Capital Markets Day

Shaping Technology across Europe

Paris, 12 December 2024

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Introduction

01

Olivier Psaume,
Head of Investor Relations

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Agenda

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Start 9:30 a.m.

01
Introduction
Olivier Psaume

02
Strategy
Cyril Malargé

03
Lines of transformation
Dominique Lapère

04
Affirmation of a European consultancy
Fabrice Asvazadourian

Break 10:20 a.m.

05
Technology: a transformation lever
Mohammed Sijelmassi

06
Sustainable performance
Axelle Lemaire

07
Capital allocation & targets for 2028
Etienne du Vignaux

08
Conclusion
Cyril Malargé

09
Q&A

End 12:00 p.m.

02

Strategy

Cyril Malargé
CEO

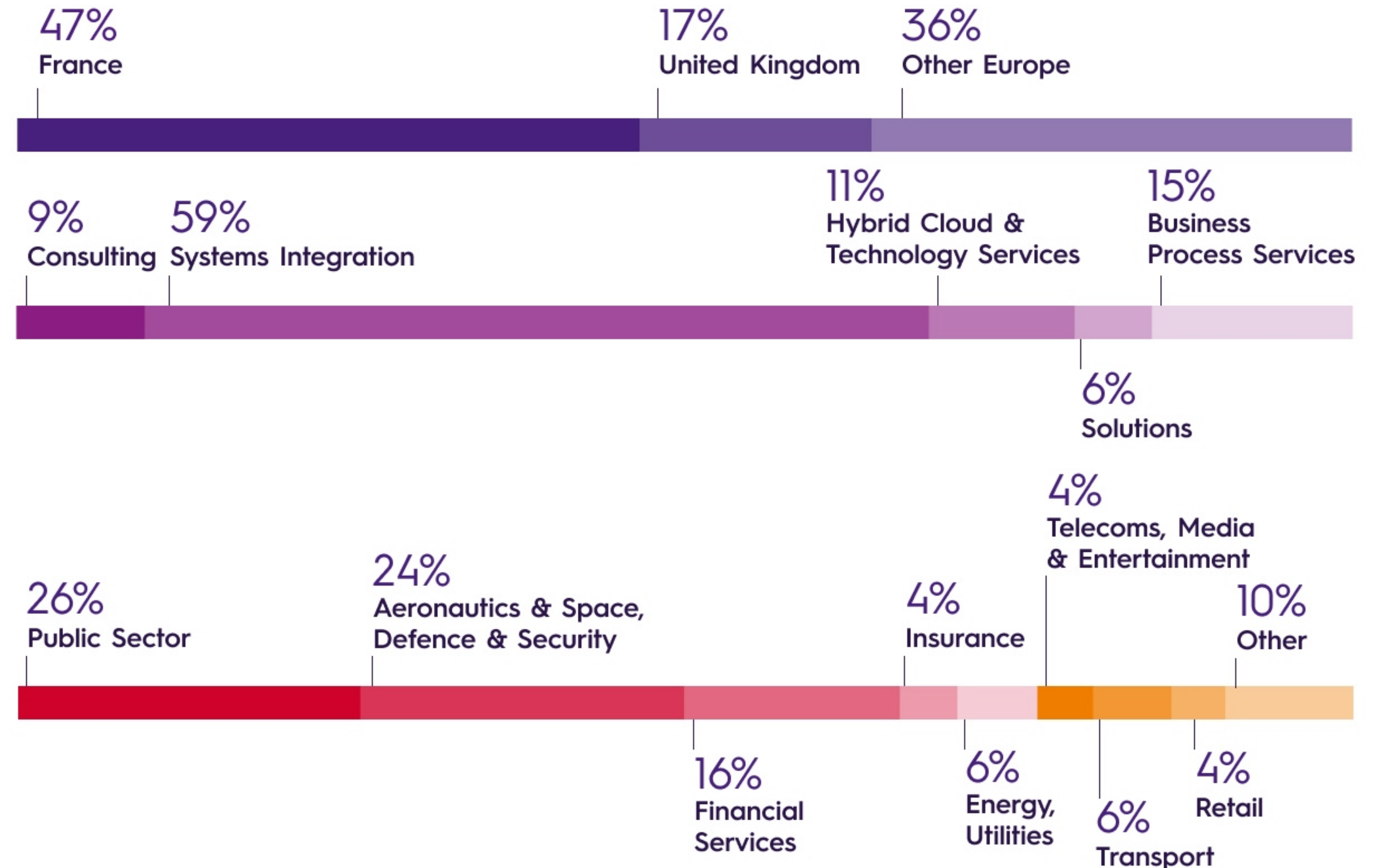sopra steria

Sopra Steria in 2024

€**5.8** bn
2023 revenue

> **52,000** employees

Operations in nearly **30** countries

Approach **End-to-end**

One of Europe's leading tech providers

| 47% France | 17% United Kingdom | 36% Other Europe |

| 9% Consulting | 59% Systems Integration | 11% Hybrid Cloud & Technology Services | 6% Solutions | 15% Business Process Services |

| 26% Public Sector | 24% Aeronautics & Space, Defence & Security | 16% Financial Services | 4% Insurance | 6% Energy, Utilities | 4% Telecoms, Media & Entertainment | 6% Transport | 4% Retail | 10% Other |

Company fundamentals since it was founded in 1968

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Values embodied & shared by all our managers & employees, guiding their conduct

Human resources at the heart of our corporate plan

Sustainability, an integral part of the Group's identity and history

PUTTING CUSTOMER SERVICE FIRST	TAKING POSITIVE ACTION	COLLECTIVE MINDSET
RESPECT FOR OTHERS	PROFESSIONAL EXCELLENCE	OPENNESS & CURIOSITY

Independent corporate plan,
a core shareholder

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Share ownership at 30 June 2024

Sopra GMT	Founder & Management	Investments managed on behalf of employees	Treasury shares	Free float

19.6%

2.6%

22.2%
(33.8%)

6.3%
(8.3%)

1.1%

70.4%
(57.1%)

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

20,547,701 listed shares
26,596,307 theoretical voting rights
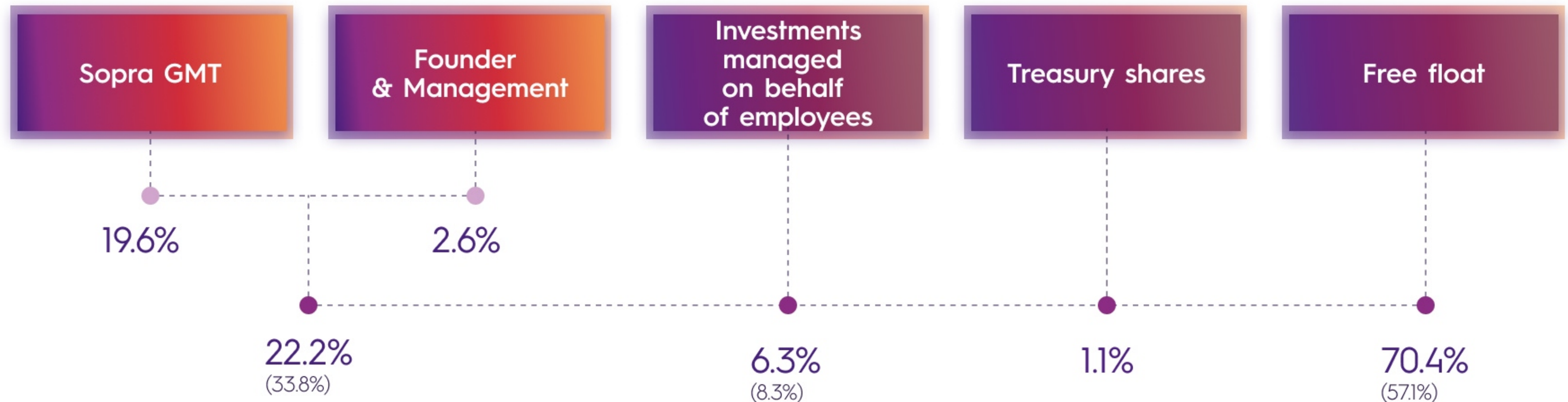
European digital services market

Market valued at

$421 bn[1]

Expenditure by Vertical[2]

