

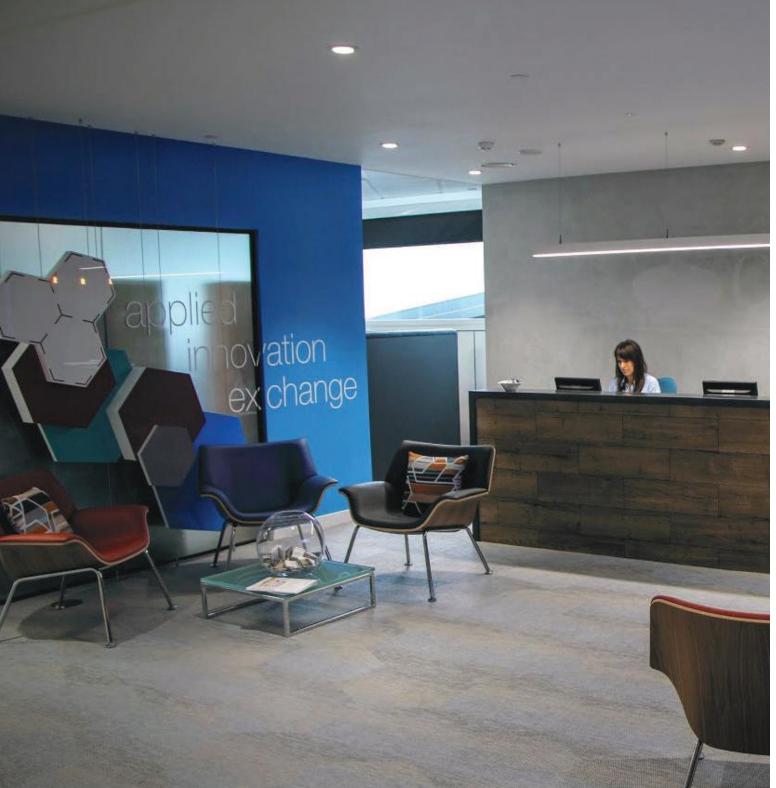






Corporate Responsibility & Sustainability

Report 2016 / 2017 (UK)



This report demonstrates how we are delivering against our ambitious strategy to ensure a positive future for planet, people and communities.

## Scope:

Unless stated otherwise, the data in this report covers the Corporate Responsibility & Sustainability (CR&S) activities of Capgemini UK and Sogeti UK for the calendar year 2016.

### Feedback:

We welcome feedback on our approach to Corporate Responsibility & Sustainability and the content of this report.

Please email -

corporate.sustainability.uk@capgemini.com



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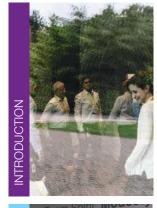
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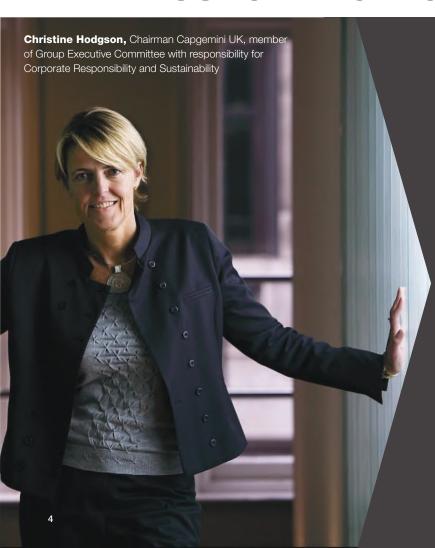








# A MESSAGE FROM OUR UK CHAIRMAN



As a global leader in technology, consulting and outsourcing services, Capgemini is committed to using its expertise in technology to deliver the positive environmental and societal benefits of the digital revolution.

Currently, we are at an important turning point, faced with the urgent need to decarbonise our economic production system to combat climate change, while providing for the needs of the growing global population. A <u>recent report</u> suggests technology is critical to achieving these outcomes having the potential to deliver material efficiency gains that could enable a 20% reduction in global carbon emissions by 2030. Digital solutions will also play a critical role in helping to achieve over half of the <u>UN Sustainable Development Goals</u>, unlocking access to education, e-health and financial services around the world.

The rapid pace of innovation and digital transformation also poses many challenges. ICT is estimated to contribute <a href="two-per cent">two-per cent</a> of global carbon emissions, with growing pressure being placed on energy infrastructure to power the digital revolution.

The unprecedented pace of digital innovation is also bringing social challenges, with those lacking digital skills facing significant barriers to education and employment. Lack of digital skills in the UK is also an economic concern, estimated to currently cost the UK economy  $\underline{\mathfrak{E}63}$  billion a year in lost GDP.

Being a responsible and sustainable company in this context, means working collaboratively with both our clients and our people to address these challenges to ensure the positive benefits of the digital revolution can be successfully unlocked.

For Capgemini UK, this has included designing and building one of the world's most <u>sustainable data centres</u> while working diligently to reduce our own environmental impacts: in 2016 we achieved a further 10% reduction in our total carbon emissions. It also means working collaboratively with our clients to develop and deliver truly sustainable technology solutions, and leading in our sector by launching challenging carbon reduction targets verified by the <u>Science Based Target Initiative</u> (SBTI).

We also work collaboratively with our clients and delivery partners to share our digital expertise with the communities where we operate, striving to address the digital divide in the UK by promoting digital skills for all. We are committed to reaching and inspiring over 5,000 young people every year through our schools' outreach programme. We are particularly encouraging female students to consider Science, Technology, Engineering and Mathematics (STEM) subjects, to help address the current technology industry gender imbalance and cultivate a diverse pipeline of talent for the future.

Furthermore, in 2016 we also helped develop the digital skills of 98 disadvantaged young people through our partnership with The Prince's Trust. Over 50% of participants who completed the Capgemini Get Started with Apps course have achieved a positive outcome, moving into further training, education, volunteering or employment within three months of completing their course.

With the rapid increase in demand for digital technology, competition for talented technology professionals is at a record level. Within the technology sector in the UK, there was an <u>estimated skills shortage</u> of 49,000 people in 2015, set to grow to 185,000 people by 2020. Our people and culture focus continues to ensure we can attract, engage, develop and retain the very best people, whilst our Active Inclusion campaign, launched in 2016, aims to create an inclusive organisation, where everybody feels valued, included and empowered.

We believe that being a responsible and sustainable business brings value to our shareholders, our clients, our people and society. In 2017, we are celebrating our 50th anniversary and our Corporate Responsibility and Sustainability programme is firmly focused on ensuring that Capgemini is positively positioned for our next 50 years.

## **Christine Hodgson,**

UK Chairman, Group Executive Committee member with responsibility for Corporate Responsibility and Sustainability



# ABOUT CAPGEMINI

People are at the centre of everything we do.

#### COMPANY PROFILE

With more than **190,000** people, Capgemini is present in over **40 countries** and celebrates its 50th Anniversary year in 2017.

A global leader in consulting, technology and outsourcing services, the Group reported 2016 global revenues of **EUR 12.5 billion**.

Together with our clients, Cappemini creates and delivers business, technology and digital solutions that fit their needs, enabling them to achieve innovation and competitiveness.

A deeply multicultural organisation, Capgemini has developed a unique way of working, the Collaborative Business Experience™, drawing on our innovative Rightshore® worldwide delivery model.



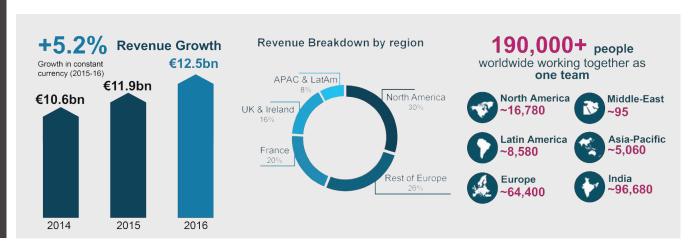
#### **OUR VISION:**

The business value of technology comes from and through our people.



# **OUR MISSION:**

To create and deliver business and technology solutions that fit our clients' needs and drive the results they want.



We work with...





10 of the 15 largest investment banks



12 of the 20 largest utilities companies





# OUR CR&S APPROACH IN 2016

Enabling a positive future for planet, people and communities.



**Dr. James Robey**VP, Global Head of Corporate Sustainability

We are committed to growing our business responsibly and sustainably, ensuring we deliver value to all our stakeholders including our clients, shareholders and people, as well as the communities and environment in which we operate.

I am delighted with the progress we have made in 2016, particularly across three priority areas:

#### Contributing positively to Environmental Sustainability

We have been reducing our carbon emissions since 2008, and in 2016 became the first in our sector to commit to a verified Science Based Target, which will see us cut emissions by 20% by 2020. We are already making significant progress towards this target, with a 10% reduction in carbon emissions delivered in 2016. We continue with our net positive ambition to support our clients achieve their own carbon reduction aspirations.

#### Ensuring we have a diverse and inclusive workforce

Our focus is on achieving a workforce that better reflects the diversity of society, and where all our people feel actively included. Gender imbalance is a big challenge in our industry and one we seek to tackle at all levels, from encouraging and inspiring female students to pursue STEM subjects, to providing returnship opportunities for women returning to work after maternity leave. The launch of our new Active Inclusion programme in 2016 has brought together and accelerated a broad range of initiatives under one programme.

# Enabling young people to get the skills needed for future employment

The skills shortage in the UK is a growing problem, and <u>research</u> <u>we commissioned</u> into the views of 1,000 employers highlighted the need for action. We encourage our people to share their expertise and skills with young people from diverse backgrounds. In 2016, our people exceeded expectations and reached out to over 6,000 young people through school events, mentoring and digital skills courses, helping them to develop skills for their future careers.

We continue to focus on the areas that matter to our business, tracking global trends to ensure we are responding to emerging social, environmental and economic issues. Listening to our stakeholders is key to this and in 2016 we conducted a series of interviews to help define and shape our programme moving forwards. As part of our response, this year we have included information in this report for the first time on Cybersecurity and our approach to Tax.

#### Dr. James Robey

VP, Global Head of Corporate Sustainability

# YEAR AT A GLANCE

January: We launched our Get Involved campaign to drive employee engagement with our community programme.

February: We achieved Gold rating in the BITC Diversity & Wellbeing Benchmark.

March: Capgemini named as one of the World's Most Ethical Companies for the 4th year in a row **©|WORLD'S MOST** ™ ETHICAL COMPANIES (position maintained in March 2017).

**April:** Capgemini's innovative partnership with the Ironbridge Gorge Museum Trust won the Third community impact award Sector at the Third Sector Awards.

May: 230 of our people took part in Give and Gain Day volunteering activities.

**June:** Our Environmental programme was recognised by BITC receiving a platinum rating in the Environment Index.

July: We launched our Active Inclusion campaign, starting with a survey which was completed by 54% (4,367) of our people.

August: We launched our class leading Supplier Profile Assessment and recommitted to risk-assessing 100% of our suppliers.

September: We sent zero waste to landfill from the decommissioning of our London Southbank office and data centre.

October: Over 300 riders took part in the charity 'Palace to Palace' cycle ride, raising money for our charity partner The Prince's Trust.

November: We published information on our gender pay gap for the first time.



December: We announced our science-based target to reduce carbon emissions by 20% per employee by 2020 and 40% by 2030.



10% reduction in total carbon emissions

14% reduction in data

centre energy use



6,068 students engaged through our schools outreach programme



98 young people supported through our partnership with The Prince's Trust



30% of graduate and apprentice hires were female

88% recommend Capgemini

UK as a great place to work



1,015 employees voted in our charity awards each quarter



155,000 hours invested in formal training (+20% on 2015



Capgemini employees prepare for some active fun during our Business Priority Week held at Capgemini's University campus - Les **Fontaines** 



**77%** office energy from renewable energy sources

# MATERIALITY AND GOVERNANCE

Understanding the social, environmental and economic concerns of our stakeholders is essential to ensuring that we continue to focus on the most material topics, now and in the future.



## **GOVERNANCE**

Our CR&S strategy is overseen by Capgemini UK's CR&S Board comprised of Chief Executive Officers (CEOs) and other senior executives from our strategic business units.

Paul Margetts, CEO of Apps UK is chair of our UK CR&S board and a member of the Capgemini UK Country Board.

At the beginning of 2017, Capgemini UK Chairman Christine Hodgson was appointed to the Group Executive Committee, to represent the CR&S agenda. This move will help drive forward the CR&S agenda at a global level, further embedding CR&S into Capgemini's overall corporate vision and strategy.

In this section

- 11 The Context
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# Our Code of Ethics underpins our corporate culture and every aspect of our business practices.

#### THE CONTEXT

Our commitment to act in an ethical and responsible way is an essential component of the trust we build with our stakeholders and is central to our continued success as a business. We also believe it helps us to attract and retain talented people, with <a href="mailto:strong-evidence">strong-evidence</a> that individuals want to work for companies who take proactive steps to behave responsibly and ethically.

