# Capgemini Environmental Report 2023



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The nature photographs used in our report were taken by Magda Bulska, Digital Corporate Communications Director, unless there is a caption. 38



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## TALLET AND BARE TO BE MADE TO A STATE

# Executive Summary

## Welcome to our 2023 Environmental Report

Cyril Garcia, Head of Global Sustainability Services and Corporate Responsibility reflects on 2023.

## Climate change consequences

Our Sustainable Business Trends report<sup>1</sup>, published in December 2023 shows the number of executives that understand the business case for sustainability has tripled since 2022. Climate change and biodiversity loss are rising up corporate agendas, with far greater understanding of both the implications and the cost of inaction.

In addition, the consequences of climate change are impossible to ignore. We now know that 2023 was the hottest year on record since global records began in 1850. Last year we saw the most disturbing impacts in terms of record high temperatures across continents, and extreme weather events bringing unprecedented damages, with wildfires in Canada, extreme flooding in India and record low levels of Antarctic sea ice. Inaction is not an option.

## Acting responsibly

We must move from ambition to action at speed. I am proud of what we have achieved as a business, and with our clients and wider eco-systems and I remain hopeful for the future.

Each one of us is responsible for climate action and as a company we have already come a long way in addressing our environmental ambition. We are making good progress on our headline carbon emissions target to become net zero by 2040, and we have further committed to understanding and addressing our impacts regarding water, waste and biodiversity.



<sup>1</sup> Capgemini Research Institute, A World in Balance 2023.

## Welcome to our 2023 Environmental Report

## Working in partnerships

Collaboration is a critical part of our approach and we continue to engage stakeholders across our value chain. These include our employees, suppliers, community partners such as UNICEF and the Green Rising Initiative for young people, as well as global alliances such as the World Economic Forum Alliance of CEOs.

Of course, for us working with clients is a key focus. We are committed to partner with them for a digital and sustainable world. And we are bringing our unique combination of consulting expertise, engineering capabilities and digital transformation to help them both minimize their impact and use today's sustainability challenges as a catalyst for innovation and a driver of value. During 2023 we have developed a series of solutions to help clients at key stages of their journey, helping them adopt a 'business to planet' mindset.

## Looking to the future and building resilience in challenging times

As we progress in 2024, businesses like ours are facing a series of critical challenges. From addressing emissions across value chains and tackling the hard-to-reach Scope 3 emissions, understanding increased regulation, as well as considering how best to leverage emerging technologies. Indeed, for many companies Scope 3 emissions represent the overwhelming majority (often 90%+) of emissions disclosed yet only 37% are currently being addressed.

The rapidly evolving landscape of reporting standards and regulations, including the EU Corporate Sustainability Reporting Directive (CSRD), is also challenging for most businesses. Beyond mandatory reporting, there is increased pressure for more transparency. Supplier due diligence is under the spotlight, while 33% of consumers globally believe organizations and brands are communicating false advertising on their sustainability initiatives<sup>2</sup>.

Technologies such as AI, digital twinning and IoT are opening new frontiers for innovation and growth in environmental sustainability, and can be used as a catalyst for transformation, but there are unintended consequences... and we need to accelerate this transformation at pace.

Beyond climate, organizations must meet demands to extend activities to address wider nature impacts, such as biodiversity, water, resource management and the regenerative economy.

We look forward with hope and excitement for what we can positively impact for a better planet for all. We need to future proof sustainability into our businesses - it is now or never.



We hope you enjoy this report and welcome your feedback.

## Cyril Garcia,

Head of Global Sustainability Services and Corporate Responsibility

<sup>&</sup>lt;sup>2</sup> Capgemini Research Institute, A World in Balance 2023.

## About Capgemini

Capgemini is a global business and technology transformation partner helping organisations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society.

Capgemini is a responsible and diverse group of 340,000 team members in more than 50 countries. With our strong 55-plus year heritage, Capgemini is trusted by our clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering. All capabilities are fuelled by its market leading capabilities in AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2023 global revenues of €22.5 billion.

## Our Purpose

At Capgemini, we are driven by a shared purpose: Unleashing human energy through technology for an inclusive and sustainable future.



2023 was an important year on our own ESG roadmap, with major progress achieved towards a more sustainable and inclusive world. We continued to help our clients accelerate their transition towards net zero through strategy definition, business model adaptation and design of sustainable products and services."

### Aiman Ezzat,

Chief Executive Officer, Capgemini Group

## Our values and ethics

Our seven values – Honesty, Boldness, Trust, Freedom, Fun, Modesty, and Team Spirit – express our personality, our spirit. Each of our employees contributes to our ethical culture, by making business decisions that are aligned with our values. We've been recognized as a World's Most Ethical business for 11 years in a row.

### our 7 Values



at the **heart** of **everything** we do

## About Capgemini

## Our stakeholders

Capgemini's success is built upon its ability to establish trusting relationships with each of its stakeholders up and downstream.

As part of our ESG Strategy, we have established communication with our stakeholders on three levels: at Group level, at a local organizational level and with all employees. Capgemini has developed an engagement method with stakeholders in five categories. For further information please see our Universal Registration Document 2023 on our website.





## Our Environmental Strategy

Capgemini has a long-term commitment to environmental sustainability with a strategy that focuses on managing and reducing our own environmental impacts, whilst also using our business expertise to help clients address their own sustainability challenges.

## Our environmental targets

We have a commitment to become net zero by 2040. Our commitment is underpinned by a target to reduce our Scope 1, 2 and 3 greenhouse gas emissions by 90% by 2040, compared to a baseline of 2019. To ensure we are on track, we have also set near-term targets focused on driving a reduction in Scope 1, 2, and all our major Scope 3 impacts, including business travel, commuting and purchased goods and services emissions. Alongside these targets we have set additional supporting targets relating to renewable electricity and electric vehicles (EVs).

To reach our net zero ambition, we continue to accelerate our carbon reduction program across our largest impact areas. Looking at our footprint, we know our biggest carbon impacts result from our business-related travel, the energy use in our facilities, the commuting of employees to and from the office, and from the goods and services we procure.

Alongside our target to reduce our carbon emissions by 90% across all scopes by 2040, we have also made a commitment to scaling up our investment in climate and nature solutions. We currently invest in projects that will generate high-quality carbon credits (as defined by independent standards) that have a positive impact for the planet and deliver wider social and environmental co-benefits.

We continue to reduce our negative impacts in areas, including water and waste, promoting circularity and biodiversity initiatives.

## Science Based Targets initiative (SBTi) validated targets aligned to the SBTi Corporate Net-Zero Standard

### Our headline target is to reduce our carbon emissions by 90% across all scopes to become net zero by 2040.\*

Category	Near term target (2030) versus 2019 baseline	Long term target (2040) versus 2019 baseline
Scope 1 & 2 emissions	-80% absolute	-90% absolute
Business travel emissions	-55% per employee	-90% absolute
Commuting emissions	-55% per employee	-90% absolute
Emissions from purchased goods and services	-50% absolute	-90% absolute

### Supporting targets

Category	Targets
Share of renewable electricity (offices and data centers)	100% in 2025
Share of electric vehicles in company car fleet	100% in 2030

## Additional targets

- 1. Reduce total waste per employee by 80% by 2030 (baseline year 2019)
- 2. Reduce to zero the amount of waste that goes to landfill and below 5% incineration building on the principles of circularity
- \* The final 10% of residual emissions will be neutralized through high-quality carbon removal solutions to bring us to 'net zero'.

## **Our Environmental Strategy**

Our targets are brought to life through our net zero transition roadmap, which is supported by a robust governance structure and business approach enabling us to manage the environmental risks and impacts of our organization and wider value chain.



### Our governance and management approach



## **Our Performance**

Dr James Robey, Global Head of Environmental Sustainability, reflects on progress. We continue to make strong progress on decarbonizing our business and moving towards our net zero targets.

## Progress on reducing our emissions

We have already met and exceeded our 2040 Scope 1 and 2 target, with our Scope 1 and 2 emissions 91% lower in 2023 than they were in 2019. The major driver behind this has been our transition to renewable electricity, with over 96% of our electricity coming from renewable sources in 2023. Reducing our energy consumption has also reduced our emissions, with our global Energy Command Center playing a key role in helping us cut our total energy consumption by 40% since 2019.

Reducing our Scope 3 emissions has inevitably been more challenging this year, with 2023 marking the first full year without significant Covid restrictions and an increase in employees visiting the office and client sites more frequently. Our focus remains on three key areas:

## Engaging our supply chain

In 2023, around 44% of our carbon emissions came from purchased goods and services. Hence, our procurement strategies and supplier collaborations are pivotal in progressing towards net zero. We have focused on fostering productive collaborations with our suppliers through supplier engagement workshops and roundtables and through the introduction of a new ESG pledge for our supply chain.

This pledge requires suppliers to define their own carbon reduction targets, to commit to monitoring progress against these and to set out their climate transition plan. We are also working to improve the accuracy of our emissions calculations by leveraging our CDP supply chain membership.

## Promoting sustainable commuting practices and hybrid delivery

Our fifth global commuting survey provided us valuable insights on ways we can support our employees on a range of sustainable commuting initiatives, as well as improving our insights into the impacts of home working. Overall, the shift to hybrid working continues to hold emissions at below pre-pandemic levels (our total commuting and working from home emissions are 23% lower than they were in 2019). Across the Group, we provide support for a range of actions to reduce these impacts, from encouraging the use of public transport, to helping employees access information and financial support to improve the energy efficiency of their homes.

## Travelling and smarter delivery

With 340,000 people, many of whom travel to visit their clients and teams, the decisions we make on mobility are critical to reducing our business travel emissions. We are making good progress on embedding sustainability into our Group Travel Policy and on ensuring hybrid working models and virtual collaboration solutions are central to how we do business. Transitioning our company car fleet to EVs is also progressing well, with over a third of our fleet now EVs, including both pure electric and plug-in hybrids.





<sup>3</sup> See "Table 1: Carbon Emissions by Scope" in Appendix for an explanation of the change in our emissions between 2022 and 2023.

Our 2023 Progress

## **Our Performance**

## Sustainable IT

Our Sustainable IT roadmap focuses on reducing energy consumption, embedding circularity and supporting employees through enabling digital collaboration and training. During 2023, we focused on reducing the energy consumption of our IT through the deployment of energy management software and an enhanced power saving policy, together with the decommissioning of legacy hardware. We are also working with our equipment manufacturers to extend the working life of our laptops through a maintenance and refurbishment program.

