Architects of Positive Futures

Capgemini UK 2017/2018 Corporate Responsibility & Sustainability Report



Welcome to the 2017/2018 Capgemini UK Corporate Responsibility & Sustainability (CR&S) Annual Report.

This report demonstrates how we are delivering against our ambitious strategy to ensure a positive future for our 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 2017.

Feedback

We welcome feedback on our approach to Corporate Responsibility & Sustainability and the content of this report. Please email <u>sustainability.reporting.uk@capgemini.com</u>

People meeting in our London Accelerated Solutions Environment (ASE) Front cover image - Our people celebrate Capgemini's 50th birthday by participating in the MOVE50 campaign (find out more on page 41)





A message from our UK Chairman and Group Head of CSR

In 2017, Capgemini Group celebrated its 50th birthday. For 50 years we have been 'living the future', delivering ground-breaking innovation and technology solutions to our clients. Core to this approach is our commitment to being a leading responsible and sustainable business.

Capgemini has a long-standing commitment to responsible business: we've been recognised by the Ethisphere® Institute as one of the World's Most Ethical Companies for the past five years, had a thriving sustainability programme for 10 years and held the same set of core values now for 50 years. This commitment impacts every aspect of our operations, from the way we manage our clients' data, to how we source our soap and the wages we pay our people.

As we accelerate into a new digital era, which brings both disruption and opportunity for organisations across the world, this steadfast commitment to responsible and sustainable business becomes even more vital. In 2017, I was honoured to take up a new role as CSR lead on the Group Executive Committee, overseeing the launch our new Group strategy, "Architects of Positive Futures", which has three core focus areas:

Diversity and Inclusion: To attract, retain and develop the best people, we need to create a work environment where everyone feels valued, included and empowered. Our Group strategy will see us broaden our core focus on gender to incorporate diversity dimensions including age, geography, sexual orientation, ethnicity, social background and disability.

Digital Inclusion: We will focus on how we help societies, as well as our clients, address the impact of the digital and automation revolution, making sure that the opportunities of digital transformation are felt by all.

Environmental Sustainability:

Globally there is a critical need to decouple economic growth from unsustainable resource use and mounting carbon emissions. We'll continue to reduce our own environmental impacts, build business resilience against climate change, and actively support clients with their sustainability challenges. Our "Architects of Positive Futures" programme builds upon the successful work done around the Capgemini Group. I am particularly proud of what we have achieved in the UK this year, once again being recognised for our commitments to Active Inclusion through gaining a place on The Times Top 50 for Women as well as receiving EDGE certification and featuring on the Stonewall Workplace Equality Index. We also reached our 2020 carbon target three years ahead of schedule and continued to work with clients to reduce their carbon emissions.

As a responsible, sustainable and people-centred company, we are committed to being Architects of Positive Futures.

Christine Hodgson

Capgemini UK Chairman and Group Head of CSR





About **Capgemini**



Our Vision

The business value of technology comes from and through people



Our Mission

With you, we create and deliver business and technology solutions that fit your needs and drive the results you want

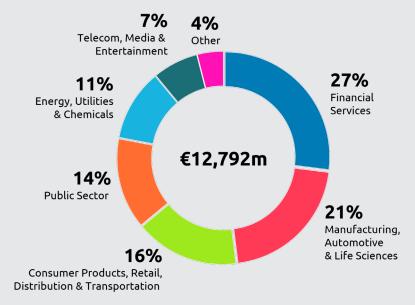


Figure 1: Capgemini Group revenue by sector for 2017

COMPANY PROFILE

A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms.

Building on its strong 50-year heritage and deep industryspecific expertise, Capgemini enables organisations to realise their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of 200,000 team members in over 40 countries. The Group reported 2017 global revenues of EUR 12.8 billion.

2017 at a glance



January

We announced our industry leading 'Science-Based' carbon reduction targets and launched Positive Planet, our refreshed Sustainability strategy which will enable us to meet these targets. Read more.



March

We celebrated National Apprenticeship Week by convening a special 'Ask the Apprentice' event hosted by Christine Hodgson to give young people information and guidance into a future career through apprenticeships. Read more.

OUTfr^tnt lgbt+@ Capgemini UK

May

We co-hosted our first ever LGBT & Allies conference, with the LGBT network of one of our UK public sector clients. The event brought together over 150 attendees and nine speakers to examine how to increase LGBT+ inclusion. Read more.



February

We entered four regional teams into the 'Million Makers' competition - an entrepreneurial fundraising challenge from The Prince's Trust which sees teams of employees from companies across the UK competing to raise £10,000 over a period of six months. **Read more.**



April

We launched InnovatorsRace50, a global contest that seeks to reward promising early-stage start-ups. The UK winner, Cupris Health provides a unique telemedicine solution including affordable medical devices to enable clinical examination to be performed remotely. Read more.



June

We achieved our initial 20% reduction in carbon emissions per head target over three years ahead of schedule, meaning we are now over half way towards meeting our Science-Based Target. Read more.

In numbers

emissions per employee since 2014

30% reduction in carbon **200+** people participated in our Carbon Hackathon in 2017

20% reduction in office energy consumption per square foot since 2014



In numbers

100% of suppliers assessed against our Sustainable Procurement standards

92% of our people completed our Ethics Street online training series in 2017



MODERN SLAVERY ACT

July

We launched a campaign to raise awareness of the Modern Slavery Act within our supplier base. 73% of suppliers targeted by the campaign had made a significant improvement when re-assessed. **<u>Read more.</u>** Capgemini Carbon Hackathon September 19 - October 5, 2017

September

We launched a Global Carbon Hackathon where teams competed to develop the most innovative visualisations of our global carbon data - 52 Capgemini teams from 11 countries enrolled for the two-week challenge, resulting in some truly outstanding and innovative solutions. **Read more.**



computing Women in IT Excellence Awards 2017

November

We received the Women in IT Excellence Award for Diversity Project of the Year and were finalists in BITC's Best Employers for Race & Race Equality Awards. **Read more.**



August

Capgemini UK achieved EDGE (Economic Dividends for Gender Equality) Assess certification, the leading global assessment methodology and business standard on gender equality in the workplace. **Read more.**



October

Over 250 riders signed up for the 2017 Palace to Palace Charity Bike Ride in aid of The Prince's Trust, making Capgemini the largest corporate team once again. The team raised over £36,000 for The Trust, resulting in Team Capgemini receiving the 'Blazing Saddles' award. **Read more.**



December

We hosted our annual Community Week where we announced the winners of our refreshed Community Spirit Awards for 'Volunteer of the year' and 'Fundraiser of the Year'. **Read more.**

In numbers

5,200 interactions with young people through our schools outreach and education partnerships in 2017

39% of our graduate and apprentice intake were women (up from

33% in 2016)

250 people signedup for the 'Palace to Palace charity cycle ride' in 2017 **80%** of young people on the Get Started digital skills course achieved a positive outcome within three months

Materiality & 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. Our involvement in a number of organisation such as Business in the Community (BITC), Forum for the Future, The Careers and Enterprise Company and participation in investor indices, ensures we are aware of emerging issues and enables us to benchmark our programme against our peers to identify improvement areas. We engage on a regular basis with a cross section of our stakeholders including clients, suppliers, government bodies, investors, shareholders and non-governmental organisations, as well as our employees. We listen to their views to help us to build trust and strengthen relationships.



Governance

Our CR&S strategy is overseen by Capgemini UK's CR&S Board comprised of senior executives from our strategic business units. The Board is chaired by Paul Margetts, CEO of Apps UK.



In December 2017, Capgemini launched a new global strategy to accelerate the Group's approach to Corporate Social Responsibility. The strategy 'Architects of Positive Futures' aims to position Capgemini as a leading responsible company using our expertise for positive impact.



Transparency around Tax

Our **UK tax strategy** is to pay the right amount of tax, in the right jurisdiction, at the right time, as dictated by both UK and local legislation and custom as appropriate. 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 UK tax strategy outlines how we ensure appropriate governance around tax decisions.

Our material issues

Responsible Business

Ethical Behaviour >> Human Rights & Modern Slavery >> Cybersecurity & Data protection >> Tax Transparency >>

Environmental Sustainability

Collaborating with Clients on CR&S Challenges >> Climate Change >> Reducing our Carbon Footprint >> Energy Security >>

People Matter

Flexible Working >> Wellbeing >> Mental Health >> Diversity and Inclusion >> Gender Balance >> Ethnic and Cultural Diversity >> Talent Engagement and Retention >> Learning and Development >> Social Mobility >> Digital Skills & Inclusion >> Future Talent and Skills >>

UN Sustainable Development Goals

Meeting the United Nations Sustainable Development Goals (SDGs) is critical for businesses to achieve sustained and profitable growth. As illustrated by the infographic below, a stable and growing economy relies upon developed and cohesive societies, which in turn cannot thrive without a healthy and resilient natural environment.

Our CR&S programme and contribution towards the SDGs is not purely motivated by altruism or philanthropy, it is critical for the long-term profitable growth of our company. The goals highlight the world's biggest social and environmental issues, providing a universal call to action to address these challenges and work towards a more positive future for generations to come. Our vision at Capgemini of enabling a positive future for planet, people and communities, closely aligns to many of the UN SDGs:

Growing the economy

Through our core business we aim to promote inclusive and sustainable economic growth (Goal 8) as well as full and productive employment for our people, a growing majority of whom are employed in emerging economies. We are committed to fostering an inclusive workplace culture, which provides opportunities for people to undertake decent, productive and skilled work. Capgemini is an innovative and future-focussed organisation, we are continually helping our clients innovate and develop resilient business models fit for future challenges (Goal 9).

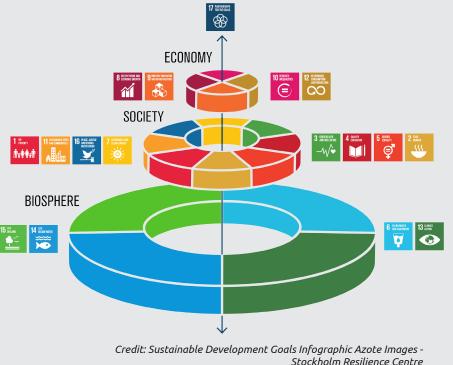
Developing a thriving society

We strongly believe the business value of technology comes from and through people. Attracting, engaging and developing diverse talent is critical to the long-term success of our business. Our Active Inclusion programme promotes Gender Equality (Goal 5) and Reduced Inequality (Goal 10), as well as Good Health and Wellbeing (Goal 3) for our people. These programmes enable us to build a diverse workforce whilst promoting social mobility.

We promote Quality Education (Goal 4) through our schools outreach programmes and charity partnerships, which look to improve the digital skills and employability of young people across the UK. We also support the lifelong learning of our people helping them develop their skills to remain agile and adaptable in a rapidly evolving technology industry.

Protecting our environment

Positive Planet is our programme reduce our own environmental impacts while enabling our clients, suppliers and people to reduce theirs. We focus on our most material issues, including the continual reduction of our carbon footprint. We are taking urgent action to combat climate change and its impacts (Goal 13). We have already achieved a 30% reduction in carbon emissions per head compared to 2014 and are well on our way to meeting our 2030 Science-Based target. We are committed to using 100% renewable energy (Goal 7) for the energy contracts we control, as well as looking for ways to reduce our resource consumption (Goal 12) through adopting circular economy principles. Our aim is to help our clients save 10 million tonnes of carbon from their operations by 2030.





Responsible Business

Context in numbers 83% of FTSE 100 businesses have established and clearly communicated a set of corporate values 1 89% of millennials want to be active participants in helping their company improve its responsible

Our commitment to conduct our business in an ethical and responsible way is crucial to our continued success as a business. It is essential for building trust with clients, shareholders, suppliers and business partners. It also matters to our people, who want to work for an organisation with a strong, uncompromising ethical stance.