Services ~60%

o/w:
| Public Sector 15% | Financial Services 23% | Telecoms & Media 10% |

Manufacturing ~30%

Retail ~10%
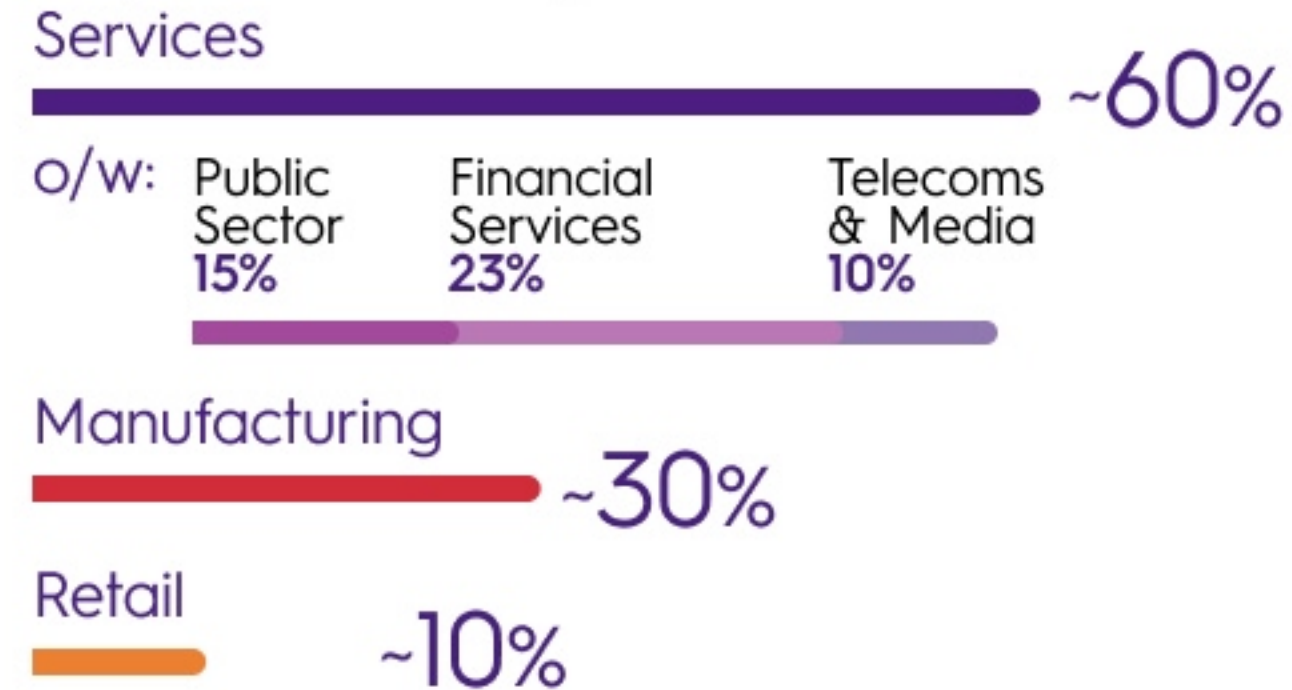
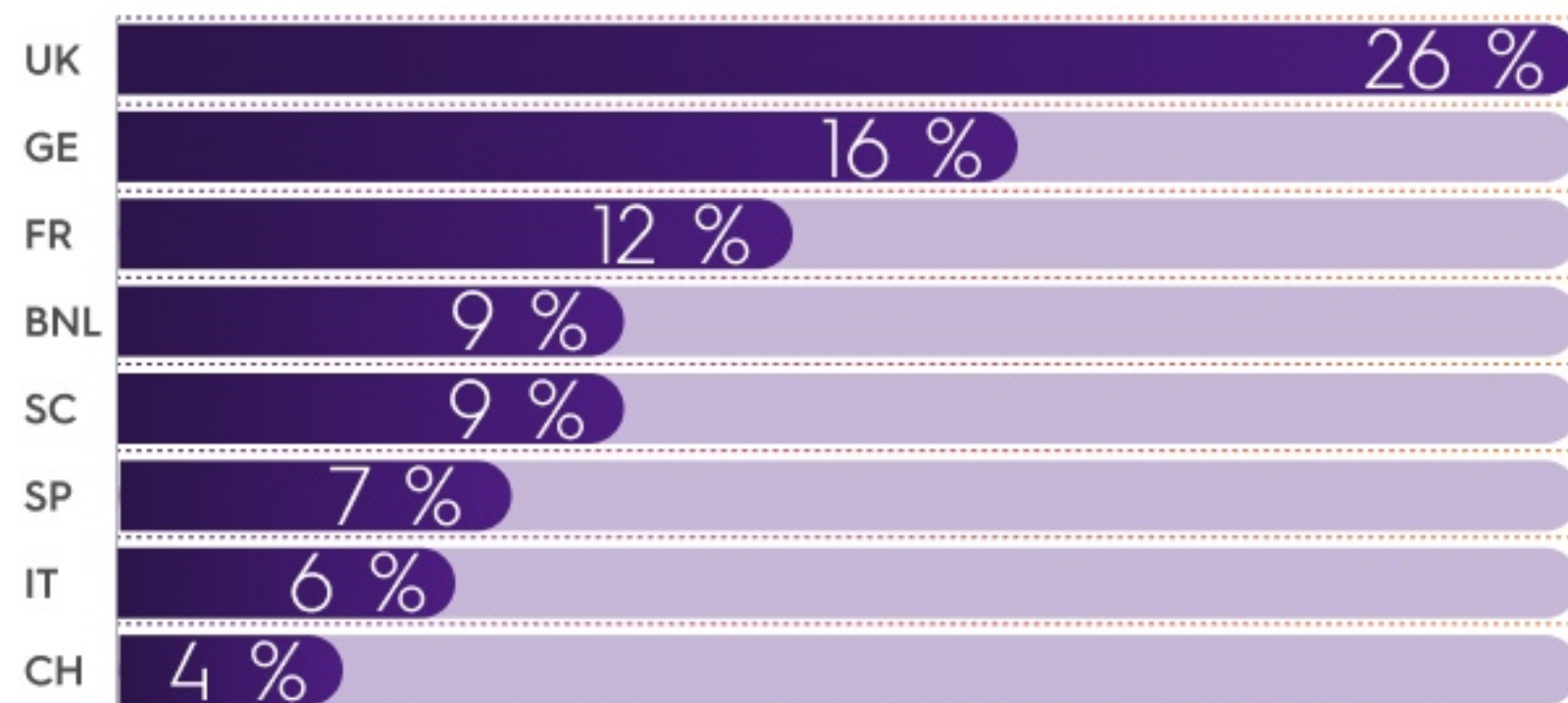## Fragmented market
(market share)

Top 30: 48%

Top 1: 5%

Leaders with a broad-based range

Global players
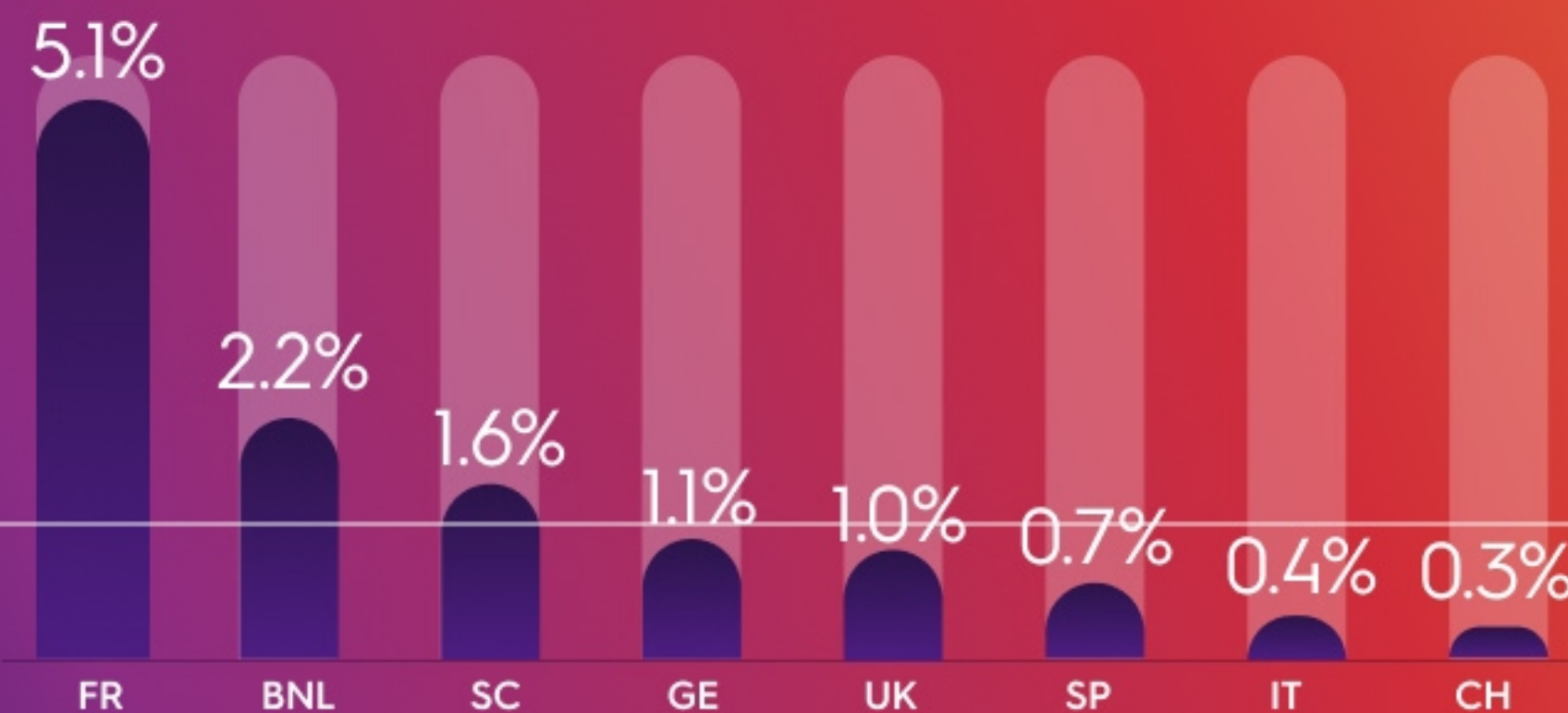
Major presence in all major geographic markets

Focused on a select number of major geographic areas[1]

UK	26 %
GE	16 %
FR	12 %
BNL	9 %
SC	9 %
SP	7 %
IT	6 %
CH	4 %

Sopra Steria in Europe

Geographies[1]

Average market share (%) in Europe ~1.5%

FR	BNL	SC	GE	UK	SP	IT	CH
5.1%	2.2%	1.6%	1.1%	1.0%	0.7%	0.4%	0.3%

Verticals[2]

Significant market share in the public sector, defence and aeronautics (3% to 5%)

Long-standing presence in financial services

1 Gartner, IT Services Forecast, 2023, Europe, 3Q24
2 Gartner, Global Consulting Firm

07

Our outlook for market changes in Europe

Digitalised economy
with digital technology integrated into all business and functional processes

Need to transform business models for greater flexibility & efficiency

Technology:
a transformation lever

European organisations mindful of sovereignty issues

Growth drivers

Shift toward cloud computing

Data management & development of generative AI

Process automation & optimisation

Systems security

Market undergoing structural growth

Growth driven by next-generation technologies

Sopra Steria's European plan

Europe

4 strategic sectors

Public Sector

Financial Services

Defence & Security

Aeronautics

Positioning

European leader in digital services

Credible alternative in Europe to global players

Decision to focus on **high value-added** offerings

Ambition to influence how digital technology is used

Industrial & sustainable approach to implementing technology

What sets us apart
Standout choice with regard to digital sovereignty issues

Values of trust and close ties with our customers and employees

Benchmark provider of responsible digital technology

Capabilities
Best-in-class end-to-end expertise in a comprehensive range of digital services