The sheer velocity of technological change poses new challenges for our business, such as keeping our clients safe from increasingly sophisticated cyber-attacks and ensuring that we give our teams the freedom to communicate openly on social media without compromising client or company confidentiality. It is essential that we help all our people understand their role in behaving responsibly and ethically to maintain Capgemini's values. With a strong, clear approach on ethical issues such as anti-bribery, human rights and data protection, we are well placed to support our suppliers and clients with these issues.



Matthew Costelloe
Capgemini UK, Deputy General Counsel
Interim UK Ethics & Compliance Officer

## OUR APPROACH

Throughout the 50 years since the formation of the Capgemini Group in 1967, we have been guided by the same seven core values: Honesty, Boldness, Trust, Freedom, Team Spirit, Modesty and Fun. These values are the threads that run throughout our history; they guide the ethical approach through which we continue to conduct our business.

Our Chief Ethics & Compliance Officer is responsible for providing the overall direction and strategy of our Global Ethics & Compliance programme. This Group strategy is coordinated through a network of Ethics & Compliance officers, who cascade the Group policies (Group Code of Business Ethics, Group Anti-Corruption and Group Competition Laws) down to country level and share best practice while also ensuring we operate in accordance with local requirements.

Our UK Ethics & Compliance Officer provides support to enable our UK team members to comply with both Group and local policies, as well as developing UK-specific guidance where required. In 2016, an important area of focus was strengthening our supplier risk assessment process in the light of the recent UK Modern Slavery Act, as well as preparing for our first <a href="https://linear.com/UK Modern Slavery ActStatement">UK Modern Slavery ActStatement</a>.

Capgemini wants all team members to be empowered to make the right decisions that will strengthen our reputation as an ethical company. All new joiners complete training covering Business Ethics, Anti-Corruption, and Competition Law and we build on this further with interactive computer-based training and communications campaigns. We also have a dedicated "Raising Concern Procedure" through which our people can seek advice and guidance, or report concerns on ethics and compliance behaviours or issues.

Our Global Ethics & Compliance Programme supports and adheres to several key international agreements:

- The principles of the 1948 Universal Declaration of Human Rights which includes the refusal the use of forced and child labour:
- The principles of the fundamental conventions on labour standards of the International Labour Organisation (ILO);
- The principles of the UN Global Compact Programme and the UN Global Compact's "Caring for Climate" and "Women's Empowerment Principles" initiatives; and
- The Organisation for Economic Co-operation and Development (OECD) guidelines for Multinational Enterprises.









# CYBERSECURITY AND INFORMATION PROTECTION

The digitisation of society has had many positive, transformative impacts for our clients and our business, such as optimising operating models through the use of real time data, or enabling our clients to engage with their customers in new and innovative ways. However, digitisation also comes with risks. Cybercrime, digital espionage and leakage of sensitive information all create the need for organisations to put in place robust cybersecurity policies and comprehensive preventative actions. Consequently, Capgemini has had a Group-wide Cybersecurity and Information Protection (CySIP) programme in place since 2014 covering all areas of our business, and every country where we operate.

Sponsored by the Group General Secretary, the CySIP programme has established data privacy and cybersecurity strategies together with a personal data protection policy. CySIP has defined minimum standard practices which all Capgemini entities are expected to achieve before the end of 2017. Central to the programme is the formation of a community with representatives from across the business coming together to assess and monitor digital risks globally and respond to any concerns or suggestions from employees. The CySIP community brings together 70 experts in cybersecurity and information protection including dedicated CySIP Officers, Group IT Chief Information Security Officers and Legal and Data Protection Officers.

In 2016, core areas of focus included the development of a Mobile Device Security (MDS) policy and tool, to ensure access is secure and data protected when using personal devices for business purposes. Furthermore, we developed Capgemini Security Operation Centres in Europe and India to provide new monitoring services for our own infrastructure and IT systems. At a UK level, we began the roll out of an interactive e-learning course on Cybersecurity and Information Protection which is now mandatory for all employees.

As well as ensuring we have the appropriate preventative measures in place within our own business, we also publish research and insights to inform best practice, as well as supporting our clients with their own Cybersecurity challenges.



#### TRANSPARENCY AROUND TAX

Our UK tax strategy is to ensure we pay the right amount of tax, in the right place and at the right time. We provide our people with the information and advice they need to act ethically in respect of all commercial decisions and ensure that business transactions are not structured to artificially avoid paying the right amount of tax. Our publicly available <a href="UK">UK tax strategy</a> outlines how we ensure appropriate governance around tax decisions.

Capgemini UK acts responsibly in our business dealings and engages with Her Majesty's Revenue and Customs (HMRC), providing regular business updates around UK business changes and how these contribute to shaping our UK tax profile. Our approach to managing tax is supported by the use of external advisors who are engaged to provide additional certainty around areas such as key legislative changes and international tax initiatives. The UK and international tax landscape changes frequently, and our dedicated tax team proactively monitors these changes to ensure that we continue to operate as an ethical business.

Our strategy is to pay the right amount of tax, in the right jurisdiction, at the right time.



#### >> Raising awareness through our Group-wide Ethics Week

We ran a Group-wide Ethics Week in May with internal communications and a quiz to raise awareness about our ethics policies. The focus of the campaign was on 'conflicts of interest' and how to identify, manage and respond to them appropriately.

#### >> Training and equipping our people through 'Ethics Street'

We continued with our online training series, 'Ethics Street,' which tests our people on their responses to tough ethical dilemmas. The training is mandatory for all our people and its delivery, taking the form of easily digestible, five-minute interactive modules is creative and engaging.

## >> Celebrating our seven company values

We celebrated 'Values Day' in October. Timed to coincide with our 49th anniversary, we launched a video about our seven values, and also a survey to help us understand how well these values are incorporated into our people's day to day work.

## >> Equipping our people to make ethical decisions in everyday situations

During our 2016 Global CR&S Thursday internal communications campaign, the first Thursday of every month was focused on Values & Ethics including a series of ten short, thought-provoking awareness videos focusing on doing the 'right' thing in various everyday situations.

# >> Training our people to respond to rising cybersecurity threats

We launched our new Cybersecurity and Information Protection training module to help build awareness around the topic and an understanding of how our people can respond to threats. A total of 6,710 UK employees had completed the training by the end of 2016.



## AN AWARD WINNING APPROACH

In March 2017, Capgemini Group was named as a 2017 World's Most Ethical Company® by the Ethisphere Institute for the fifth consecutive year. This global recognition recognises our longstanding commitment to company-wide ethical leadership, compliance practices, and environmental and social responsibility. We were one of only two companies in the Consulting Services sector to have received this prestigious accolade this year.

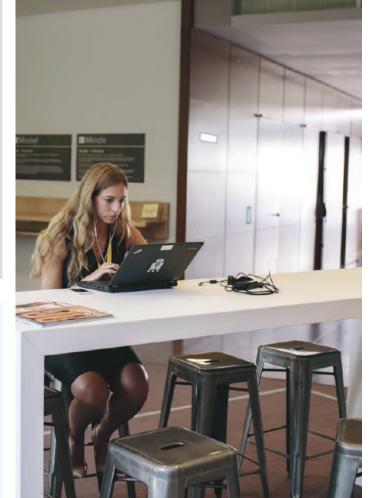
This achievement builds on Capgemini's long-standing commitment to being a responsible and ethical business, with the Group achieving recognition from several client and investor driven disclosure schemes this year:

- achieving a place on the Standard Ethics Index;
- continuing inclusion in the FTSE4Good index;
- being reconfirmed as a constituent of the Ethibel Sustainability Index (ESI) Excellence Europe in September 2016;
- becoming a member of the STOXX ESG leader index;
- maintaining OEKOM Prime Status in the OEKOM Corporate Responsibility Index;
- being confirmed as a constituent of the EURONEXT Vigeo Eiris Europe 120 and Eurozone 120 indices (our performance on environmental, social and governance issues places us in the Top 120 companies in Europe and the Eurozone); and
- maintaining our position as a Gold rated supplier on the Ecovadis collaborative CSR supply chain platform.

It is our mission to define and advance the standards of ethical business practices that fuel corporate character, marketplace trust and business success. The World's Most Ethical Companies recognition is first and foremost a measurement exercise with the honor being reserved for those who excel. We would like to congratulate Capgemini for consecutively maintaining its position as a World's Most Ethical Company for the last five years. It has set a high benchmark for the industry, by evolving with the changing business environment while remaining steadfast in its commitment to corporate ethics and compliance.

**Timothy Erblich**, Chief Executive Officer at Ethisphere







Values & Ethics

Positive Planet

People Culture

Community Engagement Sustainable Procurement CR&S Performance Scorecard



We reduce our own environmental impacts against ambitious targets while enabling our clients, suppliers and people to reduce theirs.

# THE CONTEXT

Businesses like Capgemini that are taking accountability for measuring and reducing their carbon emissions send a clear signal that industry is ready to play its part in tackling climate change. However, according to analysis by <a href="Henley Business School">Henley Business School</a> and Bloomberg, Capgemini are amongst a small minority of companies who report on 100% of their Scope 1 and 2 greenhouse gas (GHG) emissions and according to <a href="CDP">CDP</a>. Capgemini are also amongst only 14% of companies who have established long term carbon reduction targets (for 2030 or beyond).

Our Positive Planet programme aims to address today's environmental challenges and to inspire others in our industry to follow in our footsteps.

There are three main elements to the programme:

BE ACCOUNTABLE is about ensuring we have rigorous processes in place to monitor, manage and transparently report our environmental impacts. We are leading the way in our industry by becoming the first IT Services and Consulting company to have an approved Science Based Target. We also continue to disclose 100% of our carbon emissions.

BE RESOURCEFUL is our focus on the continual reduction of our own environmental impacts: reducing our energy use in our offices and data centres, our business travel emissions and our waste. This drive to improve our own efficiency generates innovative thinking, delivering operational improvements as well as cost reductions.

BE IMPACTFUL recognises that the most significant environmental impact we can have is the work we do across our entire value chain – our people, our suppliers and particularly our clients. We are committed to using our expertise in technology and business process to help our clients, suppliers and our people to reduce carbon emissions and meet growing sustainability challenges, aiming to leave a positive impact on the planet.

## **Tony Deans**

CFO, Capgemini UK, Executive Sponsor of Positive Planet





Tony Deans seeing how much energy he can generate by cycling on a specially adapted exercise bike in our Woking office

# BE ACCOUNTABLE

We have achieved a significant 10% reduction in our total greenhouse gas emissions this year.

## **OUR APPROACH**

For Capgemini, being accountable first means having effective processes in place to manage our environmental impacts. We do this through our Positive Planet programme with our ISO 14001 certified Environmental Management System at its core.

In addition, our world-class carbon accounting system enables us to monitor, analyse and transparently report our environmental impacts. We measure our carbon footprint using a global system which captures millions of data points every month from over 430 facilities and covering the travel patterns of over 190,000 people.

At a UK level, we track our performance against targets monthly, using insightful analytics at a national and business unit level to benchmark our offices against one another, track popular flight and rail routes, and identify potential efficiency savings from environmental initiatives.

In addition to effective monitoring and reporting, we have set ambitious and credible environmental targets that are not only aligned with the latest climate change science, but are also relevant to our industry and easy for our employees to understand and get behind.

# OUR HEADLINE SCIENCE BASED TARGET



Of the 10% reduction achieved in 2016, the majority came from the consolidation of our data centres including the closure in late 2016 of one of our older, less efficient data centres. This reduced our emissions by 2,077 tCO<sub>2</sub>e with our four remaining data centres also achieving a cumulative emissions reduction of 3,729 tCO<sub>2</sub>e.

We also achieved a significant reduction in emissions from our offices (cumulatively 1,437 tCO<sub>2</sub>e). Around a third of this office emissions reduction can be attributed to the consolidation of our real estate portfolio over the last 18 months (three offices moving to new locations and four offices closing), with the remainder due to changes at a site level which have reduced energy use.

# OUR PERFORMANCE



16% reduction in total carbon emissions since 2014

15% reduction in total carbon emissions per head since 2014

# LOOKING AHEAD

Having re-launched our environmental sustainability programme in late 2016 under the banner of Positive Planet, we will continue to focus on our key impact areas, in particular with renewed programmes to tackle business travel and office energy.





>> We were the first in our sector to set ambitious science based targets

Capgemini UK became the first company in the IT Services and Consulting sector to have its target approved by the Science Based Target initiative (SBTI). The SBTI confirms that our goals are consistent with the global effort to keep average temperature increase well below the 2°C threshold agreed at the COP21 climate conference in Paris.

Whilst we have been reducing our impacts against stretching targets since 2008, the new targets commit us to a longer term reduction (with targets both for 2020 and 2030), and include a comprehensive mix of both absolute and intensity-based measures covering our key impact areas (data centre energy, office energy, business travel and waste).



