

Sopra Steria

Anchoring our strategy in sustainability

PARIS, SEPTEMBER 2021

The world is how we shape it

sopra  steria

AGENDA

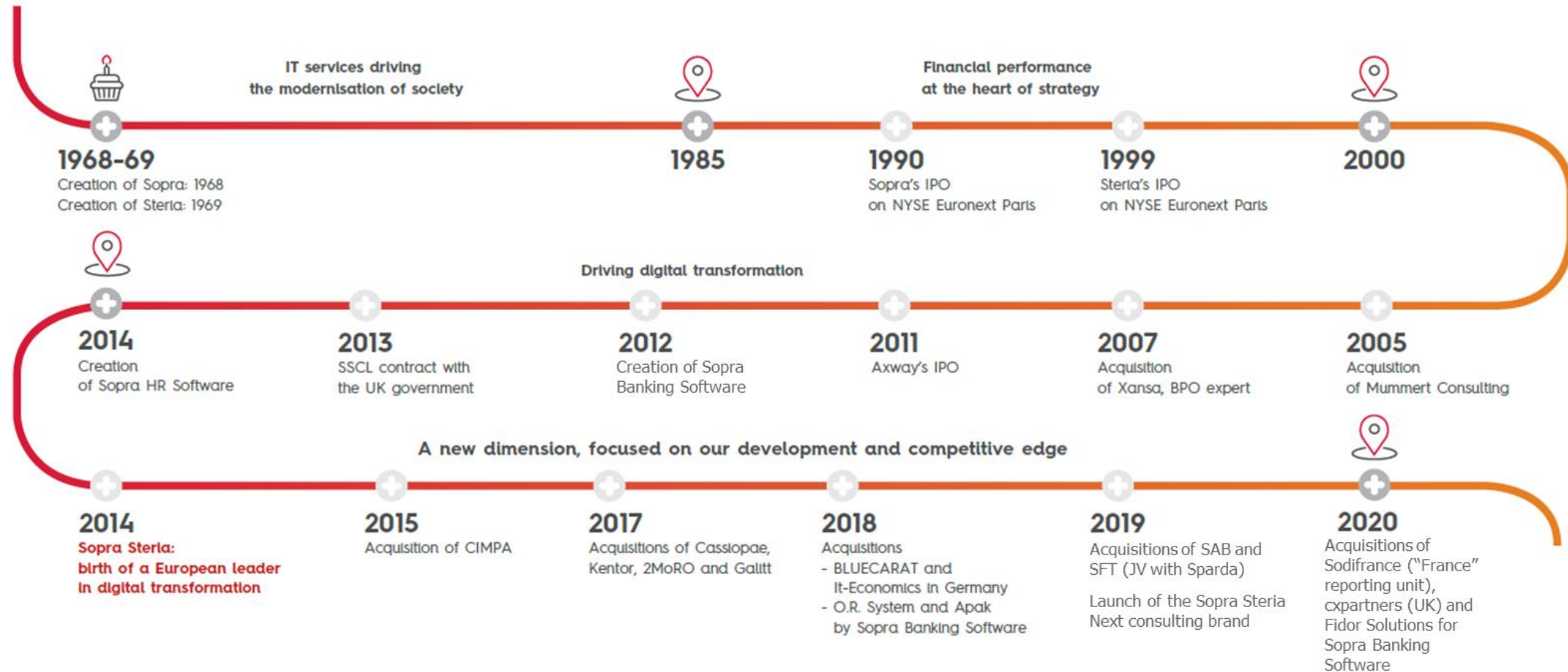
- 01 Company overview
- 02 Business model and corporate plan
- 03 Governance & Compensation
- 04 Corporate responsibility strategy
- 05 Human talent management
- 04 Cybersecurity and Data Privacy
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01

Company overview

History of Sopra Steria Group

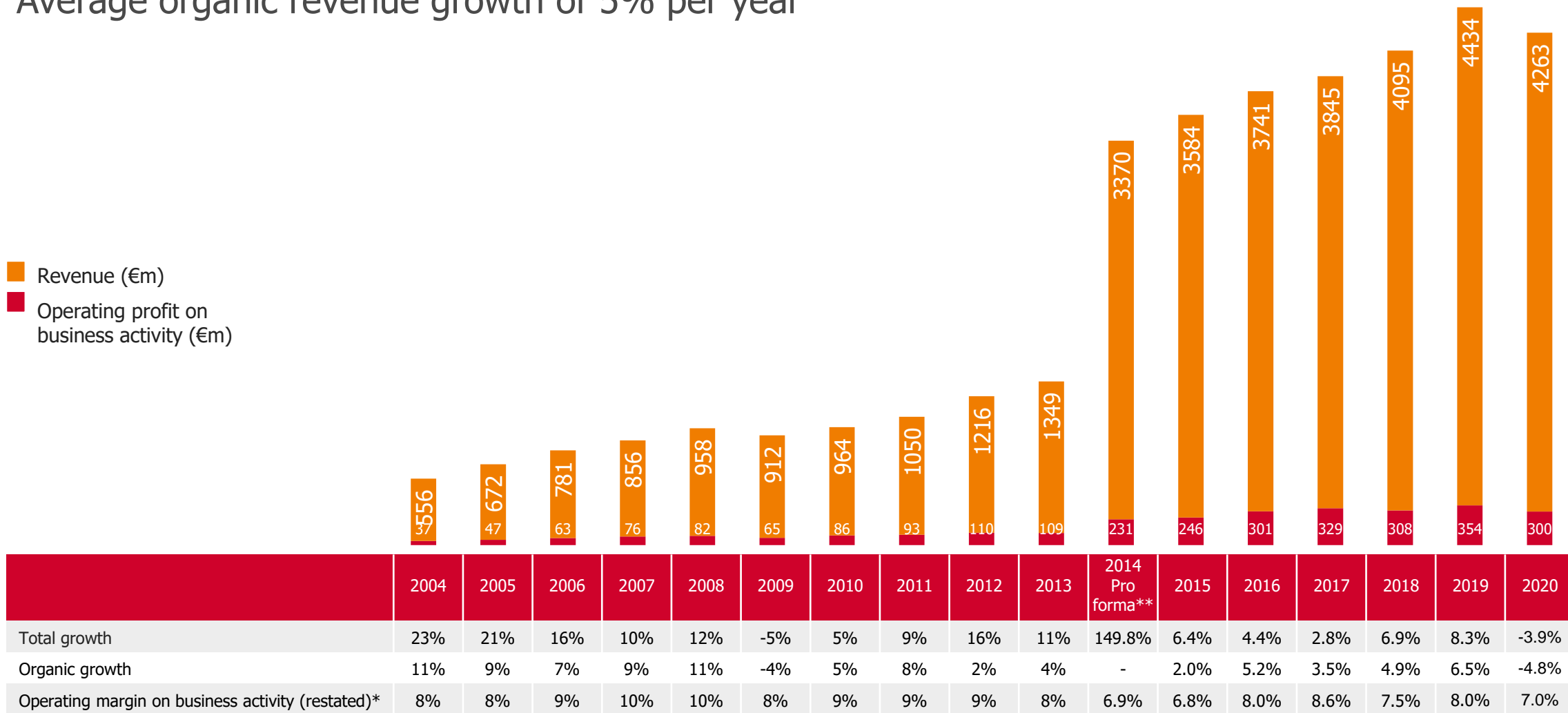
More than 50 years of growth and transformation



Track record

Average organic revenue growth of 5% per year

■ Revenue (€m)
■ Operating profit on business activity (€m)

