)	(25)	(9)	(39)
Business combinations	131	28	2	1	162
Other movements	(14)	-	10	(11)	(15)
AT DECEMBER 31, 2019	7,752	872	518	254	9,396
ACCUMULATED AMORTIZATION AND IMPAIRMENT					
At January 1, 2018	95	318	349	143	905
Translation adjustments	(4)	8	(2)	-	2
Charges and provisions	-	67	52	17	136
Reversals	-	-	(33)	(4)	(37)
Business combinations	-	-	2	-	2
Other movements	-	(21)	6	(6)	(21)
At December 31, 2018	91	372	374	150	987
First-time application of IFRS 16	-	-	-	-	-
At January 1, 2019	91	372	374	150	987
Translation adjustments	(1)	6	2	1	8
Charges and provisions	-	70	51	10	131
Reversals	-	(6)	(23)	(9)	(38)
Business combinations	-	-	2	-	2
Other movements	-	-	6	(7)	(1)
AT DECEMBER 31, 2019	90	442	412	145	1,089
NET					
At December 31, 2018	7,431	463	107	127	8,128
At January 1, 2019	7,431	463	107	120	8,121
AT DECEMBER 31, 2019	7,662	430	106	109	8,307

The amounts recorded in "Business combinations" for Goodwill and Customer relationships primarily concern the 2019 acquisitions of the Leidos Cyber group in the United States and Konexus Consulting Group GmbH in Germany (cf. Note 2 – Consolidation principles and Group structure).

Intangible assets by geographic area

<i>(in millions of euros)</i>	December 31, 2018		December 31, 2019	
	Net carrying amount	Acquisitions during the period	Net carrying amount	Acquisitions during the period
North America	367	4	346	4
France	91	32	96	40
United Kingdom and Ireland	82	12	59	1
Rest of Europe	22	2	19	3
Asia-Pacific and Latin America	135	4	125	2
INTANGIBLE ASSETS	697	54	645	50

Note 14 Property, plant and equipment (PP&E)

Property, plant and equipment

The carrying amount of property, plant and equipment is recorded in assets in the Consolidated Statement of Financial Position and corresponds to the historical cost of these items, less accumulated depreciation and any impairment. No items of property, plant and equipment have been revalued. Buildings owned by the Group are measured based on the components approach.

Subsequent expenditure increasing the future economic benefits associated with assets (costs of replacing and/or bringing assets into compliance) is capitalized and depreciated over the remaining useful lives of the relevant assets. Ongoing maintenance costs are expensed as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the relevant assets. It is calculated based on acquisition cost less any residual value.

Property, plant and equipment are depreciated over the following estimated useful lives:

Buildings	20 to 40 years
Fixtures and fittings	10 years
Computer equipment	3 to 5 years
Office furniture and equipment	5 to 10 years
Vehicles	5 years
Other equipment	5 years

Residual values and estimated useful lives are reviewed at each period end.

The sale of property, plant and equipment gives rise to disposal gains and losses corresponding to the difference between the selling price and the net carrying amount of the relevant asset.

<i>(in millions of euros)</i>	Land, buildings and fixtures and fittings	Computer equipment	Other PP&E	Total
GROSS				
At January 1, 2018	959	744	314	2,017
Translation adjustments	(16)	(6)	(7)	(29)
Acquisitions/Increase	75	99	52	226
Disposals/Decrease	(88)	(147)	(20)	(255)
Business combinations	3	5	3	11
Other movements	6	(15)	-	(9)
At December 31, 2018	939	680	342	1,961
First-time application of IFRS 16	(21)	(164)	(2)	(187)
At January 1, 2019	918	516	340	1,774
Translation adjustments	2	2	-	4
Acquisitions/Increase	53	71	48	172
Disposals/Decrease	(29)	(56)	(32)	(117)
Business combinations	3	6	1	10
Other movements	(28)	33	2	7
AT DECEMBER 31, 2019	919	572	359	1,850
ACCUMULATED DEPRECIATION AND IMPAIRMENT				
At January 1, 2018	458	581	229	1,268
Translation adjustments	(4)	(4)	(5)	(13)
Charges and provisions	49	88	29	166
Reversals	(87)	(141)	(18)	(246)
Business combinations	1	4	2	7
Other movements	3	(8)	(1)	(6)
At December 31, 2018	420	520	236	1,176
First-time application of IFRS 16	(13)	(103)	(1)	(117)
At January 1, 2019	407	417	235	1,059
Translation adjustments	3	2	-	5
Charges and provisions	48	56	32	136
Reversals	(28)	(54)	(30)	(112)
Business combinations	2	5	1	8
Other movements	(14)	33	(3)	16
AT DECEMBER 31, 2019	418	459	235	1,112
NET				
At December 31, 2018	519	160	106	785
At January 1, 2019	511	99	105	715
AT DECEMBER 31, 2019	501	113	124	738

Property, plant and equipment by geographic area

<i>(in millions of euros)</i>	December 31, 2018		December 31, 2019	
	Net carrying amount	Acquisitions of the period ⁽¹⁾	Net carrying amount	Acquisitions of the period ⁽¹⁾
North America	52	25	41	12
France	167	49	167	45
United Kingdom and Ireland	30	7	15	4
Rest of Europe	88	42	72	36
Asia-Pacific and Latin America	448	103	443	75
PROPERTY, PLANT AND EQUIPMENT	785	226	738	172

(1) In 2018, total acquisitions of property, plant and equipment differ from the figure reported in the Statement of Cash Flows, which excludes acquisitions of assets held under finance leases.

Note 15 Lease right-of-use assets

The Group assess whether a contract is or contains a lease at inception of the contract.

Leases are recognized in the Consolidated Statement of Financial Position from the lease commencement date.

These contracts are recognized in "Lease liabilities" and "Lease right-of-use assets" in the Consolidated Statement of Financial Position.

The lease liability is initially measured at the present value of future lease payments, discounted over the estimated lease period using the lessee's incremental borrowing rate per currency. This is estimated in each currency using available market data and taking account of the average lease term. Lease payments may include fixed payments and variable payments that depend on an index or a rate known at inception of the contract. The lease liability is generally calculated over the firm lease term unless the Group is reasonably certain to extend or terminate the lease.

The lease liability is subsequently measured at amortized cost using the effective interest rate.

The initial value of the lease right-of-use asset comprises the amount of the initial measurement of the lease liability, initial direct costs and any obligation to restore the asset. For the vehicle fleet, the Group has elected not to separate non-lease components from lease components and to account for the entire contract as a single lease component. The lease right-of-use asset is depreciated over the period adopted for the calculation of the lease liability.

In the Consolidated Income Statement, depreciation is recorded in the operating margin and interest is recorded in net financial expenses.

The linked tax impact is recognized in deferred tax in accordance with applicable tax legislation in the countries where the leases are recognized.

Leases of assets with a low unit value, other than IT equipment and short-term leases are expensed directly in the operating margin.

Description of lease activities

Real estate leases

The Group leases land and buildings for its offices, as well as for its delivery centers. Terms and conditions are negotiated on an individual case basis and contain numerous different clauses. These leases are generally entered into for terms of 5 to 15 years and may contain extension options providing operational flexibility.

Vehicle leases

The Group leases vehicles for certain employees in France and internationally. These leases are generally entered into for terms of 3 to 5 years.

IT and other leases

Finally, the Group also leases some of its IT equipment (computers, servers, printers). Terms and conditions are negotiated on an individual case basis and contain numerous different clauses. These leases are generally entered into for terms of 3 to 5 years.

Lease right-of-use assets

<i>(in millions of euros)</i>	Land, buildings and fixtures and fittings	Vehicles	Computer equipment and other leases	Total
GROSS				
At January 1, 2019	811	104	86	1,001
Translation adjustments	9	-	1	10
Acquisitions/Increase	207	50	32	289
Disposals/Decrease	(66)	(19)	(13)	(98)
AT DECEMBER 31, 2019	961	135	106	1,202
ACCUMULATED DEPRECIATION AND IMPAIRMENT				
At January 1, 2019	213	-	3	216
Translation adjustments	5	-	-	5
Charges and provisions	174	58	46	278
Reversals	(36)	(13)	(10)	(59)
AT DECEMBER 31, 2019	356	45	39	440
NET				
At January 1, 2019	598	104	83	785
AT DECEMBER 31, 2019	605	90	67	762

Lease right-of-use assets by geographic area

<i>(in millions of euros)</i>	January 1, 2019 Net carrying amount	December 31, 2019 Net carrying amount
North America	97	80
France	177	234
United Kingdom and Ireland	65	52
Rest of Europe	329	276
Asia-Pacific and Latin America	117	120
LEASE RIGHT-OF-USE ASSETS	785	762

Lease liabilities

The contractual cash flows presented below are the undiscounted value of future contractual repayments, broken down by average remaining maturity of Group leases.

<i>(in millions of euros)</i>	Carrying amount	Contractual cash flows				
At December 31, 2019	Total	Less than 1 year	1 to 2 years	2 to 5 years	Beyond 5 years	
Lease liabilities	813	873	236	195	305	137

Note 16 Cash-generating units and asset impairment tests

Cash-generating units

The cash-generating units identified by the Group represent the nine geographic areas detailed below.

Asset impairment tests

Intangible assets, property, plant and equipment with a definite useful life and lease right-of-use assets are tested for impairment when there is an indication at the reporting date that their recoverable amount may be less than their carrying amount. Goodwill and assets with an indefinite useful life are tested for impairment at least once a year.

The impairment test consists of assessing the recoverable amount of each asset or group of assets generating cash flows that are separate from the cash flows generated by other assets or groups of assets (cash-generating units or CGU).

The recoverable amount is defined as the higher of the fair value less costs to sell of the cash-generating unit and its value in use:

- fair value is the amount obtainable in an arm's length transaction and is determined with reference to the price in

a binding agreement or the market price in recent and comparable transactions;

- value in use is based on the discounted future cash flows to be derived from these cash-generating units.

The value in use of each cash-generating unit is measured using the discounted future cash flow method, based on the various assumptions in the three-year strategic plan extrapolated over a period of five years, including growth and profitability rates considered reasonable. Long-term growth rates and discount rates are determined taking account of the specific characteristics of each of the Group's geographic areas. Discount rates reflect the weighted average cost of capital, calculated notably based on market data and a sample of sector companies. When the recoverable amount of a cash-generating unit is less than its carrying amount, the impairment loss is deducted from goodwill to the extent possible and charged under "Other operating income and expenses".

GOODWILL PER CASH-GENERATING UNIT

The allocation of goodwill to cash-generating units breaks down as follows:

<i>(in millions of euros)</i>	December 31, 2018			December 31, 2019		
	Gross value	Impairment	Net carrying amount	Gross value	Impairment	Net carrying amount
North America	2,581	(8)	2,573	2,731	(8)	2,723
France	1,479	(1)	1,478	1,489	(1)	1,488
United Kingdom and Ireland	968	-	968	1,004	-	1,004
Benelux	977	(12)	965	983	(12)	971
Southern Europe	144	-	144	146	-	146
Nordic countries	301	-	301	303	-	303
Germany and Central Europe	402	(31)	371	417	(31)	386
Asia-Pacific	535	-	535	546	-	546
Latin America	135	(39)	96	133	(38)	95
GOODWILL	7,522	(91)	7,431	7,752	(90)	7,662

The increase in the gross value of goodwill comes mainly from acquisitions completed in 2019 (see Note 2 – Consolidation principles and Group structure).

Goodwill was tested for impairment at December 31, 2019 in line with the Group valuation procedure for such assets.

The main assumptions used were as follows:

	December 31, 2019	
	Long-term growth rate	Discount rate
North America	2.9%	8.0%
Latin America	5.5%	12.1%
United Kingdom and Ireland	2.8%	7.1%
Continental Europe	2.4%	7.2%
Asia-Pacific	4.2%	12.6%

No impairment losses were recognized at December 31, 2019 as a result of these impairment tests.

Furthermore, an analysis of the calculation's sensitivity to a combined change in the following key assumptions:

- +/-2 points in the revenue growth rate for the first five years;

- +/-1 point in the operating margin⁽¹⁾ rate for the first five years;
- +/-0.5 points in the discount rate;
- +/-0.5 points in the long-term growth rate.

did not identify any recoverable amounts below the carrying amount for any cash-generating units.

Note 17 Deferred taxes

Deferred taxes are:

- recorded to take account of temporary differences between the carrying amounts of certain assets and liabilities and their tax basis;
- recognized in income or expenses in the Income Statement, in income and expense recognized in equity, or directly in equity in the period, depending on the underlying to which they relate;
- measured taking account of known changes in tax rates (and tax regulations) enacted or substantively enacted at the year-end. Adjustments for changes in tax rates to deferred taxes previously recognized in the Income Statement, in income and expense recognized in equity or directly in equity are recognized in the Income Statement, in income and expense recognized in equity or directly in equity, respectively, in the period in which these changes become effective.

Deferred tax assets are recognized when it is probable that taxable profits will be available against which the recognized tax asset can be utilized. The carrying amount of deferred tax assets is reviewed at each period end. This amount is reduced to the extent that it is no longer probable that additional taxable profit will be available against which to offset all or part of the deferred tax assets to be utilized. Conversely, the carrying amount of deferred tax assets will be increased when it becomes probable that future taxable profit will be available in the long-term against which to offset tax losses not yet recognized. The probability of recovering deferred tax assets is primarily assessed based on a 10-year plan, weighted for the probability of future taxable profits being reported.

The main deferred tax assets and liabilities are offset if, and only if, the subsidiaries have a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred taxes relate to income taxes levied by the same taxation authority.

(1) Operating margin, an alternative performance measure monitored by the Group, is defined in Note 3 – Alternative performance measures.

Recognized deferred tax assets

Deferred tax assets and movements therein break down as follows:

<i>(in millions of euros)</i>	Note	Tax loss carry-forwards	Temporary differences on amortizable goodwill	Provisions for pensions and other post-employment benefits	Other deductible temporary differences	Total deferred tax assets
At January 1, 2018		763	118	246	156	1,283
Business combinations		-	-	-	3	3
Translation adjustments		23	(6)	(3)	(4)	10
Deferred tax recognized in the Income Statement	10	(187)	(25)	(10)	74	(148)
Deferred tax recorded in income and expense recognized in equity		15	-	(13)	2	4
Other movements, including offset with deferred tax liabilities		(2)	(2)	1	(21)	(24)
At December 31, 2018		612	85	221	210	1,128
First-time application of IFRS 16		-	-	-	4	4
At January 1, 2019		612	85	221	214	1,132
Translation adjustments		10	-	7	2	19
Deferred tax recognized in the Income Statement	10	(154)	(22)	(5)	9	(172)
Deferred tax recorded in income and expense recognized in equity		4	-	19	(1)	22
Other movements, including offset with deferred tax liabilities		11	-	(4)	(9)	(2)
AT DECEMBER 31, 2019		483	63	238	215	999

Recognized tax loss carry-forwards total €483 million at December 31, 2019 (€612 million at December 31, 2018) and primarily concern the United States in the amount of €410 million and France in the amount of €52 million.

Unrecognized deferred tax assets

<i>(in millions of euros)</i>	2018	2019
Deferred tax on tax loss carry-forwards	196	200
Deferred tax on other temporary differences	10	18
UNRECOGNIZED DEFERRED TAX ASSETS	206	218

Expiry dates of tax loss carry-forwards (taxable base)

<i>(in millions of euros)</i>	2018		2019	
	Amount	%	Amount	%
Between 1 and 5 years	39	1	38	1
Between 6 and 10 years	1,031	35	1,121	44
Between 11 and 15 years	794	27	520	20
Beyond 15 years (definite expiry date)	44	1	-	-
Carried forward indefinitely	1,082	36	893	35
TAX LOSS CARRY-FORWARDS (taxable base)	2,990	100	2,572	100
<i>o/w recognized tax losses</i>	2,325	78	1,893	74

Deferred tax liabilities

Deferred tax liabilities and movements therein break down as follows:

<i>(in millions of euros)</i>	Note	Tax-deductible goodwill amortization	Customer relationships	Other taxable temporary differences	Total deferred tax liabilities
At January 1, 2018		50	46	76	172
Business combinations		-	20	-	20
Translation adjustments		1	2	(2)	1
Deferred tax recognized in the Income Statement	10	3	(6)	12	9
Deferred tax recorded in income and expense recognized in equity		-	-	-	-
Other movements including offset with deferred tax assets		(2)	(19)	(1)	(22)
At December 31, 2018		52	43	85	180
Translation adjustments		1	-	-	1
Deferred tax recognized in the Income Statement	10	3	(6)	11	8
Deferred tax recorded in income and expense recognized in equity		-	-	(1)	(1)
Other movements including offset with deferred tax assets		-	-	(3)	(3)
AT DECEMBER 31, 2019		56	37	92	185

Note 18 Financial instruments

Financial instruments consist of:

- financial assets, including other non-current assets, trade receivables, other current assets, cash management assets and cash and cash equivalents;
- financial liabilities, including long- and short-term borrowings and bank overdrafts, lease liabilities, accounts payable and other current and non-current liabilities;
- derivative instruments.

a) Recognition of financial instruments

Financial instruments (assets and liabilities) are initially recognized in the Consolidated Statement of Financial Position at their initial fair value.

IFRS 9 provisions regarding the classification and measurement of financial assets are based on the Group's management model and the contractual terms of financial assets. Depending on their classification in the Consolidated Statement of Financial Position, financial assets and liabilities are subsequently measured at fair value through profit or loss, fair value through other comprehensive income or amortized cost.

Financial liabilities are classified as measured at amortized cost or at fair value through profit or loss if held for trading.

Amortized cost corresponds to the initial carrying amount (net of transaction costs), plus interest calculated using the effective interest rate, less cash outflows (coupon interest payments and repayments of principal and redemption premiums where applicable). Accrued interest (income and expense) is not recorded on the basis of the financial instrument's nominal interest rate, but on the basis of its effective interest rate. An expected credit loss is recognized on financial assets measured at amortized cost. Any loss in value is recognized in the Income Statement.

The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments are recognized at inception and on subsequent dates in accordance with the methods described below. These methods draw on the following interest rate definitions:

- the coupon interest rate or coupon, which is the nominal interest rate on borrowings;
- the effective interest rate, which is the rate that exactly discounts the estimated cash flows through the expected term of the instrument, or, where appropriate, a shorter period to the net carrying amount of the financial asset or liability at initial recognition. The effective interest rate takes

into account all fees paid or received, transaction costs, and, where applicable, premiums to be paid and received;

- the market interest rate, which reflects the effective interest rate recalculated at the measurement date based on current market parameters.

Financial instruments (assets and liabilities) are derecognized when the related risks and rewards of ownership have been transferred, and when the Group no longer exercises control over the instruments.

b) Derivative instruments

Derivative instruments mainly comprise forward foreign exchange purchase and sale contracts (in the form of tunnels, where applicable) and interest rate swaps.

When operating or financial cash flow hedges are eligible for hedge accounting, changes in the fair value of the hedging instruments are recognized firstly in "Income and expense recognized in equity" and subsequently taken to operating profit or net financial expense when the hedged item itself impacts the Income Statement.

All changes in the value of hedging costs (time value of foreign exchange options and forward element of foreign exchange forward contracts) are recognized in a separate component of comprehensive income and released to profit or loss when then the hedged flow is realized.

Other derivative instruments are measured at fair value, with changes in fair value, estimated based on market rates or data provided by bank counterparties, recognized in the Income Statement at the reporting date.

c) Fair value measurement

Fair value measurement methods for financial and non-financial assets and liabilities as defined above are classified according to the following three fair value levels:

- Level 1: fair values measured based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities;
- Level 2: fair values measured using inputs other than quoted prices in active markets, that are observable either directly (*i.e.* as prices) or indirectly (*i.e.* derived from prices);
- Level 3: fair values of assets or liabilities measured using inputs that are not based on observable market data (unobservable inputs).

As far as possible, the Group applies Level 1 measurement methods.

Financial instrument classification and fair value hierarchy

The following table presents the net carrying amount of financial assets and liabilities and the fair value of financial instruments broken down according to the three classification levels defined

above (except for financial instruments where the net carrying amount represents a reasonable approximation of fair value).

December 31, 2019 <i>(in millions of euros)</i>	Notes	Net carrying amount				Fair value		
		Hedge accounting	Fair value through profit or loss	Fair value through equity	Amortized cost	Level 1	Level 2	Level 3
FINANCIAL ASSETS								
Shares in non-consolidated companies	19		1	413		413		1
Long-term deposits, receivables and other investments	19				128			
Other non-current assets	19				117			
Current and non-current asset derivative instruments	19 and 21	106					106	
Trade receivables and related accounts	20				3,380			
Other current assets	21				391			
Cash management assets	22		213			213		
Cash and cash equivalents	22		2,461			2,461		
FINANCIAL LIABILITIES								
Bonds	22				3,267			
Lease liabilities	15				813			
Draw-downs on bank and similar facilities and other borrowings	22				3			
Liabilities related to acquisitions of consolidated companies	27		82	13	11			95
Other current and non-current liabilities	27				145			
Current and non-current liability derivative instruments	27	24					24	
Accounts and notes payable	28				3,011			
Bank overdrafts	22				11			

Note 19 Other non-current assets

At December 31 <i>(in millions of euros)</i>	Notes	2018	2019
Long-term deposits, receivables and other investments		120	128
Shares in associates		45	74
Derivative instruments	24	20	33
Non-current tax receivables		79	89
Altran Technologies non-consolidated securities	2	-	413
Other		39	29
OTHER NON-CURRENT ASSETS	23	303	766

Long-term deposits, receivables and other investments consist mainly of *aides à la construction* (building aid program) loans and security deposits and guarantees relating to leases.

Shares in associates mainly consist of the Group's investment in Azqore, acquired in 2018, and Capgemini Ventures S.A.S.'s investment in the Professional Investment Fund, ISAI Cap Venture, on July 1, 2019.

Derivative instruments primarily consist of the fair value of derivative instruments contracted as part of the centralized management of currency risk in the amount of €33 million (current portion of €65 million, see Note 21 – Other current assets).

Non-current tax receivables at December 31, 2019, mainly consist of tax portion required by the Indian tax administration following tax audits but challenged by the group.

At December 31, 2019, the "Altran Technologies non-consolidated securities" line reflects the acquisition of 29,378,319 shares for a total disbursement of €413 million (see Note 2 – Consolidation principles and Group structure).

Note 20 Trade receivables, contract assets and contract costs

At December 31 <i>(in millions of euros)</i>	Note	2018	2019
Trade receivables		2,082	2,140
Provisions for doubtful accounts		(18)	(19)
Contract assets		1,123	1,176
Trade receivables and contract assets, excluding contract costs	23	3,187	3,297
Contract costs	23	92	83
TRADE RECEIVABLES, CONTRACT ASSETS AND CONTRACT COSTS		3,279	3,380

Total trade receivables and contract assets net of contract liabilities can be analyzed as follows in number of days' annual revenue:

At December 31 <i>(in millions of euros)</i>	Note	2018	2019
Trade receivables and contract assets, excluding contract costs	23	3,187	3,297
Contract liabilities	23	(864)	(836)
TRADE RECEIVABLE AND CONTRACT ASSETS NET OF CONTRACT LIABILITIES		2,323	2,461
In number of days' annual revenue		63	63

Changes in contract assets and liabilities in fiscal year 2019 are due to the following usual factors:

- timing differences between revenue recognition, billing and collection, leading to the recognition of trade receivables and contract assets (sales invoice accruals);
- the receipt of advances from customers, leading to the recognition of contract liabilities (advances from customers and billed in advance).

Client payments terms and conditions comply with local regulations in the countries where we operate and, where applicable, standard commercial practice and payment schedules defined contractually.

At December 31, 2019, receivables totaling €75 million were assigned with transfer of credit risk as defined by IFRS 9 to financial institutions (€103 million at December 31, 2018) and were therefore derecognized in the Statement of Financial Position at December 31, 2019.

Aged analysis of trade receivables

The low bad debt ratio reflects the fact that most invoices are only issued after the client has validated the services provided.

At end-2019, past due balances total €469 million (€402 million at December 31, 2018) and represent 22.1% of trade receivables less provisions for doubtful accounts (19.4% in 2018). The breakdown is as follows:

<i>(in millions of euros)</i>	< 30 days	> 30 days and < 90 days	> 90 days
Net trade receivables	317	95	57
As a % of trade receivables, net of provisions for doubtful accounts	14.9%	4.5%	2.7%

Past due balances concern customer accounts which are individually analyzed and monitored.

Credit risk

The Group's three largest clients contribute around 7% of Group revenues, unchanged on fiscal year 2018. The Group's five largest clients contribute around 10% of Group revenues, as in 2018. The top ten clients collectively account for 16% of Group revenues. The solvency of these major clients and the sheer diversity of the other smaller clients help limit credit risk. The economic environment could impact the business activities of the Group's clients, as well as the amounts receivable from these clients. However, the Group does not consider that any of its clients, business sectors or geographic areas present a significant credit risk that could materially impact the financial position of the Group as a whole.

Note 21 Other current assets

At December 31 <i>(in millions of euros)</i>	Notes	2018	2019
Social security and tax-related receivables, other than income tax		246	208
Prepaid expenses		226	143
Derivative instruments	24	74	73
Other		46	40
OTHER CURRENT ASSETS	23	592	464

At December 31, 2019, Social security and tax-related receivables, other than income tax include €77 million research tax credit receivables of which €24 million, deducted from operating expenses in 2019.

Note 22 Net debt/net cash and cash equivalents

Cash and cash equivalents presented in the Consolidated Statement of Cash Flows consist of short-term investments and cash at bank less bank overdrafts.

Net debt or net cash and cash equivalents comprise cash and cash equivalents as defined above, and cash management assets (assets presented separately in the Consolidated Statement of

Financial Position due to their characteristics), less short-term and long-term borrowings. Account is also taken of the impact of hedging instruments when these relate to borrowings and own shares. Lease liabilities (including finance lease liabilities) are excluded from net debt at January 1, 2019.

<i>(in millions of euros)</i>	2018	January 1, 2019 ⁽¹⁾	2019
Short-term investments	1,476	1,476	1,920
Cash at bank	530	530	541
Bank overdrafts	(2)	(2)	(11)
Cash and cash equivalents	2,004	2,004	2,450
Cash management assets	183	183	213
Bonds	(3,233)	(3,233)	(2,564)
Obligations under finance leases	(41)	-	-
Draw-downs on bank and similar facilities and other borrowings	-	-	-
Long-term borrowings	(3,274)	(3,233)	(2,564)
Bonds	(26)	(26)	(703)
Obligations under finance leases	(39)	-	-
Drawdowns on bank and similar facilities and other borrowings	(16)	(16)	(3)
Short-term borrowings	(81)	(42)	(706)
Borrowings	(3,355)	(3,275)	(3,270)
Derivative instruments	(16)	(16)	7
(NET DEBT) ⁽²⁾	(1,184)	(1,104)	(600)

(1) The Consolidated Statement of Financial Position at January 1, 2019 has been restated for the application of IFRS 16, Leases, using the modified retrospective method (see Note 1 – Accounting Basis).

(2) Net debt/net cash and cash equivalents, an alternative performance measure monitored by the Group, is defined in Note 3 – Alternative performance measures.

Short-term investments

At December 31, 2019, short-term investments mainly consist of mutual fund units, negotiable debt securities and term bank deposits, paying interest at standard market rates.

Cash management assets

Cash management assets consist of capitalization contracts with insurance companies which may be canceled by Capgemini SE at any time without penalty, as well as marketable securities held by certain Group companies which do not meet all the monetary UCITS classification criteria defined by ESMA (European Securities and Markets Authority) for money market mutual funds, particularly with regards to the average maturity of the portfolio. These funds may, however, be redeemed at any time without penalty.

Borrowings

A) Bonds

a) July 1, 2015 bond issues

On June 24, 2015, Capgemini SE performed a “triple tranche” bond issue for a total nominal amount of €2,750 million and with a settlement/delivery date of July 1, 2015:

— 2015 Bond issue (July 2018):

The nominal amount of this tranche is €500 million, comprising 5,000 bonds with a unit value of €100,000 each. The bonds mature on July 2, 2018 and pay a floating coupon of 3-month Euribor +85 bp, revised quarterly (issue price 100%). The bond issue was redeemed by the Group at maturity on July 2, 2018.

— 2015 Bond issue (July 2020):

The nominal amount of this tranche is €1,250 million, comprising 12,500 bonds with a unit value of €100,000 each. The bonds mature on July 1, 2020 and pay an annual coupon of 1.75% (issue price 99.853%). The Group performed a partial bond swap in April 2018 (see below “April 2018 Bond issues”).

— 2015 Bond issue (July 2023):

The nominal amount of this tranche is €1,000 million, comprising 10,000 bonds with a unit value of €100,000 each. The bonds mature on July 1, 2023 and pay an annual coupon of 2.50% (issue price 99.857%).

The July 2020 and July 2023 tranches are callable by Capgemini SE, subject to certain conditions set out in the issue prospectus and particularly concerning the minimum redemption price.

These three bond issues are also subject to standard early redemption, early repayment and *pari passu* clauses.

The terms and conditions of these three tranches were set out in the prospectus approved by the AMF on June 29, 2015 under reference number no. 15-318.

b) 2016 Bond issue

On November 3, 2016, Capgemini SE placed a €500 million bond issue comprising 5,000 bonds with a unit value of €100,000 each and with a settlement/delivery date of November 9, 2016.

The bonds mature on November 9, 2021 and pay an annual coupon of 0.50% (issue price 99.769%). The bond issue is callable before this date by Capgemini SE, subject to certain conditions set out in the issue prospectus and particularly concerning the minimum redemption price.

The bond issue is also subject to standard early redemption, early repayment and *pari passu* clauses.

The terms and conditions of this issue were set out in the prospectus approved by the AMF on November 7, 2016 under reference number no. 16-518.

c) April 2018 bond issues

On April 3, 2018, Capgemini SE performed a dual tranche bond issue for a total amount of €1,100 million, with a settlement/delivery date of April 18, 2018.

— 2024 Bond issue:

The nominal amount of this tranche is €600 million, comprising 6,000 bonds with a unit value of €100,000 each. The bonds mature on October 18, 2024 and pay an annual coupon of 1.00% (issue price 99.377%). This tranche was fully subscribed by a bank in a debt swap transaction. In exchange for the new securities issued, the bank presented 2015 bonds (July 2020) with a nominal value of €574.4 million acquired directly on the market through a Tender Offer. This bond swap was recognized as a modification to a borrowing with the same counterparty, without any substantial change to the terms of the debt.

— 2028 Bond issue:

The nominal amount of this tranche is €500 million, comprising 5,000 bonds with a unit value of €100,000 each. The bonds mature on April 18, 2028 and pay an annual coupon of 1.75% (issue price 99.755%).

These two bond issues are callable before their respective maturity dates by Capgemini SE, subject to certain conditions set out in the issue prospectus and particularly concerning the minimum redemption price.

These bond issues are also subject to standard early redemption, early repayment and *pari passu* clauses.

The terms and conditions of these issues were set out in the prospectus approved by the AMF on April 10, 2018 under reference number no. 18-126.

Impact of bonds on the financial statements

	2015		2016	2019	
	BOND ISSUES		BOND ISSUES	BOND ISSUES	
At December 31 (in millions of euros)	(July 2020)	(July 2023)		(October 2024)	(April 2028)
Debt component at amortized cost, including accrued interest	681	1,010	499	574	503
Effective interest rate	1.9%	2.6%	0.6%	2.0%	1.8%
Interest expense recognized in the Income Statement for the period	13	26	3	11	9
Nominal interest rate	1.8%	2.5%	0.5%	1.0%	1.8%
Nominal interest expense (coupon)	12	25	2	6	9

	2015 BOND ISSUES			2016 BOND ISSUES	2018 BOND ISSUES	
	(July 2018)	(July 2020)	(July 2023)		(October 2024)	(April 2028)
At December 31 <i>(in millions of euros)</i>						
Debt component at amortized cost, including accrued interest	-	680	1,010	498	569	502
Effective interest rate	0.6%	1.9%	2.6%	0.6%	2.0%	1.8%
Interest expense recognized in the Income Statement for the period	1	16	26	3	8	7
Nominal interest rate	0.5%	1.8%	2.5%	0.5%	1.0%	1.8%
Nominal interest expense (coupon)	1	15	25	2	4	7

Fair value of bonds

	2015 BOND ISSUES		2016 BOND ISSUES	2018 BOND ISSUES	
	(July 2020)	(July 2023)		(October 2024)	(April 2028)
At December 31 <i>(in millions of euros)</i>					
Fair value	685	1,090	505	622	556
Market rate	(0.3)%	0.3%	0.0%	0.3%	0.5%

	2015 BOND ISSUES		2016 BOND ISSUES	2018 BOND ISSUES	
	(July 2020)	(July 2023)		(October 2024)	(April 2028)
At December 31 <i>(in millions of euros)</i>					
Fair value	695	1,083	503	592	496
Market rate	0.4%	0.9%	0.3%	1.3%	2.0%

B) Breakdown of borrowings by currency

<i>(in millions of euros)</i>	At December 31, 2018			At December 31, 2019		
	Euro	Other currencies	Total	Euro	Other currencies	Total
2015 Bond issue – July 2020	680	-	680	681	-	681
2015 Bond issue – July 2023	1,010	-	1,010	1,010	-	1,010
2016 Bond issue	498	-	498	499	-	499
2018 Bond issue – October 2024	569	-	569	574	-	574
2018 Bond issue – April 2028	502	-	502	503	-	503
Draw-downs on bank and similar facilities and other borrowings	1	15	16	-	3	3
Obligations under finance leases	43	37	80	-	-	-
Bank overdrafts	-	2	2	8	3	11
BORROWINGS	3,303	54	3,357	3,275	6	3,281

C) Syndicated credit facility negotiated by Capgemini SE

On July 30, 2014, the Group signed with a syndicate of 18 banks a €750 million multi-currency credit facility, maturing on July 30, 2019, with two one-year extension options, exercisable (subject to the approval of the banks) at the end of the first and second years, respectively, extending the maturity of the new facility by a maximum of two additional years. Following the exercise of the second one-year extension option, the maturity of this credit facility was extended to July 27, 2021.

The initial margin on this credit facility was 0.45% (excluding the fee on drawn amounts which varies according to the portion of the facility drawn). This margin may be adjusted upwards or downwards according to the credit rating of Capgemini SE. The facility is also subject to a fee on undrawn amounts equal to 35% of the margin. The margin currently applicable is 0.35% and the fee on undrawn amounts is 0.1225%.

An upgrade or downgrade in Capgemini SE's credit rating would have no impact on the availability of this credit facility. The other main terms and conditions of the credit facility, in particular with respect to certain financial ratios, are detailed in Note 30 – Off-balance sheet commitments.

This credit facility had not been drawn at December 31, 2019.

D) Bridge loan secured by Capgemini SE

On June 24, 2019 the Group secured a €5,400 million bridge loan as part of the proposed acquisition of the Altran Technologies group (see Note 2 – Consolidation principles and Group scope). The loan has an initial term of twelve months and two six-month extension options exercisable at Capgemini’s initiative, which were not exercised at December 31, 2019.

The applicable margin increases every three months and may be adjusted upwards according to Capgemini SE’s credit rating. Amounts not drawn are also subject to a fee on undrawn amounts.

An upgrade or downgrade in Capgemini SE’s credit rating would have no impact on the availability of this credit facility. The other main terms and conditions of the credit facility, in particular with respect to certain financial ratios, are detailed in Note 30 – Off-balance sheet commitments.

At December 31, 2019, this line was not drawn and the bridge loan was available in the amount of €4,400 million, following the repayment and cancellation of €400 million drawn on the acquisition of the 11.43% stake in Altran (see Note 2 – Consolidation principles and Group structure) and the cancellation of €600 million of the amount available.

Net debt/net cash and cash equivalents and liquidity risk

Bond issues are the main borrowings that could expose the Group to liquidity risk in the event of repayment.

To manage the liquidity risk that could arise from these borrowings becoming due and payable, at the contractual due date or early, the Group has implemented a conservative financing policy mainly based on:

- prudent use of debt leveraging, coupled with limited use of any clauses that could lead to early repayment of borrowings;

- the maintenance of an adequate level of liquidity at all times;
- actively managing borrowing due dates in order to limit the concentration of maturities;
- using diverse sources of financing, allowing the Group to reduce its reliance on certain categories of lenders.

Net debt/net cash and cash equivalents and credit risk

Financial assets which could expose the Group to a credit or counterparty risk mainly consist of financial investments: in accordance with Group policy, cash balances are not invested in equity-linked products, but in (i) negotiable debt securities (certificates of deposit), (ii) term deposits, (iii) capitalization contracts or (iv) short-term money market mutual funds, subject to minimum credit rating and diversification rules.

At December 31, 2019, short-term investments totaled €1,920 million and comprise mainly (i) money market mutual fund units meeting the criteria defined by ESMA (European Securities and Markets Authority) for classification in the “monetary category”; and (ii) negotiable debt securities and term deposits maturing within three months or immediately available, issued by highly rated companies or financial institutions (minimum rating of A2/P2 or equivalent). Consequently, these short-term investments do not expose the Group to any material credit risk.

Net debt by maturity at redemption value

The amounts indicated below correspond to the undiscounted value of future contractual cash flows. Future cash flows relating to the outstanding bond issues were estimated based on contractual nominal interest rates and assuming the bonds would be redeemed in full at maturity.

At December 31, 2019 <i>(in millions of euros)</i>	Contractual maturity	Carrying amount	Contractual cash flows	Less than 1 year	1 to 2 years	2 to 5 years	Beyond 5 years
Cash and cash equivalents	2020	2,450	2,450	2,450	-	-	-
Cash management assets	2020	213	213	213	-	-	-
2015 Bond issue – July 2020	2020	(681)	(687)	(687)	-	-	-
2015 Bond issue – July 2023	2023	(1,010)	(1,100)	(25)	(25)	(1,050)	-
2016 Bond issue	2021	(499)	(504)	(2)	(502)	-	-
2018 Bond issue – October 2024	2024	(574)	(630)	(6)	(6)	(618)	-
2018 Bond issue – April 2028	2028	(503)	(580)	(9)	(9)	(27)	(535)
Draw-downs on bank and similar facilities and other borrowings	2020	(3)	(3)	(3)	-	-	-
Borrowings		(3,270)	(3,504)	(732)	(542)	(1,695)	(535)
Derivative instruments on borrowings		7					
NET DEBT		(600)	(841)	1,931	(542)	(1,695)	(535)

Note 23 Cash flows

The Consolidated Statement of Cash Flows analyzes the year-on-year change in cash flows from operating, investing and financing activities.

Foreign currency cash flows are translated into euros at the average exchange rate for the year. Exchange gains or losses resulting from the translation of cash flows relating to foreign currency assets and liabilities at the year-end exchange rate are shown in "Effect of exchange rate movements on cash and cash equivalents" in the Statement of Cash Flows.

At December 31, 2019, cash and cash equivalents totaled €2,450 million (see Note 22 – Net debt/net cash and cash equivalents), up €446 million on December 31, 2018 (€2,004 million). Excluding the impact of exchange rate fluctuations on cash and cash equivalents of negative €12 million, this increase is €458 million. Cash flow impacts are shown in the Consolidated Statement of Cash Flows.

Net cash from operating activities

In 2019, net cash from operating activities totaled €1,794 million (compared with €1,396 million in 2018) and resulted from:

- cash flows from operations before net finance costs and income tax in the amount of €1,981 million;
- payment of current income taxes in the amount of €217 million;
- a decrease in working capital requirements, generating a positive cash impact of €30 million.

Changes in working capital requirements (WCR) and the reconciliation with the Consolidated Statement of Financial Position are as follows:

(in millions of euros)	Notes	Working capital requirement components (Consolidated Statement of Financial Position)					Neutralization of items with no cash impact			Statement of Cash Flows items	
		December 31, 2018	December 31, 2019	Net impact	Impact of first-time application of IFRS 16	Non working capital items ⁽¹⁾	Impact of WCR items	Net profit impact	Foreign exchange impact	Reclassi- fications ⁽²⁾ and changes in Group structure	Amount
Trade receivables and contract assets, excl. contract costs	20	3,187	3,297	(110)	-	-	(110)	-	38	9	(63)
Contract costs	20	92	83	9	-	-	9	-	1	1	11
Contract liabilities	20	(864)	(836)	(28)	-	-	(28)	-	(10)	(8)	(46)
Change in trade receivables, contract assets, contract liabilities and contract costs				(129)	-	-	(129)	-	29	2	(98)
Accounts and notes payable (trade payables)	28	(1,172)	(1,149)	(23)	18	(9)	(14)	-	(14)	2	(26)
Change in accounts and notes payable				(23)	18	(9)	(14)	-	(14)	2	(26)
Other non-current assets	19	303	766	(463)	-	473	10	-	1	(7)	4
Other current assets	21	592	464	128	(11)	(63)	54	(1)	5	10	68
Accounts and notes payable (excluding trade payables)	28	(1,772)	(1,862)	90	10	10	110	-	(13)	(10)	87
Other current and non-current liabilities	27	(412)	(275)	(137)	3	133	(1)	-	(1)	(3)	(5)
Change in other receivables/payables				(382)	2	553	173	(1)	(8)	(10)	154
CHANGE IN OPERATING WORKING CAPITAL							30	(1)	7	(6)	30

(1) Non-working capital items comprise cash flows relating to investing and financing activities, payment of the income tax expense and non-cash items.

(2) The Reclassifications heading mainly includes changes relating to the current and non-current reclassification of certain accounts and notes receivable and payable and changes in the position of certain tax and employee-related receivables and payables in assets or liabilities.

Net cash used in investing activities

The main components of net cash used in investing activities of €868 million (compared with €728 million in 2018) reflect:

- cash outflows of €169 million relating to acquisitions of property, plant and equipment, net of disposals, primarily due to purchases of computer hardware for customer projects or the partial renewal of IT installations and the renovation, extension and refurbishment of office space;
- cash outflows of €50 million relating to acquisitions of intangible assets, net of disposals, mainly involving software for customer projects or for internal use and internally generated intangible assets (see Note 14 – Goodwill and intangible assets);
- cash inflows and outflows on business combinations net of cash and cash equivalents acquired of €165 million;

- cash outflow of €413 million, relating to the acquisition of an 11.43% stake in Altran Technologies. (see Note 2 Consolidation principles and Group structure).

Net cash used in financing activities

Net cash outflows as a result of financing activities totaled €468 million (compared with net cash inflows of €611 million in 2018) and mainly comprised:

- payment of the 2018 dividend of €282 million;
 - cash outflows of €272 million to repay lease liabilities;
 - cash outflows of €134 million for the buyback of own shares.
- offset by:
- the €253 million share capital increase following the issue of new shares under the international employee share ownership plan (see Note 12 F – Equity).

Organic free cash flow

Organic free cash flow calculated based on items in the Statement of Cash Flows is equal to cash flow from operations less acquisitions of property, plant, equipment and intangible assets (net of disposals) and repayments of lease liabilities and adjusted for flows relating to the net interest cost.

At December 31 <i>(in millions of euros)</i>	2018	2019
Cash flows from operations	1,396	1,794
Acquisitions of property, plant and equipment and intangible assets	(236)	(222)
Proceeds from disposals of property, plant and equipment and intangible assets	7	3
Acquisitions of property, plant, equipment and intangible assets (net of disposals)	(229)	(219)
Interest paid	(56)	(77)
Interest received	49	62
Net interest cost	(7)	(15)
Repayments of lease liabilities	-	(272)
ORGANIC FREE CASH FLOW	1,160	1,288

Note 24 Currency, interest rate and counterparty risk management

Currency risk management

A) Exposure to currency risk and currency risk management policy

a) Currency risk and hedging operating transactions

The significant use of offshore delivery centers located in India, Poland, China and Latin America, exposes the Group to currency risk with respect to some of its production costs.

The Group implements a policy aimed at minimizing and managing these currency risks, due in the majority to internal flows with India in respect of production costs denominated in Indian rupee. The hedging policy and the management of operational currency risk is centralized at parent company level. Currency risk is managed primarily based on periodic reporting by subsidiaries of their exposure to currency risk over principally the coming 1 to 3 years. On this basis, the parent company acting as an internal bank, grants internal currency guarantees to subsidiaries and enters into currency hedges with its bank counterparties, primarily through forward purchase and sale foreign exchange contracts.

These hedging transactions are recorded in accordance with cash flow hedge accounting rules.

The Group determines the existence of an economic link between the hedging instrument and the hedged item based on the currency, amount and timing of their respective cash flows.

b) Currency risk and hedging financial transactions

The Group is exposed to the risk of exchange rate fluctuations in respect of:

- inter-company financing transactions, mainly within the parent company, these flows generally being hedged (in particular using forward purchase and sale foreign exchange contracts);
- fees paid to the parent company by subsidiaries whose functional currency is not the euro.

c) Sensitivity of revenues and the operating margin⁽¹⁾ to fluctuations in the main currencies

A 10% fluctuation in the US dollar-euro exchange rate would trigger a corresponding 3.0% change in revenues and a 2.7% change in the operating margin⁽¹⁾ amount. Similarly, a 10% fluctuation in the pound sterling-euro exchange rate would trigger a corresponding 1.1% change in revenues and a 1.2% change in the operating margin⁽¹⁾ amount.

<i>(in millions of euros)</i>	< 6 months	> 6 months and < 12 months	> 12 months	Total
Operating transactions	1,536	1,450	1,184	4,170
<i>o/w</i> – fair value hedge	452	-	-	452
– cash flow hedge	1,084	1,450	1,184	3,718
Financial transactions	293	-	-	293
<i>o/w</i> – fair value hedge	293	-	-	293
TOTAL	1,829	1,450	1,184	4,463

Hedges contracted in respect of operating transactions mainly comprise forward purchase and sale foreign exchange contracts maturing between 2020 and 2022 with an aggregate euro-equivalent value at closing exchange rates of €4,170 million (€4,063 million at December 31, 2018). The hedges were chiefly taken out in respect of transactions in Indian rupee (INR 171,293 million), US dollars (USD 1,610 million) and Polish zloty (PLN 1,398 million).

The maturities of the hedges range from 1 to 36 months and the main counterparty is Capgemini SE for a euro-equivalent value of €4,157 million.

B) Hedging derivatives

Amounts hedged at December 31, 2019 using forward purchase and sale foreign exchange contracts, mainly concern the parent company and the centralized management of currency risk on operating transactions and inter-company financing transactions.

At December 31, 2019, the euro-equivalent nominal value of foreign exchange derivatives (forward purchase and sale foreign exchange contracts and options) breaks down by transaction type and maturity as follows:

Hedges contracted in respect of financial transactions concern Capgemini SE in the amount of €293 million at December 31, 2019. They mainly concern inter-company loans for €277 million (€961 million at December 31, 2018), primarily denominated in US dollars.

The net residual exposure to currency risk on operating intragroup transactions denominated in Indian rupee, with the delivery centers located in India (cf. A)a)) results from the Group's hedging policy. The net exposure at December 31, 2019 and December 31, 2018, is limited.

C) Fair value of hedging derivatives

Hedging derivatives are recorded in the following accounts:

At December 31 <i>(in millions of euros)</i>	Note	2018	2019
Other non-current assets	19	20	33
Other current assets	21	74	73
Other current and non-current liabilities	27	(36)	(24)
Fair value of hedging derivatives, net		58	82
<i>Relating to:</i> – operating transactions		74	75
– financial transactions		(16)	7

The main hedging derivatives notably comprise the fair value of derivative instruments contracted as part of the centralized management of currency risk recorded in "Other non-current assets" in the amount of €33 million, in "Other current assets" in the amount

of €65 million, in "Other non-current liabilities" in the amount of €5 million and in "Other current liabilities" in the amount of €18 million.

The change in the period in derivative instruments hedging operating and financial transactions recorded in "income and expense recognized in equity" breaks down as follows:

<i>(in millions of euros)</i>	2019
Hedging derivatives recorded in income and expense recognized in equity at January 1	37
Amounts reclassified to net profit as at December 31, 2019	(11)
Changes in fair value of derivative instruments	14
HEDGING DERIVATIVES RECORDED IN INCOME AND EXPENSE RECOGNIZED IN EQUITY AT DECEMBER 31	40

(1) Operating margin, an alternative performance measure monitored by the Group, is defined in Note 3 – Alternative performance measures.

