

# 2021 NOTICE OF MEETING

# Combined shareholders' meeting

TUESDAY JUNE 29, 2021 AT 2:00 P.M.

In closed session

INVESTING FOR THE LONG TERM

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# 1. Preface

# 1.1 Profile

# OUR MISSION

Wendel works alongside entrepreneurial management teams to build industry leaders with a long term perspective. Wendel is one of Europe's most prominent listed investment firms. We are positioned as a specialist in long-term equity investments and as a majority or top-ranking investor. Our focused portfolio, the stability of our permanent capital and our strong balance sheet enable Wendel to work with management teams to implement its strategy as a committed investor over the long term. With more than three centuries of experience, Wendel, in which the founding family continues to play a key role as the majority shareholder, consistently carries the values that have forged its success: Engagement, Excellence and Entrepreneurial spirit. With their rich and wide-ranging expertise and backgrounds, its teams provide active and attentive support to its companies. Wendel's goal is to build international and lasting leaders in growing industries. Major strategic and organizational successes attest to the value of this approach: Bureau Veritas, Capgemini, Legrand, bioMérieux, Stallergenes Greer, Editis, Deutsch Group, Stahl and Allied Universal, for example.

# OUR VALUES



Three centuries of experience have forged solid values of Engagement, Excellence and Entrepreneurship at Wendel. The strategic and organizational successes which have marked its history testify to these qualities. Today, the Group's teams are committed to being ambassadors of these values, distinguished also by extensive expertise in services, industry and finance.



### ENGAGEMENT

At Wendel, engagement is not an abstract notion. It is reflected in a great sense of responsibility towards its employees, its portfolio companies and its stakeholders. For Wendel, it is not enough to affirm its respect for all those who contribute to the Group's success, it must also demonstrate this on a daily basis. As a result, Wendel makes its decisions with the long-term interests of the companies it supports in mind. Wendel knows that every company's growth trajectory is different and that complicated situations require a tailored, thoughtful approach.



### EXCELLENCE

Continuous improvement. Wendel applies this standard as rigorously as possible. Three centuries of success, and sometimes of adversity, have validated this approach. Wendel recognizes and supports promising companies and talented executives, knowing that they are the ones who build the future. Wendel is convinced that to be sustainable, a company must never depart from excellence. It must always provide its customers with products and services at the cutting edge of quality and innovation.



### **ENTREPRENEURIAL SPIRIT**

For Wendel, entrepreneurial spirit is a combination of boldness and, depending on the context, resilience. It draws on a far-sighted vision of the future and market expectations. This entrepreneurial spirit provides an impetus that drives the Group to support sustainable companies that create goods and services that are useful to as many people as possible.

## Business model as of December 31, 2020

### **MISSION**

Wendel works alongside entrepreneurial management teams to build industry leaders with a long term perspective

# GOVERNANCE

### SUPERVISORY BOARD<sup>(1)</sup>

### 13 members,

including 6 members of the Wendel family and 2 employee representatives

45% independent members (2)

45% women<sup>(3)</sup>

Audit, Risks and Compliance Committee

Governance and Sustainability Committee

## VALUES

Engagement Excellence Entrepreneurial spirit

### EXECUTIVE BOARD

**2 members appointed** by the Supervisory Board for a 4-year term

### COMMITTEES

Management Committee Investment and Development Committee

Coordination Committee

ESG (Environment, Social, Governance) Committee

# ESG STRATEGY

### BE A ROLE MODEL EMPOWER EXCELLENCE & ENGAGEMENT

Uphold the highest governance, ethics, environmental and operational management standards

**Compliance program** covering in particular the anti-bribery (Sapin II) law

**98%** of employees trained in business ethics

Carbon footprint assessment and actions to reduce its carbon footprint

Foster employability, inclusion, wellbeing, and engagement of the employees through concrete actions

# Signatory of the France Invest Parity charter

Employee surveys and initiatives to promote **quality of life at work** Skills **sponsorship program** 

### BUILD SUSTAINABLE COMPANIES

Invest to support and transform companies with respect for the environment and society

**100%** of investment opportunities are audited in coherence with the exclusions list and ESG due diligence

**80%** of controlled companies have formalized an ESG roadmap (100% among companies acquired more than 18 months ago)

### **Sponsorships**

Partnership with Insead since 1996, with the creation of the Wendel International Center for Family Enterprise

Founding sponsor of the Centre Pompidou-Metz since 2010 Wendel Endowment Fund

### RESOURCES

PERMANANT CAPITAL

Family shareholding

**39.3% of share capital held** by Wendel-Participations SE and related parties <sup>(4)</sup> (reference shareholder)

### Employee shareholding

**89.4% employees** are shareholders and own 0.9% of share capital

# Individual investors

**18.8% of share capital held** by nearly 23,000 individuals

# Institutional investors

**37.7% of share capital held,** in 37 countries

Bond investors

accounting for **c.€1.6 billion** 

### HUMAN CAPITAL

85 employees located in Paris, Luxembourg and New York

54% of staff are women

**36.8%** of investment team members are women

(1) The composition of the Supervisory Board is as of 01/01/2021. (2) Percentage excluding members representing employees. Beyond the requirements of the Afep-Medef Code. (3) Percentage excluding members representing employees; including these members the percentage rises to 53.8%. Beyond the legal requirements and the Afep-Medef Code. (4) In accordance with Article L. 233-10 of the French Commercial Code, the data include Wendel-Participations SE, its Chairwoman, Priscilla de Moustier, and Société Privée d'Investissement Mobiliers (SPIM).

### **OUR INVESTMENTS**

Wendel invests its capital, generally as a majority or lead shareholder, in companies which are leaders in their sectors or have the potential to rise to the top. As it assists these companies, Wendel promotes responsible, sustainable growth for the long term.



### BUREAU VERITAS

Certification and verification services Since 1995



### CONSTANTIA FLEXIBLES

Flexible packaging Since 2015



# CRISIS PREVENTION INSTITUTE

Training services Since 2019



Decorative paints Since 2006



### IHS TOWERS

Telecoms infrastructure Since 2013



115

### STAHL

High-performance coatings and leather finishing products Since 2006

### WENDEL LAB

Investment in innovation Since 2013

### OTHER ASSETS

### VALUE CREATED WITH AND FOR STAKEHOLDERS

### MEASUREMENT OF VALUE CREATION

**Nearly €9 billion** of gross assets

Over €4 billion in market capitalization

Net asset value (NAV) of €159.10 per share on 12/31/2020, down only 4.3% in 2020 and only 2.6% when adjusted for the dividend paid in 2020

Overall yield (dividends re-invested) of 10.2% per annum since 06/13/2002  $^{\scriptscriptstyle (5)}$ 

Payment of a stable dividend of €2.80 per share approved by the Shareholders' Meeting on 07/02/2020

### SUPPORT FOR COMPANIES

Active and ongoing assistance, discussions on risk taking, sharing of experiences and pooling of financial and technical expertise

Representation on the companies' boards of directors and key committees

### SHAREHOLDER DIALOGUE

Institutional investors: **250 virtual meetings** Wendel Shareholder Advisory Committee: **3 virtual meetings** Letter to shareholders: **3 letters** Governance roadshows Independent lead director

### EMPLOYEE DEVELOPMENT AND VALUE SHARING

29.5 hours of non-mandatory training per employee
Profit-sharing agreement, Group employee savings plan, collective pension fund
Supplementary pension plan
90% of employees were awarded stock options and/or performance shares
Reimbursement of daycare expenses

Supplemental insurance, contingency benefits

On 12/18/2020, Wendel finalized the sale of the South African company Tsebo to a consortium of investors and to the company's management. (5) The overall yield is as of 03/31/2021.

## A concentrated, yet diversified, investment portfolio





# Bureau Veritas 35.8% stake

### **Certification and verification services**

2020 sales: €4,601 million No. 2 in the world 75,000 employees Present in 140 countries 400,000 clients More than 1,600 offices and laboratories Amount invested: €397.3 million since 1995





# Constantia Flexibles 60.8% stake

Flexible packaging 2020 sales: €1,505.3 million No. 2 in Europe, No. 3 worldwide c. 8,275 employees 37 production sites in 16 countries Amount invested: €565 million since 2015



# 83 cpi

# Crisis Prevention Institute 96.1% stake

### **Training services**

2020 sales: \$63.8 million US market leader More than 9,000 clients 308 employees 35,000 Certified Instructors who train over 1.4 million people each year Offices in 3 countries, trainings offered in 17 countries Amount invested: \$569 million since 2019

Amounts invested and percentage of share capital held by the Wendel Group are stated as of 12/31/2020. If co-investment conditions are realized, there could be a dilutive effect on Wendel's percentage ownership. See page 360 of the 2020 Universal Registration Document. All information regarding the competitive positioning and market shares of our subsidiaries and associates, as well as certain financial information, derives from the companies themselves and has not been verified by Wendel.



### CLOWOLOGA

# Cromology 95.4% stake

### Decorative paints

2020 sales: €627.6 million No. 2 in France and Portugal, No. 1 in Italy c. 3,200 employees Operations in 9 European countries 6 R&D laboratories Amount invested: €550 million since 2006 <sup>(1)</sup>



### THS

# **IHS Towers** 21.4% stake <sup>(2)</sup>

### Telecoms infrastructure 2020 sales: \$1,403.1 million

No. 1 in Africa No. 4 independent TowerCo in the world c. 2,000 employees Present in 9 countries 27,807 towers <sup>(3)</sup> Amount invested: \$830 million since 2013<sup>(4)</sup>



# Stahl

# Stahl 67.8% stake

# High-performance coatings and leather finishing products

2020 sales: €669.4 million Worldwide leader in chemicals for leather c. 1,800 employees, including c. 600 "Golden Hands" Present in 22 countries 37 laboratories and 11 production sites Amount invested: €221 million since 2006

(1) Combined amount of equity invested by Wendel in Materis Paints and Cromology. €125 million of additional capital injected in Cromology in 05/13/2019. (2) Stake prior to dilutive impact of the profitsharing mechanism. (3) Tower count excluding managed services and towers under construction as of 12/31/2020. (4) Effective holding of 19.8% resulting from the dilutive impact of the profit-sharing mechanism implemented at IHS Towers.

# 1.2 Editorial from André François-Poncet

Ladies and Gentlemen, Dear Shareholders,

Due to the ongoing public health impact of the Covid-19 pandemic, we will hold our Annual Shareholders' Meeting in a closed session on June 29, 2021<sup>(1)</sup>.

As was the case last year, our Annual Shareholders' Meeting will be broadcast in its entirety on our website, available both live and as a replay. Even though we will rely again on a digital format, the Shareholders' Meeting remains an important event in our company's life.

During this event, which will be hosted by Nicolas ver Hulst, Chairman of the Supervisory Board, we will provide an initial assessment of the first several months of 2021, in addition to an overview of our activity in 2020. Over the course of 2020, we dedicated a lot of time and energy to support our portfolio companies in a challenging environment. The businesses which we are invested in displayed remarkable resilience and the ability to adapt. Together, we met the challenge, and these companies know that they can count on the commitment and support of Wendel's teams in such times.

Our ESG strategy (Environment, Social, Governance) will also be further ramped up in coming months. In keeping with its history and its values as a long term investor, Wendel places its emphasis on ESG at the heart of its investment activity.

Having refocused on our strengths, we are looking ahead with great confidence. The Group possesses financial flexibility at a level not experienced in at this level in 20 years, thanks to proceeds from disposals made in recent years and to cash flow in its operating subsidiaries. With historically low debt levels and renewed financial strength, Wendel will now be able to redeploy its assets. We aim to own approximately 10 portfolio companies, up from six today. Our investment team is actively seeking new investment opportunities and we are proud to have announced in April our partnership with the Deconinck family to acquire shares in Tarkett and to back the growth of this company.

All of these topics will be on the agenda of our Shareholders' Meeting. We hope that you will join the event, which will be broadcast live through our website. Prior to June 25, 2021, you will have the ability to submit written questions, which we will answer during the meeting or in writing on our website. You also will have the opportunity to ask live questions during the event. Lastly, we encourage you to use the online voting system to vote at the Shareholders' Meeting. You will find all the information you need to take part in the Wendel Annual Shareholders' Meeting in this brochure.

(1) In the framework of Order n°2020-321 dated March 25, 2020 adjusting rules applying to shareholders' meetings, as amended and extended until July 31, 2021, in particular through Decree n°2021-255 dated March 9, 2021.



