

The Board of Directors of Capgemini SE has set the 2018 compensation of Mr. Paul Hermelin, Chairman and Chief Executive Officer and of Mr. Aiman Ezzat and Mr. Thierry Delaporte, Chief Operating Officers and the elements relating to the 2019 compensation of the Chairman and Chief Executive Officer and of the Chief Operating Officers

I. 2018 Compensation of the Executive Corporate Officers

A. 2018 Compensation of the Chairman and Chief Executive Officer

Strict application of the AFEP-MEDEF Code and “Say on Pay” principles

On March 20, 2019, the Board of Directors set the 2018 compensation of Group Chairman and Chief Executive Officer Mr. Paul Hermelin, in strict application of the recommendations of the June 2018 revised AFEP-MEDEF Code and “Say on Pay” principles. In application of the AFEP-MEDEF Code recommendations, this compensation will be submitted to a mandatory vote at the next Combined Shareholders’ Meeting on May 23, 2019.

The compensation structure is comprised of fixed and variable components, the granting of equity instruments, and supplementary pension benefits (whose corresponding plan was closed in October 2015 and whose rights were frozen on that date). In line with past Group practices, the Chairman and Chief Executive Officer is not entitled to termination benefits, is not covered by a non-compete clause, and receives no benefits in kind. Mr. Paul Hermelin has also waived entitlement to attendance fees since 2009. This compensation structure is in accordance with the compensation policy of the Chairman and Chief Executive Officer approved by the May 23, 2018 Shareholders’ Meeting within its 5th resolution.

The Board of Directors has set this compensation in accordance with common practices in the consulting and technology services sector, both nationally and internationally. They also took into account common practices in French companies of a comparable size in terms of headcount, revenue and profitability, internationalization of activities and shareholdership structure. Given that practices concerning the publication and the structure of compensation varies significantly according to the country and the nature of competitors (whether they are listed companies, controlled companies, or partnerships), CAC 40 companies represent the most relevant benchmark.

2018 compensation components

Based on these elements, the Board has set the 2018 compensation of Mr. Paul Hermelin (Chief Executive Officer of Capgemini for more than 16 years) at €2,789,226 i.e. 105.2% of the total theoretical compensation which comprised a fixed part of €1,452,000 and a variable part of €1,200,000.

The amount of Mr. Paul Hermelin’s fixed compensation is unchanged since 2013. This fixed compensation is paid in 12 monthly installments and represents 55% of the total theoretical compensation if objectives are achieved.

Therefore, variable compensation represents 45% of this total theoretical amount. This theoretical variable component is in turn split into two parts: a first part, called V1, tied to Group consolidated results, and a second part, called V2, based on individual objectives set by the Board of Directors which are either quantified or based on tangible results.

V1 – Economic and financial objectives

The economic and financial objectives underlying the V1 component for 2018 were measured against the objectives set by the Board at the beginning of the year, as follows:

- revenue 30% weighting and achievement rate of 101.10%
- operating margin ratio 30% weighting and achievement rate of 97.69%
- pre-tax net profit 20% weighting and achievement rate of 102.42%
- free-cash flow for the period 20% weighting and achievement rate of 110.48%

The overall weighted result for V1 stands at 102.22% and, after applying the acceleration formula which amplifies upward or downward an increase or a decline in economic performance, the multiple applied to the theoretical V1 has been set at 108.87%.

V2 – Individual objectives

Individual objectives fall into five separate categories:

- New Group governance
- Successful operational transformation
- M&A impact on growth and post-merger success
- Deployment of CSR strategy
- Strategic bets on disruptive technologies

Each category has been subject to a detailed analysis (it being specified that 57.5% of the V2 objectives were quantifiable and 42.5% qualitative), followed by a global assessment of all of these objectives.

With regard to the **New Group governance**, the Board highlighted, the achievement of the 2018 guidance given to the market, the significant growth in the “New” above 20% and the presentation of a 2019 budget aligned with Group ambitions.