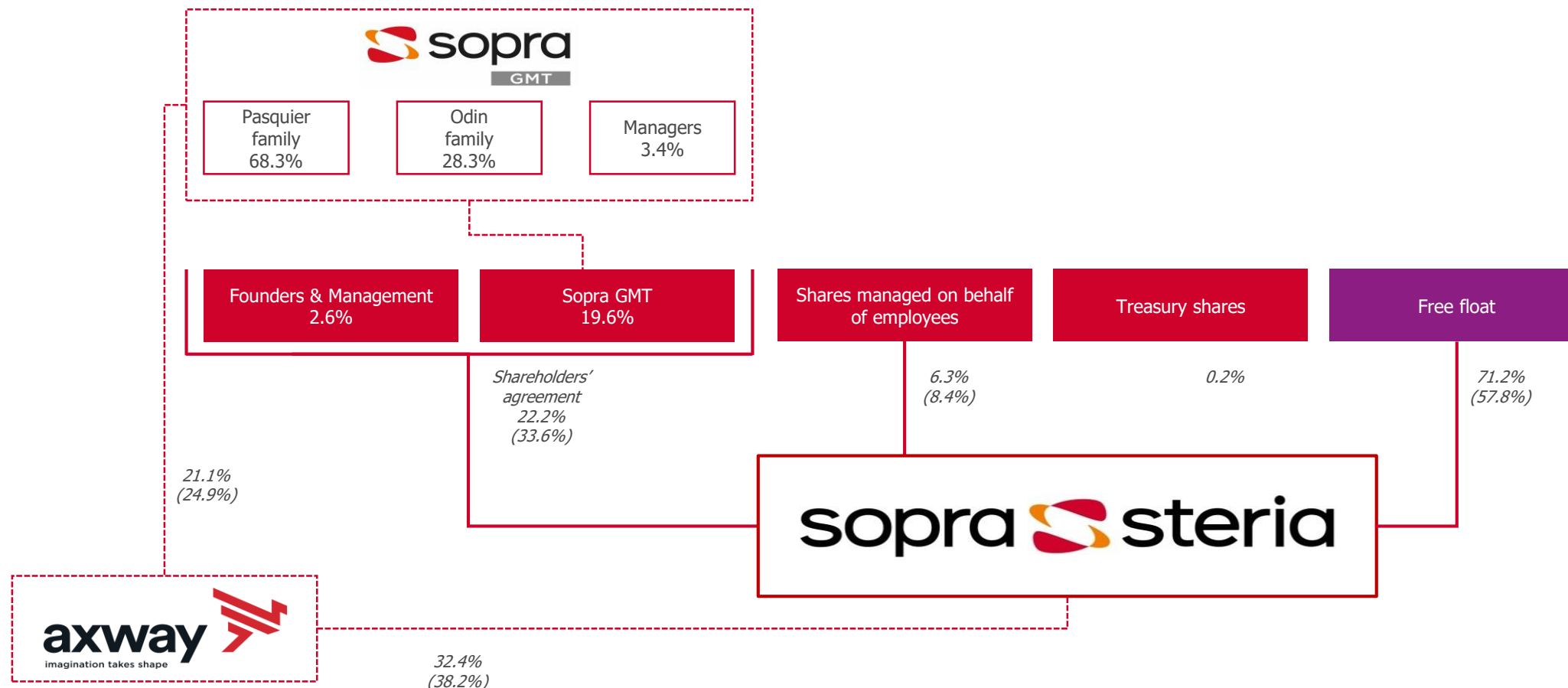


* Restated according to equivalent tax laws for the financial years up to and including 2009

** Pro forma basis of comparison adjusted for the Sopra Steria merger

A reference shareholder backing the corporate plan

Shareholding structure at 31/12/2020



XX.X% = Percentage of share capital held
(XX.X%) = Percentage of voting rights held

20,547,701 listed shares
26,630,051 theoretical voting rights

A European leader in digital transformation

Group overview at 31/12/2020

Among the top 5 European digital services companies

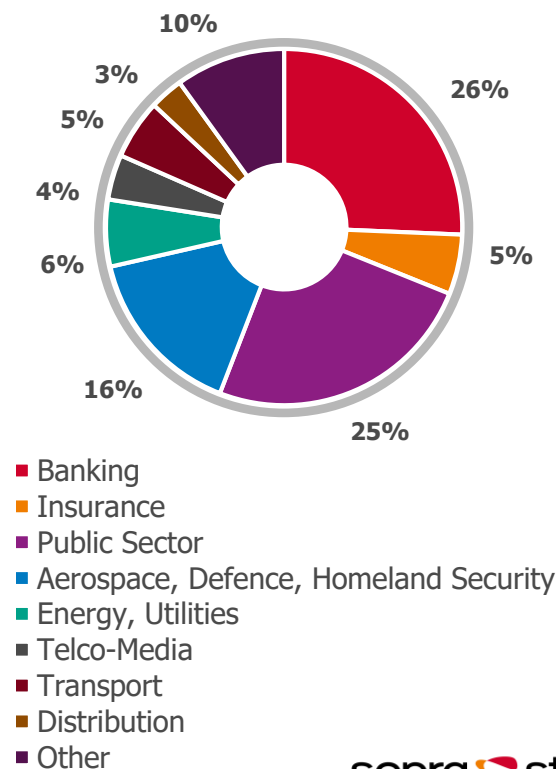
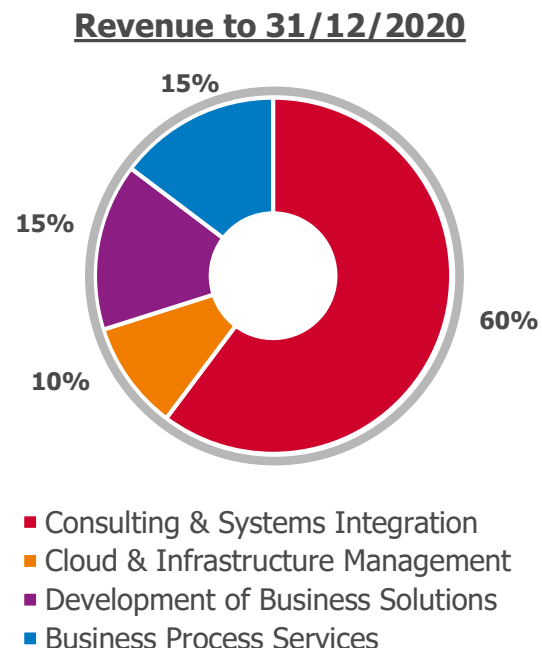
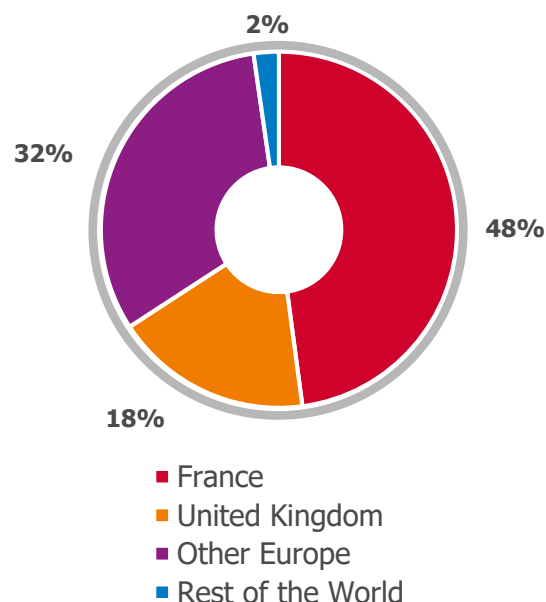
2020 revenue
of €4.3bn

46,000
employees

Among the top 10 operating in Europe

Operations in
25 countries

End-to-end
approach



Main indicators for 2020 (1/2)

Financial performance

Revenue

€4,262.9m

*Total negative growth of 3.9%
Negative organic growth* of 4.8%*

Operating profit on business activity

€300.2m

i.e. 7.0% of revenue

Net profit attributable to the Group

€106.8m

i.e. 2.5% of revenue

Free cash flow

€203.5m

vs €229.3m in 2019

Net financial debt

€425.6m

Down 17% relative to 2019

UK pension fund deficit net of tax

€119.4m

vs €112.6m at 31/12/2019

** Alternative performance measures are defined at the end of this presentation*

Main indicators for 2020 (2/2)

Non-financial performance

Net change in workforce ⁽²⁾

-3.2%

vs +2.4% in 2019

Women in the Group's workforce ⁽²⁾

32.5%

vs 32% in financial year 2019

Reduction in GHG ⁽¹⁾ emissions per employee

-58.9%

2020 compared with 2019

Workforce attrition rate

13.6%

o/w France: Down 5.6 pts to 11.4%

vs 17.7% in 2019

Women hired (as % of all joiners) ⁽²⁾

34.0%

vs 33.1% in financial year 2019

Cumulative reduction in GHG ⁽¹⁾ emissions per employee

-74.0%

2020 compared with 2015

(1) Greenhouse gas emissions (figures currently being audited) from direct activities (offices, on- and off-site data centres and business travel)