"We are delighted that Capgemini in the UK has taken the bold step to sign up to ambitious targets. The early adopters of this growing business norm, like Capgemini in the UK, will help this movement gather momentum and make a real impact in driving the transition to the low-carbon economy." Paul Simpson, CEO of CDP



To reduce our carbon footprint per employee by 20% by 2020 and by 40% by 2030 (against or 2014 baseline year)



## >> Continually improving our carbon accounting and reporting

We continue to make improvements to the way we measure and report our carbon emissions. This year we have adopted new emission factors for air travel which consider the impact of radiative forcing<sup>[1]</sup> requiring the complete recalculation of our flight data for previous years to incorporate these impacts (see CR&S Performance Scorecard section for further information). Whilst this has led to a significant increase in reported emissions (increasing our reported air emissions by 89%), it ensures we are accounting for the full environmental impact of air travel, and follows recommended best practice.

Driving carbon reduction internally means communicating in a language that the business understands. An important area of internal focus during 2016 has been ensuring we are accurately capturing and communicating the cost savings associated with reducing our impacts.

## >> An award winning approach to environmental reporting

We were also delighted to make it to the top of the Business in the Community Environment Index in 2016, receiving a platinum rating (the highest possible) in recognition of our effective environmental management approach. At Group level, we are recognised externally for the completeness of our carbon accounting, with Bloomberg highlighting Capgemini Group as being amongst only 66 companies (out of the 3000 they assessed), which transparently report 100% of their their Scope 1 and Scope 2 greenhouse gas emissions (as of December 2016).

<sup>[1]</sup> Radiative forcing is a measure of the additional environmental impacts of aviation, such as emissions of nitrous oxides and water vapour when emitted at high altitude.



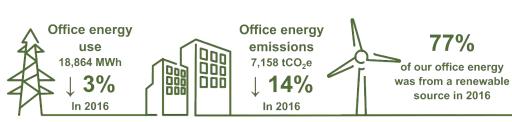
# BE RESOURCEFUL: Office Energy

We are driving down energy consumption across our estate and investing in smart building technology.

#### **OUR APPROACH**

We take a holistic approach to energy management, looking at the different aspects of the way buildings operate, from the infrastructure of the building to smart management of lighting, heating and cooling systems. We also promote behaviour change initiatives to encourage our people to save energy on site. Our energy management approach has been ISO 50001 certified since 2014, and has enabled us to achieve significant energy reductions over a number of years.

We invest in renewable energy, both in terms of selfgeneration with over 600 solar PV panels installed at our Aston office and in terms of energy purchasing, with a UK-wide approach of buying electricity from renewable energy sources wherever we have direct control over the energy contract.



# **OUR TARGET**

To reduce office energy use by 20% by 2020 and 40% by 2030 (against a 2014 baseline)

# Our Holborn office in London was refurbished with sustainable building design and management principles

we self-generated

**98 MWh** 

In 2016

# **OUR PERFORMANCE**

11% reduction in office energy use since 2014

28% reduction in office energy emissions since 2014

# LOOKING AHEAD

In 2017, we will be enhancing our focus on energy through the development of a new Energy Committee under the chairmanship of Tony Deans (CFO). The committee will focus on developing a long-term strategy, identifying innovative energy projects and ensuring the right operational decisions are made in order to meet our target and continue delivering savings.

# **2016** IN ACTION>>

### >> Consolidating our London offices

The consolidation of two of our London offices into one has had a significant impact on our office energy use reducing 700,000 kWh of energy in 2016. As part of this process we also refurbished our Holborn office with a new design and layout which embraces the latest collaborative, activity-based working to the full. Skype for Business technology was built into every meeting room and collaborative space to enable improved connectivity. When purchasing office furniture, the environmental credentials of its construction and the end-of-life disposal options were considered alongside cost and durability. We have continued to encourage home working where appropriate.

## >> Introducing innovative smart building technology

In 2016 we collaborated with a smart building technology provider, using their innovative energy monitoring software at our Aston and Sale offices. This gave us a simple and powerful way of using data analytics and online collaboration tools to identify and implement energy saving opportunities, enabling savings on energy costs and improving comfort levels in the office. The system pinpoints where energy is being unnecessarily consumed (for example, through overheating or excessive cooling) and identifies potential enhancements, such as adjusting the building management system settings. Cumulatively, the pilot enabled us to identify over 30 low cost improvement actions, with a combined cost saving of over £23,000.





Values & Ethics

Positive Planet

People Culture

Community Engagement Sustainable Procurement CR&S Performance Scorecard

# BE RESOURCEFUL: Data Centres

Our Merlin data centre continues to be one of the most sustainable in the world.

#### **OUR APPROACH**

Capgemini UK's data centres account for 40% of our total greenhouse gas emissions and 70% of our energy use. We continue to invest in measures to improve the energy efficiency of our data centres and rationalise our portfolio of data centres. These measures have resulted in a 14% reduction in data centre energy consumption in 2016 (compared to 2015).

Our Merlin data centre continues to be one of the most <u>sustainable in the world</u> with sustainability built into every element of the building's design and operation. Merlin continues to achieve an industry-leading Power Usage Effectiveness (PUE) ratio of 1.09 (well below the industry standard of <u>1.7</u>).

Our approach to sustainable data centre design generates innovative thinking, supports our clients' sustainability aspirations and improves our own operational effectiveness.

# **OUR TARGET**



To improve data centre energy efficiency, reducing our average PUE ratio to 1.5 by 2020 (against a 2014 baseline)

# **OUR PERFORMANCE**

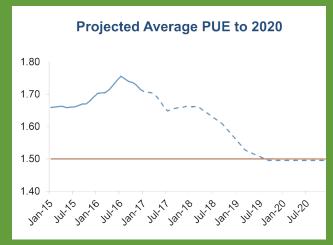
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11% reduction in data centre energy use since 2014

8% increase in average data centre PUE since 2014 due to rationalisation programme.

## LOOKING AHEAD

The closure of one our older, less efficient data centres and the re-balancing of our data centre portfolio has had an impact on data centre utilisation, resulting in a temporary increase in our PUE. With the continued rationalisation of our data centre portfolio and several energy efficiency improvements implemented in late 2016 coming into effect, we expect this trend to reverse in 2017, as demonstrated by the forecast projection shown on the right.



# BE RESOURCEFUL: Business Travel

We are deploying innovative remote working technology to reduce the need for business travel.

#### **OUR APPROACH**

Business travel makes up around a third of our greenhouse gas emissions and also represents a significant financial cost to the business. Whilst face-to-face meetings are an important part of building collaborative relationships with clients, we recognise there are opportunities to minimize the time our people spend travelling. Reducing travel can help to improve the wellbeing and work-life harmony of our people, whilst also reducing our operational costs and greenhouse gas emissions.

Our award winning TravelWell programme promotes smart, safe and sustainable travel, as well as identifying alternatives to travel. A core part of TravelWell has been the implementation of state of the art remote working and video conferencing technologies which enable our people to work more flexibly, reducing their need to travel. To reduce further the impact of our travel, we limit our company cars to more fuel-efficient models and enable our people to charge electric vehicles for free at several of our sites. We also promote the use of rail travel as opposed to flights for domestic travel. To make it easier for our people to book and print train tickets we have introduced ticket printing facilities in our larger offices.



# **OUR TARGET**



To reduce our business travel emissions by 25% by 2020 and by 50% by 2030 (against a 2014 baseline)

# **OUR PERFORMANCE**



1% reduction in total business travel emissions since 2014



# LOOKING AHEAD

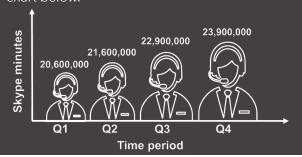
We are currently not performing in line with our targets. This is in part due to the integration of IGATE into our business following its acquisition in 2015, as well as our growing global client base, resulting in a significant increase in international travel. To tackle this challenge, we will be refreshing our TravelWell programme in 2017, with a new Travel Board, chaired by Tony Deans (CFO) and a focus on four key work streams: employee engagement, travel policy, low emissions transport and technological alternatives to travel.

# 2016 IN ACTION>>

>> Technology enabling our people to work flexibly and travel less

During our office refurbishments in 2016, all meeting rooms and collaborative spaces have been equipped with the technology to host a video conference call to enable improved connectivity and collaboration between our people and clients. The improved integration of Skype for Business has made it even easier to avoid travel, with our people able to hold impromptu video conferences with clients and colleagues, while simultaneously sharing digital content.

The roll-out of this technology in our Holborn office is part of a wider approach to improving the quality and coverage of remote working technologies for our people across the UK. In 2016, we began the roll out of Skype for Business to areas of the business not fully covered (such as Capgemini Financial Services). We also completed the deployment of an internet-based telephony solution in 2016, reducing the need for desk phones across all our offices with Skype for Business becoming the default way of making and receiving calls. As a result, we have seen steady growth (around 5% each quarter) in the number of Skype for Business call minutes throughout 2016, as demonstrated by the chart below.





# BE RESOURCEFUL: Waste

In 2016 we managed to close an entire site and send zero waste to landfill in process.

#### **OUR APPROACH**

Whilst waste makes up relatively small proportion of our greenhouse gas emissions (less than 0.1%), effective waste management is an important part of our environmental management system. Our waste management approach helps mitigate against the depletion of finite natural resources, as well as minimise our material use. Managing our waste effectively is also a tangible, impactful way engaging our people with our environmental commitments.

Ultimately the best way to reduce waste is by avoiding its creation; we do this by working with our suppliers to ensure that, where possible, items can be re-used or recycled as well as by reducing the amount of packaging used in the products we buy. During office refurbishments, we consider the disposal of old office furniture and equipment, looking for creative ways to extend their lifespan, such as donating it to universities or charities.

To minimise the amount of waste going to landfill, we have installed central waste recycling points in all of our offices including food waste bins where local collection is available.

# **OUR TARGET**





# **OUR PERFORMANCE**

11% of our waste was sent to landfill in 2016

8% reduction in total waste generated since 2014



# LOOKING AHEAD

Looking ahead, we are beginning to think about how we integrate "circular economy" principles, to ensure products and materials are maintained in a positive development cycle for as long as possible. This will involve working with our procurement functions and facilities teams to ensure we consider the end of life processes when making purchasing decisions, for example, choosing products with reusable constituent parts.



#### >> We sent zero waste to landfill during our office closure and refurbishments

The closure of one of the buildings that we leased in London required us to develop a robust strategy for dealing with building waste. Working with two recycling partners, 604 tonnes of waste was gathered for reuse and recycling, including floor tiles, plasterboard, wood, metal and electronic equipment.

We also took measures to divert waste away from landfill by re-using furniture and equipment in other offices, disassembling it for recycling and donating certain items to other organisations for re-use. For example, we partnered with Birmingham City University, donating surplus office furniture and IT equipment for one of their new facilities. As a result, no building waste was ultimately sent to landfill during the office closure and refurbishments, a remarkable achievement.

## >> Selecting sustainable furnishings for our refurbished offices

The upgrade of our Holborn office created a need for new furnishings and gave us an opportunity to choose products with solid environmental credentials. For example, the office chairs selected were chosen in part for their efficient use of materials and for the fact that they are 91% recyclable at the end of their useful life. Office carpets were selected containing 90% recycled content and manufactured using energy from renewable sources.

Our new Applied Innovation Exchange facility opened in our London Holborn office in 2016 Zero building waste was sent to landfill during our office closure and refurbishments

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# BE IMPACTFUL

We are working to deliver positive environmental impacts through our clients, suppliers and people.

### **OUR APPROACH**

The biggest environmental impact we have is through the solutions we deliver to our clients and through the influence we have on our suppliers and people.

We are a founding member of the <u>Net Positive Project</u>, a cross-sector coalition that includes <u>Forum for the Future</u>, <u>Business for Social Responsibility (BSR)</u> and <u>Harvard's Sustainability and Health Initiative for Net Positive Enterprise (SHINE)</u>.

The Net Positive project aims to shift the role of companies in society, changing the focus from minimising negative impacts to defining new ways of doing business that put more into society, the environment and the global economy than they take out. Capgemini is particularly focused on the role technology can play in this transition.

The potential for technology to drive environmental innovation is significant and our commitment to "Net Positive" is in part about unlocking this potential. We are exploring how to most effectively build low carbon innovation into new and existing client service offers.









# **OUR TARGET**

To reduce three times as much carbon emissions in our ecosystem as we generate each year through our own operations (with a target year of 2017)

The first challenge we have faced (one shared with other Net Positive members), is how to meaningful quantify positive impacts given the bespoke nature of our services. In addition, the impact is often an "enabling" benefit which is more difficult to quantify and measure over time. For example, providing software to leverage the data from asset management systems enables clients to prolong an asset's lifespan and reduce material use, waste and embedded carbon, but it is not always easy to predict the long term environmental benefits of this type of engagement. Through the development of case studies and collaborative research, we are coming up with new ways to quantify the enabling impact of our technologies.

#### **OUR ECOSYSTEM**







# **OUR PERFORMANCE**

In collaboration with 15 client teams, across five business areas, we have developed a series of case studies, identifying how our services deliver environmental benefits.