André François-Poncet Group CEO

# 1.3 Agenda of the Shareholders' Meeting

### Ordinary Shareholders' Meeting

- 1. Approval of the parent company financial statements for the year ended December 31, 2020;
- 2. Approval of the consolidated financial statements for the year ended December 31, 2020;
- Net income allocation, dividend approval and dividend payment;
- Approval of regulated related-party agreements entered into with certain corporate officers of the Company;
- Approval of regulated related-party agreements entered into with Wendel-Participations SE;
- Renewal of the term of office of Mr. Nicolas ver Hulst as member of the Supervisory Board;
- Renewal of the term of office of Ms. Priscilla de Moustier as member of the Supervisory Board;
- Renewal of the term of office of Ms. Bénédicte Coste as member of the Supervisory Board;
- 9. Appointment of Mr. François de Mitry as member of the Supervisory Board;
- Approval of the compensation policy for the Chairman of the Executive Board;
- Approval of the compensation policy for the member of the Executive Board;

- Approval of the compensation policy for the members of the Supervisory Board;
- 13. Approval of the information relating to the compensation previously paid or awarded to the members of the Executive Board and to the members of the Supervisory Board, in accordance with Article L. 22-10-9 I of the French Commercial Code;
- 14. Approval of the compensation items paid during or awarded for the year ended December 31, 2020 to Mr. André François-Poncet, as Chairman of the Executive Board;
- 15. Approval of the compensation items paid during or awarded for the year ended December 31, 2020 to Mr. David Darmon, as a member of the Executive Board;
- 16. Approval of the compensation items paid during or awarded for the year ended December 31, 2020 to Mr. Bernard Gautier, as a member of the Executive Board up to September 9, 2019;
- 17. Approval of the compensation items paid during or awarded for the year ended December 31, 2020 to Mr. Nicolas ver Hulst, as Chairman of the Supervisory Board;
- Authorization given to the Executive Board to purchase Company shares;

### Extraordinary Shareholders' Meeting

- 19. Delegation of authority granted to the Executive Board to increase the share capital through the issue of shares or securities giving access to the share capital reserved for members of the Group Savings Plan and the international Group Savings Plan, with cancellation of preferential subscription rights in their favor;
- Authorization given to the Executive Board to grant stock subscription or purchase options to some or all of the Company's executive corporate officers and employees;

### Ordinary Shareholders' Meeting

22. Powers for legal formalities.

entailing the waiver by shareholders of their preferential subscription rights to the shares issued on exercise of the options;

21. Authorization given to the Executive Board to grant free shares to some or all of the Company's executive corporate officers and employees, entailing the waiver by shareholders of their preferential subscription rights to the shares to be issued;

# 1.4 How to participate in the Shareholders' Meeting?

### **Special information**

Dear Shareholders, given the current evolutive Covid-19 pandemic and the measures preventing its spread, **the Wendel Shareholders' Meeting will be held exceptionally in closed session**, in the framework of Order n°2020-321 dated March 25, 2020 adjusting rules applying to Shareholders' Meetings, as amended and extended until July 31, 2021, in particular through Decree n°2021-255 dated March 9, 2021.

Administrative measures limiting or banning travel or gathering due to health concerns, are preventing the physical presence of members and participants to the Meeting. These measures cap the number of participants to collective gatherings and affect in particular the conference room booked for the Meeting, which is a public-access building. Taking into account the usual number of participants to the Wendel Shareholders' Meetings, the Company's headquarters are not designed to receive everyone in accordance with applicable health protection measures. In addition, the closed session ensures an equal treatment of all shareholders, which would not be the case of a physical meeting not allowing to welcome all shareholders. Lastly, the Company does not have technical facilities to hold the Meeting by way of telephone or video conference, while ensuring shareholders' identification.

The Shareholders' Meeting being held in closed session, no new resolution or draft amendment can be placed on the agenda during the Meeting.

However, it is reminded that shareholders are entitled to submit written questions prior to the Meeting. In addition to written questions, shareholders will also have the opportunity to ask live questions during the Meeting. Details of the process are provided in the Notice of Meeting.

Scrutineers for the Meeting will be Ms. Priscilla de Moustier, representing Wendel-Participations and Mr. Jean-Paul Vanquaethem, representing Philo-Sophia Partners.

Please note that the Meeting will be available by webcast in its entirety, live and replay, on our website. All information about the Meeting is available on the dedicated page of our website: **www.wendelgroup.com/en/annual-general-meetings.** 

### Conditions for exercising your voting rights

Any shareholder (or unitholder of FCPE Wendel fund) is entitled to take part in the Shareholders' Meeting. This right is conditional upon the registration of Wendel securities in the name of the shareholder or of the unitholder of FCPE Wendel fund in the registered securities account of the Company (for shares held in nominative form), or within a financial or banking intermediary (for shares held in bearer form), or in the register of the FCPE fund manager (for unitholder of FCPE Wendel fund), no later than **June 25, 2021, 0:00** (Paris time). Additional information for unitholders of FCPE Wendel fund:

FCPE Wendel fund's regulation provides that the voting right to Wendel Shareholders' Meeting is exercised by unitholders. Voting rights attached to Wendel shares held by the FCPE will thus be individually exercised by each FCPE unitholder, the number of which being calculated based on the number of FCPE units held. If the calculation does not result in a whole number, fractional voting rights will be exercised the Supervisory Board of the FCPE Wendel fund.

### Options for participating to the Shareholders' Meeting

The Meeting being held in closed session, the shareholder (or unitholder of FCPE Wendel fund) can only participate to the Meeting through distance voting systems. He/she can express its choice:

🛜 online (recommended); or



by postal mail, returning the paper form.

No admission card will be delivered, you are invited not to request such.

The shareholder (or unitholder of FCPE Wendel fund) chooses one of the following options:

- express its vote;
- give proxy to the Chairman of the Meeting;
- give proxy to any person or legal entity of its choice.

Any shareholder (or unitholder of FCPE Wendel fund) who have already cast its vote before the Meeting, or who have decided to give proxy, may choose another way of participating to the Meeting and revoke it (its previous instruction will then be automatically revoked). For this change to be taken into account, follow the process described below in the dedicated timing mentionned in the Notice:

- holders of shares in nominative form and unitholders of Wendel FCPE fund: send a new form by e-mail to ag2021.fr@socgen.com, with the mention "New instruction cancel and replace", complete your identifier, first name, name and address, date and sign, join a copy of your ID and, as the case may be, a power of representation of the legal entity you represent.
- holders of shares in bearer form: contact your financial or banking intermediary and follow its procedure.

If you gave proxy online, you can change it by connecting again on the website previously used.

### Voting or giving proxy online

Voting access will be open from June 11, 2021, 9 a.m. until June 28, 2021, 3 p.m. (Paris time).

To avoid any congestion, it is recommended not to wait until the last day to register your instructions.

### Holders of shares in nominative form

#### Process:

- 1. log onto the Sharinbox website: www.sharinbox.societegenerale.com, using your usual login and password;
- 2. select the name of the Wendel Shareholders' Meeting in the "ongoing events" section on the home page;
- 3. follow the instructions and click on "Vote" in the "your voting rights" section.

### Holders of shares in bearer form

### Process:

- 1. log onto the Internet portal of your financial or banking intermediary, using your usual login and password;
- 2. click on the Votaccess icon which will appear on the line corresponding to your Wendel shares and follow the procedure indicated on the screen.

Your financial or banking intermediary must be a member of the Votaccess system in order to offer you this service for Wendel Shareholders' Meeting. Otherwise, you retain the right to vote using the paper form, as described below.

### **Unitholders of Wendel FCPE fund**

#### Process

- 1. log onto the following website wendel.voteassemblee.com using login and password you received together with the Notice of Meeting;
- 2. follow the procedure indicated on the screen.

### If you have any questions or problems logging on:

- holders of shares in nominative form: contact Société Générale to number +33 (0) 825 315 315 (€0.125 pre-tax/min., local cost);
- holders of shares in bearer form: contact your financial or banking intermediary;
- unitholders of Wendel FCPE fund: contact the website support to number +33 (0) 1 44 30 05 69.

### Voting or giving proxy by postal mail

To be taken into account, your form must be received by Société Générale no later than June 25, 2021.

You must not send your completed form directly to Wendel.

It is recommended to return the form as soon as possible, and not to wait until the last minute to complete the process.

#### Holders of shares in nominative form and unitholders of FCPE Wendel fund

You directly receive the form, which must be completed, dated, signed and returned to Société Générale (Société Générale - Service des Assemblées, 32, rue du Champ de Tir, CS 30812, 44308 Nantes Cedex) using the enclosed Tenvelope (for residents of France).

#### Holders of shares in bearer form

Before **June 23, 2021**, you must request from your financial or banking intermediary to send you a form. This form must be completed, dated, signed and returned to your financial or banking intermediary, who will then send it to Société Générale together with a share ownership certificate.



### Additional information in case of proxy (other than to the Chairman of the Meeting)

To be taken into account, the proxy designations or revocations, and the voting instructions of the mandated person must be received by Société Générale no later than **June 25, 2021, midnight (Paris time)**.

### You wish to give your proxy

The shareholder (or the unitholder of Wendel FCPE fund) wishing to give proxy to any person or legal entity of its choice (other than to the Chairman of the Meeting) has to:

- precisely mention using Internet (online access is described above in section "Voting or giving proxy online" or the postal form - the name of the proxy and its full contact details (first name, last name/company name, postal address); and
- 2. inform as soon as possible the mandated person of the given proxy.

<u>If you are a holder of shares in bearer form</u>: in addition, for your proxy designation to be taken into account, you must request from your financial or banking intermediary to send a written confirmation of this proxy designation together with a share ownership certificate by post to: Société Générale (Société Générale - Service des Assemblées, 32, rue du Champ de Tir, CS 30812, 44308 Nantes Cedex).

The shareholder (or the unitholder of Wendel FCPE fund) can revoke its designation of proxy, as long as the revocation is made in the same manner as the designation.

#### You are acting as proxy

The mandated person acting as proxy shall send to Société Générale its voting instructions related to the received mandates, by way of a scanned copy of the form, *via* e-mail to the following e-mail address: assemblees.generales@sgss.socgen.com. The form shall be completed with the first name, last name, address of the mandated person, the mention "Acting as proxy", and shall be dated and signed. The voting instructions are filled in the voting section of the form. The mandated person attaches a copy of its identity card and, as the case may be, a power of representation of the legal entity she/he represents.

Only voting instructions of proxies can be sent to the above e-mail address. All other requests or notifications will not be accepted or processed.

N.B.: for its own voting rights, the mandated person shall send its voting instructions following the usual process described above.

### Questions before the Meeting

To be taken into account, written questions must be received by Wendel before June 25, 2021, 6:00 p.m. (Paris time).

Shareholders who wish to submit written questions must send them to Wendel, Attn: Secrétariat Général, 89, rue Taitbout, 75009 Paris, France, by registered letter requesting a return receipt, or by e-mail to relationsactionnaires@wendelgroup.com.

In the current pandemic situation, it is recommended sending questions by e-mail. To be taken into account, these questions must be accompanied by a share ownership certificate:

 for holders of shares in nominative form: this certificate can be obtained from Société Générale Securities Services;

### Questions during the Meeting

In addition to written questions, shareholders will also have the opportunity to ask questions during the Meeting. These questions will be answered orally during the Meeting, on the basis of a representative selection of the topics raised and within the time set aside for them.

 for holders of shares in bearer form: this certificate can be obtained from your financial or banking intermediary.

The Executive Board will answer the questions either during the Meeting, or on the Company's website. A single response may be given to questions covering the same content. After the Meeting, all answers will be posted on the Company's website at: www.wendelgroup.com/en/annualgeneral-meetings.

If you wish to ask a question, click on the dedicated tab of the webcast platform, fill in your shareholder number and then draft your question.

### Consultation of documents

Care for the environment, please opt for the consultation of documents on the Company's website.

Documents provided for in the French Commercial Code can be consulted as from **June 8**, **2021**, on the Company's website at: www.wendelgroup.com/en/annualgeneral-meetings. However, if you wish to receive copies of these documents by e-mail or postal mail, you can return the form presented in page 91 of the Notice of Meeting.

# 2. Business activities

# 2.1 Description of 2020 business activities

### 2020 net income from operations

In millions of euros	2019	2020	Change
Bureau Veritas	477.7	302.8	-36.6%
Stahl	94.3	78.3	-17.0%
Constantia Flexibles	44.2	49.5	12.1%
Cromology	-19.2	15.6	181.5%
Tsebo	-9.2	-7.6	17.4%
CPI	-	-2.6	n/a
Allied Universal (equity accounted)	58.5	-	-100%
Dividend from Saint-Gobain	4.1	-	-100%
IHS (equity accounted)	-60.9	-5.3	91.3%
TOTAL CONTRIBUTION FROM GROUP COMPANIES	589.5	430.7	-26.9%
of which Group share	233.6	191.5	-18.0%
TOTAL OPERATING EXPENSES	-72.7	-64.8	-10.8%
TOTAL FINANCIAL EXPENSE	-67.2	-49.4	-26.5%
NET INCOME FROM OPERATIONS	449.7	316.4	-29.6%
of which Group share	85.4	77.3	-9.5%

On March 17, 2021, our Supervisory Board met under the chairmanship of Nicolas ver Hulst and reviewed Wendel's consolidated financial statements, as approved by the Executive Board on March 10, 2021. Financial statements were audited by the Statutory Auditors prior to their publication.

Wendel Group's consolidated sales totaled  $\notin$ 7,459.2 million, down 8.0% overall and down 5.8% organically.

The overall contribution of Group companies to net income from operations amounted to  $\notin$ 430.7 million, down 26.9% from 2019. This decline largely resulted from lower earnings at Bureau Veritas and Stahl levels, the accounting impact of Allied Universal disposal in 2019<sup>(1)</sup>, which have not been fully offset by strong results at IHS, Cromology and Constantia Flexibles.