Responsible business practices permeate through every aspect of our organisation, from our cybersecurity and information protection programme, which protects the data privacy of our people and our clients, to our sustainable procurement practices which, amongst other things, seek to eradicate modern slavery from our supply chain.

As a global leader in consulting, technology and outsourcing services, we are committed to progressing the societal and environmental benefits of technology to enable all people to benefit from the digital revolution.

1] http://www.maitland.co.uk/wp-content/uploads/2015/10/20151001-Maitland-Values-Report.pdf 2] http://www.conecomm.com/research-blog/2016-millennial-employee-engagement-study#download-the-research



Values Driven

Our commitment to high ethical standards and our core values underpin our business practices

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

Our Group Chief Ethics & Compliance Officer, Philippe Christelle, is responsible
for providing the overall direction and strategy of our Ethics and Compliance
programme. Our UK Ethics and Compliance Officer provides support to enable
UK team members to comply with Group policies (Group Code of Business
Ethics, Group Anti-Corruption and Group Competition policies), as well as
developing UK-specific guidance where required.

Our Code of Business Ethics 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.



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 long-standing 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.

Capgemini has a long-standing commitment to responsible and ethical business, with the Group achieving recognition from several client and investor driven disclosure schemes in 2017:

- Included in the Standard Ethics Index;
- Continued inclusion in the FTSE4Good index;
- Reconfirmed on the Ethibel Excellence Europe and Excellence Global indices;
- Maintained our position on the STOXX ESG leader indices;
 - Received a score of 'A-' in the CDP climate change disclosure scheme;
- Maintained Prime Status in the OEKOM Corporate Responsibility Index;
- Reconfirmed on the Euronext Vigeo Eiris Europe 120 and Eurozone 120 indices;
- Acknowledged as a Gold rated supplier on the Ecovadis CSR supply chain platform; and
- Recognised on the Dow Jones Sustainability Index Europe for the first time.

Our values driven approach to business is critical for building trust with our clients, partners, suppliers and people and lays the foundation for our long term profitable growth.

Jane Bevan,

Ethics & Compliance Officer, Capgemini UK **92%** of our people completed our Ethics Street online training series in 2017

97%

of our people have completed our Group Anti-Corruption Policy training

96%

of our people have completed our Code of Business Ethics training

2017 in action Helping our people live out our values

Capgemini wants all its team members to be empowered to make the right decisions that will strengthen our reputation as an ethical company. Our ethics communications and training aim to give people the information and skills needed to handle ethical dilemmas and ensure they understand where they can go for specific guidance and support when required.

New joiners are required to complete three foundational training courses covering Anti-Corruption, Business Ethics, and Competition Law. We refresh and develop people's knowledge using interactive computer-based training, communications campaigns and engaging videos.

In 2017, we launched season two of Ethics Café, our video-based ethics engagement programme. Each month we release two short thought-provoking awareness videos on a range of workplacerelated ethical situations, encouraging our people to consider how they would respond and providing guidance on where to go for further information or advice. We also continued with our online training series, Ethics Street, which tests our people on their responses to tough ethical dilemmas. The training takes the form of easily digestible, five-minute interactive modules.

Capgemini has a well-established "Raising Concern Procedure" through which our people across the Capgemini Group, can seek advice and guidance, or report concerns relating to ethics and compliance behaviours or issues. In 2017, we successfully trialled a new enhanced process in the UK, including a telephone hotline to raise concerns, we plan to roll-out the enhanced process in 2018.





Sustainable Procurement

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

Our suppliers support both the delivery of services to our clients and our day-to-day business operations. We assess 100% of our live suppliers to check that they uphold our own ethical principles, as well as meeting the standards set by our clients. We have a purchase order mandatory policy and a central Global Purchasing System which gives us a very precise view of our procurement activity.

Since 2007, our 12 Core Principles of Sustainable Procurement have been included within our 'Supplier Standards of Conduct' and contractual terms and conditions which apply to all our suppliers. The standards of conduct contain 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 of our suppliers to conduct their business with the highest standards of integrity, avoiding all forms of corruption, bribery, extortion or embezzlement, and unfair business practices.

There are over 1,300 active suppliers in our purchasing system and we assess 100% of them using our own bespoke online platform, which profiles the environmental, economic and social risks and impacts of our suppliers' operations, products and services. To ensure the accuracy of suppliers' responses, we conduct audits on our suppliers, either through desk-based research or through on-site audits. The result of the online assessment and audits are fed into our supplier identification and selection process, with any prospective supplier and their products and services heavily scrutinised before they are included in any selection activity.

By forming close and collaborative partnerships with our suppliers, we aim to provide practical support and advice to help resolve any risks or issues identified through the assessment process. In addition, we run targeted campaigns to improve the performance of suppliers against key areas of importance for our business. Where suppliers fail to address identified issues within a reasonable timeperiod, we reserve and execute the right to cease trading with that supplier.



Target

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

Performance

1,374 suppliers assessed since 2016 (100% of live suppliers)

255 new suppliers assessed in 2017

Sustainable Procurement makes sound commercial sense, adding long-term value to our business, mitigating supply chain risks and meeting stakeholder requests for information.

Jim Gilshenan, CFO, Capgemini UK

Modern Slavery

Eliminating Modern Slavery from our organisation and supply chain

We have a zero-tolerance approach to bribery, corruption and human rights abuse. Forced and compulsory labour, slavery, servitude and human trafficking are not an acceptable or inevitable part of today's modern businesses and supply chains.

In 2017, we assessed the risk of modern slavery within our organisation and supply chain and released the results of this assessment in our first **Modern Slavery Transparency Statement.**

The risk of modern slavery in our UK business is considered it to be low, largely because the people that work in the IT and consulting sector tend to be skilled, with greater control over their careers. We ensure our policies and practices build a respectful and inclusive work environment, one that fosters work life harmony and enables our people to stay healthy and safe. We also ensure all our people have a voice through employee forums.

We assess our supply chain for modern slavery risk, both by commodity supplied and by location of supplier. This has enabled us to identify and take mitigation measures in areas that pose the greatest risk of modern slavery. For example, we identified the provision of facilities management services as a potential risk area and have taken proactive steps to ensure that all personnel engaged in providing facilities management at our UK premises are paid at least the Living Wage. We are committed to our employees, our clients and our suppliers to taking appropriate steps to eradicate modern slavery in our business and our supply chain.

In 2017, we ran a targeted campaign to raise awareness of the 2015 Modern Slavery Act (MSA) within our supplier base. Suppliers who triggered a risk relating to modern slavery in our supplier assessment (for example, by not being aware of the MSA, or trading from a high-risk country), were provided with education materials on the topic. We clearly communicated the importance of addressing modern slavery within our supplier's organisations, both in terms of remaining compliant with legal requirements, as well as for meeting our expectations as a customer.

73% of respondents demonstrated a significant improvement following our communications, with a follow-up survey showing that many suppliers were developing pro-active mitigation plans and others had committed to embedding a review of modern slavery risks into their 'Business as usual' processes.



In numbers

- 100% of live suppliers were assessed for modern slavery risks
- **31%** of suppliers triggered an alert and received our campaign materials
- **73%** of suppliers in the campaign had made a significant improvement when re-assessed



2017 in action

Supporting Small and Medium sized Enterprises (SMEs)

We actively encourage the use of SMEs across our business, acknowledging the wealth of innovation, agility and specialist knowledge they can bring to our business. Our SourceSME programme helps our people to identify SME suppliers and our supplier resources hub gives all suppliers clear and accessible information about our procurement procedures and expectations. In 2017, we added 60 new SMEs to our supplier ecosystem.

Collaborating with an SME to develop and host our supplier profile assessment

Our Sustainable Procurement team have a long-standing relationship with SME, **Expert Avenue Limited**, run by web developer and architect Ayyaz Hussain. Ayyaz built and hosted Capgemini's first online supplier assessment tool in 2009, which was used to assess more than 5,000 suppliers, before being redeveloped in 2016.

Using our design and detailed specifications and applying his experience of full project life cycles for bespoke developments, Ayyaz developed our new Supplier Profile assessment platform that was launched in August 2016. The system has assessed and holds the data for all our live suppliers facilitating the compliance and management of our supply chain.



In December 2017, the Supplier Profile assessment tool was shortlisted for the 2018 Edie Sustainability Leaders Awards Sustainability Innovation: Standards, Systems and Software category.

Sourcing soap with a positive social impact

CLARITY is a social enterprise that has been providing employment for blind people and people with disabilities for over 160 years. They operate to provide people with work and training through the manufacture and sale of their range of beauty and cleaning products. This employment enables CLARITY's staff to develop their independence and build their confidence, and every five litre bottle of soap generates over one hour of employment. Based in East London, with a traditional workshop in the Lake District, all their products are made in the UK. They currently employ over 110 people, 80% of whom are blind, disabled or otherwise disadvantaged. Through the sale of their products they create 10,000 days of employment and aim to generate 60 new jobs each year.

The company were able to meet all our specifications; with their CLARITY range (i.e. 100% vegetable derived, not tested on animals, colour free, perfume free, paraben free and non-allergenic). After a successful pilot in our Woking office, we are planning to switch to a CLARITY product in other Capgemini UK washrooms throughout 2018. This is a sound buying decision with a clear social benefit.



CLARITY employ over 110 people, 80% of whom are blind, disabled or otherwise disadvantaged.

CLARITY

Responsible Business in a digital age

Promoting responsible technology to enable a positive future

We are witnessing an age of unprecedented technological transformation, driven by rapid advances in digitisation, artificial intelligence and automation. Capgemini are at the forefront of this transformation, helping our clients navigate this change and orchestrate more competitive ways of working. As a responsible business in a digital age, we are committed to progressing the societal and environmental benefits of technology, whilst promoting digital inclusion for all.

Cybersecurity and Information Protection (CySIP)

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. We are preparing our business for the implications of the EU's General Data Protection Regulation (GDPR) that comes into force on 25 May, 2018. As a data controller and data processor we are committed to upholding the highest possible standards with regards to data protection. **Find out more.**

Net Positive Technology

A <u>recent report</u> suggests that ICT has the potential to enable a 20% reduction in global carbon emissions by 2030, helping support a path to sustainable growth. In 2013, Capgemini UK became a founding member of the Net Positive Project, a cross sector coalition that 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. We particularly focus on how technology can be leveraged to help our clients reduce their carbon emissions and achieve their sustainability targets. Our global ambition is to help our clients save 10 million tonnes of carbon from their operations by 2030. <u>Find out more</u>.

Building digital skills

We invest in training to help our people build upon their existing skill sets and remain agile and adaptable in a rapidly evolving technology industry. This enables us to deliver innovation for our clients whilst also ensuring we support our people to pursue interesting and fulfilling careers. We also use our business expertise to help young people from diverse backgrounds develop the digital skills needed for future employment. Our digital partnership with The Prince's Trust is helping transform the lives of young people from disadvantaged backgrounds. By taking this approach, we secure the future of our business, building tomorrow's talent today. **Find out more.**

Innovators Race 50

In 2017, Capgemini hosted

'InnovatorsRace50' - a global competition for early stage start-ups to showcase their innovative technology solutions. The five winning start-ups each received \$50,000 in equity-free funding and benefitted from extensive networking opportunities.

The winner of the 'Digital Processes & Transformation' category was UK based start-up Cupris Health. Their unique telemedicine solution provides affordable medical devices to enable clinical examinations to be performed remotely.

Capgemini actively looks to support innovative start-ups that have the potential to bring about positive transformation in society. We are proud to support the Cupris Health Platform which aims to increase productivity and reduce costs whilst improving quality of care for patients



Capgemini UK 2017/2018 CR&S Report



2017 in action

Shaping The Big Issue's digital future

At Capgemini, we believe innovation can and should be used to address society's biggest systemic social challenges. In 2017, we worked with The Big Issue, a 25-year old social enterprise, helping them to apply innovation to reduce poverty and social exclusion and fundamentally improve lives.