In addition, we launched an enhanced supplier assessment tool, enabling us to engage suppliers and track their environmental impacts over time.

# LOOKING AHEAD

In the next 12 months we will be reporting on our progress against our Net Positive target, providing insights into the environmental impacts of digital services and making a case for how we can maximise the positive impacts of technology.



# **2016** IN ACTION>>

## >> Engaging our Clients

In 2016 we analysed the range of our client services to identify those that deliver a significant and tangible carbon reduction for our clients. In collaboration with 15 client teams, across five different service offerings we began developing a series of case studies with two main aims: to quantify the positive carbon impact we have had in each project and to engage with senior leadership to improve their understanding of the sustainability impacts of their projects. The result has been the identification of three key focus areas for 2017 where it is believed our services provide the greatest Net Positive benefits. These include outsourcing and infrastructure projects, data analytics and asset optimisation projects, and digitisation and automation projects.

## >> Engaging our Suppliers

The launch of our new supplier assessment tool enables us to develop more comprehensive profiles of our suppliers environmental impacts, with tailored questions based on the type of company or commodity. The assessment tool also has much greater analytical capabilities enabling us to measure the environmental footprint of our suppliers over time. We use this information to deploy targeted communication campaigns to help our suppliers reduce their environmental impacts. For example, in 2017 we have planned a campaign to encourage targeted suppliers to use our e-invoicing system, which will help them reduce their paper consumption and the emissions associated with delivering invoices.

# >> Engaging our People

A key highlight of 2016 was our celebration of World Environment Week. The week of activities included encouraging our people to measure their own carbon footprints and make a pledge to reduce them. In addition, we showcased hybrid and electric cars in our largest offices and conducted a survey to help us understand employee commuting habits. In collaboration with the Wildfowl & Wetlands Trust (WWT), four volunteering days were held at various WWT sites, providing an opportunity to engage and educate our people on the topic of sustainable habitats and wetland conservation.



# People are at the heart of our business. We engage with our people to create a workplace where diversity is valued, inclusion is paramount, and wellbeing is supported and nurtured.

## THE CONTEXT

Our success as a business comes from the talent of our people, who bring compelling skills and collaborative innovation to our work with clients.

With the rapid increase in digital technology and an increasing number of people working in the IT sector, the competition for talented technology professionals is growing. Within the technology sector, there was an estimated skills shortage of 49,000 people in the UK in 2015, set to grow to 185,000 people by 2020.

As a business working in over 40 countries, with over 100 languages spoken, we are a truly multicultural organisation that embraces the value of ethnic diversity. We are a member of Business in the Community's (BITC) Race Equality campaign, committed to changing the face of race equality in the UK.

Our "People Matter, Results Count" ethos puts people at the centre of our success – ensuring we engage, develop and grow our diverse talent is critical. To achieve this, we create an inclusive environment where people can be their genuine self at work.

In 2016 we launched an Active Inclusion programme, to engage all colleagues in creating a workplace where everybody feels accepted and able to thrive in an environment that supports the career and wellbeing of the individual.

Underlying our commitment to inclusion is our focus on engaging with our people to ensure Capgemini is a great place to work for all our colleagues. Engagement starts from the moment we offer a role to a candidate. In 2016, we launched our Belnspired induction process to focus on engagement through a pre-joining virtual portal, an interactive induction day and follow-up sessions.

We have People Board and Employee Forums in each business area, gathering continuous feedback and making progress on the topics that matter to our people. We ensure we listen and act on the views of our people through our annual Group Employee Survey, which provides insights into how all our people feel about working for Capgemini.

We are committed to supporting social mobility and through our apprenticeship programme, we provide opportunities for young people from diverse backgrounds to work in an industry traditionally only for graduates. Over a thousand apprentices have joined us since 2011.

We encourage our people to continuously develop their skills and provide a wide variety of learning opportunities for people to develop their skills and create mind-sets that are agile and able to adapt quickly to change. This enables us to deliver innovation for our clients and meet their evolving needs whilst also ensuring we support our people to pursue interesting and fulfilling careers. This year we increased the amount of time our people spent in formal training by 20% whilst also providing opportunities to learn via alternative platforms such as virtual expert communities, digital labs and volunteering.



Frances Duffy
VP, HR Director, Capgemini UK

# ACTIVE INCLUSION

We aim to be a truly diverse and inclusive organisation where everybody feels valued, included and empowered.



#### **OUR APPROACH**

In 2016 we launched an Active Inclusion programme, sponsored by the UK Country Board, to create a step change and accelerate our approach to diversity and inclusion, moving the conversation beyond diversity to focus on inclusion as the priority.

Our aim is to make a positive difference to our company, our people, our clients and society. To reach this aim we have set a number of priorities:

- To develop and hire more talented people from groups that are under-represented (with specific gender targets) in order to drive greater diversity of thought across our business;
- To foster a culture where everyone at Capgemini feels welcome and respected, regardless of race, age, gender, gender identity, sexual orientation, ethnicity, religion, disability or background; and
- To continue to offer opportunities to the next generation and cultivate true diversity in our future workforce.

Active Inclusion is a holistic approach which encourages all of our employees to get involved in identifying the barriers to change and take actions to progress greater inclusivity whilst providing support for all aspects of diversity.

Our first step was a UK wide survey overseen by an external diversity and inclusion specialist to understand the demographics and perceptions of our workforce. The survey was completed by 54% of employees and the key insights, which were shared with all UK employees, have helped shaped our priorities.

Our strategy is to drive change to policies, processes and practices, as well as focussing on engagement and behaviours because ultimately it is people who create the working environment. For example, we have worked with our recruitment teams to re-vamp our job advertisements, instructed recruitment agencies and re-trained our recruitment teams to ensure that the jobs we post are as accessible as possible for everyone. We developed hiring manager training and a "concierge" service for female applicants at all levels in our organisation, to give the needs of female applicants due attention in the recruitment process.

Creating awareness and generating conversation is key, it helps people understand why it is in all our interests to change, it builds empathy and increases the likelihood of modifying behaviours.

To embed our strategy, each business area has an Active Inclusion champion who sets and monitors their own specific targets, encourages colleagues at all levels to take action and shares best practice through our UK-wide Active Inclusion Working Group.

We are also signatory to the UK Government's Think Act Report initiative and have a vibrant Women's Business Network, who organise events with inspiring talks by female leaders. In 2016, speakers included Burberry's <a href="Fumble-Chima">Fumble Chima</a> and Unruly's <a href="Sarah">Sarah</a> <a href="Wood">Wood</a> with the events providing opportunities to network with colleagues and clients, and a chance to inspire the next generation, with students from local schools invited to attend our larger events.

Despite our longstanding commitment to gender balance, like many IT companies we have struggled to significantly increase the percentage of women in our business. We are pleased to have a UK Country Board that is 44% female driving this agenda, a high level of representation within our industry. Active Inclusion recognises gender balance as a business imperative and a challenge not just for our leadership but all colleagues in our organisation, and provides an opportunity to build on our existing initiatives and bring a different focus to the challenges we face.

# **KEY ACHIEVEMENTS**

- Recognised in the Times Top 50 Employers for Women 2017;
- Published our Gender Pay Gap 18 months ahead of the legislative deadline, making public our commitment to closing this gap and eliminating equal pay issues;
- Our position in the Stonewall Workplace Equality Index 2017 increased by 75 places;
- Mandatory unconscious bias training rolled out to all our Vice Presidents and recruitment and HR teams undertook mandatory inclusion training;
- Refreshed and re-launched our Work-Life Harmony Policy and held a communications campaign;
- Joined the Hire Me My Way campaign as part of our pledge to offering professional part-time careers;
- Our Women at Capgemini UK role model community was launched, showcasing the careers and experiences of female team members at all levels;
- Achieved the Disability Confident Employer badge recognising our commitment to supporting team members with disabilities;
- Our joining experience was shortlisted in the 2016
   Learning Awards Onboarding Programme of the Year;
- We were rated as a Top 100 Company for Graduates to Work For 2016-17 by the JobCrowd; and
- Named one of "Best Places to Work in the UK" through the Glassdoor Employee Choice Awards 2016.

# **OUR TARGET**



To ensure that 40% of graduate and apprentice hires are women in 2017

To increase the proportion of senior women to 20% by 2020

To increase the proportion of women to 30% by 2020

# **OUR PERFORMANCE**



33% of graduate and apprentices hires are female (+7.7% and in July 2016 we achieved our first 50:50 intake)

16.9% of senior grades are women (-0.9% compared to 2015)

26.7% of Capgemini UK people are female (no change from 2015)

# LOOKING AHEAD

We have seen some great success with our graduate and apprentice hires, hugely increasing the numbers of young women joining our teams, forged through strong links with schools and universities. Overall our female population remains stable and highly engaged in a very competitive industry for female talent. This continues to be a focus for our leadership teams and we are delivering a number of programmes to address this, including the Return@Capgemini Programme to bring talented professionals into the organisation following a career break. The six month returnship programme will be available across the business and provide coaching and mentoring to support the transition back to work.









# **2016** IN ACTION>>

# **Developing strategy**

#### >> Innovation in people analytics

We use the power of analytics to help us understand the full picture of our workforce - from engaging with the results of our Group Employee Survey and Active Inclusion Survey to using dynamic tools to model our human resources (HR) data. We use these combined insights and the power of big data to better understand our people (and their feedback), drive our people agenda and ensure we focus on the right areas.

Our business expertise has helped us to move away from a traditional retrospective HR reporting model and implement engaging and responsive shared tools. Using dynamic dashboards, we provide easy access to real time data, allowing our senior management and HR teams to investigate our data more strategically. Our expertise has been recognised as a case study with the **Valuing Your Talent** project. Our innovative approach has been particularly significant for our Active Inclusion agenda as each business area is now able to quickly assess their performance and identify how initiatives undertaken are impacting the gender balance in recruitment, attrition, and the retention of women after family leave. The diversity dashboard also has predictive modelling, to help us forecast the impact of different future scenarios on our gender balance.



# Embedding an approach to Active Inclusion through policy and training

## >> Nurturing Work-Life Harmony

The ability to have greater flexibility and work life balance is often seen as a "female challenge". However, our Active Inclusion survey demonstrated that respondents valued flexibility around their personal circumstances regardless of their demographic. Therefore our first Active Inclusion campaign aimed at improving opportunities for work life balance for all. We have worked to increase this through our **Work-Life Harmony** policy launch in October - encouraging smart and effective use of working hours while maintaining delivery (also known as agile working). To put this into practice, our senior business sponsors ran support calls for managers and promoted a new Client Engagement Guide to help accounts discuss flexibility with their clients. Approaching this topic from an inclusive lens has made it much easier for people to talk about their needs, particularly those with caring responsibilities.

We also joined <u>Hire Me My Way</u>, pledging to recruit professional part-time roles; for example, in one area of the business we have gone from hiring zero part-time roles in the past two years to hiring 13 this year. Overall, the number of people working part-time has increased significantly from 8.8% to 10.8%.

## >> Supporting those with caring responsibilities

As 41% of our employees have some form of caring responsibilities, supporting parents and carers to successfully return to work is critical to ensure that all our employees can enjoy a long-term career with the company. In 2016, we joined **Working Forward** - pledging to make our workplace the best it can be for pregnant women and new mothers.

From an inclusion perspective, we have changed the conversation, renaming maternity, paternity and shared parental leave as "family leave" and refreshing our maternity, adoption and return to work policies. To support our new policies, we run maternity and paternity coaching, computer-based training and have set up a new private Facebook Family Leave Community to help team members stay in touch throughout their leave and provide a network of colleagues.





#### >> LGBT+ and OUTfront

Our LGBT+ network, **OUTfront**, takes action to foster a supportive and inclusive environment for the LGBT+ community at Capgemini UK.



OUTfront helps members to act as role models and spread the word that Capgemini is a safe and comfortable place to be out at work. Following consultation with Stonewall and OUTfront, in 2016 we rolled out LGBT+ Inclusion training to our Active Inclusion Working Group, client account teams and our HR and recruitment teams. We also refreshed our Diversity & Inclusion, Maternity and Adoption policies to ensure they use LGBT+ inclusive language.



Our position in the Stonewall Workplace Equality Index 2017 increased by 75 places, driven by actions taken across multiple areas including enhanced monitoring through our HR systems, face-to-face team training to raise awareness of LGBT+ issues, and increased internal and **external communications**.

## >> Building Awareness of unconscious bias

Our Vice Presidents undertook mandatory unconscious bias training, supported by a bespoke resource portal and it will be followed up with further inclusion training in 2017; whilst our graduate community organised a breakfast briefing on Unconscious Bias in collaboration with Business in the Community's diversity advisor.

In addition, our recruitment and HR teams have all undertaken mandatory inclusion training, focussing on unconscious bias, disability and LGBT+ awareness and we have reviewed and revamped our job descriptions to ensure we use gender neutral and LGBT+ inclusive language.