Financial expenses, operating expenses and taxes totaled €114.2 million, down 18.4% from the €139.8 million reported in

2019. This decrease was mainly on the financial expense line item, in continued reduction over the recent years, down 26.5% in 2020, as a result of the reduction in gross debt, as well as the strong reduction of operating costs at Wendel level in 2020. While borrowing costs decreased by 27.7% in 2020, operating expenses were also reduced by 10.8% primarily due to tight and optimized holding costs in the context of the Covid-19 crisis and following the closure of several offices.

Non-recurring net result was a loss of €376.5 million in 2020 vs. a gain of €321.1 million in 2019. This is largely due to the disposal of Allied Universal which generated a €644 million capital gain in 2019.

Wendel's net loss was thus  $\notin 231.0$  million in 2020, compared with a gain of  $\notin 625.6$  million in 2019. Net income, Group share was a loss of  $\notin 264.1$  million, vs. a gain of  $\notin 399.7$  million in 2019.

### Group companies' results

Figures are including IFRS 16 unless otherwise specified.

# Bureau Veritas: Resilient business model driving a strong cash flow generation and deleveraging. Dividend reinstated in 2021

#### (Full consolidation)

Revenue in 2020 amounted to €4,601.0 million, a 9.8% decrease compared with 2019. Organic revenue was down 6.0%, but with a lower 2.0% decline in the last quarter. Revenue improved in the second half, falling 3.2% compared with a revenue decrease of 9.0% in the first half of 2020. Marine & Offshore delivered organic growth of 2.2%. Agri-Food & Commodities, Buildings & Infrastructure, Certification and Industry (representing in the aggregate more than three quarters of Bureau Veritas' revenue) showed a good level of resistance overall, down 5.1% organically on average. Conversely, Consumer Products, representing less than a fifth of the portfolio, declined sharply due to the impact of the Covid-19 shutdowns, down 15.0% organically.

In the fourth quarter, Bureau Veritas' organic revenue decline was limited to 2.0% year on year. Certification was the top performing business, growing by 10.7%, benefiting from the "Restart Your Business with BV" and "SafeGuard" solutions as well as the catch-up of audits and strong momentum on schemes related to Sustainability.

External growth was a negative 0.4%, reflecting the impact from prior-year disposals (HSE consulting business in the US, in particular), and recent disposals (with the emissions monitoring business unit in the US) and the absence of acquisition during the year. Currency fluctuations had a negative impact of 3.4%, mainly due to the depreciation of some emerging countries' currencies and the USD and pegged currencies against the euro.

Consolidated adjusted operating profit decreased by 26.0% to €615.0 million; the full year 2020 adjusted operating margin dropped 294 basis points to 13.4%, including a 23-basis-point negative impact from foreign exchange and a 7-basis point positive impact from scope changes. On an organic basis, it declined by 278 basis points to 13.5%.

All business activities apart from Marine & Offshore experienced lower organic margins due to the impact of the Covid-19 shutdowns on activity. This was cushioned by strong cost containment measures (salary & recruitment freeze, reduction of travel costs and non-discretionary spend notably), government aids in some countries (especially the furlough scheme in France in the first half) and restructuring. Margins recovered well in the second half to 16.6% as many businesses saw improved operating conditions. The most affected divisional margins were those of Consumer Products and Buildings & Infrastructure, due to a sharp revenue shortfall associated with negative mix effects. Together, they represented more than three quarters of the organic decline in Bureau Veritas' margin in the full year 2020.

# The successful deployment of "Restart Your Business with BV"

In the context of the pandemic, health, safety and hygiene issues have become a top priority. To help companies adopt best practices and provide reassurance to their stakeholders, in spring 2020, Bureau Veritas launched the "Restart Your Business with BV" suite of solutions targeting clients who are resuming their business operations.

Bureau Veritas' geographical presence in 140 countries, unparalleled network of inspectors and Auditors, and unrivalled experience in certification processes and management of health, safety and hygiene risks are considerable assets. They enable Bureau Veritas to provide companies, public authorities and society as a whole with services and in-depth knowledge of local specificities and regulations.

### Bureau Veritas Green line of independent expertise to foster a sustainable world

In October 2020, Bureau Veritas launched its "Green Line", a wide range of services and solutions dedicated to sustainable development in order to help all clients and stakeholders, across multiple sectors, bring transparency and reliability to their ESG commitments.

### **Solid financial position**

Bureau Veritas' financing activity during 2020 demonstrates the strong support and confidence of Bureau Veritas' banks and their lenders base in the context of the Covid-19 pandemic.

In April 2020, Bureau Veritas' Board of Directors took the exceptional decision to cancel the dividend (€0.56 per share)<sup>(1)</sup>. This decision complied with French regulatory requirements for the suspension of dividend payments in return for government support (temporary layoffs in France, and the deferral of certain employment contributions and tax payments) and maintained cash of around €250 million in Bureau Veritas. It also highlighted the Company's responsibility to all its stakeholders who are making considerable efforts or facing major challenges during this unparalleled crisis.

<sup>(1)</sup> In order to ensure the health and safety of its employees, service providers and shareholders, and also to preserve shareholders' rights to participate in the Annual General Meeting (AGM), Bureau Veritas announced on March 13, 2020, its decision to postpone the date of the AGM initially set on Thursday, May 14, 2020 to Friday, June 26, 2020. As per the latest health recommendations, the Group held its AGM behind closed doors. Dividend was initially due to be proposed to the June 26, 2020 Annual General Meeting called to approve the financial statements for the year ended December 31, 2019.

At December 31, 2020, the adjusted net financial debt/EBITDA ratio was further reduced to 1.80x (from 1.87x last year) and the EBITDA/consolidated net financial expense ratio was 8.16x. As a precaution against a worsening pandemic, Bureau Veritas obtained a waiver from its banks and USPP noteholders to relax its financial covenants at June 30, 2020, December 31, 2020 and June 30, 2021. As a consequence, the adjusted net financial debt/EBITDA ratio must be lower than 4.5x, 6.25x and 5.5x versus 3.25x previously at test dates and, for USPP only, the EBITDA/consolidated net financial expense ratio must be greater than 5.5x (unchanged), 2x and 3x versus 5.5x previously at the same dates.

## Strong free cash flow at €634.2 million delivered by optimization measures

Full year 2020 operating cash flow slightly decreased by 1.4% to  $\in$ 809.1 million vs.  $\in$ 820.4 million in 2019 (up 2.3% on an organic basis). Despite the decline in profit before income tax, this resilient performance resulted from a strong working capital requirement inflow of  $\in$ 149.0 million, compared to a  $\in$ 17.2 million outflow the previous year, due to a significant reduction in trade receivables notably. The Working capital requirement (WCR) stood at  $\in$ 280.2 million at December 31, 2020, compared to  $\in$ 450.2 million at December 31, 2019. As a percentage of revenue, WCR decreased by 270 basis points to 6.1%, compared to 8.8% in 2019. The Move For Cash program continued to improve operating working capital, with initiatives in place throughout the organization.

Free cash flow (operating cash flow after tax, interest expenses and capex) was  $\leq 634.2$  million, compared to  $\leq 617.9$  million in 2019, up 2.6% year on year. On an organic basis, free cash flow reached  $\leq 662.6$  million, up 7.2% year on year.

### **Proposed dividend**

Bureau Veritas is proposing a dividend of €0.36 per share for 2020. The proposed dividend will be paid in cash. Going forward Bureau Veritas expects to propose a dividend of around 50% of its adjusted net profit.

This is subject to the approval of the Combined Shareholders' Meeting to be held in closed session on Friday, June 25, 2021 at 3 p.m., at the Studio Sonacom, 32 avenue Charles de Gaulle 92200 Neuilly-sur-Seine. The dividend will be paid in cash on July 7, 2021, (shareholders on the register on July 6, 2021 will be entitled to the dividend and the share will go ex-dividend on July 5, 2021).

### 2021 Outlook

Bureau Veritas remains uniquely positioned thanks to the diversity, the resilience of its portfolio and its numerous growth opportunities. Based on current uncertainties around the Covid-19 pandemic and assuming no severe lockdowns in its main countries of operation, Bureau Veritas expects for the full year 2021 to:

- achieve solid organic revenue growth;
- improve the adjusted operating margin;
- generate sustained strong cash flow.

### Next strategic plan

In the context of the Covid-19 pandemic, Bureau Veritas decided to postpone the announcement of its next strategic plan to the fourth quarter of 2021. On this occasion, Bureau Veritas will unveil the components of its financial ambition up to 2025.

Bureau Veritas remains committed to its non-financial performance. Ahead of the next strategic plan, it presented its strategy for social and environmental responsibility up to 2025.

For more information: group.bureauveritas.com.

# Constantia Flexibles - Improved profitability following first effects of cost reduction initiatives and resilient activity over the course of the year with sales down organically by 0.4%

#### (Full consolidation)

Constantia's organic sales were overall stable, down by -0.4%, reflecting a robust performance from the Pharma end market, up +6.3% but a decline in the Consumer end market (-2.4%). Total sales amounted to €1,505.3 million, down -1.9% compared to last year (€1,534.3 million) hindered by foreign exchange impacts. Consumer end markets were primarily impacted by lockdown measures due to Covid-19 in particular in India, South Africa and Mexico as well as lower-end demand in certain markets. The revenue growth of the European consumer business, benefiting from an increase in at-home food consumption in the first half of the year, was not sufficient to offset difficulties in emerging markets.

Foreign exchange rate fluctuations had a negative impact of -1.9%, due to the depreciation of the U.S. dollar, South African rand, Indian rupee, and Russian ruble. The consolidation of the Russian company Constantia TT contributed positively to growth, with a scope effect of +0.4%.

In addition to its overall resilient activity, Constantia worked on improving its profitability, conducting various cost reduction initiatives over the past 12 months. In addition to these efforts, a positive business/regional mix (European and Pharma businesses) and in particular favorable raw material costs fluctuations generated higher margins. EBITDA, restated from related Covid-19 costs, was up +1.8% at €189.4 million<sup>(1)</sup> representing a 50 bps year-on-year increase in margin to 12.6%.

At the end of 2020 net debt was at €362.2 million<sup>(1)</sup>, vs. €396.2 on December 31, 2019. Strong cash flow generation capacity combined with profitability increase results in a leverage standing at  $1.8x^{(2)}$  LTM EBITDA as of end of December. This leaves significant headroom to its covenant level of 3.75x, and the Company had ample liquidity as of end of December.

From a peak in activity level in March and April 2020, due to the essential nature of Constantia's products within the context of Covid-19 outbreak, the overall order intake has remained resilient. This resilience is expected to continue over the course of 2021 although there are still some lingering effects of lower demand in certain products categories. There might also be a much less favorable raw material's prices' environment in 2021.

A new strategy called Vision 2025 is currently under preparation by Pim Vervaat, Constantia's new CEO along with its new management team. This strategic roadmap should refocus strategic priorities primarily towards boosting growth and profitability. It should also strengthen the sustainable technology segment and the new Ecolutions suite of sustainable products, including the Ecolam technology, whose development has been slowed down by the pandemic including restrictions to conducting trials in this environment.

### Crisis Prevention Institute - Progressive recovery thanks to quick adaptation to challenging conditions. Revenue down 27.3% in 2020. EBITDA margin stands at 40.9%

#### (Full consolidation)

In 2020, Crisis Prevention Institute (CPI) reported revenue of \$63.8 million, down 27.3% compared to the same period in 2019. This decline reflects the impact of Covid-19 related lockdowns which began in mid-March and have persisted since then in most of the Company's markets. As a result, CPI's ability to hold in-person, on-site training sessions has been limited. The decline in sales had a similarly negative impact on profitability but was partially offset by cost management initiatives implemented shortly after the lockdown began. CPI generated an EBITDA of \$26.1 million<sup>(3)</sup>, representing an overall decrease of c. 35% year on year, resulting in a margin of 40.9% over the period.

Despite a strong start to the year 2020, with revenue growth of nearly 10% before the lockdowns, the impact of the Covid-19 shutdown resulted in reported revenue declines of 35.7% in the first half of 2020. Since the low point in Q2, CPI has reported sequential revenue improvement in Q3 and Q4 2020. The overall decline in activity in 2020 reflects restrictions on in-person training, which primarily impacted the Company's Initial Certification Program ("ICP") training sessions in which new Certified Instructors ("CIs") are trained and certified. Amidst the pandemic conditions, CPI accelerated the deployment of its virtual training program and its e-learning offering allowing certification renewals for its installed base of customers and introducing blended virtual and physical offering for new certifications. CPI's ongoing recovery has been driven by a combination of these new virtual and blended training capabilities, and by steady demand for renewals. The progressive shift towards digital training solutions has accelerated, with volumes of e-learning offerings used by CIs to train their colleagues, or "Learners", nearly doubling over the course of 2020. Nearly all trainings were completed remotely and through this blended offering since the beginning of the lockdown.

While many customers continue to face challenging work environments, including those in healthcare and education, CPI is helping customers maintain their certifications, as required by regulation and needed to ensure a safe work environment. The recent introduction of new programs, including virtual and blended learning, verbal de-escalation, and specialized renewals related to trauma and autism has expanded the Company's offering to better serve existing clients and new customers in lower acuity settings.

Short terms prospects for a pick-up in demand are largely based on success of vaccination campaigns but although the pace and timing of recovery remain difficult to predict. CPI is already returning to higher levels of forward bookings and the Company anticipates a sustained need for its services in the future.