(2) Excluding the impact of acquisitions during the year

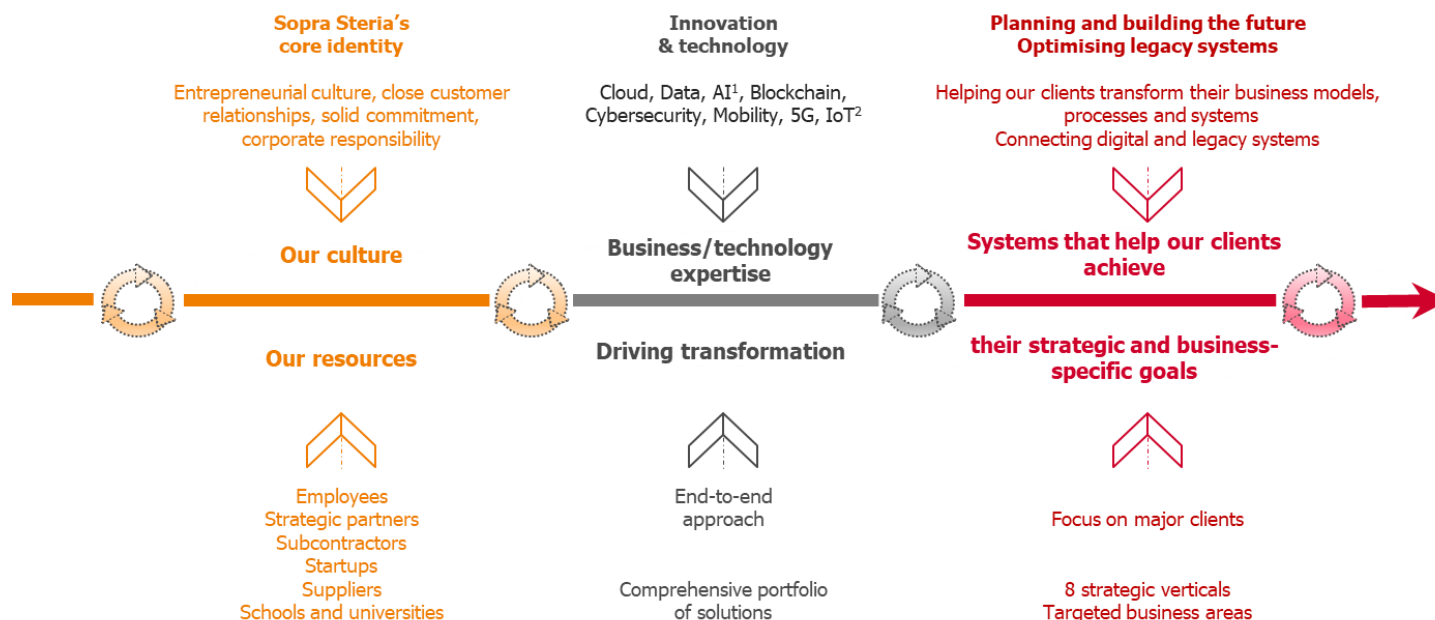
02

Business model and corporate plan

Business model

Value chain and associated indicators

Value chain



(1) AI: Artificial intelligence
(2) IoT: Internet of things
(3) GHG: Greenhouse gases

Sample indicators of value created for the Group's main stakeholders

Employees

- "Great Place to Work" survey
- Workforce attrition rate
- Number of hours of training

Clients

- "Customer Voice" survey
- Organic revenue growth

Shareholders

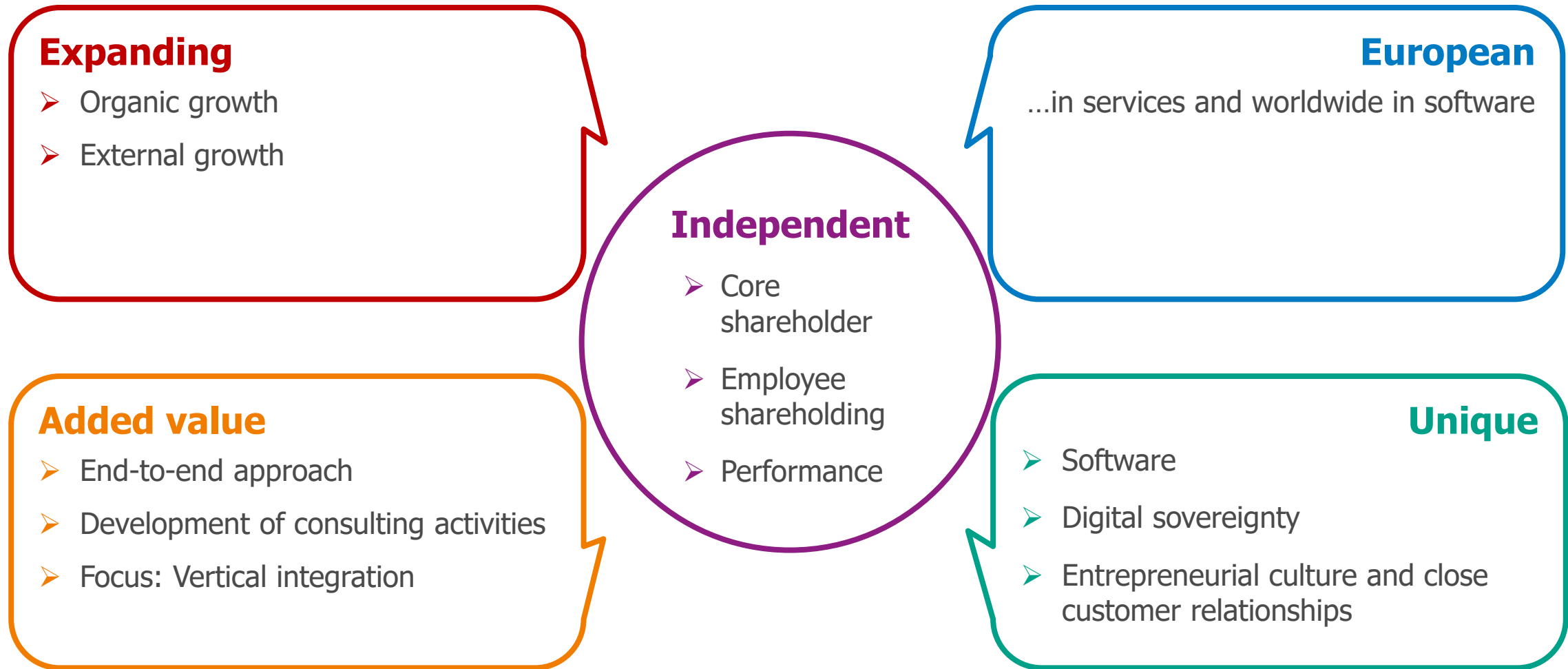
- Share price
- Dividend
- Ranking by non-financial rating agencies

Society

- GHG³ emissions
- CDP score
- EcoVadis assessment

Ambitious corporate plan

Independent and value-creating



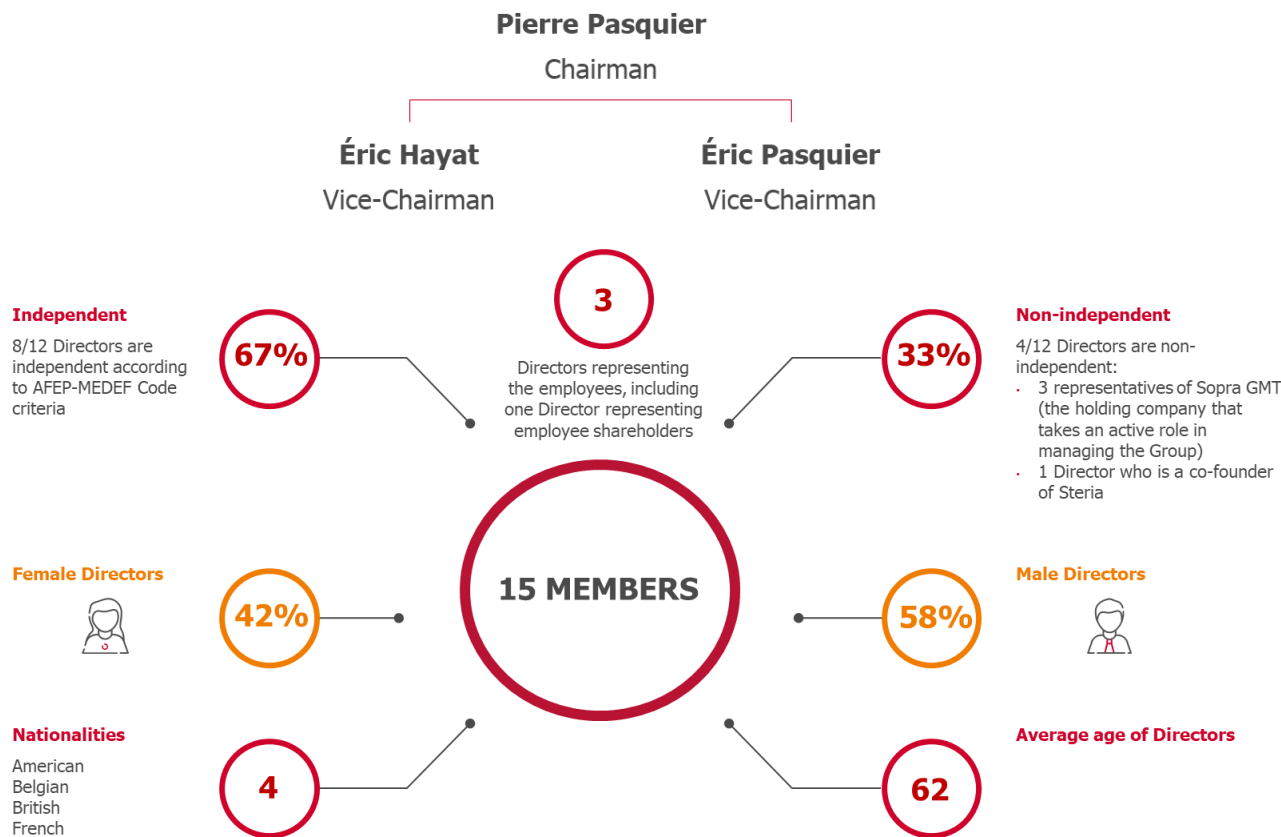
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Governance & Compensation