We supported The Big Issue's digital transformation programme by applying technological innovation to protect street vendors of the organisation's well-known magazine and help the not-for-profit company increase its operational efficiency.

The programme was designed to give The Big Issue's management team and distributors greater oversight into how the company is performing with access to the real-time data generated as part of its operations. Capgemini implemented a dashboard that provides granular data and statistics to help identify areas where vendors are at risk. The dashboard also provides details of where money is being made, where resources and magazines are needed, and how many sellers are out at any given time. Several manual data processes were automated to free up staff time, enabling them to focus more on supporting vendors on the street. The first phase of the project laid the foundations with training delivered to The Big Issue's staff as to how the new technology can be harnessed to bring actionable insights and efficiency. It concluded with the rolling out of a new app, which offers distributors information on the sites and sellers in each area.

John Montague, Managing Director at The Big Issue, said: "This is an exciting opportunity to help take The Big Issue to the next level on our quest for social inclusion and we're thrilled to have been working with Capgemini to decide what our digital future should look like. They came with a wealth of expertise in innovation and a history of success developing projects with Salesforce to help us achieve our aspirations."



It's a privilege to support a respected organisation like The Big Issue. We used our skills and key business capabilities to help increase its effectiveness in supporting and protecting sellers on the street, while also boosting its overall efficiency and profitability. This work aligns with our digital expertise to make a positive social impact.

Paul Scales, Corporate Development Director

Cybersecurity and data privacy

Getting ready for the EU's General Data Protection Regulation (GDPR)

The European Union's General Data Protection Regulation (GDPR) comes into force on 25 May 2018 and is set to affect every organisation that holds and processes the personal data of people residing in the EU.

At Capgemini, we understand the strategic importance of data privacy and protection. Our own Cybersecurity and Information Protection programme (CySIP) was launched back in 2014 and covers 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. 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 2017, a key area of focus was on preparing for compliance with GDPR. The regulation demands greater accountability and transparency in how organisations collect, process and store personal information. In our capacity as a Data Controller (our obligations with respect to our own data) and as a Data Processor (where we are processing but not controlling the personal data of other organisations), we have begun reviewing our policies and processes to ensure compliance with GDPR legislation. We also continue to engage our people on this topic, by issuing internal communications campaigns regarding the GDPR legislation and the individual responsibility our people have to ensure they are compliant with our strict policies. In 2018, we will be launching a Group-wide GDPR and Data Privacy training which will be mandatory for all employees to complete.

In 2017, we interviewed three experts on how they are preparing for GDPR compliance and addressing the challenges it poses. To watch the interviews, click on the link below:



Click on the image above to watch the interview with Bojana Bellamy.



Helping our clients prepare for GDPR

At Capgemini, we believe that GDPR will bring positive change, galvanising organisations to take a closer look at digital transformation and the impact on data security. GDPR helps push data privacy and protection firmly to the top of the strategic agenda.

We are helping organisations across the private and public sector not only to comply with GDPR, but to make the most of the opportunities it offers. We ensure our clients get the right blend of consulting, insights and data, and cybersecurity solutions to reap the full benefits across the GDPR lifecycle. Capgemini delivers services that truly safeguard the personal data rights of individual citizens, customers, and employees, whilst helping our clients unlock customer loyalty, build trust and become more competitive.

To find out more about how we are helping our clients prepare for the impacts of GDPR and use it to unlock customer loyalty, read our **GDPR Readiness Report.**

Responsible Business

Our Role as Architects of Positive Futures

A view from our UK CR&S Board on what Responsible Business means to Capgemini.

> It's our commitment to conduct our business ethically, whilst being mindful of the quality of life of our people. It means bringing together our combined assets to address challenges in local communities and society as a whole.

Jim Gilshenan, Chief Financial Officer

It's about collaborating across industry to tackle urgent challenges like the digital skills gap. We want to use our skills to ensure the benefits of technology are felt by everyone.

> Sally Caughey, Head of Digital Inclusion and Country Board General Secretary

It requires a wider societal purpose than simply meeting short term shareholder expectations. For Capgemini, responsible business means using our skills and business capabilities to help address the most pressing social and environmental challenges.

James Robey, Global Head of Environmental Sustainability and UK Head of CR&S

The core purpose of our business is to deliver complex and technically demanding services to our clients and grow our profitability; responsible business means embedding our ethical, environmental and community commitments into everything we do, ensuring a positive impact ess for our clients and society.

Craig Mill, VP Cloud Infra NEU

It means building rewarding careers and creating an inclusive workplace where all our people feel able to be themselves at work.

> Frances Duffy, UK Head of HR

It's about growing our own business ethically and sustainably and using our expertise to deliver the social and environmental benefits of the digital revolution.

Paul Margetts, CEO Apps UK and Chair of CR&S Board

It involves applying our unique skills and transformative innovations to give all members of society access to the services needed in a digital world. It means working towards a more sustainable and inclusive future, whilst ensuring our business remains relevant and responsive to the latest demands and pressures of society.

> Ros Haith, Europe and APAC Sales Lead

Positive Planet

Context in numbers 20% ICT could enable a 20% reduction of global $CO_2 e emissions by 2030^{1}$ 91 companies had approved Science-Based Targets at the end of 2017 2 8% of companies globally have decoupled their carbon emissions from business growth³

Human-induced climate change is one of the critical issues for this generation with the impacts of climate change increasingly being felt by communities, industries and governments around the world. This is not the only environmental challenge we face, with depletion of natural resources and damage to fragile ecosystems also of growing importance. Our Positive Planet programme aims to offer a meaningful response to these challenges, helping us to decouple our carbon emissions from our business growth.

Positive Planet focusses on ensuring our business grows in a sustainable way, whilst also helping our clients address their sustainability challenges through our technology solutions and services. We seek to reduce our environmental impacts. focussing on improving energy efficiency across our estate, reducing our business travel emissions and removing waste from our operations. Through our Positive Planet programme, we strive to deliver value for our clients, shareholders as well as for the planet as a whole.

A Contraction of the second second

[1] http://smarter2030.gesi.org/# [2] http://sciencebasedtargets.org/companies-taking-action/ [3] https://www.cdp.net/en/climate#ef19ae2fdd70a80b496fa09c8db2b9d7

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

We are accountable

We monitor and manage our impacts, ensuring that we will meet our ambitious sciencebased targets

Being accountable requires having effective processes in place to manage our environmental impacts. We manage our impacts through our ISO 14001 certified Environmental Management System and have set ambitious carbon reduction targets that are aligned to climate science. Our global carbon accounting system enables us to monitor, analyse and transparently report our environmental impacts. We capture millions of data points every month from over 400 facilities and covering the travel patterns of over 200,000 people globally.

We are resourceful

We drive efficiency and innovation across our business operations, focusing on our most material environmental impacts

Being resourceful involves continually reducing our environmental impacts by running more efficient operations. We focus on reducing our energy use in our offices and data centres through our holistic ISO 50001 certified energy management system. We reduce business travel emissions through our travel programme, which promotes smart, safe and sustainable travel, as well as identifying alternatives to travel. We also embrace the principles of the circular economy to reduce operational waste.

We are impactful

We work with our clients, suppliers and our people to enable a more prosperous planet

The biggest environmental impact we have is through the solutions we deliver to our clients and through the influence we have on our suppliers. Our Net Positive project aims to change our business focus from minimising negative impacts, to defining new ways of doing business that put more into society, the environment and the global economy than we take out. The potential for technology to drive environmental innovation is significant and our commitment to "Net Positive" is in part about unlocking this potential.

Reducing our carbon footprint

We have achieved our 2020 target three years ahead of schedule

Meeting our Science-Based Target

Capgemini UK became the first company in the IT Services and Consulting sector to have its carbon reduction 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. Our 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 made very significant progress against our headline carbon reduction target in 2017, ending the year with emissions per employee 30% lower than in our baseline year of 2014. In 2017 alone, we reduced absolute carbon emissions by 22%.

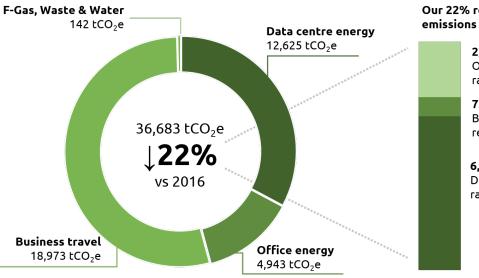


Figure 1: Shows the make up of our carbon emissions in 2017 and how we have achieved a 22% reduction.

Our 22% reduction in absolute emissions in 2017 has been driven by:

2,006 tCO₂e Office space optimisation and rationalisation

758 tCO₂e Business travel emissions reduction

6,465 tCO₂e Data centre optimisation and rationalisation 🛐 Target

Reduce our carbon footprint per employee by **20% by 2020** and by **40% by 2030** (compared to 2014)

Performance

30% reduction in emissions per employee since 2014



In numbers

22% reduction in our absolute carbon emissions in 2017 (36% reduction since 2014)

30% reduction in combined Scope 1 and 2 emissions in 2017 (52% reduction since 2014)

7% reduction in Scope 3 emissions in 2017 (13% reduction since 2014)



2017 in action

Our **Carbon Hackathon** unleashed the power of collective creativity, to provide fresh insight on our carbon data

Capgemini has a robust, centralised and well-established global carbon accounting system which captures over 10 million data points a year from over 400 facilities and covering the travel patterns of around 200,000 people. For a two week period in 2017, teams from across the Capgemini Group were given access to this data as part of a virtual Global Carbon Hackathon.

The purpose of the hackathon was to develop innovative solutions to a pressing business challenge: how do we continue to grow our business whilst reducing our carbon footprint. The competition captured people's imagination across the Group with 52 teams from 11 countries (including 12 teams from the UK) and over 200 participants in total.

Utilising the expertise and enthusiasm of Capgemini's community of data scientists, developers and analysts, teams developed new ways to visualise the data and created innovative ideas for applications that would drive actions to reduce carbon.

The best ideas were shortlisted by technology and sustainability experts from across the Capgemini Group, with the eight shortlisted teams asked to pitch their ideas in a final Dragons' Den style event. The panel consisted of senior leaders from across the Group including Christine Hodgson (Chairman, Capgemini UK and Group Head of CSR), Frank Wammes (Chief Technology Officer, Capgemini Netherlands) and Patrice Duboé (Innovation VP, Capgemini France).

The final winners were a UK-based team called Greenovation, whose concept combined interactive data visualisations to inform strategic decision-making with an idea for employee app to allow teams to track and compete to reduce their travel impacts. The quality of the ideas from all teams was so high that 2018 will see us take forward several of the best ones to be deployed.



Team Greenovation, the Global Carbon Hackathon winners



Office energy

We are driving down energy consumption across our estate

Our ISO 50001 certified energy management system has enabled us to achieve consistent energy reductions across our estate

In 2017, we reduced energy use in our offices by a further 20%, meaning a total reduction of 30% since 2014, and far exceeding our 20% by 2020 target. Over half of this reduction has been driven by the rationalisation of our office space. However, we also implemented a comprehensive programme to improve energy efficiency of all our operational sites. This has achieved a 19% reduction in office energy consumption per square foot since 2014.

Our energy management system is governed by our newly formed 'Energy and Environment Management Forum', which brings together key Facilities and Sustainability stakeholders to steer the energy programme. The forum is responsible for identifying new opportunities for energy improvement and innovation to ensure continual progress towards our target. In 2017, we focussed on three key priorities:

Building an estate fit for purpose

Our Corporate Real Estate Services (CRES) team ensure our offices meet the current and future needs of our dynamic business. In 2017, we consolidated five offices in the Midlands, helping us achieve a total estimated annual energy reduction of 1,050 MWh, the equivalent to the annual energy use of 266 average UK households. The design and layout of our new Midlands delivery centre also enables more innovative ways of working and embraces the latest in collaborative workplace environments.