## Water

We recognize the impact that water scarcity has globally and are addressing water management in our operations through monitoring our consumption, identifying water stressed areas where we operate and implementing initiatives in key priority areas at our Indian campuses. Some of the initiatives we have implemented during 2023 include enhancing our sewage treatment facilities, installing rainwater harvesting on our sites and installing new cooling tower equipment designed to reduce water withdrawal and disposal. Our total water withdrawal in 2023 was 1,040,000 m<sup>3</sup>, a 44% reduction from our baseline year in 2019.

## Waste and circularity

During 2023, we further developed our circularity approach through our Global Zero Waste Standard and engaged employees through a global Zero Hero campaign encouraging colleagues to redirect and repurpose unwanted office items. Our waste per employee has reduced by 69% from our baseline in 2019, with our total waste reduced by 60% over the same period.

## **Biodiversity**

Biodiversity is declining faster than at any time in human history and we recognise our responsibility to act to help reverse this trend. During 2023, we conducted a biodiversity risk assessment for our sites to understand where we need to focus efforts and improvement plans for 2024. Through our Tech4Positive Futures challenge, we also continued to partner with external organizations to support the development of technology solutions. This included a digital tool to help an urban forest project and a rewilding tool to promote pollination of flowers and plants.



## **Our Performance**

## Climate and nature solutions

Whilst our net zero 2040 strategy is strongly focused on the decarbonization of our operations and value chain, we recognize that our actions to decarbonize our business today only partially address the very real problem of carbon dioxide in the atmosphere. We therefore continue to invest in projects to abate and remove carbon from beyond our own value chain today. Examples include supporting the distribution of bioethanol cookstoves in Kenya and supporting a forestry restoration project in South Africa covering around 5,000 hectares of degraded land.

## Collaboration and engagement

Our achievements would not be possible without the dedication of our employees and their continued commitment to upskilling our collective sustainability expertise, as well as working to reduce their own sustainability impacts. We also recognize that we cannot achieve the sustainable future we want without cross industry and sector partnerships. We are active in a number of alliances, including WEF Alliance of CEO Climate Leaders and RE100. During 2023, we also joined the First Movers Coalition and formalized our membership of LEAF.



Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA





Dr. James Robey, Global Head of Environmental Sustainability



## Transition Activities Overview

Our progress on addressing sustainability challenges is driven by global initiatives across our operations and value chain. Below are highlights of some of our key activities, including our efforts across carbon reduction, waste management, water conservation, and biodiversity preservation.



Energy | Sustainable IT | Travel | Supply Chain | Waste | Water | Biodiversity | Climate Solutions | Training | Clients | Collaborations

# Our Progress in 2023

## Energy

## **SCOPE 1, 2 AND 3 EMISSIONS**

Our focus is on ensuring our buildings are the most sustainable, operating them with optimum efficiency, and rapidly transitioning to 100% renewable electricity by 2025.

## Transition to 100% renewable electricity

Through our membership of the RE100, we are committed to supporting the acceleration of renewable electricity, with a target to reach 100% renewable electricity by 2025. We have made strong advances, increasing our share of renewable electricity from 28% in 2019 to 96% in 2023. Our offices across Belgium, China, Denmark, Finland, France, Germany, India, Ireland, Japan, Luxembourg, Morocco, Netherlands, New Zealand, Spain, the United Kingdom and the United States are all now using 100% renewable electricity.

The transition is being delivered through on-site solar and power purchase agreements (PPAs) where feasible. Energy attribute certificates are also part of our strategy for sites where energy supplies are controlled by the landlord, or in countries where our consumption is too low for a PPA to be a viable option. Capgemini India, which accounts for more than half of our electricity consumption, continues to be powered by 100% renewable electricity. Over 14,500 MWh was generated by on-site solar PV in 2023, accounting for 15% of Capgemini India's total electricity consumption. In addition, our campuses in Bangalore and Hyderabad, as well as both our Chennai offices are generating electricity surpluses, which are being exported to their respective state electricity grids. In 2023, 679 MWh of renewable electricity was exported to the Indian electricity grid from these four sites, powering the equivalent of around 300-500 Indian households.

We continue to focus on ensuring the data centers we use are powered by renewable electricity (including both data centers leased directly by Capgemini and those managed by third-party suppliers). In 2023, our leased data centers were powered by 100% renewable electricity and third-party managed data centers by 87% renewable electricity.

## On Site Solar, Pune Hinjewadi Campus, India



We have reduced our total energy consumption as well as transitioning to renewable electricity



Energy | Sustainable IT | Travel | Supply Chain | Waste | Water | Biodiversity | Climate Solutions | Training | Clients | Collaborations

## Energy

## **Energy management**

## **Energy Command Center**

Alongside our focus on renewable energy, we are improving the energy efficiency of our operations. The Energy Command Center (ECC) launched in 2022 has helped drive a 29% reduction in energy consumption across our eight main campuses in India, with a saving of 25 GWh of electricity in 2023 vs. 2019. The ECC measures various metrics such as indoor air quality, energy and water intensity, health of critical assets, renewable energy generation, and overall performance across all energy assets. Scalable both geographically and operationally, it will enable us to manage and reduce our energy use across our offices in India and beyond. Our plans for phased integration with the ECC are underway with feasibility assessments completed across two facilities in France, one in Germany and one in Portugal. We are also working on plans for an automated energy data collection and validation tool, which will be integrated with the ECC, covering France, Europe, LATAM and US initially with APAC to follow.



Energy Command Center, India

### **Battery Energy Storage Solution**

In 2023, we installed two state-of-the-art 'Battery Energy Storage Solutions' (BESS), one with a capacity of 2.5 MWh in the Noida campus and the other a 3.5 MWh capacity in the Mumbai campus. These systems allow Capgemini to store excess renewable energy generated from solar plants during the day and use it during the evening peak hours, significantly reducing pressure on the grid at peak hours, as well as reducing GHG emissions and energy costs. BESS also stores energy from the grid overnight when the carbon intensity is lower. The energy is then discharged during the morning peak when the carbon intensity is higher and there is more pressure on the grid. These operations are scheduled and monitored by the ECC.



Battery Energy Storage Solution, Mumbai campus, India

## Sustainability performance of our offices and data centers

Creating sustainable and energy efficient workplaces starts with strong environmental design. Many of our flagship buildings located in India, France, Germany, Poland, Spain, and Sweden are certified under LEED, IGBC, BREEAM or equivalent green building accreditations.

In 2023, Capgemini's Hinjewadi, Talawade and Mumbai Airoli campuses in India were awarded the Net Zero-Energy Platinum Certification by the Indian Green Building Council (IGBC) in recognition of their strong energy performance and use of 100% renewable electricity. The campuses showcase innovative sustainability features including an energy-efficient HVAC system with district cooling, solar arrays, rainwater harvesting, electric vehicle charge points and solar-powered streetlights. Additionally, we have installed a dual feeder electricity supply. which provides a secondary connection from the state utility and therefore reduces our use of diesel generators if one supply experiences an outage. The IGBC "Performance Challenge Award" for continuous improvement was also given to our campuses in Hyderabad, Bangalore and Noida, with Capgemini's Bangalore campus being recognized as one of 100 Iconic Sustainable Buildings by the G20 India Presidency.

Our green lease framework enables us to apply sustainability criteria when initiating new leases or renewing leases in strategic locations. It covers topics including renewable energy, energy efficiency, EV charging points, and proximity to public transport. We signed a further nine green leases in 2023 across Europe, the USA and India, bringing our total to 26.

## Sustainable IT

## **SCOPE 1, 2 AND 3 EMISSIONS**

Ensuring the implementation of sustainable IT practices across our operations and value chain is critical in contributing to improving our energy intensity and progressing our net zero transition.

IT energy consumption	IT embedded carbon footprint	
Sustainable IT tools and talent	Enabling digital collaboration	

## IT energy consumption

We deployed energy management software on 322,000 laptops to monitor and optimize energy usage. The software enables optimised configuration management, which ensures both proactive maintenance and efficiency. During 2023, a new power-saver plan was implemented for around 100,000 laptops in India and North America, enabling us to manage energy consumption effectively. Additionally, we replaced hardwarebased phones with a software-based communication solution, enabling us to decommission over 50,000 IP phones since 2021.

We continue to consolidate and modernize our data center environments using private cloud platforms and we are increasing our adoption of public cloud services, which typically have lower energy consumption and carbon emissions. We are transforming our enterprise application portfolio by investing into more modern technologies such as cloud and SaaS platforms. As an outcome of this modernization and rationalization, legacy applications are being retired from the portfolio, reducing the underlying infrastructure footprint.

## IT embedded carbon footprint

Working with original equipment manufacturers (OEMs), we are extending the working life of laptops through a maintenance and refurbishment program. This helps keep equipment functional and efficient for longer and allows the progressive adoption of circularity practices. We have also replaced approximately 28,000 end-of-usable-life desktops and monitors with laptops over the last two years (from 2021 to 2023), resulting in an estimated saving of 2,400 tonnes CO<sub>2</sub>e per year of operational carbon emissions.

## Sustainable IT tools and talent

To support our sustainable-IT transformation journey, we have launched several talent engagement initiatives during 2023. We engaged Group IT employees through a series of on-site gamified interaction events on sustainable-IT topics to raise awareness and encourage sustainable behaviors. We enabled Group IT employees to continue upskilling through the development of sustainability learning pathways. We published periodic knowledge bytes on our Sustainable-IT intranet community portal to spread awareness of more sustainable behaviors and also organized a Sustainable-IT-by-design masterclass to promote adoption of eco-design best practices into IT projects and initiatives. During Earth Day, celebrated on April 22nd 2023, we launched a data clean-up campaign to promote sustainable digital usage behavior among Group IT employees. We have begun formalizing our sustainable-IT KPI reporting and dashboarding to improve tracking of trends and ensuring wider access to this data.

## **Enabling digital collaboration**

We have continued to extend the investment we made during Covid to support a hybrid work culture, upgrading office spaces with AV technologies. This enables employees to connect and collaborate from anywhere and anytime, contributing to a reduction in our office commute and related footprint. During 2023, 49 meeting rooms with obsolete AV infrastructure were refreshed with more energy-efficient AV equipment, and 185 meeting rooms were upgraded to video-enabled meeting rooms to enhance the experience of hybrid work environments.

## Travel and Smart Delivery

## **SCOPE 3 EMISSIONS**

As a global business with over 340,000 people across more than 50 countries, travel remains a significant contributor to our carbon emissions.

## Reducing business travel emissions

With 2023 marking our first full year without significant Covid-related travel restrictions, we have seen a continued rebound in business travel emissions (up 26% vs. 2022) though overall business travel emissions are 48% lower than they were in 2019.