No hedging relationship was discontinued during the fiscal year. The equity balance consists only of the fair value of existing hedging instruments.

Interest rate risk management

A) Interest rate risk management policy

The Group's exposure to interest rate risk should be analyzed in light of its cash position: at December 31, 2019, the Group had €2,674 million in cash and cash equivalents, with short-term investments mainly at floating rates (or failing this, at fixed rates for periods of less than or equal to three months), and €3,270 million in gross indebtedness principally at fixed rates (99.9%) (see Note 22 – Net debt/net cash and cash equivalents). The high proportion of fixed-rate borrowings is due to the weight of fixed-rate bond issues in gross indebtedness.

B) Exposure to interest rate risk: sensitivity analysis

As 99.9% of Group borrowings were at fixed rates in 2019, any increase or decrease in interest rates would have had a negligible impact on the Group's net finance costs.

Based on average levels of short-term investments, cash management assets and borrowings at floating rates, a 100-basis point rise in interest rates would have had a positive impact of around €12 million on the Group's net finance costs in 2019. Conversely, a 100-basis point fall in interest rates would have had an estimated €12 million negative impact on the Group's net finance costs.

Counterparty risk management

In line with its policies for managing currency and interest rate risks as described above, the Group enters into hedging agreements with leading financial institutions. Accordingly, counterparty risk can be deemed not material. At December 31, 2019, the Group's main counterparties for managing currency and interest rate risk are Barclays, BNP Paribas, CA CIB, Citibank, Commerzbank, HSBC, ING, JP Morgan, Morgan Stanley, Natixis, Royal Bank of Scotland, Santander and Société Générale.

Note 25 Provisions for pensions and other post-employment benefits

Defined contribution plans

Defined contribution plans are funded by contributions paid by employees and Group companies to the organizations responsible for managing the plans. The Group's obligations are limited to the payment of such contributions which are expensed as incurred. The Group's obligation under these plans is recorded in "Accounts and notes payable". Defined contribution plans are operated in most European countries (France, the United Kingdom, the Netherlands, Germany and Central Europe, Nordic countries, Italy and Spain), in the United States and in the Asia-Pacific area.

Defined benefit pension plans

Defined benefit pension plans consist of either:

- unfunded plans, where benefits are paid directly by the Group and the related obligation is covered by a provision corresponding to the present value of future benefit payments. Estimates are based on regularly reviewed internal and external assumptions. These unfunded plans correspond mainly to retirement termination payments and healthcare assistance plans;
- funded plans, where the benefit obligation is covered by external funds. Group contributions to these external funds are made in accordance with the specific regulations in force in each country.

Obligations under these plans are determined by independent actuaries using the projected unit credit method. Under this

method, each period of service gives rise to an additional unit of benefit entitlement and each of these units is valued separately in order to obtain the amount of the Group's final obligation.

The resulting obligation is discounted by reference to market yields on high quality corporate bonds, denominated in the payment currency of benefits and consistent with forecast cash outflows of the post-employment benefit obligation.

For funded plans, only the estimated funding deficit is covered by a provision.

Current and past service costs – corresponding to an increase in the obligation – are recorded within "Operating expenses" of the period.

Gains or losses on the curtailment, settlement or transfer of defined benefit pension plans are recognized in "Other operating income" or "Other operating expense."

The impact of discounting defined benefit obligations as well as the expected return on plan assets is recorded net in "Other financial expense" or "Other financial income."

Actuarial gains and losses correspond to the effect of changes in actuarial assumptions and experience adjustments (*i.e.* differences between projected actuarial assumptions and actual data) on the amount of the benefit obligation or the value of plan assets. They are recognized in full in "Income and expense recognized in equity" in the year in which they arise (with the related tax effect).

Breakdown of provisions for pensions and other post-employment benefits

Provisions for pensions and other post-employment benefits comprise obligations under funded defined benefit plans (particularly in the United Kingdom and Canada) and obligations primarily relating to retirement termination payments (particularly in France, Germany and Sweden).

Provision for pensions and other post-employment benefits by main countries

<i>(in millions of euros)</i>	Obligation		Plan assets		Net provision in the Consolidated Statement of Financial Position	
	2018	2019	2018	2019	2018	2019
UK	3,118	3,593	(2,674)	(3,206)	444	387
Canada	663	753	(453)	(516)	210	237
France	267	283	(30)	(36)	237	247
Germany	99	114	(58)	(69)	41	45
Sweden	30	31	(10)	(10)	20	21
India	63	549	(48)	(483)	15	66
Other	226	252	(182)	(209)	44	43
PRESENT VALUE OF THE OBLIGATION AT DECEMBER 31	4,466	5,575	(3,455)	(4,529)	1,011	1,046

Movements in provisions for pensions and other post-employment benefits during the last two fiscal years were as follows:

<i>(in millions of euros)</i>	Notes	Obligation		Plan assets		Net provision in the Consolidated Statement of Financial Position	
		2018	2019	2018	2019	2018	2019
PRESENT VALUE OF THE OBLIGATION AT JANUARY 1 ⁽¹⁾		4,812	4,855	(3,616)	(3,844)	1,196	1,011
Expense for the period recognized in the Income Statement		172	234	(93)	(133)	79	101
Service cost	7	59	74	-	-	59	74
Curtailments, settlements and plan transfers		(7)	-	-	-	(7)	-
Interest cost	9	120	160	(93)	(133)	27	27
Impact on income and expense recognized in equity		(340)	419	208	(370)	(132)	49
Change in actuarial gains and losses		(340)	419	-	-	(340)	419
<i>Impact of changes in financial assumptions</i>		(246)	501	-	-	(246)	501
<i>Impact of changes in demographic assumptions</i>		(132)	(54)	-	-	(132)	(54)
<i>Experience adjustments</i>		38	(28)	-	-	38	(28)
Return on plan assets ⁽²⁾		-	-	208	(370)	208	(370)
Other		(178)	67	46	(182)	(132)	(115)
Contributions paid by employees		6	45	(6)	(45)	-	-
Benefits paid to employees		(183)	(187)	160	169	(23)	(18)
Contributions paid		-	-	(89)	(122)	(89)	(122)
Translation adjustments		(47)	215	36	(181)	(11)	34
Business combinations		2	-	-	-	2	-
Other movements		44	(6)	(55)	(3)	(11)	(9)
PRESENT VALUE OF THE OBLIGATION AT DECEMBER 31		4,466	5,575	(3,455)	(4,529)	1,011	1,046

(1) Including the presentation at January 1, 2019 of a defined benefit plan in India under the terms of which the employer may be required to make an additional contribution in the event of under-performance of the plan assets managed by the Trust. The present value of the benefit obligation and the value of the related plan assets led to the recognition of a nil net provision in the Consolidated Statement of Financial Position at December 31, 2018. This presentation was amended at January 1, 2019.

(2) After deduction of financial income on plan assets recognized in the Income Statement and calculated using the discount rate.

Analysis of the change in provisions for pensions and other post-employment benefits by main country

A) UK

In the United Kingdom, post-employment benefits primarily consist of defined contribution pension plans.

A very small number of employees accrue pensionable service within a defined benefit pension plan.

In addition, certain former and current employees accrue deferred benefits in defined benefit pension plans. The plans are administered within trusts which are legally separate from the employer and are governed by a trustee board comprising independent trustees and representatives of the employer.

The defined benefit pension plans provide pensions and lump sums to members on retirement and to their dependents on death. Members who leave service before retirement are entitled to a deferred pension.

Employees covered by defined benefit pension plans break down as follows:

- 132 current employees accruing pensionable service (132 at December 31, 2018);

- 7,244 former and current employees not accruing pensionable service (7,115 at December 31, 2018);
- 3,469 retirees (3,344 at December 31, 2018).

The plans are subject to the supervision of the UK Pension Regulator; the funding schedules for these plans are determined by an independent actuary as part of actuarial valuations usually carried out every three years. Capgemini UK Plc., the employer, gives firm commitments to the trustees regarding the funding of any deficits identified, over an agreed period.

The responsibility to fund these plans lies with the employer. The defined benefit pension plans expose the Group to the increase in liabilities that could result from changes in the life expectancy of members, fluctuations in interest and inflation rates and, more generally, a downturn in financial markets.

The average maturity of pension plans in the United Kingdom is 20 years.

In accordance with local regulations, the non-renewal of certain client contracts in full or in part could require Capgemini UK Plc. to bring forward the funding of any deficits in respect of the employees concerned.

	Obligation		Net provision in the Plan assets		Consolidated Statement of Financial Position	
	2018	2019	2018	2019	2018	2019
<i>(in millions of euros)</i>						
PRESENT VALUE OF THE OBLIGATION AT JANUARY 1	3,490	3,118	(2,886)	(2,674)	604	444
Expense for the period recognized in the Income Statement	93	90	(69)	(75)	24	15
Service cost	5	2	-	-	5	2
Curtailements, settlements and plan transfers	4	-	-	-	4	-
Interest cost	84	88	(69)	(75)	15	13
Impact on income and expense recognized in equity	(299)	310	182	(347)	(117)	(37)
Change in actuarial gains and losses	(299)	310	-	-	(299)	310
<i>Impact of changes in financial assumptions</i>	<i>(207)</i>	<i>386</i>	<i>-</i>	<i>-</i>	<i>(207)</i>	<i>386</i>
<i>Impact of changes in demographic assumptions</i>	<i>(132)</i>	<i>(59)</i>	<i>-</i>	<i>-</i>	<i>(132)</i>	<i>(59)</i>
<i>Experience adjustments</i>	<i>40</i>	<i>(17)</i>	<i>-</i>	<i>-</i>	<i>40</i>	<i>(17)</i>
Return on plan assets ⁽¹⁾	-	-	182	(347)	182	(347)
Other	(166)	75	99	(110)	(67)	(35)
Contributions paid by employees	-	-	-	-	-	-
Benefits paid to employees	(133)	(95)	133	95	-	-
Contributions paid	-	-	(56)	(56)	(56)	(56)
Translation adjustments	(25)	170	22	(149)	(3)	21
Other movements	(8)	-	-	-	(8)	-
PRESENT VALUE OF THE OBLIGATION AT DECEMBER 31	3,118	3,593	(2,674)	(3,206)	444	387

(1) After deduction of financial income on plan assets recognized in the Income Statement and calculated using the discount rate.

a) Main actuarial assumptions**Discount rate, salary inflation rate and inflation rate**

<i>(in %)</i>	At December 31, 2018	At December 31, 2019
Discount rate	2.8	2.0
Salary inflation rate	2.3 – 3.1	2.2 – 2.8
Inflation rate	3.1	2.8

In 2019, the benchmark indexes used to calculate discount rates were similar to those used in previous years.

Mortality tables used are those commonly used in the United Kingdom.

b) Plan assets

<i>(in millions of euros)</i>	2018		2019	
Shares	1,508	56%	1,856	58%
Bonds and hedging assets	1,061	40%	1,139	36%
Other	105	4%	211	6%
TOTAL	2,674	100%	3,206	100%

Shares correspond to investments in equities or diversified growth investments, the majority of which in developed markets.

Bonds and hedging assets consist of bonds invested in liquid markets. A portion of these investments seeks to partially hedge interest

rate risk on the plan liabilities; this matching portfolio consists of UK government bonds (GILT), owned directly or borrowed *via* sale and repurchase agreements.

c) Sensitivity analysis

<i>(in millions of euros)</i>	Impact on the obligation at December 31, 2019	
	Rate increase	Rate decrease
Increase/decrease of 50 basis points in the discount rate	(359)	320
Increase/decrease of 50 basis points in the inflation rate	67	(136)
Increase/decrease of 50 basis points in the mortality rate	(92)	16

d) Future contributions

Contributions to defined benefit pension funds in the United Kingdom in respect of 2020 are estimated at €61 million, including the funding of pension plan deficits over the period defined with the trustees as part of the regular actuarial valuations.

B) Canada

In Canada, defined post-employment benefits consist of defined benefit pension plans and other pension and similar plans. The plan assets are held in trust separately from the employer's assets. Nonetheless, the responsibility to fund the plans lies with the employer. The plans expose the Group to the increase in liabilities that could result from changes in the life expectancy of members, fluctuations in interest and inflation rates and, more generally, a downturn in financial markets.

The average maturity of pension plans in Canada is 20 years.

The plans are subject to regular actuarial valuations performed at least every three years. In accordance with local regulations, the non-renewal of certain client contracts in full or in part could require the Canadian entities to bring forward the funding of any deficits in respect of the employees concerned.

In Canada, employees covered by defined benefit pension plans break down as follows:

- 826 current employees accruing pensionable service (888 at December 31, 2018);
- 88 former and current employees not accruing pensionable service (86 at December 31, 2018);
- 418 retirees (384 at December 31, 2018).

	Obligation		Plan assets		Net provision in the Consolidated Statement of Financial Position	
	2018	2019	2018	2019	2018	2019
<i>(in millions of euros)</i>						
PRESENT VALUE OF THE OBLIGATION AT JANUARY 1	716	663	(479)	(453)	237	210
Expense for the period recognized in the Income Statement	31	33	(16)	(17)	15	16
Service cost	20	8	-	-	20	8
Curtailements, settlements and plan transfers	(12)	-	-	-	(12)	-
Interest cost	23	25	(16)	(17)	7	8
Impact on income and expense recognized in equity	(40)	52	20	(31)	(20)	21
Change in actuarial gains and losses	(40)	52	-	-	(40)	52
<i>Impact of changes in financial assumptions</i>	<i>(40)</i>	<i>50</i>	<i>-</i>	<i>-</i>	<i>(40)</i>	<i>50</i>
<i>Impact of changes in demographic assumptions</i>	<i>3</i>	<i>5</i>	<i>-</i>	<i>-</i>	<i>3</i>	<i>5</i>
<i>Experience adjustments</i>	<i>(3)</i>	<i>(3)</i>	<i>-</i>	<i>-</i>	<i>(3)</i>	<i>(3)</i>
Return on plan assets ⁽¹⁾	-	-	20	(31)	20	(31)
Other	(44)	5	22	(15)	(22)	(10)
Contributions paid by employees	4	3	(4)	(3)	-	-
Benefits paid to employees	(23)	(23)	22	22	(1)	(1)
Contributions paid	-	-	(12)	(16)	(12)	(16)
Translation adjustments	(25)	47	16	(33)	(9)	14
Other movements	-	(22)	-	15	-	(7)
PRESENT VALUE OF THE OBLIGATION AT DECEMBER 31	663	753	(453)	(516)	210	237

(1) After deduction of financial income on plan assets recognized in the Income Statement and calculated using the discount rate.

a) Main actuarial assumptions

Discount rate, salary inflation rate and inflation rate

<i>(in %)</i>	At December 31, 2018	At December 31, 2019
Discount rate	3.7	3.0 – 3.1
Salary inflation rate	2.3	2.3
Inflation rate	2.0	2.0

In 2019, the benchmark indexes used to calculate discount rates were similar to those used in previous years.

Mortality tables used are those commonly used in Canada.

b) Plan assets

<i>(in millions of euros)</i>	2018		2019	
Shares	229	50%	257	50%
Bonds and hedging assets	221	49%	252	49%
Other	3	1%	7	1%
TOTAL	453	100%	516	100%

Shares correspond to investments in equities or diversified growth investments, the majority of which in developed markets.

Bonds primarily comprise Canadian government bonds. A portion of these investments seeks to partially hedge interest rate risk on the plan liabilities; this matching portfolio consists of Canadian government bonds, owned directly or borrowed *via* sale and repurchase agreements.

c) Sensitivity analysis

<i>(in millions of euros)</i>	Impact on the obligation at December 31, 2019	
	Rate increase	Rate decrease
Increase/decrease of 50 basis points in the discount rate	(65)	77
Increase/decrease of 50 basis points in the inflation rate	51	(46)
Increase/decrease of 50 basis points in the mortality rate	(3)	3

d) Future contributions

Contributions to the Canadian defined benefit pension funds in respect of 2020 are estimated at €15 million, including the funding

of pension plan deficits defined as part of the regular actuarial valuations.

C) France

In France, post-employment benefits primarily consist of retirement termination plans. Payments under these plans are determined by collective bargaining agreements and based on the employee's salary and seniority on retirement. The Group provides for its

commitments to employees in accordance with the provisions of the Syntec collective bargaining agreement on departures and retirement. This liability changes, in particular, in line with actuarial assumptions as presented below:

<i>(in %)</i>	At December 31, 2018	At December 31, 2019
Discount rate	1.5	0.7
Salary inflation rate	2.4	2.0

The average maturity of pension plans in France is 13 years.

Note 26 Current and non-current provisions

A provision is recognized in the Consolidated Statement of Financial Position at the year-end if, and only if, (i) the Group has a present obligation (legal or constructive) as a result of a past event; (ii) it is probable that an outflow of resources embodying

economic benefits will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation. Provisions are discounted when the impact of the time value of money is material.

Movements in current and non-current provisions break down as follows:

<i>(in millions of euros)</i>	2018	2019
At January 1	113	110
Charge	45	38
Reversals (utilization of provisions)	(38)	(34)
Reversals (surplus provisions)	(12)	(12)
Other	2	14
At December 31	110	116

At December 31, 2019, current provisions (€99 million) and non-current provisions (€17 million) mainly concern risks relating to projects and contracts of €103 million (€97 million at December 31,

2018) and risks relating to tax and labor disputes of €13 million (€13 million at December 31, 2018).

Note 27 Other current and non-current liabilities

At December 31 <i>(in millions of euros)</i>	Notes	2018	2019
Special employee profit-sharing reserve		40	45
Derivative instruments	24	36	24
Liabilities related to acquisitions of consolidated companies		218	106
Non-current tax payables		29	23
Other		89	77
OTHER NON-CURRENT AND CURRENT LIABILITIES	23	412	275

Liabilities related to acquisitions of consolidated companies consist in €13 million of put options granted to Caixa Participações and EMC in 2012 and 2013 on their investments in Capgemini Brasil S.A. (formerly CPM Braxis), as well as earn-outs granted at the time of certain acquisitions.

The aforementioned put option granted to Caixa Participações was revalued at December 31, 2019, following the agreement with Caixa Participações for the sale of its minority stake to Capgemini in 2020.

Note 28 Accounts and notes payable

At December 31 <i>(in millions of euros)</i>	Note	2018	2019
Trade payables		1,172	1,149
Accrued taxes other than income tax		389	422
Personnel costs		1,352	1,430
Other		31	10
ACCOUNTS AND NOTES PAYABLE	23	2,944	3,011

Note 29 Number of employees

Average number of employees by geographic area

	2018		2019	
	Number of employees	%	Number of employees	%
North America	17,702	8	17,887	8
France	25,630	13	26,562	13
United Kingdom and Ireland	8,443	4	8,806	4
Benelux	8,054	4	8,251	4
Southern Europe	8,967	4	9,599	4
Nordic countries	4,437	2	4,742	2
Germany and Central Europe	14,620	7	15,869	7
Asia-Pacific and Latin America	116,903	58	124,233	58
Not allocated	148	-	155	-
AVERAGE NUMBER OF EMPLOYEES	204,904	100	216,104	100

Number of employees at december 31 by geographic area

	2018		2019	
	Number of employees	%	Number of employees	%
North America	17,684	9	17,848	8
France	26,318	12	27,097	12
United Kingdom and Ireland	8,635	4	8,877	4
Benelux	8,143	4	8,264	4
Southern Europe	9,284	4	9,977	5
Nordic countries	4,573	2	4,884	2
Germany and Central Europe	15,306	7	16,309	7
Asia-Pacific and Latin America	121,218	58	125,902	58
Not allocated	152	-	156	-
NUMBER OF EMPLOYEES AT DECEMBER 31	211,313	100	219,314	100

Note 30 Off-balance sheet commitments

Off-balance sheet commitments relating to Group operating activities

A) Commitments given on client contracts

The Group has provided performance and/or financial guarantees for a number of major contracts. The clients concerned represented approximately 9% of Group revenue in 2019.

In addition, certain clients enjoy:

- limited financial guarantees issued by the Group and totaling €1,738 million at December 31, 2019 (€1,686 million at December 31, 2018);
- bank guarantees borne by the Group and totaling €109 million at December 31, 2019 (€131 million at December 31, 2018).

B) Commitments given on leases

Commitments given on leases consist primarily of the non-lease components of the Group's leases and commitments under leases with a short term or of assets with a low value (except IT equipment). These commitments total € 112 million at December 31, 2019.

C) Other commitments given

Other commitments given total €28 million at December 31, 2019 (€15 million at December 31, 2018). They mainly comprise the commitment linked to the increase in the offer for Altran from €14.0 to €14.5 per share on the 29,378,319 shares acquired on July, 2 2019, (see Note 2 – Consolidation principles and group structure) and the firm purchase commitments relating to goods or services in France.

D) Other commitments received

Other commitments received total €23 million at December 31, 2019 (€44 million at December 31, 2018) and primarily comprise commitments received following the purchase of shares held by certain minority shareholders of Capgemini Brasil S.A. for an amount of €19 million.

Off-balance sheet commitments relating to Group financing

A) Bonds

Capgemini SE has committed to standard obligations in respect of the outstanding bond issues detailed in Note 22 – Net debt/net cash and cash equivalents, and particularly to maintain *pari passu* status with all other marketable bonds that may be issued by the Company.

B) Syndicated credit facility obtained by Capgemini SE and not drawn to date

Capgemini SE has agreed to comply with the following financial ratios (as defined in IFRS) in respect of the credit facility disclosed in Note 22 – Net debt/net cash and cash equivalents:

- the consolidated net debt⁽¹⁾ to consolidated equity ratio must be less than 1 at all times;
- the interest coverage ratio (the extent to which consolidated net finance costs are covered by consolidated operating margin⁽¹⁾) must be equal to or greater than 3 at December 31 and June 30 of each year (based on the 12 months then ended).

At December 31, 2019 and 2018, the Group complied with these financial ratios.

The credit facility agreement also includes covenants restricting Capgemini SE's ability to carry out certain transactions. These covenants also apply to Group subsidiaries. They include restrictions primarily relating to pledging assets as collateral, asset sales, mergers and similar transactions. Capgemini SE also committed to standard obligations, including an agreement to maintain *pari passu* status.

C) Bridge loan secured by Capgemini SE and not drawn to date

Capgemini SE has agreed to comply with the following financial ratios (as defined in IFRS) in respect of the bridge loan secured as part of the proposed acquisition of the Altran Technologies group, disclosed in Note 2 – Consolidation principles and Group structure:

- the consolidated net debt⁽¹⁾ to consolidated equity ratio must be less than or equal to 1 at all times;

(1) The alternative performance measures monitored by the Group (operating margin and net debt) are defined in Note 3 – Alternative performance measures, and broken down in Note 22 – Net debt/net cash and cash equivalents.

- the interest coverage ratio (the extent to which consolidated net finance costs are covered by consolidated operating margin⁽¹⁾ must be equal to or greater than 3 at December 31 and June 30 of each year (based on the 12 months then ended).

At December 31, 2019, the Group complied with these financial ratios.

This credit facility agreement also includes covenants restricting Capgemini SE's ability to carry out certain transactions. These covenants also apply to Group subsidiaries. They include restrictions primarily relating to pledging assets as collateral, asset sales, mergers and similar transactions. Capgemini SE also committed to obligations that are standard for this type of acquisition financing, including an agreement to maintain *pari passu* status.

Contingent liabilities

In the normal course of their activities, certain Group companies underwent tax audits, leading in some cases to revised assessments in 2019 and previous years.

Proposed adjustments were challenged and litigation and pre-litigation proceedings were in progress at December 31, 2019, notably in France and India.

In France, the tax authorities consider that Capgemini SE's reinsurance subsidiary located in Luxembourg takes advantage of a preferential tax regime and therefore that its profits should be taxed at Capgemini SE level.

The subsidiary, Capgemini Technology Services India Ltd, has received several revised assessments or proposed revised assessments for income tax in recent years.

In general, no amounts have been booked for these disputes in the consolidated financial statements so far as Capgemini can justify its positions and considers the likelihood of winning to be high.

Note 31 Related-party transactions

Associates

Associates are equity-accounted companies over which the Group exercises significant influence. Transactions with these associates in 2019 were performed at arm's length and were of immaterial volume.

Other related-parties

In 2019, no material transactions were carried out with:

- shareholders holding significant voting rights in the share capital of Capgemini SE;

- members of management, including directors;
- entities controlled or jointly controlled by a member of Group Management, or over which he/she has significant influence or holds significant voting rights.

Group Management compensation

The table below provides a breakdown of the 2018 and 2019 compensation of members of management bodies present at each year-end (26 members in 2019 and 25 in 2018) and directors.

<i>(in thousands of euros)</i>	2018	2019
Short-term benefits excluding employer payroll taxes ⁽¹⁾	23,367	25,000
<i>o/w attendance fees paid to salaried directors</i>	<i>188</i>	<i>205</i>
<i>o/w attendance fees paid to non-salaried directors⁽²⁾⁽³⁾</i>	<i>831</i>	<i>879</i>
Short-term benefits: employer payroll taxes	8,501	10,559
Post-employment benefits ⁽⁴⁾	2,319	2,793
Share-based payment ⁽⁵⁾	11,829	12,589

(1) Including gross wages and salaries, bonuses, profit-sharing, attendance fees, fees and benefits in kind.

(2) Note that Paul Hermelin has waived receipt of his attendance fees since 2011.

(3) 17 directors in 2018 and 15 during 2019.

(4) Primarily the annualized expense in respect of retirement termination payments pursuant to contract and/or a collective bargaining agreement.

(5) Deferred recognition of the annualized expense relating to the grant of performance shares.

Note 32 Subsequent events

At the Shareholders' Meeting, the Board of Directors will recommend a dividend payout to Capgemini SE shareholders of €1.90 per share in respect of 2019. A dividend of €1.70 per share was paid in respect of fiscal year 2018.

The subsequent events related to the proposed acquisition of the Altran Technologies group are presented in note 2 – Consolidation principles and group structure.

(1) The alternative performance measures monitored by the Group (operating margin and net debt) are defined in Note 3 – Alternative performance measures, and broken down in Note 22 – Net debt/net cash and cash equivalents.

Note 33 List of the main consolidated companies by country

Capgemini SE is the parent company of what is generally known as “the Capgemini group” comprising 132 companies. The main consolidated companies at December 31, 2019 are listed below.

Country	List of the main companies consolidated at December 31, 2019	% interest	Consolidation Method ⁽¹⁾
ARGENTINA	Capgemini Argentina S.A.	100.00%	FC
AUSTRALIA	Capgemini Australia Pty Ltd	100.00%	FC
AUSTRIA	Capgemini Consulting Österreich AG	100.00%	FC
BELGIUM	Capgemini Belgium N.V./S.A.	100.00%	FC
BRAZIL	Capgemini Brasil S.A.	78.61%	FC
	CPM Braxis Tecnologia, Ltda.	78.61%	FC
CANADA	Capgemini Canada Inc.	100.00%	FC
	Capgemini Solutions Canada Inc.	100.00%	FC
	Inergi LP	100.00%	FC
	New Horizons Systems Solutions LP	100.00%	FC
CHINA	Capgemini (China) Co., Ltd.	100.00%	FC
	Capgemini Business Services (China) Ltd.	100.00%	FC
	Capgemini Hong Kong Ltd.	100.00%	FC
DENMARK	Capgemini Danmark A/S	100.00%	FC
FINLAND	Capgemini Finland Oy	100.00%	FC
	Idean Enterprises Oy	100.00%	FC
	Sogeti Finland Oy	100.00%	FC
FRANCE	Capgemini Consulting S.A.S.	100.00%	FC
	Capgemini DEMS France S.A.S.	100.00%	FC
	Capgemini France S.A.S.	100.00%	FC
	Capgemini Gouvieux S.A.S.	100.00%	FC
	Capgemini Latin America S.A.S.	100.00%	FC
	Capgemini Service S.A.S	100.00%	FC
	Capgemini Technology Services S.A.S.	100.00%	FC
	ITELIOS S.A.S.	100.00%	FC
	ODIGO S.A.S.	100.00%	FC
	Prosodie S.A.S.	100.00%	FC
Sogeti S.A.S.	100.00%	FC	
GERMANY	Capgemini Deutschland GmbH	100.00%	FC
	Capgemini Deutschland Holding GmbH	100.00%	FC
	Capgemini Outsourcing Services GmbH	100.00%	FC
	Konexus Consulting Group GmbH	100.00%	FC
	Sogeti Deutschland GmbH	100.00%	FC
GUATEMALA	Capgemini Business Services Guatemala S.A.	100.00%	FC
INDIA	Capgemini Technology Services India Ltd.	99.77%	FC
IRELAND	Capgemini Ireland Ltd.	100.00%	FC
ITALY	Capgemini Italia S.p.A.	100.00%	FC
	Interactive Thinking S.r.l.	100.00%	FC
JAPAN	Capgemini Japan K.K.	100.00%	FC
LUXEMBOURG	Capgemini Reinsurance International S.A.	100.00%	FC
	Sogeti Luxembourg S.A.	100.00%	FC
MALAYSIA	Capgemini Services Malaysia Sdn. Bhd.	100.00%	FC
MEXICO	Capgemini Mexico S. de R.L. de C.V.	100.00%	FC
MOROCCO	Capgemini Technology Services Maroc SA	100.00%	FC

Country	List of the main companies consolidated at December 31, 2019	% interest	Consolidation Method ⁽¹⁾
NETHERLANDS	Capgemini Educational Services B.V.	100.00%	FC
	Capgemini N.V.	100.00%	FC
	Capgemini Nederland B.V.	100.00%	FC
	Sogeti Nederland B.V.	100.00%	FC
NORWAY	Capgemini Norge AS	100.00%	FC
POLAND	Capgemini Polska Sp. z.o.o.	100.00%	FC
PORTUGAL	Capgemini Portugal, Serviços de Consultoria e Informática, S.A.	100.00%	FC
SINGAPORE	Capgemini Asia Pacific Pte. Ltd.	100.00%	FC
	Capgemini Singapore Pte. Ltd.	100.00%	FC
SPAIN	Capgemini España S.L.	100.00%	FC
	Prosodie Ibérica S.L.	100.00%	FC
SWEDEN	Capgemini AB	100.00%	FC
	Capgemini Sverige AB	100.00%	FC
	Sogeti Sverige AB	100.00%	FC
SWITZERLAND	Capgemini Suisse S.A.	100.00%	FC
UNITED KINGDOM	Capgemini Financial Services UK Limited	100.00%	FC
	Capgemini UK Plc	100.00%	FC
	CGS Holdings Ltd.	100.00%	FC
	Idean Capgemini Creative Studios UK Limited	100.00%	FC
	IGATE Computer Systems (UK) Ltd.	100.00%	FC
	Sogeti UK Ltd.	100.00%	FC
UNITED STATES	Annik Inc.	99.77%	FC
	Capgemini America, Inc.	100.00%	FC
	Capgemini Government Solutions LLC	100.00%	FC
	Capgemini North America Inc.	100.00%	FC
	CHCS Services Inc.	100.00%	FC

(1) FC = Full consolidation.

Note 34 Audit fees

Statutory audit fees for fiscal year 2019 break down as follows:

<i>(in millions of euros) (excl. VAT)</i>	KPMG		PwC	
	2019	2018	2019	2018
Statutory audit of the consolidated and separate financial statements	3.2	3.3	3.6	3.4
– Capgemini SE	0.4	0.4	0.6	0.4
– Fully-consolidated subsidiaries	2.8	2.9	3.0	3.0
Non-audit services ⁽¹⁾	1.2	1.6	1.0	0.8
TOTAL	4.4	4.9	4.6	4.2

(1) The majority of these fees concern assignments performed at the request of our clients pursuant to ISAE 34-02 and concern the audit of applications and/or processes outsourced to the Group.

5.2.7 Statutory auditors' report on the consolidated financial statements

This is a translation into English of the Statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This Statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory auditors or verification of the information concerning the Group presented in the management report.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended December 31, 2019

To the Annual General Meeting of Capgemini SE,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Capgemini SE for the year ended 31 December 2019.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2019 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* Section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1st January 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No 537/2014 or in the French Code of Ethics (*Code de déontologie*) for Statutory auditors.

Emphasis of Matter

Without qualifying our conclusion, we draw your attention to Note 1B "New Standards and interpretations applicable in 2019" to the consolidated financial statements, which describes in particular the impact of the application as of January 1, 2019 of IFRS 16 "Leases".

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Recognition of revenue and costs related to long-term service contracts

Risks identified

Capgemini is present in the professional IT services market and notably provides long-term services.

As described in Note 6 to the consolidated financial statements, the method used to recognize revenue and costs related to long-term contracts depends on the nature of the services rendered, as follows:

- revenue from deliverable-based contracts is recognized over time by using the “cost-to-cost” method to measure progress to completion. The percentage of completion is based on costs incurred to date relative to the total estimate of cost at completion of the contract;
- revenue from Resources-based contracts is recognized as the Group earns the right to bill the customer as the amount invoiced corresponds directly to the value to the customer of the performance completed to date;
- revenue on services-based contracts is recognized as rights to bill arise, except in specific cases where invoicing terms do not reflect the value to the customer of services rendered to date relative to the value of the remaining services (for example, in case of significant front-loaded or back-loaded fees or discounts);
- revenue on multi-deliverable contracts should be recognized applying the appropriate method of progress as specified above, depending on the performance obligations identified.

Costs incurred to fulfill the contracts are expensed as incurred with the exception of certain initial set-up costs, such as transition and transformation costs that do not represent a separate performance obligation, which are capitalized if they create a resource that the Group will use to perform the promised service.

A provision for onerous contract is recorded if all the costs necessary to fulfil the contract exceed the related benefits.

The amount of revenue and the costs to be recognized for the period, and of any provisions for loss at completion at the closing date, depends upon the Group’s ability to:

- identify all the performance obligations in the long-term multi-service contracts and determine their related accounting treatment;
- measure the costs incurred or the total services rendered;
- estimate the costs to be incurred till the end of the contract.

Considering the judgments and estimates made by the management to determine how revenue and related costs should be recognized, we deemed the recognition of revenue and costs related to long-term service contracts to be a key matter in our audit.

Our audit approach

We gained an understanding of the process related to recognizing various revenue flows.

Our approach took into account the information systems used in recognizing revenue and related costs by testing, with the assistance of our IT specialists, the effectiveness of the automatic controls for systems impacting revenue recognition.

Our work notably involved:

- assessing internal control procedures, identifying the most relevant controls for our audit and testing their design and operational efficiency;
- carrying out analytical audit procedures, and notably analyzing material changes in revenue and margin from one period to another;
- based on a sample of contracts, selected by using a multi-criteria analysis:
 - assessing the performance obligations identified within the context of the contract,
 - assessing the method used to recognize revenue and related costs for each identified performance obligations,
 - comparing the accounting data against the operational monitoring of projects and assessing the reasonableness of the estimates used, particularly as regards to measuring costs to be incurred till the end of the contract;
- assessing the appropriateness of the information provided in the notes to the consolidated financial statements.

Measurement of Goodwill

Risks identified

As part of its business development, the Group makes targeted acquisitions and recognizes goodwill as an asset in the consolidated financial statements.

Goodwill corresponds to the difference between the purchase price and the net amount of identifiable assets acquired and liabilities assumed. Goodwill is allocated to the various cash generating units (CGU) based on the value in use of each CGU.

At least once a year, Management ensures that the net carrying amount of goodwill recognized as an asset, amounting to €7,662 million at 31 December 2019, is not greater than the recoverable amount. Indeed, an adverse change in the business activities to which goodwill has been allocated, due to internal or external factors such as the financial and economic environment in markets where Capgemini operates, may have a significant adverse effect on the recoverable amount of goodwill and require the recognition of impairment. In such a case, it is necessary to reassess the relevance of the assumptions used to determine the recoverable amounts and the reasonableness and consistency of the criteria used in the calculation.

The impairment testing methods and details of the assumptions made are described in Note 16 of the notes to the consolidated financial statements. The recoverable amount is determined based on value in use, which is calculated based on the present value of the estimated future cash flows expected to arise from the asset group comprising each cash generating unit.

We believe that the measurement of goodwill is a key audit matter, due to the significant amount of goodwill reported in the financial statements and its sensitivity to the assumptions made by Management, especially in the context of the first application of IFRS 16 "Leases".

Our audit approach

Our work entailed:

- assessing the appropriateness of the method used to identify cash generating units (CGU);
- gaining an understanding of and assessing the impairment testing process implemented by Management;
- assessing the appropriateness of the model used to calculate value in use, including the impact following the adoption of IFRS 16;
- analysing the consistency of cash flow forecasts with Management's latest estimates presented to the Board of Directors as part of the budget process;
- comparing the cash flow forecasts for financial years 2020 to 2022 with the business plans used for prior year impairment testing;
- comparing 2019 earnings forecasts used for prior year impairment testing with actual results;
- interviewing the financial and operational staff responsible for the geographic areas representing cash generating units to analyse the main assumptions used in the 3 year strategic plan and cross-check the assumptions with the explanations obtained;
- assessing the methods used to calculate the discount rate applied to the estimated cash flows expected, as well as the long-term growth rate used to project the latest year expected cash flows to infinity; comparing these rates with market data and external sources and recalculating the rates based on our own data sources;
- assessing sensitivity testing of value in use to a change in the main assumptions used by Management;
- assessing the appropriateness of the financial information provided in Note 16 of the notes to the consolidated financial statements.

Our firms' valuation specialists were involved in this work.

Provisions for pensions and other post-employment benefits

Risks identified

As stated in the Note 25 to the consolidated financial statements for the year ended 31 December 2019, the Group contributes to several post-employment defined benefit plans. The main pension plans in the United Kingdom, Canada and France represent a net benefit obligation of €871 million out of a total of €1,046 million at 31 December 2019. These pension plans represent an actuarial value of cumulative benefit obligations of €4,629 million out of a total of €5,575 million with corresponding assets of €3,758 million out of €4,529 million at 31 December 2019.

Calculating pension plan assets and liabilities as well as actuarial costs for the period requires the judgment of management to determine which assumptions should be used, such as discount and inflation rates, salary inflation, staff turnover and life expectancy, etc. Any changes in these key assumptions can have a material impact on how the recognized net benefit obligation is determined and on the Group's results. Accordingly, management solicits external actuaries to assist in determining these assumptions.

In light of the judgment of management in determining actuarial assumptions and their resulting sensitivity, the obligations resulting from the defined benefit plans were deemed to be a key matter in our audit.

Our audit approach

We were informed of the procedures implemented by the Group for measuring post-employment net benefit obligations resulting from defined benefit plans.

With the support of our actuaries, our work involved:

- assessing the reasonableness of the assumptions regarding discount and inflation rates in light of current market conditions;
- assessing assumptions as regards salary inflation and demographic data in order to measure their consistency with the specific nature of each plan and, where applicable, the relevant national and sector references;
- confirming, based on sampling techniques, that individual data and the actuarial and statistical assumptions used by external actuaries to calculate the benefit obligation have been correctly transcribed;
- assessing, based on sampling techniques, the reasonableness of the assumptions used to measure the dedicated assets.

Tax Audit

Risks identified

The Group is present in a large number of tax jurisdictions. The tax authorities in the countries in which the Group operates regularly control the Group's position on subjects relating to its ordinary business.

As stated in Note 30 to the Group's consolidated financial statements for the year ended 31 December 2019, tax audits may lead to re-assessments and disputes with the tax authorities, notably in France and in India.

These reassessments have not been accrued in the financial statements, as the Group has justified its position and believes that it is probable that it will prevail.

Estimates of risk relating to tax disputes are reviewed regularly by each subsidiary and by the Group's Tax Department, with the assistance of external counsels for the most significant or complex disputes.

We believe that tax audits are a key audit matter due to the Group's exposure to tax issues related to its presence worldwide and the level of judgment required by Management in estimating risk and the amounts at stake.

Our audit approach

Through discussions with Management, we have gained an understanding of the procedures implemented by the Group to identify tax audits.

We have also assessed the judgments made by Management to measure the probability of tax payable and the amount of potential exposures, and the reasonableness of the estimates made for provisions related to tax audits.

We focused in particular on the effect of changes in local tax regulations and ongoing disputes with local tax authorities.

To assess whether tax audits have been correctly accounted for, with the assistance of our tax experts we:

- conducted interviews with the Group's Tax Department and with local Tax Departments to assess the current status of investigations and reassessment proposals or reassessment notices received from the tax authorities, and monitor the status of ongoing claims, disputes and pre-litigation proceedings;
- consulted the decisions and recent correspondence between the Group's companies and local tax authorities, along with the correspondence between the companies concerned and their legal counsels, when required;
- performed a critical review of Management's estimates and positions and of the opinions of external advisors.

Verification of the Information Pertaining to the Group Presented in the Management Report

As required by law we have also verified in accordance with professional standards applicable in France the information pertaining to the Group presented in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement provided for by article L. 225- 102- 1 of the French Commercial Code (*Code de commerce*) is included in the Management Report, it being specified that, in accordance with the provisions of article L. 823-10 of said Code, we have verified neither the fair presentation nor the consistency with the financial statements of the information contained in this statement which has to be subject to a report by an independent third party.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory auditors

We were appointed as Statutory auditors of Capgemini SE by the Annual General Meeting held on 25 April 2002 for KPMG audit and on 24 May 1996 for PricewaterhouseCoopers audit.

As at 31 December 2019, KPMG audit and PricewaterhouseCoopers audit were in the 18th year and 24th year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory auditors

Neuilly-sur-Seine, 20 February 2020

Paris-La Défense, 20 February 2020

PricewaterhouseCoopers Audit

KPMG Audit Division of KPMG S.A.

Richard Béjot
Partner

Frédéric Quélin
Partner

Stéphanie Ortega
Partner

5.3 Comments on the Capgemini SE financial statements

5.3.1 Income Statement

The Company reported operating income for the year ended December 31, 2019 of €447 million (including €343 million in royalties received from subsidiaries) compared with €380 million last year (including €310 million in royalties).

Operating profit is €275 million, compared with €241 million in 2018.

Net finance income totaled €244 million (compared with €307 million in 2018) and reflects the difference between:

- income of €532 million, mainly comprising foreign exchange gains on the pooling of currency risk at Group level (€242 million), dividends received from subsidiaries (€184 million), reversals of provisions for equity interests (€73 million) in Spain and France, income from loans granted to subsidiaries (€18 million) and reversals of provisions for foreign exchange losses and treasury shares (€9 million);

- expenses of €288 million, mainly comprising foreign exchange losses on the pooling of currency risk at Group level (€187 million), charges to provisions for equity interests (€31 million), charges to provisions for foreign exchange losses (€7 million), as well as interest on bond issues (€61 million).

This €63 million decrease in net finance income year-on-year was mainly due to the movement in provisions for equity interests.

Net non-recurring income is nil compared with a net non-recurring expense of €24 million in 2018.

After an **income tax expense** of €29 million (compared with €20 million in 2018), notably reflecting the income tax expense of the tax consolidation group, the Company reported a **net profit** of €490 million.

5.3.2 Balance sheet

Financial fixed assets rose from €18,045 million last year to €18,365 million at December 31, 2019. This €320 million increase is mainly attributable to:

- a €661 million decrease in amounts receivable from controlled entities, mainly corresponding to the repayment of the loan to our US subsidiary;
- the acquisition of an 11.43% stake in Altran and a 23.10% stake in Capgemini Technology Services India for a consideration of €954 million.

Shareholders' equity is €14,262 million, up €397 million on last year. This increase reflects the difference between:

- net profit for 2019 (€490 million);
- the €254 million share capital increase for cash reserved for employees (ESOP 2019);
- the share capital reduction by cancellation of 698,231 Capgemini SE shares purchased under the share buyback program authorized by the Combined Shareholders' Meeting of May 23, 2018 in the amount of €66 million;
- and finally the June 7, 2019 dividend payment of €1.70 per share on the 165,411,236 shares making up the Company's share capital at June 7, 2019 (after neutralization of the 1,882,494 treasury shares held by the Company), representing a total payment of €281 million.

Borrowings totaled €5,116 million at December 31, 2019, up €185 million compared with December 31, 2018. This increase was mainly due to:

- the €63 million increase in bank overdrafts on the accounts included in the Group's cash pooling arrangement (Cash pooling international), for which the Company acts as the centralizing agent, offset in full by an opposite position of the same amount in the cash and cash equivalents of the Company;
- the €113 million increase in outstanding inter-company loans.

In addition to the above, the following information is required by law:

Capgemini SE external accounts payable total €1,692 thousand, including €1,602 thousand not yet due. Group accounts payable total €9.5 million, none of which are due.

Inter-company accounts receivable total €29,459 thousand, including €1,021 thousand past due. Past due accounts receivable represent 0.24% of revenues.

5.3.3 Appropriation of earnings

During its meeting of February 12, 2020, the Board of Directors decided to recommend to the next Ordinary Shareholders' Meeting, the following appropriation of net profit for the year:

Net profit for the year	€ 490,231,317.28
Allocation to the legal reserve	€0.00
<i>i.e.</i> a balance of	€490,231,317.28
Retained earnings of previous years	€ 5,711,640,867.79
<i>i.e.</i> Distributable earnings at 12/31/2019 of	€ 6,201,872,185.07
This amount will be allocated to:	
– payment of a dividend of €1.90 per share: ⁽¹⁾	€ 321,756,448.10
– retained earnings for the balance:	€ 5,880,115,736.97
Giving a total of:	€ 6,201,872,185.07

(1) The total amount of the distribution is calculated based on the number of shares ranking for dividends at December 31, 2019 and could therefore change if this number varies between January 1, 2020 and the ex-dividend date.

This dividend of € 1.90 on each of the 169,345,499 shares bearing dividend rights on January 1, 2020, will be eligible for the 40% tax rebate referred to in Article 158.3.2 of the French Tax Code (*Code général des impôts*) for private individuals tax resident in France who opt for taxation at the progressive income tax scale. Where this option is not made, the dividend will fall within the application scope of the flat-rate income tax advance payment mechanism and won't be eligible for this 40% rebate.

The ex-dividend date will be June 3, 2020 and the dividend will be payable from June 5, 2020. If, at the time of payment of the dividend, the number of treasury shares held by the Company has changed compared to that held on December 31, 2019, the fraction of the dividend relating to this variation will either increase or reduce retained earnings.

Pursuant to Article 243 *bis* of the French Tax Code, it is recalled that the following amounts were paid over the past three fiscal years:

	Dividend distribution⁽¹⁾ <i>(in euros)</i>	Distributed income⁽²⁾ <i>(in euros)</i>	Dividend per share <i>(in euros)</i>
Fiscal year 2018	284,399,341.00	281,199,101.20	1.70
Fiscal year 2017	286,422,361.40	284,362,859.00	1.70
Fiscal year 2016	261,229.107.40	261,683,477.50	1.55

(1) Theoretical values calculated based on the number of shares bearing dividend rights on December 31 each year.

(2) Amounts effectively paid after adjusting the number of shares bearing dividend rights for any change in the number of treasury shares, the issuance of new shares and/or the cancellation of existing shares between January 1 and the ex-dividend date. For fiscal year 2016, these amounts were fully eligible for the 40% tax rebate referred to in Article 158.3.2° of the French Tax Code (*Code général des impôts*). For fiscal years 2017 and 2018, the distributions were eligible for this rebate when the beneficiary was tax-resident in France and had opted for taxation at the progressive income tax scale.

5.3.4 Share capital and ownership structure

At December 31, 2019, the share capital amounted to €1,354,763,992 (compared with €1,338,349,840 at December 31, 2018), divided into 169,345,499 fully paid-up shares with a par value of €8 each.

Share capital transactions during 2019 were as follows:

- cancellation of 698,231 treasury shares decided by the Board of Directors on December 4, 2019;
- share capital increase under the sixth employee share ownership plan (ESOP 2019) involving the issue of 2,750,000 shares on December 18, 2019.

