MATERIALITY

Prioritizing key issues

As expected and hoped, the positioning of topics on the materiality matrix clearly demonstrates a strong level of alignment between the views of internal and external stakeholders, gathered independently. It also highlights the critical level of importance our stakeholders have placed on a number of topics related to our business impact, including innovation, client satisfaction and collaboration, and data privacy and cybersecurity.
In the year to come, we will also take a deeper look at the issues having a greater long-term impact for Capgemini's future as well as the company's role for society.

Our approach

In 2018, we updated our materiality matrix and continued to build upon the external and internal stakeholder engagement process that we have been improving upon over the last few years. In line with the <IR> Framework published by the IIRC (International Integrated Reporting Council), key topics are eco-nomic, social, and environmental issues that have an effect on the organization's ability to create sustainable value. This is determined by considering their effect on the organization's strategy, governance, performance, or prospects.
We took five key steps to update our materiality review in 2018.

1. In-depth industry analysis

- We reviewed and expanded our list of potential material topics developed in 2017, through a process of analyzing industry and reporting guidelines (including IIRC, Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB)), conducting peer reviews, and assessing our potential to impact the UN Sustainable Development Goals.

2. Shared definition of each topic

- The findings from this process were validated with a Steering Committee, made up of senior executives from the Group's management. This Committee agreed on clear definitions for each topic and on an approach developed for scoring them. We also evaluated their alignment with the mapping of the Group's critical risks.

3. Independent interviews with our external stakeholders

- We gathered external stakeholder perspectives on these topics through interviews with key stakeholder groups (clients, investors and analysts, business partners, NGOs and charity partners); these interviews were conducted independently with the questions designed to evaluate their views on the importance and prioritization of 23 topics in their relationship with Capgemini.

4. Broad panel of internal perspectives gathered

- We put together internal stakeholder perspectives from the Steering Committee and from a sample of 1,000 employees representative of the Group's demographics, through surveys and questionnaires. Our aim was to assess the potential impact of each of the 23 topics on Capgemini's ability to create and protect value over the medium and long-term.

5. Validation process and next steps

- The findings from this process have been validated and taken forward by the Steering Committee and are an important input for the Group. We will regularly update our materiality assessment by making the most of existing engagement channels. This will ensure we understand what matters most to our stakeholders and how that aligns with our prioritization of material issues to create value now and in the medium and long-term. ◐

Materiality matrix

CLIENTS ● Partnering with leading clients
PEOPLE ● Committed to people
GROWTH ● Achieving profitable and sustainable growth

DATA ● Ensuring data protection and cybersecurity
ETHICS ● Uncompromising on ethics and compliance
WORLD ● Being a responsible business

Importance to external stakeholders in their relationship with Capgemini

MAJOR
- ● People engagement
- ● Resilience & agility
- ● Values & ethics
- ● Compliance
- ● Client satisfaction & collaboration
- ● Innovation
- ● Data privacy
- ● Cybersecurity

HIGH
- ● Responsible procurement
- ●● Helping clients' sustainability objectives
- ●● Diversity & inclusive environment
- ● Health, safety & wellbeing
- ● Human rights
- ● Industry & business expertise
- ● Talent attraction, retention & development
- ● Profitable & sustainable growth

MODERATE
- ● Contribution to local development
- ● Digital inclusion
- ● Climate change
- ● Environmental management
- ● Return to shareholders
- ● Political risk
- ● Natural disasters

LOW

LOW | MODERATE | HIGH | MAJOR

Internal stakeholder view on the impact on Capgemini's ability to create and protect value