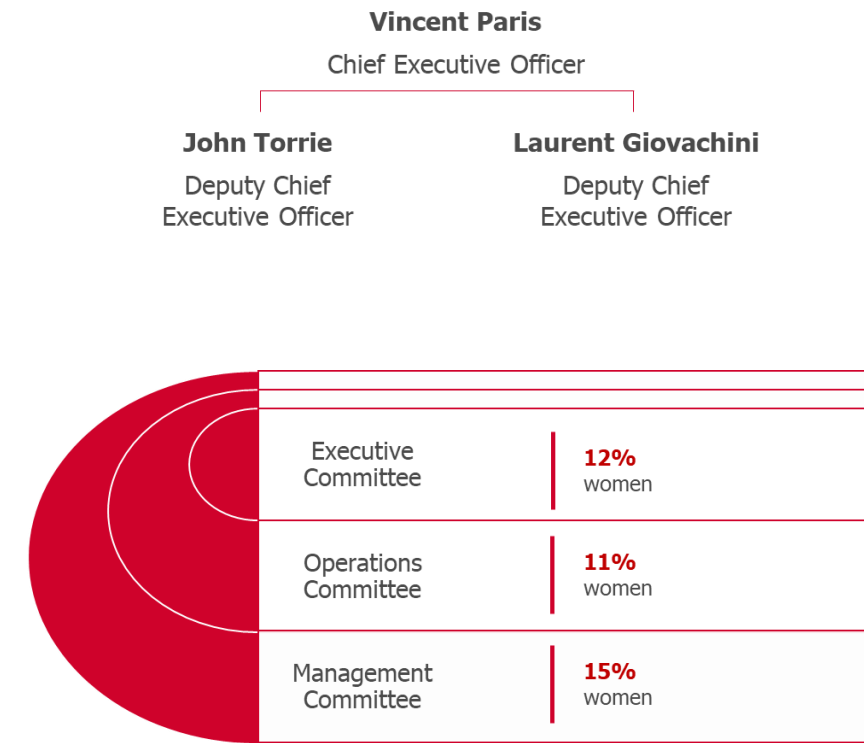
Separation of the roles of Chairman and CEO

AFEP-MEDEF Code: corporate governance code referred to by Sopra Steria Group

Board of Directors



Executive Management team



Compensation of the Chief Executive Officer

2020 compensation

— Compensation paid in 2020

- └ Fixed compensation: €500,000
- └ Company car; contribution to the GSC unemployment insurance for executives: €11,521

— Annual variable compensation paid in 2021 : €97,500

- └ Calculation of 2020 annual variable compensation

Requirement	Type	Potential amount as % of AVC ⁽¹⁾	Potential amount	Threshold	Target	Ceiling	Achieved	Amount paid
Consolidated revenue growth	quantifiable	45%	€135,000	N/A	-3.0%	N/A	-4.8%	€0
Consolidated operating margin	quantifiable	45%	€135,000	6.5%	7.5%	N/A	7.0%	€67,500
Criterion related to Group organisation: Creation of an environment conducive to introducing the role of Group COO ⁽²⁾	qualitative	5%	€15,000	N/A	N/A	N/A	Objective 100% achieved	€15,000
Criterion related to corporate social responsibility Contribution to the Group's goal of becoming carbon neutral	qualitative	5%	€15,000	N/A	N/A	N/A	Objective 100% achieved	€15,000
TOTAL		100%	€300,000					€97,500

(1) (AVC: Annual variable compensation

(2) Chief Operating Officer

Compensation of the Chief Executive Officer

2021 compensation approved by the 2021 Combined General Meeting

- **Fixed compensation: €500,000** (unchanged since January 2017)
- **Targets associated with the variable compensation:**

Criteria	Type	% of AVC ⁽¹⁾	% of AFC ⁽²⁾
Operating margin on business activity	quantifiable	45.0%	27.0%
Organic revenue growth	quantifiable	30.0%	18.0%
Subtotal: Quantifiable criteria		75.0%	45.0%
Implementation of leadership structure and application of key Group policies	qualitative	10.0%	6.0%
Progress towards meeting the target of increasing the proportion of women in senior management positions by 2025	qualitative	7.5%	4.5%
Progress towards meeting the target of zero net emissions by 2028	qualitative	7.5%	4.5%
Subtotal: Qualitative criteria		25.0%	15.0%
TOTAL		100.0%	€300,000

(1) AVC: Annual variable compensation

(2) AFC: Annual fixed compensation

Compensation of the Chief Executive Officer

Performance share plans

— Shares delivered in 2020: 1,905

Number and date of plan	Number of shares becoming available during the financial year
24/02/2017 LTI B plan	952 shares with no minimum holding period
General Meeting of 24/06/2016	
Performance conditions for the financial years 2017, 2018, 2019	953 shares with a minimum holding period for the entire term of office

2017

Sopra Steria Group performance targets and criteria	Threshold	Target	Results	% Achieved	Weighting	% Achieved (Year)
Organic revenue growth	2.0%	4.0%	3.5%	75%	1/3	
Operating profit on business activity as % of revenue	8.3%	8.6%	8.6%	100%	1/3	58.33%
Free cash flow ⁽¹⁾	€170m	€200m	€110m	0%	1/3	

2018

Sopra Steria Group performance targets and criteria	Threshold	Target	Results	% Achieved	Weighting	% Achieved (Year)
Organic revenue growth	3.0%	5.0%	4.9%	95%	1/3	
Operating profit on business activity as % of revenue	8.5%	9.0%	7.5%	0%	1/3	40.00%
Free cash flow ⁽¹⁾	€160m	€200m	€170m	25%	1/3	

2019

Sopra Steria Group performance targets and criteria	Threshold	Target	Results	% Achieved	Weighting	% Achieved (Year)
Organic revenue growth	4.0%	6.0%	6.5%	100%	1/3	
Operating profit on business activity as % of revenue	7.5%	8.1%	8.0%	83%	1/3	92.16%
Free cash flow ⁽¹⁾	€150m	€200m	€197m	93%	1/3	

Total Plan % Achieved **63.50%**

— Shares awarded in 2020: 0

— Shares awarded in 2021: 3,000

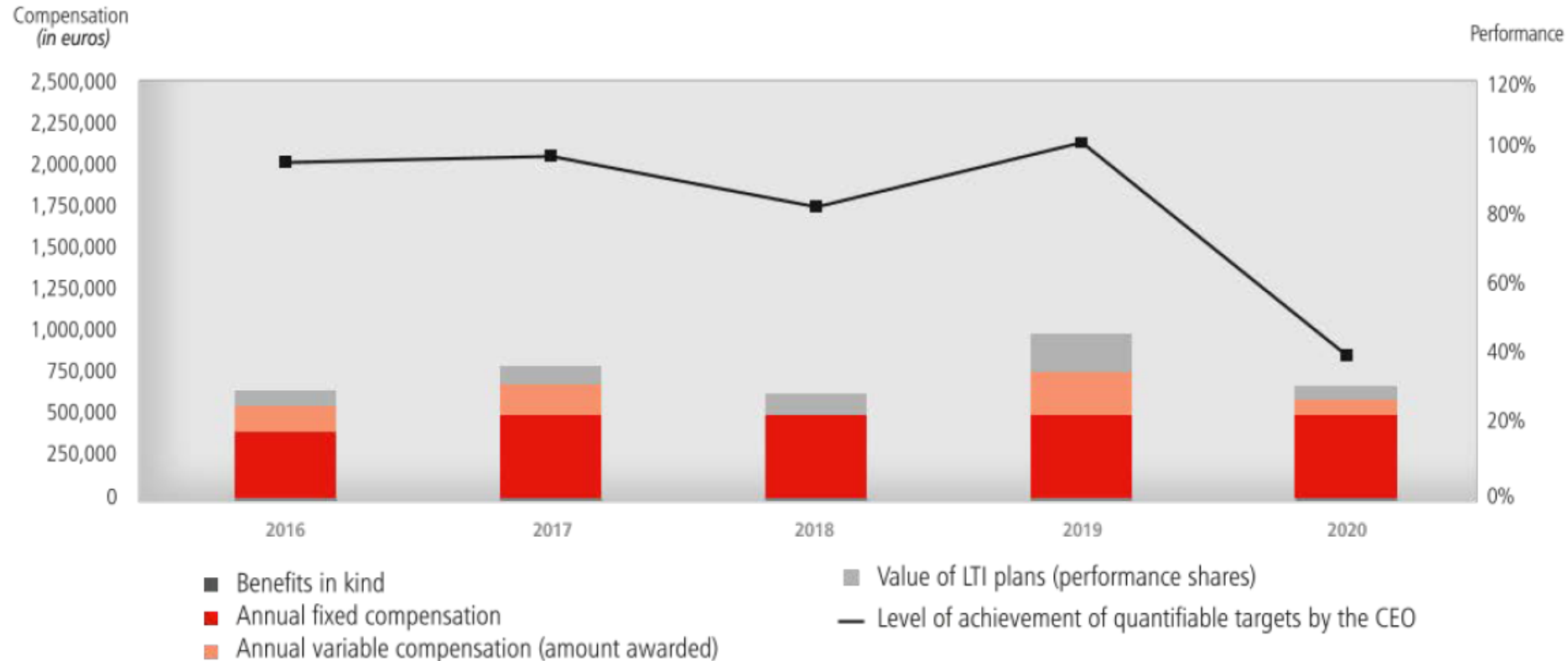
└ Three performance criteria

organic consolidated revenue growth, operating profit on business activity (expressed as a percentage of revenue) and free cash flow