# Frances Duffy, HR Director, commented:

"We are delighted to be joining this group of likeminded employers; Capgemini's commitment ensures our people and our contractors are paid enough to afford a minimum acceptable standard of living and recognises their contribution and importance to our business. This reflects the values of our company and is quite simply the right thing to do for our people and our business"



# >> Formal accreditation for the living wage

In May 2016, we were formally accredited as a <u>Living Wage</u> <u>Employer</u> by The Living Wage Foundation - this is an hourly rate set independently and updated annually, calculated according to the basic cost of living using the Minimum Income Standard for the UK. This goes over and above the government living wage set in 2016.



## >> Becoming a Disability Confident Employer

We achieved the new <u>Disability Confident Employer</u> certification from the government, recognising our commitment to supporting team members with disabilities. This support is underpinned by Capgemini's <u>Assistive Technology service</u>, which provides a comprehensive end-to-end, managed service to ensure that individuals with disabilities receive tailored support in relation to their specific technology needs.

We also set up named Disability points of contact within the recruitment community, to ensure that all prospective candidates can speak to an individual about any adjustments or questions at an early stage.

#### >> Mental health awareness

We launched our new Mental Health intranet portal, which offers clear advice and guidance on what to do if our people have concerns about their mental health or that of a colleague. We promoted Mental Health Awareness Week 2016 with a communications campaign focussed on the importance of relationships in maintaining good mental health.



# Nurturing our people's health and wellbeing

### >> Our health kiosks

1,681 health checks were carried out using our mobile health kiosks in 2016. The health kiosk assesses key vital health indicators of weight, BMI, body fat content, heart rate and blood pressure, and then sends a follow-up email with targeted advice based on individual's results. This was the first phase of a three-year rotation, enabling our people to make repeat visits to track their health over the longer term.

# >> Supporting workstation safety

Given the nature of our work, badly set-up workstations are a key risk for our business. In 2016, over 500 colleagues were supported through our work station safety process, helping them to avoid long-term health issues. Over 280 people received additional equipment to improve their workstations and 24 people were referred to our external ergonomic experts for further specialist support.

# Role models for the next generation >> Creating learning networks for women and female students Research shows the importance of relatable role models, so in 20 Women at Cangemini UK website with real and approachable role

Research shows the importance of relatable role models, so in 2016 we launched our **Women at Capgemini UK** website with real and approachable role models from all levels in our business. Our role models support internal and external events, inspiring our teams, future recruits and the next generation of talent (events include "Women of Silicon Roundabout" and "We are Tech Women").

We work externally with several different organisations to support women in launching careers in technology - for example, we support <u>TechMums</u> to bring technology training to women across the UK.

We collaborated with Apps for Good and the Tech Partnership to set up the <u>TechFuture Women's Network</u>, a network of 600 female technology professionals from across various sectors, who volunteer their time and expertise, to inspire young people, particularly girls, about technology careers and education paths.

We invited female students and candidates who had attended to our Women's Business Network events to an <u>#ilooklikearolemodel</u> event, which had over 130 attendees. The event generated a great buzz on social media with attendees calling the day "truly inspirational" and stating their aspiration to "prosper in the IT field and question the stereotypes written by society today."







# **Social Mobility**

# >> Supporting social mobility through our apprenticeship programme

Our Apprentice programmes give young people a foothold in a technology industry that previously was only for graduates, providing alternative routes to employment for those who cannot or do not want to go to university. We were the first company to create Degree Apprenticeships, providing a degree without the costs of university. Over a thousand apprentices have joined us since 2011, and our Degree Apprentices will be the first to graduate in the UK in summer 2017.

In 2016, we introduced a strengths-based assessment approach to be more open to all candidates, based on job fit and future potential, rather than just background and achievements.

As a recognition of our success, in 2016 we won Macro Employer of the Year at the **National Apprenticeship Awards** for the South East, and were a finalist in this category at the national level.

# >> Building relationships with local schools

Our well-established Schools Programme last year had over 6,000 interactions with school students, providing an insight into employment for pupils from all regions and backgrounds. In addition, we had 78 work experience placements, with an open application process encouraging young people from different backgrounds to apply.

Our long-term commitment to schools and careers for young people was rewarded at the **AllAboutSchoolLeavers** 2016 Awards event. The awards recognise the best employers for recent school leavers, as decided by surveys of apprentices and school leaver trainees from 100 UK organisations. We achieved second place in two categories - the Best Degree Apprenticeship and Top IT & Technology Employer.





Values & Ethics

Positive Planet

People Culture

Community Engagement Sustainable Procurement CR&S Performance Scorecard



We use our business expertise to help young people, from diverse backgrounds, to develop skills needed for future employment and we support causes that matter to our people.

# THE CONTEXT

At Capgemini, we strongly believe 'the business value of technology comes from and through people'. That's why we put people at the heart of our strategy – from supporting communities both locally and globally to attracting, retaining and developing talent from a varied range of backgrounds.

# **OUR OBJECTIVES**

Through our Community Programme, we aim to:

- Help to close the digital skills gap (currently estimated to be costing the UK economy £63 billion per annum);
- Decrease youth unemployment (currently at <u>12.4%</u> in the UK);
- Attract underrepresented groups into the tech sector; and
- Support causes that matter to our people.

Key to achieving these goals are our Capgemini team members across the UK. It is through their action – whether representing the technology industry at Careers Fairs, delivering inspirational presentations in schools, hosting work experience students or organising charitable fundraising – that we can create a sustainable difference.

The following pages detail the steps we are taking to address the skills shortage, engage our employees and clients and ultimately create a lasting, positive impact on the UK tech sector and beyond.

# Paul Margetts

CEO, Apps UK, Executive Sponsor of Community Engagement





Above: Paul Margetts with two Capgemini Ul degree apprentices visiting a local school to promote degree apprenticeships

Left: completing the Palace to Palace cyle ride in aid of The Prince's Trust

# SKILLS FOR YOUNG PEOPLE

We work with community partners and schools to invest in developing the skills that young people need for future employment.

### OUR APPROACH

Our programme reaches out to young people from diverse backgrounds and aims to help them develop skills and raise aspirations with a focus on social mobility and gender. It is delivered through:

- Our schools and education partnerships, including <u>Apps for Good</u>, <u>Inspiring the Future</u>, <u>The Tech Partnership</u> and <u>My Kind of Future</u>. These programmes aim to develop a range of employability skills and encourage students to take Science, Technology, Engineering and Mathematics (STEM) subjects;
- A focus on engaging with girls and young women in school to address the industry's gender imbalance at its root cause and ensure a diverse talent pipeline for the future; and
- Engaging young people from diverse backgrounds through our long-term partnership with <u>The Prince's Trust</u> which enables us to reach disadvantaged young people.

We are active members of many industry networks. Our UK Chairman Christine Hodgson chairs <u>The Careers & Enterprise Company</u>, an umbrella organisation which works in partnership with schools, colleges, employers and youth organisations to create opportunity for all young people. She also sits on the board of the Tech Partnership.

Our CEO of Apps UK and Chair of the UK CR&S Board, Paul Margetts, sits on the <u>Technology</u> <u>Leadership Group</u> convened by The Prince's Trust.

Our community programme is part of a holistic approach to addressing the skills shortage in our industry including our <u>Apprentice strengths based</u> programme.







# OUR AIM

To reach out to over 5,000 young people through our schools, education and community partnerships programme annually

Together Capgemini, and The Prince's Trust committed to run five Get Started with Apps courses giving over 60 young people the chance to reshape their lives by December 2016. We achieved this with 62 young people taking one of our courses. In addition, our efforts in 2016 included the first STEM Get Started course in Wales

# OUR PERFORMANCE

6,068 young people engaged in 2016

# LOOKING AHEAD

We will continue our commitment to the digital skills agenda and work with partners to reach young people from diverse backgrounds





# **2016** IN ACTION>>

# >> Technology skills for young people through our partnership with Apps for Good

Capgemini UK have been a judging partner for the <u>Apps for Good</u> competition for four years. Apps for Good is an education charity which promotes technology to around 25,000 students a year, encouraging young people to create mobile app solutions to the problems they care about. In 2016 with over 700 entries, nearly 100 Capgemini employees and clients participated in the shortlisting process.

Categories covered a variety of topics, from accessibility to sustainable communities. Entries covered a wide range of creative and engaging solutions, including apps for individuals to share their unwanted items with charities, to help people with disabilities to find suitable employment, and to help young people to face and overcome their phobias.

# >> Research launched into the digital literacy of young people and the impact on UK businesses

We commissioned a YouGov poll of 1,000 employers which showed that while many of UK's young people are very digitally savvy, 47% of those surveyed said young people do not know how to use their digital skills for work. The study highlighted the growing need for young people to develop a stronger foundation in digital skills.

This research was shared at The Prince's Trust Technology Leaders Group session in April, facilitated by BBC news presenter Simon McCoy. Some 50 guests from 25 organisations attended.

# >> Promoting our industry to young female students to help address the gender imbalance at its root

Apps for Good, the Tech Partnership and Capgemini created a joint campaign, The TechFuture Women's Network to raise the number of Apps for Good female experts to 40%. This target was achieved in October 2016. This will help encourage young girls and women at school into STEM. In an industry where less than a quarter of its population is female, this provides real role models for young students.





# >> Developing the skills of disadvantaged young people through workshops with The Prince's Trust

At the end of 2015, we launched our Digital Partnership with The Prince's Trust. We have developed specific programmes designed to provide young people with a strong foundation in digital skills. In 2016, we ran courses with over 70 Capgemini volunteers offering a taster day to a week long programme. These courses have benefited 98 young people. We have also been delighted to involve over eight client teams in delivering this.

In 2016, Capgemini and The Prince's Trust worked with one of our clients to host a week-long 'Get Started' course, helping ten unemployed young people learn essential new skills needed to thrive in today's digitally-dependent workplace. The participants were challenged to create their own mobile apps, learning how to take their ideas from concept stage to a live prototype. This culminated in the creation of three apps that were subject to interrogation, praise and feasibility tests by a group of 'Dragons' Den' style judges.

# >> Improving careers advice to students

Capgemini launched a drive to encourage Enterprise Advisors volunteers among our employees. The Enterprise Advisers programme is one of the key initiatives running under The Careers & Enterprise Company whose role is to inspire young people and help to prepare for and take control of their futures. A number senior employees have signed up to support this programme.

Since 2013 we have been part of BITC's Business Class programme. As part of this initiative we have worked in a holistic way with Abraham Darby school in Telford, bringing additional support to various aspects of the school management and curriculum as well as supporting development of key employability skills for students.

"The input from Capgemini has profoundly touched the students who I knew would benefit from the voice of industry and experience. The materials you share, the contributions you make and the additional adult voices as part of their learning experience have all helped to enrich this year's lessons." Abraham Darby School

# OUR PEOPLE IN LOCAL COMMUNITIES

We support causes that matter to our people and encourage them to get involved through volunteering and fundraising.

# **OUR APPROACH**

We support causes that matter to our people through our Community Impact Awards (CIAs) and Community Investment Grants (CIGs). The Awards provide funding for projects actively supported by our people and our Grants provide funding for employees to help kick-start fundraising or engagement activity. Employees can apply for CIAs each quarter and once projects have been selected, a national vote is opened to all our people for the project they believe should receive an additional financial contribution. Last year we supported over 40 projects in this way, reflecting the passions and interests of our people and engaging 1,000 employees in voting in each quarter.

In addition to our Community Impact Awards and Community Investment Grants, we have a 'Get Involved' campaign, to encourage our people to participate in the community. There are many ways, employees can participate either at national level as part of our corporate programme, focused on skilled volunteering such as mentoring or at local level where we support a number of nationwide fundraising initiatives such as Children in Need or office-led team building initiatives. Our people can take up to two days of volunteering time each year and we also enable employees who wish to give to charity through payroll giving.

# **OUR AIM**



To support 40 causes that matter to our people through our Awards and Grants

To engage 1,000 employees in selecting awards and grants winners every quarter

298 of our people gave over £85,000 in charitable donations to various charities through payroll giving in 2016

# **OUR PERFORMANCE**



40 charities supported

1,015 employees engaged in each round of the Community Impact Awards voting

# LOOKING AHEAD

In 2017, we will raise the numbers of those who engage in volunteering and raise more funds for charity partner, The Prince's Trust.





# 2016 IN ACTION>>

# Our Community Impact Award winners tell their story:

### >> Mark Barron raised funds for the British Heart Foundation

"Our colleague, Matthew Lawler, died on 29th January 2015 of a massive heart attack as a result of an undiagnosed heart condition. We raised the money through Memory Envelopes, a cake sale and a book sale in aid of the British Heart Foundation 'Wear It. Beat It' campaign. The funds raised were donated to the British Heart Foundation in Matthew's name.

It affected everyone in the Glasgow office. On the first anniversary of our colleague's sudden death, we all felt we should do something. It probably seems a bit ironic that we were raising money for the British Heart Foundation by selling cakes to people, but they all responded most generously."