As of December 31, 2020, net debt totaled \$337.8 million<sup>(4)</sup>, or 11.45x EBITDA as defined in CPI's credit agreement. In August 2020, CPI negotiated a leverage covenant waiver with its lenders through Q1 2021, with covenant testing resuming at the end of Q2, in exchange for a minimum liquidity covenant set at \$7.5 million (cash + available revolver). While its leverage ratio has increased, the Company has continued to generate cash and net debt has remained largely stable over the past year. The Company's leverage level is expected to remain elevated until its very depressed 2Q 2020 EBITDA is no longer included in the trailing twelve-month EBITDA calculation. In 2020, CPI bolstered its Executive team with a new CFO (replacing the outgoing CFO, who retired), a VP of Human Resources, and an International Managing Director.

Including IFRS 16 impacts. Excluding IFRS 16 net debt is €330.8 million.
 As per bank covenant definition.
 EBITDA including IFRS 16. Excluding IFRS 16 EBITDA stood at \$25.1 million.
 Including IFRS 16. Excluding IFRS 16 impacts, net debt stood at \$333.1 million.

### Cromology - Strong performance despite Covid-19 induced lockdown in March 2020. Remarkable recovery since lockdown ended, with a return to organic growth in H2. 2020 EBITDA significantly higher than in 2019, strong cash flow generation and net debt improvement

### (Full consolidation)

Cromology's 2020 sales totaled €627.6 million, down 6.0% (6.2% organically) or €40 million compared with 2019, impacted by the extreme Covid-19 lockdown measures in Europe in the first half of the year. Due to the Covid-19 crisis, outlets were largely closed between mid-March and mid-April, resulting in sales down approximately 70% during that period. However, once the lockdown ended, recovery was guicker than expected, with a significant rebound, in paint sales following end consumers strong demand. This led to total H2 sales growth of 5.7%, thereby confirming the sharp recovery observed since lockdown measures were lifted in May, followed by organic growth of 5.3% in Q3, and 6.2% in Q4. Changes in scope had a positive impact of 0.1% as a result of the acquisition of Districolor in June 2019. Fluctuations in exchange rates had a positive impact of 0.1%.

Cromology's EBITDA was €96.9 million<sup>(1)</sup>, up +34% benefiting from favorable customers, product and country mix and positive pricing dynamics, combined with the rapid implementation of temporary cost-saving measures to address the extraordinary situation. EBITDA<sup>(1)</sup> margin stood at 15.4%, much higher than in 2019, demonstrating the positive trajectory driven by Cromology's management and also benefiting from a supportive raw material cost environment. In addition, structural cost reductions continued, with savings achieved for various line items.

The Company generated increased cash flow and reduced its already low leverage by optimizing working capital, particularly thanks to better management of receivables. Working capital was improved by €41 million in 2020; combined to a higher €25 million EBITDA, this resulted in net debt decreasing to, €138.0 million<sup>(2)</sup> on December 31, 2020, down €76 million compared to December 31, 2019.

As a reminder, in May 2019, at the time of Cromology's debt renegotiation and Wendel's €125 million equity injection, Cromology obtained significant concessions from its lenders, specifically the suspension of financial covenants until 2022 and an extension of the senior debt maturity to 2024. Net debt to EBITDA ratio at the end of 2020 is down to  $1.4x^{(3)}$ .

Cromology is focusing its efforts on planning and managing operations in the context of the resumption of the pandemic in Europe as well as pursuing the execution of transformation plans it has launched since 2019 and prioritizing sources of value creation. It also monitors closely its supply chain since the strong rebound of activity has resulted in tight material supplies and raw materials price increases. Given its solid financial structure, the Company is in position to look for potential bolt on acquisitions.

### IHS Towers - Total growth of 14.0%. Strong organic growth of 16.3% reflecting the critical nature of IHS activity and a strong operational performance

#### (Equity method)

IHS performed very well despite the challenging global macro environment in 2020, as evidenced revenues which totaled \$1,403.1 million, up 14.0% versus the prior year. IHS towers grew across all its markets with Nigeria posting the best performance.

Organic growth was at 16.3% for the year driven by new tenancies, new lease amendments, inflationary escalation mechanisms as well as the positive impact of foreign exchange reset mechanisms for U.S. dollar-based fees. The devaluation in local exchange rates to the U.S. dollar had a negative impact of 6.4% on total revenues. The total number of owned & MLL towers (27,807  $^{\!\!\!(4)}$  as of December 31, 2020) is up 15.5% since the start of the year following the integration of the acquisitions of 1,162 towers in Kuwait<sup>(5)</sup> and the c. 2,319 towers of the CSS business in South America. The acquisitions of Kuwait and CSS in Q1 contributed 4.0% of revenue growth in the year.

The Point-of-Presence lease-up rate stands at 1.56x as of end of December.

IHS continued the successful development and rationalization of its installed base of towers. The Company also maintained a tight operating cost control policy and lower capital expenditure since the start of the year. Despite a depreciation catch up following a change in battery useful life from 5 to 3 years,  ${\sf EBIT}^{\scriptscriptstyle (6)}$  for the year increased by 44.4% to \$410.4 million<sup>(7)</sup> (vs. \$284.1 million in 2019), representing a margin of 29.2%. EBITDA is also up year-on-year.

As of December 31, 2020, IHS' net debt was \$1,932.5 million<sup>(8)</sup>, up \$591.0 million since the end of December 2019, mainly driven by Kuwait and CSS acquisitions, partly compensated by positive cash flow generation. As a reminder, in February 2020, IHS completed the acquisitions of towers from Zain in Kuwait and from Cell Site Solutions in Brazil, Peru and Columbia.

- (1) EBITDA including IFRS 16. EBITDA excluding IFRS 16 was €63.6 million.
   (2) Net Debt including IFRS 16. Excluding the impacts of IFRS 16, net debt was €27.6 million.
   (3) As per credit documentation, leverage is x0.5.
   (4) Excluding managed services and WiP as of December 31, 2020.
   (5) Approximately 450 additional towers remain to be transferred to IHS.
   (6) Wendel's definition: EBIT excluding non-recurring items.
   (7) Post IFRS 16. EBIT before IFRS 16 was \$395.7 million.
   (8) Post IFRS 16. Net debt before IFRS 16 was \$1,617.8 million.

IHS management reacted quickly to lockdowns in each of their markets to ensure that the supply chain was not impacted such that operational performance has been good and there have been few disruptions to service over the past months despite the Covid-19 crisis. The macroeconomic environment, in Nigeria, has been impacted by the drop in oil prices and Covid-19 in 2020. As a result, the official CBN rate was devalued from 306 to 380 NGN for \$1 and NAFEX moved from approximately 360 to approximately 410. Throughout the year there has been varying access to USD in the Nigerian market and IHS has been able to source all its hard currency requirements in addition to remaining in a strong overall liquidity position to meet its debt obligations and cover its expenses. IHS remains on alert regarding Covid-19 potential operational challenges and its economic impacts on clients.

On July 23, 2020, IHS in Nigeria expanded and amended some key terms in its tower lease agreement with MTN Nigeria, its largest customer in the region. These include an increased focus on rural connectivity and fiber access and an updated pricing structure for future technology upgrades and backhaul in the network. Furthermore, IHS and MTN Nigeria have agreed to change the foreign exchange reference rate (used contractually for the USD-based indexation of a portion of IHS revenues) from the Central Bank of Nigeria's official rate ("CBN") to the Nigerian Autonomous Foreign Exchange rate ("NAFEX"). On July 31, 2020, IHS Netherlands Holdco B.V. announced the successful completion of a tap issuance of \$150 million in aggregate principal amount across its 8.000% Senior Notes due 2027 and its 7.125% Senior Notes due 2025. Proceeds will be used for general corporate purposes.

On August 14, 2020, IHS announced, in accordance with Rule 135 under the Securities Act of 1933, as amended, that it is exploring a potential registered initial public offering in the United States.

In October 2020, Mr. Frank Dangeard was appointed to IHS Board of Directors and Audit Committee as new Wendel representative. Mr. Frank Dangeard is a former deputy CEO of France Télécom and current Board member of RBS and Chairman of the Board of NortonLifeLock (previously known as "Symantec").

In the first quarter of 2021, IHS Towers completed its second acquisition in 12 months in Brazil, with the acquisition of Skysites Holdings S.A. ("Skysites"), a specialist provider of small cells and urban telecommunications infrastructure. Skysites' operations, which comprise approximately 1,000 sites, along with exclusive access to tens of thousands of premium real estate locations in urban settings, will be fully integrated into IHS Towers' Brazilian operations over the coming months. In March 2021, TIM Brasil announced that it had entered into exclusive talks with IHS over the potential sale of a stake in its fiber network assets unit, FiberCo Solucoes de Infraestrutura (FiberCo).

For more information: ihstowers.com

# Stahl - Margin protected thanks to tight cost management, despite -14.3% organic decrease in sales. Return to positive organic growth in Q4 2020. Cash generation profile remains solid, with a strong reduction in net debt. New CEO appointed

#### (Full consolidation)

Stahl's sales totaled €669.4 million in 2020, representing a decrease of -17.2% vs. €808.7 million sales in 2019. Organic growth was down -14.3% and foreign exchange rate fluctuations had a negative impact of -2.9%.

After a challenging 2019, due to headwinds in the automotive end market, Stahl began 2020 with positive volume and sales trends. Nevertheless, the rapid spread of Covid-19 derailed this recovery and shifted the Company's focus away from growth towards navigating the crisis. While over the first quarter, the Covid-19 outbreak was mainly limited to China and the drop in sales was contained to -2.4%, lockdown measures all over the world after Q1 impacted Q2 sales by -45%. June, however, already showed first signs of a recovery with customers gradually reopening and China returning to the prior year's sales levels. This steady month over month improvement was reflected in Q3 2020 sales, down -19% vs. Q3 2019, and in Q4, with a return to positive organic growth (+3.6%) whilst the order book development has been consistently positive since beginning of July.

Stahl's automotive business, representing about one third of total sales, has been rebounding since Q2, partially helped by government support policies in certain markets (*e.g.* China). The performance in other main end markets was more mixed with a very strong development in the Upholstery segment but a slower recovery in Footwear and Luxury goods markets. The smaller Polymers division also capitalized on increasing demand from the print and packaging market.

Despite this challenging context and thanks to management's focus and resilient business model, Stahl took swift measures and quickly adjusted its fixed cost base to market conditions and optimized its cash flow generation. EBITDA for the year totaled  $\notin$ 152.3 million<sup>(1)</sup>, translating into a margin of 22.7% (slightly up year-on-year).

Stahl remained cash generative throughout the year, notably thanks to the strict management of working capital and fixed costs reductions. As of December 31, 2020, Stahl's net debt stood at €245.0 million<sup>(1)</sup>, a €119.4 million year-on-year reduction, thanks to Stahl's outstanding cash generation, achieved despite the difficult trading environment, which led to a simultaneous reduction of gross debt and increase in cash position. Leverage was reported as 1.6x EBITDA as of end of December 2020, vs. 2.0x end of December 2019.

Early September, Stahl announced the successful completion of a process of Amend and Extend of its debt, with a temporary increase of its covenants until September 2021 and an extension of the maturities of its existing Senior Facility Agreement until 2023. Mandatory repayments on amortizing debt were rescheduled to provide Stahl with additional liquidity during the extended tenor.

### NAV of €159.1 per share as of December 31, 2020

Net asset value was €7,114 million or €159.1 per share as of December 31, 2020, representing a limited 12-month decrease of 4.3% from €166.3 per share as of December 31, 2019. The discount to the December 31, 2020, NAV was 38.5%, compared with the last 20 trading days average share price as of December 31, 2020.

As of December 31, 2020, the value of CPI in the NAV is based on the valuation derived from a basket of listed peers. As the Company is the largest player of a niche industry, no pure comparables exist, but there are peer companies that share CPI's business model characteristics, such as recurring revenue derived from licenses, subscriptions, and training/certification offerings for customers required to comply with regulation (i.e., governance, risk, compliance services).

As a reminder, Net Asset Value is a short-term valuation of the Group's assets. It does not take into account any control premia, illiquidity or initial public offering discounts.

According to the methodology, samples of listed peers are reviewed at least once a year and are adjusted when required for relevance purposes.

### Methodology adjustments

Wendel performed some adjustments to its Net Asset Value methodology, details of which are available on our website. Main adjustments are the following:

- there are no longer any specific valuation modifiers for small or underperforming companies;
- over the first eighteen months following acquisition, new unlisted investments<sup>(2)</sup> will now be valued through a time-weighted average of (a) current year multiples at acquisition and (b) listed peer-group multiples. For the first NAV following the acquisition, valuation is 100% based on acquisition multiples and 0% on listed peer-group multiples. Subsequently, the weight of the acquisition multiples linearly decreases to 0% over eighteen months while the weight of the listed peer-group multiples linearly increases to 100% over the period;
- as previously, transaction multiples and purchase offers received may be used for valuation under certain conditions, but for a period now limited to 6 months for transaction multiples and for a period equal to that of the said offer extended by 2 months after its expiry date for purchase offers (instead of 12 months previously for both situations);
- other adjustments relate to the inclusion of pensions in the valuation approach, exclusion of potential additional costs arising from a stock market listing from companies' aggregates used, as well as other clarifications pertaining to the valuation of investments in funds and the treatment of stock options.

