Capgemini UK plc (Capgemini)

GHG EMISSIONS

ACKNOWLEDGE	● ● ○ ○ ○
PRIORITISE	○ ○ ○ ○ ○
SET STRATEGY & GOALS	● ● ○ ○ ○
TRACK	● ○ ○ ○ ○

Background on Capgemini

Capgemini is the UK based business of Cap Gemini S.A., a French multinational information technology consulting company. Cap Gemini S.A. was founded in 1967 and is headquartered in Paris, France. It provides IT services to its customers and is one of the world's largest IT consulting and professional services companies. It operates in over 40 countries, employing 190,000 people and reporting revenues of €12.5 billion in 2016. It is a publicly listed company listed on the Euronext stock exchange.

How did Capgemini come to start thinking about context?

In 2004, Capgemini signed up to be a member of the UN Global Compact. It then extended this commitment in 2007 by signing the UN Global Compact's "Caring for Climate" initiative[1, 2]. A year later in 2008 Capgemini initiated its first environmental sustainability program which included a focus on reducing its own GHG emissions[3]. In 2010, the company extended the work it was doing to reduce its own GHG emissions by beginning to focus on the impacts arising from the emissions of it wider value chain through the introduction of sustainability assessments of its value chain[4].

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[1] Capgemini (2007). Capgemini Group CSR and Sustainability Report 2007. Accessed at: https://www.unglobalcompact.org/participation/report/cop/create-and-submit/detail/1830

[2] UN Global Compact (n.d.). Capgemini. Accessed at: https://www.unglobalcompact.org/what-is-gc/participants/1722-Capgemini

[3] Capgemini (n.d.). Our Environmental Sustainability overview - Towards a Positive Planet. Accessed at: https://www.uk.capgemini.com/about/corporate-responsibility/our-environmental-sustainability-overview-towards-a-positive-planet

[4] Consultancy.uk (2016). Capgemini UK to implement Science Based Targets initiative. Accessed at: http://www.consultancy.uk/news/12937/capgemini-uk-to-implement-science-based-targets-initiative

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In 2014, Capgemini joined a group of companies, supported by the Climate Group and Forum for the Future, who were aiming to further the sustainability concept of net positive[5]. At the time, Capgemini commented that being net positive meant that it would need to ensure that its positive environmental impacts outweighed its negative ones[5]. This led to the company announcing in 2015 that it was establishing a net positive goal associated with its GHG emissions[5]. Later in 2015, Capgemini signed the Business Proposal on climate change ahead of COP21. At the time, James Robey, Global Head of Corporate Sustainability, commented that Capgemini had "worked hard to create a bold strategy to meet our commitments. In just over a year we have firmly positioned ourselves at the forefront of our industry by announcing new and ambitious UK targets using a scientific methodology in line with COP21 to drive our reduction programme [4]." Capgemini formally joined the Science-Based Targets initiative in 2016 and became the first UK company to publish a GHG emissions reduction goal that had been verified by the Science-Based Targets initiative using the initiative's assessment criteria[6]. At the time of the announcement, James Robey commented that "As a service provider and consultant for many household names, our impact is much wider than our own operations and it's important for us to acknowledge this by leading from the front[6]."

What does context look like at Capgemini?

1 **ACKNOWLEDGE** the need to operate within global, regional, and/or local socio-ecological thresholds.

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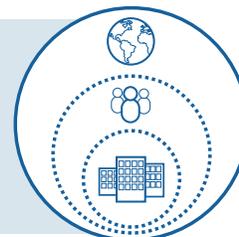
GHG emissions: Capgemini acknowledges the importance of climate change and its individual responsibility to do its part in supporting efforts to limit increases in global temperatures[7]. James Robey comments that "climate change and sustainability are the biggest business change problems we'll see and are ever likely to see[8]." Capgemini states that it is committed to complying with all legal and other relevant requirements relating to the impacts of its operations[9]. This does not constitute a commitment to operate within the limits of this threshold as these limits may fall beyond the levels set out in legal requirements. Capgemini also acknowledges that it can instigate positive change within its value chain through its buying power but the company has yet to specifically commit to supporting its value chain in adhering to the limits of this threshold[7].