### >> Chris Harrison raised funds for Marie Curie

"My brother and I walked Alfred Wainwright's 192 mile Coast-to-Coast route to raise money for Marie Curie. Our Mum died of cancer last October. In the last six months of her life, Marie Curie provided fantastic support that enabled her to spend as much time as possible at home.

We have received great sponsorship from friends and colleagues and have raised £2,100 in donations, which results in £2,625 with Gift Aid. This is enough to pay for 10 two-day therapy sessions in a Marie Curie Hospice or 14 full nine-hour shifts for a Marie Curie nurse to provide overnight care in a patient's home. This latter aspect was what helped my Mum to spend the last months of her life at home and we wanted to help Marie Curie help others to do this".



Chris Harrison in the Lake District during his 192 mile walk in aid of Marie Curie.





# >> Monju Meah raised funds for the Refugee Aid Network / One Ummah

"I pulled together and managed dozens of volunteers to help fundraise for an aid mission to refugee camps in northern Jordan and for a medical container sending an ambulance and aid to Syria. I can't quite believe that we raised over £5,000 in four weeks. In Jordan, I was the media spokesperson, as well as logistic manager to ensure aid reached remote refugee camps just 9km from the Syrian border.

I spoke with the BBC about the refugee crisis and the work we were doing and my work has resulted in national media attention leading to more support which enabled us to deliver humanitarian aid to over 100 families living in refugee camps and those scattered across the Jordanian capital.

I was inspired to use my skill set learned at Capgemini and take action. This is part of my Capgemini identity and I know there are hundreds and thousands of people out there doing the same. My trip has inspired others - which was one of my aims."



We maintained the prestigious Business in the Community 'Community Mark' for our overall approach to community engagement.

# **Local Office Volunteering**

>> Our office-led team in Telford won top prize for Community Impact in the Third Sector Business Charity Award 2016 for its partnership with Ironbridge Gorge Museum

Ironbridge Gorge Museum Trust which runs Blists Hill Victorian Town, a recreation of a typical mining town at the end of the 19th century, approached Capgemini Telford for help to improve facilities at the venue and advice to make it more environmentally sustainable.

More than 750 Capgemini volunteers gave about 5,000 hours of time to support the Trust. They worked to turn wasteland into a nursery, putting up greenhouses and installing raised planting beds. Volunteers also helped to clear woodland, canal slipways and railway arches, reinstate paths and exhibits, and erect fencing. Capgemini staff have enthusiastically adopted the project: the sign-up list for volunteering at the museum is consistently full and six employees have become regular volunteers in their own time.

The partnership has provided an army of volunteers for the museum, provided team-building opportunities for Capgemini employees and enabled the sharing of skills and advice for the museum's management team. It has also supported the Trust's long term environmental strategy.

Our innovative people partnership with the Ironbridge Gorge Museum Trust claimed the top spot in the Third Sector Business Charity Awards



750 Capgemini volunteers

5,000 hours spent volunteering for Ironbridge Gorge Museum



# 16 IN ACTION>

# Highlights from our national 'Team Capgemini' volunteer and fundraising activity in support of The Prince's Trust

>> Largest corporate team ever to participate in The Prince's Trust Palace to Palace charity cycling challenge

Last October over 300 Team Capgemini riders, including 49 people from 11 clients, made their way to The Mall in central London to enter the Palace to Palace cycle event in aid of The Prince's Trust. We were delighted to field maybe the biggest corporate team ever in the six-year history of event which raises money for disadvantaged young people in the UK, helping them get back into employment, training or education. It was also a true cross-organisation effort with participation from a record number of clients as well as colleagues from the Highlands, Telford, Worthing and Woking. The event, with riders completing either a 45 or 90 mile sponsored cycle ride, raised the awareness of our Digital Partnership with The Prince's Trust, as well as £44,000 for the Trust.

>> "Million Makers" encourages entrepreneurial and skills based fundraising to support the work of the Prince's Trust

Between July and December 2016, our Capgemini team 'Pocket Aces' took part in The Prince's Trust Million Makers fundraising challenge to raise over £10,000 in 6 months. Starting with £1,500 seed funding, the team competed against teams in other companies regionally and nationally to make the most profit. The aim was for the teams to raise a combined total of £1,000,000 for The Prince's Trust, which was exceeded. Pocket Aces raised over £15,000 through organising regional events and culminating in a company-wide 'Great Gatsby' themed gala dinner.



£120,000 in corporate donations and £71,400 in employee fundraising for The Prince's Trust in 2016





# Our approach to sustainable procurement enables us to manage the risks in our supply chain.

# THE CONTEXT

Our challenge as a business is to balance the need for cost-effective goods and services with our longstanding commitment to Corporate Responsibility & Sustainability. Our vision for this commitment is to build a positive future for people and planet, and this rightly includes our supply chain. We believe that the environmental, social and economic risks that impact our goods and services must be considered alongside other important factors such as cost and quality, when making purchasing decisions.

Investing in Sustainable Procurement makes sound commercial sense, adding long term business value. Through our programme, we are able to mitigate supply chain risks and meet stakeholder requests for information, whilst taking into account the wider costs of products, such as energy use over the products lifespan.

Our 12 Core Principles of Sustainable Procurement clearly outline our expectations of our suppliers and partners, and since 2010 we are proud to have assessed 100% of our suppliers to ensure that they meet our requirements. Through this approach we aim to establish sustainable relationships with suppliers who have a proven record of actions and capability, both in terms of project delivery and in terms of sustainability.

2016 was a significant year with the development of our new supplier assessment tool. We are committed to using the data driven insights provided by this tool to increase engagement with our suppliers and drive a transition towards a more sustainable supply chain. Find out more about the progress we have made and how we seek to achieve this will continue to meet our challenge in the following pages.



Tony Deans, CFO, Capgemini UK, Executive Sponsor of Sustainable Procurement



# **OUR APPROACH**

Since 2007, our 12 Core Principles of Sustainable Procurement have been included within our contractual terms and conditions which apply to all our suppliers. We have developed these principles in line with the 1948 Universal Declaration of Human Rights, the standards of the International Labour Organization (ILO) and the UN Global Compact "Caring for Climate" initiative, as well as other best practice standards. These principles have been combined in our 'Supplier Standards of Conduct' which all suppliers are required to sign before commencing any contract. The code of conduct contains our principles with regards to compliance with international, national and local law, human rights, labour rights and modern day slavery. It also outlines the obligation for our suppliers to conduct their business with the highest standards of integrity, avoiding any and all forms of corruption, bribery, extortion or embezzlement, and unfair business practices.

To better understand the risks and impacts associated with our supply chain, every supplier is asked to complete our online Supplier Profile Assessment and upload evidence to support their response. The assessment profiles the environmental, economic and social risks and impacts of our suppliers' operations, covering topics ranging from waste management to the protection of human rights. In order to assure the accuracy of suppliers' responses, we conduct audits on our supplier base, either through desk based research or through on-site audits. The result of this assessment is a key part of the procurement framework used for supplier performance review and to determine if we will continue to use the supplier.

# **OUR TARGET**



To assess 100% of our suppliers using our Supplier Profile Assessment

We prefer to develop long-term relationships with suppliers who have a proven record, both in terms of project delivery and corporate responsibility and sustainability. By forming close and collaborative partnerships with our suppliers, we aim to provide practical support and advice to help resolve any issues identified through the assessment process. We always prefer to engage with our suppliers to resolve issues, rather than simply terminating their contract. However, where suppliers fail to address identified issues within a reasonable time-period, we reserve the right to terminate business with a supplier.

Since 2007 we have ceased trading with 365 suppliers who have failed to meet our expected standards

# Our suppliers...



providing 180 different commodities

# **OUR PERFORMANCE**



In 2016, we assessed 559 new suppliers using our Supplier Profile Assessment

Since 2007 we have assessed 4,979 (100%) of suppliers

# LOOKING AHEAD

In 2017, we are planning a number of targeted communication campaigns, including raising awareness of the Modern Slavery Act within focused sectors of our supply chain, as well as encouraging more suppliers to use our e-invoicing system which helps reduce paper consumption and carbon emissions. We will also continue with the re-assessment of our existing suppliers using our new Supplier Profile Assessment.





# >> Developing our Modern Slavery Act Statement

We are committed to upholding internationally recognised human rights within our own operations and throughout our supply chain. We have put in place clear governance structures to support this aim and have been longstanding members of the UN Global Compact. In 2016, an important area of focus was developing aspects of our supplier risk assessment process to ensure compliance with the UK Modern Slavery Act, as well as preparing the publication of our first **UK Modern Slavery Act Statement**.

# >> Supporting Small and Medium-sized Enterprises (SMEs)

SMEs are integral to a thriving economy and we take proactive steps to enable prospective SME suppliers to compete on an equal footing, regardless of their size. Our SourceSME programme helps our people to identify SME suppliers and our supplier resources hub gives all suppliers clear, transparent and easy to access information about our procurement procedures and expectations. During the 2016/2017 tax year, we have placed 16.3% of our spend with SMEs, using over 630 unique SME suppliers.

# >> Capgemini UK became a CIPS Rated Supplier

The Chartered Institute of Procurement and Supply (CIPS) Sustainability Index (CSI) assesses companies on environmental sustainability, economic and social performance. In May 2016, Capgemini UK became a 'Rated Supplier', with a CSI total score of 95%, 21% higher than the average score for our sector.





# >> Developing a world class Supplier Profile Assessment tool

In 2016, our in-house Sustainable Procurement team, in collaboration with a specialist SME procurement software developer, built and launched a new class-leading Supplier Profile Assessment tool to replace our previous online survey. The online assessment profiles the environmental, social and economic risks and impacts associated with the commodities we purchase and the companies who supply them.

Some of the key features of our Supplier Profile Assessment include:

# Comprehensive and tailored supplier profiling

The new assessment asks a wider range of more specific questions enabling the construction of more comprehensive profiles of our suppliers' risks and impacts. The tool takes into consideration the differences between suppliers, considering their unique risks and impacts to produce a tailored survey determined by the demographics of the company and the commodity being supplied.

# Targeted engagement opportunities

The new assessment also enables the deployment of targeted communication campaigns. In 2017, we are planning a number of targeted communication campaigns, including raising awareness of the Modern Slavery Act within focused sectors of our supply chain, as well as encouraging more suppliers to use our e-invoicing system, which helps to reduce paper consumption and carbon emissions.

# More agile and resilient to change

The field of Sustainable Procurement is rapidly maturing with the continuous emergence of new supply chain risks. Developing a tool with a modular design ensures we can continuously improve our supplier assessment criteria to respond to changes in legislation and best practice.

The new Supplier Profile Assessment went live in August 2016. By the end of 2016 all new suppliers and the existing suppliers responsible for 90% of spend had been reassessed. We have committed to re-assessing all remaining existing active suppliers during 2017.







# CR&S PERFORMANCE SCORECARD

Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. Our CR&S programme focuses on ensuring that we continue to grow our business in a way which is profitable, responsible and sustainable, whilst enabling a positive future for planet, people and communities.

This CR&S Performance Scorecard, details our key performance indicators across all aspects of our CR&S programme.

In 2016, the Capgemini UK CR&S Board announced a new <u>science based target</u>, making Capgemini the first IT Services and Consulting Company to have its target approved by the Science Based Targets Initiative (SBTI).

### Our target is:

 To reduce our carbon footprint per employee by 20% by 2020 and 40% by 2030 (against a 2014 baseline year).

In addition, we developed four supporting targets relating to our key impact areas: office energy use, data centre energy use, business travel and waste. These targets replace our previous set of environmental targets which had a 2017 deadline. The decision to restate our environmental targets had two key drivers: firstly, the aspiration from the CR&S Board to establish more ambitious science based targets in support of the COP21 Paris accord; and secondly, the need to align the UK targets with the new 2020 targets set by the Capgemini Group.

Our Community Engagement programme has a focus on developing skills, particularly digital skills, for young people through our education and charity partnerships. Our skills target is:

• To reach out to over 5,000 young people each year through our schools, education and charity partnership programme

In addition to our corporate partnerships, we support causes that matter to our people through our awards and grants scheme. Our targets are:

- To support 40 charities every year through our awards and grants; and
- To engage 1,000 employees in our Community Impact Award selection process each quarter.

In 2016 we launched our Active Inclusion programme, creating a step change in our approach to diversity and inclusion. To support this programme we established a number of key targets, beginning with a focus on improving our gender diversity. Our gender diversity targets are:

- To ensure that 40% of graduate and apprentice hires are women in 2017;
- To increase the proportion of senior women to 20% by 2020; and
- To increase the proportion of women to 30% by 2020.

Information about how we have performed against these targets, as well as other key performance indicators is presented in the subsequent tables. This voluntary disclosure is part of our commitment to providing honest and transparent information about our Corporate Responsibility & Sustainability programme.