With regard to **the successful operational transformation**, the Board took into consideration the new organization in place since July first, a strong leadership renewal implemented alongside the set-up of this new organization, an on-going external attractivity in targeted domains and no significant leadership disruption.

With regard to **the M&A program**, the Board took into account the 2% growth of our activities driven by new acquisitions.

With regard to **the CSR strategy**, the Board looked at the diversity in the management of key business units, the positive decrease of Green House Gaz emissions per head and the deployment strategy around digital inclusion

With regard to **the strategic bets on disruptive technologies**, the evaluation was based on a presentation to the Board and on use cases being showcased and marketed

The V2 weighted outcome based on these evaluations reached 114 points, of which 59% are linked to the quantitative calculation and 41% to the qualitative one.

Overall, for these two components of Mr. Paul Hermelin’s variable compensation, the Board of Directors approved the recommendation of the Compensation Committee of an attainment rate of the variable compensation of 111.4%, with 108.9% for V1 and 114% for V2.

Mr. Paul Hermelin’s 2018 total compensation can therefore be broken down as follows:

Compensation component	Reminder 2017 actual	Theoretical amount	Attainment % 2018	Actual 2018 amount
Fixed	€1,452,000	€1,452,000	N/A	€1,452,000
<i>Variable V1</i>	€449,588	€600,000	108.9%	€653,226
<i>Variable V2</i>	€542,080	€600,000	114.0%	€684,000
Variable total	€991,668	€1,200,000	111.4%	€1,337,226
Total	€2,443,668	€2,652,000	105.2%	€2,789,226

In addition, it should be reminded that the Board of Directors' meeting of October 3, 2018 granted 28,000 performance shares to Mr. Paul Hermelin, representing 2.02% of the total amount granted in 2018 valued under IFRS rules at €2,248,954 versus a grant of 35,000 shares the previous year valued at € 2,323,342. These share grants are subject to the internal and external performance conditions adopted by the Combined Shareholders' Meeting of May 23, 2018.

The year on year evolution of the total compensation is therefore at +5.7% resulting from 3 factors:

- the 10% theoretical compensation increase proposed by the Board at the beginning of 2018, adopted by the May 23, 2018 Combined Shareholders' Meeting and fully allocated to the variable part ;
- the improvement year on year of the financial components used in the calculation of the variable compensation;
- a decreasing volume of shares and its associated IFRS valuation versus previous year.

The 2018 Registration Document, the Report on Corporate Governance and the Report presenting the resolution on the compensation of the executive corporate officer, to be submitted to a mandatory vote at the Combined Shareholders' Meeting of May 23, 2019, will contain a detailed presentation relating to the determination of Mr. Paul Hermelin's 2018 compensation.

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B. 2018 Compensation of the Chief Operating Officers

Strict application of the AFEP-MEDEF Code and "Say on Pay" principles

On March 20, 2019, the Board of Directors set the 2018 compensation of Group Chief Operating Officers Mrs. Thierry Delaporte and Mr Aiman Ezzat, in application of the recommendations of the June 2018 revised AFEP-MEDEF Code and "Say on Pay" principles. In application of the AFEP-MEDEF Code recommendations, this compensation will be submitted to a mandatory vote at the next Combined Shareholders' Meeting on May 23, 2019.

The compensation structure is comprised of fixed and variable components, the granting of equity instruments, the benefit of a long savings plan and of a leased company car. This compensation structure is in accordance with the compensation policy of Chief Executive Officers approved by the May 23, 2018 Shareholders' Meeting within its 6th resolution.

The Board of Directors has set this compensation in accordance with common practices in the consulting and technology services sector, both nationally and internationally. They also took into account common practices in French companies of a comparable size in terms of headcount, revenue and profitability, internationalization of activities and shareholdership structure. Given that practices concerning the publication and the structure of compensation varies significantly according to the country and the nature of competitors (whether they are listed companies, controlled companies, or partnerships), CAC 40 companies represent the most relevant benchmark.