Pursuant to Article L. 233-13 of the French Commercial Code (*Code de commerce*), the Board of Directors informs shareholders that, based on notifications received and filed with the *Autorité des marchés financiers* (AMF), one shareholder held more than 5% of the Company's share capital and voting rights at the year-end:

- FMR LLC, a US company and the holding company for a group of independent companies, acting on behalf of funds, disclosed holding 5.01% of the Company's share capital and voting rights at November 13, 2019.

As far as the Company is aware, no other shareholder holds directly or indirectly, alone or in concert, over 5% of the Company's share capital or voting rights.

Finally, shares held by members of the Board of Directors represent 0.21% of the Company's share capital at December 31, 2019.

5.4 2019 financial statements

5.4.1 Balance sheet at December 31, 2018 and 2019

	12/31/2018			12/31/2019
ASSETS <i>(in thousands of euros)</i>	Net	Gross	Depreciation, amortization, and provisions	Net
Intangible assets				
Trademarks, patents and similar rights	3,595	41,133	(38,342)	2,791
Property, plant and equipment	224	224	-	224
Financial fixed assets				
Equity interests	17,043,172	18,685,206	(647,193)	18,038,013
Receivable from controlled entities ⁽¹⁾	981,516	320,945	-	320,945
Other financial fixed assets ⁽¹⁾	20,807	7,082	(500)	6,582
Non-current assets	18,049,314	19,054,590	(686,035)	18,368,555
Bought-in goods	5	4	-	4
Accounts and notes receivable ⁽¹⁾	-	71	(71)	-
Other receivables ⁽¹⁾	116,096	25,669	-	25,669
Receivable from related and associated companies ⁽¹⁾	140,006	106,998	-	106,998
Sundry debtors ⁽¹⁾	-	5,389	-	5,389
Marketable securities	658,889	948,352	(61)	948,291
Cash and cash equivalents	1,221,521	1,305,122	(600)	1,304,522
Current assets	2,136,517	2,391,606	(733)	2,390,873
Prepaid expenses ⁽¹⁾	6,279	4,947	-	4,947
Deferred charges	10,408	12,281	-	12,281
Unrealized foreign exchange losses	3,523	6,587	-	6,587
Other assets	20,210	23,814	-	23,814
TOTAL ASSETS	20,206,041	21,470,010	(686,768)	20,783,242
⁽¹⁾ Of which receivable within one year	734,329	200,504	-	200,004

SHAREHOLDERS' EQUITY AND LIABILITIES <i>(in thousands of euros)</i>	12/31/2018	12/31/2019
Share capital (fully paid-up)	1,338,350	1,354,764
Additional paid-in capital	5,821,124	5,991,827
Legal reserve	137,745	137,745
Other reserves	559,573	559,573
Retained earnings	5,489,022	5,711,641
Profit for the year	503,818	490,231
Tax-driven provisions	15,954	16,332
Shareholders' equity	13,865,586	14,262,113
Provisions for contingencies and losses	3,523	6,587
Bond issues ⁽²⁾	3,275,600	3,275,600
Bank loans and borrowings ⁽²⁾	995,138	1,067,485
Payable to controlled entities ⁽²⁾	660,288	773,299
Borrowings⁽²⁾	4,931,026	5,116,383
Accounts and notes payable ⁽²⁾	31,932	17,042
Tax and social security liabilities ⁽²⁾	2,273	2,449
Payable to related and associated companies ⁽²⁾	1,182,469	1,152,763
Other payables ⁽²⁾	1,099	1,118
Unrealized foreign exchange gains	188,134	224,787
Other liabilities	1,405,907	1,398,159
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	20,206,041	20,783,242
⁽²⁾ <i>Of which due within one year</i>	2,655,355	3,570,347

5.4.2 Income Statement for the years ended December 31, 2018 and 2019

<i>(in thousands of euros)</i>	2018	2019
Royalties	310,135	342,765
Reversals of depreciation, amortization and provisions, expense transfers	5,738	12,485
Other income	63,875	91,403
Total operating revenue	379,748	446,652
Other purchases and external charges	63,409	62,120
Taxes, duties and other levies	4,595	5,392
Depreciation and amortization	5,574	11,536
Other expenses	65,014	92,435
Total operating expenses	138,591	171,483
OPERATING PROFIT	241,156	275,169
Investment income ⁽¹⁾	229,800	183,676
Income from other marketable securities and amounts receivable on non-current assets ⁽¹⁾	25,838	17,620
Other interest and similar income ⁽¹⁾	5,049	6,145
Reversals of provisions	123,092	81,851
Foreign exchange gains	245,006	242,353
Total financial income	628,785	531,644
Depreciation, amortization and provisions relating to financial items	37,649	39,048
Interest and similar expenses ⁽²⁾	57,753	60,857
Foreign exchange losses	225,118	186,747
Expenses on disposals of marketable securities	925	876
Total financial expenses	321,444	287,528
NET FINANCIAL EXPENSE	307,341	244,117
RECURRING PROFIT BEFORE TAX	548,497	519,286
Non-recurring income on operations	2	0
Non-recurring income on capital transactions	1,150	3,563
Total non-recurring income	1,152	3,563
Non-recurring expenses on operations	24,294	345
Non-recurring expenses on capital transactions	1,184	3,009
Charges to provisions	7	378
Total non-recurring expenses	25,485	3,732
NET NON-RECURRING INCOME (EXPENSE)	(24,333)	(169)
Income tax expense	(20,347)	(28,886)
PROFIT FOR THE YEAR	503,818	490,231
⁽¹⁾ Of which income concerning related companies	256,857	202,881
⁽²⁾ Of which interest concerning related companies	1,839	3,238

5.4.3 Notes to the financial statements

I – Accounting policies

The annual financial statements for the year ended December 31, 2019 are prepared and presented in accordance with Regulations no. 2014-03, no. 2015-05, no. 2015-06 and no. 2016-07 issued by the French Accounting Standards Authority (*Autorité des normes comptables*, ANC). They are also prepared in accordance with the principles of prudence and accruals, and assuming that the Company is able to continue as a going concern.

Items in the financial statements are generally measured using the historical cost method. The Company's main accounting policies are described below:

Intangible assets

Computer software and user rights acquired on an unrestricted ownership basis, as well as software developed for internal use which has a positive, lasting and quantifiable effect on future results, are capitalized and amortized over a maximum period of three years. At the year-end, the value of computer software and user rights is compared to their value in use for the Company.

Financial fixed assets

The gross value of equity interests and other long-term investments carried in the balance sheet comprises their acquisition cost, including any transaction fees. A provision for impairment is set aside when the value in use falls below the acquisition cost. The value in use is calculated based on either the present value of discounted future cash flows adjusted for net debt and deferred tax, where applicable, the Company's share in net assets, or in certain cases, with reference to the market value of comparable transactions.

Treasury shares

Treasury shares held by Capgemini SE as part of the liquidity agreement are recorded on the balance sheet within long-term investments at the lower of cost and net realizable value. Realizable value is the average market price for Capgemini SE shares in December. Other treasury shares held for other objectives of the share buyback program are recorded in listed shares.

Marketable securities

Marketable securities are shown on the balance sheet at the lower of cost and net realizable value. The realizable value of listed securities is based on the average share price in December. The realizable value of unlisted securities is based on their net asset value. At the year-end, accrued interest receivable or interest

received in advance on certificates of deposit and commercial paper is recognized in accrued income or prepaid income, respectively.

Capitalization contracts subscribed by the Company are also included in marketable securities.

Foreign currency transactions

Receivables, payables and cash and cash equivalents denominated in foreign currencies are translated into euros at the year-end exchange rate or at the hedging rate. Any differences resulting from the translation of foreign currency receivables and payables at these rates are included in the balance sheet under "Unrealized foreign exchange gains/losses". A provision for foreign exchange losses is set aside to cover any unrealized losses.

Receivables and payables

Receivables are measured at their nominal amount, and a provision for impairment set aside when their net realizable value falls below their net carrying amount. Unbilled payables are recognized excluding VAT.

Financial instruments

Currency and interest rate positions are taken using financial instruments presenting minimum counterparty risk listed on organized markets or over-the-counter. Gains and losses on financial instruments used in hedging transactions are recognized to match the gains and losses arising on the hedged items. Forward financial instruments, and options on own shares, are initially recognized in the balance sheet at acquisition cost and subsequently remeasured to fair value. Where there is indication of impairment, a provision for financial risk is set aside in accordance with the principle of prudence.

Centralized foreign currency hedging transactions are recognized in accordance with hedge accounting rules. Unhedged transactions are recognized in isolated open positions. Any unrealized losses are provided. In addition, the impact of hedging on inter-company loans and receivables is spread over the hedge term.

Tax consolidation

The Company and French subsidiaries at least 95% owned by the Group have elected to file consolidated tax returns pursuant to Article 223 A of the French General Tax Code. Any tax savings realized by the tax consolidation group, primarily on account of tax losses incurred by consolidated entities, are treated as a gain for the Company in the period in which they arise.

II – Notes to the Capgemini SE Balance Sheet and Income Statement

1. Non-current assets

<i>(in thousands of euros)</i>	Gross value (January 1)	Increase	Decrease	Gross value (December 31)
Intangible assets				
Trademarks, patents and similar rights	41,013	120	-	41,133
Sub-total	41,013	120	-	41,133
Property, plant and equipment				
Sub-total	224	-	-	224
Financial fixed assets				
Equity interests	17,732,319	972,634	(19,748)	18,685,206
Receivable from controlled entities	981,516	40,624	(701,195)	320,945
Other financial fixed assets	20,916	184,484	(198,317)	7,082
Sub-total	18,734,751	1,197,742	(919,260)	19,013,233
TOTAL NON-CURRENT ASSETS	18,775,988	1,197,862	(919,260)	19,054,590

Equity interests

Equity interests comprise shares in the Company's subsidiaries. The main changes during the year reflect the acquisition of an 11.43% stake in Altran Technologies (€414,681 thousand) as part of the planned acquisition of the Altran Group for which a public tender offer is in progress at the year end, and a 23.10% stake in Capgemini Technology Services India (€539,400 thousand).

Receivable from controlled entities

Amounts receivable from controlled entities consist of loans granted by the Company to subsidiaries primarily in North America (€224,513 thousand), Europe (€49,696 thousand), the Asia-Pacific region (€29,416 thousand) and Latin America (€14,472 thousand).

The main changes in this heading reflect:

- loans granted to Latin American subsidiaries of €14,096 thousand;
- the repayment of loans granted to subsidiaries in the United States (€656,944 thousand), Switzerland (€16,138 thousand), Latin America (€13,862 thousand) and the Asia-Pacific region (€12,528 thousand).

Other financial fixed assets

This account mainly comprises treasury shares held under the liquidity agreement. This agreement relates to the share buyback program approved by the Combined Shareholders' Meeting of May 23, 2019. Accordingly, a total of 1,131,001 shares were acquired and 1,286,550 shares were sold between January 1, 2019 and December 31, 2019. At December 31, 2019, Capgemini SE held 61,809 treasury shares (217,358 at December 31, 2018), valued at €6,571 thousand.

In 2019, the Company continued to purchase treasury shares, buying 1,598,231 shares (€150,452 thousand, including transaction fees). During the year, 920,679 shares were presented to beneficiaries of performance shares and 698,231 shares were canceled.

2. Depreciation, amortization and provisions for non-current assets

<i>(in thousands of euros)</i>	Depreciation, amortization and provisions (January 1)	Charge	Reversals	Depreciation, amortization and provisions (December 31)
Intangible assets				
Amortization of trademarks, patents and similar rights	37,418	924	-	38,342
Financial fixed assets				
Provisions for equity interests	689,147	31,300	(73,254)	647,193
Provisions for amounts receivable from controlled entities	108	500	(108)	500
TOTAL DEPRECIATION, AMORTIZATION AND PROVISIONS	726,674	32,724	(73,362)	686,035

Reversals of provisions for equity interests totaled €73,254 thousand and mainly concern Spanish and French subsidiaries. The €31,300

thousand charge to provisions concerns a Dutch subsidiary holding investments in Latin America.

3. Marketable securities

Marketable securities break down as follows at December 31, 2019:

<i>(in thousands of euros)</i>	Nominal value	Net asset value	Carrying amount
Listed securities			
Investment funds (FCP & SICAV)	833,498	833,436	833,436
Treasury shares	17,412	17,412	17,412
Unlisted securities			
Term deposits	-	-	-
Other marketable securities			
Capitalization contracts	97,442	97,442	97,442
TOTAL	948,352	948,291	948,291

Other marketable securities comprise three capitalization fund contracts subscribed in July 2010, August 2010 and November 2014 with leading insurance companies in Europe for €80,000 thousand.

The residual balance represents capitalized interest at December 31, 2019.

4. Maturity of receivables at year-end

<i>(in thousands of euros)</i>	Gross	One year or less	More than one year
Non-current assets			
Receivable from controlled entities	320,945	64,503	256,443
Other financial fixed assets	7,082	6,582	500
Current assets			
Income tax receivable	23,011	13,652	9,359
VAT receivable	2,658	2,658	-
Receivable from related companies	106,998	106,998	-
Sundry receivables	5,389	5,389	-
Prepaid expenses	4,947	1,222	3,724
TOTAL	471,029	201,004	270,025

Prepaid expenses mainly comprise prepaid interest on the 2015, 2016 and 2018 bond issues.

5. Deferred charges

<i>(in thousands of euros)</i>	Amount at January 1	Increase	Amortization & decrease	Amount at December 31
Loan issuance fees	10,408	12,485	(10,612)	12,281
TOTAL	10,408	12,485	(10,612)	12,281

Loan issuance fees include fees on the syndicated credit facility, as well as fees on two 2015 bond issues, the 2016 bond issue and two 2018 bond issues. They are amortized on a straight-line basis over the term of the debt.

The €12,485 thousand increase concerns the initial €5,400 million bridge loan secured as part of the Altran Group acquisition. This bridge loan has an initial maturity of 12 months.

6. Share capital and additional paid-in capital

<i>(in thousands of euros)</i>	Number of shares	Share capital	Additional paid-in capital
At December 31, 2018 (par value of €8)	167,293,730	1,338,350	5,821,124
+ Share capital increase for cash reserved for employees	2,750,000	22,000	231,743
+ Share capital increase through the grant of performance shares	-	-	-
– Share capital reduction by cancellation of shares	(698,231)	(5,586)	(60,143)
– Share issue costs, net of tax	-	-	(896)
At December 31, 2019 (par value of €8)	169,345,499	1,354,764	5,991,827

Share capital increase reserved for employees, share issue costs

Pursuant to the 15th and 16th resolutions adopted by the Combined Shareholders' Meeting of May 23, 2019, the Group set up an employee share ownership plan (ESOP 2019). Nearly 210,000 Group employees in 25 countries, representing approximately 98% of the Group headcount, were invited to subscribe for Capgemini SE shares. Under the plan, a minimum length of service of three months was required at November 14, 2019, acquired consecutively or not since January 1, 2018 to qualify as a candidate for subscription. This leveraged plan offered employees the possibility of subscribing at a discounted preferential rate and, *via* a bank which secured and supplemented the investment so that the total amount invested represented ten times the personal contribution of the employee, potentially generating a greater capital gain than would have been the case had it been calculated based solely on the employee's personal contribution. In return, the employee waives a portion of any increase in the price of shares subscribed on his behalf, as well as dividends and other financial rights that could be paid on these shares throughout the entire term of the plan. In addition, the shares will be unavailable for a period of five years (except for cases of early release covered by plan rules in accordance with applicable legislation).

This employee share ownership plan (ESOP 2019) includes a 12.5% discount. Under the delegation of authority granted by the Board of Directors, the subscription price was set at €92.27 by the Chairman and Chief Executive Officer on November 7, 2019. This price corresponds to the daily volume-weighted average price (VWAP) of the Capgemini SE share, as published on the Bloomberg CAP FP EQUITY VAP website, over the twenty stock market trading days preceding the Chairman and Chief Executive Officer's decision, less a 12.5% discount.

On December 18, 2019, the Group issued 2,750,000 new shares reserved for employees with a par value of €8 each, representing a share capital increase of €253 million, net of issue costs.

Share capital reduction by cancellation of shares purchased

During the year, the Board of Directors, using the delegation of authority granted for a period of 26 months by the 15th extraordinary resolution adopted by the Combined Shareholders' Meeting of May 23, 2018, decided to reduce the share capital by €5,586 thousand by canceling 698,231 Capgemini SE shares purchased under the share buyback program authorized by the Combined Shareholders' Meeting of May 23, 2018. The difference between the purchase cost of these 698,231 shares and their par value of €60,143 thousand was deducted from additional paid-in capital.

7. Share subscription plans

The Group no longer grants stock options since the plan authorized in 2005. The last grant under this plan was performed in June 2008.

8. Performance share plans

The Combined Shareholders' Meetings of May 6, 2015, May 18, 2016, May 10, 2017, May 23, 2018 and then May 23, 2019 authorized the Board of Directors to grant shares to a certain number of Group employees, on one or several occasions and within a maximum period of 18 months, subject to performance and/or presence conditions. On July 29, 2015, February 17, 2016, July 26, 2016, July 26, 2017, October 5, 2017, October 3, 2018 and October 2, 2019, the Board of Directors approved the terms and conditions and the list of beneficiaries of these seven plans.

The main features of these plans are set out in the tables below:

	July 2015 Plan
Maximum number of shares that may be granted	1,721,759 shares
% of share capital at the date of the Board of Directors' decision	1%
Total number of shares granted	1,068,550 ⁽¹⁾
Date of Board of Directors' decision	July 29, 2015
Performance assessment dates	Three years for the two performance conditions
Vesting period	2 years and 7 months as from the grant date (France) or 4 years as from the grant date (other countries)
Mandatory lock-in period effective as from the vesting date (France only)	3 years
Main market conditions at the grant date	
<i>Volatility</i>	24.54%
<i>Risk-free interest rate</i>	0.10% – 0.55%
<i>Expected dividend rate</i>	1,60%
Other conditions	
<i>Performance conditions</i>	Yes (see below)
<i>Employee presence within the Group at the vesting date</i>	Yes
Pricing model used to calculate the fair value of shares	Monte Carlo for performance shares with external (market) conditions
Range of fair values (in euros)	
<i>Free shares (per share and in euros)</i>	n/a
<i>Performance shares (per share and in euros)</i>	61.73 – 82.18
<i>Of which corporate officers</i>	56.66
Number of shares at December 31, 2018	
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and presence)	593,292
<i>Of which corporate officers</i>	-
Change during the period	
Number of shares subject to performance and/or presence conditions granted during the year	-
<i>Of which corporate officers</i>	-
<i>Number of shares forfeited or canceled during the year</i>	38,073
<i>Number of shares vested during the year</i>	555,219 ⁽²⁾
Number of shares at December 31, 2019	
that may vest under the plan in respect of shares previously granted, subject to conditions (presence only)	-
Weighted average number of shares	342,914
Share price at the grant date (in euros)	87.60

	February 2016 Plan	July 2016 Plan
Maximum number of shares that may be granted	1,721,815 shares	1,721,815 shares
% of share capital at the date of the Board of Directors' decision	1%	1%
Total number of shares granted	180,500 ⁽⁵⁾	1,663,500 ⁽¹⁾
Date of Board of Directors' decision	February 17, 2016	July 26, 2016
Performance assessment dates	Presence condition only	Three years for the two performance conditions
Vesting period	2 years as from the grant date (France) or 4 years as from the grant date (other countries)	3 years and 1 week as from the grant date (France) or 4 years as from the grant date (other countries)
Mandatory lock-in period effective as from the vesting date (France only)	2 years	2 years
Main market conditions at the grant date		
<i>Volatility</i>	<i>n/a</i>	26.35%
<i>Risk-free interest rate</i>	0.15% – 0.03%	0.2% – 0.17%
<i>Expected dividend rate</i>	1.60%	1.60%
Other conditions		
<i>Performance conditions</i>	<i>n/a</i>	<i>Yes (see below)</i>
<i>Employee presence within the Group at the vesting date</i>	<i>Yes</i>	
Pricing model used to calculate the fair value of shares	<i>n/a</i>	Monte Carlo for performance shares with external (market) conditions
Range of fair values (<i>in euros</i>)		
<i>Free shares (per share and in euros)</i>	55.45 – 57.59	<i>n/a</i>
<i>Performance shares (per share and in euros)</i>	<i>n/a</i>	54.02 – 77.1
<i>Of which corporate officers</i>	-	52.68
Number of shares at December 31, 2018		
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	118,950	1,502,200
<i>Of which corporate officers</i>	-	42,000 ⁽¹⁾
Change during the period		
Number of shares subject to performance and/or presence conditions granted during the year	-	-
<i>Of which corporate officers</i>	-	-
Number of shares forfeited or canceled during the year	11,500	273,615
Number of shares vested during the year	-	364,810 ⁽²⁾
Number of shares at December 31, 2019		
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	107,450 ⁽⁴⁾	863,775 ⁽⁴⁾
Weighted average number of shares	113,200	1,213,388
Share price at the grant date (<i>in euros</i>)	71.61	83.78

	July 2017 Plan	October 2017 Plan
Maximum number of shares that may be granted	1,691,496 shares	1,691,496 shares
% of share capital at the date of the Board of Directors' decision	1%	1%
Total number of shares granted	63,597 ⁽⁸⁾	1,522,500 ⁽¹⁰⁾
Date of Board of Directors' decision	July 26, 2017	October 5, 2017
Performance assessment dates	Presence condition only	Three years for the two performance conditions
Vesting period	3 years and 1 week as from the grant date (other countries)	3 years as from the grant date (France) or 4 years as from the grant date (other countries)
Mandatory lock-in period effective as from the vesting date (France only)	n/a	2 years
Main market conditions at the grant date		
<i>Volatility</i>	n/a	25.65%
<i>Risk-free interest rate</i>	-0.25%/-0.04%	-0.17%/+ 0.90%
<i>Expected dividend rate</i>	1,60%	1,60%
Other conditions		
<i>Performance conditions</i>	n/a	Yes (see below)
<i>Employee presence within the Group at the vesting date</i>	Yes	
Pricing model used to calculate the fair value of shares	n/a	Monte Carlo for performance shares with external (market) conditions
Range of fair values (in euros)		
<i>Free shares (per share and in euros)</i>	89.05	86.98 – 93.25
<i>Performance shares (per share and in euros)</i>	n/a	62.02 – 93.25
<i>Of which corporate officers</i>	-	66.38
Number of shares at December 31, 2018		
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	62,251	1,458,200
<i>Of which corporate officers</i>	-	35,000 ⁽¹¹⁾
Change during the period		
Number of shares subject to performance and/or presence conditions granted during the year		
<i>Of which corporate officers</i>	-	-
<i>Number of shares forfeited or canceled during the year</i>	15,605	84,950
<i>Number of shares vested during the year</i>	-	-
Number of shares at December 31, 2019		
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	46,646 ⁽⁸⁾	1,373,250 ⁽⁷⁾
Weighted average number of shares	54,448	1,415,725
Share price at the grant date (in euros)	94.20	100.25

	October 2018 Plan
Maximum number of shares that may be granted	1,688,170 shares
% of share capital at the date of the Board of Directors' decision	1%
Total number of shares granted	1,384,530 ⁽¹¹⁾
Date of Board of Directors' decision	October 3, 2018
Performance assessment dates	Three years for the two performance conditions
Vesting period	3 years as from the grant date (France) or 4 years as from the grant date (other countries)
Mandatory lock-in period effective as from the vesting date (France only)	2 years
Main market conditions at the grant date	
<i>Volatility</i>	23.29%
<i>Risk-free interest rate</i>	-0.109%/0.2429%
<i>Expected dividend rate</i>	1.60%
Other conditions	
<i>Performance conditions</i>	Yes (see below)
<i>Employee presence within the Group at the vesting date</i>	Yes
Pricing model used to calculate the fair value of shares	Monte Carlo for performance shares with external (market) conditions
Range of fair values (in euros)	
<i>Free shares (per share and in euros)</i>	96.86 – 104.92
<i>Performance shares (per share and in euros)</i>	63.95 – 104.92
<i>Of which corporate officers</i>	80.32
Number of shares at December 31, 2018	
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	1,373,515
<i>Of which corporate officers</i>	61,000 ⁽¹²⁾
Change during the period	
Number of shares subject to performance and/or presence conditions granted during the year	-
<i>Of which corporate officers</i>	-
<i>Number of shares forfeited or canceled during the year</i>	32,795
<i>Number of shares vested during the year</i>	-
Number of shares at December 31, 2019	
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	1,340,720 ⁽¹²⁾
Weighted average number of shares	1,357,117
Share price at the grant date (in euros)	112.35

	October 2019 Plan
Maximum number of shares that may be granted	1,672,937 shares
% of share capital at the date of the Board of Directors' decision	1%
Total number of shares granted	1,523,015 ⁽⁶⁾
Date of Board of Directors' decision	October 2, 2019
Performance assessment dates	Three years for the two performance conditions
Vesting period	3 years as from the grant date (France) or 4 years as from the grant date (other countries)
Mandatory lock-in period effective as from the vesting date (France only)	2 years
Main market conditions at the grant date	
<i>Volatility</i>	23.14%
<i>Risk-free interest rate</i>	-0.478%/-0.458%
<i>Expected dividend rate</i>	1.60%
Other conditions	
<i>Performance conditions</i>	Yes (see below)
<i>Employee presence within the Group at the vesting date</i>	Yes
Pricing model used to calculate the fair value of shares	Monte Carlo for performance shares with external (market) conditions
Range of fair values (in euros)	
<i>Free shares (per share and in euros)</i>	99.57
<i>Performance shares (per share and in euros)</i>	52.81 – 99.57
<i>Of which corporate officers</i>	74.12
Number of shares at December 31, 2018	
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	-
<i>Of which corporate officers</i>	-
Change during the period	
Number of shares subject to performance and/or presence conditions granted during the year	1,523,015
<i>Of which corporate officers</i>	63,500 ⁽¹⁾
<i>Number of shares forfeited or canceled during the year</i>	7,853
<i>Number of shares vested during the year</i>	-
Number of shares at December 31, 2019	
that may vest under the plan in respect of shares previously granted, subject to conditions (performance and/or presence)	1,515,162 ⁽⁹⁾
Weighted average number of shares	379,772
Share price at the grant date (in euros)	107.35

(1) Grant subject to performance conditions only.

(2) In respect of the "foreign" plan only: these amounts include a 4% discount on the external performance condition.

(3) In respect of the French plan only: these amounts include a 20% discount on the external performance condition.

(4) In respect of the "foreign" plan only.

(5) Grant subject to presence conditions only for beneficiaries employed by IGATE, acquired on July 1, 2015.

(6) Grant subject to performance conditions only, except for 8,852 shares subject to presence conditions only.

(7) Of which 438,550 shares in respect of the French plan and 934,700 shares in respect of the foreign plan.

(8) Grant subject to presence conditions only for beneficiaries employed by Idean, acquired in February 2017.

(9) Of which 450,200 shares in respect of the French plan and 1,064,962 shares in respect of the foreign plan.

(10) Grant subject to performance conditions only, except for 19,150 shares subject to presence conditions only.

(11) Grant subject to performance conditions only, except for 124,955 shares subject to presence conditions only.

(12) Of which 405,300 shares in respect of the French plan and 935,420 shares in respect of the foreign plan.

a) Shares vested under the 2015 and July 2016 plans

The assessment of performance conditions under the 2015 plan concluded the internal performance condition was 100% attained and the external performance condition was 96% attained. Satisfaction of the presence condition at the end of July 2019 led to the vesting of 555,219 shares on August 1, 2019.

The assessment of performance conditions under the July 2016 plan concluded that the internal performance condition was 100% attained and the external performance condition was 80% attained, given the performance of the Capgemini SE share, which, while above that of the comparison basket, was below the 110% threshold enabling the maximum allocation. Satisfaction of the presence condition at the end of July 2019 therefore led to the vesting of 364,410 shares to non-French beneficiaries on August 1, 2019, plus an additional 400 shares which vested in 2019 to the heirs of a non-French beneficiary who died at the end of 2018, representing a total of 364,810 shares.

b) Performance conditions of the plans

In accordance with the AMF recommendation of December 8, 2009 regarding the inclusion of an internal and external performance condition when granting performance shares, the Board of Directors decided as from the 2010 plan to add an internal condition to the external condition initially planned.

The following internal and external performance conditions apply:

Under the 2012 to 2017 plans, the external performance condition accounts for 50% of the grant calculation as does the internal performance condition.

External performance condition

The terms of the external performance condition were tightened for the 2016 to 2018 plans, compared with the preceding plans under which shares began to vest from a Capgemini SE share performance of at least 90% of the basket.

Accordingly, since 2016, under these plans:

- no shares are granted if the performance of the Capgemini SE share during the period in question is less than the performance of the basket of securities over the same period;
- the number of shares ultimately granted:
 - is equal to 50% of the number of shares initially allocated if the performance of the Capgemini SE share is at least equal to 100% of the basket,
 - is equal to 100% of the number of shares initially allocated if the relative performance of the Capgemini SE share is higher than or equal to 110% of the basket,
 - varies on a straight-line basis between 50% and 100% of the initial allocation, based on a pre-defined schedule, where the performance of the Capgemini SE share is between 100% and 110% of the basket.

Moreover, in 2019, an outperformance condition was added applicable to all beneficiaries except corporate officers, such that if the relative performance of the share reaches or exceeds 120% of the basket, the allocation may amount to 110% of the external performance portion (but the final grant may not exceed 100% of the initial grant).

The composition of the benchmark basket changed as follows:

- 2014, 2015 and 2016 Plans: Accenture/CSC/Atos/Tieto/CAC 40 index/CGI Group/Infosys/Sopra/Cognizant. Listing of the CSC security was ceased on April 1, 2017 and it was therefore replaced in the basket by the Euro Stoxx 600 Technology index from this date for the 2015 and 2016 plans;
- for the 2017, 2018 and 2019 plans, the basket comprises the following companies: Accenture/Indra/Atos/Tieto/CGI Group/Infosys/Sopra Steria/Cognizant and two indices, the CAC 40 index and the Euro Stoxx 600 Technology index.

The fair value of shares subject to external performance conditions is adjusted for a discount calculated in accordance with the Monte Carlo model, together with a discount for non-transferability for the shares granted in France.

Internal performance condition

The internal performance condition is based on the generation of organic free cash flow (OFCF) over a three-year period encompassing fiscal years 2015 to 2017 for the 2015 plan, fiscal years 2016 to 2018 for the 2016 plan, fiscal years 2017 to 2019 for the 2017 plan, fiscal years 2018 to 2020 for the 2018 plan and fiscal years 2019 to 2021 for the 2019 plan. Accordingly:

- no shares will be granted in respect of the internal performance condition if the cumulative increase in organic free cash flow over the reference period is less than €1,750 million for the 2015 plan, €2,400 million for the 2016 plan, €2,900 million for the 2017 plan, €3,000 million for the 2018 plan and €3,100 million for the 2019 plan;
- 100% of the initial internal allocation will be granted if organic free cash flow is equal to or exceeds €2,000 million for the 2015 plan, €2,700 million for the 2016 plan, €3,200 million for the 2017 plan, €3,250 million for the 2018 plan and €3,400 million for the 2019 plan. The trigger threshold for application of the 110% outperformance bonus is €3,700 million (but the final grant may not exceed 100% of the initial grant).

The fair value of shares subject to internal performance conditions is calculated assuming 100% realization and will be adjusted where necessary in line with effective realization of this condition. A discount for non-transferability is also applied for the shares granted to French beneficiaries.

Inclusion of a new CSR performance condition since 2018

The Board of Directors' meeting of March 13, 2018 wished to align the performance conditions with the Group's strategic priorities by proposing the inclusion of a performance condition based on diversity and sustainable development objectives reflecting the Group's corporate, social and environmental responsibility strategy. This provision was retained in 2019 and in view of the inclusion of an outperformance condition, the following table summarizes the applicable performance conditions, under the 2019 plan, for each of the three conditions:

Summary of performance conditions applicable to beneficiaries of the 2019 plan

Performance condition	Weighting applied for managers ⁽¹⁾	Weighting applied for other beneficiaries	Percentage of the grant determined by each performance condition
Market condition: Performance of the Capgemini share over a three-year period	35%	15%	<ul style="list-style-type: none"> 0% if < 100% of the average performance of the basket 50% to 100% between 100% and 110% of the average performance of the basket over the reference period 110% if the average performance of the share is 120% of the average performance of the basket or higher (excluding Executive Corporate Officers)
Financial condition: organic free cash flow for the three-year cumulative period from January 1, 2019 to December 31, 2021	50%	70%	<ul style="list-style-type: none"> 0% if < €3,100 million 30% to 100% between €3,100 million and €3,400 million over the reference period 110% if at least equal to €3,700 million (for beneficiaries other than Executive Corporate Officers)
CSR condition comprising two objectives:			
Diversity: increase in the number of women in the Vice-President inflow population over a three-year period (2019-2021)	7.5%	7.5%	<ul style="list-style-type: none"> 0% if the % of women in the Vice-President inflow population through recruitment or internal promotion is < 22% 30% to 100% if this percentage is between 22% and 25% over the reference period 110% if at least equal to 27% (for beneficiaries other than Executive Corporate Officers)
Reduction in the carbon footprint in 2021 compared with 2015	7.5%	7.5%	<ul style="list-style-type: none"> 0% if <21% reduction in greenhouse gas emissions/person 30% to 100% if the reduction in greenhouse gas emissions/person in 2021 is between 21% and 23% compared with reference emissions in 2015 110% if at least equal to 24% (for beneficiaries other than Executive Corporate Officers)

(1) Executive Corporate Officers (Chairman and Chief Executive Officer and Chief Operating Officers), members of the general management team and key executive managers of the Group.

9. Change in shareholders' equity

<i>(in thousands of euros)</i>	12/31/2018	Appropriation of 2018 net profit	Other movements	12/31/2019
Share capital	1,338,350	-	16,414	1,354,764
Additional paid-in capital	5,821,124	-	170,703	5,991,827
Legal reserve	137,745	-	-	137,745
Other reserves	559,573	-	-	559,573
Retained earnings	5,489,022	222,618	-	5,711,641
Dividends paid	-	281,199	(281,199)	-
Profit for the year	503,818	(503,818)	490,231	490,231
Tax-driven provisions	15,954	-	378	16,332
TOTAL	13,865,586	-	396,528	14,262,113

The appropriation of the net profit for 2018 led to the distribution on June 7, 2019 of a dividend of €1.70 on each of the 165,411,236 shares ranking for dividends, representing a total distribution of €281,199 thousand. The amount not paid out on the 1,882,494 shares held by the Company on June 7, 2019 of €3,200 thousand was appropriated to retained earnings.

Other movements mainly concern:

- the share capital increase of €22,000 thousand following the issue of 2.75 million new shares reserved for employees (ESOP 2019);
- the increase in additional paid-in capital of €231,742 thousand pursuant to the aforementioned transaction, net of post-tax share issue costs of €896 thousand;
- the share capital reduction by cancellation of 698,231 Capgemini SE shares purchased under the share buyback program authorized by the Combined Shareholders' Meeting of May 23, 2018 in the amount of €5,586 thousand;
- the decrease in additional paid-in capital of €60,143 thousand pursuant to this cancellation;
- net profit for the year of €490,231 thousand.

10. Provisions for contingencies and losses

<i>(in thousands of euros)</i>	At January 1	Charge	Reversal (utilized)	At December 31
Provisions for contingencies and losses				
– for foreign exchange losses	3 523	6 587	3 523	6 587
TOTAL	3 523	6 587	3 523	6 587

The application of ANC Regulation no. 2015-05 on forward financial instruments and hedging transactions led to the recognition at December 31, 2019 of a provision for foreign exchange losses of €5,453 thousand. The residual charge to provisions concerns the remeasurement of foreign currency denominated receivables and payables.

11. Bond issues

<i>(in thousands of euros)</i>	December 31, 2018	December 31, 2019
2015-2020 Bond issue	675,600	675,600
2015-2023 Bond issue	1,000,000	1,000,000
2016-2021 Bond issue	500,000	500,000
2018-2024 Bond issue	600,000	600,000
2018-2028 Bond issue	500,000	500,000
TOTAL	3,275,600	3,275,600

a) July 1, 2015 bond issues

On June 24, 2015, Capgemini SE performed a “triple tranche” bond issue for a total nominal amount of €2,750 million and with a settlement/delivery date of July 1, 2015:

— 2015 bond issue (July 2018):

The nominal amount of this tranche is €500 million, comprising 5,000 bonds with a unit value of €100,000 each. The bonds mature on July 2, 2018 and pay a floating coupon of 3 month Euribor +85 bp, revised quarterly (issue price 100%). The bond issue was redeemed by the Group at maturity on July 2, 2018.

— 2015 bond issue (July 2020):

The nominal amount of this tranche is €1,250 million, comprising 12,500 bonds with a unit value of €100,000 each. The bonds mature on July 1, 2020 and pay an annual coupon of 1.75% (issue price 99.853%). The Group performed a partial bond swap in April 2018 (see below “April 2018 Bond issues”).

— 2015 bond issue (July 2023):

The nominal amount of this tranche is €1,000 million, comprising 10,000 bonds with a unit value of €100,000 each. The bonds mature on July 1, 2023 and pay an annual coupon of 2.50% (issue price 99.857%).

The July 2020 and July 2023 tranches are callable by Capgemini SE, subject to certain conditions set out in the issue prospectus and particularly concerning the minimum redemption price.

These three bond issues are also subject to standard early redemption, early repayment and *pari passu* clauses.

The terms and conditions of these three tranches were set out in the prospectus approved by the AMF on June 29, 2015 under reference number n° 15318.

b) 2016 bond issue

On November 3, 2016, Capgemini SE placed a €500 million bond issue comprising 5,000 bonds with a unit value of €100,000 each and with a settlement/delivery date of November 9, 2016.

The bonds mature on November 9, 2021 and pay an annual coupon of 0.50% (issue price 99.769%). The bond issue is callable before this date by Capgemini SE, subject to certain conditions set out in the issue prospectus and particularly concerning the minimum redemption price.

The bond issue is also subject to standard early redemption, early repayment and *pari passu* clauses.

The terms and conditions of this issue were set out in the prospectus approved by the AMF on November 7, 2016 under reference number no. 16-518.

c) April 2018 bond issues

On April 3, 2018, Capgemini SE performed a dual tranche bond issue for a total amount of €1,100 million, with a settlement/delivery date of April 18, 2018.

— 2024 bond issue:

The nominal amount of this tranche is €600 million, comprising 6,000 bonds with a unit value of €100,000 each. The bonds mature on October 18, 2024 and pay an annual coupon of 1.00% (issue price 99.377%). This tranche was fully subscribed by a bank in a debt swap transaction. In exchange for the new securities issued, the bank presented 2015 bonds (July 2020) with a nominal value of €574.4 million acquired directly on the market through a Tender Offer.

— 2028 bond issue:

The nominal amount of this tranche is €500 million, comprising 5,000 bonds with a unit value of €100,000 each. The bonds mature on April 18, 2028 and pay an annual coupon of 1.75% (issue price 99.755%).

These two bond issues are callable before their respective maturity dates by Capgemini SE, subject to certain conditions set out in the issue prospectus and particularly concerning the minimum redemption price.

These bond issues are also subject to standard early redemption, early repayment and *pari passu* clauses.

The terms and conditions of these tranches were set out in the prospectus approved by the AMF on April 10, 2018 under reference number no. 18-126.

12. Bank loans and borrowings

Bank loans and borrowings total €1,067,485 thousand and comprise (i) the balances on certain euro and foreign currency bank accounts used in connection with the Group's worldwide cash pooling arrangements in the amount of €1,027,453 thousand, offset in the amount of €1,004,488 thousand by opposite balances presented in cash and cash equivalents of the Company, (ii) accrued interest on bond issues of €26,243 thousand, (iii) liability derivatives of €5,453 thousand and (iv) bank overdrafts of €7,692 thousand.

Syndicated credit facility negotiated by Capgemini SE

On July 30, 2014, the Group signed with a syndicate of 18 banks a €750 million multi-currency credit facility, maturing on July 30, 2019, with two one-year extension options, exercisable (subject to the approval of the banks) at the end of the first and second years, respectively, extending the maturity of the new facility by a maximum of two additional years. Following the exercise of the second one-year extension option, the maturity of this credit facility was extended to July 27, 2021.

The initial margin on this credit facility was 0.45% (excluding the fee on drawn amounts which varies according to the portion of the facility drawn). This margin may be adjusted upwards or downwards according to the credit rating of Capgemini SE. The facility is also subject to a fee on undrawn amounts equal to 35% of the margin. The margin currently applicable is 0.35% and the fee on undrawn amounts is 0.1225%.

An upgrade or downgrade in Capgemini SE's credit rating would have no impact on the availability of this credit facility.

Capgemini SE has agreed to comply with the following financial ratios (as defined in IFRS) in respect of this credit facility:

- the consolidated net debt to consolidated equity ratio must be less than 1 at all times;

- the interest coverage ratio (the extent to which consolidated net finance costs are covered by consolidated operating margin) must be equal to or greater than 3 at December 31 and June 30 of each year (based on the 12 months then ended).

The credit facility agreement also includes covenants restricting Capgemini SE's ability to carry out certain transactions. These covenants also apply to Group subsidiaries. They include restrictions primarily relating to pledging assets as collateral, asset sales, mergers and similar transactions. Capgemini SE also committed to standard obligations, including an agreement to maintain *pari passu* status.

At December 31, 2019, this credit facility had not yet been drawn.

Bridge loan secured by Capgemini SE

On June 24, 2019, the Group secured a €5,400 million bridge loan as part of the planned acquisition of the Altran Group. The loan has an initial term of twelve months and two six-month extension options exercisable at Capgemini's initiative, which were not exercised at December 31, 2019.

The applicable margin increases every three months and may be adjusted upwards according to Capgemini SE's credit rating. Amounts not drawn are also subject to a fee on undrawn amounts.

An upgrade or downgrade in Capgemini SE's credit rating would have no impact on the availability of this credit facility.

At December 31, 2019, this line was not drawn and the bridge loan was available in the amount of €4,400 million, following the repayment and cancellation of €400 million drawn on the acquisition of the 11.43% stake in Altran and the cancellation of €600 million of the amount available.

Capgemini SE has agreed to comply with the following financial ratios (as defined in IFRS) in respect of this credit facility:

- the consolidated net debt to consolidated equity ratio must be less than or equal to 1 at all times;
- the interest coverage ratio (the extent to which consolidated net finance costs are covered by consolidated operating margin) must be equal to or greater than 3 at December 31 and June 30 of each year (based on the 12 months then ended).

At December 31, 2019 the Group complied with these financial ratios.

This credit facility agreement also includes covenants restricting Capgemini SE's ability to carry out certain transactions. These covenants also apply to Group subsidiaries. They include restrictions primarily relating to pledging assets as collateral, asset sales, mergers and similar transactions. Capgemini SE also committed to obligations that are standard for this type of acquisition financing, including an agreement to maintain *pari passu* status.

13. Maturity of payables at the year end

<i>(in thousands of euros)</i>	Gross	One year or less	More than one year
Bond issues			
– 2015-2020 Bond issue	675,600	675,600	-
– 2015-2023 Bond issue	1,000,000	-	1,000,000
– 2016-2021 Bond issue	500,000	-	500,000
– 2018-2024 Bond issue	600,000	-	600,000
– 2018-2028 Bond issue	500,000	-	500,000
Sub-total	3,275,600	675,600	2,600,000
Bank loans and borrowings			
– Bank overdrafts	7,692	7,692	-
– Bank overdrafts (Group cash pooling arrangement)	1,027,759	1,027,759	-
– Accrued interest and commission payable	26,409	26,409	-
– Cash instruments	5,453	5,453	-
– Accrued interest on bank borrowings	172	172	-
Sub-total	1,067,485	1,067,485	-
Group loans and borrowings			
– Loans	348,655	332,455	16,200
– Group investments	424,643	424,643	-
– Other payables ⁽¹⁾	1,152,763	1,061,289	91,474
Sub-total	1,926,062	1,818,388	107,674
Accounts and notes payable	17,042	5,307	11,734
Tax and social security liabilities	2,449	2,449	-
Other liabilities	1,118	1,118	-
TOTAL	6,289,755	3,570,347	2,719,409

(1) Other Group payables mainly consist of subsidiary current account balances under the Group's worldwide cash pooling arrangement of €1,027,453 thousand and subsidiary current accounts for tax consolidation purposes of €115,790 thousand.

14. Accrued income and charges

Accrued charges reported in the balance sheet break down as follows:

<i>(in thousands of euros)</i>	Amount
Borrowings	
– Accrued interest payable	26,584
Other liabilities	
– Accounts and notes payable	3,616
– Tax and social security liabilities	1,112
TOTAL	31,312

Accrued interest payable mainly comprises interest on bond issues of €26,243 thousand.

Accrued income reported in the balance sheet breaks down as follows:

<i>(in thousands of euros)</i>	Amount
Receivable from controlled entities	
– Accrued interest receivable	556
Cash and cash equivalents	
– Accrued interest receivable	-
TOTAL	556

15. Unrealized foreign exchange gains and losses on foreign currency receivables and payables and on cash instruments

<i>(in thousands of euros)</i>	Reported in assets	Reported in liabilities	Provision for foreign exchange losses
On cash instruments	5,453	224,732	5,453
On other receivables/payables	1,133	55	1,133
TOTAL	6,587	224,787	6,587

The application of ANC Regulation no. 2015-05 on forward financial instruments and hedging transactions resulted in the recognition at December 31, 2019 of the value of asset and liability derivative instruments and unrealized foreign exchange differences on the corresponding cash instruments. Asset derivatives and the

corresponding unrealized foreign exchange liabilities total €224,732 thousand and liability derivatives and the corresponding unrealized foreign exchange assets total €5,453 thousand. Derivatives assets and liabilities are recorded in the balance sheet in cash and cash equivalents.

16. Net financial expense

<i>(in thousands of euros)</i>	Amount
Provisions for financial items	
Charge	(39,048)
Reversal	81,851
Sub-total	42,803
Dividends received	183,676
Sub-total	183,676
Other financial income and expense	
Net income from short-term investments	863
Other investment income (capitalization contracts)	1,515
Revenue from loans, current accounts and Group cash pooling arrangements	21,291
Net foreign exchange gains (losses)	55,606
Interest on borrowings, current accounts and Group cash pooling arrangements	(5,434)
Interest on bond issues	(55,379)
Net expenses on investment funds (FCP & SICAV)	(876)
Other	53
Sub-total	17,638
NET FINANCIAL EXPENSE	244,117

Provision charges and reversals mainly consist of charges to and reversals of provisions for equity interests in European subsidiaries.

The Company received dividends of €183,676 thousand in 2019.

17. Net non-recurring income (expense)

<i>(in thousands of euros)</i>	Amount
Net proceeds on disposals of treasury shares under the liquidity agreement	2,554
Sub-total	2,554
Accelerated depreciation	(378)
Net expense on disposals of treasury shares under the liquidity agreement	-
Net carrying amount of asset items sold	(2,000)
Other	(345)
Sub-total	(2,723)
NET NON-RECURRING INCOME (EXPENSE)	(169)

18. Income tax expense

In France, Capgemini SE is the parent company of a French tax consolidation group comprising 18 companies. In 2019, Capgemini SE recognized a total tax expense of €28,886 thousand, including notably an expense of €34,743 thousand in respect of the tax consolidation.

In the absence of tax consolidation, Capgemini SE would have recognized a theoretical income tax expense of €61,973 thousand. Tax losses carried forward by Capgemini SE totaled €211,784 thousand at December 31, 2019.