Optimising our offices to reduce energy consumption

In 2017, we made a 607 MWh saving through optimising the energy efficiency of our boilers and our heating ventilation and air-conditioning (HVAC) units across our estate, and implementing smarter zone management. We also completed LED replacement programmes in four of our offices resulting in an estimated annual saving of 114 MWh.

National Grid TRIAD notifications help to reduce system stress caused by peak energy demand, particularly during the winter months. In 2017, we developed a new approach for rapidly responding to these notifications by powering down non-essential equipment. As well as reducing energy use at peak times, this project has encouraged conversations internally about how to make power down initiatives a regular part of our operations.

Reaffirming our commitment to 100% renewable energy

Whilst our focus remains on reducing our absolute energy consumption, we are also committed to ensuring that the energy we consume is procured from a renewable energy source. In 2017, we renewed our commitment to 100% renewable electricity supply for all facilities where we have direct control over the electricity contract. In addition, we continue to self-generate renewable energy at our Aston office which has over 600 solar PV panels and a solar thermal heating system installed on the roof.



Reduce our office energy use by **20% by 2020** and **40% by 2030** (compared to 2014)

Performance

30% reduction in total office energy use since 2014



19% reduction in total kWh/ft² since 2014

1,050 MWh saved through our Midlands' office rationalisation programme, equivalent to average energy use of 266 UK homes





2017 in action

Cutting energy consumption at our UK headquarters

Over the last two years, our Corporate Real Estate Services (CRES) team has been working to improve the energy efficiency of our UK headquarters in Woking



Installed electrical sub-meters throughout the building

This smart energy approach enables electrical power consumption within the building to be monitored in detail by floor and by wing. Measuring the building's power usage at this level of detail has enabled us to analyse consumption and make changes to the building management system, resulting in further energy reductions.



Switched to LED lighting

The entire office and underground car park lighting has been upgraded to LEDs with passive infra-red (PIR) movement activation. Not only has this greatly improved the quality of office lighting, it has resulted in significant energy savings.

Upgraded the building's boilers

We replaced the building's 20 year old gas boilers with four new fast response models. The new boilers provide a 50% increase in total heating capacity, they respond instantaneously to heating demand changes and greatly improve system reliability.



407 MWh reduction in annual energy use

159 tCO₂**e** annual carbon saving

£40,500 annual energy cost saving

Data Centres

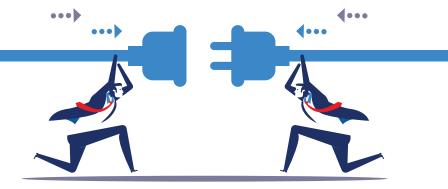
Our Merlin data centre continues to be one of the most sustainable in the world

Capgemini UK's data centres account for 31% of our total greenhouse gas emissions and 69% of our total energy use. We have taken action to rationalise and optimise our data centre portfolio, resulting in a 25% reduction in data centre energy consumption in 2017 and a 33% reduction in energy consumption compared to our 2014 baseline year.

We take a sustainable approach to data centre design, as demonstrated by our Merlin data centre which generated innovative thinking and improved our own operational efficiency, whilst also enabling us to support our clients' sustainability aspirations.

Nearly seven years after it first opened, Merlin continues to be recognised as one of the most sustainable data centres in the world with environmental considerations built into every element of the building's design and operation. Merlin was built on a brownfield site to avoid needless construction and was designed using a modular approach with 95% recyclable materials. It also adopted flywheel energy storage technology which replaces the need for environmentally damaging batteries. Merlin's innovative design has enabled it to achieve a consistent and industryleading Power Usage Effectiveness (PUE) ratio of 1.10.

While the closure and rationalisation of our older data centres has led to short term increases in data centre efficiency (measured by PUE), with the continued rationalisation of our data centre portfolio in 2018, we expect the combined estate PUE to start to reduce significantly in mid 2018. We anticipate meeting our overall PUE target in October 2019, as shown by the chart (right).

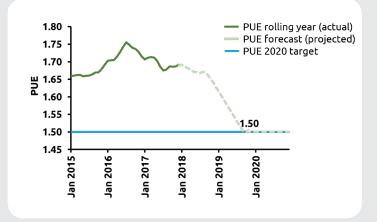


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Target

To improve data centre energy efficiency and reduce the average **PUE ratio to 1.5 by 2020**

Performance



In numbers

69% of our total energy use goes into our data centres

33% reduction in our total data centre energy consumption since 2014

1.10 the Merlin data centre's industry leading Power Usage Effectiveness (PUE)

95% of the materials used in the construction of our Merlin Data Centre are recyclable at their end of life



Business Travel

We are deploying new technologies to promote virtual collaboration and reduce the need to travel

As a people-centred business with a global client base, business travel accounts for more than half of our annual carbon emissions. Reducing our carbon footprint means focussing on minimising business travel without compromising on the value we gain from spending time face-to-face with our clients. We are committed to decoupling business travel and business growth and since 2014 we have achieved an 8% reduction in our absolute business travel emissions.

Using technology to decouple business travel and business growth

We have made significant investments in online collaboration technologies and encourage our people to embrace new ways of working. Ensuring our people can seamlessly and securely connect from any device, in any location, is critical to achieving our travel reduction target. In 2017, we continued to roll-out new technologies, such as the Microsoft[™] Surface Hub, which enables our people to virtually connect, collaborate and innovate.

Our Accelerated Solutions Environment (ASE) is a collaborative problem-solving space which enables our clients to make accelerated business decisions. Typically, collaborative problem solving is perceived to be a face to face activity. However, by deploying new online collaborative technology and adopting innovative ways of working, we were able to hold our first virtual ASE. Bringing together 150 people from four physical locations across the Americas, India and the UK, as well as several participants attending from their homes, the event enabled the client to develop a new business strategy with a significantly lower travel carbon footprint.

Promoting smart, safe and sustainable travel

We take steps to ensure our people can travel in a smart, safe and sustainable way. We make it easy for our people to book and print train tickets, with ticket printing facilities available in our larger offices and rail costs paid for centrally avoiding the need to claim expenses. We continue to limit our company cars to more fuel-efficient models and enable our people to charge electric vehicles for free at several of our sites.

In 2017, we surveyed and interviewed over 1,600 of our people, from our graduates to vice presidents, to better understand why and how they travel and what challenges they face. This research has provided valuable insights into the travel behaviours and motivations of our people and will help ensure our people remain at the centre of our current and future travel programmes and policies.





Reduce our business travel

emissions by **25% by 2020** (compared to 2014)

Performance

8% reduction in total travel emissions since 2014



In numbers

150 people collaborated in our first virtual Accelerated Solutions Environment (ASE) Event

107g CO₂ per km Company car fleet average (-5% since 2016)

2.1 million hours of Skype calls held in 2017 (a 44% increase from 2016)



Closing the loop on waste through adopting circular economy principles

Our waste management approach helps reduce the depletion of finite natural resources, as well as minimise our material use. Managing our waste effectively is also a tangible, impactful way of engaging our people with our environmental commitments.

To reduce the amount of waste going to landfill, we have installed central waste recycling points in all our offices including food waste bins where local collection is available. In 2017, we introduced new regional waste champions who have responsibility for reviewing how we manage our waste and ensuring that we achieve continual improvements.

The concept of "circular economy" involves maintaining products and materials in a positive development cycle for as long as possible to reduce the need for the use of additional raw materials. As a provider of services, we have limited opportunities to practice circular economy principles as part of our core business model. However, circular economy thinking has influenced the way we buy goods and our overall waste strategy. We work with our suppliers to ensure that, where possible, items can be re-used or recycled. For example, our office chairs are 91% recyclable at the end of their useful life.

In June, to celebrate World Environment Week, we launched a 'My 2nd Life' campaign which provides employees with a simple way to recycle old personal electronic devices with all proceeds going to Closing the Loop, a circular economy social enterprise working in Africa. During office refurbishments, we consider the disposal of old office furniture and equipment, looking for creative ways to extend their lifespan through donating surplus furniture to universities or charities. In 2017, we donated over 250 pieces of office furniture to local charities during our Midlands delivery centre refurbishment.

Cate Hames

UK Real Estate Manager

The London Coffee Cup Challenge

As a nation, we throw away **<u>seven million</u>** coffee cups a day and less than one percent of these are currently recycled.

In 2010, we removed single-use disposable coffee cups from the tea and coffee stations in most of our offices replacing them with reusable mugs instead. However, people bringing takeaway coffee cups into our offices does remain a challenge with limited recycling options available for these cups. In April 2017, we joined the London square mile challenge to encourage our London-based employees to recycle their coffee shop cups.

The challenge helped to recycle over half a million coffee cups across the capital in April. A portion of the cups collected were made into products for use in a new community space at Aldgate in partnership with the City of London Corporation.



Performance

5% of our waste was sent to landfill in 2017





Net Positive

We are helping our clients reduce their carbon emissions

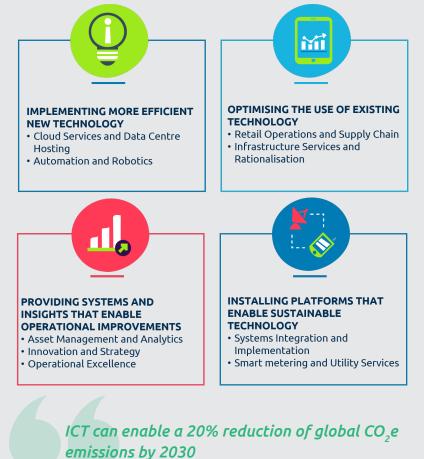
Whilst we continue to focus on reducing our own environmental impacts, we recognise that the greatest positive impact we can have is through the services we deliver to our clients. Capgemini is a founding member of the Net Positive Project, a cross sector coalition that aims to shift the role of companies in society, changing the focus from minimising negative impacts to defining new ways of doing business that puts more into society, the environment and the global economy than they take out. Specifically, we are focusing on how technology can be leveraged to help our clients reduce their carbon emissions and achieve their sustainability targets.

Measuring our progress

We have developed an adaptable framework and carbon calculation tool that allows us to measure carbon impacts across a broad range of sectors and projects. While assessing the indirect impacts of our projects poses some challenges around the allocation of the carbon benefits realised by our services, we are committed to accurate and transparent reporting in this area. Consequently, we will continuously develop our tools and framework as technology advances and our client portfolio changes.

Announcing our new global ambition

Building on the progress of the UK Net Positive project and our growing understanding of the link between technology and environmental impacts, we announced a new global commitment in 2017. Our objective is to work collaboratively with our clients to help them save 10 million tonnes of CO₂e by 2030. To date we have identified four key methods through which we can assist our clients to reduce their carbon emissions. Examples of these solutions are presented on the next page.



(GeSi, Smarter 2030¹)



Cutting carbon through transport management solutions

Installing Transport Management Solutions (TMS) enables clients to optimise the use of their assets whilst also reducing carbon emissions. Our TMS solutions help clients to optimise delivery loads and routes, deploying reverse logistics to minimise empty return journeys, as well as encouraging more efficient driving techniques. Our experience has shown that deploying a TMS on a fleet of 500-800 vehicles can reduce annual fuel expenditure by at least one million litres, saving 3,165 tonnes of CO₂e and over £900,000 of cost per year. Additional benefits include improved air quality from reducing polluting particulates from exhaust fumes, as well as reduced wear and tear on vehicles extending their lifespan.