In-depth knowledge of our customers' priorities

Expertise in digital technologies

Powerful force in Consulting

Strategy implementation levers

Offerings

Operating model

HR transformation

Industrial approach & tools

Acquisition policy

~€1bn

of revenue acquired by 2028

Key decisions taken since 2022

Recruitment of a Group Consulting CEO & a Sustainability Executive Director

Appointment of a Group COO

Launch of cross-functional technology skill centres in France in 2024

Major Group-wide programmes

IT infrastructure management | Cybersecurity activities | raise

3 strategic acquisitions

Defence & Security vertical

CS
a Sopra Steria company

Benelux region

ORDINA
a Sopra Steria company

TOBANIA
a Sopra Steria company

Sale of Sopra Banking Software

Clarification of our strategy

Accretive impact for the Group

Proceeds in 2024 €410.5m

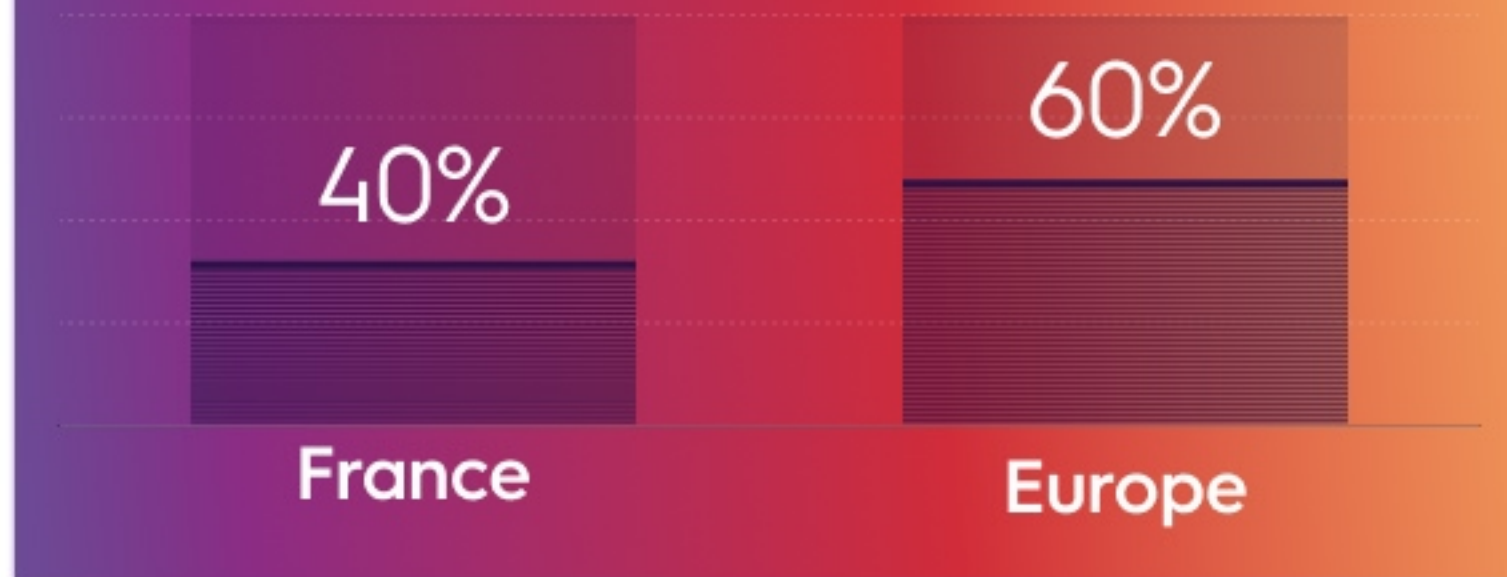# Target profile for 2028

Revenue

> **€7**bn

total growth of ~ +6% per year (CAGR[1])

Expanded & balanced European presence

60%

40%

France　　**Europe**

5 **major areas**
close to or greater than

€1bn

with sizeable market share in each one

- France
- Benelux
- Scandinavia
- United Kingdom
- Germany

Higher added-value
business mix
Consulting
≥**12**% of revenue

Higher added-value
Technology mix
Digital
≥**60**% of revenue

1: 2024/2028 compound annual growth rate at constant currency rates

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Lines of transformation

Dominique Lapère, COO

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Shifting from a service-based approach to high value-added offerings

Offering all our customers a comprehensive range of digital transformation solutions

ADVISE	DEVELOP	OPERATE	SECURE

Embedding consulting into our value proposition

Comprehensive response to our customers' transformation needs

Expanding in digital platform management

Cloud and associated infrastructure services

Stepping up cybersecurity

- Prevention
- Protection
- Detection & Response

Ramping up in next-generation technologies...

- Cloud
- AI
- Data
- Emerging technologies

...and in solutions

- SAP S/4 HANA
- ServiceNow
- Salesforce

Human resources at the heart of our transformation

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Attractive & rigorous talent management	Reinforced & revitalised management approach	Review & modernisation of processes
Targeted rigorous recruitment **Tool-based, forward-looking skills management** **Training: motivational management & NextGen technology**	**Accelerated career pathways** **Well-managed succession plans** **Bringing more women into top management roles**	**Simplification** **Employee-centric** **Controlled, responsible integration of AI into our HR processes**

Enhancing our operating model

Verticals driving sales capacity	Skill centres scaling up technological expertise	Corporate function drawing up the operating model & tailoring it to each operating sector
Key accounts strategy	Data / AI	Drawing up policies
Offerings	Digital	Operational management
Sector-specific skills	Cloud computing	Transformation management
Sales	SAP	Coordination & support

Ramping up our industrial approach

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Automating development environments

Digital Enablement Platform boosted by AI

Used by nearly

50%
of developers

Use of generative AI in our operations

Assistance tools
for project managers (HeiDI)

Virtual assistants
for consultants (CEDRIC)

Predictive analysis tools
to anticipate project warnings (AnDI)

Proactively expanding X-Shore expertise

India
(~ 5,000 people)
Cloud and AI technologies

Poland
(~ 1,000 people)
RPA and AI

Spain
(~ 1,000 people)
AI and development

04

Affirmation of a European consultancy

Fabrice Asvazadourian
Head of Consulting

sopra steria
next

Consulting, a strategic priority for Sopra Steria

Positioning ourselves
as far upstream
as possible in major
transformation programmes

Fostering closer ties
with decision-makers
at our key clients

Helping the Group grow
& move its services
& solutions higher up
the value chain

Sopra Steria Next in 2024

Consultants in Europe by country

1,000+ Consultants
Countries: France

250 to 500 Consultants
Countries:
- Scandinavia
- UK
- Spain
- Germany
- Belux
- Netherlands

100 to 250 Consultants
Countries: Italy
Specialised consulting: Manufacturing
Payments
Human Resources

Key practices

Public Sector

Financial Services

Aeronautics

Transport & Energy

Defence & Security

Tech Advisory

Data & AI

People & Change

Operational excellence
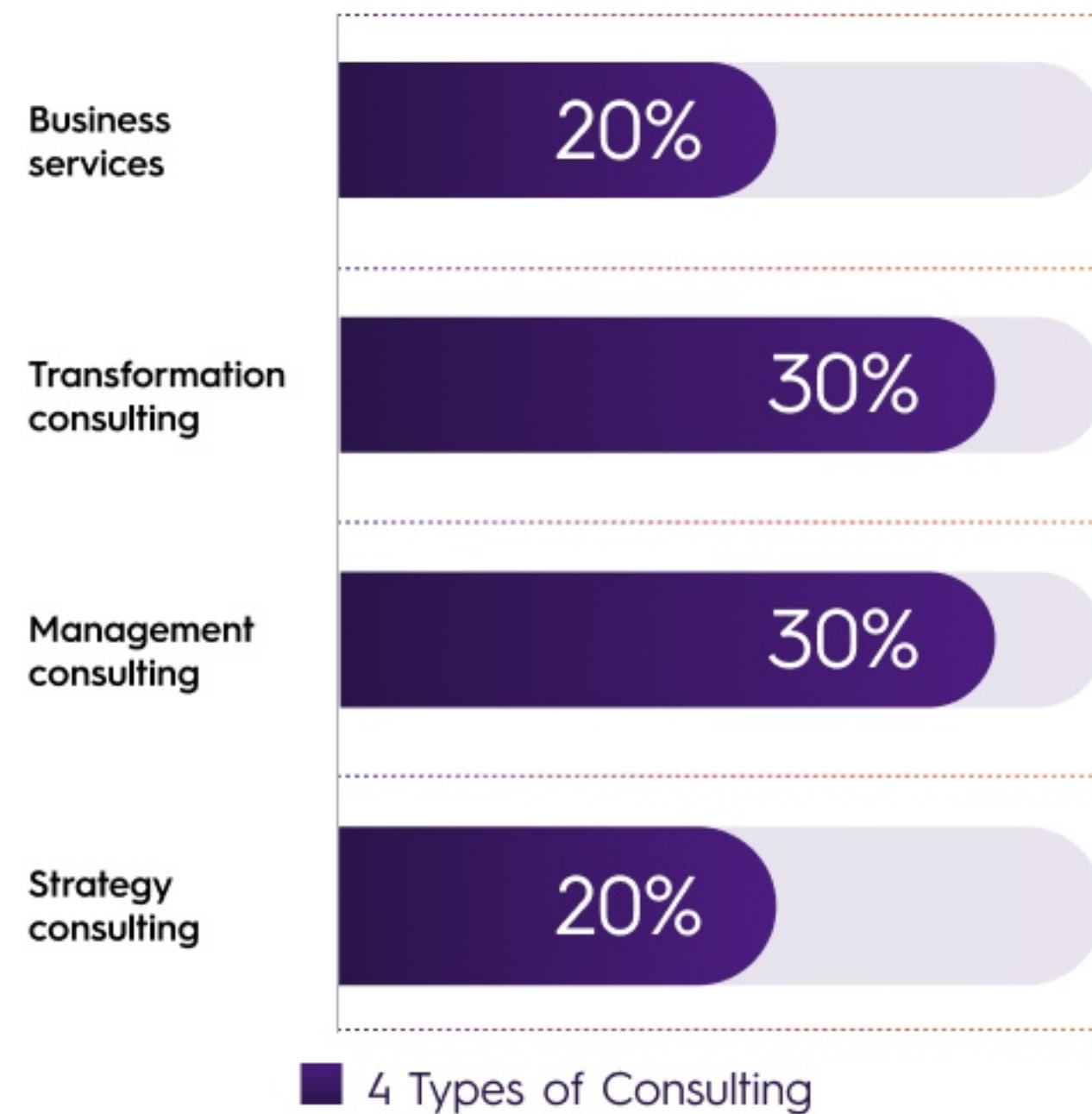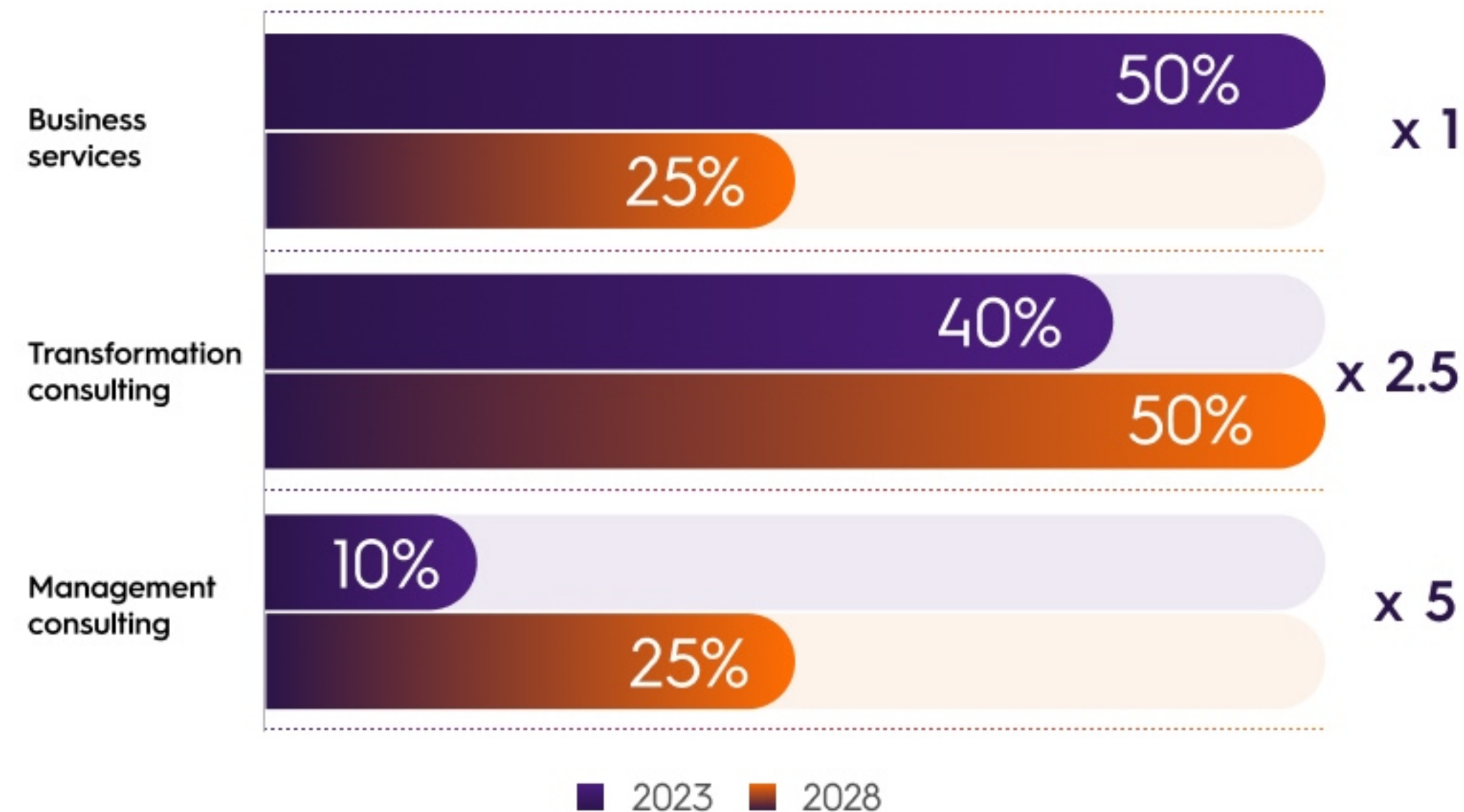
Europe