└ a grant condition related to the target of increasing the proportion of women in senior management positions set by the Board of Directors

Proportion of women in senior management: namely for the proportion of women in the Group's senior management positions (defined as the two highest echelons of the organisation) to reach 17% by 30 June 2023. This condition, with a weighting of 10%, will be assessed at 31 December 2023. The threshold below which the rights to corresponding shares would be lost has been set at 17%, and a target corresponding to a 100% achievement level has been set at 18%.

Change in the performance and compensation of the Chief Executive Officer



The apparent change in performance in 2020 was partly due to a methodological issue: one of the two quantifiable targets (revenue growth) only had a target level, without a threshold. As such, it could not be partly achieved. Its value is 0, with a weighting of 50% in the performance assessment.

04

Corporate responsibility strategy

Long-standing focus on sustainability

Corporate responsibility approach anchored in the Group's history and identity

Fundamental values that encourage in particular open-mindedness, curiosity and respect for others

Commitment to the **UN Global Compact since 2004** (and since 2017 in the "Global Compact Advanced" category)

Community outreach programme spearheaded for the past **20 years** by the Sopra Steria-Institut de France Foundation

Environmental programme launched nearly **10 years ago**: carbon-neutral **since 2015** for all our sites, business travel and data centres

Specific organisation and governance structure

- Nomination, Governance, Ethics and Corporate Responsibility **Committee**
- **Corporate Responsibility Advisory Board**
 - └ Five leading figures and experts from civil society provide an outside perspective on corporate responsibility-related issues
- **Corporate Responsibility Department**
 - └ Led by the CR&SD Director, who is also a member of the Executive Committee
 - └ Reports to Executive Management
 - └ In charge of initiatives in four areas: Environment, Workforce, Market, Community
- **Corporate Responsibility team at each of the Group's entities**

Our mission

“Together, building a positive future by making digital work for people”

A contribution that aims to be:



Purposeful

What we offer is rooted in our ability to anticipate, understand and translate the challenges posed by digital technology so as to better assess their impacts on our clients' sustainability goals and on everyday life.



Sustainable

We see our actions – whether in running our businesses or helping our clients with their digital transformation – as part of a long-term approach.



Human-centred

Our activities are focused on implementing projects that foster digital inclusion, equal opportunity and social openness.

Our contribution⁽¹⁾ to the United Nations' 17 SDGs

7 commitments aligned with the Group's business model



(1) Direct or indirect

SDGs = Sustainable Development Goals

Commitment to net-zero emissions by 2028 (1/2)

Plan to reduce our greenhouse gas (GHG) emissions

Direct activities

Sites, business travel,
data centres

Energy management
Mobility policy
Digitisation

-74%¹ per employee
(baseline: 2015)
(vs -36% in 2019)

-85% per employee by
2040
(baseline: 2015)



Supply chain,
commuting, waste

Suppliers' charter
Responsible purchasing
policy
Supplier assessment

35% of the Group's
purchases assessed by
EcoVadis

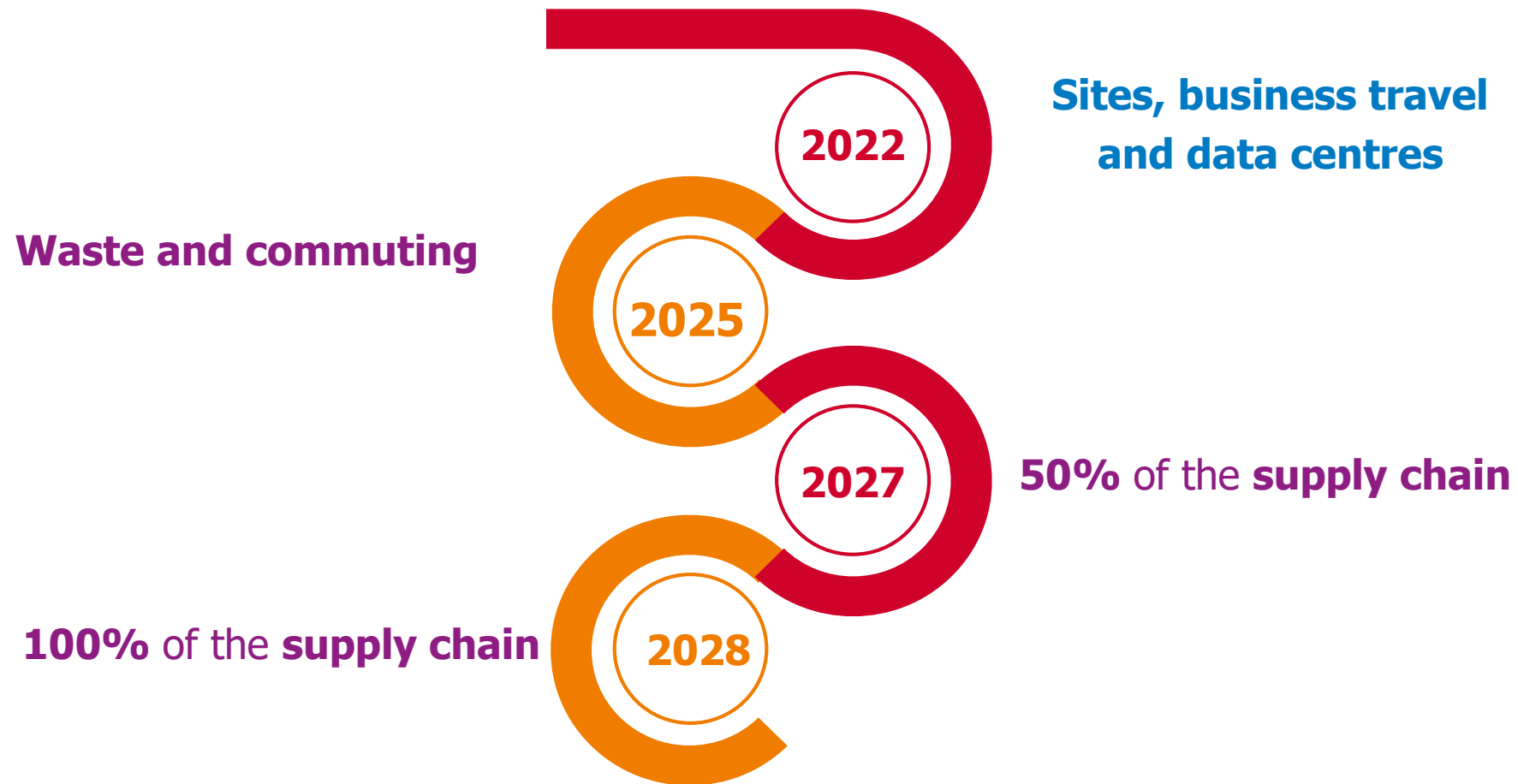
Adoption by 2025 of a GHG-
reduction target for **2/3** of our
highest-emitting suppliers

Indirect activities

(1) Including impact of Covid-19

Commitment to net-zero emissions by 2028 (2/2)