Adjustments to the methodology and annual review of samples used for the valuation of unlisted companies resulted in a non-significant impact on the December 31, 2020 Net Asset Value (+0.3%).

<sup>(1)</sup> Net debt post IFRS 16 impacts. Excluding IFRS 16 net debt stood at €228.8 million.
(2) The amended methodology does not apply to CPI, which has been acquired in 2019. In accordance with the methodology prevailing on acquisition, CPI has been kept at the investment value for the first 12 months following the acquisition. The first valuation through peer multiples of CPI in Wendel's Net Asset Value has been performed as of December 31, 2020.

# Strong financial structure, c. €1.8 billion liquidity and low leverage

- LTV ratio at 6.2% as of December 31, 2020.
- Total liquidity amounting to c. €1.8 billion as of December 31, 2020, including €1,079 million cash and a €750 million committed credit facility (fully undrawn).
- Average debt maturity of 4.5 years.
- Investment grade corporate ratings: Moody's Baa2 with stable outlook/S&P BBB with stable outlook.

### Return to shareholders

Wendel paid an unchanged dividend of €2.80 per share on July 9, 2020, *i.e.* a dividend yield of c. 3.5% at the time of the payout.

### ESG commitment

As a long-term shareholder, Wendel more than ever believes that commitment to ESG engagement and actions is key to sustainable value creation. A more explicit and more ambitious, new ESG roadmap is described in Wendel's Universal Registration Document which was published on April 15, 2020, and in the new ESG section of the Wendel website.

In March 2020, Wendel signed the UN PRI (Principles for Responsible Investment) as well as the Gender Parity charter by

### Reappointment of Wendel's Executive Board

On December 9, 2020, Wendel's Supervisory Board decided to reappoint the members of the Executive Board next April 7, 2021, when their previous term expired. André François-Poncet has

France Invest, and will continue to transparently share information about our commitments throughout the year.

In March 2021, Wendel adopted the 10 Principles of the United Nations Global Compact. This membership reaffirms the Group's commitments in terms of respect for human rights, labor law, environmental protection and the fight against corruption, and will allow Wendel to better measure its contribution to the Sustainable Development Goals (SDGs).

been reappointed as Chairman of the Executive Board *i.e.* Group CEO, and David Darmon, as Member of the Executive Board *i.e.* Deputy Group CEO, for a period of four years, up to April 6, 2025.

### Maarten Heijbroek New CEO for Stahl

Stahl announced on March 11, 2021, the appointment of Maarten Heijbroek as future CEO of the Company, starting July 1, 2021, as well as member of the Board.

He will succeed Huub van Beijeren, who has decided to retire, after having greatly contributed to the growth and success of Stahl over the past fourteen years. Huub will continue to serve Stahl as a Board member. Maarten is currently President Consumer Care at Croda International Plc in the UK, a FTSE 100 company. He started his career in Unilever's B2B chemical business Uniqema in 1992. At Uniqema he gained broad senior commercial experience in a global context. He joined Croda in 2006 through the acquisition of Uniqema, and in 2012 he was promoted to Croda's Group Executive Committee as President of Performance Technologies and recently became responsible for the Consumer Care division.

### Unwinding of Wendel's cross currency swaps

Taking advantage of the low level of the American dollar, Wendel settled the foreign exchange hedge (Cross Currency swaps with a notional of €800 million) early March 2021.

Wendel then received €39,5 million and will save €25 million of coupon over the next 2 years.

### 2021-24 strategic roadmap

The Executive Board roadmap for the next 4 years will be focused on diversifying Wendel's portfolio with balanced exposure to listed and unlisted companies by generally deploying capital towards higher-growth markets, while retaining a dose of opportunism. Wendel aims at building a portfolio of 7 to 10 companies, with new investments focused on Western Europe, particularly France, and North America and improving ESG profiles. Standalone equity investments should amount to  $c. \in 150$  to  $\in 500$  million targeting majority/control/large minority investments in unlisted or listed companies. Wendel also contemplates investments in small equity growth opportunities.

Wendel will pursue its long-term shareholder approach, with the objective to be a top shareholder with Board and critical committee seats, alongside like-minded partners.

In terms of sectorial approach, Wendel seeks market leading business or growing sectors with long-term growth prospects and pricing power. Wendel would generally avoid high cyclicality or capital-intensive assets and look for companies with a demonstrated resilience through economic cycles (and pandemic). Attractive sectors meeting those criteria include technology services and software, business services, healthcare and industrial technology. Nevertheless, Wendel remains opportunistic and would contemplate situations in different industries that otherwise meet its criteria.

As part of its ESG commitment and recent roadmap published in 2020, Wendel will consider assets that have a positive impact on society and on its employees.

### 2024 target portfolio: 7 to 10 core investments

	Listed equity	Private Equity Buyout	Private Equity (Growth Equity/VC <sup>(1)</sup> )
% of Net Asset Value		Balanced %	c. 5 to 10%
Target average annual return profile	above c. 7%	above <i>c</i> . 10%	c. 10 to 15% (above 25% in direct investments)

(1) Including funds.

### Financing strategic guidelines

- Maintain available liquidity to enable Wendel to seize attractive opportunities (*i.e.* safely can make a €300 million investment at most times).
- Flexible financing structure that can withstand sudden, brutal market shocks.
- Investment grade rating profile.
- Aiming at paying a regular and growing dividend year on year.

### Other significant events in 2020

### IHS Netherlands Holdco BV and MTN Nigeria announced amended service contract

On July 23, 2020, IHS concluded a successful renegotiation of some key terms in its tower lease agreement with MTN Nigeria, its largest customer in the region. These include an increased focus on rural connectivity and fiber access and a new pricing structure for future technology upgrades and fiber backhaul. Furthermore, IHS and MTN Nigeria have agreed to change the reference rate (used contractually for the USD-based indexation of a portion of IHS revenues) to the "prevailing" market rate

Pim Vervaat appointed CEO of Constantia Flexibles

Constantia Flexibles ("Constantia" or the "Company") announced on June 30, 2020, the appointment of Pim Vervaat as CEO of the Company, starting July 1, 2020.

He succeeded Alexander Baumgartner who has over the last 5 years refocused Constantia on its core flexible packaging business, strengthened its positions in key markets and developed highly innovative solutions such as EcoLam providing instead of the Central Bank of Nigeria's official rate ("CBN") which has been used so far. In an environment of multiple exchange rates in Nigeria, the prevailing market rate currently is the Nigerian Autonomous Foreign Exchange rate ("NAFEX"). This amendment will have a positive impact on IHS topline and bottom line - these are not reflected yet in H1 2020 financials and will strengthen IHS' revenues by increasing the proportion of hard currency.

sustainable and recyclable packaging with maximum functionalities ensuring consumers safety.

Pim joined Constantia Flexibles after a successful career at RPC Group Plc, which he joined in 2007 as CFO, led as CEO between 2013 and 2019 and turned into a global design and engineering business in plastic products (the largest market being packaging), quadrupling its sales to *circa*  $\notin$ 4 billion.

# Tsebo's shareholders transferred their shares to the investment arms of its senior lenders in a consensual transaction

On October 19, 2020, Tsebo's shareholders announced the transfer of their shares to the investment arms of its senior lenders in a consensual transaction. Wendel invested in Tsebo in 2017 and contributed further capital to the Company in 2019 to strengthen its balance sheet. The transaction resulted in the settlement of a guarantee granted in 2017 in connection with the

investment by B-BBEE partners in Tsebo for an amount of €19 million. The transfer of the controlling shareholding to a South African consortium of financial investors and management ensured that Tsebo's balance sheet is strengthened, it's strong B-BBEE credentials are preserved, and the business is well positioned to grow into the future.

### Return to shareholders and dividend for 2020

Wendel is proposing a dividend of  $\notin 2.9$  per share for 2020, up 3.6% compared to 2019 and representing a dividend yield of 3% based on Wendel's share price as of December 31, 2020. This is subject to the approval of the Shareholders' Meeting to be held

on June 29, 2020. The dividend will be paid in cash on July 5, 2021, and the share will go ex-dividend on July 1, 2021. In addition, Wendel contemplates buying around €25 million of its own shares from March 19, 2021.

# 2.2 2021 Q1 trading update

### On April 28, 2021, Wendel published its Q1 2020 trading update

For more information, please refer to the press release.

Net asset value as of March 31, 2021: €7,488 million or €167.4 per share, up 5.3% since December 31, 2020 (€159.1 per share) and up 41.7% since the low point in March 2020

Q1 2021 consolidated net sales: €1,913 million, up 2.0% overall and up 6.5% organically year-on-year

consolidated).

- Double digit growth for Cromology, +22.6% organic growth.
- Strong organic growth for Bureau Veritas (+6.6%) and Stahl (+9.6%).
- Crisis Prevention Institute back to organic growth, with March 2021 revenue above pre-Covid levels.

# Partnership with the Deconinck family to acquire the shares of Tarkett and to support the growth of the Company

- This investment will be accompanied by an offer to acquire Tarkett (TKKT.FP) shares.
- Wendel will hold up to 30% of Tarkett Participation, alongside the Deconinck family.

■ Strong FX headwinds across the portfolio (-4.5%

Nearly flat organic growth for Constantia Flexibles.

### Investment activity by Group companies since January 1, 2021

In April 2021 IHS announced the acquisition of Centennial Towers' Brazilian and Colombian tower operations, bringing an additional 602 towers in Brazil, and 217 towers in Colombia.

### Other noteworthy developments since January 1, 2021

On March 11, 2021, Stahl announced the appointment of Maarten Heijbroek as new CEO, starting July 1, 2021. Huub van Beijeren, will retire from Stahl at that time, join Stahl's Board and also serve as an advisor to Wendel.

### Strong financial structure

- LTV ratio at 6.8% as of March 31, 2021.
- Total liquidity of €1.8 billion as of March 31, 2021, including €1,069 million of cash and a €750 million committed credit facility (fully undrawn).
- Investment grade corporate ratings: Moody's Baa2 with stable outlook/S&P BBB with stable outlook.

- Acquisition of US-based Bradley Construction Management by Bureau Veritas, accelerating growth in renewable energy market.
- Wendel adopted the 10 Principles of the United Nations Global Compact.
- Wendel unwound its euro/dollar cross currency swaps in March 2021, for a gain of €39 million and c. €25 million future interest costs savings.
- Integration of ESG targets into the financial terms of the undrawn €750 million syndicated credit: measurable aspects of the non-financial performance of Wendel and portfolio companies to be now taken into account in the calculation of the margin of this syndicated credit.

# 2.3 Key figures for the past three fiscal years

### Consolidated net sales



In millions of euros as of 12/31.

(1) In 2018, sales didn't include the sales of Tsebo, in accordance with IFRS 5.

### Net Asset Value (NAV)

166.3	147.4
159.1	166.3
	 159.1

In euros per share as of 12/31.

### Net income



In millions of euros as of 12/31.

### Total gross assets under management

2018		9,355
35%	43%	22%
2019		9,044
42%	45%	13%
2020		8,662
42%	46%	12%

Listed assets Unlisted assets Total cash and cash equivalents Group share and financial investments

In millions of euros as of 12/31.

### Loan To Value (LTV) ratio



In percentage as of 12/31.

### Dividend

2018	2.80
2019	2.80
2020	<b>2.90</b> <sup>(2)</sup>

Ordinary dividend, in euros per share.

(2) Subject to approval at the Shareholders' Meeting on 06/29/2021.

# 2.4 Five year financial summary

Nature of disclosures	2016 Fiscal year	2017 Fiscal year	2018 Fiscal year	2019 Fiscal year	2020 Fiscal year
1. CAPITAL AT THE YEAR-END					
Share capital <sup>(1)</sup>	188,370	185,013	185,123	178,729	178,876
Number of ordinary shares in issue	47,092,379	46,253,210	46,280,641	44,682,308	44,719,119
Maximum number of shares that could be issued:					
<ul> <li>through the exercise of options</li> </ul>	167,151	29,326	20,950	0	0
2. OPERATIONS AND INCOME FOR THE YEAR <sup>(1)</sup>					
Revenue (excluding taxes)	13,312	13,828	12,718	15,661	15,601
Income from investments in subsidiaries and associates	400,014	260,005	500,006	5,238,799	200,000
Income before tax, depreciation, amortization and provisions	133,052	104,149	375,979	5,117,755	106,044
Income taxes <sup>(4)</sup>	-9,335	-11,900	-2,505	-2,885	-32
Net income	135,543	116,893	340,383	1,865,893	-26,613
Dividends <sup>(2)</sup>	110,667	122,571	129,586	125,110	129,685 <sup>(3)</sup>
of which interim dividends	-	-	-	-	-
3. EARNINGS PER SHARE (in euros)					
Income after tax but before depreciation, amortization and provisions	3.02	2.51	8.18	114.60	2.37
Net income	2.88	2.53	7.35	41.76	-0.60
Net dividend	2.35	2.65	2.80	2.80	2.90(3)
of which interim dividends	-	-	-	-	-
4. EMPLOYEE DATA					
Average number of employees	60	55	53	54	59
Total payroll <sup>(1)</sup>	12,314	16,810	12,183	18,630	13,616
Employee benefits paid during the year (social security, social welfare, etc.) <sup>(1)</sup>	7,218	8,295	8,743	9,402	7,758

In thousands of euros.
 Including treasury shares.
 Ordinary dividend of €2.90 (subject to approval by the Annual General Meeting of June 29, 2021).
 Negative amounts represent income for the Company.

