

CORPORATE GOVERNANCE STATEMENT

(including section 172(1) Companies Act 2006)

In accordance with the Companies (Miscellaneous Reporting) Regulations 2018 and section 414CZA of Companies Act 2006, the directors present their Corporate Governance Statement. This includes an outline of their corporate governance arrangements together with the statement of the performance of their duties under section 172(1) of the Companies Act 2006, for Capgemini UK plc ("the Company") for the year ended 31 December 2021.

Corporate governance arrangements

Whilst the Company does not directly adopt and follow the UK Corporate Governance Code, as a subsidiary of the Capgemini Group (Capgemini SE together with its direct and indirect subsidiaries, i.e. "the Group") and with an ultimate parent listed on the French exchange, the Company adheres to the comprehensive arrangements in place for all Group companies, in order to ensure compliance with Corporate Governance Code issued jointly by AFEP and MEDEF (French private business associations). A copy of this code can be obtained from <https://afep.com/en/publications-en/le-code-afep-medef-revise-de-2018/>. These comprehensive arrangements include a detailed framework outlining how every Group company, and employee, should operate and sets out the Group's ethics and values, governance and organisation structures as well as the principles and processes across several organisational areas including:

- Organisation and governance;
- Authorisation and approvals;
- Sales and production rules and guidelines;
- Risk management, pricing, contracting and legal rules, in the client contract pre-sales phase;
- Financial management, merger, acquisitions, and insurance rules and guidelines;
- Human resources policies;
- Marketing and communications, knowledge management and IT;
- Procurement policies, including ethical requirements and supplier selection; and
- Environmental and community policies.

Further information is set out within the Capgemini SE Universal Registration document, available to download at www.capgemini.com (in the 'About Us' section, 'Latest Annual Report').

Capgemini places significant importance on compliance with the values and principles which guide and inspire its actions and, in particular, its business practices. These seven core values are: honesty, boldness, trust, freedom, fun, modesty and team spirit. They represent Capgemini's corporate culture and justify its reputation as being ethical and responsible. In this respect Capgemini has been recognised as one of the "World's Most Ethical Companies" by the Ethisphere Institute.

Strategic decision making and Board composition

Capgemini is ideally positioned to capitalise on market trends with the expertise to help clients transform at scale. Capgemini partners with clients to drive end-to-end transformation enabled by its capabilities, which range from innovation, consulting and systems integration to managed service operations. The focus is the evolution of portfolio offers towards digital and cloud, which are driving significant business and technological change. There is continued investment in cyber security as there is a strong traction for offers, geared towards securing clients' infrastructure and systems. By collaborating closely with clients, often during the course of multi-year engagements enabling the development of a deep understanding of their business environment, Capgemini creates competitive advantage and new business capabilities. Capgemini continues to invest in its people, to attract and retain the best in the industry and offer leadership opportunities to its diverse, emerging talents.

Representatives of executive management, inclusive of members of the Company's Board of Directors (including the Chairperson), interact and deliberate on a very regular basis to discuss all matters pertaining to the performance and continued success of the Company. These meetings create a forum for discussion of long-term strategic decision-making including business opportunities, risks and market conditions, business performance and relationships, and employee matters, including organisational culture.

Additionally, the operations of individual business functions are discussed and strategies noted or approved, as appropriate, by attendees. Depending on the size and scope, individual projects may also be considered within the framework of these discussions, presented by key members of the primary functions responsible.

The Board of Directors includes representatives from the Group Executive Committee, as well as the Group Chief Operating Officer and the Group Chief Financial Officer, which ensures alignment with Group directives and ambitions. Matters pertaining to decisions requiring the consensus of the Board of Directors, which is obtained by way of written resolution, are signed by all members of the Board of Directors before taking effect. This ensures that the Board of Directors are included in decisions of the Company where this is deemed necessary.

Director appointments are made through a consultation process, where it is assessed whether the individual has the appropriate skills and experience. Upon appointment, all company directors undertake a formal induction programme to brief them of their role and responsibilities

as a director, including their responsibilities under section 172(1) of Companies Act 2006. The Company's appointed directors are also representatives from senior management and are remunerated for their operational services rather than specifically in their capacity as a company director.

Risk Management

The Company maintains a local-level review and management of risk and insurance, forming part of the Company's quarterly meetings. The Group operates an Audit Committee as a specialised committee of the Group Board of Directors. Its charter is to review the preparation and control of accounting and financial information, and to assess the suitability and consistency of the accounting principles and methods used in the preparation of statutory financial information. It also checks the efficiency of internal control and risk management procedures. The Group has an Internal Audit Department, which operates independently and reports to the Group's CEO and Chairman of the Board. All areas of the organisation are subject to an internal audit within a maximum window of two years. The Internal Audit Team has unrestricted access to all functions, records, property and people and carries out its procedures in accordance with the Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors, together with the Group's Code of Business Ethics.