Our roadmap for 2021–2028

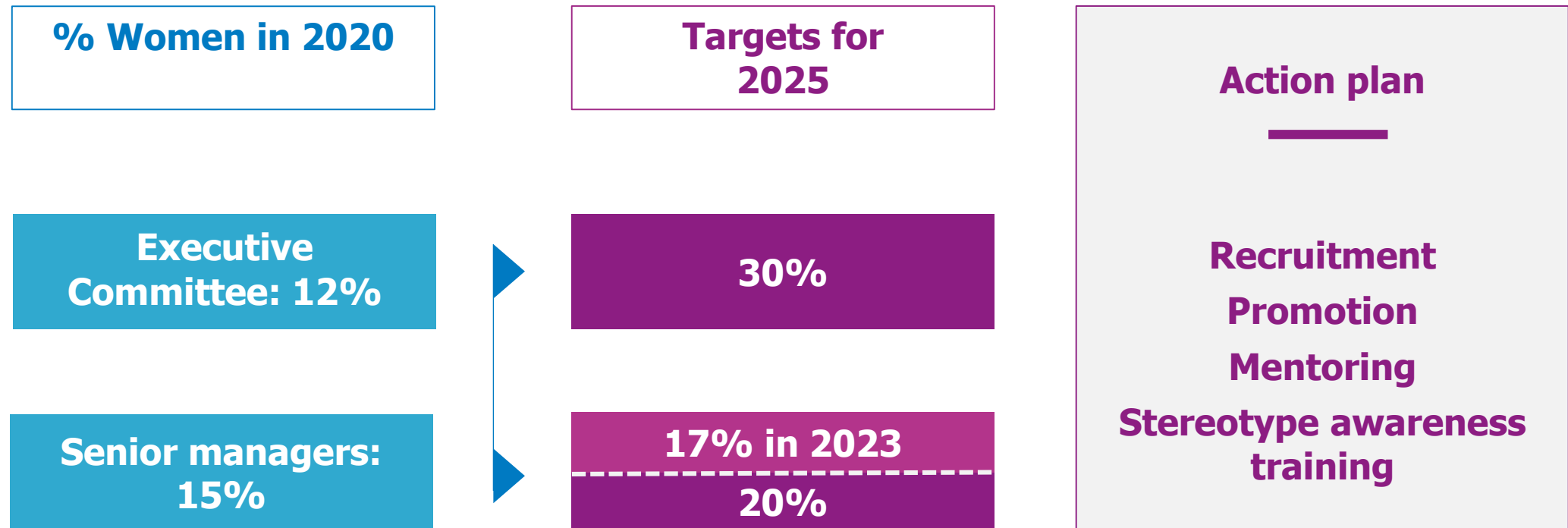


Direct activities

Indirect activities

Proactive policy for senior management positions

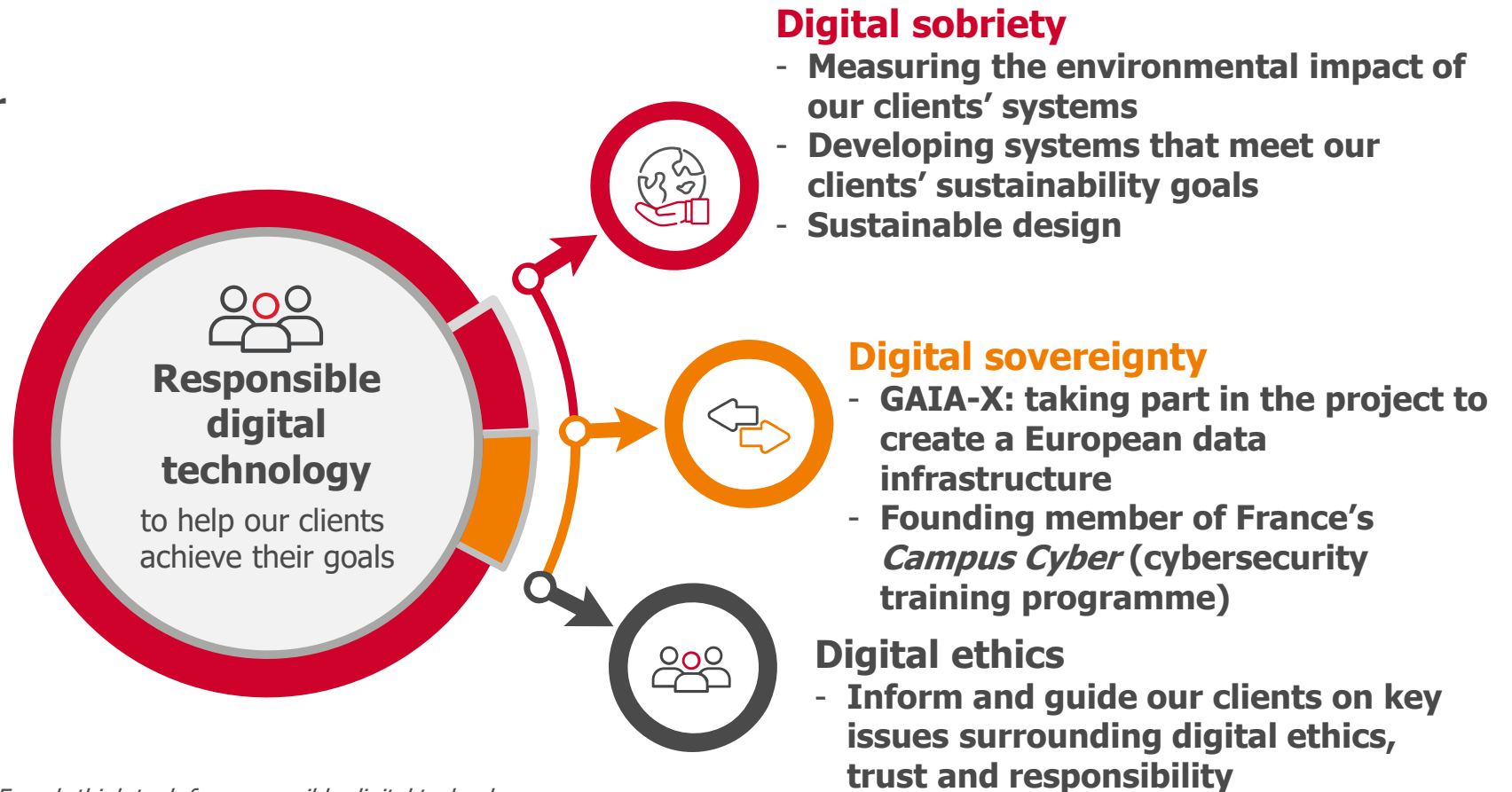
The Group's target is for women to make up 30% of the Executive Committee by 2025



Responsible digital technology

Gradually being integrated into our value proposition

- Sopra Steria Next launched Exploratoire, a “do tank” for responsible digital technology
- Sopra Steria Next signed up to the Digital Responsibility Charter¹
- Sopra Steria Next sponsors the “Digital, Governance and Sovereignty” academic chair at Sciences Po



(1) Cf. Institut du Numérique Responsable (INR), a French think tank for responsible digital technology:
<https://charte.institutnr.org/>

05

Human talent management

Recruitment and retention

Proactive employment policy of Human talent management

Key figures at 31 December	2020	2019	2018
Number of recruitment	6,133	10,844	11,662
Group workforce	45,960	46,245	44,114
Workforce excluding acquisitions	44,768	45,153	43,594
Proportion of permanent contracts	9.67%	96.1%	95.7%
Proportion of temporary contracts	2.9%	3.3%	3.6%
Attrition rate	13.6%	17.7%	16.9%
Redundancies rate in France	2.4%	2.3%	

- **Recruitment remained strong among under-25s, accounting for 29.5% of new hires vs. 35% in 2019.**

Training

A training policy supported by the Group Executive Committee and an Academy

— 2020 achievements

- an updated and digital **Core Competency Reference Guide**, providing a shared framework for understanding the Group's businesses, for employee evaluation, and for career development
 - video portraits giving an overview of the Group's businesses
- continued annual deployment “**people dynamics**” approach process to identify far-reaching changes affecting our businesses over the next one to three years (emerging jobs where there is positive pressure, and/or that are sustainable or sensitive) and draw up HR action plans for integrating, maintaining and developing the required current and future skills.
- **Digitisation of training offering** in France
 - (88.4% of employees trained through e-learning modules, excluding compliance modules, up from 28% in 2019)

— Key figures



1,207k

Training hours
in 2020



27,3

Training hours per
employee



€1,669

Average training cost
per employee

06

Cybersecurity and Data Privacy

Cybersecurity

A solid organisational structure which is coordinated at the Group's highest level

- An information security policy in line with international standards
 - The Group is continually investing in its security awareness and training programme covering employees
 - Permanently enhancement the procedures in terms of cybersecurity monitoring and intelligence, vulnerability management, follow-up actions on computer emergency response team (CERT) reports, system obsolescence management, and the siloing and tightening of systems
 - Annual programme of audits and certifications of the entire system: ISO 27001 and ISAE 34-02
- ***Participation and contribution to a cybersecurity ecosystem in France and Europe:***
 - *Sopra Steria is a founding member of **Campus Cyber** and an **active member of the non-profit (Cyber Centre of Excellence). Pôle d'Excellence Cyber***
 - *Sopra Steria sponsors the IHEDN's "**Cybersecurity and digital sovereignty**" academic chair,*
work covers issues relating to data management and mapping the datasphere as well as legal issues