During 2023, we continued to invest in IT solutions and equipment to support hybrid working and virtual collaboration, enabling our people to work from anywhere at any time. We increased our usage of Airmeet, an online meeting and virtual event hosting platform solution supporting enterprise-wide remote collaboration, utilized by 60,000 employees in 2023.

Our Group Travel Policy provides clear guidelines to ensure sustainable choices are prioritized. In 2023, we strengthened this policy, with a requirement that employees take the train instead of travelling by plane for all journeys that can be reached by rail in less than three hours. The policy also encourages rail travel for journeys of 4 hours or less.

Annual travel targets are cascaded to each country by our Net Zero Board, and we monitor our progress monthly through carbon dashboards, enabling us to pinpoint unexpected trends and alert key stakeholders quickly. In 2023, we launched a new set of travel dashboards across our global sustainability network, enabling the better tracking of travel emissions and more granular analysis of air travel in particular. These dashboards provide faster access to information about the progress of each country against our targets, as well as enabling tracking across different business units and different travel modes. They also provide very detailed insights such as the most frequent flight routes for different employee grades. Our UK team used the insights from the travel data to identify employees with the highest carbon emissions, who were then interviewed to understand what support they might need to reduce their impacts.

## Business travel emissions per employee



## Commuting emissions per employee



## **Travel and Smart Delivery**

## Reducing the impacts of employee commuting

During 2023, we conducted our fifth global commuting survey to understand our employees' commuting habits, as well as the impacts of home working, including the emissions associated with heating, cooling, and powering IT equipment. In total, we had 61,000 people (nearly a fifth of our workforce) respond to our employee commuting survey in 2023. The results have shown a 36% increase in commuting emissions per employee since 2022 due to people returning to the office. Overall, though, the shift to hybrid working continues to hold emissions at below pre-pandemic levels, with commuting emissions per employee down by 54% vs. 2019 (or by 41% vs. 2019 when the impact of working from home is included).



Madrid shuttle bus, Spain

Key actions to support employees to tackle commuting and WFH impacts:

## Mobility packages

There are a range of country-specific mobility packages available to employees. These include very comprehensive mobility arrangements in Germany and Netherlands, which enable employees to use public transport even for their private travel, as well as subsidized or heavily discounted public transport in Italy, Spain and France.

## Company shuttle bus



% •••

> We provide company bus services across all our major sites in India, as well as our offices in Spain (Madrid) and Italy (Rome).

### Electric vehicles

We have over 1,400 electric vehicle (EV) charge points in place around the Group and charging is free in many locations. We will continue roll out more charging capabilities to support the uptake of both company and private EVs.



## Bicycles and e-bicycles

Across France, Germany, Netherlands, Portugal and the UK, a range of support measures are in place to encourage uptake of bikes and e-bikes, including financial help with buying or loaning a bike (UK, Netherlands, France and Portugal). In Germany, we offer cycling clubs, as well as cycle workshops to provide assistance with repairs.



## Home energy

In the UK, a series of webinars were held with the Big Clean Switch to advise employees on improving energy efficiency at home, with around 2,800 of our people attending. Employees are also supported through the provision of access to home energy assessments, to help them identify how they can improve the energy efficiency of their home. We also offer interest-free loans for employees who would like to move forward with the recommendations from these assessments.

Energy | Sustainable IT | Travel | Supply Chain | Waste | Water | Biodiversity | Climate Solutions | Training | Clients | Collaborations

## Travel and Smart Delivery

## Transitioning to an electric vehicle fleet

Our membership of the EV100 commits us to transitioning our car fleet to 100% electric vehicles by 2030. We no longer allow employees to order pure petrol and diesel cars, and at the beginning of 2023 we introduced a cap of 50 gCO2/km for new hybrid car orders. By the end of 2023, the share of electric vehicles was 34% (including both pure electric and plug-in hybrids), up from 24% in 2022. Our next step, from 2025, will be to phase out plug-in hybrid vehicles.



EV charging station, Mumbai, India

## Supply Chain

## **SCOPE 3 EMISSIONS**

For most companies, supply chain emissions are the hardest both to measure and reduce<sup>4</sup>. In 2023, 44% of our carbon emissions came from our purchased goods and services, meaning tackling this challenge is fundamental to achieving net zero.

## Engaging with our suppliers

Working with our suppliers is pivotal in advancing our environmental strategy. Supplier engagement continued in 2023 with our supplier day and CPO roundtable events providing platforms for discussing target setting, emissions data capture and low-carbon pathways. We continue to be recognized by CDP for our efforts to engage with our suppliers on the topic of climate change, achieving a place on CDP's 2023 Supplier Engagement Leaderboard.

## ESG Pledge

In November 2023, we initiated our Supply Chain ESG Pledge, aiming to build strong supplier engagement towards supporting the achievement of Capgemini's carbon reduction goals. The ESG Pledge requires suppliers to disclose their annual GHG emissions, set science-based targets validated by SBTi, and share their climate transition and low-carbon product strategies. By the end of 2023, suppliers representing 26% of our carbon emissions and 22% of our total spend had agreed to commit to the ESG Pledge or are aligned to its principles.

## CDP supply chain membership

Our CDP supply chain membership helps us to support our suppliers in calculating their emissions and advancing their climate change understanding. This collaboration has not only improved the accuracy of our Scope 3 data but also enhanced our insight into the challenges and progress of our suppliers towards net zero. In 2023, the 184 suppliers who responded to our CDP request demonstrated they had already made progress in tackling climate change; over 60% of suppliers were setting or had set science-based targets, and more than 85% had undertaken emission reduction actions.

## Embedding sustainability training

To ensure a cohesive approach to our net zero goal, our intention is to raise awareness among employees about the environmental implications of their procurement decisions. In 2024, we are continuing to provide sustainability and carbon accounting training to targeted procurement teams in high emission purchasing categories.



## Waste and Circular Economy

Circularity and waste management are critical to advancing sustainable consumption and production through company value chains. Our activities continue to focus on working towards sustainable consumption and zero waste while embedding circularity across the business.



## Transition to a circular economy

During 2023, we developed Capgemini's Global Zero Waste Standard, which outlines our circularity approach and sets out guidelines for creating a closed-loop system, with waste minimized and materials reused where possible. The Standard emphasizes key aspects on our road to circularity, from refusing unnecessary materials to opting for sustainable suppliers and procuring reusable items. Our 2030 global waste targets aim to reduce the amount of waste sent to landfill to zero, with less than 5% incineration by 2030, and reducing the total waste per employee by 80% by 2030 (baseline year 2019). Moving towards zero waste will require collective effort from all employees and business areas.

**Refusing:** avoiding unnecessary purchases; for example, phasing out single use plastic.

**Rethinking:** using sustainable products; for example, with our office furniture global contracts, used furniture is deployed where it fits the space design, recycled materials are

incorporated and a repair and refurbish option is available to help extend the usable life of our furniture.

**Reducing:** implementing efficient resource utilization; for example, use of sustainable cleaning supplies in several countries where we use ionized water to clean avoiding the use of chemicals or packaging.

**Reusing:** reusing laptops and mobile phones, reusable water bottles, reusing furniture when relocating offices, donating furniture or IT equipment to NGOs.

**Recycling:** communicating and facilitating the correct separation and disposal/recovery methods for paper, plastics, and glass in our standard office recycling bins.

**Recovering:** promoting innovative e-waste partnerships with waste management providers; identifying recyclable or compostable waste solutions, for example we have our own organic waste converters on site at offices in India and Les Fontaines in France.

## Waste and Circular Economy

## **Engagement initiatives**

## Zero Hero Campaign

On World Environment Day, we launched our Zero Hero campaign across the Group, encouraging colleagues to redirect and repurpose unwanted office items, promoting waste reduction and circularity. Employees were encouraged to bring items to sorting stations for reuse, donation, recycling, or disposal. This global campaign was supported with a range of local activities:

In **Ukraine**, the office collected and donated clothes to support the needs of families impacted by the flooding in Kakhovka.

In **Australia and New Zealand**, we provided employees with keep-cups to eliminate the use of single use coffee cups and created a coffee reward system in collaboration with local businesses.

In **Japan**, the No Paper Cup Challenge was launched asking employees to bring their own cups and bottles to the office to reduce single-use paper cup waste.

Alongside the core engagement campaign, Capgemini also worked with partners to repurpose office items. For example, in Belgium, the non-profit, Solentra, a War Trauma Therapy Center, was supported through furniture donations.

## **River Cleanup**

We continue to engage with employees on the topic of circular economy and plastic pollution. Across eleven European country sites, we took part in an initiative in collaboration with a NGO, River Cleanup. On May 8th, at Trafaria Beach, on the banks of the Tagus River in Lisbon, Capgemini partnered with River Cleanup to clean up beach waste.

## Training

Training programs encourage employee engagement on the topic of circular economy and pollution through modules on our Sustainability Campus, our employee training program.

## Digital approach to waste management

We have also worked this year on tackling office waste by taking a more digital approach. Our US teams have successfully deployed 'Spare It,' an innovative solution designed to improve the accuracy of waste data and help us to make informed decisions in the way we manage our waste. 'Spare It' is a waste intelligence platform that integrates connected waste scales and digitalizes the process of assessing contamination. This enables accurate data collection by waste stream, by floor, and at an office level. The system promotes transparency and engagement through real-time displays. Improving data accuracy has given employees more visibility of what they dispose of and ensures waste is disposed of in the correct bin, fostering a culture of responsibility and continual improvement towards a zero-waste future.



Energy | Sustainable IT | Travel | Supply Chain | Waste | <u>Water</u> | Biodiversity | Climate Solutions | Training | Clients | Collaborations

## Water

Water risk and baseline water stress is an imperative global issue. UNICEF states that half of the world's population could face water scarcity by 2025. Capgemini recognizes water scarcity as a key global issue, which we have a responsibility to act on, starting with managing our own water consumption effectively.

## Consumption

Capgemini's primary use of water is for supplying cafeterias and sanitary areas at our offices. In addition, at our owned campuses and a small number of sites with external areas, we also use water for maintaining landscaping. Our total water withdrawal is estimated at just over 1 million cubic meters for 2023, a 35% increase versus 2022 due to more people returning to our offices since Covid restrictions have lifted. Overall, however, our water withdrawal is still down by 44% against our baseline year of 2019.

## Identifying water stress

WRI Aqueduct and WWF Water Risk tools were employed to identify relevant areas with water-related risks. The screening from Aqueduct identified that around a fifth of all our sites are located in extremely high-risk and high-risk water stressed areas. The highest level of water stress is found in India, which is amongst the most water-stressed regions in the world, with only 4% of the world's freshwater available to support 18% of the global population. Over half of our workforce are based in India and our operations there also represents 70% of our water withdrawal, making these sites the highest priority for action.