As a global leader in consulting, technology services and digital transformation, the Company has co-operated with its stakeholders to make any necessary operational changes in order to accommodate the regulatory, legal or fiscal changes that have occurred as a result of Brexit. The Company has a UK workforce of over 10,000 people, of which only around 6% are EU nationals. These people, who arrived in the UK on or before 31 December 2020, continue to be allowed to work although they have a personal responsibility to apply for EU Settlement Scheme to secure their ongoing right to live and work in the UK. EU nationals arriving in the UK after 1 January 2021 are provided with a work permit sponsored by the Company.

The Company continues to monitor the government's developments now that the transition period has ended, in order to ensure that any changes that may be needed are incorporated into the Company's normal business operations.

Throughout the unprecedented context of the global coronavirus pandemic, Capgemini's priority has been the health and safety of its employees and ensuring the continuity of services to its clients.

The Group implemented prevention and protection measures at the earliest opportunity and constantly monitors compliance with the decisions and recommendations of local public authorities. In addition, the Group implemented business continuity plans that are being constantly adapted to the changing situation. To

this end, Capgemini established a dedicated management unit reporting directly to the Group Executive Committee. This unit, which includes representatives of all key Group functions, implemented a series of Group instructions, protocols and processes, that are exceptional and temporary, to manage the crisis on two fronts: employee safety and business continuity with the massive roll-out of systematic home working in all countries impacted by the pandemic and the introduction of operational rotation for the engagements that must be conducted on-site.

Whilst the pandemic has not gone away, towards the end of 2021, restrictions started to ease in the UK and from February 2022 the offices returned to full capacity following government guidance on lifting restrictions. The Company is encouraging a hybrid-working model and expects employees to take advantage of working from home and at the office and the benefits each brings. It should also be noted that during both 2020 and 2021 (in the context of COVID), the Company did not benefit from any UK Government assistance schemes, including the employee furlough scheme.

Capital allocation and dividend policy

At the end of each financial period, senior management review available financial information and projections and consider whether there is a capacity to recommend a dividend. This recommendation is scrutinised by the Board of Directors and they make a determination as to whether to declare a dividend and, if so, its order of magnitude. In doing so, not only do they scrutinise the facts and financial information, but they also consider the risks facing the Company (for example, any volatility due to market conditions), the future capital required to undertake new strategic decisions, together with the requirements of its stakeholders (for example, pension funding requirements).

Section 172(1) Companies Act 2006

Section 172 of the UK Companies Act 2006 requires Directors to act in a way they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole. In order to promote the success of the Company, a fundamental requirement of all serving directors is to act in the interest of shareholders whilst taking into consideration the long term impact of the decisions made on the wider stakeholder groups, the most significant of which are identified below with reference to matters set out in Section 172(1) (a-f) of the Act:

Engagement with stakeholders

Customers, suppliers and other business relationships		
Description of mechanisms	Example activity	Benefit and Impact
<p>Quarterly strategy meetings ensure that the directors are informed and enabled to consider how the Company's activities, both present and future, could impact its customer, supplier and other business relationships.</p> <p>Customer relationships are managed, day-to-day, on an individual, account-level basis. All existing customers are subject to credit checks on a quarterly basis.</p> <p>Supplier relationships are managed and engaged in accordance with the nature of the services provided. Capgemini operates sustainable procurement principles together with a zero tolerance for bribery, corruption and human rights abuse. These principles, and specific obligations referring to modern slavery, have been incorporated into all of the Company's contracts, purchase orders, supplier selection and performance procedures and remain a prerequisite for doing business with Capgemini.</p>	<p>Understanding and minimising risk is important to Capgemini and staying informed of any changes is key to enabling the Company to grow profitably its customer portfolio without increasing risk exposure. Capgemini engages with an established credit rating agency to help mitigate credit risk; Capgemini uses their credit solution for an Overall Business Risk assessment, which uses the best available scores, ratings and indices to provide high-level assessment for each potential/existing customer. Within the tool Capgemini has set up tags which provide daily alerts for any changes in failure indicators. This enables Capgemini to react in real time.</p> <p>The Company is a signatory to the Prompt Payment Code with the average time taken to pay supplier invoices in 2021 being 20.0 days (2020: 23.5 days). The latest versions of the Company's Conditions of Order and Dispute Resolution Process policies are freely available on its website and advertised via the Government's payment practice reports portal, representing the Company's commitment to communicating effectively with suppliers and customers.</p>	<p>As a result of the success in partnering with our clients and vendors, we have gained wider understanding of their needs, and been able to better support them over the years and intend to do so in the long run.</p> <p>We pride ourselves in maintaining enduring relationships with the vast majority of our clients and suppliers.</p>

Pension trustees		
Description of mechanisms	Example activity	Benefit and impact
<p>Representatives from the Board of Directors formally meet with the trustees of the Company's</p>	<p>The triennial valuation of both pension plans concluded in 2021. The 2004 plan valuation was signed in March 2021, and</p>	<p>Significant contributions have been made to the scheme, which has systematically reduced</p>