2018 compensation components for Mr Thierry Delaporte

Based on these elements, the Board has set the 2018 compensation of Mr. Thierry Delaporte (Chief Operating Officer since January 1, 2018) at €1,895,028 i.e. 103.6% of the total theoretical compensation, which comprised a fixed part of €885,000 and a variable part of €590,000 to which is added the theoretical long-term savings plan of €355 000 (plus the benefit of a company car valued at 2,033€).

This fixed compensation is paid in 12 monthly installments and represents 60% of the total theoretical compensation if objectives are achieved.

Therefore, variable compensation represents 40% of the total theoretical compensation. This theoretical variable component is in turn split into two parts: a first part, called V1, tied to Group

consolidated results, and a second part, called V2, based on individual objectives set by the Board of Directors which are either quantified or based on tangible results.

V1 – Economic and financial objectives

The economic and financial objectives underlying the V1 component for 2018 were measured against the objectives set by the Board at the beginning of the year, as follows:

- revenue 30% weighting and achievement rate of 101.10%
- operating margin ratio 30% weighting and achievement rate of 97.69%
- pre-tax net profit 20% weighting and achievement rate of 102.42%
- free-cash flow for the period 20% weighting and achievement rate of 110.48%

The overall weighted result for V1 stands at 102.22% and, after applying the acceleration formula which amplifies upward or downward an increase or a decline in economic performance, the multiple applied to the V1 theoretical V1 has been set at 108.87%.

V2 – Individual objectives

Individual objectives fall into six separate categories:

- New Group governance
- Successful operational transformation
- Successful set-up of Capgemini Invent
- Gross margin % protection/improvement
- Success of four strategic bets
- India strategic positioning

Each category has been subject to a detailed analysis (it being specified that 70% of the V2 objectives were quantifiable and 30% qualitative), followed by a global assessment of all of these objectives.

With regard to the **New Group governance**, the Board highlighted the achievement of the 2018 guidance given to the market, the significant growth in the “New” above 20% and the presentation of a 2019 budget aligned with Group ambitions

With regard to **the successful operational transformation**, the Board took into consideration the new organization in place since July first, a strong leadership renewal implemented with the set-up of this new organization, on-going external attractivity in targeted domains and no significant leadership disruption.

With regard to **the successful set up of Capgemini Invent**, the Board took into account the significant growth of cross discipline deals.

With regard to **the gross margin percentage protection/improvement** the margin while improving year on year was slightly behind the target given by the Board.

With regard to the **Success of four strategic bets** the budget set were exceeded.

With regard to **India strategic positioning**, the board took into consideration the plan launched and the many initiatives taken in the second part of the year.

The V2 weighted outcome based on these evaluations reaches 110.5%, of which 71% are linked to the quantitative calculation and 29% to the qualitative one.

Overall, for these two components of Mr. Thierry Delaporte’s variable compensation and for the long-term savings plan, the Board of Directors approved the recommendation of the Compensation Committee of:

- an attainment rate of the variable compensation of 109.7%, with 108.9% for V1 and 110.5% for V2.

- An attainment rate of the long-term savings plan of 102.22% payable in two parts with 50% in July 2019 and 50% payable in July 2020.

Mr. Thierry Delaporte 's 2018 total compensation can therefore be broken down as follows:

Compensation component	Theoretical amount 2018	Attainment % 2018	Actual 2018 amount
Fixed	€885,000	N/A	€885,000
<i>Variable V1</i>	€295,000	108.9%	€321,173
<i>Variable V2</i>	€295,000	110,5%	€325,975
Variable total	€590,000	109.7%	€647,148
Total	€1,475,000	103.9%	€1,532,148
Long term savings	€355,000	102,2%	€362,880
Total	€1,830,000	103,6%	€1,895,028

In addition, it should be reminded that the Board of Directors' meeting of October 3, 2018 granted 16,500 performance shares to Mr. Thierry Delaporte, representing 1.19% of the total amount granted in 2018. These share grants are subject to the internal and external performance conditions adopted by the Combined Shareholders' Meeting of May 23, 2018.

