

December 7, 2016

## **CAP GEMINI SA**

### **CHARTER OF THE AUDIT & RISK COMMITTEE**

#### **1. GENERAL PROVISIONS**

The Audit & Risk Committee was created by decision of the Board of Directors on May 23, 2000 with the main role of contributing effectively to the Board's proper functioning and to that effect, of studying in detail certain issues within its scope of competence, of giving regularly detailed accounts to the Board of its work in progress, and of submitting an opinion and/or recommendations to the Board whenever the latter is to debate those issues and make its decisions.

As a matter of good process, it is reminded hereafter that:

- Committees set up within the Board of Directors have a consultative role only, that the Board of Directors cannot delegate to them the decision-making powers bestowed on it by law and by Company bylaws, which it ought to exert itself in a collegial manner;
- Committee members (and each Committee's Chairperson) are appointed by the Board of Directors and chosen among the Directors and /or non-voting members of Cap Gemini S.A. They are appointed on a personal basis and cannot be substituted. The Board reserves its right to modify at any time the number and/or the membership of the Committees (in particular in case one or several Board member(s) are co-opted or appointed);
- each member of the Audit & Risk Committee must have financial or accounting expertise;
- while this does not appear advisable, it may turn out to be useful or necessary that a given Board member sit on two Committees instead of one but, given the amount of additional work the role entails, the Chairperson of a Committee cannot be also a member of another Committee;
- the Committee may decide to invite, as deemed necessary, any Director or non-voting Board Member and, on an exception basis, an expert whose contribution to its workings it regards as useful or necessary.

This Charter of the Committee as well as any modification to it which the Committee may propose in the future must be submitted to the Board and receive its approval.

#### **2. ROLE**

2.1 The Audit & Risk Committee monitors key matters related to the preparation and control of financial reporting.

The Audit & Risk Committee monitors the process governing the preparation of financial information and, where appropriate, issues recommendations to ensure its integrity. It reviews the draft of consolidated interim and annual financial statements of the Group and the annual financial statements of Cap Gemini S.A., in addition to the management presentation of risk exposure and material off-balance sheet commitments of the Company and accounting options elected. For this purpose, it:

- Controls the continuity and correct application of accounting policies and procedures used, the relevance of the options taken and any changes in accounting standards.

- Ensures significant transactions are correctly stated.
- Examines the principal risks that could have an accounting or financial impact and, if necessary, the statement of relevant provisions.
- Makes sure of the value of the balance-sheet assets.
- Reviews the scope of consolidated companies and, where appropriate, the reasons for which companies are excluded;
- Reviews material off-balance sheet commitments.
- Analyzes the Group's financial policy and its net debt and liquidity position;
- Confirms the quality of processes governing the preparation of Group financial and accounting information and ensures the reliability and clarity of financial information primarily relating to the publication of the annual and interim financial statements communicated to shareholders and the market ;
- Reviews, when approving the accounts, all major transactions which could have given rise to a conflict of interest ;
- Can be charged by the Chairman of the Board of Directors or the Chief Executive Officer to consider any financial or accounting issues, particularly in the event of transactions impacting the scope of business activities of the Group and major financial transactions.

2.2 The Audit & Risk Committee confirms the existence and effectiveness of internal control and internal audit systems, as well as systems managing the risks to which the Group may be exposed in the course of its business activities. In particular:

- a) The Committee confirms that the most material risks to which the Group is exposed are identified, managed and brought to its attention. It ensures the roll-out of appropriate internal control and risk management systems.
  - To this end, at least once annually it:
    - o reviews all key risks to which the Group may be exposed, particularly by examining the risk mapping prepared and updated by the Group Management Risk Committee and communicates its observations resulting from this review of the risk mapping to be taken into account in the audit plan;
    - o reviews the internal control organization and the principal financial, risk management and internal control processes and, in particular, risk control processes in the pre-sale phase and project overruns in the delivery phase;
  - Should a new key risk arise or a significant change occur in a risk already identified subsequent to the annual review of key risks by the Committee, the Committee is informed thereof by Group Management without waiting for the next annual review;
  - The Committee also reviews projects presenting material risks.
- b) The Committee ensures the implementation of corrective actions in the event of material weaknesses or anomalies. To this end it:
  - stays informed of the conclusions of external audit engagements and possible internal control weaknesses communicated by the statutory auditors.
  - is informed annually of the organization of the internal audit function and its internal audit program and periodically of the main observations of internal audit assignments (red and yellow flags) that may affect internal control processes, risks or the accuracy of financial reporting as well as the resulting proposed recommendations and action plans .
- c) The Committee reviews the draft report of the Chairman of the Board of Directors on internal control and risk management procedures.

2.3 The Audit & Risk Committee monitors the statutory audit of the consolidated interim and annual accounts of the Group and the Company's annual accounts, ensures the independence of the statutory auditors and generally monitors the performance of their engagement. To this end it:

- reviews the statutory auditor test program for the interim and annual accounts and their audit plan;
- approves any non-audit services provided by the statutory auditors or members of their network and issues a decision after analyzing the risks to statutory auditor independence and the mitigation measures applied by them; to this end it receives their declarations of independence;
- examines the amount of fees;
- prepares the statutory auditor selection process and issues a recommendation to the Board on the statutory auditors proposed for appointment to the Shareholders' Meeting.

### **3. OPERATING RULES**

The Committee generally meets six times a year, and holds at least one meeting with the statutory auditors without the Group representatives, so that the auditors can express their observations.

Meetings are held at the registered office, following an invitation by the Secretary. The agenda is decreed by the Chairman of the Committee. Meetings can also be held by video conference or telephone conference if necessary.

The Chairman of the Committee elects its Secretary (he/she does not necessarily have to be a member of the Committee).

Minutes are drafted after each meeting and are approved by the Committee.

The Chairman of the Committee reports to the Board of Directors on the performance of its duties as well as the opinions and recommendations of the Committee on key issues in the areas under its supervision and any difficulties encountered.

Its work is appraised as part of the annual assessment of the Board of Directors and its Committees.

The Chief Financial Officer of the Group is the Committee's general contact. He also represents the Group Management Risk Committee during Audit & Risk Committee meetings focusing on risk management and particularly reviewing the risk mapping. The Chief Accountant, the Treasury Manager, Chief Audit Officer, the Delivery and Quality Manager and the person in charge of managing risks during the proposal process, as well as any other member of management as the need may be, may also be invited to the meeting, depending on the agenda. Where the Committee wishes, these auditions may be held without the presence of Group Management.

The statutory auditors and the Chief Audit Officer are invited to Committee meetings as required, in particular during reviews of the risk mapping and the presentation of the conclusions of internal and external audit procedures.

On appointment, Committee members receive information on the specific accounting, financial and operating aspects of the Company.