5   Capgemini (n.d.). Targets and Performance. Accessed at: https://www.uk.capgemini.com/about/corporate-responsibility/targets-and-performance
6   Ethical Performance (n.d.). Capgemini UK launches ambitious carbon reduction targets. Accessed at: http://www.ethicalperformance.com/article/9664
7   Capgemini (2015). CSR Report 2015/2016. Accessed at: https://www.capgemini.com/gb-en/resources/capgemini-uk-corporate-responsibility-sustainability-report-20152016/
8   Capgemini (2014). Blog: Addressing climate change positively. Accessed at: https://www.uk.capgemini.com/blog/capgemini-news-blog/2014/07/addressing-climate-change-positively-0
9   Capgemini (n.d.). Capgemini Group Environmental Policy Statement. Accessed at: https://www.capgemini.com/wp-content/uploads/2017/07/capgemini_group_environmental_policy_statement.pdf

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Other thresholds: Capgemini acknowledges the importance of other socio-ecological issues including biodiversity, waste, chemicals, human rights, gender equality, diversity, and inclusion but does not yet discuss them with reference to thresholds.

2 Transparently understand and **PRIORITISE** a set of focus areas in relation to key socio-ecological trends at the global, regional, and/or local level.
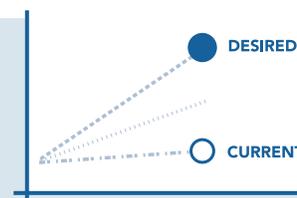
GHG EMISSIONS   ● ● ● ●

Capgemini appears to use what we call a 'classic' materiality approach to align its sustainability priority areas with the expectations of it stakeholders[10]. The company describes how it also uses input from assessments carried out by its national operations, such as the Climate Change Risk Assessment that was carried out by its UK operations, to further identify other material issues[7].

GHG emissions: Capgemini has prioritised GHG emissions (as a contributor to climate change) in response to its stakeholders' signals that this is an increasingly important issue, but also because the company believes that the risks posed by climate change on its business operations will continue to rise with time[7, 10]. Capgemini recognises that as it does not manufacture products, its primary impact on this threshold arises from business travel undertaken by its employees while supporting its customers[7, 9].

3 **SET STRATEGY AND GOALS** by transparently articulating the current performance gap and what portion of this gap the business will address.

GHG EMISSIONS   ● ● ○ ○

GHG emissions: Capgemini has committed to reduce its scope 1, 2, and 3 GHG emissions by 40% by 2030 from 2014 levels[11]. Recognising that its primary impact on this threshold arises from business travel, Capgemini has set a goal to reduce GHG emissions intensity per employee by 40% over the same period as a way to drive its main contextual goal. Capgemini has also set a net positive goal of reducing three times as much GHG emissions in its ecosystem (its customers, value chain, and staff) as it generates from its operations[5]. Despite having a contextual GHG emissions goal, Capgemini has not explained the assumptions or rationale that

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[10] Capgemini (n.d.). Our Corporate Responsibility & Sustainability Approach. Accessed at: https://www.ca.capgemini.com/about/corporate-responsibility/our-corporate-responsibility-sustainability-approach
[11] Science-Based Targets (n.d.). Companies taking action: Capgemini. Accessed at: http://sciencebasedtargets.org/companies-taking-action/

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were used to develop the goal or how it is connected with its net positive GHG emission goal. Capgemini has not set a specific goal to influence its value chain in adhering to the limits of this threshold.

Other thresholds: Capgemini has not yet set contextual goals in relation to any other thresholds.

4 Transparently **TRACK** performance against realistic trajectory targets.

GHG EMISSIONS ● ○ ○ ○

GHG emissions: Capgemini produces an annual sustainability report where it typically reports its performance against this threshold for the year in question and compares this to its performance from the previous year[7]. The company has explained that to meet its contextual GHG emissions goal, it will need to reduce the GHG emissions (per employee) by 20% by 2020 and by 40% by 2030[4]. This statement is a starting point towards developing a set of realistic trajectory targets that could be used to monitor the company's progress; however, Capgemini has not explained the rationale behind this statement.

Other thresholds: Capgemini reports its performance against other socio-ecological issues including biodiversity, waste, chemicals, human rights, gender equality, diversity, and inclusion but does not yet report its progress in relation to their associated thresholds.

What is the road ahead for context at Capgemini?

Since 2009, Capgemini has been implementing an Environmental Management System, in accordance with ISO 14001, which has supported its ability to continually improve its environmental performance across its business operations[7]. Recognising this, Capgemini is aiming to have all its top ten countries (by headcount) certified as ISO 14001 by the end of 2017[7]. In recognition that its primary impact on the GHG emissions threshold arises from its employees' business travel, Capgemini has introduced a program called TravelWell aimed at reducing business travel and improving employee wellbeing[5]. The program aims to do this by better integrating technology into Capgemini's business operations to give its employees options that reduce the requirement for business travel[5].

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