The 2018 Registration Document, the Report on Corporate Governance and the Report presenting the resolution on the compensation of the executive corporate officer, to be submitted to a mandatory vote at the Combined Shareholders' Meeting of May 23, 2019, will contain a detailed presentation relating to the determination of Mr. Thierry Delaporte's 2018 compensation.

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2018 compensation components for Mr Aiman Ezzat

Based on these elements, the Board has set the 2018 compensation of Mr. Aiman Ezzat (Chief Operating Officer of Capgemini since January 1, 2018) at €2,006,886 i.e. 103.7% of the total theoretical compensation, which comprised a fixed part of €936,000 and a variable part of €624,000 to which is added the theoretical long-term savings plan of €375,000.

This fixed compensation is paid in 12 monthly installments and represents 60% of the total theoretical compensation if objectives are achieved.

Therefore, variable compensation represents 40% of the total theoretical compensation. This theoretical variable component is in turn split into two parts: a first part, called V1, tied to Group consolidated results, and a second part, called V2, based on individual objectives set by the Board of Directors which are either quantified or based on tangible results.

V1 – Economic and financial objectives

The economic and financial objectives underlying the V1 component for 2018 were measured against the objectives set by the Board at the beginning of the year, as follows:

- revenue 30% weighting and achievement rate of 101.10%
- operating margin ratio 30% weighting and achievement rate of 97.69%
- pre-tax net profit 20% weighting and achievement rate of 102.42%
- free-cash flow for the period 20% weighting and achievement rate of 110.48%

The overall weighted result for V1 stands at 102.22% and, after applying the acceleration formula which amplifies upward or downward an increase or a decline in economic performance, the multiple applied to the V1 theoretical V1 has been set at 108.87%.

V2 – Individual objectives

Individual objectives fall into six separate categories:

- New Group governance
- Successful operational transformation
- Growth of top 100 accounts
- Gross margin % protection/improvement
- Return to growth in Q4 in a selected geography
- CFO role transition

Each category has been subject to a detailed analysis (it being specified that 70% of the V2 objectives were quantifiable and 30% qualitative), followed by a global assessment of all of these objectives.

With regard to the **New Group governance**, the Board highlighted the achievement of the 2018 guidance given to the market, the significant growth in the “New” above 20% and the presentation of a 2019 budget aligned with Group ambitions

With regard to **the successful operational transformation**, the Board took into consideration the new organization in place since July first, a strong leadership renewal implemented with the set-up of this new organization, on-going external attractivity in targeted domains and no significant leadership disruption.

With regard to **the growth of the top 100 accounts**, the Board took into account a higher growth than the Group organic one.

With regard to **the margin percentage protection/improvement** the margin while improving year on year was slightly behind the target given by the Board.

With regard to the **return to growth during the fourth quarter of a selected geography** which was achieved well above expectations.

With regard to **the CFO role transition** the Board considered the dual role (Chief Financial Officer and Chief Operating Officer) played until end of June and an on-going involvement in second semester to ensure a smooth transition process.

The V2 weighted outcome based on these evaluations reaches 111.5, of which 68% are linked to the quantitative calculation and 32% to the qualitative one.

Overall, for these two components of Mr. Aiman Ezzat's variable compensation and for the long-term savings plan, the Board of Directors approved the recommendation of the Compensation Committee of :

- an attainment rate of the variable compensation of 110.2%, with 108.9% for V1 and 111.5% for V2.
- An attainment rate of the long-term savings plan of 102.22% payable in two parts with 50% in July 2019 and 50% payable in July 2020

Mr. Aiman Ezzat 's 2018 total compensation can therefore be broken down as follows:

Compensation component	Theoretical amount 2018	Attainment % 2018	Actual 2018 amount
Fixed	€936,000	N/A	€936,000
<i>Variable V1</i>	€312,000	108.9%	€339,682
<i>Variable V2</i>	€312,000	111,5%	€347,880
Variable total	€624,000	110.2%	€687,562
Total	€1,560,000	104.1%	€1,623,562
Long term savings	€375,000	102.2%	€383,324
Total	€1,935,000	103.7%	€2,006,886

In addition, it should be reminded that the Board of Directors' meeting of October 3, 2018 granted 16,500 performance shares to Mr. Aiman Ezzat, representing 1.19 % of the total amount granted in 2018. These share grants are subject to the internal and external performance conditions adopted by the Combined Shareholders' Meeting of May 23, 2018.