# 2.5 Shareholder information

### Market data



Change in Euro Stoxx 50 and Wendel share price rebased to compare with the Wendel share price on June 13, 2002. Source: FactSet.

# Comparison of total shareholder return for Wendel and the Euro Stoxx 50, since the CGIP/Marine-Wendel merger

Reinvested dividend performance from June 13, 2002 to March 31, 2021	Total returns for the period	Annualized return over the period
Wendel	515.6%	10.2%
Euro Stoxx 50	139.1%	4.7%

Source: Factset.

### Share references

Listing market: EUROLIST SRD, Compartment A (Blue Chips) ISIN Code: FR0000121204 Bloomberg Code: MF FP Reuters Code: MWDP. PA Mnemonic: MF Indices: CAC AllShares, CAC Mid 60, Euronext 150, SBF120, STOXX<sup>®</sup> Europe, EURO STOXX<sup>®</sup>, STOXX<sup>®</sup> Europe Private Equity 20, STOXX<sup>®</sup> Europe 600, LPX 50, EN Family Business, MSCI World & Europe & EAFE ESG Leaders, DJSI Europe, DJSI World.

Quota: 1 share/PEA: Eligible/SRD: Eligible/par value: €4/Number of shares outstanding: 44,719,119 as of December 31, 2020.

### Dividend

Ordinary dividend, in euros per share.



(1) The 2011 ordinary dividend included an exceptional distribution of one Legrand share for every 50 Wendel shares held.

(2) Wendel is proposing a dividend of  $\leq 2.9$  per share for 2020, up 3.6% compared to 2019 and representing a dividend yield of 3% based on Wendel's share price as of December 31, 2020. This is subject to the approval of the Shareholders' Meeting to be held on June 29, 2020. The dividend will be paid in cash on July 5, 2021, and the share will go ex-dividend on July 1st, 2021.

# 3. Governance and compensation3.1 Supervisory Board



NICOLAS VER HULST Chairman of the Supervisory Board 67 years old Key skills:

- Private equity
- Finance
- CEO



**GUYLAINE SAUCIER** 

Chairwoman of the Audit, Risks and Compliance Committee, member of the Governance and Sustainability Committee, **independent member** 75 years old Key skills:

• Risk, internal control, audit

Governance
Corporate strategy

### JACQUELINE TAMMENOMS BAKKER

Chairwoman of the Governance and Sustainability Committee, member of the Audit, Risks and Compliance Committee, independent member

67 years old

Key skills:

- Experience as a non-executive
- corporate officer
- Human resources and compensationManagement



ÉDOUARD DE L'ESPÉE

Member of the Governance and Sustainability Committee 72 years old

- Key skills:
- Macroeconomics
- Bond investment
- International experience



BÉNÉDICTE COSTE Member of the Governance and Sustainability Committee 63 years old

- Key skills: • Finance
- Corporate strategy
- CEO



HARPER MATES Employee representative 39 years old



### GERVAIS PELLISSIER

Vice-Chairman and lead member of the Supervisory Board, member of the Audit, Risks and Compliance Committee, independent member

62 years old

- Key skills:
- CFO
- Experience in the field of digital
- and new technologies
- Management



### FRANCA BERTAGNIN BENETTON

Member of the Audit, Risks and Compliance Committee,

independent member

- 52 years old
- Key skills:
- Private equity
- Family business
- International experience



### NICHOLAS FERGUSON

Member of the Governance and Sustainability Committee, independent member 72 years old

- Key skills:
- Private equity
- Listed securities
- Experience as a non-executive corporate officer



PRISCILLA DE MOUSTIER

Member of the Governance and Sustainability Committee

69 years old

Key skills:

- Family business
   ESG
- International experience



SOPHIE TOMASI PARISE Member of the Governance and

Sustainability Committee, employee representative 43 years old



THOMAS DE VILLENEUVE Member of the Audit, Risks and Compliance

Committee 49 years old

is years on

Key skills:

Private equity and investment Experience in the telecoms, media

- and technology sectors
- International experience



FRANÇOIS DE MITRY

New member, subject to AGM approval **55 years old** 

- Key skills:
- Investment
- International experience
- Experience as a corporate officer of a listed company



HUMBERT DE WENDEL Member of the Audit, Risks and Compliance Committee 65 years old Key skills: • CFO • Experience in the industrial sector • Finance 45%<sup>(1)</sup> independent members (excluding employee representatives)

45% <sup>(1)</sup> women (excluding employee representatives)

Until the 2021 AGM:

61 average age

6.5 years of service, on average

6 nationalities American, British, Canadian, Dutch, French, Italian

After the 2021 AGM:

59 average age

5.3 years of service, on average

### 6 nationalities

American, Canadian, Dutch, French, Italian, Luxembourg

### In 2020:

8 scheduled

99% attendance rate

5 ad hoc meetings

93.1% attendance rate

**3hours** average duration of a meeting

(1) Beyond the legal requirements and the Afep-Medef Code.

### Member of the Supervisory Board whose appointment is subject to shareholders' approval

New member of the Supervisory Board whose appointment is proposed to the Shareholders' Meeting of June 29, 2021, replacing Édouard de l'Espée



François de MITRY

Date appointed to first term: June 29, 2021 Date current term ends: AGM to be held in 2025

Born on January 27, 1966

Luxembourg nationality

Professional address:

3 St James Square, London SW1 Y4JU, United Kingdom

### **Key skills**

- Investment
- International experience
- Experience as a corporate officer of a listed company

### **Career path**

François de Mitry holds a Master's degree in Economics and a postgraduate diploma in Finance from Dauphine Paris University and the Institut d'Etudes Politiques in Paris.

He began his career in the M&A team of HSBC in London. He joined Société Générale in 1991 as business manager of the LBO/Financing department, and then as deputy director from 1994.

He then joined in 1997 the alternative asset manager Intermediate Capital Group Plc (ICG) in London, of which he became managing director in 2005.

Between 2004 and 2012, François de Mitry was member of the Wendel Supervisory Board.

In 2012, il joined the investment fund Astorg in London, of which he became managing partner in 2018. Astorg primarily invests in software, healthcare, business services and technology-based industrial companies, in Europe and in the USA.

### Other appointments as of December 31, 2020:

Wendel Group:

- Director of Wendel-Participations SE Other:
- Director of Astorg Asset Management
- Director of Astorg Group
- Classe A Manager of Astorg Advisory Services Mid-Cap
- Director of Astorg Advisory Services
- Member of the Supervisory Board of Flowbird Holding 1
- Member of the Supervisory Board of Saphilux
- Class A Manager of Saphilux GP
- Director of AAM UK Branch, AAS UK Branch
- Director of Axiom UK Midco Ltd, Axiom UK Topco Ltd, Axiom UK Nominee Ltd
- Director of A7 Invest Bidco Ltd
- Director of Cidron Healthcare IT 4 Ltd
- Member of the Supervisory Board of Loire UK Holdco Ltd
- Director of Tremolo Holdco Ltd, Tremolo Bidco Ltd, Tremolo Midco Ltd
- Director of TopNexus Ltd, MidNexus Ltd, BidNexus Ltd
- Director A of Greyhound Dutch Topco BV

### Appointments expired in the last five years:

- Class A Manager of Hosta / Megadyne
- Advisor of Megadyne Spa
- Director of Audiotonix Group Ltd
- Director of Audio UK 2, Audio UK 3, A6 Audio Bidco Ltd
- Managing Director of Astorg Partners UK Branch
- Chairman of the Board of French Park 1 / Parkeon

# Number of Wendel shares held as of December 31, 2020:

3,000
# Supervisory Board after the Shareholders' Meeting

Name	Gender	Age	Nationality	Position on the Supervisory Board	Date first appointed to the Supervisory Board	Date current term ends	Number of Wendel shares held on 12/31/19	Committee member	Independent as defined in the Afep-Medef Code
Nicolas ver HULST	Н	67	French	Chairman	05/18/2017	2025 AGM	500	-	
Gervais PELLISSIER**	Н	62	French	Vice-Chairman Lead Member	06/05/2015	2023 AGM	500	ARCC	•
Franca BERTAGNIN BENETTON*	F	52	Italian	Member	05/17/2018	2022 AGM	500	ARCC	•
Bénédicte COSTE	F	63	French	Member	05/28/2013	2025 AGM	1,060	GSC	
Harper MATES	F	39	American	Member representing employees	01/01/2021	12/31/2024	687	-	
François de MITRY	Н	55	Luxembourgian	Member	06/29/2021	2025 AGM	3,000	To be defined	
Priscilla de MOUSTIER	F	69	French	Member	05/28/2013	2025 AGM	150,443	GSC	
Guylaine SAUCIER**	F	75	Canadian	Member	06/04/2010	2022 AGM	500	ARCC and GSC	•
Jacqueline TAMMENOMS BAKKER***	F	67	Dutch	Member	06/05/2015	2023 AGM	500	GSC and ARCC	•
Sophie TOMASI PARISE	F	43	French	Member representing employees	09/05/2018	11/20/2022	2,941	GSC	
Thomas de VILLENEUVE	E H	49	French	Member	07/02/2020	2024 AGM	500	ARCC	
Humbert de WENDEL	Н	65	French	Member	05/30/2011	2023 AGM	225,064	ARCC	

# Subject to shareholders' approval on proposed renewals and appointment.

AGM = Annual General Meeting; GSC = Governance and Sustainability Committee; ARCC = Audit, Risk and Compliance Committee.

\* The number of asterisks shows the number of directorships held in another listed company.

The Supervisory Board after the Meeting will be composed of 12 members, including 2 members representing employees, *i.e.*:

These proportions are expressed excluding members representing employees.

■ 50% of women; and

■ 40% of independent members.

Governance and compensation

# 3.2 Executive Board



Mandate of the Executive Board: April 7, 2020 - April 6, 2025.



The Executive Board, which is appointed by the Supervisory Board for four years, is comprised of two members: André François-Poncet and David Darmon. The Executive Board makes decisions regarding the Group's activities, including definition and implementation of the investment strategy, financial situation and internal organization. It meets at least every two weeks.

The Executive Board met 49 times in 2020.

Three Executive Vice-Presidents support the Executive Board in its duties: Jérôme Michiels, Josselin de Roquemaurel and Félicie Thion de la Chaume.

Four committees assist the Executive Board:

- the Management Committee;
- the Investment and Development Committee;
- the Coordination Committee;
- the ESG (Environment, Social, Governance) Committee.

# ANDRÉ FRANÇOIS-PONCET Group CEO

## 62 years old - 3 years of service

A graduate of HEC and holder of an MBA from Harvard Business School, André François-Poncet was appointed Group CEO on January 1, 2018. He has been a Director of Axa since 2016. He worked at Morgan Stanley (London, New York and Paris) for 16 years and at BC Partners (Paris and London) as a Managing Partner, then Senior Advisor, for 15 years. He was Partner at CIAM from 2016 to 2017.

## **DAVID DARMON**

Group Deputy CEO

## 47 years old — 15 years of service

David Darmon is a graduate of Essec and holds an MBA from Insead. He joined the Group in 2005, after working at Apax Partners and Goldman Sachs, and became a member of the Executive Board on September 9, 2019. He has managed many investments for the Group and, in 2013, created Wendel's New York office.

# 3.3 Compensation of corporate officers

- Information extracted from the Wendel 2020 Universal Registration Document (pages 103 to 135) -

# 2.2.1 Compensation policy for corporate officers

The compensation policy for members of the Executive Board (section 2.2.1.2) and the compensation policy for members of the Supervisory Board (section 2.2.1.3), pursuant to Article L. 22-10-26 of the French Commercial Code, are described below. These compensation policies are subject to the approval of the Shareholders' Meeting on June 29, 2021, pursuant to resolutions 10 to 12.

# 2.2.1.1 General principles relating to the compensation policy for corporate officers

# Identification, review and implementation process

## Members of the Executive Board

The compensation of the members of the Executive Board is set by the Supervisory Board on the recommendation of the Governance and Sustainability Committee. It is established with a view to provide stability during the four-year term of the Executive Board and submitted each year to the approval of the Shareholders' Meeting.

As part of the renewal of the Executive Board for a new four-year term starting on April 7, 2021, the compensation policy was fully reviewed. The process followed is detailed below in section 2.2.1.2, with an overview of the work of the Governance and Sustainability Committee, as well as the proposed changes compared to the previous compensation policy.

With regard to the implementation of the policy, it is carried out in accordance with the terms approved by the Shareholders' Meeting, subject to any exemptions applied in accordance with the principles set out in this section. The implementation of the policy is discussed during meetings of the Governance and Sustainability Committee, with the support of the Audit, Risk and Compliance Committee concerning the figures.

Detailed information describing the implementation of the compensation policy is set out in the Universal Registration Document relating to the financial year during which the compensation items were awarded and/or paid.

### Supervisory Board members

The compensation package allocated to members of the Supervisory Board is determined by the Shareholders' Meeting. It is then the responsibility of the Supervisory Board to set the distribution of this compensation among its members, by allocating a fixed portion and a variable portion based on actual attendance at meetings of the Supervisory Board and its Committees.