~€490 m
Up 7% vs 2023

> 3,500
consultants

30
Offices

20

Our ambition: Assert our position in consulting & double in size by 2028

Consulting market in Europe: €68 billion (2022[1])

4 Types of Consulting	
Business services	20%
Transformation consulting	30%
Management consulting	30%
Strategy consulting	20%

Ambition of Sopra Steria Next

	2023	2028	
Business services	50%	25%	x 1
Transformation consulting	40%	50%	x 2.5
Management consulting	10%	25%	x 5

■ 2023 ■ 2028

Revenue

2023

€458m

2028

~€900m

3 levers:
- Volume
- Selling prices
- Acquisitions

1 Source: Gartner 2022, Global consulting firm Sopra Steria Next estimates

Our strategic priorities

Our accelerators

6 — Rounding out our operations with an proactive policy of targeted acquisitions in Europe

5 — Positioning ourselves as a leading player in AI@Scale
to reinvent our customers' business lines

Our 4 fundamentals

4 — Forging a strong sense of belonging with a leading European consultancy
& investing in the skills development of our consultants

3 — Stepping up our access & raising our level of dialogue with our customers'
key decision-makers on their transformation plans & conditions for their succes

2 — Shifting towards consulting on products & services, methodologies &
perspectives shaped by our European practices, leveraging top experts & projects

1 — Asserting Sopra Steria Next's uniqueness in the market,
what we want to be known and recognised for by our customers

Using AI at scale to reinvent our customers' business lines

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% of IT expenditure

2023 **6**%

2028 **10**%

Priority

Moving from use cases to deployment at scale

4

Archetypes

AI for Machines

AI for Processes

AI for Humans

AI for Software

3,500+ consultants trained in AI fundamentals through a dedicated training programme

Our main types of AI projects

AI Factory
From Ideation to deployment at scale

Copilot for MS 365
Deploying a new employee experience

Trustworthy AI
Meeting AI Act requirements & beyond

Dynamic GenAI4IT
Global approch from an IT Departement point of view

Relevant AI
From Ideation to priorisation

Contact Centers
GenAI powered Contact centers

Securing & accelerating the success of our customers' transformation projects

Digital criminal justice

MINISTÈRE DE LA JUSTICE
Liberté Égalité Fraternité

2023 Gold award (Syntec Conseil)

4.4m proceedings digitalised in 95% of jurisdictions

Inclusive travel experience

Booking.com

Removing barriers to mobility and increasing autonomy for people with disabilities, who make up 15% of Europe's population

Showcasing the future of industry

ALCATEL SUBMARINE NETWORKS

Award from the Club de Paris des Directeurs de l'Innovation

**1st rollout of 5G in the industrial sector
40% reduction in maintenance time
and 30% reduction in energy use**

AI to detect payment fraud

Iberpay
Always one step ahead

"Premios Computing Spain 2024" Innovation, AI Development & Big Data

Significant reduction in financial crime linked to payments

HR modernisation trajectory

MINISTÈRE DE L'ÉDUCATION NATIONALE ET DE LA JEUNESSE
Liberté Égalité Fraternité

"2024 Prix de la Relation Citoyen" awarded by Acteurs Publics

**HR IT system for France's largest employer:
1.2m agents
VIRTUO "recruitment" platform with
250,000 applications managed in 6 months**

Transformation of commercial organisation

Barmenia Gothaer

Production boost from 2.5% à 5% depending on agency type

Efficiency x2 of agents to sales support ratio and 25% - reduction of regional teams
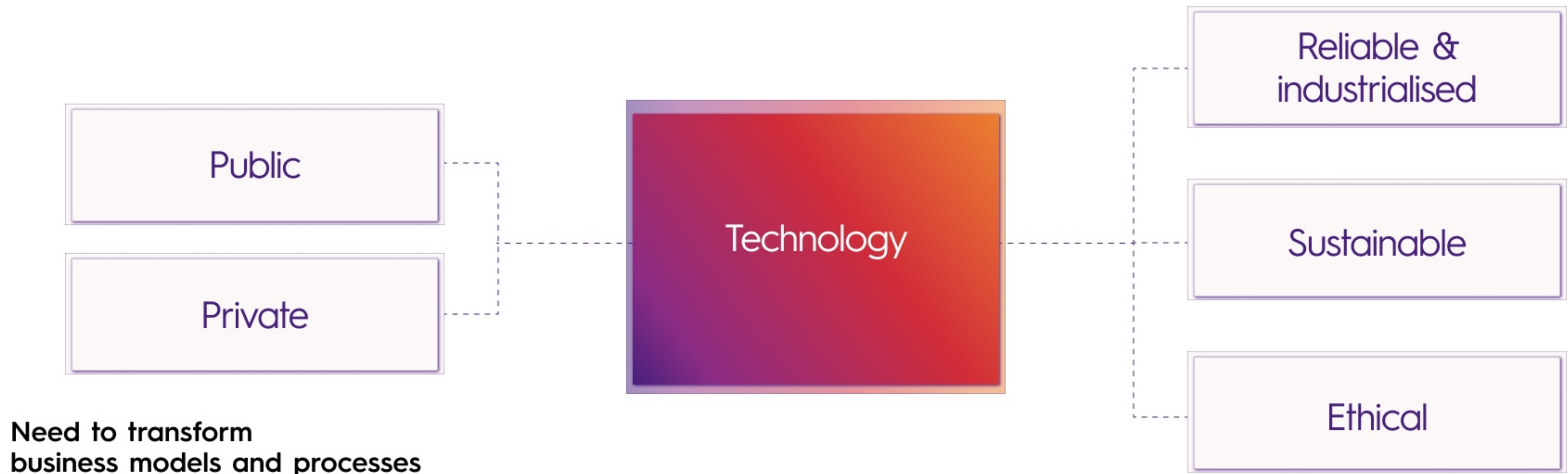
Transformation through technology

Rapidly changing organisation environment

Driving transformation

Sopra Steria develops advanced & sustainable digital systems

Public

Private

Technology

Reliable & industrialised

Sustainable

Ethical

Need to transform business models and processes

Technology for specific business lines

Groupes of applications by market

Aeronautics	Financial Services	Public Sector	Defence & Security	Transport
Digital twin solutions for factory simulation and supply chain optimisation	Debt collection management platform for secure & autonomous management	Automated number-plate recognition solution, with real-time notifications sent to law enforcement agencies	Anti-drone solutions during the 2024 Paris Olympics	Incident management systems for real-time traffic management (e.g. London)
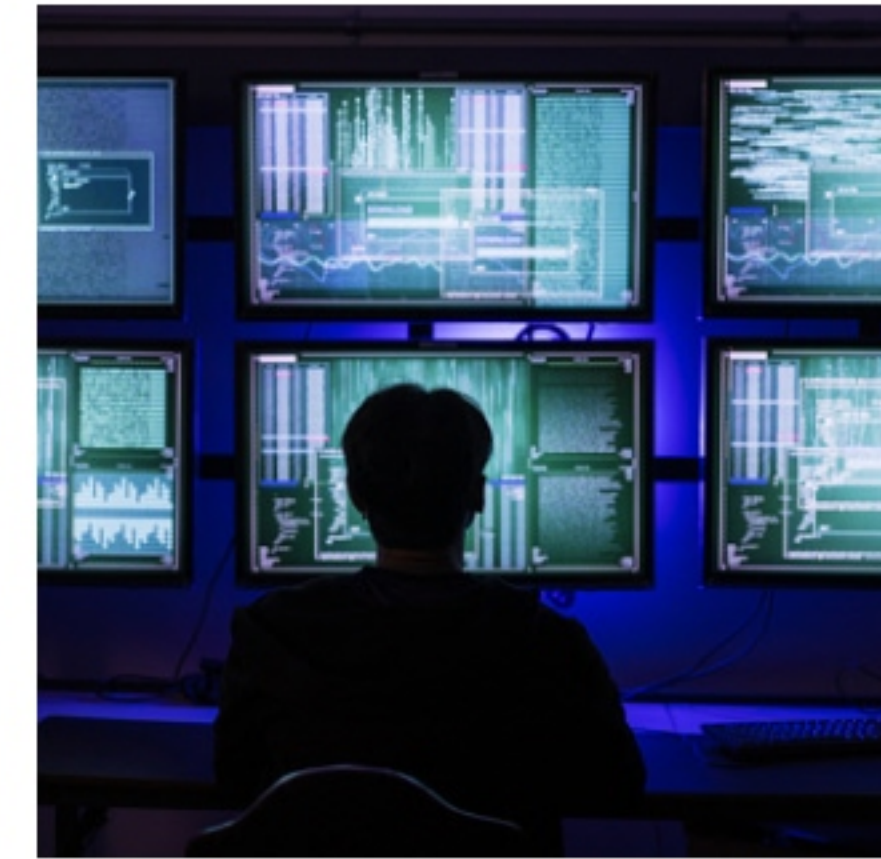
Industrial & sustainable approach to technology use