### Dr. James Robey

VP, Global Head of Corporate Sustainability

# **Environment: Carbon**

|                                      |                        | Metric  | Unit                   | 2014 <sup>[1]</sup> | 2015 <sup>[1]</sup> | 2016   | % change<br>vs 2014 | Comment   |
|--------------------------------------|------------------------|---|------------------------|---------------------|---------------------|--------|---------------------|---|
| TARGET                               |                        | r carbon footprint <sup>[2]</sup><br>e by 20% by 2020 and | T CO₂e per<br>employee | 6.45                | 6.05                | 5.47   | -15.2%              | We have made rapid progress towards our emissions per head target, driven largely by a reduction in energy use.   |
|                                      |                        | Natural Gas   | T CO <sub>2</sub> e    | 782                 | 880                 | 924    | 18.1%               | The significant increase in our Scope 1 emissions since 2014 has been driven  |
|                                      | Scope 1                | Diesel  | T CO <sub>2</sub> e    | 123                 | 76                  | 59     | -52.2%              | by two main factors: 1) a higher proportion of our heating requirements being   |
|                                      | Emissions              | F-gas <sup>[5]</sup>                                      | T CO₂e                 | 119                 | 635                 | 359    | 202.8%              | met with natural gas rather than electricity; and 2) Our F-gas emissions have   |
|                                      |                        | TOTAL   | T CO₂e                 | 1,024               | 1,591               | 1,342  | 31.1%               | increased (see footnote no. 5 for further explanation).   |
|                                      | Scope 2<br>Emissions   | Data Centre<br>Electricity                                | T CO <sub>2</sub> e    | 24,061              | 23,329              | 17,920 | -25.5%              | The reduction in our Scope 2 electricity emissions across the UK has been driven in part by changes to our estate with the closure of some of our less  |
| Carbon                               |                        | Office Electricity  | T CO <sub>2</sub> e    | 8,484               | 6,944               | 5,750  | -32.2%              | efficient buildings and in part due to several energy efficiency initiatives we outline in our report. We have also benefitted from the continued   |
| Emissions by Scope [3]               |                        | TOTAL   | T CO₂e                 | 32,545              | 30,274              | 23,669 | -27.3%              | decarbonisation of the UK electricity grid which has reduced the tonnes CO <sub>2</sub> e/kWh.  |
| (Location-<br>Based <sup>[4]</sup> ) |                        | Business Travel   | T CO <sub>2</sub> e    | 20,912              | 18,946              | 20,781 | -0.6%               |   |
| Daseu**)                             | Scope 3                | T&D Losses  | T CO <sub>2</sub> e    | 2,846               | 2,499               | 2,141  | -24.8%              | The reduction in our Scope 3 emissions is largely as a result of the significant  |
|                                      | Emissions              | Water   | T CO <sub>2</sub> e    | 52                  | 69                  | 49     | -5.3%               | reduction in our Scope 3 electricity transmission and distribution losses, driven by a reduction in electricity consumption, as well as the continued   |
|                                      |                        | Waste   | T CO <sub>2</sub> e    | 12                  | 20                  | 10     | -10.4%              | decarbonisation of the electricity grid.  |
|                                      |                        | TOTAL   | T CO₂e                 | 23,820              | 21,534              | 22,981 | -3.5%               |   |
|                                      | Total GHG<br>Emissions | TOTAL   | T CO₂e                 | 57,389              | 53,398              | 47,992 | -16.4%              | The overall reduction in our location-based emissions is largely as a result of the reduction in emissions from our data centre energy use and office energy use, with a smaller reduction also achieved in the areas of travel, waste and water. |

- 1. Data for the reporting years 2014-15 in this table (and the Environment tables that follow) has been updated since our last UK CR&S Report, with the main updates being the inclusion of new data from our IGATE business acquired in mid-2015, as well as a change in the calculation process for air travel emissions to include the impacts of radiative forcing (details provided under Business Travel table).
- 2. Our carbon footprint per employee is our total location-based emissions (from all scopes) divided by the average UK headcount for each reporting year. We follow the GHG Protocol Corporate Standard, applying an operational control approach. With the exception of hotel nights (see Business Travel table), emissions have been calculated using the conversion factors recommended by the DEFRA.
- 3. "Scope" is a GHG Protocol reporting term for categorising and the reporting of emissions according to the level of control a company has over an emissions source.
- 4. In line with requirements outlined in the GHG Protocol Scope 2 Standard, for 2015 data onwards we calculate and report both "location-based" emissions and "market-based" emissions. For this calculation, electricity purchased from renewable sources has been given emission factor of 0 kg CO2e/ kWh. The remainder of our electricity supply is provided by landlords and in the absence of supplier emission rates a residual fuel mix factor for the UK has been used, sourced from RE-DISS: http://www.reliable-disclosure.org/documents
- 5. Our F-gas emissions are typically tracked as part of the routine maintenance cycle, with F-gas leakage counted in the month when maintenance occurs when in fact the leakage typically occurs gradually over several months. As such, the significant year on year fluctuations seen here are not fully representative.

Positive Planet

# **Environment: Carbon Continued**

|  | Metric  | Data Source        | Unit                | 2014  | 2015   | 2016   | % change<br>vs 2014 | Comment  |  |
|--|---|--------------------|---------------------|-------|--------|--------|---------------------|--|--|
| Market-Based<br>Emissions <sup>[1]</sup> | % of electricity from renewable sources         | Electricity        | % of<br>MWh         | 81.7% | 79.8%  | 67.7%  | -17.1%              |  |  |
|  | Scope 2 Emissions (Market-Based)                | Electricity        | T CO <sub>2</sub> e | N/A   | 10,747 | 10,064 | N/A                 | The percentage of our electricity from renewable sources has slightly declined since 2015 due to one of our landlord controlled data centres changing away from a renewable energy contract. |  |
|  | Total Greenhouse Gas<br>Emissions Market-Based) | Total<br>Emissions | T CO <sub>2</sub> e | N/A   | 33,872 | 34,386 | N/A                 | - changing away from a renewable energy contiduct.   |  |

# **Environment: Office Energy**

|                     | Metric  |        | 2014   | 2015   | 2016   | % change<br>vs 2014 | Comment  |
|---------------------|---|--------|--------|--------|--------|---------------------|--|
| TARGET              | To reduce office energy use $^{[2]}$ by 20% by 2020 and 40% by 2030 (vs 2014) |        | 21,104 | 19,533 | 18,864 | -10.6%              | The 11% reduction in office energy use has been driven in part by the consolidation of two offices and in part through the implementation of smart building technology.  |
| Office Energy       | Total Office Energy Emissions (Location-Based)                                | T CO₂e | 9,957  | 8,341  | 7,158  | -28.1%              | The reduction in office energy emissions is higher than the reduction in office energy use, in part due to the fact that a higher proportion of our energy came from natural gas in 2016 and in part due to the continued decarbonisation of the electricity grid. |
| Emissions           | Total Office Energy Emissions (Market Based) [3]                              | T CO₂e | N/A    | 3,074  | 3,178  | N/A                 | The small increase in market-based emissions reflects a switch from electricity to natural gas and a slight decline in the proportion of our electricity coming from renewable sources in 2016 compared to 2015.   |
| Renewable<br>Energy | % of Office Electricity from Renewable Sources                                | %      | 71.4%  | 78.7%  | 76.8%  | 7.6%                | We buy electricity from renewable sources wherever we have direct control over the electricity supply. The year on year fluctuation reflects how much of our electricity supplies we have direct control over.   |

<sup>1.</sup> In line with requirements outlined in the GHG Protocol Scope 2 Standard, for 2015 data onwards we calculate and report both "location-based" emissions and "market-based" emissions. For this calculation, electricity purchased from renewable sources has been given emission factor of 0 kg CO2e/ kWh. The remainder of our electricity supply is provided by landlords and in the absence of supplier emission rates a residual fuel mix factor for the UK has been used, sourced from RE-DISS: <a href="http://www.reliable-disclosure.org/documents">http://www.reliable-disclosure.org/documents</a>

<sup>2.</sup> Office Energy Use includes natural gas, diesel and electricity used in our UK offices. For office energy emissions this includes emissions from Scope 1 natural gas and diesel, Scope 2 electricity use and Scope 3 electricity transmission and distribution losses.

<sup>3.</sup> Market-based emissions are calculated only from 2015 onwards.

# **Environment: Data Centres**

|                                      | Metric  | Unit                | 2014   | 2015   | 2016   | % Change<br>vs 2014 | Comment  |
|--------------------------------------|---|---------------------|--------|--------|--------|---------------------|--|
| TARGET                               | To reduce the average PUE <sup>[1]</sup> ratio to 1.5 by 2020 | PUE                 | 1.66   | 1.69   | 1.71   | 8.1%                | The closure of one our older, less efficient data centres and the re-balancing of our data centre portfolio has resulted in an increase in our PUE.                                  |
| Data Centre<br>Energy <sup>[2]</sup> | Total Data Centre Energy Emissions (Location-Based)           | T CO <sub>2</sub> e | 26,338 | 25,388 | 19,635 | -25.5%              | The reduction in our data centre energy emissions is in part due to the reduction in electricity and diesel use and in part due to the continued decarbonisation of the grid.        |
| Emissions                            | Total Data Centre Energy Emissions (Market Based) [3]         | T CO <sub>2</sub> e | N/A    | 11,129 | 10,009 | N/A                 | The reduction in our market-based emissions is as a result of a significant reduction in our overall energy use.   |
| Renewable<br>Energy                  | % of Data Centre Energy from<br>Renewable Sources             | %                   | 85.3%  | 80.1%  | 64.8%  | -24.0%              | The percentage of our electricity from renewable sources has declined since 2015 due to one of our landlord controlled data centres switching away from a renewable energy contract. |
| Data Centre<br>Energy Use            | Total Data Centre Energy Use                                  | MWh                 | 49,421 | 51,078 | 43,914 | -11.1%              | The reduction in energy use is largely due to the rationalisation of our data centre estate with one of our older, less energy efficient data centres closing.                       |

- 1. Data Centre PUE (Power Usage Effectiveness) is a standard industry measure of the energy efficiency of a data centre. We use a straight average across all our UK data centres.
- 2. Data Centre Energy Use includes natural gas, diesel and electricity used in our UK data centres. For data centre energy emissions, this includes emissions from Scope 1 natural gas and diesel, Scope 2 electricity use and Scope 3 electricity transmission and distribution losses.
- 3. Market-based emissions are calculated only from 2015 onwards.

# **Environment: Business Travel**

|                        | Metric   | Unit                        | 2014   | 2015   | 2016   | % Change<br>vs 2014 | Comment   |
|------------------------|--|-----------------------------|--------|--------|--------|---------------------|---|
| TARGET                 | To reduce our business travel emissions <sup>[1]</sup> by 25% by 2020 and by 50% by 2030 (vs 2014) | Tonnes<br>CO <sub>2</sub> e | 20,912 | 18,946 | 20,781 | -0.6%               | Our business travel emissions remain roughly at 2014 levels. Overall, we have seen an increase in international air travel and hotel stays, offsetting the reduction achieved in car, taxi and rail travel. |
|                        | Air Emissions <sup>[2]</sup>   | T CO <sub>2</sub> e         | 9,571  | 9,391  | 11,013 | 15.1%               | We have seen a significant increase in long haul air travel in particular, due in part to continued globalisation of our business.  |
|                        | Car Emissions  | T CO₂e                      | 5,135  | 4,000  | 3,602  | -29.8%              | Car emissions have reduced significantly, due in part to a reduction in car mileage and a switch from larger to smaller vehicle sizes.  |
| Business<br>Travel     | Hotel Emissions <sup>[3]</sup>   | T CO₂e                      | 3,910  | 3,799  | 4,342  | 11.0%               | The increase in hotel emissions has been driven by an overall increase in hotel night stays, particular those outside the UK.   |
| Emissions<br>(by type) | Rail Emissions   | T CO₂e                      | 1,488  | 1,276  | 1,306  | -12.2%              | The reduction in rail emissions is largely from a reduction in domestic rail.   |
|                        | Taxi Emissions   | T CO <sub>2</sub> e         | 750    | 414    | 401    | -46.5%              | Use of taxis has reduced significantly since 2014.  |
|                        | Other Travel [4]   | T CO₂e                      | 58     | 65     | 117    | 103.3%              | The increase is largely as a result of an increase in bus travel.   |

<sup>1.</sup> With the exception of hotel nights, business travel emissions are calculated through the collection of business travel mileage data and the application of relevant emission factors from DEFRA. For our taxi data, bus data and some of our rail data, the exact mileage is not known and therefore cost data is converted into mileage using agreed internal conversion rates.

<sup>2.</sup> Reported air travel emissions for 2014-15 have increased significantly since our last UK CR&S Report due largely to the application of new DEFRA emission factors including the impacts of radiative forcing. Radiative forcing is a measure of the additional environmental impacts of aviation, such as emissions of nitrous oxides and water vapour when emitted at high altitude. Whilst there is some scientific uncertainty about the magnitude of radiative forcing, DEFRA recommend including their radiative forcing factor (approximately 1.9) to ensure organisations capture the full impact of air travel.

<sup>3.</sup> Emission factors previously produced by the Carbon Neutral Company have been used to calculate the emissions associated with hotel night stays.