## Water management activities

As part of our global Sustainability and Health & Safety Handbook, we have defined sustainable water management practices for our offices. These include both expected standards around water conservation, leak detection and prevention, and recommended best practices around rainwater harvesting and greywater treatment.

Across the Group, we have invested in a range of measures to reduce our freshwater demand, from large-scale investment in membrane sewage treatment plants to smaller measures such as boiling water taps for hot drinks, low-flow toilet flush systems and water-saving aerators. In addition, several of the data centers we employ run on closed-loop systems, reusing water.



Energy | Sustainable IT | Travel | Supply Chain | Waste | <u>Water</u> | Biodiversity | Climate Solutions | Training | Clients | Collaborations

## Water

### Advanced sewage treatment

Advanced sewage treatment facilities present in three sites (Pune Talwade, Hinjewadi and Cheannai SIPCOT), enable greywater recycling and re-use of water for flushing and irrigation, facilitating zero water to be discharged outside the premises. We have grey water recycling across all our owned campuses in Mumbai, Pune Talwade, Hinjewadi, Bangalore, Chennai SIPCOT, Noida and Hyderabad. At our Pune Hinjewadi site in India, the connection of the sewage treatment plant to our Energy Command Center, enables monitoring of the quantity and quality of water reused in the facility, as well as the energy consumed for water treatment.

#### Rainwater harvesting

Rainwater harvesting is in use across eight campuses in India, through rainwater collection tanks with a total capacity of 2,700 m3 across all campuses, slightly larger than that of an Olympic-sized swimming pool. Our rainwater collection tanks collect and store rainwater for direct use of water. We also have recharge pits, which allow the rainwater to replenish groundwater by recharging the underground aquifers.





Advanced Sewage Treatment Plant, Chennai SIPCOT Campus, India



Rainwater filtration units, India

## Cooling tower technology

In 2023, we installed a closed-circuit cooling tower at our Noida campus in India, which has reduced the amount of water blowdown by 80%. Water blowdown is an essential process to eliminate impurities and minerals built up in our heat exchangers, but with closed-circuit cooling far less water is needed.

#### Other water management activities

Other measures taken during 2023, included an Integrated Service Solutions (ISS) study to reduce water consumption in France, the deployment of greywater recycling and rainwater harvesting in Italy, as well as automated water efficiency equipment in Latin America.

## **Biodiversity**

The global Kunming-Montreal agreement aims to restore 30% of the planet's degraded ecosystems by 2030 to get humans on track to live in harmony with nature by 2050. We recognize the imperative of understanding our biodiversity impacts and undertaking measures to safeguard and restore biodiversity.

## Our approach

1	2	3	4	5
Managing our impacts on biodiversity We work to reduce the impacts of our sites and supply ch on biodiversity and implement nature positive initiatives where feasible.	Alongside our carbon reduction program we are investing in projects to remove or abate carbon, whilst also delivering	Applying technology and our expertise to address key biodiversity challenges We bring an innovative approach to ensure technology can contribute to the understanding, monitoring and preservation of our biodiversity.	Working with clients we help clients address their key sustainability challenges, including addressing the topic of biodiversity.	Using our influence and partnerships We use our influence and networks to foster collaboration and collective action.

Energy | Sustainable IT | Travel | Supply Chain | Waste | Water | Biodiversity | Climate Solutions | Training | Clients | Collaborations

## **Biodiversity**

## Our biodiversity impact assessment

In 2023, we commissioned UTOPIES<sup>5</sup>, a sustainability consultancy, to undertake a biodiversity impact assessment using the Global Biodiversity Score (GBS) approach. The UTOPIES study confirmed that Capgemini's impacts are typical for organizations in our sector, with three biodiversity pressures being most important: climate change, land use and ecotoxicity. Furthermore, as a service provider, our impacts are mainly located upstream in our supply chain. The study also showed that our impacts are greatest in the APAC region, particularly India.

In addition, the Science Based Targets for Nature (SBTN) guidance has been utilized to support with the development of our biodiversity approach. As part of this, a screening of risks in both our direct operations and supply chain was conducted using tools including the WWF Biodiversity Risk Filter and the Integrated Biodiversity Assessment Tool (IBAT). This risk screening process indicated that our risk exposure is likely to be higher within our supply chain than our own operations. We have identified only a small number of offices (15 out of 472 assessed sites) that based on their location may be exposed to heightened biodiversity risk. We have selected eight sites across the Group (six of which are in India) with the highest potential for enhancing biodiversity and are currently working with biodiversity experts to develop biodiversity improvement plans.

## **Biodiversity activities**

### Improving onsite biodiversity

We also look for opportunities to preserve and enhance our local environment. The most notable example of this is at our Serge Kampf Campus at Les Fontaines, which is uniquely set within 50 hectares of parkland and forest. Protection of biodiversity is central to the management of the campus, with the disturbance of nature and wildlife kept to a minimum. We minimize noise, have no lighting in forest areas and employ electric park maintenance equipment.

We plant a wide variety of plants and enhance habitats for animals having grown over 50 fruit trees and installed beehives within a meadow of honey producing flowers. We are cultivating a meadow with plant species for roe deer. In 2023, we carried out a bird and forest study across the parkland and are in the process of validating our action plan for 2024. We also work with a local care center for wild animals and have released several birds including tawny owls, buzzards, and falcons, as well as hedgehogs in our park.

## The Serge Kampf Campus at Les Fontaines, France



<sup>5</sup> Capgemini, Footprint report 2022

Energy | Sustainable IT | Travel | Supply Chain | Waste | Water | Biodiversity | Climate Solutions | Training | Clients | Collaborations

## **Biodiversity**

## Using technology to restore and protect biodiversity

Biodiversity loss is a complex, systemic challenge that requires innovative thinking and collaboration across the value chain. Capgemini's Tech4Positive Futures Challenge supports employees to partner with a social enterprise, government or an NGO of their choice to develop an impactful solution in any of three key areas of climate adaptation, biodiversity and circular economy. Three biodiversity solutions were identified from over 90 entrants, and these were developed during 2023:

In the **UK** a Capgemini project team developed a data-driven rewilding tool alongside Pollenize, a community interest company. Their solution recommends the best type of seeds to plant in specific locations according to biodiversity needs, ultimately supporting bees and other pollinators to flourish.

In **Sweden**, with the Creating Urban Forests project, employees built an end-to-end data solution to enable Capgemini's non-profit partner to apply the Miyawaki Forests method, an afforestation technique planting native species designed to restore biodiversity while capturing more CO<sub>2</sub> than traditional forests.

In **North America** with the Solar Powered Smart Nets project, a Capgemini team worked to create fishing nets that are lit up with solar energy and are designed to reduce by-catch such as sea turtles, while maintaining the expected target catch rate. Our annual Global Data Science Challenge is similarly focused on employing technology (particularly data science and AI to tackle pressing environmental challenges. Open to all Capgemini employees, each year thousands of participants are brought together in a virtual global hackathon, with support from NGOs and experts to devise solutions for environmental issues. This year, participants were challenged to create a data and AI model that recognizes specific insect sounds to help identify and monitor insect species in remote habitats.

Learn more here: https://www.capgemini.com/insights/ research-library/global-data-science-challenge



Creating Urban Forests project, Tech4Positive Futures, Sweden

## Nature and Climate Solutions

Whilst our primary focus is on actions to decarbonize our business, with a target to reduce our carbon emissions by 90% across all scopes by 2040, we are also investing in nature and climate tech solutions to abate and remove carbon from the atmosphere today.

## Acting to address global net zero

Currently achieving a global net zero by 2050 requires nature and climate tech solutions for removing carbon from the atmosphere in addition to global decarbonization efforts, and the voluntary carbon market offers a mechanism to fund the investment in solutions that are needed.

We know that carbon removal credits can be used when a company has met its long-term reduction target, to mitigate the final percentage of emissions which cannot be abated. However, we also believe that long-term corporate objectives are not sufficiently addressing the high concentration levels of CO<sub>2</sub> already in, and continuing to enter, the atmosphere today. This CO<sub>2</sub> is central to driving the current climate crisis.

For these reasons, in addition to reducing our emissions as set out in our carbon reduction targets, we remain committed to the principles of our 2020 carbon neutrality target, retiring credits on a ton-for-ton basis against the residual carbon emissions, associated with our direct operations from 2025 and against the residual emissions including our supply chain from 2030. We recognize that questions over the integrity of carbon credits remain. We believe it is essential to align on the standards about how to best invest in carbon removals and abatement through nature and climate solutions. We welcome the ongoing work of organizations such as the Voluntary Carbon Market Initiative (VCMI) and the Integrity Council for the Voluntary Carbon Market (IC-VCM) to bring greater integrity to the supply and use of carbon credits and helping to close the loop on unsubstantiated carbon related claims. We will continue to review and contribute to the developing guidelines and legislation, such as the EU Green Claims Directive.



Energy | Sustainable IT | Travel | Supply Chain | Waste | Water | Biodiversity | Climate Solutions | Training | Clients | Collaborations

## Nature and Climate Solutions

## Our principles for nature and climate tech solutions

Since establishing our carbon credit program, we have set out our principles for investing in carbon credits, which are updated here.

<b>Decarbonize first:</b> Rapid and ambitious decarbonization must be at the heart of our climate commitment.	<b>Contribute to 'global net zero':</b> We have a responsibility to act beyond the decarbonization of our own operations to address the impacts of the climate crisis today.	Support high-quality carbon credit projects: We aim to secure carbon credits that are high quality, as defined by recognized independent standards and bodies. In addition, we conduct our own due diligence on projects and have established our own investment criteria dependent on project type*.	Invest in carbon avoidance and removal projects: Our program will support a mix of projects that both avoid new greenhouse gases entering the atmosphere (e.g. avoided deforestation and improved cookstoves) and projects that remove carbon dioxide (e.g. afforestation).	Seek climate solutions with wider co-benefits: Nature and climate projects should have wider environmental and social benefits wherever possible. For example, in support of the United Nations' Sustainable Development Goals particularly in regards to biodiversity and social and economic benefits to local communities.
Invest in both nature and climate tech solutions: Our initial focus will be on nature-based solutions because of the ability to make impact at scale in the short-term and co-benefits but we are aware of their limitations. As a technology company, with entrepreneurialism as a key value, we will seek opportunities to support the development of new technologies such as direct air capture and storage which are durable & scalable.	Create a balanced carbon credit portfolio: Our portfolio will be made up both development projects where we are a significant funder, purchase agreements with existing projects and investing through funds. Our investment projects will deliver our long-term (up to 30 years+) supply of carbon credits. Support for existing projects and solutions (through offtake or spot credits) will ensure that we contribute to impact today.	Ensure we support projects across countries: We will support projects where possible in countries where Capgemini operates, alongside larger project development opportunities across the planet.	<b>Take action at a fair scale:</b> Our levels of investment will be relevant to our carbon emissions. We will scale up investment each year to the point that retired credits are at the same level as our operational emissions by 2025 and from 2030 include our supply chain related emissions. This is as set out in our ESG Policy.	<b>Ensure transparency:</b> Our strategy will be transparent and aligned to best practice.