<p>defined benefit pension scheme on, at least, a bi-annual basis to discuss all matters pertaining to the operation of the scheme both in isolation and within the context of the Company's current and future performance.</p>	<p>the one for the main UK plan was signed in November 2021.</p>	<p>the pension deficit. Note: for the year ended 31 December 2021 the Company reported an IAS 19 pension surplus. The company remains proactive in continuing to monitor the position of the scheme and to action accordingly when necessary.</p>
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Community and Environment		
Description of mechanisms	Example activity	Benefit and impact
<p>The Company's Architects of Positive Futures programme focuses on three key pillars of activity: Our Environmental Sustainability, Digital Inclusion and Active Inclusion.</p> <p>Further detail on this programme can be found on pages 15 to 21 of the Company's 2021 Annual Report and Financial Statements.</p>	<p>Under Digital Inclusion, the Company runs the Digital Literacy Program which aims to reduce the digital divide by supporting people in the community who are digitally excluded; the Company provides digital skills programmes for excluded communities to enable them to access basic services.</p> <p>More examples can be found on pages 15 to 21 of the Company's 2021 Annual Report and Financial Statements.</p>	<p>For contributions to the community and environment, we cooperate with all related Capgemini entities as it grants wider capacity and impact.</p>

Employees		
Description of mechanisms	Example activity	Benefit and impact
<p>Employees are actively encouraged to help shape the culture and operational performance of the Company through interaction with the Capgemini Works Council (CWC). The CWC is a body of employee representatives elected by all UK employees which convenes 10 times per year.</p> <p>In addition to attending CWC meetings, senior leadership consults and collaborates with the group on topics such as the overall economic position of the UK business, organisational change, pay and benefits, ethics and diversity, real estate, policies, terms and conditions and any other matter affecting employees.</p>	<p>Following on from unprecedented events in 2020 in relation to the global coronavirus pandemic, Capgemini set up the 'New Normal Committee'. The health, safety and wellbeing of employees is of paramount importance. This committee ensured employees were supported with the new ways of working. The committee communicated to all employees regularly on the new initiatives e.g., 'Team Rituals' and 'Stay Connected'. As well as improving workstation safety processes for working from home.</p> <p>In the second half of 2021, with a phased return to the Capgemini offices, procedures to maintain safety of employees were implemented including reduced capacity, social distancing and mandatory mask wearing.</p>	<p>As a consequence of this continued engagement with employees, a number of actions have been implemented:</p> <ul style="list-style-type: none"> ● Flexible benefits packages. ● solutions to allow staff to work efficiently and effectively as part of international teams. ● staff supported through a focus on mental health. ● promoted social and sports events. ● introduced a team of innovation coaches to help staff turn ideas into reality.



Culture, community and environment

Values and Business Ethics

Capgemini's seven core values (honesty, boldness, trust, freedom, fun, modesty and team spirit) and Group Code of Business Ethics underpins its corporate culture and permeates through its business practices, procurement behaviours and welfare policies.

Capgemini implements a detailed code of business ethics which formalises the required actions and behaviours in certain business situations. Every employee receives a copy of the code, and periodically undertakes mandatory training to reinforce its requirements. In support, the Group has established a Chief Ethics and Compliance Officer, together

with geographically local Ethics and Compliance Officers, e.g. the United Kingdom and Ireland.

Additionally, pursuant to section 54 of the Modern Slavery Act 2015, the Company sets out the steps taken to ensure slavery and human trafficking is not taking place in its organisation and supply chain in its Transparency Statement, available at www.capgemini.com. This statement is directly supported by the Company's Corporate Responsibility and Sustainability Board. These steps include appropriate risk assessment and due diligence activities on its supply chain and third parties to ensure each sub-contract adheres to policies and governance processes which, using a central purchasing system, provide a very clear view of procurement activity.

Examples of decision making

Significant strategic decisions during the year ended 31 December 2021 include:

- The purchase of the trade and assets of Idean Capgemini Creative Studios UK Limited, a subsidiary of the Company, and Frog Design Group UK Limited, a fellow Group company, on 1 January 2021 and 1 July 2021 respectively.
- The purchase of 100% of the ordinary share capital of ECSI Consulting Limited on 3 June 2021.
- The decision to purchase the trade and assets of Altran UK Limited and Tessella Limited, fellow Group companies, on 1 January 2022 and 1 April 2022 respectively.

About Capgemini

Capgemini is a global leader in partnering with companies to transform and manage their business by harnessing the power of technology. The Group is guided everyday by its purpose of unleashing human energy through technology for an inclusive and sustainable future. It is a responsible and diverse organization of 325,000 team members in more than 50 countries. With its strong 55-year heritage and deep industry expertise, Capgemini is trusted by its clients to address the entire breadth of their business needs, from strategy and design to operations, fuelled by the fast evolving and innovative world of cloud, data, AI, connectivity, software, digital engineering and platforms. The Group reported in 2021 global revenues of €18 billion.

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