Migrating client servers to the cloud

The cloud provides clients with the opportunity to reduce carbon. By reducing the number of servers required to host client systems, both energy consumption and the carbon embedded in the physical hardware can be reduced. Through investigating a range of projects we have found that migrating 1,000 physical servers from a traditional data centre to a typical private cloud environment around 1,900 tCO₂e would be saved each year. Migrating to the public cloud is even more efficient, with a potential saving of 2,100 tCO₂e. Additionally, by hosting servers in our Merlin data centre, clients can benefit from one of the world's most sustainable data centres, with an industry leading PUE ratio of 1.10.

Helping our clients save energy through insights and data

We are providing our clients with tools to enable identification and implementation of operational improvements to increase efficiency, reduce costs and cut carbon emissions. We provide asset management platforms that visualise data, highlighting assets which are underperforming or in danger of failing, allowing pre-emptive fixes and the optimisation of asset performance. Our data analytics capabilities span several delivery units, but all provide key insights that can drive improved sustainability performance.

We also enable clients to reduce energy consumption through our Energy Savings as a Service (ESaaS) offering, leveraging our bespoke energy analytics tools. On average, these types of service can reduce client energy bills by 15-25%, cutting emissions by approximately 5,300 tonnes of CO_2e for every £1,000,000 of energy saved. As with the transport management systems mentioned above, these solutions deliver added benefits such as enabling proactive maintenance to extend the lifespan of assets.

Creating platforms to enable smart energy technologies

In support of the UK smart meter rollout, we are providing solutions testing and installing meters, integrating systems to manage Smart Home devices, and developing Smart Grids. Our approach to dealing with the upcoming influx of smart meter energy data is supporting energy retailers and networks optimise energy consumption and waste. Given the scale of UK households' energy emissions (40 million tonnes CO₂e per year), the potential for carbon savings in this area is very significant.

View from our leadership

As we mark 10 years of sustainability at Capgemini, we have much to celebrate but there remain significant challenges ahead



From achieving ISO14001 certification in 2009, to becoming the first in our sector to announce a verified Science Based Target in 2016, we have much to be proud of over the last decade. Our progress in reducing our own environmental impacts has been significant, with a 42% reduction

in total emissions since 2008, driven largely by a 64% reduction in office energy emissions and a 55% reduction in data centre emissions.

This has required the collaboration and innovation of many teams across Capgemini; from our facilities and real estate teams who have invested in the energy efficiency of our offices and data centres, to our Group IT function which has enabled us to embrace the latest communication technology to reduce the need to travel.

Over the decade, environmental topics have climbed up the global agenda. Climate change and its related impacts have featured in the World Economic Forum's Top 5 Global Risks every year since 2011. The most recent 2018 Global Risk Report identifies extreme weather events, natural disasters and failure of climate change mitigation and adaptation, as the three most significant and likely risks currently facing the global economy. The need for action only becomes more urgent.

How are we responding as a company in the face of such urgent and pressing challenges?

Firstly, we continue to focus on reducing our own impacts, using data-driven insights from our carbon accounting system to identify opportunities for improvement. For example, in 2018, a refreshed travel management approach will see us embrace new technology and engage our people in continuing to make smart, safe and sustainable travel choices. Simultaneously, we are also committed to embedding the principles of the circular economy into our operations with an initial focus on "not buying waste."

However, the greatest contribution we can make to addressing global environmental challenges is through the services we deliver to our clients, made possible through the talents and innovation of our people. Our Net Positive initiative has deepened our understanding of the carbon benefits of the services we deliver with clients. Building on the learnings from our work in the UK focus, we have made a new global commitment to help our clients reduce their carbon emissions. Our goal is to help our clients save 10 million tonnes CO₂e by 2030.

Addressing the climate challenge will mean cross-sector collaboration and innovation for decades to come, and we remain committed to playing our part in developing a more resilient and sustainable world for our current and the future generations.

Dr. James Robey

Global Head of Environmental Sustainability

(2)

2008

Set inaugural target to reduce our carbon footprint by 20% by 2014 (not including data centres)

2009

Achieved ISO14001 certification for our UK Environmental Management System

2010

Awarded EMAS status (Eco-Management and Audit Scheme)

2011

Opened Merlin - one of the world's most sustainable data centres

2012

Achieved our first carbon reduction target two years ahead of schedule

2013

Listed on CDP's inaugural Supplier Climate Performance Leadership Index

2014

Our TravelWell programme won the Sustainable Travel category at the edie Sustainability Leaders Awards

2015

Installed solar PV panels, rainwater harvesting and electric vehicle charging points in our Aston office

2016

Became the first in our sector to commit to a verified Science Based Target

2017

Hosted our first event Global Carbon Hackathon to provide fresh insight on our carbon data

People Matter

Context in numbers 85% of global executives surveyed agreed that diversity is crucial to fostering innovation within their

54% of companies agree that a shortage of digital talent is causing a loss of competitive advantage² 90% of companies that measure the connection between volunteering and employee engagement scores found a positive correlation³

Capgemini understands that business value cannot be achieved through technology alone. It starts with people: experts working together to get to the heart of our clients' business objectives and develop the most appropriate solutions to fit these requirements. We believe this human-centered approach to technology is what makes the difference. Our central philosophy is that 'People Matter Results' Count' and this runs through all our people policies and practices. Applying this philosophy enables us to become a truly inclusive organisation where our people feel valued, included and empowered, whilst at the same time allowing us to develop highly functioning teams which cultivate innovation and deliver maximum value to our clients.

Currently in the UK, demand for digital skills far outstrips supply (over **50%** of companies say they are experiencing a loss of competitiveness due to a shortage of digital talent); to combat this, we are not only investing in upskilling our own people, we are looking beyond Capgemini to promote 'Digital Inclusion' and skills development in local schools and communities. We encourage and empower all our people to 'Get Involved' in their local communities through fundraising and skills-based volunteering initiatives.

A Company

[1] https://images.forbes.com/forbesinsights/StudyPDFs/Innovation <u>Through Diversity.pdf</u> [2] https://www.capgemini.com/resources/digital-talent-gap [3] https://ccc.bc.edu/ccc/research/reports/community-in html

One of Capgemini UK's degree apprentices (centre) in conversation with Christine Hodgson (right) during National Apprenticeship Week



As a talent-led company in a digital age, our **'People Matter'** mantra is our commitment to empower and develop people

Building a diverse and inclusive workplace

Having a diverse workforce is crucial to the future growth of our business. Our Active Inclusion programme is our step change to accelerate our approach to diversity and inclusion, moving the conversation beyond diversity to focus on inclusion of all people as the priority. Our aim is to make a positive difference by developing and hiring talented people from groups that are currently under-represented, as well as fostering a culture where everyone at Capgemini feels welcome and respected.

We focus on engaging with our teams and ensuring we build the right policies, training and awareness campaigns to make inclusion commonplace in our organisation. Our employee networks, including our Women's Business Network, Disability, Carers & Allies Network and OUTfront (our LGBT+ Network), also promote and advance our inclusion agenda throughout our entire organisation.





Capgemini UK has been an accredited Living Wage employer since 2016

Creating opportunities to unlock talent and skills

We support the ongoing professional and personal development of our people, helping them acquire new skills and build upon their existing skills, creating mind-sets that are agile and adaptable in a rapidly evolving technology industry. This enables us to deliver innovation for our clients whilst also ensuring we support our people to pursue rewarding careers.

We also promote 'Digital Inclusion' by helping young people from diverse backgrounds across the UK unlock their potential and develop their digital skills.

We achieve a lasting impact by collaborating with schools, education and community partners on initiatives to accelerate the skills development and employability of young people. We focus especially on removing barriers faced by young women, promoting social mobility and increasing the uptake of Science, Technology, Engineering and Mathematics (STEM) subjects. In this way, we secure the future of our business, unlocking tomorrow's talent today.

Supporting individual, local and national community action

We support the causes that matter most to our people through our Community Spirit Awards and Grants programme which recognise, support and empower personal action. Locally, we support volunteering and fundraising initiatives through activating changemakers across our office locations. Nationally, we focus on providing opportunities for skilled volunteering and fundraising through our corporate charity partnership with The Prince's Trust and our wider 'Get Involved' campaign.



It is the factors that make **people different which offer** valuable sources of innovation and creativity

Our Active Inclusion programme aims to ensure that Capgemini is a truly diverse and inclusive organisation where everybody feels valued, included and empowered

Promoting gender equality

Promoting gender balance is a business imperative for Capgemini and requires action to be taken at all levels of our organisation. At the senior level, 38% of our UK Country Board Members are women, with the board deeply committed to driving gender equality. In 2017, all board members cascaded Active Inclusion objectives within their respective business units, as well as mandating unconscious bias training to be completed by all vice presidents. At entry level, we have achieved a 13 percentage point increase in our female graduate and apprentice intake since 2015. Overall our female population remains stable in a very competitive industry for talent. Our target is to grow our total female headcount to 30% by 2020.

In 2017, we published our **Gender Pay Gap**, reporting a median gender pay gap of 17.0% and a mean gender pay gap of 19.4%. Like many other companies in our industry, our gap is primarily caused by having fewer women in senior grades and highly paid technical roles. When comparing pay by role and grade, for equal or similar work, the gap is significantly lower at 1.6%.

Our vibrant Women's Business Network acts as a catalyst, creating awareness and generating discussion to advance gender equality. We host networking events with inspiring talks from female technology leaders and opportunities to network with colleagues and clients. For larger events, we invite students from local schools and family relatives, providing a chance to inspire the next generation. Externally, we also sponsored the WeAreTechWomen and TechInclusion conferences, both aimed at inspiring more women to pursue a career in technology.

Taking steps to attract the best female talent

Recognising that the language used in job descriptions can include subtle gender bias which has an impact on attracting candidates, in 2017, we reviewed all our job adverts to ensure we are using gender-neutral language. We provide ongoing training to our recruitment teams and hiring managers to help them identify and overcome unconscious bias during recruitment activities, as well as ensuring balanced gender representation at our assessment events, both in terms of candidates and assessors. In addition, our #ReferHer campaign, which offered an enhanced bounty scheme for referring female applicants during March 2017, resulted in a 68% increase in female referrals. To support women returning to work after a career break, we launched our new Return@Capgemini programme in 2017.

In numbers

39% of our graduate and apprentice intake were women (up from 33% in 2016)

27% of all team members are female

68% increase in female referrals from our #ReferHer campaign

An award-winning approach:



Achieved EDGE certification, the leading global assessment methodology and business standard on gender equality in the workplace computing Women in IT Excellence

Awards

2017

Named in The Times Top 50 Employers for Women 2017, for progressing gender equality in the workplace at all levels of our organisation



Won "Diversity Project of the Year" at Computing Magazine's Women in IT Excellence awards



Won Business of the Year at the First Women awards



Disability & Mental Health



Capgemini UK is recognised as a Disability Confident Employer for our commitment to creating a workplace environment where people of all abilities are actively included. We ensure that all individuals with disabilities receive tailored support in relation to their specific technology and workplace needs. In 2017, we also

established a new disability and carer network for team members with an interest in these areas and to support colleagues either with a disability or caring for a relative with a disability.

We want to ensure that our employees feel supported and empowered at work and maintain good mental health. We provide practical support through our Employee Assistance Programme which offers free, confidential 24/7 support and we raise awareness of mental health issues internally to help remove the stigma and silence surrounding the topic. In 2017, we signed the <u>Time to Change Pledge</u>; a commitment to continue building a working environment where all our people feel able to talk openly and honestly about mental health and know where to go for support.

To recognise Mental Health Awareness Week we distributed over 800 green ribbons, providing a simple way for our people to visibly show their support. An important step forward was the completion of the Mind Workplace Wellbeing Index, as a way of benchmarking the experience of our people and gaining robust recommendations for how to develop a supportive, inclusive and empowering workplace culture around mental wellbeing.