\*We have excluded certain project types from our program. Most of the projects and credits available to date do not pass our assessment criteria, which includes, but is not limited to, additionality, permanence, leakage, integration with Indigenous Peoples and local communities, biodiversity, social and economic co-benefits and contribution to systemic change. In addition, we have defined acceptable levels of emissions reductions & removals calculations according to project type. The full list has been through the highest governance channels, and it is subject to change in a rapidly evolving market.

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## Nature and Climate Solutions

## Collaborating with others for greater impact

We are committed to working with others to drive growth in the development of nature and climate tech solutions.

We are members of the Lowering Emissions by Accelerating Forest finance (LEAF) Coalition, a public-private partnership with the goal to halt deforestation by financing large scale tropical forest protection at jurisdiction level (country/state) and last year, were one of the first buyers of high integrity forest carbon credits in a national deal with Ghana.

In 2023 we joined the **First Movers Coalition** for carbon removal, committing to contract at least 50,000 tons or \$25m of durable and scalable carbon dioxide removals by the end of 2030.

We have also invested in funds including the Mirova **Climate Fund for Nature**. This fund launched in 2023 with a number of corporate members and currently exceeds €195m euros. It is expected to grow and is targeting projects dedicated to protecting and restoring nature in emerging markets, as well as supporting farmers in their transition to regenerative agriculture.

## We are committed to investing in climate tech solutions to help drive industry growth

To meet global carbon removal requirements there is a need to go beyond nature solutions only. Climate tech removals, such as a direct air capture, also offer more durable solutions than nature solutions. However, there is currently a very limited supply. As a technology company, with entrepreneurial roots, we are committed to seeking opportunities to support the development of new technologies such as direct air capture and storage, which are durable & scalable. During 2023, we have been working on our strategy in association with several leading climate tech developmers.



KOKO Renewable Cooking Fuel Distribution, Kenya

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## Nature and Climate Solutions

## Mitigating emissions beyond our value chain – our actions in 2023

Since 2019, we have reduced our operational emissions by 47%. Alongside this decarbonization, we have continued to scale up our climate contribution. In 2023, we retired 236,191 carbon credits, which equates to 53% of our remaining operational emissions. These credits include the following high quality removal and avoidance carbon projects:

### KOKO Renewable Cooking Fuel Distribution, Kenya

#### Kuzuko, Souh Africa

We have purchased carbon credits from KOKO, a climate tech pioneer attempting to solve a complex systemic challenge: In Africa, over 900 million people cook with polluting fuels like charcoal, directly driving millions of hectares of deforestation and over 600,000 deaths from household air pollution each year, and emitting greenhouse gases that are similar in scale to the global aviation industry. To solve this problem, a continent-wide energy transition to clean, modern fuels is required. KOKO is leading this transition, replacing demand for charcoal by supplying over 1.3 million urban homes with bioethanol cooking fuel distributed through a network of hightech KOKO Fuel ATMs located in thousands of local corner stores across Kenva. Carbon credit revenues are shared with households as a non-government energy subsidy, lowering the cost of clean energy and enabling even the poorest households to switch.

We are also a key investor in high quality and long-term projects, such as the Kuzuko Restoration Project in South Africa implemented by Reforest'Action and AfriCarbon.

The project is restoring 5,185 hectares of degraded spekboom thicket in a nature reserve to encourage the return of the rich biodiversity that lived in this landscape for thousands of years. Spekboom is a pioneer species and will enable conditions that allow other flora to flourish, with the project expected to reduce soil erosion, improve water availability and support vulnerable species such as elephants, lions, rhino and cheetah. The project will also contribute to the development of skills and employment opportunities in the area.



Kuzuko Restoration Project in South Africa

## 1 trillion trees campaign (1t.org)

Capgemini is part of the World Economic Forum (WEF) 1 trillion trees campaign to conserve, restore, and grow one trillion trees around the world by 2030. We have committed to planting 20 million trees by 2030 and as of the end of 2023 we had planted around 14 million trees.

Whilst the majority of this progress is being made through our carbon credit program, we have also established other tree planting initiatives including the Capgemini Forest. Through our partner Ecologi, a B-Corp climate action platform focused on tree planting around the world, the Capgemini Forest has now reached over 1 million trees planted across 14 countries.

## Employee Environmental Training

Training and upskilling are key enablers in achieving our targets across our Group and value chain.

Our Sustainability Campus was launched in June 2022 and is accessible to all our people globally. It was created to centralize sustainability learning and facilitate upskilling on this critical topic. Since its launch, 70% of our employees have completed the Globe Awareness Module.

Beyond this foundation learning module, the Campus has evolved to offer specialized training, focusing on specific roles, as well as industry-specific training modules and deep dives on key topics. Beginner, practitioner, and master levels cater to all levels of experience. Employees can customize their learning pathways to focus on topics related to their industry and portfolio, as well as learning about our specific client offers on sustainability. Specific internal certifications are awarded to employees who meet the course requirements. Capgemini employees in IT roles are encouraged to complete the Green IT Essentials Module, which explores the impact of digital technology on the environment. For those needing more in-depth sustainability training, specific extended programs have also been launched, with external university programs from the University of Exeter, UK, Stanford University, USA and ESSEC University, France. Certification is provided to participants upon successful completion of these external courses.



## Working with Clients

The increased awareness on climate change has brought to light the pivotal role of the private sector in the environmental transition. Organizations face a double challenge: meeting sustainability goals while also keeping their business on track. Capgemini, through the unique combination of consulting, engineering, and innovation skills, has built the end-to-end capabilities to achieve these goals.

Through our Business to Planet approach, we developed a unique mindset and way of working aiming at embedding the needs of the planet into shaping positive futures, turning sustainability challenges into a catalyst for innovation and business opportunities. We believe this is the key to helping businesses become entirely future-proof, meeting targets while preparing their whole organization for the challenges of tomorrow.

Since launching our Sustainability Accelerator in 2021, we have worked to embed sustainability into client engagements across all our business lines, geographies, and sectors.

Throughout 2023, we accelerated the momentum and delivered more than 3,000 deals on sustainability topics for 870 clients.

### Examples of 2023 client successes:

#### Strategy & governance

We signed a 10-year agreement to accelerate Eneco's transition towards sustainable energy. We will support Eneco to reduce their carbon emissions, with a commitment to help deliver a saving of one million tons CO<sub>2</sub>e by 2030. This is part of a 10-year agreement to accelerate Eneco's transition to net zero, leveraging engineering, digital, data and AI, and business technology to achieve this goal.

## Sustainable operations, manufacturing & supply chain

We helped ACC (Automotive Cells Company) build a gigafactory dedicated to electric vehicle battery production. We created a best practices repository about gigafactory specific processes and operations to quickly replicate the model.

### Sustainable technology

We developed Eramet's "Connected Concessions" application, which uses drone imagery to improve vegetation inventory and rehabilitate land. This imagery enabled comprehensive GIS development of their mining areas, identifying regions to focus improvement activities, including land restoration and biodiversity enhancement. Through our use of AI, we helped transform its mining operations, limiting negative environmental impacts, increasing the rehabilitation of vegetation and improving the group's productivity by reducing operating costs.

#### ESG management & reporting

We helped a financial services company transition away from high-emission activities in order to meet the Paris Agreement's net-zero emissions targets. To do so, we set up a Climate Datastore enabling efficient monitoring of ESG data.

#### Sustainable products

We supported a French car manufacturer in designing a new range of 100% electric city vehicles that are 50% recycled.

## **Collaborating with Others**

## **Commitments and memberships**

In 2023, we made two new public commitments to invest in nature and climate solutions through membership of the LEAF Coalition, which is a public-private partnership focused on halting tropical deforestation by 2030 and the First Movers Coalition on Carbon Removal, which aims to accelerate the adoption of emerging climate technologies.

These new commitments build upon several other initiatives we continue to support. We are a founder member of Race to Zero, have made commitments to RE100 and EV100, and joined the World Economic Forum's (WEF) Alliance of CEO Climate Leaders. We are also part of the European Green Digital Coalition, a group of technology leaders aiming to ensure technology is a key driver in addressing sustainability issues.



## Sharing ideas & knowledge

We participated in several global major events to introduce sustainability topics, including:

## ChangeNow:

Capgemini participated in this key European initiative presenting disruptive solutions to climate and biodiversity challenges, organized learning expeditions focusing on sustainable procurement and promoted thought leadership on circularity and resource scarcity, while communicating for the first time our Business for Planet Modeling, which enables the modeling of climate scenarios and their impact on businesses, to analysts.

## NY Climate Week:

As an official partner of the largest annual climate event for the second year in a row, Capgemini organized its first dedicated Capgemini Connect day which welcomed 300+ participants around key sustainability themes, from circularity to energy transition and climate technologies.



## World Climate Foundation (WCF) events:

Capgemini pursues a long-lasting partnership with the World Climate Foundation, supporting the World Biodiversity Summit that occurred during Climate Week, as well as the business side event of COP. The World Climate Summit facilitated the exchange of best practices and innovations across vital sectors crucial to decarbonization efforts in the areas of energy, transport, buildings, industry, finance and nature.

> WORLD CONOMIC FORUM

Vivatech: With a strong spin on Innovation, Sustainability, Sports and Tech, we showcased key thought leadership content including Conversations for Tomorrow #7 on Climate Tech, and demos such as the upcoming Business for Planet Modeling offer.



Photos from left to right : Vincent Charpiot, Head of Group Sustainability Accelerator; Cyril Garcia, Head of Global Sustainability Services and Corporate Responsibility and Capgemini panel of experts speaking at key events










Energy | Sustainable IT | Travel | Supply Chain | Waste | Water | Biodiversity | Climate Solutions | Training | Clients | Collaborations

## Collaborating with others

### Strategic partnerships

We have strengthened our strategic partnerships, including but not limited to:

**World Economic Forum (WEF):** Beyond our presence at the WEF Annual Meeting in Davos, we co-launched the Industry Net Zero Accelerator Initiative, a collaboration with a growing community of industry leaders, technology specialists and academia experts, which aims at driving actionable solutions for industrial decarbonization.