Breakdown of the income tax expense

<i>(in thousands of euros)</i>	2019	
	Net profit before tax	Income tax expense
– Recurring profit before tax	519,286	(179,944)
– Net non-recurring income (expense)	(169)	58
– Accounting profit for the year before tax	519,117	(179,885)
– Tax differences	(160,430)	55,593
– Tax credits		
Research tax credit		198
– Tax rebates and repayments		8,536
– Impact of tax audits		(464)
– Offset of tax losses carried forward	(179,843)	62,320
– Tax consolidation of subsidiaries	0	24,817
INCOME TAX EXPENSE		(28,886)

Impact of tax-driven valuations

<i>(in thousands of euros)</i>	Amount
Profit for the year	490 231
Income tax expense (net)	28 886
Profit for the year before tax	519 117
Change in tax-driven provisions:	
– Accelerated depreciation	-378
PROFIT EXCLUDING TAX-DRIVEN VALUATIONS (BEFORE TAX)	518 739

Change in deferred tax liabilities

<i>(in thousands of euros)</i>	Prior year amount	Current year amount
Deferred tax on temporary differences		
Non-deductible provisions		
– Organic sales tax	76	82
Provisions for contingencies and losses		
– Provision for foreign exchange losses	3,523	6,587
Unrealized foreign exchange gains	188,134	224,787
Unrealized foreign exchange losses	(3,519)	(6,587)
Remeasurement differences on receivables and payables and fair value measurement of derivatives	(1,331)	5,853
TOTAL	186,883	230,721
Tax rate for temporary differences	34.43%	32.02%
DEFERRED TAX	64,344	73,884
Deferred tax assets		
– Tax losses carried forward	391,627	211,784
Tax rate for temporary differences	34.43%	32.02%
DEFERRED TAX	134,837	67,820

III – Other information

19. Off-balance sheet commitments

a) Commitments given in favor of subsidiaries

Guarantees, deposits and comfort letters granted by Capgemini SE to its subsidiaries at December 31, 2019 break down as follows:

<i>(in thousands of euros)</i>	Amount
– Financial items	75,649
– Operating items	1,247,245
– Other guarantees	14,689
TOTAL	1,337,583

Guarantees, deposits and comfort letters granted to subsidiaries in respect of financial items provide them with access to local cash facilities in the form of credit lines. Total draw-downs on these credit lines at December 31, 2019 amounted to €3,561 thousand.

b) Other commitments

The Group has provided performance and/or financial guarantees for a number of major contracts. The clients concerned represented approximately 9% of Group revenue in 2019.

Capgemini SE, together with all of its subsidiaries and any entities which it directly or indirectly owns more than 50%, are insured for the financial implications of any civil or professional liability claims that may be filed against them as a result of their activities. The insurance is part of a worldwide program comprising a number of policies taken out with leading insurance companies. The terms and conditions of this insurance program (including maximum coverage) are regularly reviewed and adjusted to reflect changes in revenues, business activities and risk profiles.

c) Financial instruments

Currency hedges/Derivative instruments

At December 31, 2019, the values of external currency derivative instruments negotiated in respect of foreign currency denominated internal financing arrangements (loans granted by the Company to its subsidiaries) primarily break down as follows:

- euro/US dollar currency swaps with a positive value of €2,479 thousand for a nominal amount of US\$261 million (€232 million);
- a euro/Japanese yen currency swap with a positive value of €185 thousand for a nominal amount of JPY601 million (€5 million);
- a euro/Singapore dollar currency swap with a positive value of €39 thousand for a nominal amount of SGD21 million (€14 million);
- a euro/Mexican peso currency swap with a negative value of €413 thousand for a nominal amount of MXN166 million (€8 million).

At December 31, 2019, external currency derivatives hedging brand royalties invoiced to subsidiaries had a positive value of €55 thousand and mainly concerned the US dollar, Indian rupee, Norwegian krone and Australian dollar.

20. Related companies

<i>(in thousands of euros)</i>	Total	Related companies
Balance sheet items		
– Equity interests	18,685,206	18,685,206
– Receivable from controlled entities	320,945	320,945
– Payable to controlled entities	773,299	773,299
– Related and associated companies		
Receivable	106,998	106,998
Payable	1,152,763	1,152,763
Income Statement items		
– Investment income	183,676	183,676
– Income on Group loans	17,620	17,620
– Other interest and similar income	6,145	1,586
– Interest and similar expenses	60,857	3,238

21. Consolidating company

Capgemini SE is the consolidating company for the Capgemini group.

22. Subsequent events

At the Combined Shareholders' Meeting, the Board of Directors will recommend a dividend payment of €1.90 per share in respect of 2019.

24. Audit fees

(in thousands of euros)

	KPMG	PwC
Statutory audit of the consolidated and separate financial statements	409	563
Non-audit services ⁽¹⁾	0	109
TOTAL	409	672

(1) These services mainly concern due diligences relating to projects of acquisitions.

23. Remuneration of members of the Board of Directors

In 2019, total compensation paid to directors in respect of their duties totaled €906,000 (or €662,026 after deduction of 12.8% withholding tax for beneficiaries not tax-resident in France and the single 30% flat-rate deduction for beneficiaries tax-resident in France).

5.4.4 Subsidiaries and investments

<i>(in thousands of euros)</i>	Capital	Other share- holders' equity (including net income for the year)	% interest	Number of shares owned	Book value of shares		Loans & advances granted	Guaran- tees given	2019 Revenue	Divi- dends
					Gross	Net				
Subsidiaries										
Capgemini North America Inc	1	2,327	100.00%	982,000	9,132	9,132	225	-	0	-
CGS HOLDINGS Ltd	624	1	100.00%	558,777,061	721	721	-	-	-	-
Gemini Consulting Holding Ltd	0	9	100.00%	1,083	23	23	-	-	-	-
Capgemini Oldco Ltd	12	26	100.00%	1,033,938,857	801	801	-	-	-	-
Capgemini AB (Sweden)	224	(6)	100.00%	25,861	387	387	-	8	13	14
Capgemini NV (Benelux)	2	191	100.00%	21,582,376	1,467	1,467	-	-	-	60
Capgemini Business Services BV	19	(13)	100.00%	42,227	41	10	-	-	-	-
Capgemini Deutschland Holding GmbH	129	91	95.59%	-	629	629	31	-	38	-
Capgemini Consulting Österreich AG	0	12	100.00%	64,999	60	60	-	-	25	1
Capgemini Suisse AG	0	8	100.00%	500	92	92	2	76	97	-
Capgemini Polska Sp Z.o.o (Poland)	4	43	100.00%	129,160	25	25	-	-	310	19
Capgemini Magyarorszag Kft	0	0	100.00%	1	2	2	1	-	6	-
capgemini Czech Republic s r o	1	(1)	98.77%	21,255	8	8	2	-	6	-
Capgemini France S.A.S.	89	777	100.00%	5,713,954	1,324	1,324	-	-	-	25
Capgemini Technology Services Maroc S.A.	3	129	99.99%	329,996	3	3	-	-	57	4
Sogeti S.A.S.	261	1,186	100.00%	52,106,876	754	754	-	-	-	50
Capgemini Italia S.p.A.	18	46	100.00%	3,575,000	543	543	10	17	350	-
Capgemini España S.L. (Sociedad Unipersonal)	43	1	85.73%	371,784	340	340	-	5	296	-
Capgemini Portugal, Serviços de Consultoria e Informatica, SA	8	4	100.00%	1,698,842	44	34	-	-	38	3
Capgemini Business Services Guatemala S.A.	1	14	99.80%	12,900,034	1	1	-	-	29	5
Capgemini Argentina S.A.	1	1	0.15%	126,369	0	0	-	-	8	-
Capgemini Asia Pacific Pte. Ltd.	192	(17)	100.00%	278,083,711	309	309	-	10	1	-
Capgemini Australia Pty Ltd	128	(84)	100.00%	1,575,512	182	182	-	-	263	-
Capgemini Technology Services India Limited	0	1,659	35.09%	20,750,621	564	564	-	-	1,793	-
Capgemini Service S.A.S	8	14	100.00%	8,000,000	164	22	-	-	-	-
S.C.I. Paris Étoile	0	6	99.99%	9,999	48	31	-	-	2	2
Immobilière les Fontaines S.A.R.L	3	11	99.90%	1,004,628	52	52	-	-	4	-
Capgemini Gouvieux S.A.S.	3	(1)	100.00%	210,000	3	3	-	-	19	-
Capgemini Latin America S.A.S	90	(15)	100.00%	8,998,345	522	76	-	-	-	-
Capgemini Reinsurance International S.A.	20	20	100.00%	10,000	5	5	-	-	8	-
Other French compagnies	nm	nm	nm	nm	0	0	3	nm	nm	nm
Other foreign compagnies	nm	nm	nm	nm	0	0	46	nm	nm	nm

Investments

As of December 31, 2019, other investments held by Capgemini SE correspond to Altran & Azqore (€436m).

nm : non material.

5.4.5 Statutory auditors' report on the Company financial statements

This is a translation into English of the Statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This Statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended December 31, 2019

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Capgemini SE for the year ended December 31, 2019.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2019 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory auditors' Responsibilities for the Audit of the Financial Statements Section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No 537/2014 or in the French Code of Ethics (*Code de déontologie*) for Statutory auditors.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matter relating to risks of material misstatement that, in our professional judgment, was of most significance in our audit of the financial statements of the current period, as well as how we addressed this risk.

This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Measurement of investments in subsidiaries in Capgemini SE

Risks identified

At December 31, 2019, equity investments reported in the balance sheet amount to €18,038 million. Equity investments are recognized at their acquisition-date cost and may be written down based on their value in use.

As stated in the Note "Accounting policies – Financial Assets" to the financial statements, an impairment is recognized if the value in use of an equity investment is lower than its carrying amount. The value in use of equity investments is estimated by Management, either using discounted future cash flows adjusted for net cash/debt and deferred taxes, or using the proportionate share of consolidated net equity, or in some rare cases, based on the market value of comparable transactions.

The measurement of the value in use requires judgment by Management in terms of the inputs chosen, which may correspond to historical or forward-looking information.

Management ensures at year end that the carrying amount of equity investments is not higher than their value in use. An adverse change in the activities related to these investments, due to internal or external factors related to the financial and economic environment in the markets where Capgemini operates, may significantly affect the value in use of the equity investments and require the recognition of an impairment. Such change would require reassessing the relevance of the assumptions used to determine value in use and the reasonableness and consistency of the calculation criteria.

We believe that measurement of the value of equity investments is a key audit matter given the significant amount of equity investments reported in the financial statements and their sensitivity to assumptions made by Management.

Our audit approach

Our work included:

- gaining an understanding of and assessing the impairment testing process implemented by Management;
- when the value in use of equity investments is assessed using the discounted cash flow method:
 - assessing that the model used to calculate value in use is appropriate,
 - analyzing the consistency of cash flow forecasts with the latest estimates by Management presented to the Board of Directors during the budget process,
 - comparing cash flow forecasts for financial years 2020 to 2022 with the business plans used for prior year impairment testing,
 - comparing the 2019 earnings forecasts used for prior year impairment testing with actual results,
 - interviewing financial and operational managers to analyze the main assumptions used in the business plans and cross-check the assumptions with the explanations obtained,
 - assessing the methods used to calculate the discount rate applied to estimated future cash flows and the long-term growth rate used to project cash flows for the last estimated financial year to infinity; comparing these rates with market data or external sources and recalculating the rates based on our own data sources,
 - comparing net cash/debt with underlying data used to prepare the Company's consolidated financial statements;
- when the value in use of equity investments is measured based on the proportionate share of consolidated net equity or based on the market value of comparable transactions:
 - assessing the appropriateness of the valuation method used,
 - assessing the documentation used to measure value in use;
 - assessing the appropriateness of the financial information provided in the notes to the annual financial statements.

Our firms' valuation specialists were involved in this work.

Specific verification

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

Information provided in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest that the information relating to payment terms referred to in article D. 441-4 of the French Commercial Code (*Code de commerce*) is fairly presented and consistent with the financial statements.

Report on Corporate Governance

We confirm the existence in the Board of Directors' report on Corporate Governance of the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code (*Code de commerce*).

Concerning the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code (*Code de commerce*) relating to remunerations and benefits received by the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled companies included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory auditors

We were appointed as Statutory auditors of Capgemini SE by the Annual General Meeting held on April 25, 2002 for KPMG audit and on May 24, 1996 for PricewaterhouseCoopers audit.

As at December 31, 2019, KPMG audit and PricewaterhouseCoopers audit were in the 18th year and 24th year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit.

Furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, March 16, 2020

The Statutory auditors

PricewaterhouseCoopers Audit

Richard Béjot
Partner

KPMG Audit Division of KPMG S.A.

Frédéric Quélin
Partner

Stéphanie Ortega
Partner

5.4.6 Statutory auditors' special report on related party agreements

This is a free translation into English of the Statutory auditors' special report on related party agreements and commitments issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Shareholders' Meeting held to approve the financial statements for the year ended December 31, 2019

In our capacity as Statutory auditors of Capgemini SE, we hereby report to you on related party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of, as well as the reasons provided for, the agreements that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments. Under the provisions of article R. 225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R. 225-31 of the French Commercial Code in relation to the performance during the year of agreements already approved by the Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French Institute of Statutory auditors (*Compagnie nationale des commissaires aux comptes* or CNCC) relating to this engagement. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

Agreements submitted for the approval of the Shareholders' Meeting

Agreements authorized and entered into during the year

In accordance with Article L. 225-40 of the French Commercial Code, we were informed of the following agreements entered into during the year and previously authorized by the Board of Directors.

— Facility Agreement to finance the acquisition of Altran Technologies

Persons concerned: Mrs. Laurence Dors, Director of Crédit Agricole SA, Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA and Mr. Frédéric Oudéa, Chief Executive Officer of Société Générale.

During its meeting of June 24, 2019, the Board of Directors unanimously authorized the signature by the Company of a financing agreement in the form of a bridge loan (the "Facility Agreement"), to which several banks, including Crédit Agricole SA and Société Générale and their respective affiliates, could be invited to participate during the sub-underwriting phase.

Mrs. Laurence Dors, Director of Crédit Agricole SA, Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA and Mr. Frédéric Oudéa, Chief Executive Officer of Société Générale, did not participate in discussions or the vote by the Board of Directors due to their duties in these institutions.

Pursuant to this authorization, a bridge loan of €5,400 million was signed on June 24, 2019 by the Company as lender and BNP Paribas as original lender, *mandated lead arranger and bookrunner*. On July 15, 2019, several banking institutions, including Crédit Agricole Corporate and Investment Bank and Société Générale, became parties to the bridge loan as new lenders and new mandated lead arrangers and bookrunners, with a commitment of €675 million each, corresponding for each of them to 12.5% of the total amount following the sub-underwriting phase. These commitment amounts were reduced to €419 million for each of these two banks following the syndication phase.

This bridge loan of an initial term of one year, with two successive six-month extension options exercisable at the initiative of Capgemini, contains standard stipulations for this type of financing.

Commission and interest payable to Crédit Agricole Corporate and Investment Bank and Société Générale in respect of this bridge loan are identical to amounts payable to the other banking institutions participating in the bridge loan in the same capacity and are consistent with market practice for this type of financing.

Your Board of Directors noted that the above two banking institutions regularly participate in major financing operations in and outside France. It observed that (i) the agreement is an essential component of the transaction relating to the acquisition of Altran Technologies and (ii) the terms and conditions, including the financial conditions are consistent with market practice.

In 2019, you Company paid the following amounts in respect of this agreement:

- to Crédit Agricole Corporate and Investment Bank: commission of €776,250 and interest of €131,697;
- to Société Générale: commission of €776,250 and interest of €131,697.

— Engagement Letter and Instruction Letter in connection with the proposed acquisition of Altran Technologies through a public tender offer for cash (the "Offer")

Persons concerned: Mrs. Laurence Dors, Director of Crédit Agricole SA and Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA.

During its meeting of September 2, 2019, the Board of Directors unanimously authorized the signature by the Company of:

- an engagement letter appointing Crédit Agricole Corporate and Investment Bank to act as presenting bank and financial counsel of the Company in the context of the Offer (the "Engagement Letter"); and
- an instruction letter under which Crédit Agricole Corporate and Investment Bank will be formally instructed to present the Offer and proceed with its filing with the French Financial Markets Authority (*Autorité des marchés financiers*, AMF), together with the other presenting banks and the guarantor (the "Instruction Letter").

Mrs. Laurence Dors, Director of Crédit Agricole SA and Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA, did not participate in discussions or the vote by the Board of Directors due to their duties in Crédit Agricole SA and their office of Director in the Company.

Pursuant to this authorization, the Engagement Letter and the Instruction Letter were signed on September 22, 2019.

Commission payable to CACIB in respect of the Engagement Letter and the Instruction Letter is consistent with market practice and depends on the respective roles of the financial institutions involved.

Your Board of Directors noted that (i) the Instruction Letter and, accordingly, the Engagement Letter are key components of the Offer, as the filing of the Offer by one or more presenting institutions is a requirement of applicable regulations and (ii) the terms and conditions of the Engagement Letter and the Instruction Letter are aligned with market standards and, consequently, are in the Company's interest.

No commission was paid to Crédit Agricole Corporate and Investment Bank in 2019 in respect of the Engagement Letter or the Instruction Letter.

Agreements authorized and entered into since the year end

We were informed of the following agreements entered into since the year end and previously authorized by the Board of Directors.

— Amendment to the Engagement Letter and the Instruction Letter entered into with, inter alia, Crédit Agricole Corporate and Investment Bank and signed on September 22, 2019 for the purpose of filing the Offer

Persons concerned: Mrs. Laurence Dors, Director of Crédit Agricole SA and Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA.

In conjunction with the increase in the Offer price and the various commitments given by the Company to the French Financial Markets Authority (*Autorité des marchés financiers*, AMF), the Board of Directors' meeting of January 14, 2020 unanimously authorized the signature of an amendment to the Engagement and Instruction Letters.

Mrs. Laurence Dors, Director of Crédit Agricole SA and Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA, did not participate in discussions or the vote by the Board of Directors due to their duties in Crédit Agricole SA and their office of Director in the Company.

Pursuant to this authorization, the amendment to the Engagement Letter and the Instruction Letter was signed on January 14, 2020.

Your Board of Directors noted that (i) the amendment to the Engagement Letter and Instruction Letter is a key component of the Offer, particularly with regard to the increase in the Offer price, and (ii) the terms and conditions of the amendment are the same as those of the initial instruction and engagement letters from a commercial standpoint and are aligned with market standards. This amendment therefore has no impact on the financial conditions of the initial agreements and is consequently in the Company's interest.

No commission was paid to Crédit Agricole Corporate and Investment Bank in respect of the Engagement Letter, the Instruction Letter or the amendment.

— Amendment and side letter to the Facility Agreement signed on June 24, 2019

Persons concerned: Mrs. Laurence Dors, Director of Crédit Agricole SA, Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA and Mr. Frédéric Oudéa, Chief Executive Officer of Société Générale.

During its meeting of January 14, 2020, the Board of Directors authorized the signature of an amendment and side letter to the Facility Agreement to take account of the commitments given by the Company to the French Financial Markets Authority (*Autorité des marchés financiers*, AMF) if the Offer is successful.

Mrs. Laurence Dors, Director of Crédit Agricole SA, Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA and Mr. Frédéric Oudéa, Chief Executive Officer of Société Générale, did not participate in discussions or the vote by the Board of Directors due to their duties in these institutions.

Pursuant to this authorization, the amendment and side letter to the Facility Agreement were signed on January 17, 2020.

Your Board of Directors noted that the terms and conditions of the amendment and side letter to the Facility Agreement are the same as those of the initial Facility Agreement from a commercial standpoint, without additional financial consideration, and are therefore in the Company's interest.

— Adjustment to the Facility Agreement signed on June 24, 2019

Persons concerned: Mrs. Laurence Dors, Director of Crédit Agricole SA, Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA and Mr. Frédéric Oudéa, Chief Executive Officer of Société Générale.

During its meeting of January 14, 2020, the Board of Directors authorized amendments to the Facility Agreement relating to the increase in the Offer price.

Mrs. Laurence Dors, Director of Crédit Agricole SA, Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA and Mr. Frédéric Oudéa, Chief Executive Officer of Société Générale, did not participate in discussions or the vote by the Board of Directors due to their duties in these institutions.

The agent under the Facility Agreement confirmed the consent of the lenders on January 22, 2020.

Your Board of Directors noted that the terms and conditions of the Facility Agreement remain the same as those of the initial Facility Agreement from a commercial standpoint, without additional financial consideration, and are therefore in the Company's interest.

Agreements and commitments already approved by the Shareholders' Meeting

We inform you that we have not been advised of any agreement previously approved by Shareholders' Meeting that remained in force during the year.

Neuilly-sur-Seine and Paris-La Défense, March 16, 2020

The Statutory auditors

PricewaterhouseCoopers Audit

Richard Béjot
Partner

KPMG Audit *Division of KPMG S.A.*

Frédéric Quélin
Partner

Stéphanie Ortega
Partner

5.5 Other Financial and accounting information

5.5.1 Five-year financial summary

<i>(in thousand of euros)</i>	2015	2016	2017	2018	2019
I – SHARE CAPITAL AT YEAR-END					
Share capital	1,377,452	1,372,514	1,347,870	1,338,350	1,354,764
Number of common shares outstanding	172,181,500	171,564,265	168,483,742	167,293,730	169,345,499
Maximum number of future shares to be created:					
– through exercise of equity warrants	3,980,902	4,809,100	4,940,995	5,108,408	5,247,003
– through conversion fo convertible bonds	5,958,587	-	-	-	-
II – OPERATIONS AND RESULTS OF THE CURRENT YEAR					
Operating revenue	311,679	303,956	392,816	379,748	446,652
Operating revenue and financial revenue	2,165,823	1,501,074	3,246,731	1,008,533	978,297
Income before taxes, amortization and provisions	224,791	236,553	395,244	444,302	488,228
Income tax	29,532	8,434	13,021	20,347	28,886
Net income/(losses)	1,156,947	950,196	2,718,722	503,818	490,231
Distributed income	228,749	261,683	284,363	281,199	321,756 ⁽¹⁾
III – EARNINGS PER SHARE <i>(in euros)</i>					
Earnings after taxes, but before amortization and provisions	1.13	1.33	2.27	2.53	2.71
Net earnings	6.72	5.54	16.14	3.01	2.89
Dividend per share	1.35	1.55	1.70	1.70	1.90 ⁽¹⁾
IV – EMPLOYEE DATA					
Average number of employee during the year					
Total payroll					
Total benefits					

Capgemini SE does not have any employees

(1) Subject to approval by the Combined Shareholders' Meeting of May 20, 2020.

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6.

Capgemini and its shareholders

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6.1 Capgemini share capital

6.1.1 Share capital (amount, table of movements and delegations of authority)

Share capital amount

At December 31, 2019, the Company's share capital amounted to €1,354,763,992 divided into 169,345,499 fully paid-up ordinary shares with a par value of €8 each.

Shares may be held in either registered or bearer form, at the shareholder's discretion.

Changes in the Company's share capital over the past five years

	Number of shares	Share capital (in euros)	Additional paid-in capital (in euros)
AT DECEMBER 31, 2015	172,181,500	1,377,452,000	6,340,386,914
Share capital reduction:			
– Cancellation of treasury shares	(617,235)	(4,937,880)	(45,191,920)
AT DECEMBER 31, 2016	171,564,265	1,372,514,120	6,295,194,994
Share capital increase:			
– Shares issued reserved for employees	3,600,000	28,800,000	293,004,000
– Issue costs for shares, net of taxes	-	-	(933,063)
Share capital reduction:			
– Cancellation of treasury shares	(6,680,523)	(53,444,184)	(576,228,867)
AT DECEMBER 31, 2017	168,483,742	1,347,869,936	6,011,037,063
Share capital increase:			
– Shares issued reserved for employees	2,500,000	20,000,000	210,700,000
– Issue costs for shares, net of taxes	-	-	(822,277)
– Shares issued after the vesting of free shares	333,291	2,666,328	(2,666,328)
Share capital reduction:			
– Cancellation of treasury shares	(4,023,303)	(32,186,424)	(397,124,640)
AT DECEMBER 31, 2018	167,293,730	1,338,349,840	5,821,123,818
Share capital reduction:			
– Cancellation of treasury shares	(698,231)	(5,585,848)	(60,143,012)
Share capital increase:			
– Shares issued reserved for employees	2,750,000	22,000,000	231,742,500
– Issue costs for shares, net of taxes	-	-	(896,150)
AT DECEMBER 31, 2019	169,345,499	1,354,763,992	5,991,827,156

6.1.2 Financial authorizations

Authorizations granted by the Shareholders' Meeting to the Board of Directors to increase share capital

The following table summarizes (pursuant to Article L. 225-37-4 3° of the French Commercial Code) authorizations still in effect and those that have expired since the last Shareholders' Meeting.

Purpose of the authorization	Maximum amount ⁽¹⁾⁽²⁾ (in euros)	Authorization date and resolution number	Expiry date	Used during 2019
a) Purchase by the Company of its own shares under a share buyback program ⁽³⁾	10% of share capital	5/23/2019 (12 th)	11/23/2020	1,598,231 shares were purchased under the share buyback program (excluding the liquidity contract) at an average price of €93.85 As part of the liquidity contract: a) 1,131,001 shares purchased at an average price of €104.99 b) 1,286,550 shares sold at an average price of €105.03 c) At 12/31/2019, the liquidity account balance comprises 61,809 shares and approximately €19 million in cash.
b) Cancellation of treasury shares	10% of share capital per 12-month period	5/23/2018 (15 th)	7/23/2020	698,231 shares with a value of €65,531,609.64 were canceled by decision of the Board of Directors on 12/4/2019
c) Share capital increase by capitalizing additional paid-in capital, reserves, profit or other eligible amounts	€1.5 billion (par value)	5/23/2018 (16 th)	7/23/2020	This authorization was not used in 2019
d) Share capital increase by issuing shares and/or securities granting access to the share capital, or granting a right to allocation of debt instruments, with retention of PSR (pre-emptive subscription rights)	€540 million (par value) €9.3 billion (issue amount)	5/23/2018 (17 th)	7/23/2020	This authorization was not used in 2019
e) Share capital increase by issuing shares and/or securities granting access to the share capital, or granting a right to allocation of debt instruments, with cancellation of PSR, by public offering	€134 million (par value) €3.1 billion (issue amount)	5/23/2018 (18 th)	7/23/2020	This authorization was not used in 2019
f) Share capital increase by issuing shares and/or securities granting access to the share capital, or granting a right to allocation of debt instruments, with cancellation of PSR, by private placement	€134 million (par value) €3.1 billion (issue amount)	5/23/2018 (19 th)	7/23/2020	This authorization was not used in 2019
g) Setting the issue price of shares in the context of a share capital increase with cancellation of PSR	€134 million (par value) €3.1 billion (issue amount) 10% of share capital per 12-month period	5/23/2018 (20 th)	7/23/2020	This authorization was not used in 2019
h) Increase of the number of shares to be issued in case of a capital increase in the context of resolutions (d) to (f) (<i>Greenshoe</i>) with and without PSR	Within the limit of the ceiling applicable to the initial increase	5/23/2018 (21 st)	7/23/2020	This authorization was not used in 2019

Purpose of the authorization	Maximum amount ⁽¹⁾ ⁽²⁾ (in euros)	Authorization date and resolution number	Expiry date	Used during 2019
i) Share capital increase by issuing ordinary shares and/or securities granting access to the share capital in consideration for contributions in kind	€134 million (par value) €3.1 billion (issue amount) 10% of share capital	5/23/2018 (22 nd)	7/23/2020	This authorization was not used in 2019
j) Grant of performance shares	1% of share capital	5/23/2019 (14 th)	11/23/2020	1,523,015 performance shares (€12,184,120 million par value) were granted to 1,861 beneficiaries by decision of the Board of Directors on 10/2/2019
k) Share capital increase by issuing shares and/or securities granting access to the share capital with cancellation of PSR , reserved for members of Group savings plans	€24 million (par value) ⁽²⁾	5/23/2019 (15 th)	11/23/2020	2,637,871 shares were issued pursuant to this 15 th resolution within the context of the 2019 employee savings plan, representing a par value amount of €21,102,968
l) Share capital increase by issuing shares and/or securities granting access to the share capital with cancellation of PSR , reserved for employees of certain non-French subsidiaries	€12 million (par value) ⁽²⁾	5/23/2019 (16 th)	11/23/2020	112,129 shares were issued pursuant to this 16 th resolution within the context of the 2019 employee savings plan, representing a par value amount of €897,032

(1) Recap of overall limits: a maximum par value amount of €540 million and a maximum issue amount of €9.3 billion for all issues with and without pre-emptive subscription rights; issues performed pursuant to j), k) and l) above are not included in these general limits.

(2) Total share capital increases decided pursuant to k) and l) are subject to a maximum par value amount of €24 million.

(3) Shares purchased in the course of 2019 but prior to the Ordinary Shareholders' Meeting of May 23, 2019 were acquired pursuant to the 14th resolution of the Shareholder's Meeting of May 23, 2018.

Use of authorizations during 2019

Pursuant to the authorization granted to the Board of Directors by the Ordinary Shareholders' Meeting of May 23, 2019 in the twelfth resolution, 1,598,231 shares have been purchased under the share buyback program (excluding the liquidity contract) at an average price of €93.85. Under the liquidity contract, 1,131,001 shares were purchased at an average price of €104.99 and 1,286,550 shares were sold at an average price of €105.03. At December 31, 2019, the liquidity account balance comprises 61,809 shares and approximately €19 million in cash.

In addition, pursuant to the powers conferred on it by the Extraordinary Shareholders' Meeting of May 23, 2018 in the fifteenth resolution, the Board of Directors, in its meeting of December 4, 2019, canceled 698,231 shares with a value of €65,531,609.64.

Pursuant to the authorization granted by the Extraordinary Shareholders' Meeting of May 23, 2019 in the fourteenth resolution, the Board of Directors decided, on October 2, 2019, to award 8,852 shares subject to a presence condition to two beneficiaries,

and 1,514,163 performance shares to 1,859 beneficiaries (employees and corporate officers of French and non-French subsidiaries and members of the Executive Committee including the Chairman and Chief Executive Officer and the Chief Operating Officers).

Finally, the Board of Directors, by decision on July 29, 2019, made use of the fifteenth and sixteenth resolutions adopted by the Extraordinary Shareholders' Meeting of May 23, 2019, to increase the share capital of the Company in favor of employees by issuing 2,750,000 new shares under the sixth employee savings plan. The share capital increase, representing a par value amount of €22,000,000, was completed on December 18, 2019.

Renewal of authorizations at the 2020 Shareholders' Meeting

The outstanding authorizations described above will all be submitted for renewal at the Shareholders' Meeting of May 20, 2020.

For further details, please refer to Chapter 7 of this Universal Registration Document.

6.1.3 Other share equivalents outstanding

There are no other securities granting access to the share capital outstanding at December 31, 2019.

6.1.4 Employee shareholders

Share subscription or purchase plans

Capgemini no longer grants stock options. The last stock option plan expired in June 2013.

Performance share grants

Performance share grant in 2019

The Extraordinary Shareholders' Meeting of May 23, 2019 authorized the Board of Directors in its twenty-fourth resolution to grant performance shares to employees and corporate officers of the Company and its French and non-French subsidiaries, during a period of 18 months commencing May 23, 2019. The number of shares granted (existing and to be issued) was not to exceed 1% of the share capital at the date of the Board of Directors' decision to grant such shares (this maximum number of shares being referred to hereafter by the letter "N"). Up to a maximum of 10% of "N", these performance shares could be granted to Executive Corporate Officers of the Company, it being specified that the portion of shares to be held by them until the end of their term of office is set by the Board of Directors. By exception, and for an amount not exceeding 15% of "N", shares could be granted to employees of the Company and its French and non-French subsidiaries, excluding members of the general management team (the "Executive Committee"), without performance conditions.

Pursuant to this authorization, the Board of Directors' meeting of October 2, 2019 decided the issue of 1,523,015 performance shares to 1,835 managers and employees of the Group, 23 members of the Executive Committee (excluding Executive Corporate Officers) and to Messrs. Paul Hermelin, Thierry Delaporte and Aiman Ezzat.

The external performance condition is based on the comparative performance of the Capgemini share against the average performance of a basket of comparable companies or indexes over a minimum of three years.

Since the performance share grant of 2012, the internal performance condition for all performance share plans is based on organic free cash flow generation over a three-year period, reflecting the Board of Directors' desire to prioritize long-term goals in the context of these grants.

A Corporate Social and Environmental Responsibility performance condition was added for the first time in 2018 and included again this year. It is founded on two indicators: a diversity indicator and an environmental performance indicator.

Furthermore, the Board of Directors wished to be able to take account of any outperformance in 2019, by defining targets that would allow 110% of the shares to vest relative to each performance condition for all beneficiaries other than Executive Corporate Officers, while capping at 100% of the Initial Allocation the total percentage of shares that ultimately vest once the overall performance conditions are determined.

Accordingly, the total number of shares that will vest to beneficiaries at the end of the vesting period will be equal to:

- a number of shares equal to 35% (for Executive Corporate Officers, the Group Executive Committee and key managers)

or 15% (for other beneficiaries) of the number indicated in the grant notification multiplied by the percentage achievement of the chosen external performance target: performance of the Capgemini share compared with the average performance measured over an identical three year period of a basket of securities and indexes containing (i) shares of eight listed companies operating in the same sector as the Group in a minimum of five countries in which the Group is firmly established (Accenture/Indra/Tieto/Atos/CGI Group/Sopra Steria/Infosys et Cognizant) and (ii) the Euro Stoxx Technology 600 index and the CAC 40 index. No shares will vest if the relative performance of the Capgemini share is less than 100% of the average performance of the basket; 50% of the Initial Allocation will vest if the performance of the Capgemini share is equal to the average performance of the basket; 100% of the Initial Allocation will vest if the performance of the Capgemini share is equal to 110% of the average performance of the basket and 110% of the target (excluding corporate officers) will vest if the performance is equal to 120% of the average performance of the basket;

- a number of shares equal to 50% (for Executive Corporate Officers, the Group Executive Committee and key managers) or 70% (for other beneficiaries) of the number indicated in the grant notification multiplied by the percentage achievement of the chosen internal performance target: published and audited organic free cash flow for the three years from 2019 to 2021 compared with a minimum objective of €3,100 million; 100% of the Initial Allocation will vest for organic free cash flow generation of €3,400 million and a maximum of 110% of the Initial Allocation will vest (excluding corporate officers) for organic free cash flow generation of €3,700 million;
- and finally, a number of shares equal to 15% of the number indicated in the grant notification multiplied by the percentage achievement of the corporate social and environmental responsibility performance target: (i) increase over a three-year period in the percentage of women in the Group's Vice-President inflow population, with a minimum objective of 22%, a target grant for an increase of 25% and a maximum grant of 110% of the target for an increase of 27% and (ii) a reduction in greenhouse gas emissions/employee of at least 21% by 2021 compared with 2015, with a target grant for a reduction of 23% and a maximum grant of 110% (excluding corporate officers) of the target for a reduction of 24% or more.

The vesting period was set by the Board of Directors at three years for beneficiaries tax-resident in France and four years for beneficiaries not tax-resident in France. In addition, a two years minimum holding period for vested shares following the vesting period was set for beneficiaries tax-resident in France. Furthermore, the Chairman and Chief Executive Officer is required to hold vested shares until the end of his term of office in the amount of 50% of shares vested, if the number of shares held by him, valued at the share price at the vesting date, is less than two years' theoretical salary. 33% of vested shares must be held if the valuation of shares held is between two years' theoretical salary and four years' theoretical salary and 5% of vested shares must be held if this valuation exceeds four years' theoretical salary.

The Chief Operating Officers are required to hold vested shares until the end of their terms of office as Chief Operating Officer in the amount of 50% of shares vested, if the number of shares held by them, valued at the share price at the vesting date, is less than one year's theoretical salary. 33% of vested shares must be held if the valuation of shares held is between one year's theoretical salary and two years' theoretical salary and 5% of vested shares must be held if this valuation exceeds two years' theoretical salary.

Out of a total of 1,523,015 shares, 8,852 shares (0.6%) were granted without performance conditions. No Group Executive Committee members benefited from this grant.

In accordance with the recommendations of the AFEP-MEDEF Code, performance share grants will be undertaken at the same calendar periods and will be decided by either the Board of Directors' meeting held at the end of July or at the following meeting generally held at the beginning of October.

Vesting of performance shares in 2019

On July 29, 2015, pursuant to the authorization granted by the Extraordinary Shareholders' Meeting of May 6, 2015, the Board of Directors granted 1,068,550 shares subject to performance and presence conditions.

The performance shares were granted subject to a vesting period of two years and seven months for beneficiaries tax-resident in France and four years for beneficiaries not tax-resident in France. The grant therefore vested to beneficiaries not tax-resident in France on August 1, 2019.

This grant was subject to internal and external performance conditions. These conditions were detailed in the resolution presented to and adopted by the Combined Shareholders' Meeting which authorized the Board of Directors to grant performance shares.

The internal performance condition concerned organic free cash flow generated over the three-year period, 2015, 2016 and 2017.

The external performance condition was assessed based on the performance of the Capgemini share compared with a basket of comparable companies in our business sector in at least five different countries, as follows: Accenture, Atos, CSC, CGI Group, Cognizant, Infosys, Sopra and Tieto and the CAC40 index. For this grant, no shares vest in respect of the external performance condition if the relative performance of the Capgemini share is less than 90% of the average performance of the basket over a two-year period, while 30% of shares vest if this performance is equal to that of the basket and 50% of shares vest if this performance is 110% or more of that of the basket.

The internal and external performance conditions for this plan were satisfied 100% and 96%, respectively. The relative performance of the Capgemini SE share compared with that of the basket of comparable companies over a three-year period was between 109 and 110%, leading to a grant rate of 96% for the external performance condition in accordance with the plan rules. 555,219 shares therefore vested to beneficiaries not tax-resident in France in August 2019.

Of the initial grant of 1,068,550 shares, the final percentage of shares vested was 82.5% (881,510 shares).

On July 26, 2016, pursuant to the authorization granted by the Extraordinary Shareholders' Meeting of May 18, 2016, the Board of Directors granted 1,663,500 shares subject to performance and presence conditions.

The performance shares were granted subject to a vesting period of three years for beneficiaries tax-resident in France and four years for beneficiaries not tax-resident in France. The grant therefore vested to beneficiaries tax-resident in France on August 1, 2019.

This grant was subject to internal and external performance conditions. These conditions were detailed in the resolution presented to and adopted by the Combined Shareholders' Meeting which authorized the Board of Directors to grant performance shares.

The internal performance condition concerned organic free cash flow generated over the three-year period, 2016, 2017 and 2018.

The external performance condition was assessed based on the performance of the Capgemini share compared with a basket of comparable companies in our business sector in at least five different countries, as follows: Accenture, Atos, CSC, CGI Group, Cognizant, Infosys, Sopra and Tieto and the CAC40 index. For this grant, no shares vest in respect of the external performance condition if the relative performance of the Capgemini share is less than 100% of the average performance of the basket over a three-year period, while 50% of shares vest if this performance is equal to that of the basket and 100% of shares vest if this performance is 110% or more of that of the basket.

The internal and external performance conditions for this plan were satisfied 100% and 80%, respectively. The relative performance of the Capgemini SE share compared with that of the basket of comparable companies over a three-year period was between 105 and 106%. 364,410 shares therefore vested to beneficiaries tax-resident in France (400 shares also vested early in 2019 to a beneficiary not tax-resident in France following a death). At December 31, 2019, there remained 863,775 shares that could potentially vest to beneficiaries not tax-resident in France if they satisfy the condition of presence at the end of July 2020.

International employee shareholding system

As part of the employee incentive policy and in order to align employee interests with those of shareholders and also stabilize the Company's share capital, the Group wishes to make the Company's share capital accessible to a large number of employees, in particular through employee share ownership plans. First put in place in 2009, it is envisaged that such employee share ownership operations may now be offered to Group employees on an annual basis, while ultimately aiming to maintain employee share ownership at around 5% to 7% of the Company's share capital.

The Combined Shareholders' Meetings of May 7, 2014 and May 10, 2017 authorized the Board of Directors to issue a maximum of 6 million shares by way of a share capital increase reserved for employees and corporate officers of the Company and its French and non-French subsidiaries who are members of the Capgemini group Company Savings Plan. The Combined Shareholders' Meeting of May 23, 2018 authorized the Board of Directors to issue a maximum of 3 million shares by way of a share capital increase reserved for employees and corporate officers of the Company and its French and non-French subsidiaries who are members of the Capgemini group Company Savings Plan.

The international employee shareholding transaction performed in 2014 was fully subscribed in the amount of 5 million shares, directly and indirectly *via* an Employee Savings Mutual Fund (FCPE), by Group employees from 20 countries.

The international employee shareholding transaction performed in 2017, and authorized by the Board of Directors, was fully subscribed in the amount of 3.6 million shares, directly and indirectly *via* an Employee Savings Mutual Fund (FCPE), by Group employees from 21 countries.

The international employee shareholding transaction performed in 2018, and authorized by the Board of Directors, was fully subscribed in the amount of 2.5 million shares, directly and indirectly *via* an Employee Savings Mutual Fund (FCPE), by Group employees from 24 countries.

The international employee shareholding transaction performed in 2019, and authorized by the Board of Directors, was fully subscribed in the amount of 2.75 million shares, directly and indirectly *via* an Employee Savings Mutual Fund (FCPE), by Group employees from 25 countries.

Overall and pursuant to the provisions of Article L. 225-102 of the French Commercial Code, the Board of Directors informs you that employees and corporate officers of the Company (and related companies) together held 5.4% of the Company's share capital at December 31, 2019.

6.1.5 Potential dilution resulting from access to the Company's share capital

At December 31, 2019, the potential dilution represented by performance and free share grants plans was 3.0%.

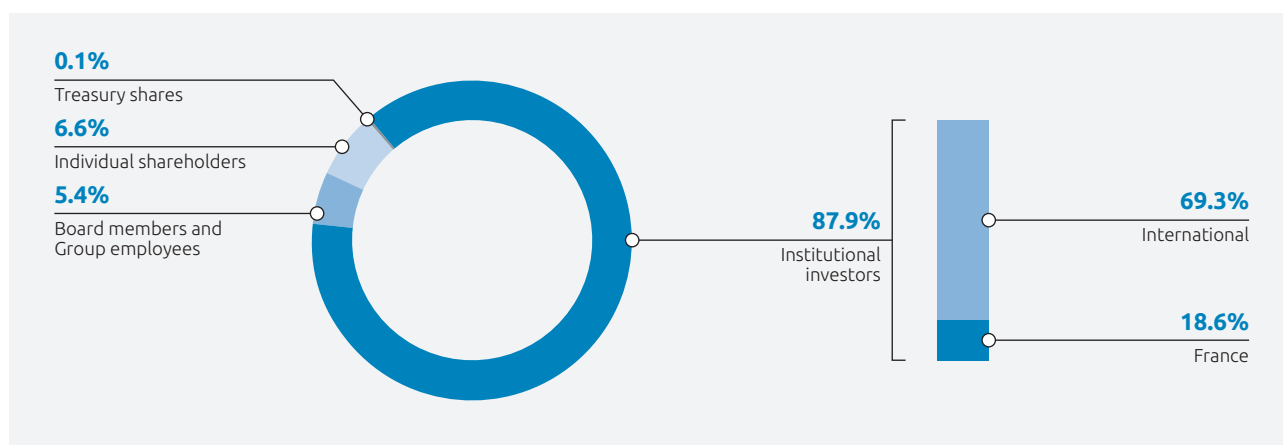
6.2 Capgemini and the stock market

At December 31, 2019, Capgemini SE's share capital comprised 169,345,499 shares (ISIN code: FR0000125338). Capgemini SE shares are listed on the "Euronext Paris" market (compartment A) and are eligible for the SRD deferred settlement system of the Paris Stock Exchange. Capgemini SE 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.

Between January 1 and December 31, 2019, Capgemini recorded a 25.5% increase in its share price, to end the year at €108.90.

Capgemini has a stock market capitalization of €18.4 billion at December 31, 2019, compared with €14.6 billion at December 31, 2018.

Capgemini share ownership structure at the end of December 2019

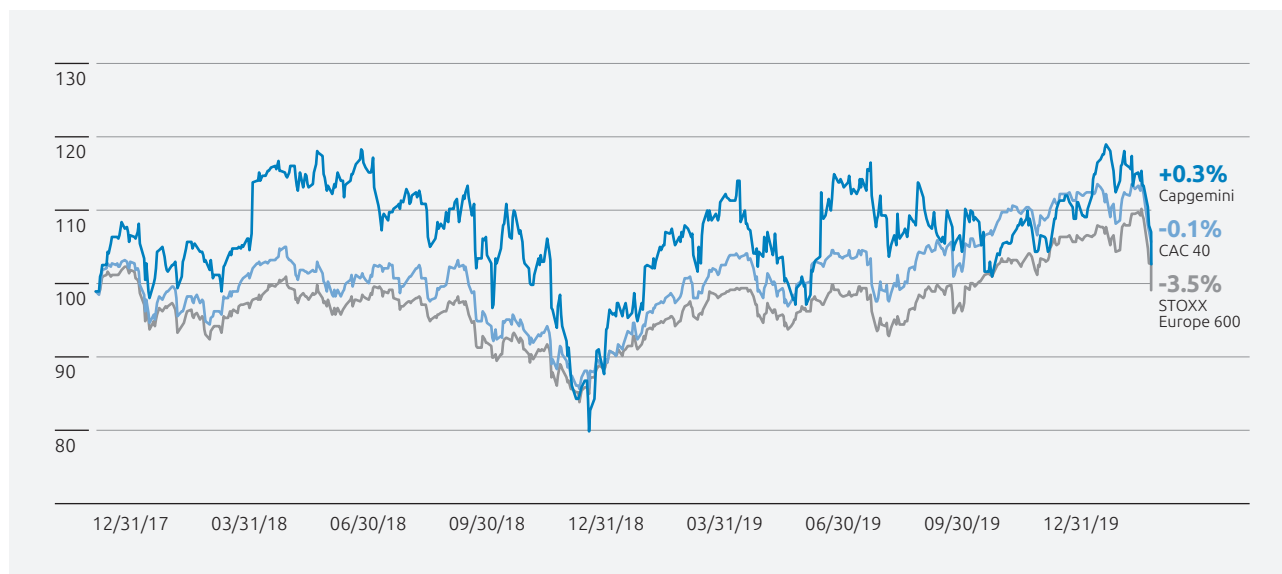


2020 provisional financial calendar

2020 first-quarter revenues:	April 28, 2020
2020 first-half results:	September 3, 2020
2020 third-quarter revenues:	October 27, 2020
2020 annual results:	February 18, 2021

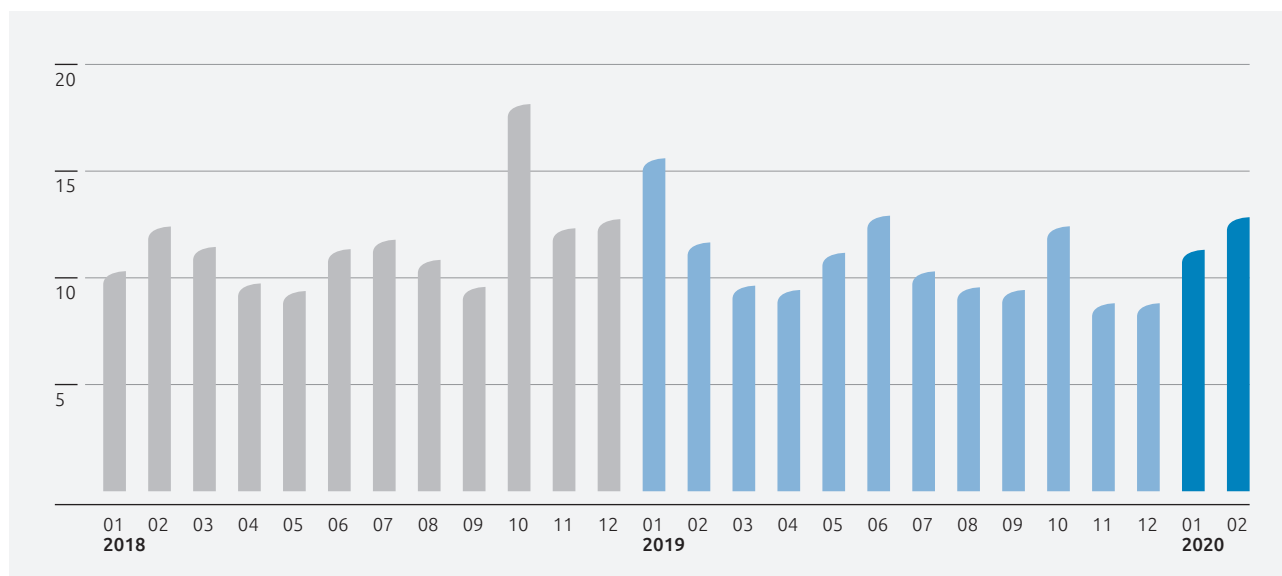
This provisional calendar is provided for information purposes only and may subsequently be amended.