The variable amount of the compensation of members of the Supervisory Board and the Committees is adjusted each year according to (i) the number of scheduled meetings and (ii) the number of members benefiting from this compensation.

# Compliance

The Supervisory Board follows the recommendations of the Afep-Medef Code for setting the compensation and benefits to be paid to members of the Executive Board and members of the Supervisory Board.

It ensures that the compensation policy for corporate officers complies with the principles of comprehensiveness, balance, comparability, consistency, intelligibility and prudence.

# **Principles and objectives**

The principles and objectives that have guided the determination of the 2021-2024 compensation policy for corporate officers are as follows:

- performance requirement;
- alignment of interests with shareholders;
- motivation of corporate officers;
- importance of retaining teams and attracting the best talents (the Executive Board's compensation policy is then applied to that of one-third of Wendel's workforce);
- alignment with Wendel's values, notably in terms of ESG;
- simplicity.

### Respect for the Company's interests and link with the Company's strategy, sustainability and employee compensation

The compensation policy set by the Supervisory Board contributes to the Company's long-term interests in that it is based, on the one hand, on the performance of Wendel and the portfolio and, on the other hand, on the implementation of its strategy. Thus, certain short-term compensation objectives depend on the achievement of the roadmap to be implemented by the Executive Board for its new mandate, while others are based on the revenue and results of Wendel's portfolio companies. Long-term compensation, which gives corporate officers a stake in the share capital, is linked to the Company's performance over 4 years; this performance being both financial, based on the increase in the TSR and dividend, and non-financial, based on ESG criteria.

Through these features, the compensation policy is in line with the corporate interest, contributes to the Company's sustainability and creates alignment between the interests of corporate officers and shareholders. It is also consistent with the corporate purpose of Wendel, as defined in 2020, which, as a long-term investor, engages with entrepreneurial teams to build sustainable leading companies.

Compensation conditions for the Company's teams are also taken into account, insofar as:

- the targets used to determine the annual variable compensation of the Executive Board are also applied to a portion of the variable compensation of approximately one-third of Wendel's workforce;
- the performance conditions attached to the Executive Board's stock options and performance shares are used in whole or in part in the allocation plans benefiting to employees.

# **Conflicts of interest**

During the determination, review and implementation of the compensation policy for members of the Executive Board and Supervisory Board, the Supervisory Board, where necessary, applies the measures for management of conflicts of interest stated in the Supervisory Board's internal regulations and the Market Confidentiality and Ethics Code (see sub-section 2.1.8.2 "Conflicts of interest"). The members of the Executive Board do not attend the deliberations of the Supervisory Board relating to their compensation.

# **Exemptions**

An exemption to the application of the compensation policy may be granted if it is temporary, subject to the occurrence of exceptional circumstances, consistent with the Company's interests and necessary to ensure the Group's continued existence or viability. Any exemption from one of the compensation items policy shall be decided by the Supervisory Board on the prior recommendation of the Governance and Sustainability Committee. Any exemption thus decided will be set forth in the Universal Registration Document for the fiscal year during which they were implemented.

The compensation items that may be waived are: the annual variable compensation as well as the options and the performance shares.

It should be noted that the crisis linked to Covid-19 has already been identified as an exceptional circumstance. The impact of this crisis and the management thereof by the members of the Executive Board may be taken into consideration by the Supervisory Board, on the advice of the Governance and Sustainability Committee, to determine the rate of achievement of qualitative objectives of the annual variable compensation of the members of the Executive Board for the 2021 fiscal year. This provision will enable the Supervisory Board to ensure adequacy between the application of the compensation policy with the management of the crisis by the members of the Executive Board, the performance of the Group, and the exceptional circumstances.

# 2.2.1.2 Compensation policy for Executive Board members

# Determination of the compensation policy for 2021

As part of the renewal of the Executive Board for a new four-year term, the Governance and Sustainability Committee worked for a number of months on the overhaul of the compensation policy by following a rigorous process based on:

- specific benchmarks;
- analysis of best practices in the sector and compensation recommendations;
- discussions with shareholders, as part of governance roadshows during which the Chairwoman of the Committee met with Wendel's main investors and the main proxy advisor firms;
- constructive dialogue with each member of the Executive Board.

The benchmarks used, were developed by an external specialist, and were based on three panels of companies. This made it possible to analyze data accounting for the hybrid nature of Wendel. As an investment company listed on the Euronext Paris market, the compensation system for its executives was compared to that implemented by:

- 45 SBF 120 companies with a market capitalization of between €2m and €8m, comparable to Wendel;
- 13 investment and holding companies listed in Europe (3i Group, Ackermans&van Haaren, Eurazeo, Exor, GBL, Hal Trust, Investor AB, IndustrivardenAB, KinnevikAB, Onex, Peugeot Invest, RatosAB, Sofina);
- 8 private equity funds.

As part of the renewal of the Executive Board's term of office for the 2021-2024 period, the compensation principles of the Executive Board were reviewed in detail and with an overall approach, so that this compensation be aligned with the individual and collective performance of the Executive Board members (pay for performance), as well as with the corporate purpose and new strategy of Wendel. These changes also aim to motivate and retain the members of the Executive Board, whose actions contribute to the Company's performance.

In proposing the changes set out below, the Supervisory Board took into account the various elements studied by the Governance and Sustainability Committee, enabling it to implement a balanced and attractive compensation policy.

## Proposed changes for 2021

The Supervisory Board of March 17, 2021, on the recommendation of the Governance and Sustainability Committee, implemented the following changes:

- fixed compensation: the fixed compensation of the Chairman of the Executive Board, was to be increased for his second term of office, but ultimately remained unchanged in 2021 to €1,150,000 (unchanged since 2018) due to the crisis context. For the other member of the Executive Board, the fixed portion of his remuneration has been increased from €600,000 to €770,000. It was agreed with David Darmon that if his term of office was renewed, the level of his fixed portion would be aligned with that of his predecessor (€840,000). Without proposing an upgrade equivalent to this amount due to the crisis context, the Supervisory Board considered it appropriate to significantly increase David Darmon's fixed compensation in order to align the respective positions of the Chairman of the Executive Board and the member of the Executive Board within the benchmarks;
- annual variable compensation: the performance objectives and their weighting conditioning the payment of the annual variable compensation have partially evolved to reflect the Company's new strategic plan. The maximum amount of the variable compensation remains unchanged at 115% of the fixed compensation, and the breakdown between financial objectives (65%) and non-financial objectives (35%) also remains unchanged;
- options and performance shares: in line with best practices in this area, the Board has set the maximum overall value of the options and performance shares granted during the fiscal year at, respectively, 105% and 95% of the total amount of fixed compensation and maximum annual variable compensation of the Chairman and of the member of the Executive Board. In the interest of balance and consistency between the members of the Executive Board, it was also decided that each member of the Executive Board would receive an identical proportion of 70% of performance shares and 30% of options. The presence condition for the options and shares has been extended to 2 to 4 years following the grant date, with thresholds set at 50% in the event of departure at the end of a period of 2 years, 75% in the event of departure after a period of 3 years, and 100% in the event of departure after a period of 4 years. In addition, the performance criteria changed as follows:
  - options: the exercise of options is henceforth subject to meeting an ESG performance condition over a period of 4 years, instead of a condition linked to the evolution of the dividend which was assessed over 3 years. This condition

was chosen because it constitutes a good indicator of the roll-out of Wendel's ESG strategy at the level of the portfolio companies, reflecting the growing role of ESG in Wendel's long-term strategy,

- performance shares: the vesting of shares is subject to meeting three demanding conditions assessed over a period extended to 3 to 4 years. Two of them relate to the evolution of Wendel's Total Shareholder Return with an absolute (25% of the allocation) and relative (50% of the allocation) assessment. It should be noted that the relative assessment of the evolution of the TSR is based on the CAC mid60 index - instead of the SBF 120 - and that in the event of a performance below the median of this index, the allocation will now be lost. The third condition, which was also based on the evolution of the relative performance of the TSR, has been replaced by the evolution of the ordinary dividend (25% of the allocation). The dividend evolution each year is a good indicator of Wendel's financial health and is one of the pillars of Wendel's long-term strategy vis-à-vis its shareholders, as announced to the market on March 18, 2021;
- holding obligation: the general and permanent obligation for members of the Executive Board to hold Company shares has evolved; it was thus decided that instead of holding at least 25,000 shares, this obligation would now relate to the value of the shares held, which must represent respectively, 200% and 100% of the fixed compensation of the Chairman and of the member of the Executive Board;
- departure of an Executive Board member: it was specified that, in the event of an exceptional exemption from the presence condition applicable to stock options and performance shares granted to an Executive Board member, this exemption would be applied on a prorata-temporis basis;
- termination benefits: the terms and conditions of the termination benefits of the Chairman of the Executive Board have been extensively reviewed and aligned with those of the other Executive Board member, in accordance with good governance practices in this area. They now provide for an allowance equal to 18 months of his fixed and variable compensation paid. As regards to the other Executive Board member, the relative performance condition used to characterize a situation of failure now refers to a comparison with the CAC mid60 index, in line with the new relative performance condition for performance shares (instead of a panel of comparable companies);
- exemption from the compensation policy: the exemption is limited to the annual variable compensation, the options and the performance shares.

## 2021 compensation structure

The 4 main compensation items of the members of the Executive Board form a balance between annual compensation and long-term compensation, as well as between the proportion of compensation subject to performance conditions or not. They are complementary and each of them serves different purposes.

David Darmon

# André François-Poncet



The members of the Executive Board do not benefit from the following compensation items: multi-year variable compensation, exceptional compensation, non-compete compensation, supplementary pension plan.

### **Compensation items**

### **Fixed compensation**

As described above, the fixed compensation for 2021 is as follows:

- €1,150,000 for the Chairman of the Executive Board;
- €770,000 for the other member of the Executive Board.

### Annual variable compensation

For 2021, the Supervisory Board has not changed the maximum amount of variable compensation set at 115% of fixed compensation, this proportion being unchanged since 2017. Variable compensation is in no way guaranteed and its amount varies each year depending on the achievement of financial and non-financial objectives. The achievement rate for 2020 is detailed in section 2.2.2.2 "Total compensation and benefits of all kinds" paragraph "Summary of compensation, options and performance shares granted in respect of the 2020 fiscal year to each executive corporate officer".

Similarly, for 2021 the Supervisory Board has decided to retain four objectives, three financial and one non-financial as described below. These objectives were precisely determined by the Supervisory Board, on the recommendation of the Governance and Sustainability Committee, at its meeting on March 17, 2021. For each criterion, the Supervisory Board sets a target objective and a range of performance thresholds. As outlined below, these objectives are consistent with the Group's development strategy.

#### Description of the 2021 performance objectives:

The **financial objectives**, weighted and capped together at 65% of the maximum variable compensation, have changed little in 2021:

the 1<sup>st</sup> objective concerns Bureau Veritas, with specific criteria about its performance, measured on the basis of its organic growth and adjusted operating income; it is weighted and capped at 20% of the maximum variable compensation;

- the 2<sup>nd</sup> objective concerns the performance of five unlisted companies in the portfolio (IHS, Stahl, Constantia, Cromology and CPI), measured on the basis of their organic growth and EBITDA (the rate of achievement of this objective being calculated on a consolidated basis, on the basis of the achievement rates of each of the companies, weighted according to the average of the individual values of these five companies in Net Asset Value at December 31, 2020 and in Net Asset Value at December 31, 2021); this objective is weighted and capped at 25% of the maximum variable compensation;
- the 3<sup>rd</sup> objective replaces the previous objective based on the level of net debt. It now concerns maintaining Wendel's Investment Grade rating (this credit rating, known as the "investment" category, places the credit issuer in a high credit quality category; Investment Grade ratings are between AAA and BBB according to the Standard & Poor's scale); it is weighted and capped at 20% of the maximum variable compensation.

The non-financial objective has been significantly revised for 2021 to focus on strategy; it is weighted and capped at 35% of the maximum variable compensation. It is based on the achievement of several criteria, which account respectively for 40%, 37.5% and 22.5% of the non-financial objective. The first criterion (weighted and capped at 40% of the non-financial objective) is thus linked to the implementation of the 2021-2024 strategic plan and of other value creation initiatives. The other two criteria are more common but less heavily weighted than before:

- criteria for the portfolio companies (weighted and capped at 37.5% of the non-financial objective):
  - for Bureau Veritas (weighted and capped at 10% of the non-financial objective), the achievement of the non-financial objectives attached to Bureau Veritas' CEO variable compensation,

- targeted initiatives relating to five unlisted companies in the portfolio - IHS, Stahl, Constantia, Cromology and CPI (weighted and capped at 27.5% the non-financial objective);
- criteria linked to the ESG roadmap and compliance procedures (weighted and capped at 22.5% of the non-financial objective) such as: evolution in Wendel's non-financial rating, the analysis of exposure to climate risk, the monitoring of key ESG performance indicators at the level of the portfolio companies, continued development in terms of gender balance in the workforce, monitoring and strengthening of compliance procedures, including the measures put in place by the portfolio companies (Sapin II law). The decrease in the ESG/compliance portion of the annual variable compensation is offset by the introduction of an ESG performance condition in the long-term compensation.

When assessing the achievement of the non-financial objective, and considering the exceptional circumstances resulting from the crisis linked to Covid-19, the Supervisory Board will assess the quality of crisis management by the Executive Board. As the case may be, said quality of crisis management could supersede all or part of abovementioned criteria of the non-financial objective.