The 2018 Registration Document, the Report on Corporate Governance and the Report presenting the resolution on the compensation of the executive corporate officer, to be submitted to a mandatory vote at the Combined Shareholders' Meeting of May 23, 2019, will contain a detailed presentation relating to the determination of Mr. Aïman Ezzat's 2018 compensation.

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II. 2019 compensation components for Executive Officers

The March 20, 2018 Board of Directors set the 2019 compensation policy for i) the Chairman and Chief Executive Officer and ii) the Chief Operating Officers, based upon the proposal submitted by the Compensation Committee, related to their executive corporate officer mandates while strictly respecting the AFEP-MEDEF recommendations and Say on Pay principles.

In accordance with Article L 225-37-2 of the "Code de Commerce », these compensation policies (comprising the structure and different components of the compensation of the executive corporate officers) will be submitted to a vote at the May 23, 2019 Combined Shareholder's Meeting. The key elements of this policy are indicated thereafter and will be presented by the Board of Directors to the Combined Shareholder's Meeting in a detailed report, which is also included in the 2018 Registration Document.

A. 2019 compensation components of the Chairman and Chief Executive Officer

Fixed part

Following the recent increase in Mr. Paul Hermelin's compensation decided in 2018, the Board – in accordance with the recommendations of the AFEP-MEDEF Code – has decided to leave the overall compensation unchanged at €2,652,000 with therefore an unchanged fixed compensation of €1,452,000 for 2019.

Variable part

Concerning the variable component of Mr. Paul Hermelin's 2019 compensation, unchanged at €1,200,000, the Board of Directors has also approved the conditions underlying the V1 calculation and the strategic indicators applicable, as well as the personal objectives set for 2019 and integrated into the calculation of the V2 component.

Consequently, the key performance indicators adopted for 2019 V1 compensation remain unchanged, and are as follows:

- revenue growth: 30% weighting;
- operating margin rate: 30% weighting;
- pre-tax net profit: 20% weighting;
- free cash flow: 20% weighting.

The level of attainment of these objectives will be determined based on a comparison of Group audited and consolidated results at year-end and will be subject to the accelerated formula (amplifying upward or downward an increase or a decline in economic performance) and this variable part may range from zero to 200% of its theoretical value, with the exception of the purely qualitative indicators which are capped in 2019 at their target.

The personal objectives adopted for 2019 have been defined in accordance with Group strategy and the operational transformation of the Group, and have been split in two main categories:

Shared objectives represent [50%] of the V2 and relate to:

- i) the operational transformation of the Group for 15% weighting (out of which 7.5% is quantifiable);
- ii) the portfolio rotation for 20% weighting (quantifiable); and
- iii) the deployment of the CSR strategy for 15% weighting (out of which 10% is quantifiable)

Specific objectives represent [50%] of the V2 and relate to:

- i) the efficiency of the Group governance for 20% weighting;

- ii) the impact of the M&A program to deliver the Group ambition for 20% weighting (quantifiable);
- iii) the support of new trends and disruptive solutions/technologies for 10% weighting.

These objectives have been formalized in such a way that they can be clearly assessed on tangible grounds at the end of 2019, with a weight of 57.5% based on quantified objectives. Therefore 79% of the variable part will be subject to a quantitative evaluation in 2019.