<sup>4.</sup> Other travel is made up of bus emissions, tram emissions and motorbike emissions.

# **Environment: Waste & Water**

|                                | Metric   | Unit   | 2014       | 2015       | 2016       | % Change<br>vs 2014 | Comment   |
|--------------------------------|--|--------|------------|------------|------------|---------------------|---|
| TARGET                         | To send less than 10% of our waste to landfill   | %      | 11.6%      | 17.5%      | 11.1%      | -4.6%               | We have slightly reduced the proportion of waste we sent to landfill, in part through increasing the amount of food waste and non-recyclable waste that is diverted to waste to energy schemes.         |
| Waste<br>Emissions [1]         | Total Waste Emissions                            | T CO₂e | 12         | 20         | 10         | -10.4%              | Total waste emissions have reduced mainly due to an overall reduction in the amount of waste being generated.   |
|                                | Waste Recycled                                   | Tonnes | 193        | 169        | 167        | -13.9%              | We have reducing the overall volume of waste being recycled, particularly paper waste and mixed recyclables.  |
|                                | Waste to Energy                                  | Tonnes | 54         | 44         | 62         | 14.3%               | This increase is mostly due to an increase in the amount of food waste being segregated and sent to waste to energy schemes.  |
| Waste by<br>disposal<br>method | Waste to Landfill                                | Tonnes | 33         | 45         | 29         | -12.5%              | We have reduced the overall amount of waste being sent to landfill, in part due to improved segregation of food waste.  |
| meaned                         | Total Waste                                      | Tonnes | 280        | 259        | 257        | -8.3%               | Overall the volume of waste we generate has reduced.  |
|                                | % of Waste diverted from landfill <sup>[2]</sup> | %      | 88.4%      | 82.5%      | 88.9%      | 0.6%                | The diversion rate has slightly increased due in part to an increase in the amount of food waste being diverted to waste to energy schemes.   |
| Other KPIs:<br>Water Use       | Total Water Use <sup>[3]</sup>                   | m³     | 49,310,850 | 65,668,823 | 46,691,636 | -5.3%               | Our total water use has reduced since 2014, due in part to the installation of water reducing technologies (such as rainwater harvesting at our Aston office) and in part due to changes to our estate. |

- 1. Waste emissions have been calculated by tracking the type of waste and disposal method at each facility and applying the relevant emission factors from DEFRA.
- 2. This includes waste recycled and waste disposed of through waste to energy schemes.
- 8. Water use data has been included for all sites where water is metered and where we pay for water charges directly, as well as landlord sites where water meters can be accessed. The quality of the data varies from site to site, with some sites invoiced infrequently. As recommended by DEFRA we calculate water emissions (see Carbon table) including emissions associated with water supply and emissions associated with water treatment. As the volume of water being sent for treatment is unmetered it is assumed that the volume is the same as that being supplied to the site.

# **People Culture: Gender Diversity**

|                        | Metric                       | Unit     | 2014  | 2015  | 2016  | Comment   |
|------------------------|------------------------------|----------|-------|-------|-------|---|
| Gender balance of all  | Headecout by gooder          | % Female | 26.9% | 26.8% | 26.7% | % gender split for all individuals employed during reporting year by Capgemini  |
| employees              | Headcount by gender          | % Male   | 73.1% | 73.2% | 73.3% | UK and Sogeti UK. 2014 data excludes Sogeti UK.   |
|                        | Executives                   | % Female | 18.5% | 17.8% | 16.9% |   |
|                        | LACCULIVES                   | % Male   | 81.5% | 82.2% | 83.1% |   |
| Condor by grada        | Experienced                  | % Female | 26.0% | 25.9% | 26.1% | % split by gender and grade level for all individuals employed during reporting year by   |
| Gender by grade        | Professionals                | % Male   | 74.0% | 74.1% | 73.9% | Capgemini UK and Sogeti UK. Based on grade level on 31st December of each reporting year. 2014 data excludes Sogeti UK.                                       |
|                        | Entry lovel                  | % Female | 33.6% | 32.6% | 32.6% | Toporting your 2011 data oxoldado cogoti Cit.   |
|                        | Entry level                  | % Male   | 66.4% | 67.4% | 67.4% |   |
|                        | Fee earning                  | % Female | N/A   | N/A   | 24.5% |   |
|                        |                              | % Male   | N/A   | N/A   | 75.5% |   |
| Gender by occupational | Support                      | % Female | N/A   | N/A   | 59.1% | % split by gender and occupational group for all individuals employed during reporting  |
| group                  |                              | % Male   | N/A   | N/A   | 40.9% | year by Capgemini UK and Sogeti UK. Newly reported for 2016.  |
|                        | Sales                        | % Female | N/A   | N/A   | 22.5% |   |
|                        |                              | % Male   | N/A   | N/A   | 77.5% |   |
|                        | Graduate & Apprentice Intake | % Female | 26.1% | 25.3% | 33.0% | % of new Graduate and Apprentice hires by gender. 2014 data excludes Sogeti UK.   |
|                        |                              | % Male   | 73.9% | 74.7% | 67.0% |   |
|                        | All Recruitment by           | % Female | 28.3% | 25.8% | 24.6% | % of all new hires during reporting year by gender. 2014 data excludes Sogeti UK.   |
| Recruiting, promoting  | gender                       | % Male   | 71.7% | 74.2% | 75.4% |   |
| and retaining          | Attrition rate by gender     | % Female | 26.9% | 26.1% | 26.9% | % of people leaving Capgemini during reporting year by gender. 2014 data excludes   |
|                        |                              | % Male   | 73.1% | 73.9% | 73.1% | Sogeti UK.  |
|                        | Promotion rate by            | % Female | 15.7% | 19.1% | 12.7% | % of headcount who received a promotion each year, split by gender. 2014 data excludes Sogeti UK. Please note that 2014 and 2015 data has been restated since |
|                        | gender                       | % Male   | 13.1% | 17.0% | 13.7% | our last UK CR&S Report.  |

# **People Culture: Other Metrics**

|                                 | Metric   | Unit              | 2014 | 2015  | 2016  | Comment   |
|---------------------------------|--|-------------------|------|-------|-------|---|
|                                 | Number of people   | No. of<br>Females | N/A  | 126   | 89    | This includes maternity, paternity, adoption and shared parental leave. This  |
| Uptake of parental              | taking parental leave  | No. of<br>Males   | N/A  | 139   | 102   | information was reported for the first time in 2015.  |
| leave                           | % retention following long term parental leave                                     | %                 | N/A  | 88.5% | 91.5% | % employed by Capgemini UK and Sogeti UK who returned to work after maternity, adoption or shared parental leave during reporting year and were still employed by Capgemini 10 or more weeks later. Reported for first time in 2015 |
|                                 | BAME Total<br>Headcount  | % of people       | N/A  | 19.2% | 22.7% |   |
|                                 | BAME Executives  | % of people       | N/A  | 13.1% | 13.3% | % employed by Capgemini and Sogeti UK who categorise their ethnicity as Black,<br>Asian, Mixed or Other, along with a breakdown by grade level. Note this is based on   |
| Ethnicity by Grade              | BAME Experienced Professionals   | % of people       | N/A  | 19.4% | 21.3% | average monthly headcount and that just over 10% of employees have not confirmed their ethnicity.   |
|                                 | BAME Entry Level   | % of people       | N/A  | 20.8% | 34.0% |   |
| Flovible & Port Time            | % of people working part time  | % of people       | 8.7% | 8.8%  | 10.8% | % of employees whose contracted hours are less than 37.5 hours per week (standard across the UK business). This excludes Service Centre employees whose contracted hours are 35 or 37 hours per week.                               |
| Flexible & Part Time<br>Working | % of people who believe they are offered flexibility around personal circumstances | % of people       | N/A  | N/A   | 61.0% | Measured as part of Active Inclusion Survey conducted in 2016   |

# Community Engagement: Skills for Young People

|   | Metric   | Unit  | 2014   | 2015    | 2016    | Comment   |
|---|--|---|--------|---------|---------|---|
| TARGET                                    | To reach out to over 5,000 young people through our schools, education and community partnerships programme annually | No. of young people   | 7,000  | 5,858   | 6,166   | This includes school students engaged with through Schools Outreach programme as well as participants in digital skills workshops.  |
|   | Total number of school students engaged with   | No. of young people   | 7,000  | 5,843   | 6,068   | This is the number of school students engaged with as part of our Schools Outreach activities.  |
| Schools<br>Outreach                       | Work experience placements offered to young people   | No. of young people taking up work experience                                   | N/A    | N/A     | 78      | Figures were reported for the first time for 2016.  |
|   | Capgemini volunteers supporting Schools & Education programme  | No. of volunteers   | 100    | 228     | 133     |   |
|   | Get Started Course participants  | No. of participants   | N/A    | 15      | 47      | The programme launched in late 2015 with only one Get Started course run that year.   |
|   |  | No. of participants going into employment after course                          | N/A    | 6       | 8       | Outcomes measured by The Prince's Trust three months after the course.  |
| Digital Skills                            | Get Started Course outcomes  | No. of participants going into education, training or volunteering after course | N/A    | 2       | 20      | Outcomes measured by The Prince's Trust three months after the course.  |
| Partnership<br>with The<br>Prince's Trust |  | % of participants with positive outcomes  | N/A    | 53%     | 60%     | Positive outcomes measured by The Prince's Trust three months after the course. This indicates the overall percentage of people going into employment, education, training and volunteering following the course. |
|   | No. of young people taking Achieve Course  | No. of participants   | N/A    | N/A     | 51      | Achieve Course is for school-age participants and started in 2016.  |
|   | No. of Capgemini volunteers supporting the programmes  | No. of volunteers   | N/A    | 19      | 64      |   |
|   | No. of volunteers from Capgemini clients supporting the programmes   | No. of volunteers   | N/A    | 3       | 18      |   |
| Capgemini<br>financial<br>support         | Capgemini corporate contribution to The Prince's Trust   | Capgemini direct contribution (£)   | 44,970 | 105,000 | 120,000 | This is our annual corporate contribution, which since 2015 has been used for the Digital Skills Partnership.   |

# Community Engagement: Supporting Causes That Matter to Our People

|  | Metric   | Unit                               | 2014    | 2015    | 2016    | Comment  |
|--|--|------------------------------------|---------|---------|---------|--|
| TARGET   | To support 40 causes that matter to our people through our Awards and Grants schemes | No. of charities supported         | 42      | 44      | 40      | This includes the number of charities supported through our Community Impact Award and Community Investment Grant schemes.   |
| Awards & Grants  | Funds raised by Capgemini employees as part of Community Impact Awards               | Employee fundraising (£)           | 99,768  | 468,845 | 316,727 | This includes funds raised by all applicants to the Community Impact Award scheme.   |
| Awards & Orants  | Capgemini Corporate donations to causes selected by award winners                    | Direct contribution (£)            | 23,138  | 27,482  | 20,339  | This includes corporate donations to Community Impact Award winners.   |
| Corporate-Led<br>Employee<br>Fundraising &<br>Charitable | Palace to Palace participation   | No. of people on<br>Team Capgemini | 75      | 100     | 329     | This is the number of people signed up to Team Capgemini (includes some client team members and family members as well as Capgemini employees).  |
|  | Funds raised by employees for The Prince's Trust                                     | Employee<br>fundraising (£)        | 36,588  | 61,231  | 71,403  | This includes employee fundraising through Palace to Palace, Million Makers and Golf Day.  |
| Donations  | Payroll Giving   | Employee payroll giving (£)        | 81,237  | 80,944  | 85,844  | Total contribution made by Capgemini employees through Payroll Giving.   |
| Employee<br>Donations                                    | Total Employee Donations   | Total amount<br>donated (£)        | 280,000 | 593,683 | 472,637 | This includes amount raised by employees through community awards schemes, Palace to Palace and donated through Payroll Giving.  |
| Corporate<br>Donations                                   | Total Corporate Donations  | Total amount<br>donated (£)        | 204,498 | 254,496 | 250,051 | This includes direct and indirect contributions including to our charity partners (BITC, WWT, The Prince's Trust) and through community awards schemes, as well as the cost of volunteering to the business. |



Community Engagement: Employee Engagement

|               | Metric  | Unit                                 | 2014   | 2015   | 2016   | Comment  |
|---------------|---|--------------------------------------|--------|--------|--------|--|
| TARGET        | To engage 1,000 employees in in our Community Impact Award (CIA) selection process each quarter | Average no. of votes per CIA round   | 1,036  | 1,148  | 1,015  | Average number of votes during each Community Impact Award round (there are 3-4 rounds each year). |
| Corporate-Led | Volunteering time   | No. of hours                         | 2,657  | 2,682  | 2,460  | Excludes volunteering time outside standard working hours.   |
| Volunteering  | Cost of volunteering to the business  | Cost of volunteering to business (£) | 81,237 | 80,944 | 84,507 | Cost of volunteering to the business (calculated at standard costs).                               |