Recognised as one of the UK's Best Employers for Race

In 2017, Capgemini UK was named as one of the **UK's Best Employers for Race** in a new listing published by Business in the Community (BITC). As a truly global business of 200,000 people, spanning over 40 countries and over 120 nationalities, the Capgemini Group benefits from a truly diverse mix of cultures and ethnicities. We are committed to hiring, developing and progressing talented people from groups that are under-represented in our UK workforce, and to fostering a culture where everyone feels welcome and respected regardless of race or ethnicity. We help our people to embody our inclusion policies through providing training on topics such as cultural awareness, race, religion and equality.

Promoting Work Life Harmony

We look to combine strong work-life policies and practices, with trust (one of our seven core values) in our people to manage the varying demands placed on them in their personal and professional lives. With 42% of our people having a direct caring responsibility, promoting and enabling work-life harmony is integral for supporting, developing and retaining our people. In 2017, employee perceptions of our flexible working approach improved with 78% (a 17 percentage point increase compared to 2016) of respondents saying they make use of flexible work arrangements as part of their work life harmony, through both formal and informal options. By making significant investments in our online collaboration technologies and encouraging our people to embrace new efficient digital ways of working, we anticipate this will increase further in coming years.

In numbers

42% of our people have a direct caring responsibility for children, parents or individuals with disabilities

78% of our people make use of flexible work arrangements (+17% compared to 2016)

2017 in action

Our most active year yet for our LGBT+ network, OUTfront

OUTfrint Igbt+@ Capgemini UK

Our Lesbian, Gay, Bisexual, Transgender (LGBT+) network, OUTfront, established in 2009, takes action to foster a supportive and inclusive environment for the LGBT+ community at Capgemini UK. In 2017, our OUTfront network doubled in size after its most active year yet.

A key highlight was our first-ever LGBT+ and Allies conference, co-hosted with the LGBT+ network of one of our UK public sector clients. With over 150 attendees, nine speakers, and breakout sessions examining ways to increase LGBT+ inclusion, the day was a great success.

In 2017, we established OUTfront site ambassadors across our UK offices, to increase the profile of the network and promote action at a local level. We continued to roll out LGBT+ Inclusion training to our leaders and account teams, helping our people to "walk in the shoes" of the LGBT+ community, and to demystify many of the terms used, particularly around gender identity. Our network members and allies published a series of **blogs** throughout the year on their experiences, and our internal communications focused on understanding the intersectionality of experiences, such as the links between LGBT+ and mental health. We also hosted a hackathon with Trans*Code and WeAretheCity. Held on the International Day of Trans Visibility, the hackathon explored how technology can be used to increase inclusion for transgender people, developing innovative solutions such as a mobile app to help adjust and train the frequency of your voice.

Capgemini UK were recognised in the 2018 Stonewall Workplace Equality Index Top 100 Employers for the first time, a great tribute to all the success of our OUTfront network. This means an increase in our position of 131 places, up to 63rd in the Top 100 list.



We are honoured that Capgemini features on the Stonewall Top 100 Employers list for the first time. We are very proud of the work we've put into supporting the LGBT+ community since the launch of our OUTfront

network in 2009. OUT front is now an integral part of our business planning from the perspective of employee engagement, client intimacy and highimpact team development. Our leadership team sees diversity and inclusion as a central pillar of providing a welcoming workplace for everyone from any background that drives great business results.

Christine Hodgson,

Capgemini UK Chairman & Group Head of CSR



Click on the image to find out more about our first ever LGBT & Allies conference



Investing in the skills development of our people at all levels

Supporting social mobility through our degree apprenticeship

We promote youth employability and social mobility through giving young people a foothold in a technology industry that previously was only for university graduates. Our apprenticeship programmes provide alternative routes to employment for young people who cannot or do not want to go to university.

Capgemini was the first company in the UK to create a Degree Apprenticeship, providing young people with a university education without the associated costs. Currently we have 278 people enrolled on our degree apprenticeship programme with Aston University. In July 2017, we celebrated the graduation of our first cohort of 25 Degree Apprenticeship with 64% of our apprentices achieving a 1st Class honours degree.

Our graduate and apprentice (GAP) community provides a valuable source of innovation and fresh insights which are benefiting the wider Capgemini community. For example, a number of senior leaders within Capgemini have benefitted from reverse mentoring schemes.

Upskilling our people for a digital future

We are committed to providing all our people with the necessary tools and training to develop their skills within Capgemini. We take a broad approach to skills development, incorporating everything from opportunities for one-on-one mentoring and coaching, to structured career acceleration programmes. Our people also have access to online training courses and e-books available through our MyLearning platform and opportunities to attend international courses run out of our Capgemini University in France. Investing in the skills development of our people is vital for maintaining engaged and empowered teams that are able to deliver industry-leading technology services to our clients. Our approach is wide-ranging and inclusive, with 100% of our people receiving some form of skills training in 2017.

Building on the skills development programmes we already have in place, in 2017, we signed a new three-year global partnership with **Pluralsight** – an online training platform which will provide our people in technical roles with access to specialised digital skills development courses. We also launched a new Digital Skills Academy which re-skills selected groups of people, equipping them with new digital skills over a ten-week period before deploying them into a new digital role. 23 people working on one of our largest public sector client accounts were the first cohort to complete the academy in 2017.

Developing leaders at all levels

Our leadership development programmes focus on identifying and developing strong leaders at all levels of our business, from our Graduate and Apprenticeship training programmes which have a strong leadership development focus, to our 'Game Changers' programme which aims to accelerate the careers of senior leaders who demonstrate a truly global mind set.

One example is our 'Future Leaders' programme, aimed at developing ambitious midlevel colleagues with a proven track record and potential to develop into a future leader. Now in its fifth year, 44 people from our UK business completed the 2017 programme, joining an alumni community of 158 people. 100% of the delegates who have completed the programme highly recommend it.

> * RATEMY APPRENTICESHIP TOP TECHNOLOGY EMPLOYER 2017

In 2017, we were ranked by RateMyApprenticeship in the 'Top Technology Employer 2017', achieving second place overall in the index.

In numbers

278 people are currently enrolled on our Degree apprenticeship

100% of our people received some form of training in 2017

Promoting Digital Inclusion through our schools, education and community partnerships

Developing the digital skills of young people through our schools outreach

For the past five years, we have had a vibrant school outreach programme at Capgemini. We encourage and inspire young people to recognise and develop their skills achieving a lasting impact by collaborating with schools and education partners. We focus especially on removing the barriers faced by young women, promoting social mobility and increasing the uptake of STEM subjects. In 2017, we engaged with over 5,200 students across over 50 schools through our schools and education partnerships. Whilst each of these engagements is unique, we structure our programme around three key focus areas:



Since 2013, we have been part of the **Business in the Community (BITC) Business Class programme**,

working in a holistic way with Abraham Darby school in Telford to support the development of key employability skills for students. In particular, our 'STEM for Girls' programme is about engaging and inspiring Year Seven schoolgirls to think about pursuing STEM related subjects in their education and future career. Delivered in partnership with the school and one of our large public sector clients, this programme helps to inspire future female talent, as demonstrated by the feedback of the students.

Enabling social mobility through developing digital skills

We launched our Digital Partnership with The Prince's Trust in 2015, providing young people from disadvantaged backgrounds with a foundation in digital skills and supporting them to move into employment, training or education. During our one week 'Get Started' courses, participants create their own mobile apps, learning how to take their ideas from concept to prototype, before pitching the ideas to a 'Dragons' Den' style panel made up of our technology experts.

In 2017, we ran six digital skills courses, plus taster sessions, which benefited 85 young people. 68% of participants achieved a positive outcome within three months of completing the course, such as entering employment, education, further training. The courses also provide a rewarding volunteering experience for our people and clients. 78 people volunteered on the programme in 2017, with almost half of the volunteers from our clients.

I used to think science and maths would be boring, but I now know that there are lots of exciting maths and science jobs out there.

> (Participant on our 'STEM for Girls' programme)

Helping young people prepare for future work

In support of the Government's <u>'Careers Strategy'</u> to increase the number of encounters school students have with employers, in 2017, we launched a programme to encourage more of our people to volunteer as mentors. By the end of 2017, almost 150 of our people had signed up as student mentors through our partnership with The Careers & Enterprise Company and The Prince's Trust. Our programmes focus on two key age groups:

Year 9: Helping to raise the ambition and aspirations of students who may be lacking support at home.

Year 13: Providing support and careers guidance to college leavers deciding upon their next steps.



In numbers

5,200 students supported through our schools and education partnerships

80% of participants in our 'Get Started' course achieved a positive outcome (employment, education, further training or continuing to work with The Prince's Trust)

150 people have signed-up as mentors for young people



2017 in action

Enabling young people to gain first-hand experience of developing technology for good

At Capgemini, we want to help young people harness the opportunities of the digital age and learn how to use technology to contribute towards a better, safer and more sustainable future. In 2017, we organised numerous social impact initiatives to support our Digital Inclusion agenda. We have highlighted two of these initiatives below.

Apps for Good



Capgemini UK have been the national judging partner for the Apps for Good competition for the past five years. The competition encourages young people to develop innovative mobile apps that solve the problems they care about. During the process, students develop

a combination of technical skills used in the product development phase, as well as crucial soft skills such as creativity, teamwork and problem solving. 87% of students said the process had improved their overall confidence, with 91% demonstrating improved problem solving and teamwork skills. Almost half of the female students said they were interested in working in the technology industry as a result of taking part in Apps for Good.

We are proud to be the national judging partner for this competition. In 2017, we helped shortlist ideas for over 530 Apps, enlisting the support and expertise of over 154 Capgemini judges, as well as four clients, participating in the shortlisting process. Through the Apps for Good competition we engaged with over 2,000 young people supporting them as they gain first-hand experience of developing technology for good.

The First LEGO League®



In 2017, Capgemini supported The First Lego League Junior Schools Event, which brought together seven schools and over 140 pupils across North Tyneside to explore how to use technology for good. This programme is designed to introduce Science Technology

Engineering and Mathematics (STEM) concepts to children aged six to ten, engaging them through a well known children's brand – LEGO®. The programme ran over an eight-week period focussing on the interaction between wildlife and humans. Using LEGO®, the students constructed models of what they learned, whilst at the same time developing new skills such as teamwork, creativity and time management.

We are committed to using our business skills to help individuals and communities address the impact of the digital revolution. We focus our social impact initiatives on developing the future skills of young people and on the development of digital skills for work among disadvantaged and under-employed groups. Our partnerships with Apps for Good and The First LEGO® League are brilliant examples of how we are using our business expertise to help young people develop digital skills and create a more inclusive digital society.

Sally Caughey, Head of Digital Inclusion

Supporting individual, local and national community action

We encourage and empower all our people to 'Get Involved' in their local communities through fundraising and skills-based volunteering initiatives which both align with our business focus on Digital Inclusion and allow our people to pursue their own passions. We aim to create a rewarding employee experience for our people, as well as maximising the engagement and social impact of our community initiatives.

Supporting the causes that matter most to our people

Since 2010, we have supported the charitable causes that matter to our people through an awards and grants programme, which provides financial support for those causes. In 2017, we refreshed this programme, increasing its visibility with new branding, a simplified entry process and reinforced judging criteria. The Awards provide funding, of up to £2,500 for projects actively supported by our people, while our Grants provide funding of up to £500 for employees to help kick-start a fundraising or engagement activity.

The launch of the refreshed Community Spirit Awards in September was a great success, with over 1,429 Capgemini team members engaged in the voting, higher than any previous voting round. In total, we had 42 first round winners in 2017, who collectively raised over £50,000 for charitable causes, supplemented by a further £36,000 in additional Capgemini support for these causes.