Data Privacy

A solid organisational structure which is coordinated at the Group's highest level

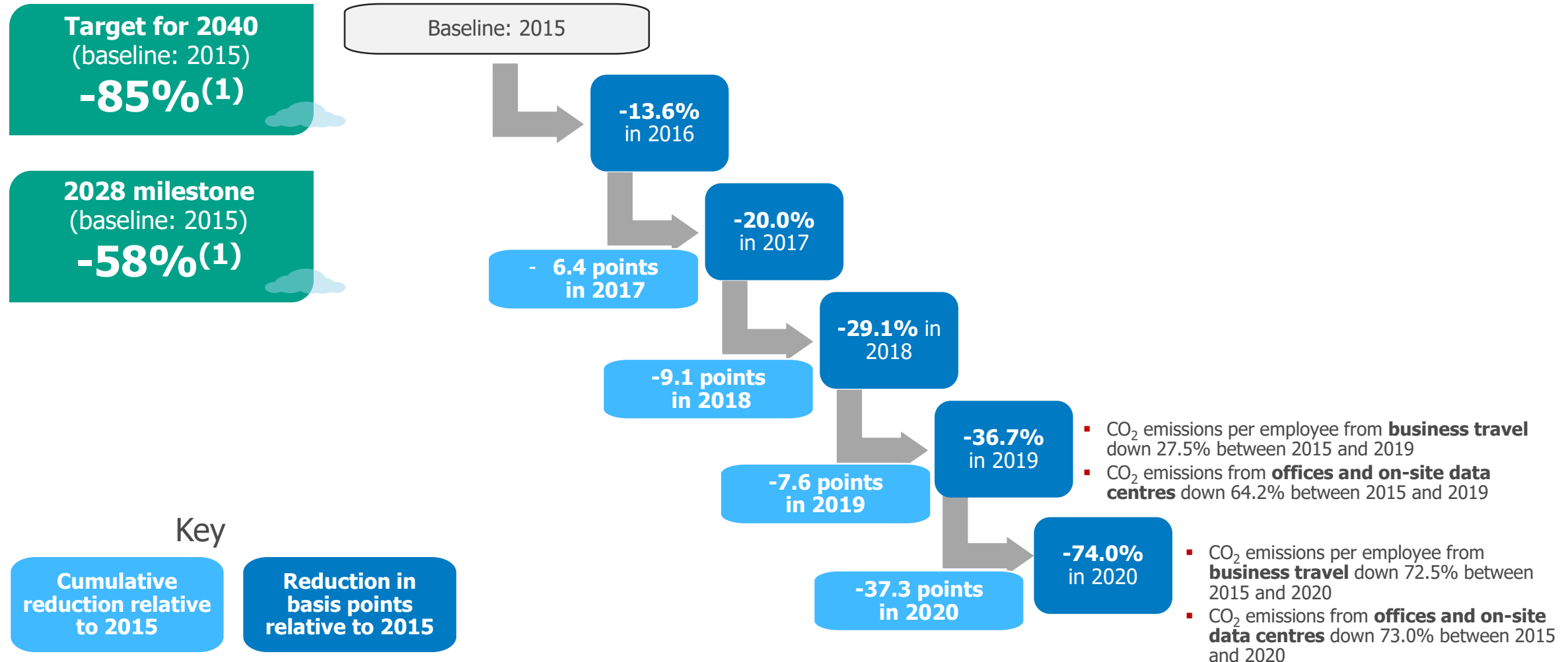
- **A general personal data protection policy supported by a programme has the following goals in particular:**
 - └ The **rollout of a specific tool** to keep records of all processing of personal data by Group entities, both for their own purposes and on behalf of their clients;
 - └ The **implementation of specific procedures** to respond to requests received from individuals exercising their rights relating to personal data, including the right of access, the right to rectification, the right to object to processing and the right to remove data across the system, including archived and recorded data;
 - └ The **provision of standard contracts and clauses** covering the protection of personal data in the context of contractual relationships with clients, subcontractors and suppliers;
 - └ The **rollout of a mandatory training** module for all existing Group employees and for every new employee;
 - └ The **management of the whistleblowing procedure** to report actual or suspected personal data breach.

— **Read more: [here](#)**

ANNEXES

Plan to reduce CO₂ emissions from direct activities (1)

Aligning with the 1.5°C trajectory approved by SBTi (measured per employee)



(1) Direct activities: offices, on- and off-site data centres and business travel

Gender equality programme details

6 action plans

- **Setting numerical targets** to track progress in the proportion of women in the workforce and in management positions (proportion of women recruited, in the workforce, promoted)
- **Launching Group awareness campaigns** to reaffirm our commitment to gender equality
- **Training employees at every level** to drive the cultural and behavioural changes needed to ensure women can advance (addressing the impact of stereotypes on decision-making processes, sexual harassment, sexism, etc.)
- **Supporting career development** for women through mentoring programmes
- **Promoting role models to inspire career choices** through testimonials, talks, webinars, and internal and external multimedia campaigns involving inspiring women in the Group
- **Promoting gender equality-focused networks** to raise women's and girls' awareness of and attract them to the digital sector through events, in particular at schools (primary, secondary and beyond)

Digital inclusion and community outreach

Our Group's commitment to civil society

Sopra Steria-Institut de France Foundation
Established in 2001

Sopra Steria India Foundation
Established in 2000

Sopra Steria France – *Mission Handicap*
Established in 2012

Making digital technology available to all, disadvantaged groups in particular:

Supporting community outreach projects focused on helping those in need (financial support, project sponsorship)

- Digital services portal for marginalised and disadvantaged people and their social workers (more than 10,000 registered users and 80 organisations)
- More than 100 projects supported for around 60 non-profits and 2 schools in India
 - Support for positive-impact projects developed by students and young entrepreneurs
 - Each project selected by the Foundation is given a budget of at least 5,000 euros.

Providing access to education and promoting employment: Comprehensive education programme in India, primarily aimed at children from poor rural areas, in particular girls (49 schools and 54,000 children) through financial support and sponsorship

- Setting up computer labs powered by solar panels; offering English classes, courses to reinforce speaking skills and exam tutoring
- Equipping schools with access to drinking water (water towers)
- Vaccination campaigns, dental check-ups and eye exams
- Scholarship programme to recognise top students and help fund higher education (755 scholarship recipients since 2006)

Promoting employment and retention of workers with disabilities: Agreement between employee representatives and management in 5 key areas: retaining employees, recruitment targets, training, awareness, support for disability-friendly companies and support for technological innovations that make life easier for people with disabilities.

- Several specific initiatives pursued throughout the year:
 - Support for young people with and without disabilities, from the beginning of secondary school through to graduation, in completing scientific and technical projects (Science Factor); the *HandiTutorat* and *HandiBourse* programmes in partnership with FÉDÉEH (9 engineering schools, 106 high school students supported)
- Group Innovation Awards: At least 20% of projects submitted must address disability-related issues (3 winning projects in 2020)

Detailed breakdown of greenhouse gas emissions

GHG emissions (in millions of tCO ₂ e)	2017	2018	2019	2020
Scope 1 (fossil fuel consumption of offices, fugitive emissions from offices and on-site data centres)	3,546	3,318	4,712	3,718
<i>of which: Fugitive emissions ¹</i>	<i>1,725</i>	<i>1,633</i>	<i>2,048</i>	<i>1,403</i>
Scope 2 (consumption of electricity, steam, heating and cooling by offices and on-site data centres)	6,191	4,658	1,724	1,124
Scope 3 (consumption of electricity, steam, heating and cooling by off-site data centres and business travel)	37,795	37,243	35,560	12,698
Total emissions (Scopes 1, 2 & 3) (including fugitive emissions)	47,532	45,219	41,996	17,540
Total emissions (Scopes 1, 2 & 3) (excluding fugitive emissions)	45,807	43,586	39,948	16,137
GHG emissions (in tCO ₂ e)	2017	2018	2019	2020
Total emissions per employee (including fugitive emissions)	1.13	1.00	0.88	0.35
Total emissions per employee (excluding fugitive emissions)	1.18	1.04	0.93	0.38

(1) Leakage of fluorinated refrigerant gases from refrigeration and air conditioning systems (including gases covered by the Kyoto Protocol)