Share performance – from December 31, 2017 to February 28, 2020 (in euros)



Source: Bloomberg.

Monthly trading volumes on NYSE Euronext Paris – from January 2018 to February 2020 (in millions of shares)



Source: Bloomberg.

6.

Share price and trading volumes

The following table represents trading in the Company's shares on NYSE Euronext Paris over the past 24 months:

Month	Number of trading days	Share price (in euros)			Trading volume		
		High	Average	Low	Number of shares		Value (in millions of euros)
					Total	Average (Daily)	
March 2018	21	106.50	103.23	98.72	11,358,430	540,878	1,172.5
April 2018	20	114.25	105.46	98.20	9,704,421	485,221	1,023.4
May 2018	22	116.95	114.88	112.40	9,349,354	424,971	1,074.1
June 2018	21	118.85	114.80	111.60	11,306,273	538,394	1,297.9
July 2018	22	119.80	114.44	107.90	11,746,758	533,944	1,344.2
August 2018	23	113.80	110.27	106.80	10,805,692	469,813	1,191.6
September 2018	20	111.75	108.45	104.50	9,542,188	477,109	1,034.9
October 2018	23	114.05	104.79	95.40	18,085,343	786,319	1,895.2
November 2018	22	111.65	105.04	97.80	12,279,353	558,152	1,289.8
December 2018	19	107.35	93.63	83.88	12,707,577	668,820	1,189.8
January 2019	22	98.36	91.27	79.80	15,552,659	706,939	1,419.6
February 2019	20	105.90	100.05	94.10	11,620,772	581,014	1,162.6
March 2019	21	108.75	105.91	101.25	9,600,357	457,160	1,016.8
April 2019	20	115.30	110.37	106.00	9,415,581	470,779	1,039.2
March 2019	22	107.90	104.13	98.54	11,163,298	507,423	1,162.5
June 2019	20	113.60	103.57	96.14	12,910,855	645,543	1,337.1
July 2019	23	118.00	113.40	109.35	10,292,722	447,510	1,167.2
August 2019	22	116.55	108.69	102.45	9,538,266	433,558	1,036.7
September 2019	21	114.35	108.70	103.70	9,361,733	445,797	1,017.6
October 2019	23	111.05	105.15	98.20	12,329,595	536,069	1,296.4
November 2019	21	111.20	106.62	101.00	8,762,402	417,257	934.3
December 2019	20	112.50	107.25	102.55	8,775,638	438,782	941.2
January 2020	22	120.90	114.18	108.35	11,276,713	512,578	1,287.6
February 2020	20	118.40	110.77	97.02	12,798,944	639,947	1,417.7

Source: Euronext.

Dividend payment policy

The Group has a historic dividend distribution policy that ensures a balance between the investments required for its development and the distribution of profits to shareholders. The payout ratio is approximately 35%. This ratio is defined as: dividend per share/net profit (Group share) per share, based on the number of shares outstanding at December 31. Where exceptional items have been recognized, in particular non-cash items, net profit (Group share) may be restated for these items before applying the payout ratio.

A dividend payment of €1.90 per share is proposed for fiscal year 2019, the same amount as for fiscal year 2017.

Based on 169,345,499 shares outstanding at December 31, 2019, the total Capgemini dividend distribution in respect of fiscal year 2019 would be €322 million. The effective dividend distribution will depend on the number of treasury shares held at the ex-dividend date and any shares issued or canceled prior to this date.

Dividend payout

Year ended December 31	Dividend per share <i>(in euros)</i>	Number of shares <i>(at December 31)</i>	Dividend distribution		Ex-dividend date
			In millions of euros	% of net profit	
2012	1.00	161,700,362	162	44%	June 3, 2013
2013	1.10	160,317,818	176	40%	May 16, 2014
2014	1.20	163,592,949	196	34%	May 18, 2015
2015	1.35	172,181,500	232	36%	May 30, 2016
2016	1.55	171,564,265	266	36%	May 22, 2017
2017	1.70	168,483,742	286	35%	June 4, 2018
2018	1.70	167,293,730	284	36%	June 5, 2019
2019 ⁽¹⁾	1.90	169,345,499	322	35%	June 3, 2020

(1) Recommended dividend submitted to the Annual Shareholders' Meeting of May 20, 2020.

6.3 Current share ownership and voting rights

At December 31, 2019, the share capital amounted to €1,354,763,992 (compared with €1,338,349,840 at December 31, 2018), divided into 169,345,499 fully paid-up shares with a par value of €8 each.

Share capital transactions during 2019 were as follows:

- cancellation of 698,231 treasury shares decided by the Board of Directors on December 4, 2019;

- share capital increase under the sixth employee share ownership plan (ESOP 2019) involving the issue of 2,750,000 shares on December 18, 2019.

The following table presents the share ownership structure at December 31, 2019. No shares carry double voting rights.

Breakdown of share ownership in the past three years

	At 12/31/2017			At 12/31/18			At 12/31/19		
	Number of shares	% share capital	% voting rights	Number of shares	% share capital	% voting rights	Number of shares	% share capital	% voting rights
Board members and Group employees	8,032,616	4.8	4.8	10,152,444	6.1	6.1	9,077,119	5.4	5.4
Paul Hermelin	282,048	0.2	0.2	301,248	0.2	0.2	309,048	0.2	0.2
Employee shareholders	7,750,568	4.6	4.6	9,851,196	5.9	5.9	8,768,071	5.2	5.2
Treasury shares	599,324	0.4	0.4	422,358	0.3	0.3	246,780	0.1	0.1
Own shares	-	-	-	-	-	-	-	-	-
Public	159,851,802	94.8	94.8	156,718,928	93.6	93.6	160,021,600	94.5	94.5
Individual shareholders ⁽¹⁾ (bearer + registered)	18,835,216	11.2	11.2	12,565,368	7.5	7.5	11,127,221	6.6	6.6
Institutional shareholders	141,016,586	83.6	83.6	144,153,560	86.1	86.1	148,894,379	87.9	87.9
TOTAL	168,483,742	100	100	167,293,730	100	100	169,345,499	100	100

(1) May include shares held by employees outside the employee share ownership plan.

Each share carries entitlement to one vote irrespective of whether the share is held in registered or bearer form.

It is also stated that at December 31, 2019, Capgemini SE held 246,780 treasury shares (including 61,809 shares resulting from execution of the liquidity contract as at December 31, 2019) and, in addition, that the Company does not hold any "own shares".

Based on a study of identifiable bearer shares carried out at December 21, 2019, the Company has 27,784 identifiable holders of bearer shares holding more than 50 shares.

In addition, 15,067 shareholders held shares in registered form at December 31, 2019.

Finally, shares held by members of the Board of Directors represent 0.21% of the Company's share capital at December 31, 2019.

Shareholders holding more than 5% of the share capital and voting rights

At December 31, 2019

Pursuant to Article L. 233-13 of the French Commercial Code (*Code de commerce*), the Board of Directors informs shareholders that, based on notifications received and filed with the *Autorité des marchés financiers* (AMF), one shareholder held more than 5% of the Company's share capital and voting rights at the year-end:

FMR LLC, a US company and the holding company for a group of independent companies, acting on behalf of funds, disclosed holding 5.01% of the Company's share capital and voting rights at November 13, 2019. FMR LLC has also disclosed holding 5.81% of the Company's share capital and voting rights at March 10, 2020.

As far as the Company is aware, no other shareholder holds directly or indirectly, alone or in concert, over 5% of the Company's share capital or voting rights.

Threshold crossing disclosures received

In accordance with Article L. 233-7 I of the French Commercial Code, the Company was notified that the following legal thresholds were crossed between January 1, 2019 and the date of filing of this Universal Registration Document:

Date	Company	Direction of threshold crossing	% share capital and voting rights
January 15, 2019	Amundi Asset Management ⁽¹⁾	↗	5.09%
March 15, 2019	BlackRock Inc.	↘	4.95%
March 27, 2019	BlackRock Inc.	↗	5.01%
March 28, 2019	BlackRock Inc.	↘	4.85%
April 1, 2019	BlackRock Inc.	↗	5.07%
April 2, 2019	BlackRock Inc.	↘	4.82%
April 3, 2019	BlackRock Inc.	↗	5.03%
April 5, 2019	BlackRock Inc.	↘	4.86%
April 8, 2019	BlackRock Inc.	↗	5.04%
April 12, 2019	BlackRock Inc.	↘	4.94%
April 29, 2019	BlackRock Inc.	↗	5.09%
April 30, 2019	BlackRock Inc.	↘	4.97%
May 2, 2019	BlackRock Inc.	↗	5.16%
May 6, 2019	BlackRock Inc.	↘	4.98%
May 10, 2019	BlackRock Inc.	↗	5.001%
May 13, 2019	BlackRock Inc.	↘	4.99%
May 14, 2019	BlackRock Inc.	↗	5.16%
May 24, 2019	BlackRock Inc.	↘	4.99%
May 30, 2019	BlackRock Inc.	↗	5.11%
May 31, 2019	BlackRock Inc.	↘	4.99%
June 18, 2019	BlackRock Inc.	↗	5.01%
June 20, 2019	BlackRock Inc.	↘	4.99%
June 24, 2019	BlackRock Inc.	↗	5.04%
June 25, 2019	BlackRock Inc. ⁽²⁾	↘	4.85%
August 15, 2019	FMR LLC	↗	5.02%
August 16, 2019	FMR LLC	↘	4.999%
August 21, 2019	FMR LLC	↗	5.03%
August 30, 2019	Amundi Asset Management	↘	4.99%
September 25, 2019	FMR LLC	↘	4.99%
November 13, 2019	FMR LLC	↗	5.01%
November 28, 2019	Société Générale	↘	4.98%
November 29, 2019	Société Générale	↗	5.01%
December 20, 2019	Société Générale ⁽³⁾	↘	4.86%
March 10, 2020	FMR LLC ⁽⁴⁾	↗	5.81%

(1) Amundi Asset Management, acting on behalf of the Capgemini ESOP FCPE (the Capgemini Employee Savings Mutual Fund set up for international employee shareholding transactions) which it manages, disclosed, by way of regularization, that it had increased its interest above the 5% threshold on December 18, 2018 and held 5.09% of the Company's share capital and voting rights.

(2) US company, acting on behalf of clients and managed funds.

(3) Following the repeal of the so-called "trading" exception due to the enactment into French law of the revised Transparency Directive 2013/50/EU by Order no. 2015-1576 of December 3, 2015, service providers must include in their threshold crossing disclosures certain agreements or financial instruments deemed to have an economic effect similar to the ownership of shares, irrespective of whether they are settled in shares or cash (e.g. forward purchases with physical settlement).

(4) US company and holding company for a group of independent companies, acting on behalf of funds (generally known as Fidelity Investments).

It is recalled that Article 10 of Capgemini SE's bylaws was amended by the Combined Shareholders' Meeting of May 10, 2017 and that a shareholder is now required to disclose the crossing, through an increase or a decrease, of each threshold of 1% of the Company's share capital or voting rights, from the lower threshold of 5% to the threshold triggering a mandatory public offer in accordance with prevailing regulations. The obligation to disclose the crossing

of thresholds below 5% was removed. Interests of between 1% and 5% (exclusive) of the share capital or voting rights may now be acquired without any disclosure obligations.

Pursuant to the Company's bylaws, only Société Générale reported various threshold crossings pursuant to the bylaws in 2019.

Shareholders' agreements

There are no shareholder agreements or pacts in force.

6.4 Share buyback program

6.4.1 Authorization to buy back the Company's shares

The Ordinary Shareholders' Meeting of May 23, 2019 renewed the authorization granted to the Company to buy back its shares. This authorization was used in 2019 in connection with the liquidity contract (entered into with Kepler Cheuvreux) and more generally as part of the continued purchase by the Company of its own shares.

The liquidity contract seeks to improve the liquidity of the Capgemini SE share and to allow regular quotations. In 2019, a total of 1,131,001 shares were purchased on behalf of Capgemini SE, at an average price of €104.99 per share, representing 0.67% of the share capital at December 31, 2019. During the same period, 1,286,550 Capgemini SE shares were sold at an average price of €105.03 per share, representing 0.76% of the share capital at December 31, 2019. At the year-end, the liquidity account presented a balance of 61,809 shares (0.04% of the share capital) and approximately €19 million.

In addition, the Company continued to purchase its own shares in 2019. Excluding the liquidity contract, the Company held 184,971 of its own shares at December 31, 2019, following the various transactions described below:

- purchase of 1,598,231 shares representing 0.94% of the share capital at December 31, 2019, at an average price of €93.85 per share;
- transfer of 920,029 shares to employees under the free share grant plan;
- cancellation of 698,231 shares.

Trading fees (excluding VAT) and the financial transaction tax totaled €451,500 in 2019.

At December 31, 2019, excluding the liquidity contract, all 184,971 treasury shares held, representing 0.11% of the Company's share capital, were allocated to the grant or sale of shares to employees and/or corporate officers.

Lastly, no treasury shares were reallocated between the various objectives in 2019.

6.4.2 Description of the share buyback program to be authorized by the Shareholders' Meeting on May 20, 2020

Pursuant to Articles 241-1 *et seq.* of the *Autorité des marchés financiers* (AMF – the French Financial Market Authority) general regulations, the purpose of this program description is to describe the objectives and the terms of the share buyback program subject to the authorization of the Combined Shareholders' Meeting on May 20, 2020.

Legal Framework – date of the Shareholders' Meeting called to authorize the share buyback program

This share buyback program takes place within the legal framework of Articles L. 225-209 *et seq.* of the French Commercial Code, and within the scope of European regulation no. 2273/2003 of December 22, 2003 implementing Directive 2003/6/EC of January 28, 2003, referred to as the "Market Abuse" directive, or any other European regulation that may be substituted for it.

The May 20, 2020 Shareholders' Meeting will be asked to authorize the implementation of this share buyback program.

Finally, pursuant to the provisions of Article 241-2 II of the AMF general regulations, during the implementation of the buyback program, any change in the information contained in this program description listed in paragraph 3, 4 and 5 of Section I of Article 241-2 will be, as soon as practicable, made available to the general public, in accordance with the provisions of Article 221-3 of the AMF general regulations, notably by making it available on the Company's website: www.capgemini.com.

Breakdown by objective of held shares

The 1,431,419 treasury shares held at March 1, 2020 are allocated to the following objectives:

- 135,877 shares to the objective of managing the secondary market or maintaining the liquidity of the Capgemini share by way of a liquidity contract signed with Kepler Cheuvreux on October 3, 2016;
- 1,295,542 shares to the objective of allocation or sale of shares to employees and/or corporate officers.

Objectives of the share buyback program and allocation of shares purchased

Capgemini's intention is to make use of the possibility to acquire its own shares, with the following objectives:

- the allocation or sale of shares to employees and/or corporate officers (on the terms and by the methods provided by law), in particular with a view to the allocation of free shares pursuant to the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code, the allocation or sale of shares to employees under the French statutory profit-sharing scheme or the implementation of any Company or Group savings plan (or similar plan) on the terms provided by law, in particular Articles L. 3332-1 *et seq.* of the French Labor Code (*Code du travail*), and generally, honoring all obligations relating to share option programs or other share allocations to employees or corporate officers of the Company or a related company, or to permit the hedging of a structured employee shareholding plan by a bank, or entity controlled by a bank within the meaning of Article L. 233-3 of the French Commercial Code, acting at the Company's request; or

- the delivery of shares on the exercise of rights attached to securities granting access to the share capital by redemption, conversion, exchange, presentation of a warrant or any other means; or
- the cancellation of some or all of the shares purchased; or
- the delivery of shares (in exchange, as payment, or otherwise) in connection with acquisitions, mergers, demergers or asset-for-share exchanges; or
- the management of the secondary market or maintenance of the liquidity of the Capgemini share by an investment services provider under a liquidity contract that complies with market practices accepted by the *Autorité des marchés financiers* (AMF – the French Financial Markets Authority).

This program is also intended to enable the implementation of any market practice that may be permitted by the AMF and more generally the carrying out of any transaction that complies with prevailing regulations.

Proportion of share capital, number of shares and purchase price

- Maximum percentage of the share capital and maximum number of shares of Capgemini that may be purchased: purchases of the Company's own shares may be made such that, at the date of each purchase, the total number of shares acquired by the Company since the beginning of the buyback program (including the shares subject to the current purchase) does not exceed 10% of the shares comprising the Company's share capital at that date⁽¹⁾ (including transactions impacting the share capital and performed after the May 20, 2020 Combined Shareholders' Meeting), it being stipulated that (i) the number of shares purchased with a view to their retention or presentation in a merger, demerger or asset-for-share exchange transaction may not exceed 5% of the Company's share capital; and (ii) where the shares are repurchased to improve liquidity on the terms set out in the AMF general regulations, the number of shares taken into account in calculating the above 10% limit will be the number of shares purchased minus the number of shares resold during the authorization period. For illustrative purposes, at March 1, 2020, based on the total number of shares comprising

the share capital and considering that the Company holds 1,431,419 of its own shares at that date, representing 0.85% of its share capital, a maximum of 15,503,130 shares may be purchased, representing 9.15% of the share capital at March 1, 2020, unless the Company sells or cancels own shares currently held.

- Maximum purchase price: €150 per share (or the equivalent at the same date in any other currency). It should be noted that (i) this price could be adjusted in the event of a change in the par value of the share, a share capital increase by capitalizing reserves, a free share allocation, a stock split or reverse stock split, a distribution of reserves or any other assets, a share capital redemption, or any other transaction impacting share capital or equity and (ii) the total amount of purchases may not exceed €2,540 million.

Implementation and duration of the share buyback program

- Implementation of the program: acquisitions, sales and transfers of shares may be performed at any time other than during the period of a public offer for the Company's shares, subject to the limits authorized by prevailing laws and regulations, and by any means, and particularly on regulated markets, *via* a multilateral trading facility or systematic internalizer or over the counter, including by block purchases or sales, by public offer for cash or shares or using options or other forward financial instruments traded on regulated markets, *via* a multilateral trading facility or systematic internalizer or over the counter, either directly or through an investment services provider, or in any other manner (with no limit on the portion of the share buyback program carried out by each of these means).
- Share buyback program duration and schedule: eighteen months as from the date of adoption of the 20th resolution by the May 20, 2020 Combined Shareholders' Meeting, *i.e.*, up to November 20, 2021. Pursuant to Article 225-209 of the French Commercial Code, the aggregate number of shares which may be canceled in any given period of twenty-four months shall not exceed 10% of the Company's share capital (adjusted for any transactions performed after the May 20, 2020, Combined Shareholders' Meeting).

(1) For illustrative purposes, based on the total number of shares issued and outstanding at March 1, 2020, 16,934,549 shares.

7.

Report of the Board of Directors and draft resolutions to be presented at the Combined Shareholders' Meeting of May 20, 2020

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This report presents the proposed resolutions submitted to the Shareholders' Meeting by the Board of Directors. It consists of this introduction, the overview statements preceding the resolutions and a summary table of financial authorizations submitted for approval. The objective of this report is to draw your attention to the important points in the draft resolutions, in accordance with prevailing laws and regulations and with best Corporate Governance practice recommended for companies listed in Paris. It does not purport to be comprehensive and does not replace a careful reading of the draft resolutions prior to voting.

An overview of the financial position, activities and results of the Company and its Group during the last fiscal year and other information required by prevailing law and regulations are also presented in the Management Report on fiscal year 2019 included in the 2019 Universal Registration Document (available at www.capgemini.com), to which you are invited to refer.

Disclaimer: Physical participation at the Shareholders' Meeting may change according to health and/or legal imperatives, in particular in the current context linked to Covid-19. As a precaution, shareholders are invited to vote by post or by internet *via* the VOTACCESS platform or to grant their proxy to the Chairman.

We thank you for consulting regularly the Section dedicated to the 2020 Shareholders' Meeting on the Company's website: <https://investors.capgemini.com/en/event/2020-shareholders-meeting>

7.1 Resolutions presented at the Ordinary Shareholders' Meeting

PRESENTATION OF THE 1ST AND 2ND RESOLUTIONS

APPROVAL OF THE FINANCIAL STATEMENTS

Overview

In these two resolutions, we ask you to approve the Company financial statements and the consolidated financial statements of Capgemini for the year ended December 31, 2019 as follows:

- the Company financial statements of Capgemini SE showing a net profit of €490,231,317.28;
- the consolidated financial statements of Capgemini showing net profit for the Group of €856 million.

FIRST RESOLUTION

Approval of the 2019 Company financial statements

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and after having read the Board of Directors' and the Statutory auditors' reports, approves the Company financial statements for the year ended

December 31, 2019, showing net profit for the year of €490,231,317.28, as presented, and the transactions recorded therein and summarized in these reports.

SECOND RESOLUTION

Approval of the 2019 consolidated financial statements

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and after having read the Board of Directors' and the Statutory auditors' reports, approves the consolidated financial statements for the year ended

December 31, 2019, showing net profit for the Group of €856 million, as presented, and the transactions recorded therein and summarized in these reports.

PRESENTATION OF THE 3RD RESOLUTION

APPROPRIATION OF EARNINGS AND SETTING OF THE DIVIDEND

Overview

The third resolution relates to the appropriation of earnings for the year ended 2019 and the setting of the dividend.

It is proposed that the dividend be set at €1.90 per share, representing a total distribution of €321,756,448.10 based on the number of shares ranking for dividends at December 31, 2019.

In line with the Group's historic dividend distribution policy that ensures a balance between the investments required for its long-term development and the redistribution of profits to shareholders, the payout ratio for the year ended December 31, 2019, excluding non-recurring income or tax expenses, would be 35%.

Residual distributable profits for the year, *i.e.* €6,201,872,185.07, shall be added to retained earnings.

For individual beneficiaries who are tax-resident in France, the dividend is fully eligible for the 40% tax rebate referred to in Article 158.3.2° of the French Tax Code (*Code général des impôts*) where an express, global and irrevocable election is made for taxation under the progressive scale of personal income tax. Where this option is not made, the dividend will fall within the application scope of the flat-rate income tax advance payment mechanism and will not be eligible for this 40% rebate.

Taking account of the recommendations of certain investors, and so as not to encourage security lending/borrowing transactions around the date of the Shareholders' Meeting, the Board of Directors proposes an ex-dividend date of June 3, 2020 and a dividend payment date starting from June 5, 2020.

THIRD RESOLUTION

Appropriation of earnings and setting of the dividend

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, approves the recommendations of the Board of Directors to appropriate the net profit for the year ended December 31, 2019 as follows:

Net profit for the year	€490,231,317.28
No funding of the legal reserve as already fully funded	
<i>i.e. a balance of:</i>	€490,231,317.28
Retained earnings of previous years:	€5,711,640,867.79
<i>i.e. distributable earnings:</i>	€6,201,872,185.07
allocated to:	
payment of a dividend of €1.90 per share	€321,756,448.10 ⁽¹⁾
retained earnings for the balance:	€5,880,115,736.97
giving a total of:	€6,201,872,185.07

(1) The total amount of the distribution is calculated based on the number of shares ranking for dividends at December 31, 2019 and could therefore change if this number varies between January 1, 2020 and the ex-dividend date.

It should be noted that the dividend, set at €1.90 for each of the shares bearing dividend rights on January 1, 2020, will be fully eligible for the 40% tax rebate referred to in Article 158.3.2° of the French Tax Code (*Code général des impôts*) where an express, global and irrevocable election is made for taxation under the progressive scale of personal income tax.

The ex-dividend date will be June 3, 2020 and the dividend will be payable from June 5, 2020. If, at the time of payment of the dividend, the number of treasury shares held by the Company has changed compared to that held on December 31, 2019, the fraction of the dividend relating to this variation will either increase or reduce retained earnings.

Pursuant to Article 243 bis of the French Tax Code, it is recalled that the following amounts were paid in respect of the past three fiscal years:

	Dividend distribution ⁽¹⁾ <i>(in euros)</i>	Distributed income ⁽²⁾ <i>(in euros)</i>	Dividend per share <i>(in euros)</i>
Fiscal year 2018	284,399,341.00	281,199,101.20	1.70
Fiscal year 2017	286,422,361.40	284,362,859.00	1.70
Fiscal year 2016	261,229,107.40	261,683,477.50	1.55

(1) Theoretical values calculated based on the number of shares bearing dividend rights on December 31 each year.

(2) Amounts effectively paid after adjusting the number of shares bearing dividend rights for any change in the number of treasury shares, the issuance of new shares and/or the cancellation of existing shares between January 1 and the ex-dividend date. The amount distributed for 2016 fiscal year was fully eligible for the 40% tax rebate referred to in Article 158.3.2° of the French Tax Code (*Code général des impôts*). Results relating to the 2017 and 2018 fiscal years were only eligible for the 40% tax rebate if the French tax beneficiary had opted for taxation under the progressive scale.

PRESENTATION OF THE 4TH RESOLUTION

REGULATED AGREEMENTS – SPECIAL REPORT OF THE STATUTORY AUDITORS

Overview

The only regulated agreements authorized by the Board of Directors during the 2019 fiscal year and at the beginning of the 2020 fiscal year and submitted for your approval are those entered into in connection with the proposed acquisition of Altran Technologies S.A. by your Company (the "Offer").

For more information on the terms and conditions of the Offer or on the special report of the Statutory auditors, please refer to the 2019 Universal Registration Document.

Facility Agreement in connection with the Offer

At its meeting of June 24, 2019, the Board of Directors unanimously authorized the signature by the Company of a financing agreement in the form of a bridge loan in connection with the Offer (the "Facility Agreement") to which several banking institutions including Crédit Agricole SA and Société Générale as well as their respective affiliates could be invited to participate during the sub-underwriting phase.

Ms. Laurence Dors, director of Crédit Agricole SA, Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA, and Mr. Frédéric Oudéa, Chief Executive Officer of Société Générale, did not participate in the deliberation and the vote due to their positions in these institutions.

Pursuant to this authorization, a Facility Agreement of €5,400 million was signed on June 24, 2019 between Capgemini as borrower and BNP Paribas as original lender and *mandated lead arranger and bookrunner*. On July 15, 2019, several credit institutions including Crédit Agricole Corporate and Investment Bank and Société Générale became parties to the Facility Agreement as new lenders and new mandated lead arrangers and bookrunners with a final commitment of €675 million each, corresponding to 12.5% each of the total amount following the sub-underwriting phase. These amounts were reduced to €418,965,517.24 each, in particular as a result of the on-going syndication phase.

This Facility Agreement of an initial term of one year, with two successive six (6) month extension options, exercisable at the Company's request, contains standard provisions for this type of financing.

The commission and interest payable to Crédit Agricole Corporate and Investment Bank and Société Générale in respect of this Facility Agreement are identical to those paid to other financial institutions participating in the Facility Agreement in the same capacity and are consistent with market practice for this type of financing.

The Board of Directors noted that the above-mentioned institutions participate regularly in financing operations both in and outside France. It also observed that (i) this regulated agreement is an essential component of the transaction linked to Altran Technologies S.A.' acquisition, and (ii) its terms and conditions, including the financial terms, are in line with market standards.

The Company paid during the 2019 fiscal year:

- to Crédit Agricole Corporate and Investment Bank: commission of €776,250 and interest of €131,697;
- to Société Générale: commission of €776,250 and interest of €131,697.

Engagement Letter and Instruction Letter in connection with the Offer

At its meeting of September 2, 2019, the Board of Directors unanimously authorized the signature by the Company of:

- an engagement letter under which the bank Crédit Agricole Corporate and Investment Bank ("CACIB") will be mandated to act as a presenting bank and M&A counsel of the Company in the context of the Offer (the "Engagement Letter"); and
- an instruction letter under which CACIB will be formally instructed by the Company to present the Offer and proceed with its filing with the *Autorité des marchés financiers* (French Financial Market Authority), together with the other presenting banks and the guarantor (the "Instruction Letter").

Ms. Laurence Dors, director of Crédit Agricole SA, and Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA, did not participate in the deliberation and the vote due to their positions in Crédit Agricole SA and their positions as director in the Company.

Pursuant to this authorization, the Engagement Letter and the Instruction Letter were signed on September 22, 2019.

The commission payable to CACIB in respect of the Engagement Letter and the Instruction Letter is consistent with market practice and depends on the respective roles of the financial institutions involved.

The Board of Directors noted that (i) the Instruction Letter, and consequently the Engagement Letter, are essential components of the Offer, the filing of the Offer by one or several presenting banks being required by applicable regulation, and (ii) the terms and conditions of the Engagement Letter and the Instruction Letter are aligned with market standards; they are therefore in the best interest of the Company.

No commission was paid to CACIB during the 2019 fiscal year in respect of the Engagement Letter and the Instruction Letter.

Amendment to the Engagement Letter and Instruction Letter

In connection with the increase in the Offer price and the various commitments undertaken by the Company towards the French Financial Market Authority, the Board of Directors, at its meeting of January 14, 2020, unanimously authorized the execution of the Amendment to the Instruction and Engagement Letters.

Ms. Laurence Dors, director of Crédit Agricole SA, and Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA, did not participate in the deliberation and the vote due to their positions in Crédit Agricole SA and their positions as director in the Company.

Pursuant to this authorization, the Amendment to the Engagement Letter and the Instruction Letter was signed on January 14, 2020.

The Board of Directors noted that (i) the Amendment to the Instruction and Engagement Letters is an essential component of the Offer, in particular with respect to the increase in the Offer Price, and (ii) its terms and conditions are the same as those of the initial instruction and engagement letters from a commercial standpoint and are aligned with market standards. Such Amendment has no impact on the financial conditions of the initial agreements. The Amendment to the Instruction and Engagement Letters is therefore in the best interest of the Company.

Amendment and *side-letter* to the Facility Agreement

At its meeting of January 14, 2020, the Board of Directors unanimously authorized the execution of the amendment and the *side-letter* to the Facility Agreement to take into account the commitments undertaken by the Company towards the French Financial Market Authority if the Offer is successful.

Ms. Laurence Dors, director of Crédit Agricole SA, Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA, and Mr. Frédéric Oudéa, Chief Executive Officer of Société Générale, did not participate in the deliberation and the vote due to their positions in these institutions.

Pursuant to this authorization, the amendment and the *side-letter* to the Facility Agreement were signed on January 17, 2020.

The Board of Directors noted that the terms and conditions of the amendment and the *side-letter* to the Facility Agreement are the same as those of the initial Facility Agreement from a commercial standpoint, without any additional financial compensation, and are in the best interest of the Company.

Ajustment to the Facility Agreement

At its meeting of January 14, 2020, the Board of Directors unanimously authorized certain adjustments to the Facility Agreement related to the increase in the Offer price.

Ms. Laurence Dors, director of Crédit Agricole SA, Mr. Xavier Musca, Deputy Chief Executive Officer of Crédit Agricole SA, and Mr. Frédéric Oudéa, Chief Executive Officer of Société Générale, did not participate in the deliberation and the vote due to their positions in these institutions.

The agent under the Facility Agreement confirmed the consent of the lenders on January 22, 2020.

The Board of Directors noted that the terms and conditions of the Facility Agreement are the same as those of the initial agreement from a commercial standpoint, without any additional financial compensation and are therefore in the best interest of the Company.

FOURTH RESOLUTION

Approval of the regulated agreements governed by Articles L. 225-38 *et seq.* of the French Commercial Code – Special report of the Statutory auditors

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and after having read the Statutory auditors' special report on regulated agreements governed by Article L. 225-38 *et seq.* of the French Commercial

Code, approves the regulated agreements presented in this report and not previously approved by the Shareholders' Meeting, as well as the said report.

PRESENTATION OF THE 5TH TO 8TH RESOLUTIONS

APPROVAL OF THE COMPONENTS OF COMPENSATION AND ALL TYPES OF BENEFITS PAID DURING FISCAL YEAR 2019 OR GRANTED IN RESPECT OF THE SAME FISCAL YEAR TO THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER AND THE CHIEF OPERATING OFFICERS

Overview

Pursuant to Article L. 225-100 III of the French Commercial Code amended by Order No 2019-1234 of November 27, 2019, shareholders are now called to express their opinion on the fixed, variable and exceptional components of total compensation and all types of benefits paid in respect of the previous fiscal year or granted in respect of the same fiscal year to Executive Corporate Officers.

On the Compensation Committee's recommendation, the Board of Directors, at its meeting of March 11, 2020, approved the fixed, variable and exceptional components of total compensation and all types of benefits paid in respect of the previous fiscal year or granted in respect of the same fiscal year to the Chairman and Chief Executive Officer, Mr. Paul Hermelin, as well as to the Chief Operating Officers, Messrs. Thierry Delaporte and Aïman Ezzat. They were paid or granted in accordance with the

compensation policy approved by the Shareholders' Meeting of May 23, 2019 (8th and 9th resolutions).

In addition, pursuant to the Article L. 225-37-3 of the French Commercial Code as amended by Order No 2019-1234 of November 27, 2019, the Shareholders' Meeting is also called to approve a report on the compensation of corporate officers.

The tables summarizing all the components of compensation of the Chairman and Chief Executive Officer and the Chief Operating Officers and the information concerning the compensation of corporate officers, submitted to shareholders vote pursuant to the 5th, 6th, 7th and 8th resolutions, are presented in the Board of Directors' report on Corporate Governance, in Section 2.3.3 of the 2019 Universal Registration Document.

FIFTH RESOLUTION

Approval of fixed, variable and exceptional components of total compensation and all types of benefits paid during fiscal year 2019 or granted in respect of the same fiscal year to Mr. Paul Hermelin, Chairman and Chief Executive Officer

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, and after having read the Board of Directors' report, approves, as presented, the fixed, variable and exceptional components of total compensation

and all types of benefits paid during fiscal year 2019 or granted in respect of the same fiscal year to Mr. Paul Hermelin, Chairman and Chief Executive Officer.

SIXTH RESOLUTION

Approval of fixed, variable and exceptional components of total compensation and all types of benefits paid during fiscal year 2019 or granted in respect of the same fiscal year to Mr. Thierry Delaporte, Chief Operating Officer

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, and after having read the Board of Directors' report, approves, as presented, the fixed, variable and exceptional components of total compensation

and all types of benefits paid during fiscal year 2019 or granted in respect of the same fiscal year to Mr. Thierry Delaporte, Chief Operating Officer.

SEVENTH RESOLUTION

Approval of fixed, variable and exceptional components of total compensation and all types of benefits paid during fiscal year 2019 or granted in respect of the same fiscal year to Mr. Aiman Ezzat, Chief Operating Officer

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, and after having read the Board of Directors' report, approves, as presented, the fixed, variable and exceptional components of total compensation

and all types of benefits paid during fiscal year 2019 or granted in respect of the same fiscal year to Mr. Aiman Ezzat, Chief Operating Officer.

EIGHTH RESOLUTION

Approval of the report on the compensation of corporate officers relating to the information mentioned in Article L. 225-37-3 I of the French Commercial Code

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, approves the report on the compensation of corporate officers including the information mentioned in Article L. 225-37-3 I of the French

Commercial Code, as presented in the report on the Company's Corporate Governance referred to in Article L. 225-37 of the same Code.

PRESENTATION OF THE 9TH AND 13TH RESOLUTIONS

APPROVAL OF THE COMPENSATION POLICY APPLICABLE TO CORPORATE OFFICERS

Overview

Shareholders are asked to approve the compensation policy of corporate officers, pursuant to the provisions of Article L. 225-37-2 of the French Commercial Code, amended by Order No 2019-1234 of November 27, 2019.

It is recalled that the Board of Directors, at its meeting of September 16, 2019, announced the implementation of a governance structure separating the duties of Chairman and Chief Executive Officer at the end of the Shareholders' Meeting of May 20, 2020, Mr. Paul Hermelin will remain Chairman of the Board while Mr. Aiman Ezzat will become Chief Executive Officer of the Company, as sole Executive Corporate Officer.

The compensation policies for (i) the Chairman and Chief Executive Officer, (ii) the Chief Operating Officer, (iii) the Chairman of the Board of Directors, (iv) the Chief Executive Officer and (v) the Directors in respect of their terms of office for the fiscal year 2020, were approved by the Board of Directors on March 11, 2020 on the recommendation of the Compensation Committee. They are detailed in the Board of Directors' report on Corporate Governance and presented in Sections 2.3.1 and 2.3.2 of the 2019 Universal Registration Document.

NINTH RESOLUTION

Approval of the compensation policy applicable to the Chairman and Chief Executive Officer

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and after having read the report on Corporate Governance referred to in Article L. 225-37 of the French Commercial Code describing the components

of the compensation policy for corporate officers, approves the compensation policy for the Chairman and Chief Executive Officer pursuant to Article L. 225-37-2 II of the French Commercial Code, as detailed in this report.

TENTH RESOLUTION

Approval of the compensation policy applicable to the Chief Operating Officer

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and after having read the report on Corporate Governance referred to in Article L. 225-37 of the French Commercial Code describing the components

of the compensation policy for corporate officers, approves the compensation policy for the Chief Operating Officer pursuant to Article L. 225-37-2 II of the French Commercial Code, as detailed in this report.

ELEVENTH RESOLUTION

Approval of the compensation policy applicable to the Chairman of the Board of Directors

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and after having read the report on Corporate Governance referred to in Article L. 225-37 of the French Commercial Code describing the components

of the compensation policy for corporate officers, approves the compensation policy for the Chairman of the Board of Directors pursuant to Article L. 225-37-2 II of the French Commercial Code, as detailed in this report.

TWELFTH RESOLUTION

Approval of the compensation policy applicable to the Chief Executive Officer

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and after having read the report on Corporate Governance referred to in Article L. 225-37 of the French Commercial Code describing the components

of the compensation policy for corporate officers, approves the compensation policy for the Chief Executive Officer pursuant to Article L. 225-37-2 II of the French Commercial Code, as detailed in this report.

THIRTEENTH RESOLUTION

Approval of the compensation policy applicable to the members of the Board of Directors

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings and after having read the report on Corporate Governance referred to in Article L. 225-37 of the French Commercial Code describing the components

of the compensation policy for corporate officers, approves the compensation policy for the Directors pursuant to Article L. 225-37-2 II of the French Commercial Code, as detailed in this report.

PRESENTATION OF THE 14TH, 15TH AND 16TH RESOLUTIONS

RENEWAL OF A DIRECTOR – APPOINTMENT OF TWO DIRECTORS

Overview

The Board of Directors of Capgemini SE, meeting on March 11, 2020 under the chairmanship of Mr. Paul Hermelin, Chairman and Chief Executive Officer, and on the report of the Ethics & Governance Committee, deliberated on the change in the composition of the Board of Directors proposed at the upcoming Shareholders' Meeting of May 20, 2020.

The Board of Directors decided to propose to the 2020 Shareholders' Meeting the renewal of the term of office of Ms. Siân Herbert-Jones and the appointment of Belen Moscoso del Prado as a member of the Board of Directors for a term of four years; Ms. Laura Desmond having expressed her wish not

to renew her term of office. This proposal is in line with the Group's ambition to further the internationalization of its composition, deepen its sector expertise and enrich the diversity of its profiles.

Ms. Belen Moscoso del Prado is a Spanish citizen. She has acquired a solid experience in the field of innovation and transformation applied to Digital and Data strategy over the course of her career in international corporations. The Board has indicated that Ms. Belen Moscoso del Prado would be considered independent pursuant to the criteria of the AFEP-MEDEF Code to which the Company refers.

The Board of Directors warmly thanked Ms. Laura Desmond for her contribution to its work and its committees during her tenure.

In addition, as part of the internal management transition process initiated in 2017 on the initiative of Mr. Paul Hermelin, Chairman and Chief Executive Officer, the Board of Directors' decided on September 16, 2019 to appoint Mr. Aiman Ezzat, currently Chief Operating Officer, to succeed Mr. Paul Hermelin as Chief Executive Officer after the General Meeting of Shareholders scheduled for May 20, 2020. The Board of Directors also wished to propose

to the 2020 Shareholders' Meeting the appointment of Mr. Aiman Ezzat as a member of the Board of Directors for a term of four years.

Assuming the adoption of these resolutions by the Shareholders' Meeting of May 20, 2020, the Board of Directors would count 15 directors, including two directors representing employees, with 75% of independent directors⁽¹⁾, 27% of international profiles and 42% of female directors⁽²⁾.

(1) The directors representing employees and employee shareholders are not taken into account in calculating this percentage, in accordance with the provisions of the AFEP-MEDEF Code.
(2) 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.



SIAN HERBERT-JONES

Independent Director
Member of the Audit & Risk Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

A British Chartered Accountant, Ms. Siân Herbert-Jones initially worked for 13 years with PricewaterhouseCoopers in its London and then Paris offices, where she was in charge of mergers and acquisitions (from 1983 to 1993). She then joined the Sodexo Group, where she spent 21 years, including 15 years as Chief Financial Officer and member of the Executive Committee (until February 28, 2016). She is currently a director of L'Air Liquide SA (since 2011) where she chairs the Audit and Accounts Committee. She has also been a director of Bureau Veritas since May 17, 2016 and has been a member of the Audit & Risk Committee since May 2017.

Ms. Siân Herbert-Jones joined the Board of Directors of Capgemini SE on May 18, 2016. She has been a member of the Audit & Risk Committee (formerly the Audit Committee) since this date.

Of British nationality, she brings strong financial and audit expertise to the Board, as well as her experience with international transactions, particularly in the service sector (BtoB). She also contributes to the Board her multi-cultural management experience and expertise and her experience as an Independent Director on the Boards of leading international companies.

Principal office:
Independent Director

Date of birth:

September 13, 1960

Nationality:

British

Business address:

Capgemini SE
11, rue de Tilsitt
75017 Paris

First appointment:

2016

Expiry of term of office:

2020
(Ordinary Shareholders' Meeting held to approve the 2019 financial statements)

Number of shares held at Dec. 31, 2019:

1,000

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Director of:	— COMPAGNIE FINANCIÈRE AURORE INTERNATIONALE, a Sodexo group subsidiary (since February 2016)
— CAPGEMINI SE* (since May 2016)	
— L'AIR LIQUIDE SA* (since May 2011)	
— BUREAU VERITAS* (since May 2016)	

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

Chief Financial Officer and member of the Executive Committee of:	— UNIVERSAL SODEXHO EURASIA Ltd (until February 2016)
— SODEXO* (until February 2016)	— SODEXO, INC. (until February 2016)
	— SODEXO MANAGEMENT, INC. (until February 2016)
	— SODEXO REMOTE SITES USA, INC. (until February 2016)
	— SODEXO SERVICES ENTERPRISES LLC (until February 2016)
	— UNIVERSAL SODEXHO SERVICES DE VENEZUELA SA (until February 2016)
	— UNIVERSAL SODEXHO EMPRESA DE SERVICIOS Y CAMPAMENTOS SA (until February 2016)
	— SODEXO GLOBAL SERVICES UK Ltd (until February 2016)
Offices held in Sodexo Group:	
Chairman of:	
— Etin SAS (until February 2016)	
— SOFINSOD SAS (until February 2016)	
— SODEXO ETINBIS SAS (until February 2016)	
Permanent Representative of Sofinsod SAS on the Supervisory Board of:	
— ONE SCA (until February 2016)	
Director of:	
— SODEXHO AWARDS CO (until February 2016)	
— SODEXO JAPAN KABUSHIKI KAISHA Ltd (until February 2016)	
— SODEXHO MEXICO SA DE CV (until February 2016)	
— SODEXHO MEXICO SERVICIOS DE PERSONAL SADE CV (until February 2016)	
— SODEXO REMOTE SITES THE NETHERLANDS B.V (until February 2016)	
— SODEXO REMOTE SITES EUROPE Ltd (until February 2016)	
	Member of the Management Board of:
	— SODEXO EN FRANCE SAS (until February 2016)
	— SODEXO ENTREPRISES SAS (until February 2016)
	— SODEXO PASS INTERNATIONAL SAS (until February 2016)
	— ONE SAS (until February 2016)
	— ONE SCA (until February 2016)

* Listed company.



BELEN MOSCOSO DEL PRADO

Independent Director

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Ms. Belen Moscoso del Prado holds a Master's degree in International Economics from Carlos III University in Spain.

She started her career in 1995 at The Walt Disney Company as Communications Manager for Spain and Portugal and later became a Senior Analyst in the European Marketing and Sales Strategy Department. From 2000 to 2008, as a consultant at Bain & Company, she worked on strategic review, performance improvement and post-acquisition integration assignments in Europe and Central America. She joined Europcar in 2008 as Strategic Change Program Manager before becoming Head of Strategy & Partnerships at Solocal from 2010 to 2013. Then, between 2013 and 2015, she was Director of Digital Strategy, Transformation and Innovation at Axa before joining Sodexo to lead its digital transformation.

She is currently Director of Digital & Innovation at Sodexo and has been a member of the Executive Committee since 2015. She also sits on Sodexo's Venture Capital Investment Committee.

Ms. Belen Moscoso del Prado is Chairman of the Board of Directors of FoodChéri and a member of the Consultative Advisory Board of the start-up Wynd.

Ms. Belen Moscoso del Prado is a Spanish citizen. She has acquired a solid experience in the field of innovation and transformation applied to Digital and Data strategy over the course of her career in international corporations.

Principal office:

Ms. Belen Moscoso del Prado is Director Digital & Innovation at Sodexo.

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Chairman of the Board of Directors:

— FOODCHERI (since 2018)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

N/A

Date of birth:

June 15, 1973

Nationality:

Spanish

Business address:

Capgemini SE
11, rue de Tilsitt
75017 Paris

First appointment:

2020

Expiry of term of office:

2024

(Ordinary Shareholders' Meeting held to approve the 2023 financial statements)

Number of shares held at March 11, 2020:

0



AIMAN EZZAT

Chief Operating Officer

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Mr. Aiman Ezzat, born on May 22, 1961, holds a MSc (Master of Science) in chemical engineering from École Supérieure de Chimie Physique Électronique de Lyon in France and an MBA from the Anderson School of Management at UCLA.

Mr. Aiman Ezzat has been Chief Operating Officer of Capgemini since January 1, 2018. He was Chief Financial Officer from December 2012 to the end of May 2018. He is a member of the Group Executive Board. In March 2017, he was named the "Best European CFO" for the technology and software category in the "2017 All European Executive Team" Institutional Investor's annual ranking of the region's top corporate leaders.

From December 2008 to 2012, he led the Financial Services Global Business Unit (GBU) after serving as Chief Operating Officer from November 2007. Mr. Aiman Ezzat has also served as Capgemini's deputy director of Strategy from 2005 to 2007. He played a key role in the development of the Booster turnaround plan for the Group's activities in the United States, as well as in the development of the Group's offshore strategy. He was part of the acquisition and integration team of Kanbay, a global IT services firm focused on the Financial Services industry, acquired by Capgemini in 2006.

Before joining Capgemini, from 2000 to 2004, Mr. Aiman Ezzat served as Managing Director of International Operations at Headstrong, a global business and technology consultancy, where he worked with Financial Services clients in Asia, North America and Europe.

Mr. Aiman Ezzat was also previously Global Head of the Oil & Gas and Chemicals practice of Gemini Consulting where he spent 10 years (Gemini Consulting was the former brand of the strategic and transformation consulting arm of the Capgemini group, now Capgemini Consulting).