In numbers

£243,754 total corporate donation made by Capgemini in 2017

£36,435 donated by Capgemini in support of the Community Spirit Awards and Grants

2,327 hours formal volunteering completed by our people in 2017

Case Study: Over The Wall

One inspiring story came from Ben, our UK Apprenticeships Manager. Here he tells his story:

"I spent one week volunteering with Over The Wall, a free residential activity camp for children, teenagers and families affected by serious and life-limiting illnesses. Campers are encouraged to reach beyond the perceived limitations of their illness and rediscover a whole world of possibilities within the safety of the camp.

Using the two days of paid special leave which is offered to all employees, I was able to help build the confidence, self-esteem and aspirations of campers, whilst personally developing transferable skills such as team work, communication and dealing with challenging situations.

Daring to try something new has not only developed a range of transferable skills, but I've had fun, made new friends and created unforgettable experiences along the way."

Ben Rubery Apprentice Programme Manager





Community Spirit Awards





2017 in action

Fundraising in support of **The Prince's Trust**

Capgemini UK are Gold Patrons of The Prince's Trust and have been members of the Technology Leaders Group since 2008. In 2015, we announced a new four-year digital partnership with The Prince's Trust, committing to helping young people from deprived socio-economic backgrounds to develop digital skills. We also regularly engage our people in fundraising activities and have raised over £70,000 in support of The Prince's Trust during 2017.

'Million Makers' encourages entrepreneurial and skills-based fundraising

The Prince's Trust Million Makers is an entrepreneurial fundraising challenge which sees teams of employees from companies across the UK competing to raise at least £10,000 over a period of six months, starting with £1,500 seed funding. After three years entering one national team into the competition, in 2017, we decided to increase engagement and internal competition, entering four regional Capgemini teams from London, Wales, the Midlands and the North East.

Collectively our teams raised over £31,000, with 40 people taking part in the challenge and an additional 100 people engaging and supporting the teams, including senior executives who were designated as team mentors. In addition to raising essential funds for our corporate charity partner, the competition is also an excellent learning and development opportunity which exposes our people to new challenges and helps them build their business skills and entrepreneurial mindset.

'Palace to Palace' brings 'Team Capgemini' together to peddle to victory

In October, over 250 Team Capgemini riders signedup for The Prince's Trust 'Palace to Palace' charity cycle ride from Buckingham Palace to Windsor Castle. Capgemini UK entered the largest corporate team for the second consecutive year, with our riders completing either a 45 or 90 mile sponsored cycle ride. As well as raising awareness of our Digital Partnership with The Prince's Trust, Team Capgemini also raised over £36,000 in aid of The Trust. In recognition for Team Capgemini's efforts, both in terms of participants and fundraising, we were awarded the Blazing Saddles' trophy.

MOVEFIFTY

and walks completed

This event was extra special this year as it coincided with the 50th anniversary of the Capgemini Group and the culmination of the

MoveFifty campaign which ran from 1 June to 1 October. MoveFifty encouraged our 200,000 people across the world to get moving, tracking their run, cycle or walk through the KM for Change mobile phone app and to share their movements on social media. This campaign was a great success resulting in:





€100,000 298,000 donated to educational projects 200 shares, likes and retweets on social media.



£70,000 raised by our people in support of The Prince's Trust

250 people signed-up for the Palace to Palace charity cycle ride



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View from our leadership -Looking ahead to 2018

Developing diverse and inclusive teams is not only the right thing to do, it is essential for harnessing the talent and innovation that drives the success of our business. We focus on creating a workplace which fosters and celebrates diversity and inclusion, empowers people to be their true selves and develops the digital skills needed in our future workforce.

Since its launch in 2016, our Active Inclusion programme has engaged and inspired people across the business. It has helped us embrace inclusivity and shine a light on unconscious bias. In 2018, we will focus on inclusion in action, emphasising that inclusion is a proactive, everyday choice we must all make. We will also conduct another Active Inclusion survey to measure what progress has been made since our first survey in July 2016, as well as gain fresh insight on what more can be done.

With the digital skills gap estimated to grow to 2.3 million jobs by 2020, there is an urgent need for industry, government and the third sector to work collaboratively to address this challenge. We will continue to focus on supporting the skills development of young people through our schools partnerships, digital skills courses and mentoring programmes, in order to generate a diverse pipeline of socially mobile and digitally skilled future talent. We will also continue to invest heavily in the skills development of our own people at all stages of their careers, from our thriving degree apprenticeship programme which is currently helping over 270 young people gain a university degree alongside paid work, to our leadership acceleration programmes which are helping to develop strong leaders throughout our business. In addition, our new partnership with Pluralsight builds upon our existing learning and development tools and will enable our people in technical roles to develop the digital skills needed to remain innovative and competitive within a fast-paced and constantly evolving sector.

Capgemini are at the forefront of the digital revolution, helping our clients navigate the opportunities and challenges of automation, artificial intelligence and robotics.

The digital revolution is set to have a profound impact on society, and as a leading responsible technology company, we are committed to helping people in society adapt for the changes ahead. In 2018, our focus is to build and strengthen our partnerships that support our Digital Inclusion agenda, so that our skills and expertise can benefit the wider society. To achieve this will require the engagement and action of all our people, which is why we have a new target to engage 4,000 of our people in volunteering or fundraising initiatives in 2018.

Frances Duffy, UK HR Director

Performance Scorecard

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Environment: Carbon

	Metric	Data Source	Unit	2014	2016	2017	Change vs 2014	Comment
TARGET	To reduce our carbon fo employee by 20% by 20		t CO ₂ e per employee	6.42	5.35	4.50	-29.8%	We have made rapid progress towards our emissions per head target, driven largely by a reduction in energy use.
		Natural Gas	t CO ₂ e	836	907	687	-17.8%	The reduction in our Scope 1 and 2 emissions has largely been driven by rationalisation
	Scope 1 Emissions	Diesel	t CO ₂ e	123	60	50	-59.2%	of our data centres and offices, as well as energy efficiency initiatives across our estate. Note F-gas emissions are typically tracked as part of the routine maintenance cycle, with
	scope i Emissions	F-gas	t CO ₂ e	119	359	89	-25.3%	<i>F-gas leakage counted in the month when maintenance occurs, when in fact the leakage typically occurs gradually over several months. Hence the year-on-year fluctuations may</i>
		TOTAL	t CO ₂ e	1,078	1,327	826	-23.3%	not be fully representative
		Data Centre Electricity	t CO ₂ e	24,061	17,920	11,499	-52.2%	Our Scope 2 emissions have reduced largely due to a reduction in energy use (as mentioned above). We have also benefitted from the continued decarbonisation of the UK
	Scope 2 Emissions	Office Electricity	t CO ₂ e	8,430	5,714	3,893	-53.8%	electricity grid which has reduced the tonnes CO ₂ e/kWh.
Carbon Emissions		TOTAL	t CO ₂ e	32,491	23,633	15,392	-52.6%	
by Scope ² (Location-Based ³)		Business Travel	t CO ₂ e	20,625	19,731	18,973	-8.0%	The reduction in our Scope 3 emissions is due largely to a decrease both in electricity transmission and distribution losses (driven by reducing energy use) and in our business
(Location-Based ³)		T&D Losses	t CO ₂ e	2,841	2,138	1,439	-49.3%	travel. Our holistic travel strategy focuses on increasing uptake of remote collaboration
	Scope 3 Emissions	Water	t CO ₂ e	52	48	47	-10.4%	technologies as well as encouraging people to switch to lower carbon forms of travel.
		Waste	t CO ₂ e	8	7	6	-19.9%	
		TOTAL	t CO ₂ e	23,527	21,923	20,465	-13.0%	
	Total Greenhouse Gas Emissions (Location- Based)	TOTAL	t CO ₂ e	57,096	46,883	36,683	-35.8%	The overall reduction in our location-based emissions is largely a result of the reduction achieved in emissions from our data centre energy use, office energy use and business travel.
	% of electricity from renewable sources ²	Electricity	% of kWh	83.3%	69.7%	74.8%	-8.5%	We buy renewable electricity wherever we have direct control over our electricity contract. Year-on-year fluctuations in % of renewable electricity therefore largely reflect what proportion of our electricity comes from landlord-controlled sites. Note that we only started measuring Market-Based Emissions from 2015 onwards.
Market-Based Emissions ²	Scope 2 Emissions (Market-Based)	Electricity	t CO ₂ e	N/A	9,423	4,320	N/A	
	Total Greenhouse Gas Emissions (Market-Based) Total Emissions	t CO ₂ e	N/A	32,673	25,611	N/A	

Notes

1. Our carbon footprint per employee is our total location-based emissions divided by the average UK headcount for each reporting year. Our base year for reporting is 2014. We follow the <u>Greenhouse Gas</u> <u>Protocol</u> Corporate Standard. With the exception of hotel nights (mentioned further in notes on tables to follow), emissions have been calculated using the conversion factors recommended by the <u>DEFRA</u>. 2. "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.

3. For 2015 data onwards we calculate and report both "location-based" emissions and "market-based" emissions in line with the GHG Protocol. For our market-based emissions 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/

Environment: Office Energy and Data Centres

	Metric	Unit	2014	2016	2017	Change vs 2014	Comment
TARGET	To reduce office energy use ¹ by 20% by 2020 and 40% by 2030 (vs 2014)	MWh	21,288	18,687	14,887	-30.1%	The 30% reduction in office energy use has been driven in part by the closure of four offices and in part through the implementation of energy efficiency initiatives such as LED lighting, smart building management and HVAC upgrades. Overall we have reduced our energy use per m2 by 19% since 2014.
Office Energy	Total Office Energy Emissions (Location-Based)	t CO ₂ e	9,953	7,102	4,943	-50.3%	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 2017 and in part due to the continued decarbonisation of the electricity grid.
Emissions	Total Office Energy Emissions (Market Based)	t CO ₂ e	N/A	2,518	1,625	N/A	The reduction in our market-based emissions reflects an increase in the proportion of our electricity coming from renewable sources in 2017 compared to 2016. Note that all data has been restated since our last report due to the discovery of renewable energy at one of our landlord controlled sites.
Renewable Energy	% of Office Electricity from Renewable Sources	%	77.6%	85.1%	86.8%	9.2%	We buy electricity from renewable sources wherever we have direct control over the electricity supply. The year on year fluctuation is a reflection of what proportion of our electricity supplies we have direct contracts for and what percentage is controlled by the landlord in any given year. Note that this data has been restated since our last report due to the discovery of renewable energy at one of our landlord controlled sites.

	Metric	Unit	2014	2016	2017	Change vs 2014	Comment
TARGET	To reduce the average PUE ² ratio to 1.5 by 2020	PUE	1.66	1.71	1.69	4.5%	The current rationalisation and re-balancing of our data centre portfolio at Group level has resulted in an increase in our PUE
Data Centre	Total Data Centre Energy Emissions (Location-Based)	t CO ₂ e	26,338	19,636	12,625	-52.1%	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.
Energy ³ Emissions	Total Data Centre Energy Emissions (Market Based)	t CO ₂ e	N/A	10,106	4,682	N/A	The reduction in our market-based emissions is as a result of a significant reduction in our overall energy use. Note 2015 was the first year we reported market-based emissions.
Renewable Energy	% of Data Centre Electricity from Renewable Sources	%	85.3%	64.8%	70.7%	-17.2%	Compared to 2016, the percentage of our electricity from renewable sources has increased due to the closure of a data centre that was not using renewable energy. However, since 2014 the percentage has reduced overall due to one of our third party operated data centres terminating its renewable energy contract.
Data Centre Energy Use	Total Data Centre Energy Use	MWh	49,421	43,916	32,905	-33.4%	The reduction in energy use is largely due to the rationalisation of our data centre estate with the closing of two data centres in 2016 and 2017.

Notes

1. 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.

2. Data Centre PUE (Power Usage Effectiveness) is a standard measure of the energy efficiency of a data centre. We use a straight average across all our UK data centres.