**AWS:** Together with AWS, we developed the first SaaS collaborative platform that promotes circular economy in the aviation industry by increasing manufactured parts traceability in order to optimize their reuse rate and help extend their lives.

## Thought leadership

With five Capgemini Research Institute reports and circa 24 Points of View on crucial sustainability topics, Capgemini extended its sustainability research throughout 2023, strengthening its expertise in topical and sectoral domains. The yearly report on sustainability business trends, "A World in Balance 2023", has notably highlighted that sustainability, both at an environmental and social level, is moving up to the corporate agenda. Climate technologies also constitute a key domain Capgemini is delving into, notably through a new dedicated report. Other points of views and interviews have enriched Capgemini's research this year, exploring key industrial perspectives in client and partner roundtables, as well as societal levers to enable climate action in a report co-developed with BLOOM and Dassault-Systèmes. All reports and insights are available on our website.

Collaborating with the UN Sustainable Development Goals (SDGs) Action Campaign: We are honored to be partnering with the UN SDG on this key campaign, to mobilize on the sustainable development goals from design to impact. This underlines our commitment in supporting such an important global issue: by collaborating and co-creating sustainable solutions, Capgemini drives transformative actions for a resilient future.

## Working in partnership with UNICEF

In 2023, Capgemini committed to a three-year partnership with UNICEF\* and Generation Unlimited to support the Green Rising initiative. Through this partnership, Capgemini and UNICEF aim to spark a global movement aiming to mobilize 10 million young people by activating youth-led projects and ideas and empowering children and adolescents with the education, skills and opportunities they need to be champions for the planet and contribute to the SDGs.

In the first year, two programs will include:

**the Global Volunteer initiative**, UNICEF's largest cohort of youth mobilization, which supports young people to develop critical skills, whilst working to deliver meaningful change in their local communities, and

**the Green YOMA**, a Youth marketplace that connects young people to a variety of free online content designed to educate and upskill and provides sustainability-focused opportunities and a pitching competition for green business ideas.



Image © UNICEF/UN0309821/Frank Dejongh \*UNICEF does not endorse any company, brand, product or service. Executive Summary | Our Progress in 2023 Appendix

# Appendix

38 Environmental Report 2023

## About this report

### Scope

Unless stated otherwise, this report covers the environmental sustainability activities and data of all Capgemini subsidiaries for the calendar year 2023. The environmental data is collected across 40 countries (representing 99.8% of the Group headcount) with an estimation included for the remainder of the Group.

### For more information

To find out more about our wider approach to responsible business please visit: **capgemini.com/about-us/csr/** 

Our ESG Policy provides the detail of the integration of our priorities into the company's strategy and decision-making: capgemini.com/about-us/approach-to-esg/

Our Environmental Policy sets out the key requirements and priority areas across the entire Group: capgemini.com/about-us/management-and-governance/ policies/environmental-policy

### Feedback

We welcome feedback on our approach to environmental sustainability and the content of this report.

Please email: sustainability.reporting.uk@capgemini.com

### Data, reporting quality and assurance

Data in this report has been audited previously and was published in our Universal Registration Document 2023<sup>6</sup> earlier this year and is a complete, final set of environmental data for 2023. A selection of the KPIs included in this report have been audited by Mazars to a reasonable level (as indicated by the √ symbol). The independent verification statement from Mazars can be found in our Universal Registration Document 2023. This data complements the information in our Integrated Annual Report 2023.

The full scope of our ESG activities is covered in the Universal Registration Document, which is aligned with the following frameworks and standards:

- the European Union Directive and the French regulations on non-financial statement, known as the extra-financial performance declaration ("Déclaration de performance extra-financière" or DPEF)
- the ten principles of the United Nations Global Compact (UNGC)
- the Taskforce on Climate-related Financial Disclosures (TCFD)
- the SASB Software-IT-Services-Standard-2018
- the GRI standards 2021
- the Integrated Reporting Framework

Capgemini commits that any advocacy activities we undertake directly or indirectly are consistent with the goals of the Paris Agreement.



## Our Contribution to the UN Sustainable Development Goals

Capgemini contributes to the SDGs through our Environmental Sustainability Strategy. Examples of our actions across other SDGS are listed in our Universal Registration Document, available on our website

	Target	Influence
	<b>Target 7.2:</b> "By 2030, increase substantially the share of renewable energy in the global energy mix"	We are committed to transitioning our own electricity supply to 100% renewable by 2025 and through our membership of the RE100, we are a vocal supporter of the acceleration of renewable electricity markets and support our clients in their renewable energy transitions. In 2023, 96% of our electricity came from renewable sources. We also help some of our clients implement smart grids that handle renewables or move data centers to cloud providers that are 100% powered by renewable energy.
9 MOUSTINY INNOVATION AND REMAINTICURE	<b>Target 9.4:</b> "By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource- use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, all countries taking action in accordance with their respective capabilities"	We are committed to working with clients in the public and private sectors to increase their sustainability and resource efficiency, with a target to help our clients save 10 million tons of CO <sub>2</sub> e. We help them redesign their industrial and supply chain footprint processes, implement best-in-class planning methods to limit material waste, water and energy consumption and CO <sub>2</sub> emissions in networks. We also promote circular business models through reversible supply chain and manufacturing operating models. Finally, we support clients in the definition and implementation of their sustainable IT roadmap – including more sustainable moves to cloud.
	<b>Target 11.6:</b> "By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management"	As a company that employs over 340,000 people, many of whom live and work in cities, the decisions we make on mobility and waste management can have a global reach. We are committed to reducing the emissions and air pollutants associated with business travel and employee commuting, with targets to reduce GHG emissions by 55% per employee by 2030 and 90% by 2040. We are also ensuring the sustainable management of waste. We also support our clients in measuring, monitoring and improving their environmental performance about air quality, GHG emissions, water management and energy sobriety. To help our clients limit employee commuting, we implement remote maintenance of their infrastructures and state-of-the-art digital workplaces.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	<b>Target 12.2:</b> "By 2030, achieve the sustainable management and efficient use of natural resources"	We have an impact on advancing resource efficiency and supporting the circular economy, primarily through the decisions on what we buy, how we use, re-use and dispose of resources. We are committed to reducing total waste per employee by 80% by 2030 (baseline year 2019) and to reducing to zero the amount of waste that goes to landfill. At the same time, we support clients in monitoring and reducing their natural resources impacts.
13 CLEMATE	<b>Target 13.3:</b> "Improve education, awareness raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning"	Our sustainability program focuses on driving climate change. We are committed to improving education, building capacity, and raising awareness of climate change both throughout our workforce and with our clients. In 2023, we continued our sustainability upskilling ambition,driven by our virtual Sustainability Campus. In April 2023, we ran a "Skill Up for a Sustainable Future" global campaign to coincide with Earth Day and followed with a re-release of the Campus in November 2023 to include role-based sustainability upskilling. We also help our clients launch sustainability academies within their organizations, to ensure the onboarding and upskilling of their employees, to enable a deep sustainability transformation.

## **Our Partnerships**

We joined the World Economic Forum's Alliance of CEO Climate Leaders in 2021, a global community of Chief Executive Officers who catalyze action across all sectors and engage policymakers to help deliver the transition to a net zero economy.

We became a signatory to the RE100 in 2020, committing to transition 100% of our electricity to renewable sources by 2025.

We joined EV100 in 2021, making a commitment to transition to an electric fleet by 2030, as well as supporting customers and staff to use electric vehicles by installing charging infrastructure.

We joined the European Green Digital Coalition in 2022 to ensure technology is a key driver to address sustainability issues in support of a green digital transformation of the EU.

We joined the United Nations Global Compact Communication on Progress Early Adopters Program in 2022 as part of our commitment to transparently disclose our implementation of the #TenPrinciples and contribution to the Sustainable Development Goals.

We joined the European Commission's Sustainable Consumption Pledge in 2023, reflecting our commitment to act on climate change and increase the circularity of our business.

We joined the WEF 1trillion trees campaign in 2021 to conserve, restore and grow trees around the world with a commitment to plant 20 million trees by 2030.

We joined the LEAF coalition in 2022, (the Lowering Emissions by Accelerating Forest finance) a public private partnership with a goal is to halt deforestation by financing large scale tropical forest protection at jurisdiction level (country/state).

We joined the First Movers Coalition in 2023, for carbon removal, committing to contract at least 50,000 tons or \$25m of durable and scalable net carbon dioxide removals by the end of 2030.

We joined a three-year partnership with UNICEF in 2023 to support the "Green Rising" initiative (implemented by Generation Unlimited), which aims to mobilize 10 million young people at a grassroots level, to drive climate action.

We became a signatory to the Taskforce for Climate-related Financial Disclosures (TCFD) in 2020 supporting action to build resilient solutions to climate change through climate-related financial disclosures.

We set our first Science Based Targets in 2016 and, in 2022, the Science Based Targets initiative (SBTi) validated our carbon reduction targets as being in line with the Corporate Net Zero Standard and a 1.5°C trajectory.

We became a founding member of the UN's Race to Zero campaign – a coalition of leading net zero initiatives.

We signed the Business Ambition for 1.5-degree targets in 2020.

We have been signatories of the UN Global Compact's "Caring for Climate" initiative since its inception in 2007.



## Governance and Management Approach

### Our governance

The Net Zero Board provides executive level governance for our environmental sustainability program, with responsibility for monitoring climate risks and reviewing, debating, and approving climate and sustainability policies and practices for the Group. The Board comprises of our Group CEO together with other members of the Group's Executive Committee and is chaired by our Head of Global Sustainability Services and Corporate Responsibility, a Group Executive Board member. Core membership includes the Chief Financial Officer, the Chief Corporate Responsibility Officer, the Group Head of Environmental Sustainability and the CEO of Capgemini India (which accounts for more than half of the Group's headcount and is the largest contributor to our greenhouse gas emissions). The Net Zero Board meets on a quarterly basis.

The Board is supported by Country Steering Committees, as well as a Cross-Function Sustainability Committee, which brings together leaders from key functions such as Corporate Real Estate, IT, HR and Procurement with key members of the Group Sustainability team to ensure delivery of the strategy. The Cross-Function Sustainability Committee meets on a quarterly basis. On a day-to-day basis, the Group's long established Environmental Sustainability team is driving change across all levels of the business, working in collaboration with key organizational functions such as Corporate Real Estate, IT, HR and Procurement. In addition, there is a dedicated team of global and local experts looking after the Environmental Management System (EMS), making sure that the strategy is translated into action plans and closely monitored.