Date of birth:

May 22, 1961

Nationality:

French

Business address:

Capgemini SE
11, rue de Tilsitt
75017 Paris

First appointment:

2020

Expiry of term of office:

2024

(Ordinary Shareholders' Meeting held to approve the 2023 financial statements)

Number of shares held at Dec. 31, 2019:

49,920

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Chief Operating Officer of:

- CAPGEMINI SE* (since January 2018)

Other offices held in Capgemini group:

Chairman of:

- SOGETI FRANCE 2005 SAS (since May 2018)

Director of:

- SOGETI UK Ltd (UK) (since February 1, 2019)
- CAPGEMINI SINGAPORE PTE Ltd (Singapore) (until November 7, 2019)
- CAPGEMINI HONG KONG Ltd (China) (until October 15, 2019)
- CAPGEMINI ESPAÑA S.L. (Spain) (since March 2018)
- CAPGEMINI CANADA Inc (Canada) (until March 19, 2019)
- GESTION CAPGEMINI QUEBEC Inc (Canada) (until March 21, 2019)
- CAPGEMINI SOLUTIONS CANADA Inc (Canada) (since February 2018)

- CAPGEMINI TECHNOLOGIES Llc (USA) (since December 2017)
- CAPGEMINI NORTH AMERICA Inc (USA) (since July 2013)
- CAPGEMINI AUSTRALIA PTY Ltd (Australia) (until April 30, 2019)
- CAPGEMINI UK Plc (UK) (since February 2013)
- CAPGEMINI (HANGZHOU) Co. Ltd (China) (since August 2010)
- SOGETI SVERIGE AB (Sweden) (until June 17, 2019)
- SOGETI SVERIGE MITT AB (Sweden) (until November 28, 2019)
- RESTAURANT APPLICATION DEVELOPMENT INTERNATIONAL (USA) (since August 2017)
- RADI HOLDING LLC (USA) (since August 2017)
- CGS HOLDING (UK) (until February 1, 2019)

Member of the Supervisory Board of:

- SOGETI NEDERLAND BV (Netherlands) (since December 2012)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

Offices held in Capgemini group:

Director of:

- CAPGEMINI ITALIA S.P.A. (USA) (until April 2018)
- CAPGEMINI BRASIL SA (Brazil) (until April 2018)
- CAPGEMINI ASIA PACIFIC PTE Ltd (Singapore) (until March 2018)
- CAPGEMINI FINANCIAL SERVICES CANADA Inc. (Canada) (until January 2017)
- CAPGEMINI FINANCIAL SERVICES USA Inc. (USA) (until July 2016)

- CAPGEMINI FINANCIAL SERVICES AUSTRALIA PTY Ltd (Australia) (until March 2015)
- CAPGEMINI BUSINESS SERVICES AUSTRALIA PTY Ltd (Australia) (until August 2015)
- KANBAY (ASIA) Ltd (Mauritius) (until September 2015)
- IGATE GLOBAL SOLUTIONS MEXICO SA DE CV (Mexico) (until July 2016)
- IGATE TECHNOLOGIES Inc (USA) (until July 2016)
- IGATE CORPORATION Inc (USA) (until May 2016)

* Listed company.

FOURTEENTH RESOLUTION

Renewal of the term of office of Ms. Siân Herbert-Jones as a director

At the recommendation of the Board of Directors, the Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, renews for a four-year period the term of office of Ms. Siân Herbert-Jones as a director. This term

of office will expire at the close of the Ordinary Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2023.

FIFTEENTH RESOLUTION

Appointment of Ms. Belen Moscoso del Prado Lopez-Doriga as a director

At the recommendation of the Board of Directors, the Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, appoints Ms. Belen Moscoso del Prado Lopez-Doriga as a director for a period of four years. This

term of office will expire at the close of the Ordinary Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2023.

SIXTEENTH RESOLUTION

Appointment of Mr. Aiman Ezzat as a director

At the recommendation of the Board of Directors, the Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, appoints Mr. Aiman Ezzat as a

director for a period of four years. This term of office will expire at the close of the Ordinary Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2023.

PRESENTATION OF THE 17TH AND 17TH (A) RESOLUTIONS

APPOINTMENT OF A DIRECTOR REPRESENTING EMPLOYEE SHAREHOLDERS

Overview

The resolutions 17 and 17 (A) ask shareholders to renew the term of office of the director representing employee shareholders on the Board of Directors. This term of office is currently held by Ms. Lucia Sinapi-Thomas and will expire at the end of the 2020 Shareholders' Meeting.

Pursuant to legislative provisions and Article 11-5 of the Company's bylaws, as the percentage of share capital held by employees of the Company and companies related to it represents over 3% of the Company's share capital (the employees of the Group hold 5.18% of the share capital at December 31, 2019), a director representing employee shareholders must be elected by the Shareholders' Meeting from among two candidates proposed by employees shareholders. One of these candidates, Ms. Lucia Sinapi-Thomas, was nominated by the Supervisory Board of the various Capgemini FCPE, which together represent 83% of the share capital held by employee shareholders. The other candidate, Ms. Claire Sauvanaud, was directly elected by all registered employee shareholders.

During its meeting of March 11, 2020, the Board of Directors decided to recommend the candidacy of Ms. Lucia Sinapi-Thomas in consideration of the fact that Ms. Lucia Sinapi-Thomas is presented by the FCPE mutual fund representing the largest number of employee shareholders and holding the greatest percentage of the Company's share capital, and given the high quality of her contribution to the work of the Board of Directors and the Compensation Committee over her current term of office. Accordingly, **the Board approved the seventeenth resolution and did not approve the seventeenth (A) resolution.**

The candidate obtaining the greatest number of votes will be elected director representing employee shareholders. The director will be appointed for a period of four years, in accordance with the Company's bylaws.



LUCIA SINAPI-THOMAS

Director representing employee shareholders
Member of the Compensation Committee

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Ms. Lucia Sinapi graduated from ESSEC business school (1986) and Paris Law University – Panthéon Assas (1988), was admitted to the Paris bar (1989), and has a financial analyst degree (SFAF 1997). She started her career as a tax and business lawyer in 1986, before joining Capgemini in 1992. She has more than 20 years' experience within Capgemini group, successively as Group Tax Advisor (1992), head of Corporate Finance, Treasury and Investors Relations (1999), then head of Risk Management and Insurance (2005), and member of the Group Review Board. She was Deputy Chief Financial Officer from 2013 until December 31, 2015 and was appointed Executive Director Business Platforms of Capgemini group in January 2016. Since January 1, 2019, Ms. Lucia Sinapi-Thomas is Executive Director of Capgemini Ventures.

Ms. Lucia Sinapi-Thomas was appointed to the Dassault Aviation Board of Directors on May 15, 2014, where she is also a member of the Audit Committee. She has also been a director of Bureau Veritas since May 22, 2013 and was appointed to the Audit & Risk Committee on the same date.

Ms. Lucia Sinapi-Thomas joined the Board of Directors of Capgemini SE as a director representing employee shareholders on May 24, 2012. She has been a member of the Compensation Committee since June 20, 2012.

Ms. Lucia Sinapi-Thomas brings to the Board her finance expertise and her extensive knowledge of the Capgemini group, its businesses, offerings and clients, enriched by her ongoing operating responsibilities. In addition, her experience as a director of Euronext listed companies provides her with a perspective offering insight relevant to Capgemini's various activities.

Principal office:

Since June 2019, Ms. Lucia Sinapi-Thomas is Chief Executive Officer of Capgemini Ventures.

Date of birth:

January 19, 1964

Nationality:

French

Business address:

Capgemini Service
76, avenue Kléber,
75016 Paris

First appointment:

2012

Expiry of term of office:

2020
(Ordinary Shareholders' Meeting held to approve the 2019 financial statements)

Number of shares held at Dec. 31, 2019:

30,597

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

Director of:

- CAPGEMINI SE* (since May 2012)
- BUREAU VERITAS* (since May 2013)
- DASSAULT AVIATION* (since May 2014)

Other offices held in Capgemini group:

Chairman of:

- CAPGEMINI EMPLOYEES WOLRLDWISE SAS (until June 24, 2019)

Chief Executive Officer of:

- CAPGEMINI VENTURES (since June 24, 2019)

Chairman of the Supervisory Board of:

- FCPE CAPGEMINI

Member of the Supervisory Board of:

- FCPE ESOP CAPGEMINI

Director of:

- AZQORE (Switzerland) (since November 2018)
- CAPGEMINI DANMARK A/S (Denmark) (until May 22, 2019)
- SOGETI SVERIGE AB (Sweden) (since November 2008)
- SOGETI SVERIGE MITT AB (Sweden) (until July 1, 2019)
- SOGETI NORGE A/S (Norway) (until May 15, 2019)
- CAPGEMINI BUSINESS SERVICES GUATEMALA S.A. (until August 12, 2019)

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

Deputy Chief Financial Officer of:

- CAPGEMINI SE* (until December 2015)

Other offices held in Capgemini group:

Chairman of:

- PROSODIE SAS (until November 2018)

Chief Executive Officer of:

- SOGETI FRANCE SAS (until July 2018)
- CAPGEMINI OUTSOURCING SERVICES S.A.S. (until January 2018)

Executive Director of:

- Business Platforms, Capgemini (until June 2018)

Director of:

- CAPGEMINI POLSKA Sp.z.o.o. (Poland) (until April 2018)
- CAPGEMINI REINSURANCE INTERNATIONAL S.A. (Luxembourg) (until April 2016)
- EURIWARE SA (until July 2015)

* Listed company.



CLAIRE SAUVANAUD

Director representing employee shareholders

BIOGRAPHY – PROFESSIONAL EXPERIENCE

Ms. Claire Sauvanaud is a graduate of the Institut des Sciences Politiques in Paris (1984) and holds an MBA ISA from the HEC Business School (1986) and a Bachelor's degree in Russian from Sorbonne Paris IV University (1982).

She started her career as a management controller with Thalès Group before joining BNP, where she was responsible for financial market transactions for leading French groups. She joined the Capgemini group consulting teams in 1989 (the MAC Group).

In her 30-year career within the Group, Ms. Claire Sauvanaud has held a variety of positions in several countries. During 9 years with Capgemini Consulting, she conducted strategy and management consulting assignments for leading European banking and insurance groups. She specializes in corporate and merchant banking, as well as private banking and asset management. In 1998, she joined the Capgemini Ireland teams, where she formed a consulting team and headed up Capgemini operations and delivery for activities in this country. She returned to France in 2001 where she became secretary to the Financial Services division Executive Committee, and developed the strategy and operating model for this division. She also participated in the creation of Sogeti. In 2003, she became *Account Manager* for technology activities with BNP Paribas, and then managed all Capgemini group activities with this client, under the supervision of the Country Board France.

In 2011, Ms. Sauvanaud joined Capgemini APAC in Singapore where she steered Capgemini's commercial development with leading banking and insurance groups in Asia.

Ms. Claire Sauvanaud was elected Vice Chairwoman of the Singapore Chamber of Commerce's Board of Directors from 2013 to 2016. She was also appointed as External Trade Advisor to the French government from 2013 to 2017. In addition, from 2011 to 2016, Ms. Claire Sauvanaud was Capgemini's spokesperson for World Wealth Report and APAC Wealth Report publications.

Since 2016, she is an *Account Executive*, in charge of Capgemini's relations with the AXA Group. In 2018, she was appointed to the Executive Committee of the Financial Services SBU, where she implemented the Group's *Account Management* initiative.

Ms. Sauvanaud is committed to contributing to the Capgemini SE Board of Directors her experience on the ground and her extensive knowledge of the diverse range of the Group's businesses, cultures and team members, as well as a client and commercial perspective enabling the optimization of the Group's strategic direction.

Principal office:

Ms. Claire Sauvanaud is *Account Executive* at Capgemini Financial Services Global Business Unit.

OFFICES HELD IN 2019 OR CURRENT OFFICES AT DECEMBER 31, 2019

N/A

OTHER OFFICES HELD DURING THE LAST FIVE YEARS (OFFICES EXPIRED)

Vice-Chairman of the Board of Directors of:

— French Chamber of Commerce of Singapore (until 2016)

Date of birth:

June 10, 1962

Nationality:

French

Business address:

Capgemini Technology Services
147, quai du Président Roosevelt
92445 Issy-les-Moulineaux

First appointment:

2020

Expiry of term of office:

2024
(Ordinary Shareholders' Meeting held to approve the 2023 financial statements)

Number of shares held at March 11, 2020:

6,075

SEVENTEENTH RESOLUTION

Appointment of Ms. Lucia Sinapi-Thomas as a director representing employee shareholders in accordance with Article 11-5 of the bylaws

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, appoints Ms. Lucia Sinapi-Thomas as a director representing employee shareholders

for a period of four years. This term of office will expire at the close of the Ordinary Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2023.

SEVENTEENTH (A) RESOLUTION

Appointment of Ms. Claire Sauvanaud as a director representing employee shareholders in accordance with Article 11-5 of the bylaws (resolution not approved by the Board of Directors)

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, appoints Ms. Claire Sauvanaud as a director representing employee shareholders for a

period of four years. This term of office will expire at the close of the Ordinary Shareholders' Meeting held to approve the financial statements for the year ending December 31, 2023.

PRESENTATION OF THE 18TH AND 19TH RESOLUTIONS

RENEWAL OF THE TERM OF OFFICE OF A PRINCIPAL STATUTORY AUDITOR – APPOINTMENT OF A PRINCIPAL STATUTORY AUDITOR

Overview

The Board of Directors notes that the current terms of the Company's two principal Statutory auditors, PricewaterhouseCoopers audit (the Group's auditor for the last 24 years) and KPMG S.A. (the Group's auditor for the last 18 years) will expire at the end of the Shareholders' Meeting of May 20, 2020.

As a result of the statutory audit reform, these two principal Statutory auditors must be renewed at the latest at the end of the certification of the accounts for the 2025 fiscal year.

The Audit & Risk Committee conducted a tendering process during fiscal year 2019 with the aim of ensuring continuity of the audit.

At the end of the selection process, at the recommendation of the Audit & Risk Committee, the Board of Directors proposes in these 18th and 19th resolutions:

- to renew the term of office of PricewaterhouseCoopers audit as principal statutory auditor for a six-year period expiring at the close of the Ordinary Shareholders' Meeting

held to approve the financial statements for the year ending December 2025 (18th resolution);

- to appoint Mazars as principal Statutory auditors for a six-year period expiring at the close of the Ordinary Shareholders' Meeting held to approve the financial statements for the year ending December 2025 (19th resolution).

The signing partners would be Ms. Itto El Hariri and Mr. Richard Béjot for PricewaterhouseCoopers audit and Ms. Anne-Laure Rousselou and Mr. Dominique Muller for Mazars.

In addition, in accordance with Article L. 823-1 of the French Commercial Code and the Company's bylaws, at the recommendation of the Audit & Risk Committee, the Board of Directors proposes not to renew the current terms of office of Mr. Jean-Christophe Georghiou and KPMG audit I.S. SAS as substitute Statutory auditors expiring at the end of the Shareholders' Meeting of May 2020.

EIGHTEENTH RESOLUTION

Renewal of the term of office of PricewaterhouseCoopers audit as principal statutory auditor

At the recommendation of the Board of Directors, the Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meeting, renews for a six-year period the term of office as principal statutory auditor of PricewaterhouseCoopers audit whose registered office is located at 63, rue de

Villiers, 92200 Neuilly-sur-Seine, expiring today. This new term of office will expire at the close of the Ordinary Shareholders' Meeting held to approve the financial statements for the year ending December 2025.

NINETEENTH RESOLUTION

Appointment of Mazars as principal statutory auditor

At the recommendation of the Board of Directors, the Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meeting, appoints Mazars for a six-year period as principal statutory auditor whose registered office is

located at Tour Exaltis, 61, rue Henri Regnault, 92400 Courbevoie. This term of office will expire at the close of the Ordinary Shareholders' Meeting held to approve the financial statements for the year ending December 2025.

PRESENTATION OF THE 20TH RESOLUTION

SHARE BUYBACK PROGRAM

Overview

We ask you to authorize the Board of Directors to buy back shares of the Company for the objectives and in accordance with the conditions presented in the draft resolution.

Use of the authorization granted in 2019

Shareholders are reminded that last year, the Ordinary Shareholders' Meeting of May 23, 2019 renewed the authorization granted to the Company to buy back its shares under certain conditions. This authorization was used in 2019 in connection with the liquidity contract (entered into with Kepler Cheuvreux).

The liquidity contract seeks to improve the liquidity of the Capgemini SE share and to allow regular quotations. In 2019 a total of 1,131,001 shares were purchased on behalf of Capgemini SE, at an average price of €104.99 per share, representing 0.67% of the share capital at December 31, 2019. During the same period, 1,286,550 Capgemini SE shares were sold at an average price of €105.03 per share, representing 0.76% of the share capital at December 31, 2019. At the year-end, the liquidity account balance comprised 61,809 treasury shares (0.04% of the share capital) and approximately €19 million in cash.

In addition, the Company continued to purchase its own shares in 2019. Excluding the liquidity contract, the Company held 184,971 of its own shares at December 31, 2019, following the various transactions described below:

- purchase of 1,598,231 shares representing 0.94% of the share capital at December 31, 2019, at an average price of €93.85 per share;
- transfer of 920,029 shares to employees under the free share grant plan;
- cancellation of 698,231 shares.

Trading fees (excluding VAT) and the financial transaction tax totaled €451,500 in 2019.

At December 31, 2019, excluding the liquidity contract, all 184,971 treasury shares held, representing 0.11% of the Company's share capital, were allocated to the grant or sale of shares to employees and/or corporate officers.

Finally, it is noted that during fiscal year 2019, treasury shares held by the Company were not reallocated between the different objectives.

As part of the active management of the share capital, the Board of Directors decided on February 12, 2020 to authorize a new multi-year share buyback program of an amount of €600 million, in continuity with the multi-year share buyback program previously authorized in February 2016 for an initial amount of €600 and increased by €500 million by the Board of Directors on December 7, 2016. The terms of these two multi-year buy-back programs fall within the scope of the authorization granted by the Shareholders' Meeting of May 23, 2019 and any subsequent authorization, such as the one submitted for approval in the 20th resolution.

In addition, as part of the active management of the shareholder dilution related to the employee share ownership plan (ESOP 2019), the Board of Directors, at its meeting of July 29, 2019, authorized share buybacks, in addition to the multi-year share buyback program, for a maximum amount of €410 million and within the limit of 2.75 million shares exclusively for the purpose of canceling shares thus acquired. This additional amount may be used within a period of twelve months from July 29, 2019, subject to the renewal by the Shareholders' Meeting of May 20, 2020 of the share buyback authorization currently in force.

As the envelop dedicated to managing shareholder dilution in connection with the ESOP 2019 plan was not used during the 2019 fiscal year, excluding the liquidity contract, shares buybacks by the Company during fiscal year 2019 were performed exclusively under the multi-year buyback program launched in 2016.

New authorization requested in 2020

The new resolution submitted for approval provides for the buy back by the Company of its own shares up to the statutory limit of 10% of the number of shares comprising the share capital at the date of such purchases, and a maximum number of treasury shares held after such purchases not exceeding 10% of the amount of the Company's share capital at any time. The maximum purchase price will be set at €150 per share. The acquisition, disposal and transfer transactions described above may be carried out by any means in accordance with prevailing laws and regulations – including through the use of derivative instruments or by means of a block purchase or transfer of shares – and be carried out at any time, except during public offers for the company's shares. This authorization is granted for a limited period of 18 months.

TWENTIETH RESOLUTION

Authorization of a share buyback program

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, and after having read the Board of Directors' report, authorizes the Board of Directors, with the power of sub-delegation to the extent authorized by law and in accordance with Articles L. 225-209 *et seq.* of the French Commercial Code, to purchase or arrange the purchase of the company's shares, particularly with a view to:

- the allocation or sale of shares to employees and/or corporate officers (on the terms and by the methods provided by law), in particular with a view to the allocation of free shares pursuant to the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code, the allocation or sale of shares to employees under the French statutory profit-sharing scheme or the implementation of any company or group savings plan (or

similar plan) on the terms provided by law, in particular Articles L. 3332-1 *et seq.* of the French Labor Code (*Code du travail*), and generally, honoring all obligations relating to share option programs or other share allocations to employees or corporate officers of the Company or a related company, or to permit the hedging of a structured employee shareholding plan by a bank, or entity controlled by a bank within the meaning of Article L. 233-3 of the French Commercial Code, acting at the Company's request; or

- the delivery of shares on the exercise of rights attached to securities granting access to the share capital by redemption, conversion, exchange, presentation of a warrant or any other means; or

- the cancellation of some or all of the shares purchased; or
- the delivery of shares (in exchange, as payment, or otherwise) in connection with acquisitions, mergers, demergers or asset-for-share exchanges; or
- the management of the secondary market or maintenance of the liquidity of the Capgemini SE share by an investment services provider under a liquidity contract that complies with the market practice accepted by the *Autorité des marchés financiers* (AMF – the French Financial Markets Authority).

This program is also intended to enable the implementation of any market practice that may be permitted by the AMF and more generally the carrying out of any transaction that complies with prevailing regulations. In such cases, the Company will inform its shareholders by means of a press release.

Purchases of the Company's own shares may be made such that, at the date of each purchase, the total number of shares acquired by the Company since the beginning of the buyback program (including the shares subject to the current purchase) does not exceed 10% of the shares comprising the Company's share capital at that date (including transactions impacting the share capital and performed after this Shareholders' Meeting), it being stipulated that (i) the number of shares purchased with a view to their retention or presentation in a merger, demerger or asset-for-share exchange transaction may not exceed 5% of the Company's share capital; and (ii) where the shares are repurchased to improve liquidity on the terms set out in the AMF general regulations, the number of shares taken into account in calculating the above 10% limit will be the number of shares purchased minus the number of shares resold during the authorization period.

Acquisitions, sales and transfers of shares may be performed at any time other than during the period of a public offer for the company's shares, subject to the limits authorized by prevailing laws and regulations, on one or more occasions and by any means, and particularly on regulated markets, *via* a multilateral trading facility or systematic internalizer or over the counter, including by block purchases or sales, by public offer for cash or shares or using options or other forward financial instruments traded on regulated

markets, *via* a multilateral trading facility or systematic internalizer or over the counter, either directly or through an investment services provider, or in any other manner (with no limit on the portion of the share buyback program carried out by each of these means).

The maximum purchase price of shares purchased pursuant to this resolution will be €150 per share (or the equivalent at the same date in any other currency). The Shareholders' Meeting delegates to the Board of Directors powers to adjust the aforementioned maximum purchase price in the event of a change in the par value of the share, a share capital increase by capitalizing reserves, a free share allocation, a stock split or reverse stock split, a distribution of reserves or any other assets, a share capital redemption, or any other transaction impacting share capital, to take account of the impact of such transactions on the value of the shares.

The total amount allocated to the share buyback program authorized above may not exceed €2,540 million.

The Shareholders' Meeting confers full powers on the Board of Directors, with the power of sub-delegation to the extent authorized by law, to decide and implement this authorization and if necessary to specify the conditions and determine the terms thereof, to implement the share buyback program, and in particular to place stock market orders, enter into any agreement, allocate or reallocate purchased shares to desired objectives subject to applicable legal and regulatory conditions, set any terms and conditions that may be necessary to preserve the rights of holders of securities or other rights granting access to the share capital in accordance with legal and regulatory provisions and, where applicable, any contractual terms stipulating other cases where adjustment is necessary, to make declarations to the French Financial Markets Authority or any other competent authority, to accomplish all other formalities and generally do all that is necessary.

This authorization is granted for a period of eighteen months as from the date of this Shareholders' Meeting.

It supersedes from this date, in the amount of any unused portion, the authorization granted by the 12th resolution adopted by the Combined Shareholders' Meeting of May 23, 2019.

7.2 Resolutions presented at the Extraordinary Shareholders' Meeting

PRESENTATION OF THE 21ST RESOLUTION

AMENDMENT OF THE COMPANY'S BYLAWS – COMPLIANCE WITH LEGISLATIVE DEVELOPMENTS

Overview

In the 21st resolution, it is proposed that you amend the Company's bylaws in order to bring them into compliance with the provisions of Law No. 2019-486 of May 22, 2019 relating to the growth and transformation of companies (the "Pacte Law").

Article 7 – Form of shares – Shareholder identification

Article 198 of the Pacte Law amended Article L. 228-2 of the French Commercial Code concerning the identification of owners of bearer shares. For companies whose shares are admitted to trading on a regulated market, the option to request information enabling them to identify their bearer shareholders is now a matter of law. Consequently, it is proposed to delete the last

paragraph of Article 7 of the bylaws, which no longer needs to be included in the bylaws.

Article 17 – Non-voting directors (*censeurs*)

Your Board proposes to amend the last paragraph of Article 17 of the Articles of Association in order to replace the term "directors' fees" by "compensation allocated", in accordance with Article 185 of the Pacte Act, which has eliminated the notion of "attendance fees". The amendments to the bylaws submitted for your authorization pursuant to the 21st resolution are presented below and would take effect at the end of the 2020 Shareholders' Meeting.

TWENTY-FIRST RESOLUTION

Amendment of the Company's bylaws – Compliance with legislative developments

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, and after having read the Board of Directors' report, resolves to amend

Article 7 and the last paragraph of the Article 17 of the Company's bylaws in order to bring them into compliance with legislative developments as follows:

Amendment of the Article 7 of the Company's bylaws:

(Former wording)

Article 7

FORM OF SHARES – SHAREHOLDER IDENTIFICATION

Fully-paid up shares are issued as registered shares but may be held in either registered or bearer form, at shareholders' discretion, subject to compliance with the Law.

Shares are recorded in shareholders' accounts in accordance with the terms and conditions provided by the Law.

Shares are freely transferable.

The Company is authorized to obtain details of identifiable holders of bearer shares.

Therefore as provided by prevailing legal and regulatory provisions, the Company may request from the organization appointed by Law, the name, address, nationality and year of birth for an individual or the name, address and date of registration for a company, of any holders of shares and securities convertible, exchangeable, redeemable or otherwise exercisable for shares carrying voting rights at Shareholders' Meetings. The Company may also obtain details of the number of shares held by each shareholder and any applicable restrictions on said shares.

Amendment of the Article 17 of the Company's bylaws:

(Former wording)

Article 17, last paragraph

The Board of Directors may remunerate non-voting directors out of the attendance fees granted by the General Shareholders' Meeting.

(New wording)

Article 7

FORM OF SHARES – SHAREHOLDER IDENTIFICATION

Fully-paid up shares are issued as registered shares but may be held in either registered or bearer form, at shareholders' discretion, subject to compliance with the Law.

Shares are recorded in shareholders' accounts in accordance with the terms and conditions provided by the Law.

Shares are freely transferable.

~~The Company is authorized to obtain details of identifiable holders of bearer shares.~~

~~Therefore as provided by prevailing legal and regulatory provisions, the Company may request from the organization appointed by Law, the name, address, nationality and year of birth for an individual or the name, address and date of registration for a company, of any holders of shares and securities convertible, exchangeable, redeemable or otherwise exercisable for shares carrying voting rights at Shareholders' Meetings. The Company may also obtain details of the number of shares held by each shareholder and any applicable restrictions on said shares.~~

(New wording)

Article 17, last paragraph

The Board of Directors may remunerate non-voting directors out of the ~~attendance fees compensation~~ granted by the General Shareholders' Meeting.

PRESENTATION OF THE 22ND RESOLUTION

CANCELLATION OF TREASURY SHARES

Overview

It is recalled that the Shareholders' Meeting of May 23, 2018 authorized the Board of Directors to cancel, up to a maximum of 10% of the share capital, on one or several occasions, at its sole discretion, all or some of the treasury shares held by the Company or that it comes to hold pursuant to Article L. 225-209 of the French Commercial Code and to reduce the share capital accordingly. During the 2019 fiscal year, 698,231 treasury shares,

excluding the liquidity contract, were cancelled. Shareholders are asked today to renew for a period of 26 months the authorization granted to the Board of Directors to cancel shares bought back up to a maximum of 10% of the share capital by 24-month period, this share capital amount being adjusted for any transactions performed after the date of the Shareholders' Meeting.

TWENTY-SECOND RESOLUTION

Authorization to the Board of Directors, for a period of twenty-six months, to cancel shares bought back by the Company under the share buyback programs

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, and after having read the Board of Directors' report and the Statutory auditors' special report, authorizes the Board of Directors to reduce the share capital, on one or more occasions, in the proportions and at

the times it sees fit, by cancellation of whatever number of treasury shares it decides up to the limits authorized by law, in accordance with Articles L. 225-209 *et seq.* and L. 225-213 of the French Commercial Code.

At the date of each cancellation, the maximum number of shares cancelled by the Company during the twenty-four month period preceding such cancellation, including the shares subject to the current cancellation, may not exceed 10% of the shares comprising the Company's share capital at that date, this limit being applied to a share capital amount adjusted to reflect any transactions impacting the share capital subsequent to this Shareholders' Meeting.

The Shareholders' Meeting confers full powers on the Board of Directors, with the power of sub-delegation, to carry out such cancellation (s) and reduction (s) of share capital as may be performed pursuant to this authorization, to deduct from additional paid-in capital or the distributable reserves of its choice the difference

between the purchase price of the cancelled shares and their par value, to allocate the portion of the legal reserve that becomes available as a result of the capital reduction, to amend the bylaws and to carry out all necessary formalities.

This authorization is granted for a period of twenty-six months as from the date of this Shareholders' Meeting.

The Shareholders' Meeting takes due note that this authorization supersedes from this date, in the amount of any unused portion, the authorization granted by the 15th resolution adopted by the Combined Shareholders' Meeting of May 23, 2018.

PRESENTATION OF THE 23RD TO 29TH RESOLUTIONS

FINANCIAL AUTHORIZATIONS

Overview

Financial authorizations requested in 2020

1. Resolutions 23 to 29 are all intended to give the Board of Directors powers to make certain decisions regarding increasing the Company's share capital. The aim of these financial authorizations is to give the Board of Directors flexibility in its choice of potential issue, and to enable it, at the appropriate time, to adapt the nature of the financial instruments issued to the Company's needs and conditions in French or international financial markets.
2. These resolutions may be split into two main categories: those that would result in share capital increases with retention of pre-emptive subscription rights, and those that would result in share capital increases with cancellation of pre-emptive subscription rights.

All share capital increases for cash entitle existing shareholders to a "pre-emptive subscription right", which is detachable and may be traded during the subscription period. For a period of at least five trading sessions after the opening of the subscription period, each shareholder has the right to subscribe for a quantity of new shares proportionate to his/her existing interest in the share capital.

In some of these resolutions, the Board of Directors requests your authorization to cancel this pre-emptive subscription right. Depending on market conditions and the type of securities issued, it may be necessary to cancel pre-emptive subscription rights in order for the newly-issued securities to be placed on the best possible terms, particularly when

speed is essential to the success of an issue. The authorizations requested are nevertheless in line with market practices.

3. These authorizations are indeed subject to limits covering their validity and issue ceilings. Firstly, each authorization is granted for a limited period. In addition, the Board of Directors may only increase the share capital up to strictly defined ceilings, above which the Board of Directors cannot increase the share capital again without calling a new Shareholders' Meeting. These ceilings are presented in the summary table following this report. They consist mainly of a common overall ceiling of €540 million (*i.e.* nearly 40% of the share capital at December 31, 2019) applicable to all share capital increases by issue of shares and/or securities granting access to the share capital, and a sub-ceiling of €135 million (*i.e.* nearly 10% of the share capital at December 31, 2019) common to all share capital increases by issue of shares and/or securities granting access to the share capital with cancellation of pre-emptive subscription rights.

Furthermore, the 23rd to 29th resolutions may not be used by the Board of Directors following a public offer for the company's shares until the end of the offer period (unless specifically authorized by a Shareholders' Meeting).

Use of the authorizations granted previously

It is reminded that the Board of Directors did not make use of the previous financial authorizations granted by the Shareholders' Meeting of May 23, 2018 under the 16th to 22nd resolutions.

TWENTY-THIRD RESOLUTION

Delegation of authority to the Board of Directors, for a period of twenty-six months, to increase the share capital by a maximum amount of €1.5 billion by capitalizing additional paid-in capital, reserves, profits or any other amounts

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, having read the Board of Directors' report and in accordance with Articles L. 225-129-2 and L. 225-130 of the French Commercial Code:

1. delegates to the Board of Directors, with the power of sub-delegation to the extent authorized by law, its authority to decide share capital increases, on one or more occasions, in the proportions and at the times it sees fit, by capitalizing additional paid-in capital, reserves, profits or any other amounts that may be converted into share capital under the law and the Company's bylaws and by issuing new shares or increasing the par value of existing equity instruments or by a combination of both methods;
2. resolves that the maximum par value amount of share capital increases performed pursuant to this delegation may not exceed €1.5 billion or the equivalent in any other currency or currency unit established by reference to more than one currency, it being stipulated that this ceiling will be increased, where applicable, by the par value amount of shares to be issued to preserve, in accordance with legal and regulatory provisions and, where applicable, any contractual terms stipulating other cases where adjustment is necessary, the rights of holders of securities or other rights granting access to the share capital;
3. in the event the Board of Directors uses this delegation of authority, delegates to the Board full powers, with the power of sub-delegation to the extent authorized by law, to implement this delegation, and in particular to:

- determine the amount and nature of sums to be capitalized, set the number of new equity instruments to be issued and/or the amount by which the par value of existing equity instruments will be increased and decide the date, which may be retroactive, from which the new equity instruments will rank for dividends or the increase in the par value of existing equity instruments will take effect;
 - decide in the event of a free allocation of equity instruments that fractional rights will not be negotiable or transferable and that the corresponding equity instruments will be sold in accordance with the methods determined by the Board of Directors, it being specified that the sale and allocation of the sales proceeds must be performed within the time period set by Article R. 225-130 of the French Commercial Code;
 - set terms enabling the preservation, where applicable, of the rights of holders of securities or other rights granting access to the share capital (including by means of cash adjustments);
 - duly record completion of each share capital increase and make the corresponding amendments to the bylaws;
 - generally, enter into all agreements, take all measures and accomplish all formalities for the issue, listing and financial administration of securities issued by virtue of this delegation and for the exercise of the rights attached thereto;
4. resolves that the Board of Directors may not, without prior authorization of a Shareholders' Meeting, use this delegation following a third party public offer for the company's shares, until the end of the offer period;
 5. grants this delegation for a period of twenty-six months as from the date of this Shareholders' Meeting;
 6. takes due note that this delegation supersedes from this date, in the amount of any unused portion, the delegation granted by the 16th resolution adopted by the Shareholders' Meeting of May 23, 2018.

TWENTY-FOURTH RESOLUTION

Delegation of authority to the Board of Directors, for a period of twenty-six months to issue, with retention of pre-emptive subscription rights, ordinary shares and/or securities granting access to the Company's share capital

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having read the Board of Directors' report and the Statutory auditors' special report and in accordance with Articles L. 225-129 *et seq.* of the French Commercial Code and particularly Articles L. 225-129, L. 225-129-2, L. 225-132 to L. 225-134 and L. 228-91 *et seq.* of the French Commercial Code:

1. delegates to the Board of Directors, with the power of sub-delegation to the extent authorized by law, its authority to decide a share capital increase with retention of pre-emptive subscription rights, on one or more occasions, in France or abroad, in the proportions and at the times it sees fit, in euros or in any other currency or currency unit established by reference to more than one currency, with or without a share premium, whether for valuable consideration or without consideration, by issuing (i) shares of the Company (excluding preference shares), and/or (ii) securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code granting access, immediately or in the future, at any time or at fixed dates, by subscription, conversion, exchange, redemption, presentation of a warrant or any other means, to the share capital of the Company or other companies (including companies in which the Company owns directly or indirectly more than half the share capital), it being stipulated that the shares may be paid-up in cash, by offset of debt, or by capitalizing reserves, profits or additional paid-in capital;
2. resolves to set the following limits on authorized share capital increases in the event of use by the Board of Directors of this delegation:
 - the maximum par value amount of share capital increases that may be carried out under this delegation is set at €540 million or the equivalent in any other currency or currency unit established by reference to more than one currency, it being stipulated that the maximum aggregate par value amount of increases in the Company's share capital made under this delegation and under those delegations granted by the 25th, 26th, 27th, 28th and 29th resolutions of this Shareholders' Meeting is set at €540 million or the equivalent in any other currency or currency unit established by reference to more than one currency;
 - added to those ceilings will be the par value amount of any shares to be issued to preserve, in accordance with legal and regulatory provisions and, where applicable, any contractual terms stipulating other cases where adjustment is necessary, the rights of holders of securities or other rights granting access to the share capital;
 - in the case of a share capital increase by capitalizing additional paid-in capital, reserves, profits or any other amounts and allocating free shares during the period of validity of this delegation, the above ceilings will be adjusted based on the ratio between the number of shares issued and outstanding before and after the transaction;
3. resolves to set the following limits on authorized debt instruments on the issue of securities representing debt instruments granting access, immediately or in the future, to the share capital of the Company or other companies:
 - the maximum nominal value of debt instruments that may be issued immediately or in the future under this delegation is set at €9.3 billion or the equivalent in any other currency or currency unit established by reference to more than one currency at the issue date, it being stipulated that the maximum aggregate nominal value of debt instruments that may be issued under this delegation and under those delegations granted by the 25th, 26th, 27th, 28th and 29th resolutions of this Shareholders' Meeting is set at €9.3 billion or the equivalent in any other currency or currency unit established by reference to more than one currency;
 - these limits will be increased, where applicable, for any redemption premium above par;
 - these limits are independent of the amount of any debt instrument issues decided or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code;
4. in the event the Board of Directors uses this delegation:
 - resolves that the issue (s) will be reserved in priority for shareholders, who may subscribe pursuant to their priority rights in proportion to the number of shares owned by them at that time;

- takes due note that the Board of Directors will have the option of instituting pro-rated subscription rights;
 - takes due note that this delegation of authority involves the waiver by shareholders, in favor of holders of securities issued granting access to the Company's share capital, of their pre-emptive subscription rights to the shares to which these securities will grant entitlement immediately or in the future;
 - takes due note that, in accordance with Article L. 225-134 of the French Commercial Code, if subscriptions as of right and any pro-rated subscriptions do not absorb the entire issue, the Board of Directors may use, in the conditions provided by law and in the order it sees fit, any or all of the options listed below:
 - allocate at its discretion some or all of the shares or in the case of securities granting access to the share capital, all or part of securities not subscribed,
 - offer to the public (on the French market or on a foreign market) some or all of the shares or in the case of securities granting access to the share capital, all or part of securities not subscribed,
 - generally limit the share capital increase to the amount of subscriptions received, provided, in the case of issues of shares or securities where the primary instrument is a share, that the share capital increase reaches at least three-quarters of the amount of the share capital increase initially decided after the use, where applicable, of the above-two options;
 - resolves that share subscription warrants may also be issued without consideration to holders of existing shares;
- 5.** resolves that the Board of Directors shall have full powers, with the power of sub-delegation to the extent authorized by law, to implement this delegation, and in particular to:
- decide the issue of shares and/or securities granting access, immediately or in the future, to the share capital of the Company or other companies;
 - determine the amount of the issue, the issue price and the amount of any premium that may be required on issue or, as the case may be, the amount of reserves, profits or any other amounts to be incorporated in the share capital;
 - determine the dates and terms of the issue, the nature, number and characteristics of the shares and/or securities to be issued;
 - for issues of debt instruments, set all the terms and conditions of these securities (particularly their term, which may or may not be fixed, whether they are subordinated and their remuneration) and amend, during the life of these securities, the above terms and conditions, in compliance with applicable formalities;
 - set the terms, where applicable, for the exercise of rights (rights to conversion, exchange or redemption as the case may be, including by delivery of Company assets) attached to shares or securities granting access to share capital, and in particular set the date, which may be retroactive, from which the new shares will rank for dividend, and all other terms and conditions for the completion of the share capital increase;
- set the terms on which the Company, where applicable, will have the option of purchasing or exchanging securities on the stock market, at any time or during specified periods, whether or not such purchase or exchange is performed with a view to cancellation in accordance with legal provisions;
 - at its sole discretion, offset the share issue costs against the related premiums and deduct from such premiums the sums necessary to increase the legal reserve;
 - determine and make all adjustments to take account of the impact of transactions in the share capital or equity of the Company, in particular in the event of a change in the par value of the share, a share capital increase by capitalizing reserves, profits or additional paid-in capital (or any other amounts), a free share allocation, a stock split or reverse stock split, a distribution of dividends, reserves, additional paid-in capital or any other assets, a share capital redemption, or any other transaction impacting share capital or equity (including in the case of a public offer for the company's shares and/or a change in control) and set all other terms enabling the preservation, where applicable, of the rights of holders of securities or other rights granting access to the share capital (including by means of cash adjustments);
 - duly record completion of each share capital increase and make the corresponding amendments to the bylaws;
 - generally, enter into all agreements, in particular to ensure completion of the proposed issues, take all measures and accomplish all formalities for the issue, listing and financial administration of securities issued by virtue of this delegation and for the exercise of the rights attached thereto;
- 6.** takes due note that, in the event the Board of Directors uses the delegation of authority granted pursuant to this resolution, the Board of Directors will report to the next Ordinary Shareholders' Meeting, in accordance with the law and regulations, on the use made of the authorizations conferred in this resolution;
- 7.** resolves that the Board of Directors may not, without prior authorization of a Shareholders' Meeting, use this delegation following a third party public offer for the company's shares, until the end of the offer period;
- 8.** grants this delegation for a period of twenty-six months as from the date of this Shareholders' Meeting;
- 9.** takes due note that this delegation supersedes from this date, in the amount of any unused portion, the delegation granted by the 17th resolution adopted by the Shareholders' Meeting of May 23, 2018.

TWENTY-FIFTH RESOLUTION

Delegation of authority to the Board of Directors, for a period of twenty-six months to issue, with cancellation of pre-emptive subscription rights, ordinary shares and/or securities granting access to the Company's share capital by way of public offers other than those referred to in Article L. 411-2 of the French Monetary and Financial Code

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having read the Board of Directors' report and the Statutory auditors' special report and in accordance with Articles L. 225-129 *et seq.* of the French Commercial Code and in particular Articles L. 225-129-2, L. 225-135, L. 225-136, L. 225-148 and L. 228-91 *et seq.* of the French Commercial Code:

1. delegates to the Board of Directors, with the power of sub-delegation to the extent authorized by law, its authority to decide a share capital increase with cancellation of pre-emptive subscription rights, on one or more occasions, in France or abroad, in the proportions and at the times it sees fit, by public offers other than those referred to in Article L. 411-2 of the French Monetary and Financial Code, in euros or in any other currency or currency unit established by reference to more than one currency, with or without a share premium, whether for valuable consideration or without consideration, by issuing (i) shares of the Company (excluding preference shares), and/or (ii) securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code granting access, immediately or in the future, at any time or at fixed dates, by subscription, conversion, exchange, redemption, presentation of a warrant or any other means, to the share capital of the Company or other companies (including companies in which the Company owns directly or indirectly more than half the share capital), it being stipulated that the shares may be paid-up in cash, by offset of debt, or by capitalizing reserves, profits or additional paid-in capital. Such securities may be issued in particular as consideration for securities meeting the conditions laid down in Article L. 225-148 of the French Commercial Code that may be contributed to the Company in connection with a public exchange offer initiated by the Company in France or abroad under local rules (for example in connection with a reverse merger);
2. delegates to the Board of Directors, with the power of sub-delegation to the extent authorized by law, its authority to decide issues of shares and/or securities granting access to the Company's share capital to be carried out further to the issue, by companies in which the Company directly or indirectly owns more than half the share capital, of securities granting access to the Company's share capital.

This decision involves the waiver by shareholders, in favor of holders of securities that may be issued by companies of the Company's group, of their pre-emptive subscription rights to the shares or securities granting access to the Company's share capital to which these securities grant entitlement;
3. resolves to set the following limits on authorized share capital increases in the event of use by the Board of Directors of this delegation:
 - the maximum par value amount of share capital increases that may be carried out under this delegation is set at €135 million or the equivalent in any other currency or currency unit established by reference to more than one currency, it being stipulated that this amount will count towards the overall ceiling for share capital increases set in paragraph 2 of the 24th resolution of this Shareholders' Meeting or, as the case may be, towards any overall ceiling stipulated by a resolution of the same kind that may supersede said resolution during the period of validity of this delegation;
 - added to those ceilings will be the par value amount of any shares to be issued to preserve, in accordance with legal and regulatory provisions and, where applicable, any contractual terms stipulating other cases where adjustment is necessary, the rights of holders of securities or other rights granting access to the share capital;
 - in the case of a share capital increase by capitalizing additional paid-in capital, reserves, profits or any other amounts and allocating free shares during the period of validity of this delegation, the above ceilings will be adjusted based on the ratio between the number of shares issued and outstanding before and after the transaction;
4. resolves to set the following limits on authorized debt instruments on the issue of securities representing debt instruments granting access, immediately or in the future, to the share capital of the Company or other companies:
 - the maximum nominal value of debt instruments that may be issued immediately or in the future under this delegation is set at €3.1 billion or the equivalent in any other currency or currency unit established by reference to more than one currency at the issue date, it being stipulated that this amount will count towards the overall ceiling set in paragraph 3 of the 24th resolution of this Shareholders' Meeting or, as the case may be, towards any overall ceiling stipulated by a resolution of the same kind that may supersede said resolution during the period of validity of this delegation;
 - these limits will be increased, where applicable, for any redemption premium above par;
 - these limits are independent of the amount of any debt instrument issues decided or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code;
5. resolves to cancel shareholders' pre-emptive subscription rights in respect of the securities covered by this resolution, whilst however giving the Board of Directors discretion pursuant to Article L. 225-135, paragraph 5 of the French Commercial Code to grant shareholders, for a period and on terms to be set by the Board of Directors in compliance with applicable laws and regulations, and for all or part of any issue that may be carried out, a priority subscription period that does not give rise to negotiable rights and which must be exercised in proportion to the quantity of shares owned by each shareholder and which may be supplemented by an application to subscribe for shares on a pro-rated basis, it being stipulated that securities not thus subscribed will be offered to the public in France or abroad;
6. resolves that if subscriptions, including where applicable by shareholders, do not absorb the entire issue, the Board of Directors may limit the issue to the amount of subscriptions received, provided, in the case of issues of shares or securities where the primary instrument is a share, that the share capital increase reaches at least three-quarters of the amount of the issue decided;
7. takes due note that this delegation involves the waiver by shareholders, in favor of holders of securities issued granting access to the Company's share capital, of their pre-emptive subscription rights to the shares to which these securities will grant entitlement;

8. takes due note that, in accordance with Article L. 225-136 1° paragraph 1 of the French Commercial Code:
- the issue price of shares issued directly will be at least equal to the minimum stipulated by applicable regulations at the date of the issue (currently, the weighted average price of the Company's share on the Euronext Paris regulated market during the three trading days preceding the date on which the price is set, less 10%) after making any adjustments to that average in the event of differences in dividend ranking dates;
 - the issue price of securities granting access to the share capital and the number of shares to which conversion, redemption or more generally transformation of each security granting access to the share capital would confer entitlement will be such that the amount received immediately by the Company plus any amount to be received subsequently by the Company will, for each share issued as a consequence of the issue of such securities, be at least equal to the minimum subscription price defined in the previous paragraph;
9. resolves that the Board of Directors shall have full powers, with the power of sub-delegation to the extent authorized by law, to implement this delegation, and in particular:
- decide the issue of shares and/or securities granting access, immediately or in the future, to the share capital of the Company or other companies;
 - determine the amount of the issue, the issue price and the amount of any premium that may be required on issue or, as the case may be, the amount of reserves, profits or any other amounts to be incorporated in the share capital;
 - determine the dates and terms of the issue, the nature, number and characteristics of the shares and/or securities to be issued;
 - for issues of debt instruments, set all the terms and conditions of these securities (particularly their term, which may or may not be fixed, whether they are subordinated or not and their remuneration) and amend, during the life of these securities, the above terms and conditions, in compliance with applicable formalities;
 - set the terms, where applicable, for the exercise of rights (rights to conversion, exchange or redemption as the case may be, including by delivery of Company assets) attached to shares or securities granting access to share capital, and in particular set the date, which may be retroactive, from which the new shares will rank for dividend, and all other terms and conditions for the completion of the share capital increase;
 - set the terms on which the Company, where applicable, will have the option of purchasing or exchanging securities on the stock market, at any time or during specified periods, whether or not such purchase or exchange is performed with a view to cancellation, in accordance with legal provisions;
 - in the event of an issue of securities intended as consideration for securities contributed to the Company in connection with a public offer with an exchange component (public exchange offer), draw up a list of securities contributed to the exchange, set the conditions of the issue, the exchange ratio and the amount of any cash portion to be paid as an exception to the method for determining the price set in paragraph 8 of this resolution, and determine the terms of the issue in connection with a public exchange offer, or an alternative cash or exchange offer, or a single offer to purchase or exchange the securities in question in return for payment in securities and cash, or a principal public cash offer or public exchange offer accompanied by a subsidiary public exchange offer or public cash offer, or any other form of public offer in compliance with the laws and regulations applicable to public offers;
 - at its sole discretion, offset the share issue costs against the related premiums and deduct from such premiums the sums necessary to increase the legal reserve;
 - determine and make all adjustments to take account of the impact of transactions in the share capital or equity of the Company, in particular in the event of a change in the par value of the share, a share capital increase by capitalizing reserves, profits or additional paid-in capital (or any other amounts), a free share allocation, a stock split or reverse stock split, a distribution of dividends, reserves, additional paid-in capital or any other assets, a share capital redemption, or any other transaction impacting share capital or equity (including in the case of a public offer for the company's shares and/or a change in control) and set all other terms enabling the preservation, where applicable, of the rights of holders of securities or other rights granting access to the share capital (including by means of cash adjustments);
 - duly record completion of each share capital increase and make the corresponding amendments to the bylaws;
 - generally, enter into all agreements, in particular to ensure completion of the proposed issues, take all measures and accomplish all formalities for the issue, listing and financial administration of securities issued by virtue of this delegation and for the exercise of the rights attached thereto;
10. resolves that the Board of Directors may not, without prior authorization of a Shareholders' Meeting, use this delegation following a third party public offer for the company's shares, until the end of the offer period;
11. takes due note that, in the event the Board of Directors uses the delegation of authority granted pursuant to this resolution, the Board of Directors will report to the next Ordinary Shareholders' Meeting, in accordance with the law and regulations, on the use made of the authorizations conferred in this resolution;
12. grants this delegation for a period of twenty-six months as from the date of this Shareholders' Meeting;
13. takes due note that this delegation supersedes from this date, in the amount of any unused portion, the delegations granted by the 18th resolution adopted by the Shareholders' Meeting of May 23, 2018.