Detailed breakdown of workforce-related indicators

	2017	2018	2019	2020
Total workforce	41,661	44,114	46,245	45,960
% Women	31%	31.6%	32.0%	32.5%
Managers (<i>cadres</i>)	38,626	40,001	40,014	40,581
Full-time equivalent (FTE) workforce (excluding interns)	40,241	42,614	44,230	43,898
Permanent contracts (% of total)	96.1%	95.7%	96.1%	96.7%
Temporary contracts (% of total)	3.3%	3.6%	3.3%	2.9%
Internships (% of total)	0.6%	0.7%	0.6%	0.4%
Average length of service for employees on permanent contracts	7.3	7.1	7.1	7.7
Average age of employees on permanent contracts	37.8	37.8	37.8	38.7
	2017	2018	2019	2020
New staff on all types of employment contract	9,500	11,662	10,844	6,133
% Women	31.0%	32.8%	33.1%	34.0%
New staff on permanent contracts	7,366	9,225	8,047	4,166
Training – Number of hours		1,244,583	1,263,354	1,207,065
Average number of days of training per person (average FTE)			4.1	3.9
Turnover rate for employees on permanent contracts ¹	15.6%	16.9%	17.7%	13.6%
Labour relations – Number of agreements signed during the year		36	49	56
Number of collective bargaining agreements in force		241	291	326

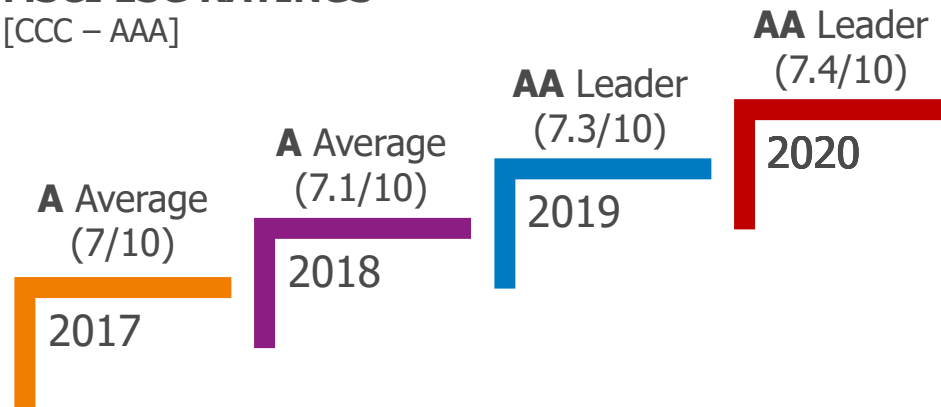
(1) Turnover rate = [Number of leavers on permanent contracts – Number of leavers on permanent contracts who were with the Group for less than six months] / Permanent workforce present on the last day of the reference period (excl. suspended employees)

Greater recognition from non-financial rating agencies

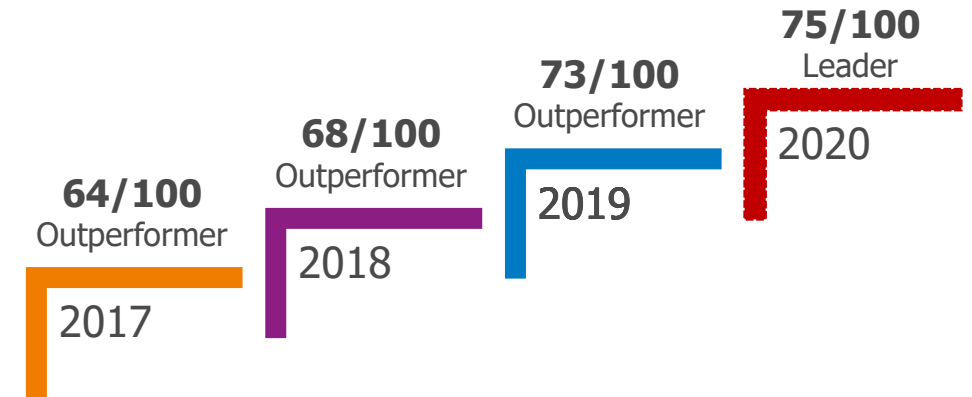
Confirmation of a continued rise in Sopra Steria's ESG scores

MSCI ESG RATINGS

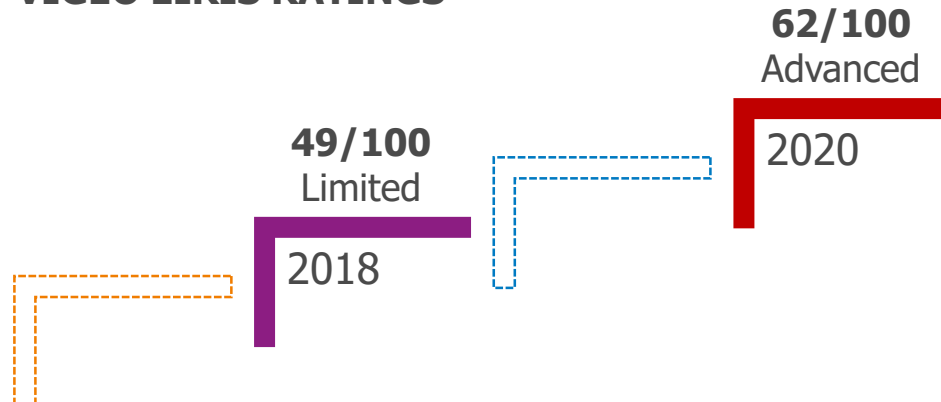
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SUSTAINALYTICS RATINGS

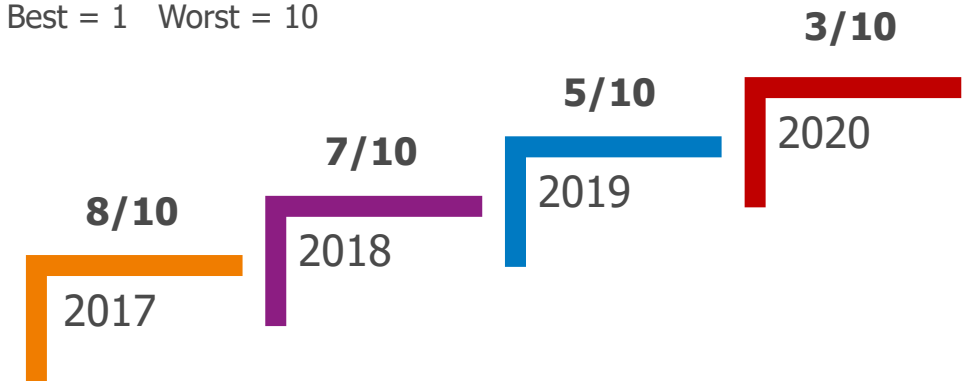


VIGEO EIRIS RATINGS



ISS GOVERNANCE QUALITYSCORE

Best = 1 Worst = 10



Other Sopra Steria ESG rankings

Awards in 2020–2021



Climate Change A-List
for our environmental
performance for the
4th consecutive year



Engagement Leader
for engaging our suppliers in
relation to climate action



Platinum medal for our
sustainability in 2021, in the
top 1% for the **3rd year**
running

2 new awards from French magazines in collaboration with Statista

<i>Le Point</i> – 2021 ranking of France's most responsible companies <i>12/11/2020</i>	Sopra Steria SCORE	Sopra Steria POSITION
France's most responsible companies	88.6/100	8th out of 250
IT & telecoms: Top 5 companies by sector	88.6/100	2nd out of 5
Environment: Top 50 companies	94.1/100	10th out of 50
Social: Top 50 companies	89.2/100	14th out of 50
Governance	82.6/100	-
<i>Challenges</i> – 2021 Climate Champions <i>12/11/2020</i>	Sopra Steria LEVEL	Sopra Steria POSITION
Reduction in CO ₂ emissions (Scope 1 & 2) as %	19.7%	11 th out of 75

Alternative performance measures

- **Restated revenue:** Revenue for the prior year, expressed on the basis of the scope and exchange rates for the current year.
- **Organic revenue growth:** Increase in revenue between the period under review and restated revenue for the same period in the prior financial year.
- **EBITDA:** This measure, as defined in the Universal Registration Document, is equal to consolidated operating profit on business activity after adding back depreciation, amortisation and provisions included in operating profit on business activity.
- **Operating profit on business activity:** This measure, as defined in the Universal Registration Document, is equal to profit from recurring operations adjusted to exclude the share-based payment expense for stock options and free shares and charges to amortisation of allocated intangible assets.
- **Profit from recurring operations:** This measure is equal to operating profit before other operating income and expenses, which includes any particularly significant items of operating income and expense that are unusual, abnormal, infrequent or not foreseeable, presented separately in order to give a clearer picture of performance based on ordinary activities.
- **Basic recurring earnings per share:** This measure is equal to basic earnings per share before other operating income and expenses net of tax.
- **Free cash flow:** Free cash flow is defined as the net cash from operating activities; less investments (net of disposals) in property, plant and equipment, and intangible assets; less lease payments; less net interest paid; and less additional contributions in respect of retirement benefit obligations to address any deficits in defined-benefit pension plans.
- **Downtime:** Number of days between two contracts (excluding training, sick leave, other leave and pre-sale) divided by the total number of business days

Thank you.



Text on several lines.