3. 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.

Environment: Business Travel

	Metric	Unit	2014	2016	2017	Change vs 2014	Comment
TARGET	To reduce our business travel emissions' by 25% by 2020 (vs 2014)	t CO ₂ e	20,625	19,731	18,973	-8.0%	Our business travel emissions have reduced by 4% last year and 8% overall since 2014. The majority of the reduction achieved has come from reducing our domestic emissions from car, taxi and rail travel. This progress has been offset by an increase in flight and hotel emissions.
	Air Emissions	t CO₂e	9,284	9,885	9,521	2.5%	This increase in air emissions since the base year is largely due to an increase in our domestic and short haul air emissions. Note that our air travel has been restated since our last report due to the discovery of the inclusion of duplicates in the air data being supplied by our travel agents. Air emissions include an estimate of the impact of radiative forcing, as recommended by DEFRA.
	Car Emissions	t CO₂e	5,135	3,601	3,394	-33.9%	Car emissions have reduced significantly, due to both a reduction in car mileage and a switch from larger to smaller vehicle sizes.
Business Travel	Hotel Emissions ²	t CO₂e	3,910	4,342	4,353	11.3%	The increase in hotel emissions has been driven by an overall increase in hotel night stays, particular those outside the UK.
Emissions by Type	Rail Emissions	t CO₂e	1,488	1,306	1,229	-17.4%	The reduction in rail emissions is largely as a result of a reduction in domestic rail travel.
	Taxi Emissions	t CO ₂ e	750	402	386	-48.5%	Use of taxis has reduced significantly since 2014.
	Other Travel	t CO ₂ e	58	196	90	55.3%	Other travel is made up of bus, tram and motorbike emissions. The increase is largely as a result of an increase in bus travel.

Notes

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

Environment: Waste & Water



	Metric	Unit	2014	2016	2017	Change vs 2014	Comment
TARGET	To send less than 10% of our waste to landfill	%	5.7%	5.8%	4.9%	-0.8%	We have slightly reduced the proportion of waste we sent to landfill, due to an increase in recycling rates. Please note 2014 and 2016 data has been restated since our last report, due to our waste contractors providing us with updated recycling rates for five sites in the Midlands area.
Waste Emissions	Total Waste Emissions	t CO ₂ e	8	7	6	-19.9%	Total waste emissions have reduced mainly due to an overall reduction of the waste being sent to landfill.
	Waste Recycled	Tonnes	209	179	219	4.4%	We have increased the proportion of waste being recycled, particularly mixed recyclable packaging.
	Waste to Energy	Tonnes	67	64	61	-8.0%	We have reduced the overall amount of food waste we generate, and increased the proportion of general waste being diverted through recycling schemes.
Waste by disposal method	Waste to Landfill	Tonnes	17	15	14	-14.4%	We have reduced the amount of waste being sent to landfill, with "Zero Waste to Landfill" contracts in place at the majority of our larger sites.
	Total Waste	Tonnes	293	259	294	0.5%	The amount of waste we generated increased in 2017, largely as a result of our space optimisation and refurbishment projects in Telford during 2017, which have resulted in an additional 94 tonnes of office waste being generated in the Telford region compared to 2014.
	% of Waste diverted from landfill ²	%	94.3%	94.2%	95.1%	0.8%	As noted above, an increase in the proportion of waste being recycled is largely responsible for improved diversion from landfill rates.
Water Use	Total Water Use	m³	49,693	45,300	44,506	-10.4%	The reduction in our water usage has been driven by a 30% reduction in the amount of data centre water use and a 6% reduction in the amount of office water use since 2014.

Notes

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. The % of Waste diverted from landfill includes all waste diverted from landfill through recycling and waste to energy schemes.

3. We include water use at all sites where we directly control the water contract or sites where our landlords have access the meter and supply us with the data. The quality of the data varies from site to site, with some offices invoiced only twice a year meaning we are partially reliant on estimates. As recommended by DEFRA, we calculate emissions associated both with water supply and water treatment (see Carbon table). As the volume of water being treated is unmetered we assume the same volume of water is sent for treatment as the volume supplied to each site.

People Matter: A Focus on Gender

	Metric	Unit	2015	2016	2017	Comment
Gender balance of	Headcount by gender	% Female	26.8%	26.7%	26.7%	% gender split for all individuals employed during reporting year by Capgemini UK and
all employees	Headcount by gender	% Male	73.2%	73.3%	73.3%	Sogeti UK.
	Executives	% Female	17.8%	16.9%	17.0%	
	Executives	% Male	82.2%	83.1%	83.0%	
Condor by crade	Experienced Professionals	% Female	25.9%	26.1%	26.1%	% split by gender and grade level for all individuals employed during reporting year by Capgemini UK and Sogeti UK. Based on grade level on 31st December of each reporting
Gender by grade	Experienced Professionals	% Male	74.1%	73.9%	73.9%	year.
	Entry level	% Female	32.6%	32.6%	34.0%	
	Entry level	% Male	67.4%	67.4%	66.0%	
	For engine	% Female	N/A	24.5%	24.5%	
	Fee earning	% Male	N/A	75.5%	75.5%	
Gender by occupational	Succest	% Female	N/A	59.1%	58.2%	% split by gender and occupational group for all individuals employed during reporting
group	Support	% Male	N/A	40.9%	41.8%	year by Capgemini UK and Sogeti UK. Newly reported for 2016.
	Sales	% Female	N/A	22.5%	21.5%	
	Sales	% Male	N/A	77.5%	78.5%	
	Total GAP intake	% Female	25.3%	33.0%	38.7%	% of new Graduate and Apprentice hires by gender and total GAP intake per year.
		% Male	74.7%	67.0%	61.3%	% of new Graduate and Apprentice nines by gender and total GAP incake per year.
	All Recruitment by gender	% Female	25.8%	24.6%	27.5%	% of all new hires during reporting year by gender.
Recruiting, promoting and	All Recolutionent by gender	% Male	74.2%	75.4%	72.5%	70 0) da new nines dannig reporting year by gender.
retaining	Attrition rate by gender	% Female	26.1%	26.9%	26.2%	% of people leaving Capgemini during reporting year by gender.
	Attrition rate by gender	% Male	73.9%	73.1%	73.8%	70 0) people leaving cupgeninin during reporting year by gender.
	Promotion rate by gender	% Female	19.1%	12.7%	14.2%	% of headcount who received a promotion each year, split by gender.
		% Male	17.0%	13.7%	12.9%	70 of neutrount who received a promotion each year, spac by genuer.
	Equal Pay Gap	%	N/A	N/A	1.6%	Reported for the first time in 2017, the percentage gap is based on hourly rates of pay on snapshot date of 5th April 2017. We report the mean and median gender pay gap between
Gender Pay Gap	Median Pay Gap	%	N/A	N/A	17.0%	men and women, as well as the Equal Pay Gap, which is a comparison across equal or similar work. Like most companies within our sector, our pay gap is primarily caused by
	Mean Pay Gap	%	N/A	N/A	19.4%	having fewer women at senior grades or in highly paid technical roles. Further detail about how we are addressing our gender pay gap is available here

People Matter: Other Key Active Inclusion Metrics

	Metric	Unit	2015	2016	2017	Comment
	Number of people taking parental leave	Female	126	89	70	This includes maternity, paternity, adoption and shared parental leave.
	Number of people taking parental leave	Male	139	102	102	This includes maternity, paternity, adoption and shared parental leave.
Uptake of parental leave	% retention following long term parental leave	%	88.5%	91.5%	91.8%	% 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.
	BAME Total Headcount	% of people	19.2%	22.7%	24.6%	
Ethnicity by	BAME Executives	% of people	13.1%	13.3%	14.3%	% employed by Capgemini and Sogeti UK who categorise their ethnicity as Black, Asian, Mixed
Grade	BAME Experienced Professionals	% of people	19.4%	21.3%	23.5%	or Other, along with a breakdown by grade level. Note this is based on average monthly headcount and that just over 10% of employees have not confirmed their ethnicity.
	BAME Entry Level	% of people	20.8%	34.0%	35.5%	
Flexible & Part	% of people working part time	% of people	8.8%	10.8%	9.8%	% 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.
Time Working	% of people who believe they are offered flexibility around personal circumstances	% of people	N/A	61.0%	78.0%	Measured as part of Active Inclusion Survey conducted in 2016 and 2017.
Apprenticeship Programme	No. of new apprentices joining each year	No. of people	86	79	56	No of new Apprentices joining the programme in each calendar year.

People Matter: Unlocking Talent and Skills

	Metric	Unit	2015	2016	2017	Comment
	Total number of school students engaged with	No. of young people	5,843	6,068	5,271	This includes all school students engaged with through Schools Outreach pro- gramme.
Schools Outreach	Work experience placements offered to young people	No. of people taking up work experience	N/A	78	96	Figures reported for the first time for 2016.
	Capgemini volunteers supporting Schools & Education programme	No. of volunteers	228	133	127	
	Digital Skills participants going into employment, education, training or volunteering	% of participants with positive outcomes	53%	60%	62%	This is measured by The Prince's Trust three months after the course - the percentage includes all those going into employment, education, training and volunteering. Since the programme launched, The Prince's Trust have reported an 80% success rate associated with the Digital Skills Programme overall, which includes participants those in education, training and employment as well as those who have gone on to further programmes with The Prince's Trust.
Digital Skills Participants & Outcomes	Digital Skills Course Participants	No. of participants	15	98	59	No. of people taking part in the Digital Skills Get Started and Achieve courses. Note the programme launched in late 2015 with only one Get Started course run that year.
	No. of Capgemini volunteers supporting the Digital Skills Programme	No. of volunteers	19	64	45	
	No. of volunteers from Capgemini clients supporting the Digital Skills Programme	No. of volunteers	4	18	36	



Focus Area	Metric	Unit	2015	2016	2017	Comment
TARGET	To engage 1,000 employees in in our Community Impact Award selection process each quarter	Average no. of votes per CIA round	1,148	1,015	1,089	Average number of votes during each Community Impact Award round (there were three or four rounds held each year)
Corporate Charity	No. of people signed up for Palace to Palace	No. of people signed up for Palace to Palace	100	329	250	Includes some client team members and family members as well as Capgemini employees
Partnership	Total Employee Fundraising for The Prince's Trust	Employee fundraising in £	61,231	71,403	70,102	This includes employee fundraising through Palace to Palace, Million Makers and Golf Day.
	Volunteering time	No. of hours	2,682	2,460	2,327	Excludes volunteering time outside standard working hours.
Volunteering	Cost of volunteering to the business	Cost of volunteering to business in £	80,944	84,507	85,169	Calculated at standard costs for employee grade

Focus Area	Metric	Unit	2015	2016	2017	Comment
TARGET	To support 40 causes that matter to our people through our Awards and Grants schemes	No. of charities supported	44	40	42	Number of charities supported through Community Spirit Awards (previously named Community Impact Awards)
Community Spirit Awards	Capgemini Corporate donations to causes selected by award winners	Direct contribution in £	27,482	20,339	36,435	Corporate donations to charities selected by employees Community Spirit Award winners (previous named Community Impact Awards)
Employee Giving	Payroll Giving	Employee payroll giving in £	80,944	85,844	79,808	Total contribution made by Capgemini employees through Payroll Giving.
	Employee Donations	Total amount donated in £	124,837	157,247	154,909	Employee Donations includes amount raised by employees through a Capgemini organised initiatives and donated through Payroll Giving.
Corporate Donations	Total Corporate Donations	Total amount donated in £	254,496	250,051	243,754	Total Corporate Donations includes direct and indirect contributions including to our charity partners (BITC, The Prince's Trust), direct and indirect contributions through community awards schemes and the cost of volunteering to the business.

For more details email: sustainability.reporting.uk@capgemini.com

About Capgemini

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