TWENTY-SIXTH RESOLUTION

Delegation of authority to the Board of Directors, for a period of twenty-six months to issue, with cancellation of pre-emptive subscription rights, ordinary shares and/or securities granting access to the Company's share capital by way of public offers referred to in Article L. 411-2 1° of the French Monetary and Financial Code

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having read the Board of Directors' report and the Statutory auditors' special report and in accordance with Articles L. 225-129 *et seq.* of the French Commercial Code and in particular Articles L. 225-129, L. 225-129-2, L. 225-135, L. 225-136 and L. 228-91 *et seq.* of the French Commercial Code and Article L. 411-2 1° of the French Monetary and Financial Code (*Code monétaire et financier*):

1. delegates to the Board of Directors, with the power of sub-delegation to the extent authorized by law, its authority to decide a share capital increase with cancellation of pre-emptive subscription rights by public offers referred to in Article L. 411-2 1° of the French Monetary and Financial Code, on one or more occasions, in France or abroad, in the proportions and at the times it sees fit, in euros or in any other currency or currency unit established by reference to more than one currency, with or without a share premium, whether for valuable consideration or without consideration, by issuing (i) shares of the Company (excluding preference shares), and/or (ii) securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code granting access, immediately or in the future, at any time or at fixed dates, by subscription, conversion, exchange, redemption, presentation of a warrant or any other means, to the share capital of the Company or other companies (including companies in which the Company owns directly or indirectly more than half the share capital), it being stipulated that the shares may be paid-up in cash, by offset of debt, or by capitalizing reserves, profits or additional paid-in capital;
2. delegates to the Board of Directors, with the power of sub-delegation to the extent authorized by law, its authority to decide issues of shares or securities granting access to the Company's share capital to be carried out further to the issue, by companies in which the Company directly or indirectly owns more than half the share capital, of securities granting access to the Company's share capital.

This decision involves the waiver by shareholders, in favor of holders of securities that may be issued by companies of the Company's group, of their pre-emptive subscription rights to the shares or securities granting access to the Company's share capital to which these securities grant entitlement;

3. resolves to set the following limits on authorized share capital increases in the event of use by the Board of Directors of this delegation:
 - the maximum par value amount of share capital increases that may be carried out under this delegation is set at €135 million or the equivalent in any other currency or currency unit established by reference to more than one currency (without exceeding the limits set by applicable regulations at the time of the issue, *i.e.* currently 20% of the share capital per year), it being stipulated that this amount will count towards the ceiling set in paragraph 3 of the 25th resolution of this Shareholders' Meeting and towards the overall ceiling set in paragraph 2 of the 24th resolution or, as the case may be, towards any ceilings stipulated by resolutions of the same kind that may supersede said resolutions during the period of validity of this delegation;
 - added to those ceilings will be the par value amount of any shares to be issued to preserve, in accordance with legal and regulatory provisions and, where applicable, any contractual terms stipulating other cases where adjustment is necessary, the rights of holders of securities or other rights granting access to the share capital;

- in the case of a share capital increase by capitalizing additional paid-in capital, reserves, profits or any other amounts and allocating free shares during the period of validity of this delegation, the above ceilings will be adjusted based on the ratio between the number of shares issued and outstanding before and after the transaction;
4. resolves to set the following limits on authorized debt instruments on the issue of securities representing debt instruments granting access, immediately or in the future, to the share capital of the Company or other companies:
 - the maximum nominal value of debt instruments that may be issued immediately or in the future under this delegation is set at €3.1 billion or the equivalent in any other currency or currency unit established by reference to more than one currency at the issue date, it being stipulated that this amount will count towards the ceiling set in paragraph 4 of the 25th resolution and the overall ceiling set in paragraph 3 of the 24th resolution of this Shareholders' Meeting or, as the case may be, towards any ceilings stipulated by resolutions of the same kind that may supersede said resolutions during the period of validity of this delegation;
 - these limits will be increased, where applicable, for any redemption premium above par;
 - these limits are independent of the amount of any debt instrument issue decided or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code;
 5. resolves to cancel shareholders' pre-emptive subscription rights in respect of the securities covered by this delegation;
 6. resolves that if subscriptions, including where applicable by shareholders, do not absorb the entire issue, the Board of Directors may limit the issue to the amount of subscriptions received, provided, in the case of issues of shares or securities where the primary instrument is a share, that the share capital increase reaches at least three-quarters of the amount of the issue decided;
 7. takes due note that this delegation involves the waiver by shareholders, in favor of holders of securities issued granting access to the Company's share capital, of their pre-emptive subscription rights to the shares to which these securities will grant entitlement;
 8. takes due note that, in accordance with Article L. 225-136 1° paragraph 1 of the French Commercial Code:
 - the issue price of shares issued directly will be at least equal to the minimum stipulated by applicable regulations at the date of the issue (currently, the weighted average price of the Company's share on the Euronext Paris regulated market during the three trading days preceding the date on which the price is set, less 10%) after making any adjustments to that average in the event of differences in dividend ranking dates,
 - the issue price of securities granting access to the share capital and the number of shares to which conversion, redemption or more generally transformation of each security granting access to the share capital would confer entitlement, will be such that the amount received immediately by the Company plus any amount to be received subsequently by the Company will, for each share issued as a consequence of the issue of such securities, be at least equal to the minimum subscription price defined in the previous paragraph;

9. resolves that the Board of Directors shall have full powers, with the power of sub-delegation to the extent authorized by law, to implement this delegation, and in particular:
- decide the issue of shares and/or securities granting access, immediately or in the future, to the Company's or other company's share capital;
 - determine the amount of the issue, the issue price and the amount of any premium that may be required on issue or, as the case may be, the amount of reserves, profits or any other amounts to be incorporated in the share capital;
 - determine the dates and terms of the issue, the nature, number and characteristics of the shares and/or securities to be issued;
 - for issues of debt instruments, set all the terms and conditions of these securities (particularly their term, which may or may not be fixed, whether they are subordinated and their remuneration) and amend, during the life of these securities, the above terms and conditions, in compliance with applicable formalities;
 - set the terms, where applicable, for the exercise of rights (rights to conversion, exchange or redemption as the case may be, including by delivery of Company assets) attached to shares or securities granting access to share capital to be issued, and in particular set the date, which may be retroactive, from which the new shares will rank for dividend, and all other terms and conditions for the completion of the share capital increase;
 - set the terms on which the Company, where applicable, will have the option of purchasing or exchanging securities on the stock market, at any time or during specified periods, whether or not such purchase or exchange is performed with a view to cancellation, in accordance with legal provisions;
 - at its sole discretion, offset the share issue costs against the related premiums and deduct from such premiums the sums necessary to increase the legal reserve;
- determine and make all adjustments to take account of the impact of transactions in the share capital or equity of the Company, in particular in the event of a change in the par value of the share, a share capital increase by capitalizing reserves, profits or additional paid-in capital (or any other amounts), a free share allocation, a stock split or reverse stock split, a distribution of dividends, reserves, additional paid-in capital or any other assets, a share capital redemption, or any other transaction impacting share capital or equity (including in the case of a public offer for the company's shares and/or a change in control) and set all other terms enabling the preservation, where applicable, of the rights of holders of securities or other rights granting access to the share capital (including by means of cash adjustments);
 - duly record completion of each share capital increase and make the corresponding amendments to the bylaws;
 - generally, enter into all agreements, in particular to ensure completion of the proposed issues, take all measures and accomplish all formalities for the issue, listing and financial administration of securities issued by virtue of this delegation and for the exercise of the rights attached thereto;
10. resolves that the Board of Directors may not, without prior authorization of a Shareholders' Meeting, use this delegation following a third party public offer for the company's shares, until the end of the offer period;
11. takes due note that, in the event the Board of Directors uses the delegation of authority granted pursuant to this resolution, the Board of Directors will report to the next Ordinary Shareholders' Meeting, in accordance with the law and regulations, on the use made of the authorizations conferred in this resolution;
12. grants this delegation for a period of twenty-six months as from the date of this Shareholders' Meeting;
13. takes due note that this delegation supersedes from this date, in the amount of any unused portion, the delegation granted by the 19th resolution adopted by the Shareholders' Meeting of May 23, 2018.

TWENTY-SEVENTH RESOLUTION

Authorization to the Board of Directors, on the issue of ordinary shares or securities granting access to the Company's share capital with cancellation of pre-emptive subscription rights, to set the issue price in accordance with the terms set by the Shareholders' Meeting, up to a maximum of 10% of the share capital per twelve-month period

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having read the Board of Directors' report and the Statutory auditors' special report and in accordance with Article L. 225-136 1°, paragraph 2, of the French Commercial Code:

1. authorizes the Board of Directors, with the power of sub-delegation to the extent authorized by law, in the case of a share capital increase by way of an issue of equity instruments with cancellation of pre-emptive subscription rights pursuant to the 25th and 26th resolutions of this Shareholders' Meeting, to set the issue price as follows:
 - the issue price of shares will be at least equal to the lower of the average price of the share on the Euronext Paris regulated market, weighted for trading volumes on the last trading day preceding the setting of the issue price and the average price of the share on the Euronext Paris regulated market, weighted for trading volumes on the trading day when the issue price is set, in both cases potentially reduced by a discount of up to 10%;
 - the issue price of securities granting access to the share capital and the number of shares to which conversion, redemption or more generally transformation of each security granting access to the share capital would confer entitlement will be such that the amount received immediately by the Company plus any amount to be received subsequently by the Company will, for each share issued as a consequence of the issue of such securities, be at least equal to the minimum subscription price defined in the previous paragraph;
2. resolves that the par value amount of share capital increases that may be performed immediately or in the future pursuant to this authorization is set, in accordance with the law, at 10% of the share capital per 12-month period (it being stipulated that this limit will be assessed at the date of the decision to issue shares and/or securities granting access to the share capital);
3. takes due note that, in the event the Board of Directors uses this authorization, it will prepare an additional report, certified by the Statutory auditors, describing the definitive terms of the transaction and providing information enabling an assessment of the effective impact on shareholder positions.

TWENTY-EIGHTH RESOLUTION

Delegation of authority to the Board of Directors, for a period of twenty-six months, to increase the number of shares to be issued in the event of a share capital increase (through the issue of ordinary shares and/or of securities granting access to the share capital) with retention or cancellation of pre-emptive subscription rights

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having read the Board of Directors' report and the Statutory auditors' special report and in accordance with Articles L. 225-129-2 and L. 225-135-1 of the French Commercial Code:

1. delegates to the Board of Directors, with the power of sub-delegation to the extent authorized by law, its authority to decide to increase the number of shares to be issued in the event of a share capital increase (through the issue of ordinary shares and/or of securities granting access to the share capital immediately or in the future) with retention or cancellation of pre-emptive subscription rights, at the same price as that of the initial issue, within the limits as to time and quantity specified in applicable regulations at the date of the issue (currently, within thirty days of the closure of subscriptions and up to a maximum of 15% of the initial issue), in particular with a view to granting a *Greenshoe* option in accordance with market practices;
2. resolves that the par value amount of share capital increases decided pursuant to this resolution shall count towards the ceiling stipulated in the resolution pursuant to which the initial issue is decided and the overall ceiling set in paragraph 2 of the 24th resolution of this Shareholders' Meeting and that the nominal value of debt instruments issued pursuant to this resolution shall count towards the ceiling stipulated in the resolution pursuant to which the initial issue is decided and the overall ceiling set in paragraph 3 of the 24th resolution of this Shareholders' Meeting or, as the case may be, towards the ceilings stipulated by resolutions of the same kind that may supersede said resolutions during the period of validity of this delegation;
3. resolves that the Board of Directors may not, without prior authorization of a Shareholders' Meeting, use this delegation following a third party public offer for the company's shares, until the end of the offer period;
4. grants this delegation for a period of twenty-six months as from the date of this Shareholders' Meeting;
5. takes due note that this delegation supersedes from this date, in the amount of any unused portion, the delegation granted by the 21st resolution adopted by the Shareholders' Meeting of May 23, 2018.

TWENTY-NINTH RESOLUTION

Authorization to the Board of Directors, for a period of twenty-six months, to issue ordinary shares and/or securities granting access to the Company's share capital, in consideration for contributions in kind to the Company of shares or securities granting access to share capital, up to a maximum of 10% of the share capital

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having read the Board of Directors' report and the Statutory auditors' special report and in accordance with Articles L. 225-129, L. 225-129-2, L. 225-147 and L. 228-91 *et seq.* of the French Commercial Code:

1. authorizes the Board of Directors, with the power of sub-delegation to the extent authorized by law, to perform a share capital increase, on one or more occasions, by issuing (i) shares of the Company (excluding preference shares), and/or (ii) securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code granting access, immediately or in the future, at any time or at fixed dates, by subscription, conversion, exchange, redemption, presentation of a warrant or any other means, to the share capital of the Company or other companies (including companies in which the Company owns directly or indirectly more than half the share capital), as consideration for assets transferred to the Company comprising equity instruments or securities granting access to share capital, in cases where Article L. 225-148 of the French Commercial Code does not apply;
2. resolves to set the following limits on authorized share capital increases in the event of use by the Board of Directors of this authorization:
 - the maximum par value amount of share capital increases that may be carried out under this authorization is set at €135 million or the equivalent in any other currency or currency unit established by reference to more than one currency (without exceeding the limits set by applicable regulations at the time of the issue, *i.e.* currently 10% of the share capital), it being stipulated that this amount will count towards the par value ceiling set in paragraph 3 of the 25th resolution and towards the overall ceiling set in paragraph 2 of the 24th resolution or, as the case may be, towards the ceilings stipulated by resolutions of the same kind that may supersede said resolutions during the period of validity of this authorization;
 - added to those ceilings will be the par value amount of any shares to be issued to preserve, in accordance with legal and regulatory provisions and, where applicable, any contractual terms stipulating other cases where adjustment is necessary, the rights of holders of securities or other rights granting access to the share capital;
 - in the case of a share capital increase by capitalizing additional paid-in capital, reserves, profits or any other amounts and allocating free shares during the period of validity of this delegation, the above ceilings will be adjusted based on the ratio between the number of shares issued and outstanding before and after the transaction;
3. resolves to set the following limits on authorized debt instruments on the issue of securities representing debt instruments granting access, immediately or in the future, to the share capital of the Company or other companies:
 - the maximum nominal value of debt instruments that may be issued immediately or in the future under this authorization is set at €3.1 billion or the equivalent in any other currency or currency unit established by reference to more than one currency at the issue date, it being stipulated that this amount will count towards the ceiling set in paragraph 4 of the 25th resolution and the overall ceiling set in paragraph 3 of the 24th resolution of this Shareholders' Meeting or, as the case may be, towards any ceilings stipulated by resolutions of the same kind that may supersede said resolutions during the period of validity of this authorization;

- these limits will be increased, where applicable, for any redemption premium above par;
 - these limits are independent of the amount of any debt instrument issues decided or authorized by the Board of Directors in accordance with Articles L. 228-36-A, L. 228-40, L. 228-92 paragraph 3, L. 228-93 paragraph 6 and L. 228-94 paragraph 3 of the French Commercial Code;
4. resolves that the Board of Directors shall have full powers, with the power of sub-delegation to the extent authorized by law, to implement this delegation of authority, and in particular:
- decide the issue of shares and/or securities granting access to the Company's share capital immediately or in the future in consideration of assets transferred;
 - draw up a list of the equity instruments and securities granting access to the share capital transferred to the Company, approve the valuation of the contributions in kind, set the terms of issues of shares and/or securities presented in consideration for said contributions and the amount of any cash portion to be paid, approve the grant of any specific benefits and reduce, if the contributors agree, the valuation of contributions or the remuneration of specific benefits;
 - determine the terms and conditions of shares and/or securities presented in consideration for contributions in kind and amend, during the life of these securities, the above terms and conditions, in compliance with applicable formalities;
 - at its sole discretion, offset the share issue costs against the related premiums and deduct from such premiums the sums necessary to increase the legal reserve;
 - set the terms on which the Company, where applicable, will have the option of purchasing or exchanging securities on the stock market, at any time or during specified periods, whether or not such purchase or exchange is performed with a view to cancellation, in accordance with legal provisions;
- determine and make all adjustments to take account of the impact of transactions in the share capital or equity of the Company, in particular in the event of a change in the par value of the share, a share capital increase by capitalizing reserves, profits or additional paid-in capital (or any other amounts), a free share allocation, a stock split or reverse stock split, a distribution of dividends, reserves, additional paid-in capital or any other assets, a share capital redemption, or any other transaction impacting equity or share capital (including in the case of a public offer for the company's shares and/or a change in control) and set all other terms enabling the preservation, where applicable, of the rights of holders of securities or other rights granting access to the share capital (including by means of cash adjustments);
 - duly record completion of each share capital increase and make the corresponding amendments to the bylaws;
 - generally, enter into any agreement, take all measures and accomplish all formalities, in particular to achieve the successful completion of the issue, listing and financial administration of securities issued by virtue of this authorization and for the exercise of the rights attached thereto;
5. resolves that the Board of Directors may not, without prior authorization of a Shareholders' Meeting, use this authorization following a third party public offer for the company's shares, until the end of the offer period;
6. grants this authorization for a period of twenty-six months as from the date of this Shareholders' Meeting;
7. takes due note that this authorization supersedes from this date, in the amount of any unused portion, the authorization granted by the 22nd resolution adopted by the Shareholders' Meeting of May 23, 2018.

PRESENTATION OF THE 30TH RESOLUTION

ALLOCATION OF SHARES TO EMPLOYEES

Overview

Desirous to continue its motivation policy and involving employees and managers in the Group's development, the Board of Directors is seeking a new authorization to grant additional performance shares, existing or to be issued, subject to internal and external performance conditions, during the next 18 months, (with, in the case of shares to be issued, the waiver by shareholders of their pre-emptive subscription rights in favor of the beneficiaries of the grants) up to a maximum of 1% of the share capital.

The performance conditions recommended by the Board of Directors are set out below and in the draft thirtieth resolution presented to you for vote.

At the recommendation of the Compensation Committee, the Board of Directors' meeting of March 11, 2020 wished to strengthen the alignment of performance conditions with the Group's strategic priorities and, in line with what was implemented for the first time in 2018, maintained a performance condition reflecting the Group's corporate, social and environmental responsibility strategy. In addition, the Board of Directors wished to allow, as last year, outperformance to be taken into account by defining targets conditioning 110% of the relative allocation for each of the performance conditions for all beneficiaries, excluding Executive Corporate Officers, while capping the total percentage of shares vested after recognition of all performance conditions at 110% of the initial allocation.

Performance conditions which it is proposed to apply to performance share grants

The performance conditions recommended by the Board of Directors have been defined on a scope excluding Altran Technologies S.A., whose acquisition is being finalized at the date of this report. In order to take into account this acquisition, the Board of Directors may, if it deems it appropriate, modify the performance conditions and/or the weighting of the different performance conditions.

(i) A **market performance condition** assessed based on the comparative performance of the Capgemini SE share against the average performance of a basket comprising eight comparable companies in the same business sector and from at least five countries (Accenture/Atos/Tieto/Sopra Steria/CGI Group/Indra/Infosys and Cognizant) and the CAC 40 and Euro Stoxx Technology 600 indices.

This external performance condition would determine 35% of grants to Executive Corporate Officers, members of the general management team and key executive managers of the Group and 15% of grants to other beneficiaries.

No shares would vest in respect of the external performance condition if the relative performance of the Capgemini SE share is less than 100% of the average performance of the basket over a three-year period, 100% of the shares would vest if this performance is 110% of that of the basket and 110% of the target (excluding Executive Corporate Officers) if this performance is 120% of that of the basket.

(ii) A **financial performance condition** measured by the amount of audited and published organic free cash flow for the three-year cumulative period from January 1, 2020 to December 31, 2022, excluding Group payments to make up the shortfall on its defined benefit pension funds.

No shares would vest in respect of this financial performance condition if the cumulative organic free cash flow for the three fiscal years is less than €3,400 million, while 100% of the shares would vest if this amount is at least €3,700 million and a maximum of 110% if this amount is equal to €3,900 million (excluding Executive Corporate Officers).

This proposal takes into account the significant and continuous depreciation of the dollar against the euro, the Group's reporting currency, since beginning 2017 (whereas North America contributed 32% of the Group's revenues at December 31, 2019) and the impact of tax-related cash flows.

This financial performance condition would determine 50% of grants to Executive Corporate Officers, members of the general management team and key executive managers of the Group and 70% of grants to other beneficiaries.

(iii) A **performance condition** tied to the Group's 2022 **diversity and sustainable development objectives** which would determine 15% of grants to all beneficiaries. The diversity objective is based on a target increase in the percentage of women in the Group's Vice-President inflow population over the period 2020-2022 to 29% and the sustainable development objective concerns a reduction in greenhouse gas emissions/person of 44% over the period 2015-2022 for a vesting of 100% of the shares. Each objective is equally weighted.

More information on the methodology used to measure the greenhouse gas emissions reduction objective can be found in the 2019 Universal Registration Document, Section 4.1.3.

Summary of recommended performance conditions

Performance condition	Weighting applied for managers ⁽¹⁾	Weighting applied for other beneficiaries	Percentage of the grant determined by each performance condition ⁽²⁾
Market condition: Performance of the Capgemini SE share over a three-year period	35%	15%	<ul style="list-style-type: none"> — 0% if Capgemini's share performance <100% of the average performance of the basket — 50% if equal to 100% — 100% if equal to 110% — 110% if at least equal to 120% of the average performance of the basket (for beneficiaries other than Executive Corporate Officers)
Financial condition: organic free cash flow for the three-year cumulative period from January 1, 2020 to December 31, 2022	50%	70%	<ul style="list-style-type: none"> — 0% if organic free cash flow generated over the reference period < €3,400 million — 30% if equal to €3,400 million for Executive Corporate Officers — 50% if equal to €3,400 million for executive managers (other than Executive Corporate Officers) and other beneficiaries — 100% if equal to €3,700 million for all beneficiaries — 110% if at least equal to €3,900 million (for beneficiaries other than Executive Corporate Officers)
CSR condition comprising two objectives:			
Diversity: increase in the number of women in the Vice-President inflow population over a three-year period (2020-2022)	7.5%	7.5%	<ul style="list-style-type: none"> — 0% if the percentage of women in the Vice-President inflow population through recruitment or internal promotion is <26.5% — 30% if equal to 26.5% — 100% if equal to 29% — 110% if at least equal to 30% (for beneficiaries other than Executive Corporate Officers)

Performance condition	Weighting applied for managers ⁽¹⁾	Weighting applied for other beneficiaries	Percentage of the grant determined by each performance condition ⁽²⁾
Reduction in the carbon footprint in 2022 compared with 2015	7.5%	7.5%	<ul style="list-style-type: none"> — 0% if the reduction in greenhouse gas emissions/person in 2022 compared with reference emissions is <39% — 30% if equal to 39% — 100% if equal to 44% — 110% if at least equal to 45% (for beneficiaries other than Executive Corporate Officers)

(1) Executive Corporate Officers, members of the general management team and key executive managers of the Group.

(2) For each performance condition: calculation of the number of shares that will ultimately vest among the different levels of performance on a straight-line basis, it being understood that the total percentage of shares that will ultimately vest after determination of all performance conditions, may under no circumstances exceed 100% of the Initial Allocation.

Other terms and conditions

As in the past three years, the minimum vesting period for shares would remain set at three years, thereby responding favorably to the request from investors. In addition, if a retention period for vested shares were fixed by your Board, it should not be less than one year. The vesting of shares is also subject to the effective presence of beneficiaries in the Company at the grant date, except in the event of death, disability or retirement.

The resolution limits to 10% the maximum number of shares that may be granted to the Executive Corporate Officers, it being specified that in this case, the Board of Directors will, in accordance with applicable laws, decide the portion of shares that must be held by each individual until the end of his term of office.

The resolution also authorizes the Board of Directors to grant up to 15% of the maximum number of shares to Group employees, other than members of the general management team (the Executive Committee), without performance conditions.

In accordance with the recommendations of the AFEP-MEDEF Code, performance share grants are undertaken at the same calendar periods and are decided by either the Board of Directors' meeting held at the end of July or in October.

Recap of the use of authorizations previously granted by Shareholders' Meetings:

The use by the Board of Directors of previous resolutions for the grant of performance shares is presented in the Group Management Report ("Performance share grants", Section 6.1.4 of the 2019 Universal Registration Document).

THIRTIETH RESOLUTION

Authorization to the Board of Directors, for a period of eighteen months, to grant performance shares, existing or to be issued, to employees and corporate officers of the Company and its French and non-French subsidiaries, up to a maximum of 1% of the Company's share capital (with, in the case of shares to be issued, the waiver by shareholders of their pre-emptive subscription rights in favor of the beneficiaries of the grants)

In accordance with Articles L. 225-197-1 *et seq.* of the French Commercial Code, the Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having read the Board of Directors' report and the Statutory auditors' special report:

1. authorizes the Board of Directors, with the power of sub-delegation to the extent authorized by law – subject to the achievement of the performance targets defined and implemented in accordance with this resolution and for a total number of shares not exceeding 1% of the share capital at the date of the decision (this maximum number of shares being referred to hereafter by the letter "N") – to allocate shares of the Company (existing or to be issued), to employees of the Company and employees and corporate officers of its French and non-French subsidiaries;
2. resolves that for up to a maximum of 10% of "N", these performance shares may also be allocated, in accordance with applicable laws, to the Executive Corporate Officers of the Company, it being specified that in this case, the Board of Directors will, in accordance with applicable laws, decide the portion of shares that must be held by each individual until the end of his term of office;
3. resolves that these performance shares will only vest at the end of a vesting period (the "Vesting Period") of at least three years, it being stipulated that the Board of Directors may introduce, where applicable, a lock-in period following the vesting of the shares the duration of which may vary depending

on the country of tax residence of the beneficiary; in those countries where a lock-in period is applied it will be of a minimum period of one year.

However, the shares will vest before the expiry of the above periods and may be freely sold in the event of the death or incapacity of the beneficiary, corresponding to a Category 2 or 3 disability in France, as defined in Article L. 341-4 of the French Social Security Code (*Code de la sécurité sociale*);

4. resolves, subject to the powers conferred on the Board of Directors by law and this resolution, that the exact number of shares vesting to Executive Corporate Officers (Chairman and Chief Executive Officer, Chief Executive Officer and Chief Operating Officers), members of the general management team (Executive Committee) and key executive manager of the Group at the end of the Vesting Period, compared with the total number of shares ("Initial Allocation") indicated in the allocation notice sent to beneficiaries will be equal to:
 - i. for 35%, the number of shares of the Initial Allocation, multiplied by the percentage achievement of the chosen external performance target, it being specified that:
 - the performance target to be met in order for the shares to vest will be the performance of the Capgemini SE share measured over a minimum three-year period compared to the average performance, measured over the same period, of a basket containing at least five shares of listed companies operating in the same sector as the Group in

- a minimum of five countries in which the Group is firmly established (France, the United States, etc.),
 - this relative performance will be measured by comparing the stock market performance of the Capgemini SE share with the average share price performance of the basket over the same period according to objectives set by the Board of Directors (provided that no shares will vest in respect of shares subject to this external performance target, if, over the calculation reference period, the performance of the Capgemini SE share is less than 100% of the average performance of the basket measured over the same period);
 - ii. for 50%, the number of shares of the Initial Allocation, multiplied by the percentage achievement of the chosen internal financial performance target based on organic free cash flow, it being specified that:
 - the performance target to be met in order for the shares to vest will be the amount of audited and published organic free cash flow for the three-year cumulative period from January 1, 2020 to December 31, 2022, excluding Group payments to make up the shortfall on its defined benefit pension funds, it being understood that the organic free cash flow is defined as the cash flow from operations less acquisitions (net of disposals) of intangible assets and property, plant and equipment, adjusted for flows relating to the net interest cost (as presented in the consolidated statement of cash flow),
 - this relative performance will be measured according to objectives set by the Board of Directors;
 - iii. for 15%, the number of shares of the Initial Allocation, multiplied by the percentage achievement of the chosen Corporate Social and Environmental performance target based on Group objectives, it being specified that the performance target to be met in order for the shares to vest will be measured according to objectives set by the Board of Directors;
5. resolves, subject to the powers conferred on the Board of Directors by law and this resolution, that the exact number of shares vesting to beneficiaries, other than referred to in paragraph 4 above at the end of the Vesting Period, compared with the total number of shares ("Initial Allocation") indicated in the allocation notice sent to beneficiaries will be equal to:
- i. for 15%, the number of shares of the Initial Allocation, multiplied by the percentage achievement of the chosen external performance target, it being specified that:
 - the performance target to be met in order for the shares to vest will be the performance of the Capgemini SE share measured over a minimum three-year period compared to the average performance, measured over the same period, of a basket containing at least five shares of listed companies operating in the same sector as the Group in a minimum of five countries in which the Group is firmly established (France, the United States, etc.),
 - this relative performance will be measured by comparing the stock market performance of the Capgemini SE share with the average share price performance of the basket over the same period according to objectives set by the Board of Directors (provided that no shares will vest in respect of shares subject to this external performance target, if, over the calculation reference period, the performance of the Capgemini SE share is less than 100% of the average performance of the basket measured over the same period);
 - ii. for 70%, the number of shares of the Initial Allocation, multiplied by the percentage achievement of the chosen internal financial performance target based on organic free cash flow, it being specified that:
 - the performance target to be met in order for the shares to vest will be the amount of audited and published organic free cash flow for the three-year cumulative period from January 1, 2020 to December 31, 2022, excluding Group payments to make up the shortfall on its defined benefit pension funds, it being understood that the organic free cash flow is defined as the cash flow from operations less acquisitions (net of disposals) of intangible assets and property, plant and equipment, adjusted for flows relating to the net interest cost (as presented in the consolidated statement of cash flow),
 - this relative performance will be measured according to objectives set by the Board of Directors;
 - iii. for 15%, the number of shares of the Initial Allocation, multiplied by the percentage achievement of the chosen Corporate Social and Environmental performance target based on Group objectives, it being specified that the performance target to be met in order for the shares to vest will be measured according to objectives set by the Board of Directors;
6. resolves that by exception, and for an amount not exceeding 15% of "N", shares may be allocated to employees of the Company and its French (within the meaning, particularly, of Article L. 225-197-6, paragraph 1, of the French Commercial Code) and non-French subsidiaries, excluding members of the general management team (the Executive Committee) without performance conditions;
7. takes due note that this authorization involves the waiver by shareholders of their pre-emptive subscription rights in favor of beneficiaries of performance shares if the allocation concerns shares to be issued;
8. takes due note that, pursuant to the law, the Board of Directors has the power, by way of a duly reasoned decision made after this decision, to amend the performance conditions set out in paragraphs 4 and 5 above and/or the weighting between said performance conditions when deemed appropriate, in particular in order to take into account the acquisition of Altran Technologies S.A.;
9. gives powers to the Board of Directors to implement this authorization (with the power of sub-delegation to the extent authorized by law), and in particular to:
- set the share allocation date,
 - draw up one or more list (s) of beneficiaries and the number of shares allocated to each beneficiary,
 - set the share allocation terms and conditions, including with respect to performance conditions,
 - determine whether the shares allocated for nil consideration are existing shares or shares to be issued and, where applicable, amend this choice before the vesting of shares,
 - decide, in the event that transactions are carried out before the shares vest that affect the Company's equity, whether to adjust the number of the shares allocated in order to protect the rights of the beneficiaries and, if so, define the terms and conditions of such adjustment,
 - perform, where the allocations concern shares to be issued, the necessary share capital increases by capitalization of reserves and/or additional paid-in capital of the Company when the shares ultimately vest, set the dates from which shares bear dividend rights, deduct from reserves and/or additional paid-in capital of the Company the amounts necessary to increase the legal reserve to 10% of the new share capital amount following these share capital increases and amend the bylaws accordingly,
 - carry out all formalities and, more generally, to do whatever is necessary;

10. resolves that this authorization is granted for a period of eighteen months as from the date of this Shareholders' Meeting and supersedes from this date, in the amount of any unused

portion, the delegation granted by the 14th resolution adopted by the Shareholders' Meeting of May 23, 2019.

PRESENTATION OF THE 31ST AND 32ND RESOLUTIONS

EMPLOYEE SAVINGS PLANS

Overview

As part of the employee incentive policy and in order to align employee interests with those of shareholders and also stabilize the Company's share capital, the Board of Directors wishes to continue making the Company's share capital accessible to a large number of employees, in particular through employee share ownership plans ("ESOP"). Since 2017, such employee share ownership operations may now be offered to Group employees on an annual basis, while ultimately aiming to maintain employee share ownership at around 6% to 8% of the Company's share capital.

Use of the authorizations granted in 2019

During fiscal year 2019, the Board of Directors used the 15th and 16th resolutions adopted by the Shareholders' Meeting of May 23, 2019, by launching a sixth employee share ownership plan aimed at associating employees with the Group's development and performance. This plan was a great success, with subscriptions over 160%. Close to 33,700 employees in the 25 participating countries subscribed to the plan, representing 16% of the Group's headcount. This new employee share ownership plan (ESOP) will help maintain employee share ownership over 5% of the share capital.

2,750,000 new shares, *i.e.* the maximum number of shares offered, were subscribed at a unit price of €92.27, representing a total subscription of €253.7 million. The corresponding share capital increase of €22 million at par value was completed on December 18, 2019.

New authorization requested in 2020

Shareholders are asked to renew the two authorizations by which the Shareholders' Meeting would delegate to the Board its power to increase the share capital or issue complex securities granting access to equity securities in favor of the Company's employees. This would allow the set-up of a new employee share ownership plan in the next eighteen months.

An overall ceiling of €24 million (corresponding to 3 million shares and representing approximately 1.8% of the share capital at December 31, 2019) is proposed for these two delegations.

The **31st resolution** is intended to allow the Board to carry out share capital increases up to a maximum par value amount of €24 million reserved for members of employee savings plans of the Company or the Group. This resolution requires the cancellation of pre-emptive subscription rights. The delegation would be granted for a period of twenty-six months. The maximum discount authorized compared to the Reference Price (as defined in the resolution) would be 20% (or 30% in the case of a lock-up period of 10 years).

The **32nd resolution** aims to develop employee share ownership outside France, given the legal or fiscal difficulties or uncertainties that could make it difficult to implement such a plan directly or indirectly through a mutual fund in certain countries. It shall be used only in the event of use of the delegation provided in the 31st resolution, with a sub-ceiling of €12 million included in the overall ceiling of €24 million provided in the 31st resolution. As for the 31st resolution, this resolution provides for the cancellation of pre-emptive subscription rights and would be granted for a period of eighteen months. The maximum discount authorized is the same as in the 31st resolution.

At December 31, 2019, employee shareholding represented 5.18% of the Company's share capital.

The next employee share ownership plan should be implemented by December 31, 2020, at the latest, and will make it possible to maintain employee shareholding at around 6% to 8% of the Company's share capital.

THIRTY-FIRST RESOLUTION

Delegation of authority to the Board of Directors, for a period of twenty-six months, to issue, with cancellation of pre-emptive subscription rights, ordinary shares and/or securities granting access to the Company's share capital to members of Capgemini group employee savings plans up to a maximum par value amount of €24 million and at a price set in accordance with the provisions of the French Labor Code

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having read the Board of Directors' report and the Statutory auditors' special report and in accordance with Articles L. 225-129-2, L. 225-129-4, L. 225-129-6, L. 225-138-1 and L. 228-91 *et seq.* of the French Commercial Code and Articles L. 3332-18 to L. 3332-24 of the French Labor Code:

1. delegates to the Board of Directors, with the power of sub-delegation to the extent authorized by law, the authority to decide on the increase of the share capital with cancellation of pre-emptive subscription rights, on one or more occasions, in France or abroad, in the proportions and at the times it sees fit, in euros or in any other currency or currency unit established by reference to more than one currency, with or without a

share premium, whether for valuable consideration or without consideration, by issuing (i) shares of the Company (excluding preference shares), and/or (ii) securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code granting access, immediately or in the future, at any time or at fixed dates, by subscription, conversion, exchange, redemption, presentation of a warrant or any other means, to the share capital of the Company, reserved for members of one or more employee savings plans (or any other plan for whose members a share capital increase may be reserved on equivalent terms under Articles L. 3332-1 *et seq.* of the French Labor Code or any analogous law or regulation) implemented within a company or a group of French or non-French companies within the scope

of the consolidated or combined financial statements of the Company pursuant to Article L. 3344-1 of the French Labor Code, it being further stipulated that this resolution may be used to implement leveraged schemes;

2. resolves to set the following limits on authorized share capital increases in the event of use by the Board of Directors of this delegation:

- the maximum par value amount of share capital increases that may be carried out under this delegation is set at €24 million or the equivalent in any other currency or currency unit established by reference to more than one currency,
- added to this ceiling will be the par value amount of any shares to be issued to preserve, in accordance with legal and regulatory provisions and, where applicable, any contractual terms stipulating other cases where adjustment is necessary, the rights of holders of securities or other rights granting access to the share capital,
- in the case of a share capital increase by capitalizing additional paid-in capital, reserves, profits or any other amounts and allocating free shares during the period of validity of this delegation, the above ceiling will be adjusted based on the ratio between the number of shares issued and outstanding before and after the transaction;

3. resolves that the issue price of the new shares or securities granting access to the share capital will be determined in accordance with the terms set out in Articles L. 3332-18 *et seq.* of the French Labor Code and will be at least equal to 80% of the Reference Price (as defined below) or 70% of the Reference Price where the lock-up period stipulated by the plan in application of Articles L. 3332-25 and L. 3332-26 of the French Labor Code is ten years or more; for the purposes of this paragraph the Reference Price refers to an average listed price of the Company's share on the Euronext Paris regulated market over the 20 trading days preceding the decision setting the subscription opening date for members of a company or group employee savings plan (or similar plan);

4. authorizes the Board of Directors to allocate, without consideration, to the beneficiaries indicated above, in addition to shares or securities granting access to the share capital, shares or securities granting access to the share capital to be issued or already issued in full or partial substitution of the discount in the Reference Price and/or as an employer's contribution, it being stipulated that the benefit resulting from this allocation may not exceed the applicable legal or regulatory limits;

5. resolves to waive in favor of the aforementioned beneficiaries the pre-emptive subscription rights of shareholders to the shares and securities issued pursuant to this delegation, said shareholders also waiving, in the event of the free allocation to such beneficiaries of shares or securities granting access to the share capital, any rights to such shares or securities granting access to the share capital, including the portion of reserves, profits, or additional paid-in capital capitalized as a result of the free allocation of securities on the basis of this resolution;

6. authorizes the Board of Directors, under the terms specified in this delegation, to sell shares as permitted under Article L. 3332-24 of the French Labor Code to members of a company or group employee savings plan (or similar plan), it being stipulated that the aggregate par value amount of shares sold at a discount to members of one or more of the employee savings plans covered by this resolution will count towards the ceilings mentioned in paragraph 2 of this resolution;

7. resolves that the Board of Directors, with the power of sub-delegation to the extent authorized by law, shall have full powers to implement this delegation, and in particular:

- decide the issue of shares and/or securities granting access, immediately or in the future, to the share capital of the Company or other companies,

- draw up in accordance with the law a list of companies from which the beneficiaries indicated above may subscribe for shares or securities granting access to the share capital thus issued and who, where applicable, may receive free allocations of shares or securities granting access to the share capital,

- decide that subscriptions may be made directly by beneficiaries belonging to a Company or Group savings plan (or similar plan), or *via* dedicated employee savings mutual funds (FCPE) or other vehicles or entities permitted under applicable laws and regulations,

- for issues of debt instruments, set all the terms and conditions of these securities (particularly their term, which may or may not be fixed, whether they are subordinated and their remuneration) and amend, during the life of these securities, the above terms and conditions, in compliance with applicable formalities,

- set the terms, where applicable, for the exercise of rights (rights to conversion, exchange or redemption, including the delivery of Company's assets such as treasury shares or securities already issued by the Company, as the case may be) attached to shares or securities granting access to share capital, and in particular set the date, which may be retroactive, from which the new shares will rank for dividend, and all other terms and conditions for the completion of the share capital increase,

- provide for the possibility of suspending the exercise of the rights attached to shares or securities giving access to the capital in accordance with the legal and regulatory provisions,

- set the amounts of issues to be made under this authorization and in particular determine the issue prices, dates, time limits, terms and conditions of subscription, payment, delivery and date of ranking for dividend of the securities (which may be retroactive), rules for pro-rating in the event of over-subscription and any other terms and conditions of the issues, subject to prevailing legal and regulatory limits,

- determine and make all adjustments to take account of the impact of transactions in the share capital or equity of the Company, in particular in the event of a change in the par value of the share, a share capital increase by capitalizing reserves, profits or additional paid-in capital, a free share allocation, a stock split or reverse stock split, a distribution of dividends, reserves, additional paid-in capital or any other assets, a share capital redemption, or any other transaction impacting share capital or equity (including in the case of a public offer for the company's shares and/or a change in control) and set all other terms enabling the preservation, where applicable, of the rights of holders of securities or other rights granting access to the share capital (including by means of cash adjustments),

- in the event of the free allocation of shares or securities granting access to the share capital, determine the nature and number of shares or securities granting access to the share capital, as well as their terms and conditions and the number to be granted to each beneficiary, and determine the dates, time limits, and terms and conditions of allocation of such shares or securities granting access to the share capital subject to prevailing legal and regulatory limits, and in particular choose to either wholly or partially substitute the allocation of such shares or securities granting access to the share capital for the discount in the Reference Price specified above or offset the equivalent value of such shares or securities against the total amount of the employer's contribution or a combination of both options,

- duly record the completion of share capital increases and make the corresponding amendments to the bylaws,

- at its sole discretion, offset share issue costs against the related premiums and deduct from such premiums the sums necessary to increase the legal reserve,

- generally, enter into all agreements, in particular to ensure completion of the proposed issues, take all measures and decisions and accomplish all formalities for the issue, listing and financial administration of securities issued by virtue of this delegation and for the exercise of the rights attached thereto or required as a result of the share capital increases;
- 8. grants this delegation for a period of twenty-six months as from the date of this Shareholders' Meeting;
- 9. resolves that this delegation supersedes from this date, in the amount of any unused portion, the delegation granted by the 15th resolution adopted by the Shareholders' Meeting of May 23, 2019.

THIRTY-SECOND RESOLUTION

Delegation of authority to the Board of Directors, for a period of eighteen months, to issue with cancellation of pre-emptive subscription rights, ordinary shares and/or securities granting access to the share capital in favor of employees of certain non-French subsidiaries at terms and conditions comparable to those offered pursuant to the preceding resolution

The Shareholders' Meeting, voting in accordance with quorum and majority rules for Extraordinary Shareholders' Meetings, having read the Board of Directors' report and the Statutory auditors' special report and in accordance with Articles L. 225-129-2, L. 225-129-4, L. 225-138 and L. 228-91 *et seq.* of the French Commercial Code:

1. takes due note that in certain countries, the legal and/or tax context can make it inadvisable or difficult to implement employee shareholding schemes directly or through a mutual fund (employees and corporate officers referred to in Articles L. 3332-1 and L. 3332-2 of the French Labor Code of Capgemini group companies whose registered offices are located in one of these countries are referred to below as "non-French Employees"; the "Capgemini group" comprises the Company and the French and non-French companies related to the Company within the meaning of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 *et seq.* of the French Labor Code) and that the implementation in favor of certain non-French Employees of alternative schemes to those performed pursuant to the 31st resolution submitted to this Shareholders' Meeting may be desirable;
2. delegates to the Board of Directors, with the power of sub-delegation to the extent authorized by law, its authority to decide on the increase of the share capital with cancellation of pre-emptive subscription rights, on one or more occasions, in France or abroad, in the proportions and at the times it sees fit, in euros or in any other currency or currency unit established by reference to more than one currency, with or without a share premium, whether for valuable consideration or without consideration, by issuing (i) shares of the Company (excluding preference shares), and/or (ii) securities governed by Articles L. 228-92 paragraph 1, L. 228-93 paragraphs 1 and 3 or L. 228-94 paragraph 2 of the French Commercial Code granting access, immediately or in the future, at any time or at fixed dates, by subscription, conversion, exchange, redemption, presentation of a warrant or any other means, to the share capital of the Company, reserved for one of the following categories of beneficiary: (i) non-French Employees, (ii) employee share ownership UCITS or other vehicles, with or without a legal personality, invested in shares of the Company, where the holders of units or shares are non-French Employees, and/or (iii) any bank or entity controlled by a bank within the meaning of Article L. 233-3 of the French Commercial Code that has set-up at the Company's request a structured offer for non-French employees presenting an economic profile comparable to that of an employee share ownership scheme set-up pursuant to a share capital increase performed under the preceding resolution presented to this Shareholders' Meeting;
3. resolves to set the following limits on authorized share capital increases in the event of use by the Board of Directors of this delegation:
 - the maximum par value amount of share capital increases that may be carried out under this delegation is set at €12 million or the equivalent in any other currency or currency unit established by reference to more than one currency, it being stipulated that this amount will count towards the ceiling set in paragraph 2 of the 31st resolution of this Shareholders' Meeting (subject to its approval) or, as the case may be, towards any ceiling stipulated by a similar resolution that may supersede said resolution during the period of validity of this authorization,
 - added to those ceilings will be the par value amount of any shares to be issued to preserve, in accordance with legal and regulatory provisions and, where applicable, any contractual terms stipulating other cases where adjustment is necessary, the rights of holders of securities or other rights granting access to the share capital,
 - in the case of a share capital increase by capitalizing additional paid-in capital, reserves, profits or any other amounts and allocating free shares during the period of validity of this delegation, the above ceilings will be adjusted based on the ratio between the number of shares issued and outstanding before and after the transaction;
4. resolves to cancel pre-emptive subscription rights to the shares and equities that may be issued pursuant to this delegation, in favor of the aforementioned beneficiary categories;
5. resolves that this delegation of authority may only be used in the event of the use of the delegation granted pursuant to the 31st resolution and solely in order to achieve the objective set out in this resolution;
6. resolves that the issue price of new shares or securities granting access to the share capital to be issued pursuant to this delegation will be set by the Board of Directors based on the listed price of the Company's share on the Euronext Paris regulated market; this price will be at least equal to the average listed price of the Company's share over the 20 trading days preceding the decision setting the subscription opening date for a share capital increase performed pursuant to the 31th resolution, less the same discount;
7. resolves that the Board of Directors shall have the same powers, with the power of sub-delegation to the extent authorized by law, as those conferred on the Board of Directors by paragraph 7 of the 31st resolution and the power to draw up the list of beneficiaries of the cancellation of pre-emptive subscription rights within the above defined category, and the number of shares and securities granting access to the share capital to be subscribed by each beneficiary;
8. grants this delegation for a period of eighteen months as from the date of this Shareholders' Meeting;
9. resolves that this delegation supersedes from this date, in the amount of any unused portion, the delegation granted by the 16th resolution adopted by the Shareholders' Meeting of May 23, 2019.