Our Group CEO, the Group Executive Board, the Group Executive Committee and the Board of Directors are all consulted and involved in key decisions relating to our sustainability program. Ultimate executive responsibility for material decisions relating to the program sits with the CEO, Mr. Aiman Ezzat.

Further details on our governance bodies can be found in our Universal Registration Document.



### Governance and Management Approach

### Our management approach

Our net zero program is underpinned by two key management systems: our global Environmental Management System and our carbon accounting system.

#### Our global Environmental Management System

Our global Environmental Management System provides a framework for managing the environmental performance of our business. It ensures we have the right measures and governance in place to manage our operations efficiently and monitors our legal compliance. Capgemini has a global ISO 14001 certificate for its EMS, which has been built on over a decade of experience in environmental management. The Capgemini global ISO 14001 EMS now supports operations in 34 countries, covering over 340,000 employees. In 2023, we extended the scope of already certified countries to cover nine new sites, meaning a new total of 292 sites. This means that overall, based on headcount, 98% of the Capgemini Group is certified under ISO 14001.

In addition, the Group holds a global ISO 50001 Energy Management System covering France, the Netherlands, the U.K., Germany and Italy, with India holding a local certificate. In 2023, with our new additions of Germany and Italy, we extended the scope of ISO 50001 certificate to cover 52 additional sites, resulting in ISO 50001 being in place across 119 sites.

### Our carbon accounting system

Our centralized carbon accounting system monitors millions of data points each year, covering more than 99.8% of our global operations and ensures we have a high level of consistency and data quality.

We use this extensive data set to enable a very granular analysis of greenhouse gas emissions, and to help us pinpoint opportunities to reduce emissions. In 2023, we have been further expanding the coverage of our carbon accounting by adding operations in Columbia and United Arab Emirates to our reporting. We now collect information from Capgemini entities across 40 countries, with the data for the remainder accounting for <0.2% being estimated.

### Managing our climate risks

In line with the recommendations of the Taskforce on Climate Related Financial Disclosures (TCFD), we consider the potential impacts of climate change on our business and ensure we have a strong and resilient strategy to respond to these. The diverse and agile nature of our business, serving a wide range of sectors with a varied portfolio of services, gives us some protection from the most disruptive transitional impacts of climate change. It is nonetheless essential that we understand and are ready to respond to potential climate risks, impacts and opportunities across our whole value chain. We have been assessing our climate risks for over a decade but have significantly evolved this process in the last four years, increasing our focus on transition risks and launching a TCFD-aligned risk identification process. More details on our approach are described in both our Universal Registration Document and our CDP response.



## **Our Recognitions**

We retained our position on the A list in the CDP climate change assessment, recognizing our leadership position in taking action on climate change.

We were recognized by CDP as a Supplier Engagement Leader.

Capgemini remained a constituent of the DJSI Europe Index with a 77/100 score compared with an industry average of 46/100.

Capgemini has maintained a Platinum medal in its Ecovadis sustainability assessment, the highest possible rating with a score, which puts the Group in the top 1% of organizations assessed since 2020.

We retained our "Prime" status in the ISS ESG Corporate Performance index, maintaining our rating to B (first decile within its sector).

Capgemini is listed as 8th out of 600 of Europe's Climate Leaders 2024 in Statista's ranking with the Financial Times. This list recognizes companies that have achieved the greatest reduction in GHG emissions intensity over a five-year period (2017-2022) and have made further climate related commitments.

Capgemini obtained a low risk rating from Sustainalytics for 2023 and was ranked 8/1107 among industry peers in 2023.

We achieved an "A" rating on the MSCI Index.

We remained a constituent of the FTSE4Good Index.

Capgemini is part of the Euronext Vigeo Europe 120 Index, which recognizes the 120 most advanced companies in Europe.

We have been included in the S&P Global Sustainability Yearbook 2023, based on our S&P Global ESG scores for leadership on sustainability, which recognizes companies in the top 10% of their industries.

We are included in the CAC40 ESG index, designed to identify the 40 companies within the CAC Large 60 Index that demonstrate the best Environmental, Social and Governance (ESG) practices.

Capgemini is ranked 9th out of 40 in the CAC 40 Governance Index, based on the Group's high Corporate Governance score awarded by Moody's ESG Solutions agency.

We maintained our Gold level recognition through the Green Lease Leaders program in recognition of our global commitment to increasing environmental performance and sustainability in buildings.

We were recognized as one of the World's Most Ethical Companies<sup>®</sup> by the Ethisphere<sup>®</sup> Institute for eleven consecutive years in a row.

Capgemini was awarded the 2023 "Environment" Prize in the "Most Sustainable Companies" category by French finance media group AGEFI. The Environment Award covers the direct environmental impact of the companies being assessed (energy consumption and greenhouse gas emissions, water, biodiversity, pollution, chemicals and waste), the actions taken to reduce the impact of their products (product use and end-of-life, consumer Health and Safety, promotion of environmental services), and the management of environmental risks in the Company's supply chain.



## Our Performance Data 2023

On the following pages we provide insight into our carbon footprint. Our 2023 data is presented against our baseline year 2019. The information is based on the environmental data we gather from Capgemini entities in 40 countries, covering 99.8% of Group headcount in 2023 with estimated data for the remaining 0.2% of our operations.

## Our carbon emissions in 2023



## **Progress on targets**

	Headline (SBTi) a	Headline (SBTi) and supporting targets									
	Scope 1 & 2 emissions	Business travel /employee	Commuting /employee	Purchased goods & services	RE100	EV100					
Unit	tCO₂e	tCO₂e/head	tCO₂e/head	tCO₂e	%	%					
2030 target	-80%	-55%	-55%	-50%	100%	100%					
2019	153,877	1.26	1.08	299,887	28%						
2022	18,916	0.40	0.36	365,650	88%	24%					
2023	13,328√	0.50√	0.50√	349,522√	96%√	34%					
% change vs. 2019	-91%	-60%	-54%	17%							

Note: Data identified with a  $\sqrt{}$  has been reviewed by Mazars with a reasonable level of assurance.

## 2023 Regional view of metrics

Data on our environmental impacts is collected monthly or quarterly from 40 countries. This regional view shows the progress of some of our key environmental metrics against a 2019 baseline.



\*\*\* does not include Working from Home (WFH) emissions

India (41% of Group emissions)

-52%

100%

**6** -71%

G) -95%

## Table 1: Carbon emissions by scope

The data table below shows the carbon emissions performance in 2023 of Capgemini Group.

	Metric	Unit	2019	2022	2023	% change vs. 2019	% change vs. 2022
Scope 1	Data center energy (natural gas, diesel)	tCO₂e	19	19	19	1%	0%
	Office energy (natural gas, diesel)	tCO₂e	7,576	4,038	3,723	-51%	-8%
	F-Gas	tCO₂e	5,485	4,402	5,121	-7%	16%
	Total Scope 1	tCO₂e	13,080	8,459	8,863√	-32%	5%
Scope 2	Data center energy (electricity, heating, cooling)	tCO₂e	889	0	0	-100%	0%
market	Office energy (electricity, heating, cooling)	tCO₂e	139,908	10,457	4,466	-97%	-57%
based	Total Scope 2 market based	tCO₂e	140,797	10,457	4,466 √	-97%	-57%
Scope 2	Data center energy (electricity, heating, cooling)	tCO₂e	856	144	143	-83%	0%
location	Office energy (electricity, heating, cooling)	tCO₂e	168,584	77,161	78,801	-53%	2%
based	Total Scope 2 location based	tCO₂e	169,440	77,305	78,944	-53%	2%
Scope 3	3.1 Purchased goods and services (includes 3.2 and 3.4)	tCO₂e	299,887	365,650	349,522√	17%	-4%
	3.1 Data centers (third party managed)	tCO₂e	3,862	2,850	2,274	-41%	-20%
	3.1 Water emissions	tCO₂e	1,963	326	396	-80%	22%
	3.3 Office energy (t&d losses)	tCO₂e	23,311	10,798	12,498	-46%	16%
	3.3 Data center energy (t&d losses)	tCO₂e	62	5	5	-92%	-1%
	3.5 Waste management	tCO₂e	496	263	221√	-55%	-16%
	3.6 Business travel (inc. company car travel)	tCO₂e	337,180	139,090	174,706 √	-48%	26%
	3.7 Employee commuting (inc. working from home)	tCO₂e	310,722	201,849	239,630√	-23%	19%
	Total Scope 3	tCO₂e	977,481	720,832	779,251√	-20%	8%
	Total emissions	tCO₂e	1,131,357	739,748	792,580√	-30%	7%
	Operational emissions	tCO₂e	831,471	374,098	443,058	-47%	18%
	Carbon credits retired	tCO₂e		20,883	236,191√		1031%

#### Notes:

√ Data identified in these tables by a √ has been reviewed by Mazars with a reasonable level of assurance.

Emissions reported for previous years have changed since our last report for the following reasons:

- the emissions from purchased goods and services has updated for all years to reflect improvements in methodology, specifically the incorporation of more supplier-specific data from CDP and product-specific data on hardware, as well as the identification of new emission factors that are more relevant either to the category or geography of the purchase;
- some data centers leased by Capgemini are being managed by a third party now. Therefore, their emissions have moved from Scope 1 & 2 to Scope 3 for all years;
- two new countries (Columbia and United Arab Emirates) have been onboarded on the carbon accounting system replacing data that was previously estimated – emissions for all years have been updated but the overall impact is minimal;
- we have received updated information for some countries and corrected minor errors. To ensure year on year comparability, data for all years has been updated where relevant to do so;

Due to the timing of the data auditing, full data for Q4 2023 was not available and therefore has been extrapolated. In addition, where data is not available (for example, in case of landlords not providing accurate data) appropriate estimation methods are deployed.

Scope 1 emissions relate to direct emissions from buildings or assets – for Capgemini this includes fuel consumption and fluorinated gas (F-gas) used in air conditioning units of the offices and data centers under the Company's operational control. Scope 2 emissions are emissions associated with the consumption of purchased electricity, heat, or steam. The reduction in our Scope 2 emissions is the result of a significant increase in the use of renewable electricity.

Scope 2 electricity emissions have been calculated using the GHG Protocol's market-based approach in the main body of the table and in the aggregated emissions totals, with the alternative method of location-based emissions detailed. Details of the methodology are provided in methodology Section.

Scope 3 emissions are indirect greenhouse gas emissions (not included in scope 2) that occur in the value chain. For Capgemini, relevant GHG Protocol emission categories include 3.1 purchased goods and services, 3.3 fuel- and energy-related activities (not included in scope 1 or scope 2), 3.5 waste management, 3.6 business travel, 3.7 employee commuting (including working from home) and emissions associated with water supply and treatment. Category 3.1 also includes emissions associated with 3.2 capital goods and 3.4 upstream transportation and distribution as there is not currently a satisfactory way of separating these emissions.