AI adoption programme	Reusable platforms	Skill centres	Reasonable use, from design to deployment
raise	Accelerated deployment with AI platforms & software development	Data/AI ~ 4,000 experts Cloud ~ 8,000 experts Cybersecurity ~ 2,500 experts ~ 15,000 certifications	Sustainable design G4IT Confiance.ai AI-Act

06
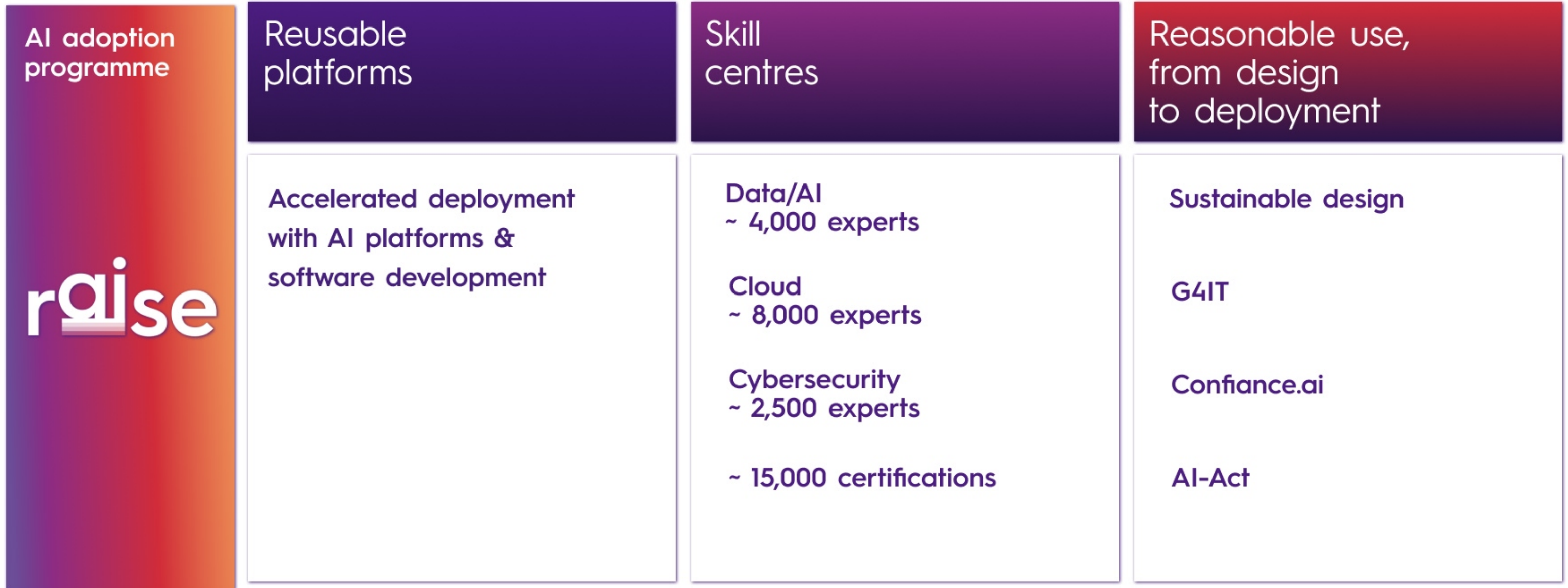
Sustainable performance

Axelle Lemaire,
Executive Director Sustainability
& Corporate Social Responsibility

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Increasingly ambitious sustainability trajectory

Sustainable business model	High expectations	Steadfast commitment
DNA **Long established DNA**	**Worsening** **climate situation**	**Improved** **management of sustainable performance**
Ambitious **trajectory**	**Growing expectations** **from customers**	**Reinforcement** **of our skills & solutions**
Firm foothold **in our European geographies**	**Widespread ramp-up** **in sustainability standards across Europe**	**Development** **of new sustainability standards**
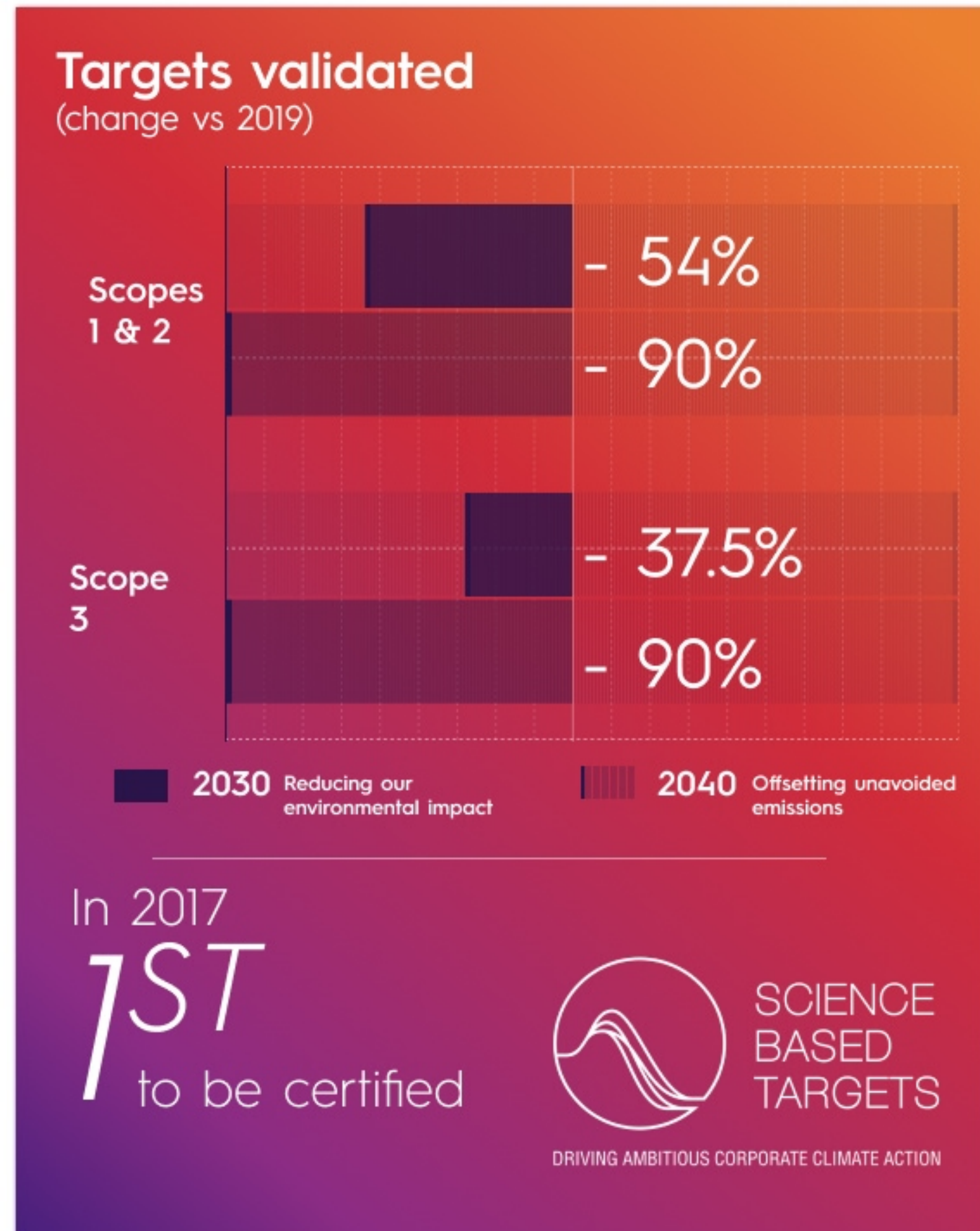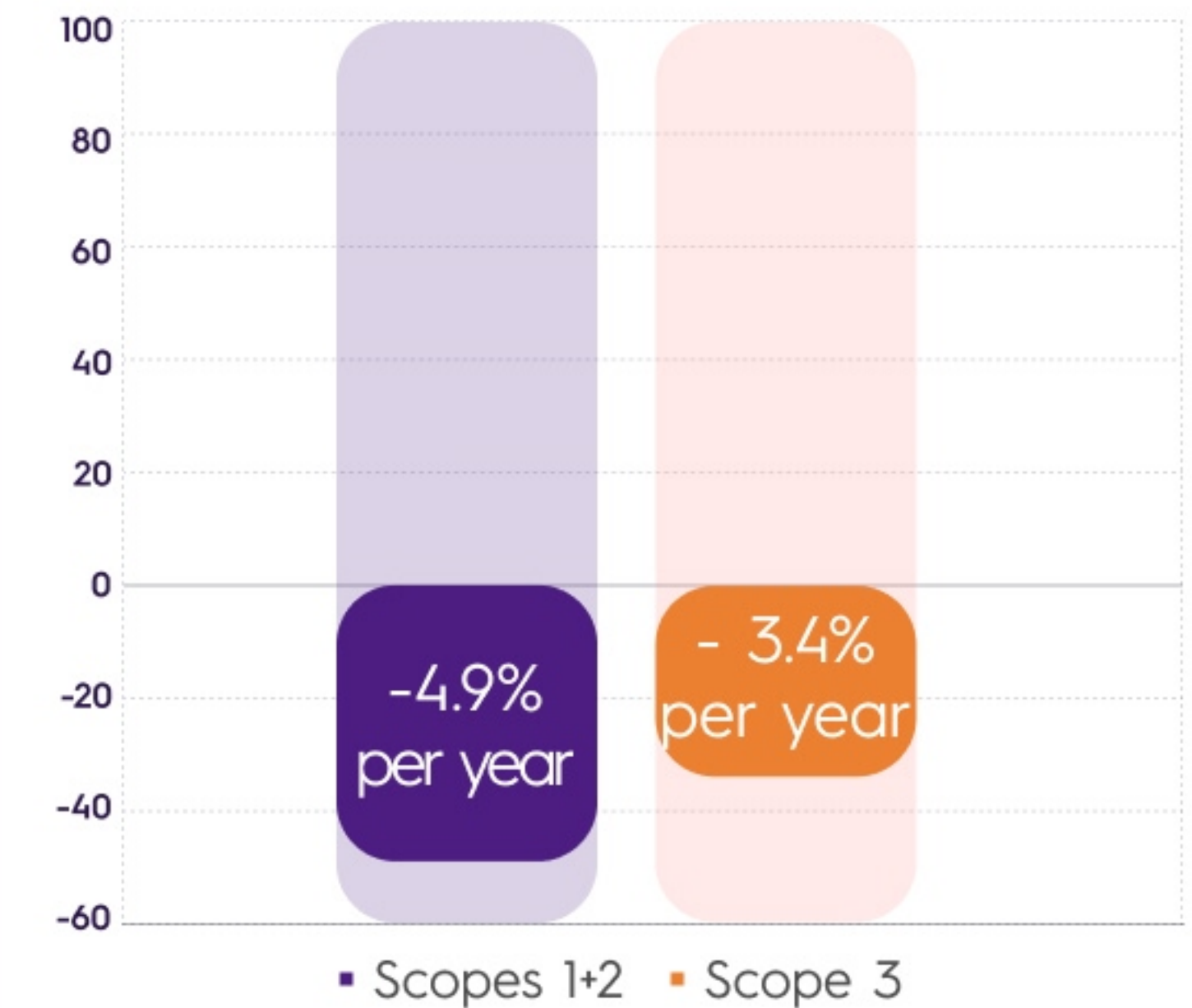
Commitment that spurs us to take action