PRESENTATION OF THE 33RD RESOLUTION

POWERS TO CARRY OUT FORMALITIES

Overview

We also recommend that you confer powers to carry out the formalities required under law.

THIRTY-THIRD RESOLUTION

Powers to carry out formalities

The Combined Shareholders' Meeting, voting in accordance with quorum and majority rules for Ordinary Shareholders' Meetings, authorizes the bearer of a copy or extract of the minutes of this

meeting to execute all filing, publication and other formalities required under French law.

7.3 Supplementary report of the Board of Directors on the issuance of shares under the Capgemini group "ESOP 2019" employee shareholding plan

This supplementary report is prepared in accordance with Articles L. 225-129-5 and R. 255-116 of the French Commercial Code (*Code de commerce*).

In its fifteenth and sixteenth resolutions, the Combined Shareholders' Meeting of the Company of May 23, 2019, voting in accordance with quorum and majority rules for extraordinary general meetings, granted the Board of Directors, with power of sub-delegation under the conditions provided for by law, the powers necessary for proceeding with the increase in the share capital of the Company through the issuance of shares without preferential subscription rights and reserved (i) for employees and corporate officers of the Company and of its French and foreign subsidiaries that are members of a Capgemini group company savings plan governed by Articles L. 3332-1 *et seq.* of the French Labor Code (*Code du travail*) and (ii) for a banking institution, acting at the Company's request for the implementation of a subscription formula proposed to employees and corporate officers of the companies related to the Company under the conditions set forth by Articles L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labor Code and the corporate headquarters of which are located outside of France, providing an economic profile comparable to the subscription formula offered to the Group employees within the framework of the transaction carried out pursuant to the aforementioned fifteenth resolution, it being specified that the total number of shares issued on the basis of the fifteenth and sixteenth resolutions shall not exceed 3,000,000 (three million) shares.

At its meeting of July 29, 2019, the Board of Directors of the Company, using its power of delegation, decided on the principle of an increase of the share capital of the Company by issuing shares to beneficiaries as defined by the aforementioned fifteenth and sixteenth resolutions, approved the main features of such issuances and delegated to the Chairman & Chief Executive Officer the powers required for their implementation, notably to set the subscription dates and subscription price of the shares to be issued.

On November 7, 2019, the Chairman & Chief Executive Officer, acting pursuant to this delegation of powers by the Board of Directors, fixed the subscription dates and subscription price of the shares to be issued on the basis of the above aforementioned decisions.

1. Summary of the decisions of the governing bodies of the Company and main characteristics of the transaction

Decision of the Board of Directors

The Board of Directors, at its meeting of July 29, 2019, decided:

1. – in accordance with the fifteenth resolution adopted by the General Shareholders' Meeting dated May 23, 2019, on the principle of an increase of the Company's share capital reserved for eligible employees and corporate officers of the Company and the French and foreign subsidiaries of the Company, whether directly or indirectly held, that are members of a Capgemini group French company savings plan governed by Articles L. 3332-1 *et seq.* of the French Labor Code, within the limit of a maximum number of 2,750,000 (two million seven hundred fifty thousand) shares;
 - that the shares issued pursuant to this decision will bear benefit entitlement as of January 1, 2019;
 - that the subscription of the Capgemini shares can be carried out directly or *via* a French Employee Savings Mutual Fund (FCPE);
 - that employees' subscription can be carried out through a leveraged subscription formula *via* a FCPE or within the framework of an equivalent subscription mechanism in order to account for the regulatory and fiscal legislation applicable in beneficiaries' various countries of residence;
 - in accordance with article L. 225-138-1 of the French Commercial Code, that the capital increase completed on the basis of this decision can only be carried out up to the limit of the number of shares subscribed by the beneficiaries.

Within these limits and those set forth by the fifteenth resolution adopted by the General Shareholders' Meeting dated May 23, 2019, the Board of Directors decided to delegate the necessary powers to the Chairman & Chief Executive Officer for the purposes of completing the capital increase as well as that of postponing its completion. To this end, the Chairman & Chief Executive Officer has been granted all powers to set the terms and conditions of the transaction and, in particular:

- to set the opening and closing date of the subscription period, it being understood that the subscription period could be preceded by a reservation period for subscriptions;
- to set the maximum number of shares to be issued within the limit of 2,750,000 (two million seven hundred fifty thousand) shares;
- to set the subscription price of the shares which, in accordance with the provisions of the French Labor Code, will be equal to the average of the volume weighted average price (VWAP) of the listed prices of the Capgemini share during the 20 stock market trading days preceding the Chairman & Chief Executive Officer's decision that will set the dates of the subscription period, minus a 12.5% discount;
- to set the terms and conditions for reducing subscriptions requested by beneficiaries of the reserved capital increase in the event that the total number of shares requested by these beneficiaries is higher than the maximum authorized amount, in accordance with the rules described in the documents approved by the *Autorité des marchés financiers* (AMF – French financial market authority);
- to set the timeframe and the terms and conditions for payment of the new shares;
- to acknowledge the completion of the capital increase up to the limit of the shares effectively subscribed, to adopt the report to the shareholders and to modify the bylaws in accordance with the transaction;

- to execute the issuance of the shares thus subscribed and take useful steps to ensure their listing and financial administration services;
 - if applicable, to deduct the costs of the capital increase from the amount of the bonuses associated therewith and withdraw the necessary sums from this amount to increase the legal reserve to one tenth of the new share capital;
 - more generally, to carry out all transactions and execute all formalities that render themselves necessary for the completion of the capital increase.
2. – in accordance with the sixteenth resolution adopted by the General Shareholders' Meeting dated May 23, 2019, on the principle of an increase of the Company's capital reserved for a banking institution acting at the Company's request for the implementation of a subscription formula proposed to employees and corporate officers of the companies related to the Company under the conditions set forth by Articles L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labor Code and the corporate headquarters of which are located outside of France, providing an economic profile that is comparable to the subscription formula offered to employees of the Group within the framework of the transaction carried out pursuant to paragraph 1. above;
- decided that the shares issued pursuant to this decision will bear benefit entitlement as of January 1, 2019;
 - decided that the total number of shares issued pursuant to paragraphs 1. and 2. above cannot exceed 2,750,000 (two million seven hundred fifty thousand) shares. A sub-limit of 1,000,000 (one million) shares is set for the capital increase decided under the sixteenth resolution.

Within these limits and those set forth by the sixteenth resolution adopted by the General Shareholders' Meeting dated May 23, 2019, the Board of Directors decided to delegate the necessary powers to the Chairman & Chief Executive Officer for the purposes of completing the capital increase as well as that of postponing its completion. To this end, the Chairman & Chief Executive Officer has been granted all powers to set the terms and conditions of the transaction, and, in particular:

- to set the subscription date and subscription price of the shares, which, in accordance with the provisions of the French Labor Code, will be equal to the average of the volume weighted average price (VWAP) of the listed prices of the Capgemini share during the 20 stock market trading days preceding the date of the Chairman & Chief Executive Officer's decision that will set the opening date of the subscription to the capital increase carried out pursuant to paragraph 1. above, minus a 12.5% discount;
- to set the number of shares to be issued to the banking institution or entity controlled by a banking institution to be named;
- to acknowledge the completion of the capital increase, to adopt the report to the shareholders and to modify the bylaws in accordance with the transaction;
- to execute the issuance of the shares thus subscribed and take useful steps to ensure their listing and financial administration services;
- if applicable, to deduct the costs of the capital increase from the amount of the bonuses associated therewith and withdraw the necessary sums from this amount to increase the legal reserve to one tenth of the new share capital;
- more generally, to carry out all transactions and execute all formalities that render themselves necessary for the completion of the capital increase.

Decision of the Chairman & Chief Executive Officer of the Company

On November 7, 2019, the Chairman & Chief Executive Officer, acting pursuant to the delegation of authority by the Board of Directors:

- (i) set the dates of the subscription period for the shares to be issued in accordance with, respectively, the fifteenth and sixteenth resolutions adopted by the General Shareholders' Meeting of the Company of May 23, 2019 as follow:
- the subscription period of Capgemini shares for Group employees enrolled in a company savings plan would be open from November 12 to 14, 2019, provided that employees who made a subscription request during the reservation period could revoke such subscription request during the subscription period whose dates are thus fixed;
 - the subscription of Capgemini shares by Spade International Employees, a simplified joint stock company (*société par actions simplifiée*), headquartered at 12, Place des Etats-Unis – CS 70052 – 92547 Montrouge Cedex, and registered with the Trade and Companies Register of Nanterre under number 834 217 259, would be carried out on December 18, 2019, it being understood that issuance of shares to Spade International Employees will be carried out on the basis of the sixteenth resolution of the General Shareholders' Meeting dated May 23, 2019 which authorizes the capital increase of the Company in favor of a banking institution acting at the Company's request for the implementation of a subscription formula proposed to employees and corporate officers of the companies related to the Company under the conditions set forth by Articles L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labor Code and the corporate headquarters of which are located outside of France, providing an economic profile comparable to the subscription formula offered to Group employees within the framework of the transaction carried out pursuant to the aforementioned fifteenth resolution;
- (ii) set the subscription price for the shares to be issued, in accordance with, respectively, the fifteenth and sixteenth resolutions adopted by the General Shareholders' Meeting of the Company of May 23, 2019 as follow:
- considering that the average of the volume weighted average price (VWAP) of the CAPGEMINI share, as published on the Bloomberg CAP FP EQUITY VAP website, during the 20 stock market trading days preceding the Chairman & Chief Executive Officer's decision of November 7, 2019, *i.e.* from October 10, 2019 to November 6, 2019 (inclusive), amounts to €105.45 (the "Reference Price");
 - the subscription price of shares reserved for Group employees enrolled in a company savings plan is set at €92.27 corresponding, in accordance with the fifteenth resolution adopted by the General Shareholders' Meeting dated May 23, 2019, and the decision of the Board of Directors dated July 29, 2019, to the Reference Price minus a 12.5% discount and rounded up to the nearest hundredth of a euro;
 - the subscription price of shares reserved for Spade International Employees is set at €92.27, corresponding, in accordance with the twenty-fifth resolution adopted by the General Shareholders' Meeting dated May 23, 2019, and the decision of the Board of Directors dated July 29, 2019, to the Reference Price minus a 12.5% discount and rounded up to the nearest hundredth of a euro.

2. Further details regarding the transaction

Framework of the transaction

In a press release dated September 19, 2019, the Company specified that this fifth international share ownership plan, proposed to approximately 98% of the employees of the Group, aims to associate all employees to the Capgemini development and performance.

The shares were subscribed to either directly or through a FCPE, in accordance with applicable regulatory and/or tax legislation in the various countries of residence of the beneficiaries of the capital increase.

Employees subscribed to Capgemini shares within the framework of a unique subscription formula called *leveraged and guaranteed*, allowing the employees to benefit from a guarantee on their investments made into this plan. In certain countries, employees will be allocated Stock Appreciation Rights ("SAR") by their employer, the amount of which will be indexed in accordance with a formula similar to the one offered under the leveraged formula; a specific subscription formula was also proposed in the United States of America to take into account the applicable regulatory and tax legislation.

Subscribers to the offer shall hold either the shares subscribed to directly, or the corresponding units of the FCPEs, for a five-year period, except in the event of an authorized early exit.

Other characteristics of the transaction

The reservation period of the shares (at an unknown price), during which the employees and corporate officers of the Capgemini group could request to subscribe, was opened from September 19 to October 8, 2019.

A subscription period, during which subscription requests made during the reservation period could be withdrawn, was opened from November 12 to 14, 2019 (inclusive), after communication to the beneficiaries of the subscription price established by the decision of the Chairman & Chief Executive Officer dated November 7, 2019.

Having taken into account all subscription requests, a reduction of the subscription requests has been made. Thus, all of the shares that may be issued within the framework of the transaction, or 2,750,000 (two million seven hundred fifty thousand) shares will be subscribed to. The number of subscribers amounted to more than 33,700 employees, or 16.07% of the eligible population, and similarly to the previous ESOP plans, the transaction was oversubscribed to in the amount of 162%.

The newly-issued shares will be fully assimilated with the existing ordinary shares comprising Capgemini's share capital. These shares will bear benefit entitlement as of January 1, 2019.

The request to list the newly-issued Capgemini shares to trading on the same line of Euronext Paris (ISIN code: FR0000125338) as the existing shares will be made as soon as possible following the completion of the capital increase scheduled to take place on December 18, 2019.

3. Impact of the issuance of 2,750,000 shares on the stake of holders of shares and securities, their shareholders' equity per share and the theoretical impact on the market value of the share price.

3.1 Impact on shareholders' stake in the share capital of the Company

For illustrative purposes, on the basis of the share capital of the Company at June 30, 2019, or 167,293,730 shares, the impact of the issuance of new shares on the stake of a shareholder holding 1% of the share capital of the Company prior to, and not subscribing to, the issuance would be as follows:

	Shareholder stake	
	Non-diluted basis	Diluted basis ⁽¹⁾
Before issuance of the new shares resulting from the capital increase	1%	0.97%
After issuance of the new shares resulting from the capital increase	0.98%	0.96%

(1) Calculations are made assuming the delivery of the 4,934,457 performance shares granted on June 30, 2019 (assuming that all the performance conditions will be satisfied).

3.2 Impact of the issuance on the consolidated shareholders' equity per share

For illustrative purposes, the impact of the issuance on the consolidated shareholders' equity attributable to owners of the Company per share (calculations based on consolidated shareholders' equity attributable to owners of the Company at June 30, 2019, and the number of shares comprising the share capital at June 30, 2018 after deduction of treasury shares) would be as follows:

	Consolidated shareholders' equity per share	
	Non-diluted basis	Diluted basis ⁽¹⁾
Before issuance of the new shares resulting from the capital increase	€45.12	€43.82
After issuance of the new shares resulting from the capital increase	€45.89	€44.59

(1) Calculations are made assuming the delivery of the 4,934,457 performance shares granted on June 30, 2019 (assuming that all the performance conditions will be satisfied).

3.3 Impact of the issuance on the statutory shareholders' equity per share

For illustrative purposes, the impact of the issuance on the statutory shareholders' equity per share of Capgemini SE (calculations based on statutory shareholders' equity attributable to owners of Capgemini SE at June 30, 2019, and the number of shares comprising the share capital at June 30, 2019 after deduction of treasury shares) would be as follows:

	Statutory shareholders' equity per share	
	Non-diluted basis	Diluted basis ⁽¹⁾
Before issuance of the new shares resulting from the capital increase	€84.24	€81.80
After issuance of the new shares resulting from the capital increase	€84.37	€81.97

(1) Calculations are made assuming the delivery of the 4,934,457 performance shares granted on June 30, 2019 (assuming that all the performance conditions will be satisfied).

3.4 Theoretical impact on the stock market value of the Capgemini share

The theoretical impact of the issuance of 2,750,000 shares at the issuance price on the stock market valuation of the Capgemini share is calculated as follows:

Share price before the transaction = the average of the listed closing prices of the Capgemini share during the 20 stock market trading days preceding the fixing of the issuance price (calculated as the average of the closing share price between October 10 and November 6, 2019, inclusive). This price amounts to 105.45 euros.

Theoretical share price after the transaction = ((the average of the listed closing prices of the Capgemini share during the 20 stock market trading days preceding the fixing of the issuance price x the number of shares before the transaction) + (the issuance price x the number of newly-issued shares))/(the number of shares before the transaction + the number of newly-issued shares).

The issuance price of the reserved capital increase is set at 92.27 euros.

Accounting for these assumptions, the theoretical post-transaction stock market value of the Capgemini share amounts to 105.47 euros.

It is recalled that this theoretical approach is provided for illustrative purposes and does not predict future evolutions in the share price.

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This supplementary report and the Statutory auditors' report may be consulted by shareholders at the Company's head office and will be brought to the attention of shareholders at the next Shareholders' Meeting.

Signed in Paris, on December 4, 2019.

The Chairman and Chief Executive Officer

Paul Hermelin

7.4 Statutory auditors' report

Statutory auditors' report on the share capital decrease

(Combined Shareholders' Meeting of May 20, 2020 – Twenty-second resolution)

This is a free translation into English of the Statutory auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory auditors of Capgemini SE and in accordance with Article L. 225-209 of the French Commercial Code (*Code de commerce*) relating to a share capital decrease by cancellation of shares bought back by the Company, we hereby report to you on our assessment of the reasons for and terms and conditions of the proposed share capital decrease.

The Board of Directors proposes that you grant it, for a 26-month period commencing on the date of this Shareholders' Meeting, full powers to cancel the shares acquired under the Company's share buyback program pursuant to the provisions of the aforementioned article, provided that the aggregate number of shares canceled in any given 24-month period does not exceed 10% of the Company's share capital.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French Institute of Statutory auditors (*Compagnie nationale des commissaires aux comptes* or CNCC) relating to this engagement. These procedures require that we ensure that the reasons for and terms and conditions of the proposed share capital decrease, which is not considered to affect shareholder equality, comply with the applicable legal provisions.

We have no matters to report on the reasons for and terms and conditions of the proposed share capital decrease.

The Statutory auditors

Neuilly-sur-Seine, March 18, 2020

Paris-La Défense, March 18, 2020

PricewaterhouseCoopers audit

KPMG audit
Division of KPMG S.A.

Richard Béjot
Partner

Frédéric Quélin
Partner

Stéphanie Ortega
Partner

Statutory auditors' report on the issue of shares and/or securities with or without pre-emptive subscription rights

(Combined Shareholders' Meeting of May 20, 2020 – Twenty-fourth to Twenty-ninth resolutions)

This is a free translation into English of the Statutory auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory auditors of Capgemini SE and in accordance with Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed delegations of authority to the Board of Directors to issue shares and/or securities, which are submitted to you for your approval.

On the basis of its report, the Board of Directors proposes that you:

- delegate to the Board, with the power of sub-delegation, for a 26-month period, the authority to carry out the following transactions and set the final terms and conditions of the related issues and, if necessary, to cancel your pre-emptive subscription rights for:
 - the issue of ordinary shares and/or securities giving access to the Company's share capital, with pre-emptive subscription rights (twenty-fourth resolution),
 - the issue of ordinary shares and/or securities giving access to the Company's share capital, by way of a public offer with cancellation of pre-emptive subscription rights (twenty-fifth resolution),
 - the issue of ordinary shares and/or securities giving access to the Company's share capital, by way of a public offer pursuant to paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code (*Code monétaire et financier*) with cancellation of pre-emptive subscription rights and within the limit of 20% of the share capital per year (twenty-sixth resolution);

it being specified, for all securities to be issued pursuant to the twenty-fourth, twenty-fifth and twenty-sixth resolutions, that:

- in accordance with paragraph 1 of Article L. 228-93 of the French Commercial Code, the securities to be issued can give access to shares to be issued by any company in which the Company holds directly or indirectly more than half of the share capital,
 - in accordance with paragraph 3 of Article L. 228-93 of the French Commercial Code, the Company's securities can give access to existing shares or grant rights to the allocation of the debt instruments of any company in which the Company holds directly or indirectly more than half of the share capital,
 - in accordance with Article L. 228-94 of the French Commercial Code, the Company's securities can give access to existing shares or grant rights to the allocation of the debt instruments of any company in which the Company does not directly or indirectly hold more than half of the share capital;
- authorize the Board, pursuant to the twenty-seventh resolution and within the framework of the delegation of authority covered in the twenty-fifth and twenty-sixth resolutions, to set the issue price, within the annual legal limit of 10% of the share capital;
 - delegate to the Board, for a 26-month period, all powers necessary to issue ordinary shares and/or securities giving access to the Company's share capital or securities granting rights to the allocation of debt instruments and/or securities granting rights to shares to be issued, to remunerate contributions in kind to the Company consisting of shares or securities giving access to share capital, within the limit of 10% of the share capital (twenty-ninth resolution).

The aggregate par value amount of the share capital increases that may be carried out, either immediately or in the future, pursuant to the twenty-fourth, twenty-fifth, twenty-sixth, twenty-seventh, twenty-eighth and twenty-ninth resolutions may not exceed, pursuant to the twenty-fourth resolution, €540 million, it being specified that:

- the par value amount of the share capital increases that may be carried out in respect of the twenty-fifth resolution may not exceed €135 million and will count towards the overall ceiling set in the twenty-fourth resolution;
- the par value amount of the share capital increases that may be carried out in respect of the twenty-sixth and twenty-ninth resolutions may not exceed €135 million and will count towards the ceiling set in the twenty-fifth resolution and the overall ceiling set in the twenty-fourth resolution.

The aggregate nominal amount of debt securities that may be issued pursuant to the twenty-fifth, twenty-sixth, twenty-seventh, twenty-eighth and twenty-ninth resolutions may not exceed, pursuant to the twenty-fourth resolution, €9.3 billion, it being specified that:

- the par value amount of the share capital increases that may be carried out in respect of the twenty-fifth resolution may not exceed €3.1 billion and will count towards the overall ceiling set in the twenty-fourth resolution;
- the par value amount of the share capital increases that may be carried out in respect of the twenty-sixth and twenty-ninth resolutions may not exceed €3.1 billion and will count towards the ceiling set in the twenty-fifth resolution and the overall ceiling set in the twenty-fourth resolution.

These limits take into account the additional securities to be issued within the framework of the delegations of authority covered in the twenty-fourth, twenty-fifth, twenty-sixth, twenty-seventh and twenty-ninth resolutions, under the conditions set out in Article L. 225-135-1 of the French Commercial Code, in the event the shareholders adopt the twenty-eighth resolution.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. It is our responsibility to express an opinion on the fairness of the information taken from the financial statements, on the proposed cancellation of pre-emptive subscription rights and on certain other information relating to these transactions, presented in this report.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French Institute of Statutory auditors (*Compagnie nationale des commissaires aux comptes* or CNCC) relating to this engagement. These procedures consisted in verifying the information disclosed in the Board of Directors' report pertaining to the transactions and the methods used to set the issue price of the securities to be issued.

Subject to a subsequent examination of the terms and conditions of any proposed issues, we have no matters to report as regards the methods used to set the issue price of the securities to be issued given in the Board of Directors' report in respect of the twenty-fifth, twenty-sixth and twenty-seventh resolutions.

In addition, as this report does not stipulate the methods used to set the issue price in the event that securities are issued pursuant to the implementation of the twenty-fourth and twenty-ninth resolutions, we do not express an opinion on the components used to calculate the issue price.

Since the final terms and conditions of the share capital increase have not been set, we do not express an opinion in this respect or, consequently, on the proposed cancellation of shareholders' pre-emptive subscription rights presented in the twenty-fifth and twenty-sixth resolutions.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report if and when the Board of Directors uses its delegations of authority to issue securities that are equity securities giving access to other equity securities or the allocation of debt instruments, to issue securities giving access to equity securities to be issued or to issue shares with cancellation of pre-emptive subscription rights.

The Statutory auditors

Neuilly-sur-Seine, March 18, 2020

PricewaterhouseCoopers audit

Richard Béjot
Partner

Paris-La Défense, March 18, 2020

KPMG audit
Division of KPMG S.A.

Frédéric Quélin
Partner

Stéphanie Ortega
Partner

Statutory auditors' report on the authorization to grant free shares (existing or to be issued) to salaried employees and corporate officers

(Combined Shareholders' Meeting of May 20, 2020 – Thirtieth resolution)

This is a free translation into English of the Statutory auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory auditors of Capgemini SE and in accordance with Article L. 225-197-1 of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed authorization to grant free shares (existing or to be issued) to salaried employees and corporate officers of the Company and its French and non-French subsidiaries, which is submitted to you for your approval.

The Board of Directors' report states that the grant of existing shares or shares to be issued to salaried employees and corporate officers of Capgemini SE and its French and non-French subsidiaries, would be subject to the achievement of performance targets and limited to a maximum number of shares not exceeding 1% of the share capital as noted by the Board of Directors at the date of its decision. It also states that the grant of shares to Executive Corporate Officers of your Company would be limited to 10% of the aforementioned amount.

On the basis of its report, the Board of Directors proposes that you grant it the authority, for an 18-month period, to grant free existing shares or shares to be issued.

It is the Board of Directors' responsibility to prepare a report on the proposed transaction. It is our responsibility to provide you with our observations, if any, in respect of the information provided to you on the proposed transaction.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French Institute of Statutory auditors (*Compagnie nationale des commissaires aux comptes* or CNCC) relating to this engagement. These procedures consisted in verifying in particular that the proposed terms and conditions described in the Board of Directors' report comply with the applicable legal provisions.

We have no matters to report on the information provided in the Board of Directors' report, with respect to the proposed authorization to grant free shares.

The Statutory auditors

Neuilly-sur-Seine, March 18, 2020

Paris-La Défense, March 18, 2020

PricewaterhouseCoopers audit

KPMG audit
Division of KPMG S.A.

Richard Béjot
Partner

Frédéric Quélin
Partner

Stéphanie Ortega
Partner

Statutory auditors' report on the issue of ordinary shares and/or securities giving access to the share capital reserved for members of a Capgemini group employee savings plan

(Combined Shareholders' Meeting of May 20, 2020 – Thirty-first resolution)

This is a free translation into English of the Statutory auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory auditors of Capgemini SE and in accordance with Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed delegation of authority to the Board of Directors to decide the issue of ordinary shares and/or securities giving access to the share capital, with cancellation of pre-emptive subscription rights, reserved for members of one or more employee savings plans implemented within a company or group of companies, French or non-French, within the scope of the consolidated or combined financial statements of the Company pursuant to Article L. 3344-1 of the French Labor Code (*Code du travail*), subject to a maximum par value amount of €24 million, which is submitted to you for your approval.

This issue is submitted to you for approval pursuant to the provisions of Article L. 225-129-6 of the French Commercial Code and Articles L. 3332-18 *et seq.* of the French Labor Code.

On the basis of its report, the Board of Directors proposes that you grant it the authority, for a 26-month period, to decide an issue and cancel your pre-emptive subscription rights to the ordinary shares and securities to be issued. Where applicable, it will set the definitive terms and conditions of the issue.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. It is our responsibility to express an opinion on the fairness of the information taken from the financial statements, on the proposed cancellation of pre-emptive subscription rights and on certain other information relating to this issue, presented in this report.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French Institute of Statutory auditors (*Compagnie nationale des commissaires aux comptes* or CNCC) relating to this engagement. These procedures consisted in verifying the information disclosed in the Board of Directors' report pertaining to the transaction and the methods used to set the issue price of the securities to be issued.

Subject to a subsequent examination of the issue terms and conditions that would be decided, we have no matters to report as regards the methods used to set the issue price of the securities to be issued given in the Board of Directors' report.

Since the final terms and conditions of the share capital increase have not been set, we do not express an opinion in this respect or, consequently, on the proposed cancellation of shareholders' pre-emptive subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report when the Board of Directors uses this delegation to issue shares and securities that are equity securities giving access to other equity securities and in the event of the issue of securities giving access to equity securities to be issued.

The Statutory auditors

Neuilly-sur-Seine, March 18, 2020

Paris-La Défense, March 18, 2020

PricewaterhouseCoopers audit

KPMG audit
Division of KPMG S.A.

Richard Béjot
Partner

Frédéric Quélin
Partner

Stéphanie Ortega
Partner

Statutory auditors' report on the issue of ordinary shares and/or securities giving access to the share capital with cancellation of pre-emptive subscription rights reserved for employees of certain non-French subsidiaries

(Combined Shareholders' Meeting of May 20, 2020 – Thirty-second resolution)

This is a free translation into English of the Statutory auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory auditors of Capgemini SE and in accordance with Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report to you on the proposed delegation of authority to the Board of Directors to decide the issue of ordinary shares and/or securities giving access to the share capital, with cancellation of pre-emptive subscription rights, reserved for employees and corporate officers referred to in Articles L. 3332-1 and L. 3332-2 of the French Labor Code (*Code du travail*) of the Company and French and non-French companies related to the Company within the meaning of Article L. 225-180 of the French Commercial Code and Articles L. 3344-1 *et seq.* of the French Labor Code, which is submitted to you for your approval.

The maximum par value amount of the share capital increase that may result from this issue is set at €12 million, it being stipulated that this amount will count towards the €24 million ceiling set in the thirty-first resolution (subject to its approval).

On the basis of its report, the Board of Directors proposes that you grant it the authority, for an 18-month period, to decide an issue and cancel your pre-emptive subscription rights to the ordinary shares and/or securities to be issued. Where applicable, it will set the definitive terms and conditions of the issue.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. It is our responsibility to express an opinion on the fairness of the information taken from the financial statements, on the proposed cancellation of pre-emptive subscription rights and on certain other information relating to this issue, presented in this report.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French Institute of Statutory auditors (*Compagnie nationale des commissaires aux comptes* or CNCC) relating to this engagement. These procedures consisted in verifying the information disclosed in the Board of Directors' report pertaining to the transaction and the methods used to set the issue price of the securities to be issued.

Subject to a subsequent examination of the issue terms and conditions that would be decided, we have no matters to report as regards the methods used to set the issue price of the securities to be issued given in the Board of Directors' report.

Since the final terms and conditions of the share capital increase have not been set, we do not express an opinion in this respect or, consequently, on the proposed cancellation of shareholders' pre-emptive subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will prepare an additional report when the Board of Directors uses this delegation to issue shares and securities that are equity securities giving access to other equity securities and in the event of the issue of securities giving access to equity securities to be issued.

The Statutory auditors

Neuilly-sur-Seine, March 18, 2020

Paris-La Défense, March 18, 2020

PricewaterhouseCoopers audit

KPMG audit
Division of KPMG S.A.

Richard Béjot
Partner

Frédéric Quélin
Partner

Stéphanie Ortega
Partner

8.

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8.1 Legal information

8.1.1 Corporate name, head office and website

Corporate name: Capgemini

To align its corporate name with that of the Group, the Company's name was changed from "Cap Gemini" to "Capgemini" on its conversion to a European company (*Societas Europaea*), by decision of the Extraordinary Shareholders' Meeting of May 10, 2017.

Head office: 11, rue de Tilsitt, 75017 Paris, France
Tel.: +33 (0) 1 47 54 50 00
Website: <https://www.capgemini.com>

The information presented on the Company's websites is not an integral part of this Universal Registration Document.

8.1.2 Legal form and governing law

The Company was initially incorporated as a *société anonyme* (joint stock company) and converted to a European company (*Societas Europaea*, SE) by decision of the Extraordinary Shareholders' Meeting of May 10, 2017, to enable the legal form to better reflect the Group's international and European outlook.

The Company is governed by prevailing French and European legislative and regulatory provisions and the provisions of its bylaws.

8.1.3 Date of incorporation and term

To prepare and facilitate the IPO on the Paris Stock Exchange of Cap Gemini Sogeti (incorporated in 1967) a new company, Cap Gemini, grouping together all investments representing the operating activities of the Group was incorporated on September 17, 1984. This company was registered with the Companies & Trade Registry on October 4, 1984.

The Company was set up for a period of ninety-nine years from the date of its registration with the Paris Companies & Trade Registry. It may be wound up in advance or have its term extended by decision of the Extraordinary Shareholders' Meeting.

8.1.4 Corporate purpose (Article 3 of the bylaws)

The Company's purpose is to assist companies in France and abroad in managing and developing their businesses by providing them with the benefit of its knowledge of their industry, its know-how in the area of business process engineering and re-engineering, and its expertise in the area of information technologies.

To fulfill this purpose, the Company carries out on behalf of clients, either directly, or through its subsidiaries or affiliates, one or more of the following activities on a stand-alone or integrated basis:

Management consulting

Working closely with clients, the Company provides change management assistance to companies by helping them to redefine or redirect their strategy, change their product and service lines, re-engineer their structures and business processes, restore staff motivation and achieve other changes. To this end, the Company uses all the possibilities offered by the latest information technologies whenever appropriate.

Information systems development

The Company designs and installs information systems. Its services include the development of customized software, the installation of software applications available on the market or developed internally and the integration of systems incorporating hardware, communication systems, customized software, software packages and other components. The Company also supports clients' IT projects by providing consulting, project management, training and assistance services.

Outsourcing

The Company manages all or part of its clients' IT resources on their behalf. Where requested by clients, the Company may perform all or part of this service using its own hardware, telecommunications systems and other equipment.

The Company may also manage the IT-based services offered to its clients' own clientele. In addition, it may work in partnership with clients within a structure conducting all or some of these activities.

In order to fulfill its corporate purpose, the Company may decide to:

- create specialist subsidiaries or acquire interests in the capital of other companies and manage their business in exchange for a fee. Management services include the provision of technical, marketing, legal and financial assistance, promotion of a consistent image, organization of financial structures, assistance in negotiations to help these companies win new contracts, training, research and development support, etc.;
- invest and manage the Company's available funds, make cash advances, and provide any and all guarantees or collateral on behalf of subsidiaries and affiliates;
- obtain or acquire and use any and all patents and manufacturing processes and sell, contribute or license any such patents and processes.

In broader terms, the Company's purpose includes carrying out any and all commercial, industrial, securities, real estate or financial transactions related, directly or indirectly, to any of the above purposes or any similar or related purpose or which is likely to facilitate the fulfillment or furtherance of these purposes.

8.1.5 Incorporation details and LEI

The Company is registered with the Paris Companies & Trade Registry (*Registre du Commerce et des Sociétés*) under number 330 703 844. Its APE business identifier is 7010Z.

The Company's Legal Entity Identifier (LEI) is 96950077L0TN7BAROX36.

8.1.6 Consultation of legal documents

Documents relating to the Company, including the bylaws, the financial statements, the reports of the Board of Directors (or the Management Board, the *Directoire*, from May 24, 1996 through May 23, 2000) to

the Shareholders' Meetings, and the Statutory auditors' reports are available for consultation at the Company's head office at 11, rue de Tilsitt – 75017 Paris or on the Company's website: <http://investors.capgemini.com>.

8.1.7 Fiscal year

The Company's fiscal year commences on January 1 and ends on December 31.

8.1.8 Appropriation and distribution of profits

The Shareholders' Meeting has sole discretionary powers to decide on the appropriation of distributable income, as defined by French company law. Consequently, the Shareholders' Meeting may decide to appropriate all or part of distributable income to revenue reserves, special reserves or retained earnings, or to distribute all or part of the amount to shareholders.

The Shareholders' Meeting also decides the terms and conditions of payment of dividends. In particular, shareholders may be offered a stock dividend alternative, in which case the related dividends

will be paid in the form of new shares credited as fully paid, in compliance with applicable laws and regulations. The above provisions also apply to the distribution of interim dividends, subject to compliance with French company law.

In addition, the Shareholders' Meeting may decide to distribute a dividend out of distributable reserves, subject to compliance with French company law.

8.1.9 Shareholders' Meetings

The right to participate at Shareholders' Meetings is evidenced by the registration of shares in the name of the shareholder (or of the intermediary acting on his/her behalf if domiciled outside France) in the Company's share register or in the register of bearer shares held by the applicable authorized intermediary. Such registration must be recorded at 12:00 A.M. (Paris time) on the second working day preceding the Shareholders' Meeting and any related notices must be filed at one of the addresses indicated in the Notice of Meeting. In the case of bearer shares, the authorized intermediary must provide a participation certificate.

Shareholders may participate in Shareholders' Meetings in person, by proxy or by casting a remote vote in accordance with the terms and conditions set by applicable regulations.

Shareholders who have informed the Company that they wish to participate in a meeting in person, remotely or by proxy may not alter their method of participation. However, attendance at a meeting by a shareholder in person shall cancel any votes cast by proxy or remotely.

To be taken into account, remote votes or proxy forms must be received by the Company at least three days prior to the date of the meeting. If the Board of Directors so decides when convening

the meeting, shareholders voting by proxy or remotely may participate in voting using any telecommunication or teletransmission means enabling their identification, including the internet, in accordance with the conditions set out in applicable regulations at the time of use. Where an electronic form is submitted, the shareholder's signature may take the form of a secure signature or a reliable identification procedure guaranteeing the link with the related action and potentially consisting of a user identification and password. Where applicable, this decision of the Board of Directors shall be communicated in the Notice of Meeting published in BALO (French Journal of Mandatory Legal Announcements).

Where a shareholder has given proxy to a third party and has also voted remotely, if there is any difference in the two votes, the remote vote will be taken into account and the proxy ignored.

Shareholders' Meetings deliberate under the conditions provided by law. Pursuant to provisions governing European companies, majority is calculated based on the number of "votes cast", which does not include votes attaching to shares where the shareholder has not taken part in the vote, has abstained, or has returned a blank or spoiled ballot paper.

8.1.10 Disclosure thresholds

The fifteenth resolution adopted by the Extraordinary Shareholders' Meeting of May 10, 2017 amended the provisions applicable to disclosure thresholds per the bylaws and Article 10 of the bylaws accordingly.

Going forward, only shareholders holding more than 5% of the Company's capital or voting rights are required to report to the Company, within a period of four (4) stock market days, the crossing, through an increase or a decrease, of each threshold of 1% of capital or voting rights, from this lower threshold of 5% to the threshold triggering a mandatory public offer in accordance with prevailing regulations.

In the event of failure to comply with these disclosure rules, at the request of one or several shareholders with combined holdings representing at least 5% of the Company's share capital or voting rights, the undisclosed shares will be stripped of voting rights. This sanction will apply for all Shareholders' Meetings for a period of two years from the date on which the failure to disclose is rectified.

This request and the decision of the Shareholders' Meeting must be recorded in the minutes of the Shareholders' Meeting.

When calculating these "thresholds per the bylaws" the same instances where shares and voting rights held by third parties are deemed equivalent to shares and voting rights held by the shareholder subject to legal disclosure requirements are applicable.

8.1.11 Shareholder identification

The Company can use available legal provisions to identify holders of bearer shares.

8.1.12 Voting rights

Following the decision of the Combined Shareholders' Meeting of May 6, 2015 in its tenth resolution not to apply the provisions of Article L. 225-123 of the French Commercial Code regarding double voting rights, each share carries entitlement to one vote. This includes fully-paid shares held in registered form for at least two

years by the same shareholder and bonus registered shares granted in respect of registered shares held for at least two years in the event of a share capital increase by capitalization of reserves, profits or additional paid-in capital.

8.1.13 Changes in shareholder rights

Changes in the share capital or the rights attached to shares are subject to compliance with French company law alone, as the bylaws

do not contain any specific provisions in this respect.

8.1.14 Rights, privileges and restrictions relating to shares

In addition to the voting right conferred by law, each share confers entitlement to a portion of the profits and any liquidation surplus, in direct proportion to the number and par value of outstanding shares.

No preferential rights are attached to any specific class of shares or category of shareholder.

8.1.15 Provisions of the bylaws or other provisions that could delay, defer or prevent a change in control

Not applicable.

8.1.16 Factors affecting a potential takeover bid

No factors are subject to the provisions of Article L. 225-100-3 of the French Commercial Code.

8.1.17 Provisions of the bylaws governing administrative and management bodies

Appointment of directors and duration of terms of office

The Company has a Board of Directors comprised of a minimum of three and a maximum of eighteen members, who must be individuals. Directors are appointed by Shareholders' Meeting for a period of four years. Directors, other than directors representing employees or employee shareholders are appointed or reappointed on a rolling basis to ensure the staggered renewal of terms of office in as equal fractions as possible. Exceptionally, and solely for the purposes of this rolling renewal, the General Shareholders' Meeting may appoint one or more directors for a term of one, two or three years.

In addition, a director representing employee shareholders is also appointed by Shareholders' Meeting for a period of four years when, at the end of a fiscal year, the percentage of share capital held by employees of the Company and companies related to it within the meaning of Article L. 225-180 of the French Commercial Code, represents over 3% of the Company's share capital. The

director representing employee shareholders is elected by the Ordinary Shareholders' Meeting from a choice of two candidates nominated in accordance with the provisions of the law and the bylaws.

Pursuant to employee representation requirements on the Board of Directors in accordance with the provisions of the Rebsamen Law of August 17, 2015, the Board of Directors also includes two directors representing employees, appointed for a period of four years as follows:

- a director representing employees appointed by the union body which obtained the most votes at the first round of the elections referred to in Articles L. 2122-1 and L. 2122-4 of the French Labor Code, organized by the Company and direct or indirect subsidiaries whose registered office is located in France;
- a second director appointed by the European Group Council (known as the International Works Council in Capgemini group).

The director representing employee shareholders and the directors representing employees are not taken into account in determining the maximum number of directors pursuant to Article L. 225-17 of the French Commercial Code.

Age limit for directors

Pursuant to Article 11.4 of the bylaws, the number of directors over seventy-five (75) years of age at the end of each Shareholders' Meeting called to approve the Company financial statements, may not exceed one-third (rounded up to the nearest whole number where appropriate) of the total number of directors in office.

Age limit for the Chairman of the Board of Directors

The age limit for the exercise of the duties of Chairman of the Board of Directors is as follows:

- seventy (70) years of age when he/she also holds the position of Chief Executive Officer; and
- seventy-nine (79) years of age when he/she does not hold the position of Chief Executive Officer.

In both cases, the term of office expires at the end of the first Ordinary Shareholders' Meeting following the Chairman's birthday.

Where the functions of Chairman and those of Chief Executive Officer are separated, the functions of Chief Executive Officer expire the day of the first Ordinary Shareholders' Meeting following his/her seventieth birthday.

Minimum investment by directors in the share capital of the Company

Pursuant to Article 11.2 of the bylaws, each director must hold at least one thousand (1,000) Company shares throughout their term of office.

This obligation to hold shares is not applicable to directors representing employee shareholders and directors representing employees.

Majority rules within the Board of Directors

Decisions are taken in accordance with quorum and majority rules provided by law, except for the decision regarding the two possible methods for the Company's general management. Where voting is tied, the Chairman of the Company has the casting vote.

General management

The general management of the Company is assumed by either the Chairman of the Board of Directors (who therefore holds the title of Chairman and Chief Executive Officer), or by another individual appointed by the Board of Directors, who holds the title of Chief Executive Officer. The Board of Directors chooses between these two possible methods for the Company's general management, voting with a two-thirds majority of all directors.

On April 4, 2012, at the recommendation of the Chairman at the time, Mr. Serge Kampf, the Board of Directors decided to regroup the functions of Chairman and Chief Executive Officer and appointed the Chief Executive Officer, Mr. Paul Hermelin, to the position of Chairman and Chief Executive Officer.

Messrs. Thierry Delaporte and Aiman Ezzat were appointed Chief Operating Officers with effect from January 1, 2018.

At its meeting of September 16, 2019, the Board of Directors chose Mr. Aiman Ezzat, Chief Operating Officer, to succeed Mr. Paul Hermelin as Chief Executive Officer at the end of the Shareholders' Meeting to be held on May 20, 2020.

Additionally, 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.

For more information, please refer to Chapter 2.1.2 of this Universal Registration Document.

Charter and Board Special Committees

Please refer to Chapter 2 of this Universal Registration Document.

8.2 Historical Financial Information for 2017 and 2018

In accordance with Article 19 of European regulation no. 2017/1129 of June 14, 2017, the following information is incorporated by reference in this Universal Registration Document and is available on the following link: <https://investors.capgemini.com/en/annual-reports/?fiscal-year> :

- relating to the year ended December 31, 2018:
 - the Management Report, consolidated financial statements and the Statutory auditors' report on the consolidated financial statements, set out in the Registration Document filed on April 2, 2019 under no. D.19-0245 (pages 325 to 326 and 166 to 240, respectively),
 - the parent company financial statements of Capgemini SE and the Statutory auditors' report on the parent company financial statements set out in the Registration Document filed on April 2, 2019 under no. D.19-0245 (pages 241 to 269),
 - the Statutory auditors' special report on regulated agreements and commitments, set out in the Registration Document filed on April 2, 2019 under no. D.19-0245 (page 270);

- relating to the year ended December 31, 2017:
 - the Management Report, consolidated financial statements and the Statutory auditors' report on the consolidated financial statements, set out in the Registration Document filed on March 23, 2018 under no. D.18-0178 (pages 353 to 354 and 172 to 246, respectively),
 - the parent company financial statements of Capgemini SE (formerly Cap Gemini S.A.) and the Statutory auditors' report on the parent company financial statements set out in the Registration Document filed on March 23, 2018 under no. D.18-0178 (pages 247 to 272),
 - the Statutory auditors' special report on regulated agreements and commitments, set out in the Registration Document filed on March 23, 2018 under no. D.18-0178 (page 273).

Copies of the Universal Registration Document are available from Capgemini SE, 11 rue de Tilsitt, 75017 Paris, on its corporate website at <http://investors.capgemini.com>, and on the AMF website at www.amf-france.org.

8.3 Persons responsible for the information

8.3.1 Person responsible for financial information



CAROLE FERRAND
Chief Financial Officer
11, rue de Tilsitt 75017 Paris
Tel.:+33 (0)1 47 54 50 00

8.3.2 Persons responsible for the audit of the financial statements

Principal Statutory auditors

PricewaterhouseCoopers audit

Member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles*.

63, rue de Villiers, 92208 Neuilly-sur-Seine, Cedex,
represented by Mrs. Itto El Hariri and Mr. Richard Béjot

First appointed at the Ordinary Shareholders' Meeting of May 24, 1996.

Current term expires at the close of the Ordinary Shareholders' Meeting held to approve the 2019 financial statements.

KPMG S.A.

Member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles*.

Tour Eqho, 2 avenue Gambetta,
CS 6055, 92066 Paris-La Défense Cedex,

represented by Mrs. Stéphanie Ortega and Mr. Frédéric Quélin

First appointed at the Ordinary Shareholders' Meeting of April 25, 2002.

Current term expires at the close of the Ordinary Shareholders' Meeting held to approve the 2019 financial statements.

Substitute Statutory auditors

Mr. Jean-Christophe GEORGHIU

63, rue de Villiers, 92208 Neuilly-sur-Seine, Cedex,

Substitute for PricewaterhouseCoopers audit,
appointed at the Ordinary Shareholders' Meeting of May 7, 2014.

Term of office expires at the close of the Ordinary Shareholders' Meeting held to approve the 2019 financial statements.

KPMG audit I.S. SAS

Tour Eqho, 2 avenue Gambetta,
CS 6055, 92066 Paris-La Défense Cedex,

Substitute for KPMG S.A.,
appointed at the Ordinary Shareholders' Meeting of May 7, 2014.

Term of office expires at the close of the Ordinary Shareholders' Meeting held to approve the 2019 financial statements.

8.3.3 Declaration by the person responsible for the Universal Registration Document

"I hereby declare that, having taken all reasonable care to ensure that such is the case, the information contained in the Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I hereby declare that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all the other companies included in the scope of consolidation, and that the information provided in the Management Report listed in Chapter 9, Section 9.3 gives a fair description of the material events, results and financial position of the Company and all the other companies included in the scope of consolidation, as well as a description of the main risks and contingencies with which the Company may be confronted."

Paris, March 25, 2020

Paul Hermelin
Chairman and Chief Executive Officer



9.

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9.2 Cross-Reference Table for the Annual Financial Report

In order to assist readers of this Universal Registration Document, the Cross-Reference Table, hereafter, enables to identify the information which constitutes the Annual Financial Report that must be published by the listed companies in accordance with the article L. 451-1-2 of the French Monetary and Financial Code and article 222-3 on the French Financial Markets Authority's general regulations.

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3	Management Report (within the meaning of the French Commercial Code)	Refer to the Cross-Reference Table for the Management Report on page 359
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9.3 Cross-Reference Table for the Management Report

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