B. 2019 compensation of the Chief Operating Officers

Fixed part of the compensation of the Chief Operating Officers

in accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors has decided to leave the fixed compensation of Mr. Thierry Delaporte unchanged at € 885,000 representing 60% of his theoretical compensation and to leave the fixed compensation of Mr. Aiman Ezzat unchanged at 936,000 euros representing 60% of his theoretical compensation.

Variable part of the compensation of the Chief Operating Officers

Concerning the variable component of the Chief Operating Officers which also remain unchanged in 2019 at €590,000 for Mr. Thierry Delaporte and at €624,000 for Mr. Aiman Ezzat, the Board of Directors approved the conditions underlying the V1 calculation and the strategic indicators applicable, as well as the personal objectives set for 2019 and integrated into the calculation of the V2 component.

Consequently, the key performance indicators adopted for 2019 V1 compensation are the same as the ones of the CEO, and are as follows:

- revenue growth: 30% weighting;
- operating margin rate: 30% weighting;
- pre-tax net profit: 20% weighting;
- free cash-flow: 20% weighting.

The level of attainment of these objectives will be determined based on a comparison of Group audited and consolidated results at year-end and will be subject to the accelerated formula (amplifying upward or downward an increase or a decline in economic performance) and this variable part may range from zero to 200% of its theoretical value, with the exception of the purely qualitative indicators which are capped in 2019 at their target.

The personal objectives adopted for 2018 have been defined in accordance with Group strategy and the operational transformation of the Group, and following the Group governance evolution have been split in two main categories:

For Mr. Thierry Delaporte

Shared objectives represent 50% of the V2 and relate to:

- i) the operational transformation of the Group for 15% weighting (out of which 7.5% is quantifiable);
- ii) the portfolio rotation for 20% weighting (quantifiable); and
- iii) the deployment of the CSR strategy for 15% weighting (out of which 10% is quantifiable)

Specific objectives represent 50% of the V2 and relate to:

- i) the gross margin improvement for 20% weighting (quantifiable);
- ii) The success of selected strategic partners for 15% weighting (quantifiable); and
- iii) the strategic positioning of India for a 15% weighting (out of which 5% is quantifiable).

For Mr. Aiman Ezzat

Shared objectives represent 50% of the V2 and they relate to:

- i) the operational transformation of the Group for 15% weighting (out of which 7.5% is quantifiable);
- ii) the portfolio rotation for 20% weighting (quantifiable); and
- iii) the deployment of the CSR strategy for 15% weighting (out of which 10% is quantifiable)

Specific objectives represent 50% of the V2 and they relate to:

- i) the gross margin improvement for 20% weighting (quantifiable);
- ii) The growth of Group key accounts for 15% weighting (out of which 5% is quantifiable); and
- iii) Focus on the growth of a strategic geography selected by the Board for 15% weighting (quantifiable).

These objectives have been formalized in such a way that they can be clearly assessed on tangible grounds at the end of 2019, with a weight of 77.5% based on quantified objectives. Therefore 89% of the variable part will be subject to a quantitative evaluation in 2019.

Due to these and following the Board decision to cap in 2019 the purely qualitative part of the personal objectives included in the V2, the evolution range of the fix and variable compensation of the Corporate Executive officers is summarized in the table below:

Theoretical compensation structure, base 100	Chief Operating Officers			Chairman and CEO		
	Target	Min	Max	Target	Min	Max
Gross fixed compensation	60	60	60	55	55	55
Annual variable compensation V1	20	0	40	22.5	0	45
Annual variable compensation V2	20	0	35,5	22.5	0	35,5
Multi-year variable compensation	0	0	0	0	0	0
Theoretical total based on objectives attainment	100	60	135,5	100	55	135,5
% variable / fixed	67%	0%	126%	82%	0%	146%

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III. Other components of the compensation policies of the Chief Executive Officer and of the Chief Operating Officers

The Board of Directors decided to keep unchanged for 2019 the other components of the Executive Corporate Officers compensation policies as approved by the Combined Shareholder Meeting of May 23, 2018.

These policies will be again subject to the approval of shareholders during the May 23, 2019 Combined Shareholder Meeting.

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