3 key initiatives

Group-wide energy savings

ISO 14001 certification

Supply chain programme

Market recognition[1]

CDP A LIST 2023 CLIMATE — DISCLOSURE INSIGHT ACTION

CDP SUPPLIER ENGAGEMENT LEADER 2023

WE SUPPORT UN GLOBAL COMPACT

Sustainalytics Risk
13.3 Low risk

S&P Global
94/100

MSCI ESG AA – Leader[2]
7.9/10
Top 33%, out of 117 companies

SILVER 2023 ecovadis Sustainability Rating

L'AGEFI

FT FINANCIAL TIMES statista

Going further

Group-wide sustainable transport plan

Energy-efficient IT equipment

Water policy
Biodiversity policy
Beyond-value-chain actions

1: Full-year 2023 ESG rating
2: Full-year 2022 ESG rating

Human dimension: Reinforced equal opportunity policy

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Targets for diversity & inclusion

Workplace gender equality

Disability inclusion

Welcoming LGBTQIA+ people

Fostering intergenerational ties

Helping people back into work

Prioritising gender equality in management and business lines[1]

Increasing the proportion of women in the workforce	Promoting at least as many women as men	Training an equivalent share of women as the proportion of women in the workforce	Increasing the proportion of women in management roles (L5+)
↗ **33.5**%	**14.0**% vs 12.8%	↗ **34.1**%	↗ **20.1**%

Employee policy initiatives

Testing for discrimination risks in recruitment processes

CSR certification policy

Training and awareness campaigns

Decisive medium-term initiatives

Dedicated programmes	Recruitment targets	Manager involvement

Community outreach policy:
One of the Group's strategic assets

Sopra Steria helps disadvantaged young people and their loved ones navigate day-to-day digital processes

"Who would give their time without expecting anything in return?"

Trusted, sustainable & sovereign operator

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Pressing new need for responsible digital technology

Setting a high benchmark for the future

afnor GROUPE | INR Institut du Numérique Responsable

Developing low-impact digital solutions

G4IT | ECO-MIND

Helping our customers transition to sustainable production & distribution models

PAC RADAR
Leaders in Sustainability-related IT Consulting & Services in Europe
BEST IN CLASS
T-Systems/Detecon
2023

PAC Radar
Sustainability-related IT
Consulting

NelsonHall
TRANSFORM THROUGH INSIGHT

Leader –
"ESG for Banking Services"
(NelsonHall)

Everest Group
PEAK MATRIX®

Major Contender –
"NetZero Consulting
Services" (Everest)

Action guided by sovereignty & ethics

Disinformation – Pégase think tank

ECSO
(European Cyber Security Organisation)

BITD
(Defence Technological & Industrial Base)