Other Scope 3 categories have been evaluated according to the GHG Protocol criteria, focusing particularly on the size of emissions, the level of stakeholder interest and our ability to influence these emissions, and have been determined as not relevant.

Operational emissions include emissions from all sources from the table above except the line 3.1 Purchased goods and services.

Until 2021, the emissions from energy and refrigerants of all data centers were reported in Scope 1 & 2. Over the last few years, Capgemini has transitioned from having a majority of leased data centers to having a majority of third party managed data centers, which are now reported under scope 3.1 emissions, but as a separate line for full transparency.

As recommended by the GHG Protocol, emissions of F-gas not covered by the Kyoto Protocol such as chlorofluorocarbons (CFCs) are not reported as Scope 1 emissions and are therefore not included above. These F-gas emissions are, however, captured with a value of 586 tons of  $CO_{2e}$ for 2023.

Our business travel emissions have been calculated including the impact of radiative forcing for air travel and we have also accounted for hotel emissions. We also include company cars within the business travel category, as they are not owned or leased directly by Capgemini but by employees. Not all companies in our sector take this approach so direct comparisons should be made with appropriate awareness and caution.

Business travel emissions in 2023 have increased by 26% compared to 2022 mainly on account of increase in 2023 DEFRA emission factors for air travel (which accounts for 69% of business travel emissions). If the air travel emission factor were at the same level as 2022, then the increase in business travel emissions in 2023 would have been only 6% compared to 2022.

2023 emissions from employee commuting have increased by 19% compared to 2022 as more employees have started working in the office following the easing of Covid restrictions in 2022 (especially in India, which accounts for more than half of the headcount).

## Table 2: Energy consumption

The data table below shows the energy performance in 2023 of Capgemini Group.

	Metric	Unit	2019	2022	2023	% change vs. 2019	% change vs. 2022
Office	Diesel/gas oil	MWh	11,415	4,114	4,145	-64%	1%
	District cooling	MWh	2,499	1,423	1,456	-42%	2%
	District heating	MWh	7,494	12,618	10,391	39%	-18%
	LPG	MWh	3,413	610	795	-77%	30%
	Natural gas	MWh	21,284	15,619	13,614	-36%	-13%
	Non-renewable electricity	MWh	205,901	20,047	6,646	-97%	-67%
	Renewable electricity (Onsite)	MWh	7,739	11,724	14,051	82%	20%
	Renewable Electricity (Purchased)	MWh	72,832	137,715	148,075	103%	8%
	Total office energy use	MWh	332,576	203,871	199,173 √	-40%	-2%
	% Electricity from Renewables	%	28%	88%	96%		
	Office energy usage per area	MWh/m2	0.14	0.09	0.09 √	-33%	1%
Data	Diesel/gas oil	MWh	72	73	73	1%	0%
center	Natural gas	MWh	0	0	0	0%	0%
	Non-renewable electricity	MWh	2,557	0	0	-100%	0%
	Renewable electricity	MWh	1,910	1,976	1,807	-5%	-9%
	Total data center energy use	MWh	4,540	2,049	1,880	-59%	-8%
	% Electricity from Renewables	%	43%	100%	100%		
Total	Total energy use	MWh	337,116	205,920	201,053 √	-40%	-2%
	% of Total Electricity from Renewables	%	28%	88%	96% √		
	% of Total Energy from Renewables	%	24%	74%	82%		
Data centers	Diesel/gas oil	MWh	257	270	144	-44%	-47%
(Third party	Natural gas	MWh	30	10	0	-100%	-100%
managed)	Non-renewable electricity	MWh	26,195	10,661	5,575	-79%	-48%
	Renewable electricity	MWh	56,768	44,652	38,684	-32%	-13%
	Total Data Center Energy Use	MWh	83,250	55,593	44,404	-47%	-20%
	% Electricity from Renewables	%	68%	81%	87%		

- Data identified in these tables by a √ has been reviewed by Mazars with a reasonable level of assurance.
- "Renewable Electricity" denotes all renewable electricity purchased through power purchase agreements, renewable electricity tariffs or through unbundled renewable electricity certificates and the amount of energy generated on-site e.g. in India through solar photovoltaic panels."Non-Renewable Electricity" means purchased electricity generated from other sources (nuclear or fossil fuels).
- As noted above in the GHG emissions by Scope table, most of our data centers have transitioned from being leased to being third party managed. For full transparency, we report the energy consumption associated with both above but to ensure alignment with RE100 we have excluded third party data centers from the Total Energy Consumption and the % electricity/energy from renewables.

## Table 3: Breakdown of business travel emissions

The data table below shows the business travel emissions in 2023 of Capgemini Group.

	Metric	Unit	2019	2022	2023	% change vs. 2019	% change vs. 2022
Travel by	Air	tCO₂e	218,795	90,386	120,977	-45%	34%
source	Car	tCO₂e	58,344	30,538	31,587	-46%	3%
	Hotel	tCO₂e	40,462	10,868	12,631	-69%	16%
	Other	tCO₂e	19,579	7,298	9,512	-51%	30%
	Total business travel emissions	tCO₂e	337,180	139,090	174,706 √	-48%	26%
	Total business travel emissions per head	tCO₂e/head	1.26	0.40	0.50 √	-60%	26%

- Data identified in these tables by a √ has been reviewed by Mazars with a reasonable level of assurance.
- Our business travel emissions have increased compared to 2022 mainly due to a major increase in DEFRA 2023 emissions factors for air travel.
- Hotel emissions are calculated based on emission factors specific to the country in which the traveler is staying.
  For some countries, emission factors were not available from BEIS and therefore have been sourced directly from https://www.hotelfootprints.org (BEIS emission factors are derived from the same data set).
- Where possible, we gather actual data such as mileage data from travel agents and expense systems.

## Table 4: Waste, water & other indicators

The data table below shows waste, water and other sustainability indicators in 2023 of Capgemini Group.

Metric	Unit	2019	2022	2023	% change vs. 2019	% change vs. 2022
Resources – Reused	tons	2	9	272	16,578%	2,900%
Resources – Recycled	tons	1,906	1,225	1,296	-32%	6%
Resources – Anaerobic digestion, composting	tons	543	141	259	-52%	84%
Resources - Diverted from disposal	tons	2,450	1,375	1,827	-25%	33%
Non hazardous waste incinerated with energy recovery	tons	238	325	322	35%	-1%
Non hazardous waste incinerated without energy recovery	tons	0	0	0	0%	0%
Non hazardous waste landfilled	tons	3,568	481	348	-90%	-28%
Non hazardous waste directed to disposal	tons	3,807	805	670	-82%	-17%
Hazardous waste	tons	0	0	0	0%	0%
Total waste generated	tons	6,257	2,180	2,497	-60%	14%
Total waste diverted from disposal	%	39%	63%	73%		
Total waste generated per headcount	kgs/head	23.4	6.2	7.2	-69%	15%
Total net fresh water consumption	cubic meters	93,294	38,682	52,390	-44%	35%
Water withdrawal (excluding saltwater)	cubic meters	1,865,888	773,633	1,047,802	-44%	35%
Water discharge (excluding saltwater)	cubic meters	1,772,594	734,952	995,412	-44%	35%
Share of operations covered by ISO 14001	% of headcount	80%	94%	98%√		
	% of sites	N/A	68%	73%√		

- Data identified with a  $\sqrt{}$  has been reviewed by Mazars with a reasonable level of assurance.
- The overall increase in waste generated in 2023 reflects the significant increase in employees using our offices since Covid restrictions were no longer in place in 2023.
- We have expanded the scope of our e-waste reporting, which has resulted in an increase in recycled and reused data for all years.
- Actual data on waste and water is collected where feasible i.e. where Capgemini has control of waste contracts or can get accurate data from landlords/building managers (66% of waste data and 84% of water data is based on actual data), but is estimated where not available.
- "Water withdrawal (excluding saltwater)" is defined as the sum of: i. Fresh surface water, including rainwater, water from wetlands, rivers and lakes ii. Groundwater – renewable and non-renewable iii. Produced/entrained water iv. Third party sources: Municipal water, local third-party water purchase, city water from public water department, trucked water purchased, tap water and reclaimed water. This water comes from a combination of municipal water supplies, ground water, water delivered by tankers (India) and packaged drinking water. "Water discharge (excluding saltwater)" refers to the water leaving the organization's boundary and being released to surface water, groundwater or third parties during the reporting year. "Total net fresh water consumption" is water withdrawal (excluding saltwater) – water discharge (excluding saltwater).
- At most sites water discharge is not metered. We have therefore estimated that the volume of water discharge is 95% of the volume of water withdrawal. This 5% allows for evaporation for example during food preparation and watering of plants.

## Table 5: Beyond value chain mitigation – retirement of carbon credits in 2023

Project name	Location	Project category	Project type	Standard	Co-benefit standards	tCO2e
TIST (The International Small Group & Tree Planting Program)	India	Removal	Afforestation	VCS	ССВ	2,627
Miaoling Afforestation	China	Removal	Afforestation	VCS	ССВ	23,471
Qianbei Afforestation	China	Removal	Afforestation	VCS	ССВ	1,255
Guoluo Grassland	China	Removal	Afforestation	VCS	ССВ	8,100
KOKO Renewable Cooking Fuel Distribution	Kenya	Avoidance	Improved Cookstoves	GS	GS	11,000
Rimba Raya	Indonesia	Avoidance	Avoided Deforestation	VCS	CCB and SD Vista	26,891
Gyapa Cook Stoves	Ghana	Avoidance	Improved Cookstoves	GS	GS	162,847
TOTAL (tCO₂e)						236,191√

- Data identified with a  $\sqrt{}$  has been reviewed by Mazars with a reasonable level of assurance.
- VCS = Verified Carbon Standard;
  - CCB = Climate, Community and Biodiversity;
- SD Vista = Sustainable Development Verified Impact Standard;
- GS = Gold Standard.
- Since 2019, we have reduced our operational emissions by 47%. Alongside this decarbonization, we continued to scale up our climate contribution by retiring 236,191 carbon credits in 2023, which equates to 53% of our remaining operational emissions.

Capgemini is a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fueled by its market leading capabilities in AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2023 global revenues of €22.5 billion.

www.capgemini.com

### For more information

### Feedback

To find out more about our wider approach to responsible business please visit: https://www.capgemini.com/about-us/csr/ We welcome feedback on our approach to environmental sustainability and the content of this report. Please email:

sustainability.reporting.uk@capgemini.com