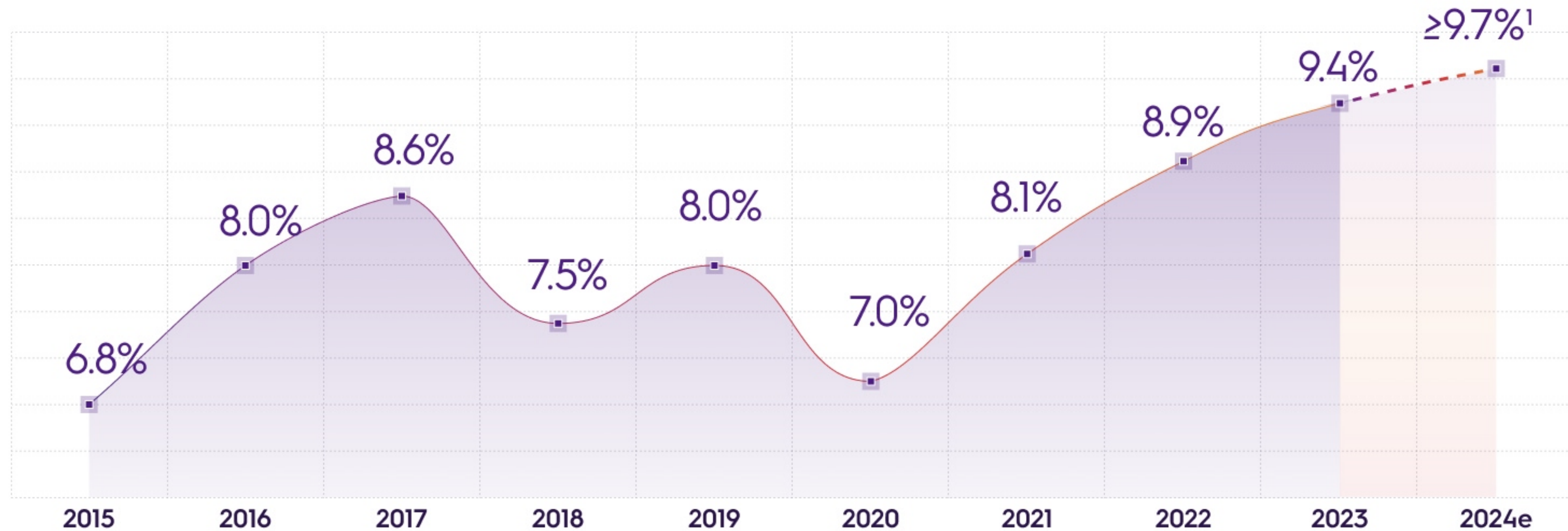Confiance.ai

GAIA-X

InfrateX Consortium/Simpl

07

Capital allocation & targets for 2028

Étienne du Vignaux,
CFO

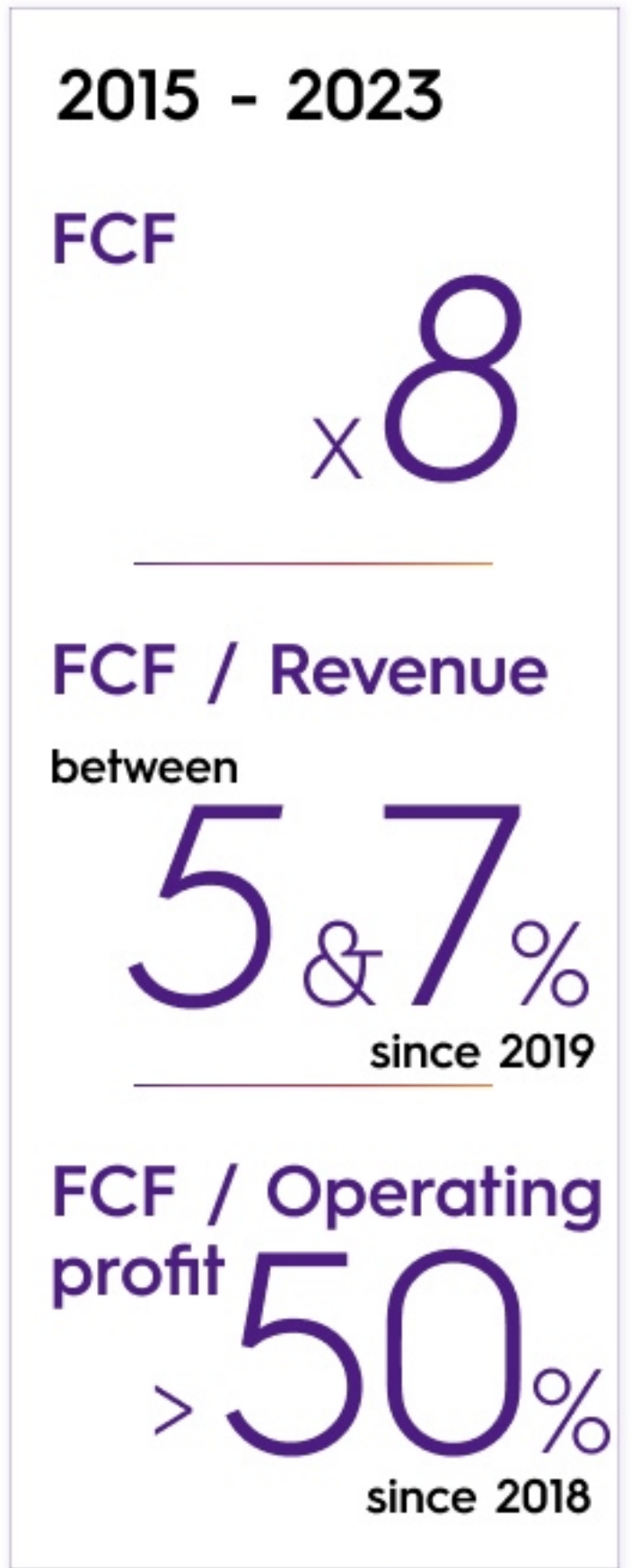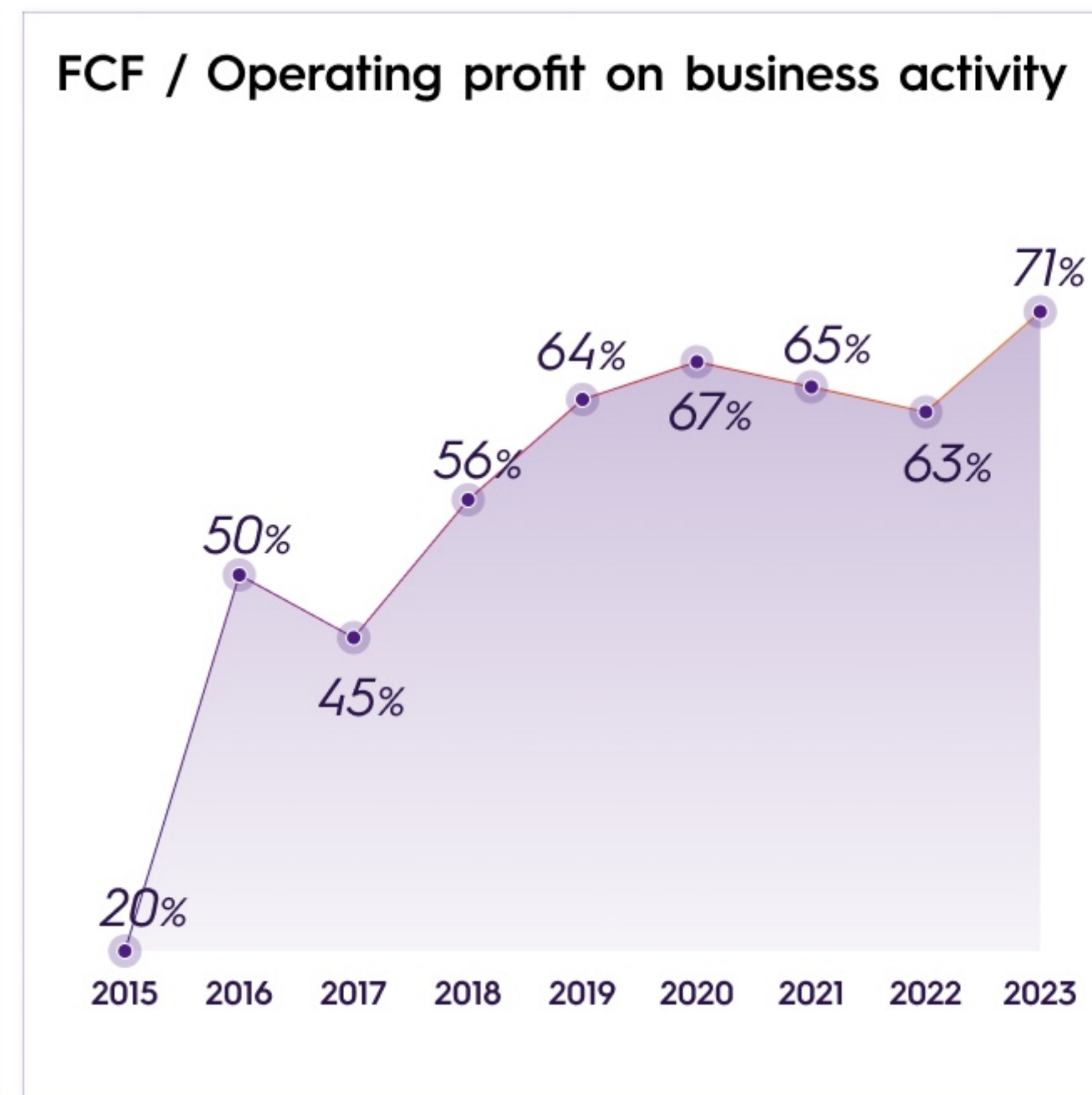sopra steria
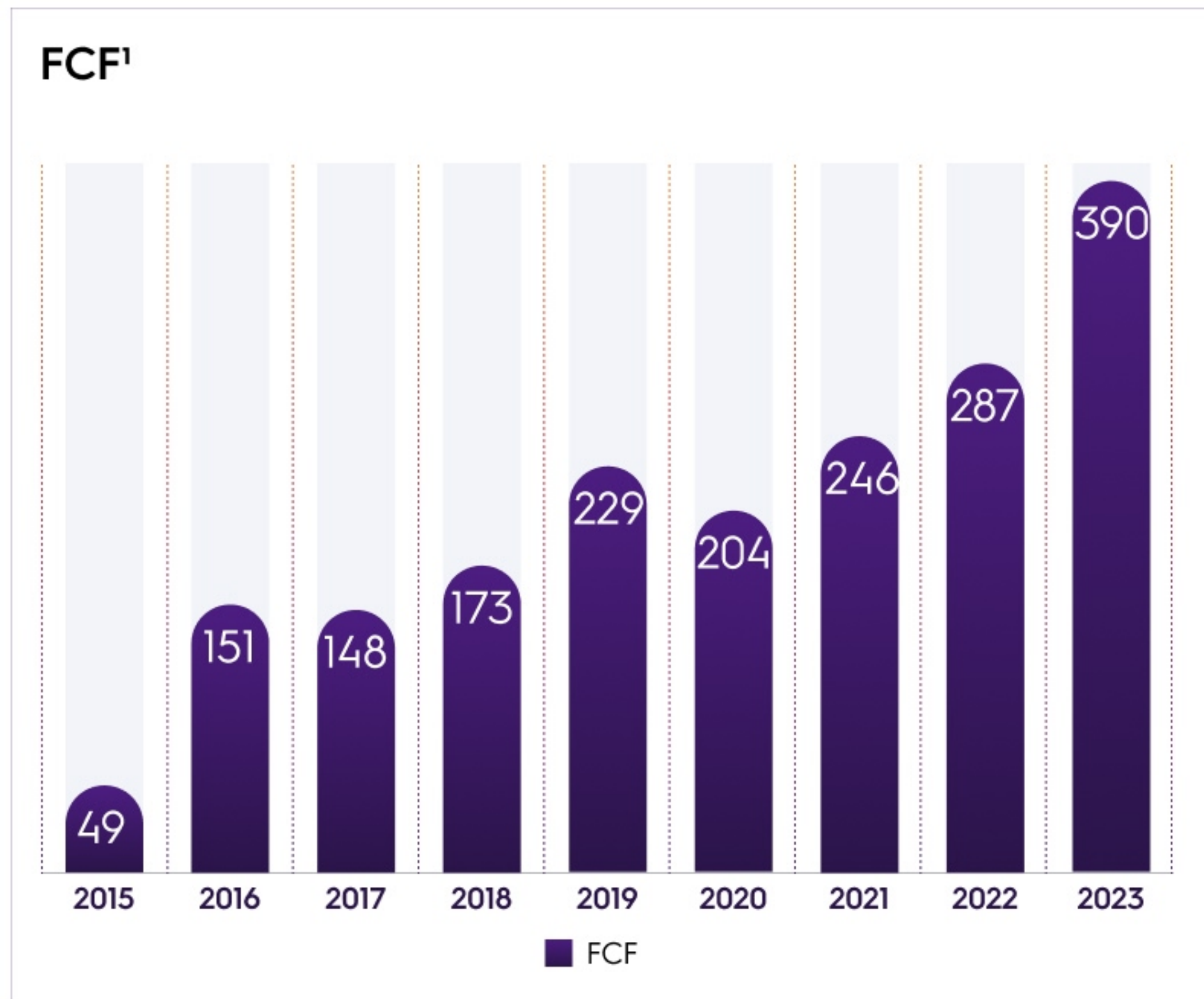
2015 - 2023
Profitability milestone reached

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Operating margin on business activity (%)

≥9.7%[1]

9.4%

8.9%

8.6%

8.1%

8.0%

8.0%

7.5%

7.0%

6.8%

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024e |

1: Guidance 2024

2015 – 2023
Substantial increase in cash generation

FCF[1]

2015: 49
2016: 151
2017: 148
2018: 173
2019: 229
2020: 204
2021: 246
2022: 287
2023: 390

■ FCF

FCF / Operating profit on business activity

2015: 20%
2016: 50%
2017: 45%
2018: 56%
2019: 64%
2020: 67%
2021: 65%
2022: 63%
2023: 71%

2015 – 2023

FCF

x 8

FCF / Revenue

between

5 & 7 %

since 2019

FCF / Operating profit

> 50 %

since 2018

1: FCF: Free cash flow

Significant growth in dividends

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DPS[1] for the financial year

Year	DPS
2015	1.70
2016	2.20
2017	2.40
2018	1.85
2019	0.0
2020	2.00
2021	3.20
2022	4.30
2023	4.65

■ DPS
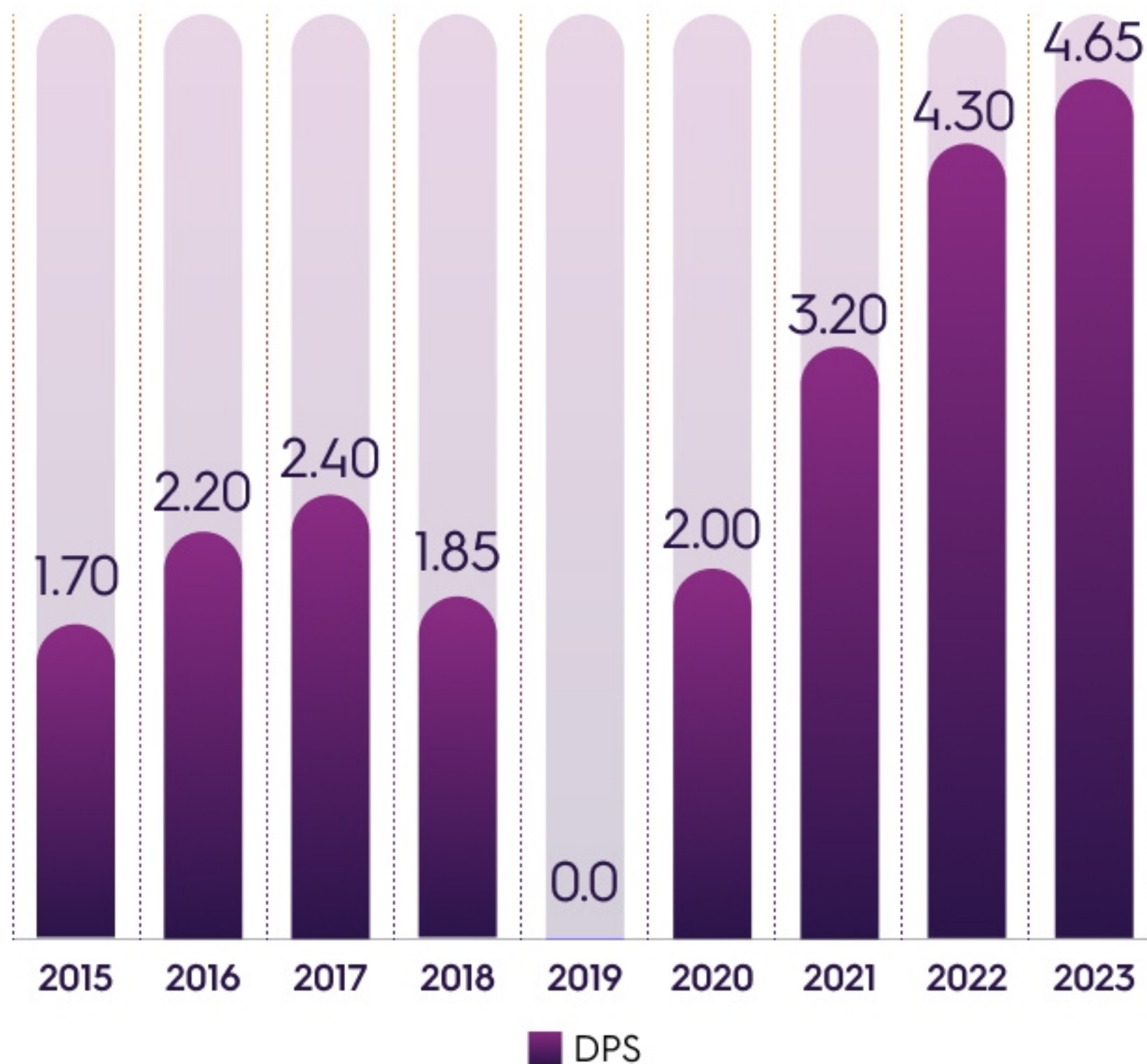
Change in dividend payout ratio[2]

Consolidation:
12 months Sopra
+ 5 months Steria

35% excluding impact
of non-recurring
asset impairment

Year	Ratio
2015	41.2%
2016	30%
2017	28.8%
2018	30.4%
2019	0.0% (Covid)
2020	38.5%
2021	35.0%
2022	35.7%
2023	52%
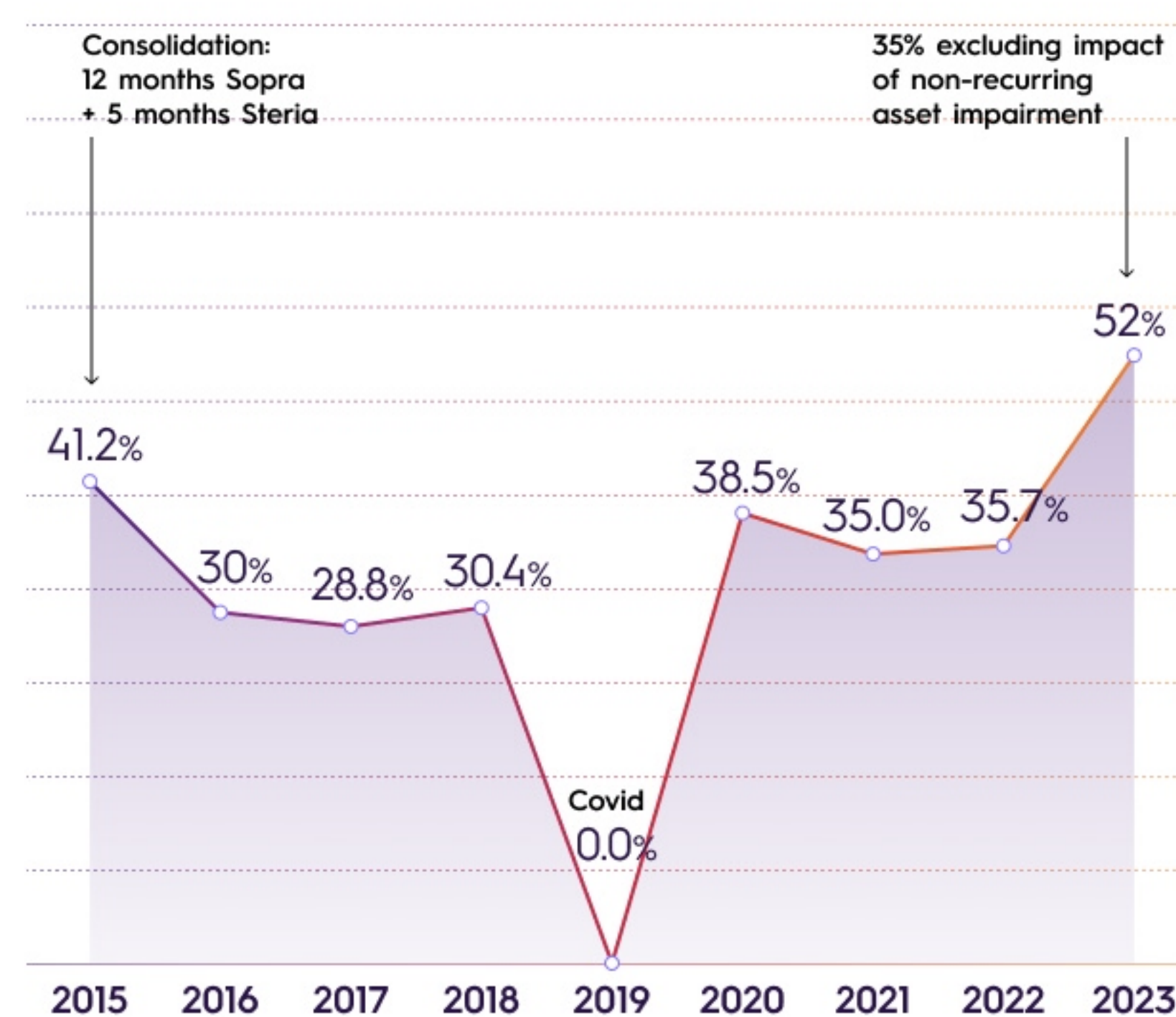
2015 - 2023

Dividend per share

€1.70 to **€4.65**

CAGR

+ 13.4%

Dividend payout ratio[2]

30 to **35%**

1: DPS: Dividend per share
2: Dividend payout ratio: Dividend / Net profit attributable to the Group
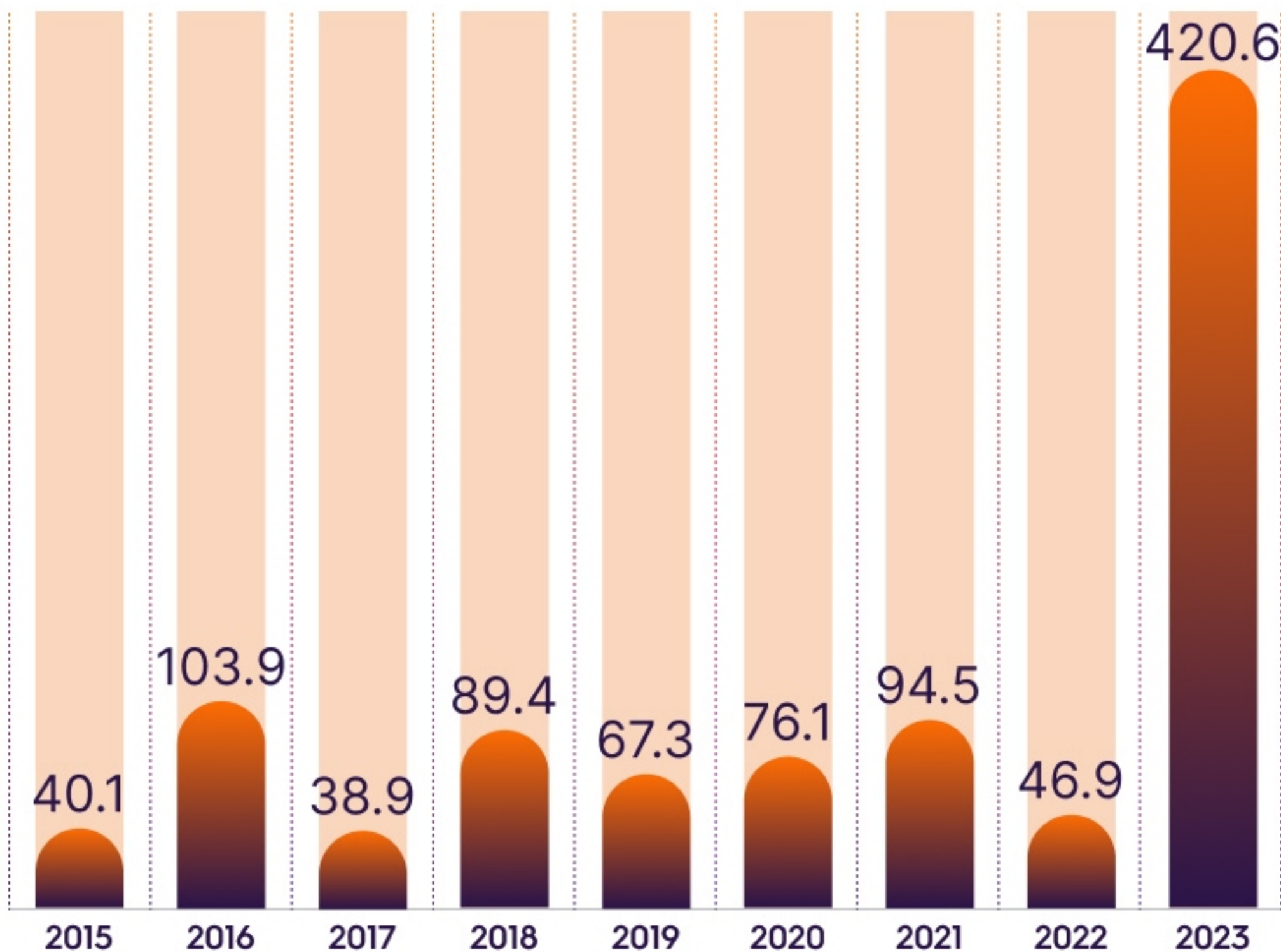
Capital allocation policy for the period 2025 - 2028

Dividends

35%

of net profit attributable to the Group

+

Potential share buybacks

Acquisitions

~€1 bn

of revenue acquired

+

Leverage ratio[1]

≤1.5 x

1: Leverage ratio: Net financial debt / EBITDA before IFRS 16

Acquisition policy

Acquisitions to support our strategy & build up the European positioning targeted

Around

€1bn

of revenue acquired by 2028

Target size: **Medium**

Geographies

Expand our presence in Europe outside France

Top-priority
- **Scandinavia**
- **Germany**
- **Benelux**
- **UK**

Tactical
- **Italy**
- **Spain**
- **France**

Business lines

Consulting │ Digital

Verticals

Top-priority
- **Public Sector**
- **Financial Services**
- **Defence & Security**
- **Aeronautics**

Tactical
- **Other verticals**

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Targets for 2028

Revenue

>€7bn

total growth of ~ +6% per year (CAGR[1])

Organic annual growth post-2025

2% to 5%

External growth

~€1bn

Operating margin

10% to 11%

Margin levers

BUSINESS MIX	TECHNOLOGY MIX
Consulting (% of revenue)	Digital (% of revenue)
≥12%	≥60%
Focus on operational efficiency	All geographies ≥10% Operating margin

1: 2024/2028 compound annual growth rate at constant currency rates

Key indicators for the period 2025 - 2028

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Operating margin structurally

$\geq 10\%$

ROCE[1] before tax

$\sim 20\%$

FCF / Revenue

5% to 7%

Net profit attributable to the Group

5% to 6%

of revenue

Leverage ratio[2]

$\leq 1.5x$

1: ROCE: Return on capital employed (Profit from recurring operations before tax + Profit from equity-accounted companies) / (Equity + Net financial debt)
2: Leverage ratio: Net financial debt / EBITDA before IFRS 16

08

Conclusion

Cyril Malargé,
CEO

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09

Q&A

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