Each performance objective on which the allocation of the annual variable compensation is based is capped, in order to avoid any effect of offsetting outperformance with possible underperformance.

These financial and non-financial objectives are also used to determine a portion of the variable compensation of approximately one-third of Wendel's workforce.

# Summary:

Type of objective	Weighting
Financial objectives	65%
Bureau Veritas performance: organic growth and adjusted operating income	20%
Performance of 5 unlisted companies in the portfolio (IHS, Stahl, Constantia, Cromology and CPI):	
organic growth and EBITDA	25%
Maintaining Wendel's Investment Grade rating	20%
Non-financial objective	35%
Criteria:	
Criteria related to Wendel in relation to strategy or value creation	40%
Criteria relating to portfolio companies:	37.5% including:
<ul> <li>Bureau Veritas (objectives related to the non-financial portion of the CEO's variable compensation)</li> </ul>	10%
<ul> <li>Unlisted portfolio companies (targeted initiatives)</li> </ul>	27.5%
ESG roadmap and compliance procedures	22.5%
TOTAL	100%

### Grants of stock options and performance shares

The members of the Executive Board are granted stock options and performance shares which encourage the achievement of the Group's medium to long-term objectives and the resulting creation of value for shareholders.

The stock options and performance shares granted to the members of the Executive Board during 2020 are described in section 2.2.2.2 "Total compensation and benefits of all kinds" of the Universal Registration Document.

### Maximum grant amount

The Supervisory Board, after consulting the Governance and Sustainability Committee, has decided that the overall value of the stock options and performance shares, as determined on the date of their allocation, may reach for 2021 a maximum of:

- for the Chairman of the Executive Board: 105% of the sum of the fixed and the maximum annual variable portions of his annual compensation;
- for the member of the Executive Board: 95% of the sum of the fixed and the maximum annual variable portions of his annual compensation,

it being specified that, in compliance with these proportions, each member of the Executive Board will receive an identical allocation of 70% of performance shares and 30% of stock options. In the framework of resolutions 20 and 21, it will be proposed to the 2021 Shareholders' Meeting to authorize, for a period of 14 months, the allocation of an overall budget of options and performance shares capped at 1% of capital. For members of the Executive Board, a sub-ceiling stipulates that the total number of shares resulting from the exercise of the stock options and the definitive vesting of the free shares granted may not exceed 50% of this overall budget.

# **Holding obligation**

In accordance with the law and the governance principles of the Afep-Medef Code, the members of the Executive Board are subject to a general and permanent obligation to hold Company shares. The Supervisory Board meeting of March 17, 2021 decided that the value of the shares held in this context must represent:

- for the Chairman of the Executive Board: 200% of the fixed portion of his annual compensation;
- for the member of the Executive Board: 100% of the fixed portion of his annual compensation.

The members of the Executive Board are also required to keep in registered form until the end of their terms of office: 500 shares resulting from the exercise of stock options and 500 performance shares granted under each plan they benefit from in their capacity as members of the Executive Board. It is specified that these shares are included in the calculation of the aforementioned general obligation. If a member of the Executive Board does not hold shares representing the required value at the time of taking up his duties, he/she is not required to purchase shares on the market, but he/she must keep all the shares acquired as and when options are exercised or performance shares vested until he/she holds the number of shares stipulated by the aforementioned general obligation, after deducting, for the shares resulting from the exercise of options, the exercise price of the said options.

#### Hedge

The members of the Executive Board have each undertaken not to use any hedging transactions for stock options and performance shares granted by the Company, until the end of their corporate office.

## **Allocation of stock options**

Members of the Executive Board may be granted stock subscription or purchase options.

The presence condition is of 4 years following the date of granting of the stock options, it being specified that subject to the achievement of the performance condition described below, 50% of the options may be exercised in the event of departure at the end of a period of 2 years, 75% of the options in the event of departure at the end of a period of a period of 3 years and 100% of the options in the event of departure at the end of a period of 4 years.

The Supervisory Board considers that the procedures for exercising the stock options are in themselves an intrinsic performance condition directly linked to the growth of the Company's share price, since the exercise of the options is favorable to the beneficiaries provided that their exercise price is lower than the stock market price on the exercise date.

Nevertheless, for 2021, the Board has set a new performance condition linked to the Company's ESG strategy, assessed over a period of 4 years, as follows:

- if, at the end of the first year, all companies controlled by Wendel have prepared an analysis of their climate risk, the condition is met (25% of the allocation);
- if, at the end of the second year, at least half of the companies controlled by Wendel have defined and approved a corrective action plan for the identified climate risks; the condition is met (25% of the allocation);
- if, at the end of the third year, all companies controlled by Wendel have defined and approved a corrective action plan to address the identified climate risks; the condition is met (25% of the allocation);
- if, at the end of the fourth year, all companies controlled by Wendel have implemented priority corrective actions as defined in their action plans and presented the initial results of these corrective actions, the condition is met (25% of the allocation).

It is specified that this assessment will be made by the Supervisory Board each year, on the anniversary date of the grant. Companies acquired during the 4-year period from the grant date will not be taken into account. The Supervisory Board considers that this performance condition is a good indicator of the deployment of Wendel's ESG strategy at the level of the portfolio companies, and stresses the importance of ensuring the resilience of these companies with regard to climate risk, through the implementation of long-term action plans.

The exercise price for the stock options is based on the average of the share price in the 20 trading days preceding the grant date, with no discount.

As the options are valid for 10 years, their exercise period begins at the end of the four-year performance condition and lasts six years.

## Allocation of performance shares

Members of the Executive Board may be granted performance shares. The presence condition is of 4 years following the date of allocation of the performance shares, it being specified that, subject to the achievement of the performance conditions described below, 50% of the performance shares may be acquired in the event of departure at the end of a period of 2 years, 75% of the performance shares in the event of departure at the end of a period of 3 years and 100% of the performance shares in the event of departure at the end of a period of 4 years.

The Supervisory Board has set three performance conditions assessed over a period of 4 years and aligned with the interests of shareholders. They are based on (i) Wendel's Total Shareholder Return (TSR), by applying both an absolute and a relative assessment, and (ii) the evolution in the ordinary dividend paid each year to shareholders. These conditions are as follows:

■ Absolute TSR performance (25% of the allocation)

The absolute performance of Wendel's annualized TSR is measured as follows:

- if the TSR is greater than or equal to 9% per year, the condition is met at 100%;
- if the TSR is less than 5% per year, the condition is not met;
- between these two limits, the acquisition is calculated on a linear basis.
- Relative TSR performance (50% of the allocation)

The relative performance of Wendel's annualized TSR is measured against that of the CACMid60 index as follows:

- if Wendel's TSR is greater than or equal to the median TSR of the index plus 3%, the condition is met at 100%;
- if Wendel's TSR is equal to the median of the index's TSR, the condition is met at 50%;
- between these two limits, the acquisition is calculated on a linear basis;
- if Wendel's TSR is lower than the median of the index's TSR, the condition is not met.
- Dividend evolution (25% of allocation)

The ordinary dividend paid (excluding any exceptional dividend) each year for 4 years must be greater than or equal to the dividend paid the previous year.

The evolution in the dividend each year is a good indicator of Wendel's financial health and is one of the pillars of Wendel's long-term strategy towards its shareholders.

### **Employment contract**

In accordance with the recommendations of the Afep-Medef Code, the Chairman of the Executive Board does not have an employment contract.

The other member of the Executive Board, David Darmon, holds a French law employment contract with the Company that entered into force on July 4, 2005. It is suspended since May 31, 2013, and was last amended on March 4, 2020.

This employment contract will remain suspended for the duration of David Darmon's term of office as a member of the Executive Board. In view of David Darmon's seniority as a Wendel employee, it was decided to maintain the suspension of the employment contract rather than terminate it.

Furthermore, in the event that David Darmon's term of office as a corporate officer is terminated, his employment contract with the Company will resume its effects. The employment contract may be terminated under ordinary law conditions at the initiative of David Darmon or the Company. The termination of the employment contract would be effective at the end of a notice period of six months (except in the event of serious misconduct) and might trigger the entitlement to legal and contractual indemnities for dismissal. This notice period may be cut short to allow David Darmon to claim unemployment benefits through GSC (a specialized provider of unemployment insurance for CEOs).

## Benefit of all kinds

The members of the Executive Board are covered by unemployment insurance through GSC (a specialized provider of unemployment insurance for CEOs).

They also benefit, in the same way as all Wendel employees, from the agreements in force at Wendel in terms of profit-sharing, and savings and retirement plans, it being recalled that they are not entitled to any supplementary pension plans. Executive Board members can subscribe to capital increases reserved for members of the Group savings plan under the same conditions as all Wendel employees, in accordance with the applicable legal provisions (*i.e.* a capped company matching contribution and a discount of no more than 30% of the reference price on the share subscription price).

In the context of co-investments made in accordance with the applicable rules for the period 2021-2024 (see note 5-1 to the consolidated financial statements), the subscription price is the same for Wendel and other co-investors, Executive Board members included, and does not take into account carried interest rights.

The Chairman of the Executive Board may be provided with a company car, the maintenance and insurance costs of which are borne by the Company.

## Appointment of a new Executive Board member

In the event of the arrival of a new Executive Board member, the principles and criteria defined in this policy will apply to this new Executive Board member, except in exceptional circumstances. The Supervisory Board, on the recommendation of the Governance and Sustainability Committee, shall determine the fixed and variable items of compensation and the criteria for variable compensation, within that framework and according to the specific situation of the person concerned. If necessary, any changes to the compensation policy shall be submitted for approval at the next Shareholders' Meeting.

If the new Executive Board member is appointed from outside the Company, the Supervisory Board, on the recommendation of the Governance and Sustainability Committee, may decide to pay a welcome bonus to the new Executive Board member as compensation for any benefits he or she may lose by leaving his or her prior position.

# Departure of an Executive Board member

In the event of the departure of an Executive Board member, several compensation items shall be impacted as follows:

Fixed compensation	Prorated amount paid.
Annual variable compensation	Amount of variable compensation to be paid, which is prorated, assessed after the end of the fiscal year by the Supervisory Board according to the achievement of the targets set, on the recommendation of the Governance and Sustainability Committee.
Options and performance shares	Options and performance shares that have not yet vested are forfeited. However, in the event of exceptional circumstances, the Supervisory Board may, on the proposal of the Governance and Sustainability Committee, decide to maintain it, waiving the applicable presence condition, the exemption being applied on a prorata-temporis basis. In any event, there can be no exemptions from the application of the performance conditions governing the exercise of the options and/or the vesting of the performance shares.
Termination benefits	The Supervisory Board shall assess the fulfillment of the conditions of application and performance conditions for the payment of termination benefits.

# Severance pay

# André François-Poncet

In the event of termination of his term of office on the Executive Board, André François-Poncet would receive a severance payment equal to 18 months of his monthly average remuneration determined as follows: sum of (i) his gross monthly fixed compensation at the time of his removal and (ii) 1/12th of the variable compensation actually paid during the last fiscal year preceding his departure.

Payment of the benefits is subject to the fulfilment of both of the following two performance conditions:

- André-François Poncet must have obtained, for the last two financial years preceding his departure, more than 70% of his maximum variable compensation; and
- the amount of the last known ordinary dividend on the date of departure must be higher than or equal to the dividend for the previous financial year.

This indemnity will be due only in the event of forced departure, *i.e.* in the following situations:

- departure linked to the dismissal as Chairman and member of the Executive Board;
- non-renewal of the term of office as Chairman and member of the Executive Board at the request of the Supervisory Board;
- resignation as Chairman and member of the Executive Board within six months following a substantial change in responsibilities or a significant divergence in strategy.

This indemnity will not be due in the event of:

- resignation, except in the aforementioned case;
- retirement within six months prior to eligibility for a full pension;
- serious or gross misconduct;
- a situation of failure observed by the Supervisory Board; a situation of failure being defined as serious misconduct (in accordance with the definition of the Social Law Chamber of the French Supreme Court) unanimously recognized by the members of the Supervisory Board, it being specified that if the removal procedure is initiated more than two months after one of the members of the Board becomes aware of the events motivating the removal, the situation of failure is not qualified.

### David Darmon

In the event of termination of his term of office on the Executive Board and of his employment position with the Company, David Darmon would receive, in addition to any legal and contractual indemnities payable in respect of the termination of his French employment contract, a severance payment equal to 18 months of his gross monthly fixed compensation at the time of his removal.

Payment of the benefits is subject to the fulfilment of both of the following two performance conditions:

- David Darmon must have obtained, for the last two financial years preceding his departure, more than 70% of his maximum variable compensation; and
- the amount of the last known ordinary dividend on the date of departure must be higher than or equal to the dividend for the previous financial year.

This indemnity will be due only in the event of forced departure, *i.e.* in the following situations:

- departure linked to the dismissal of a member of the Executive Board;
- non-renewal of the term of office as member of the Executive Board at the request of the Supervisory Board;
- resignation as a member of the Executive Board within six months following a substantial change in responsibilities or a significant divergence in strategy;
- resignation from office as a member of the Executive Board as a result of dismissal (with the exception of dismissal for serious or gross misconduct).

This indemnity will not be due in the event of:

- resignation, except in the aforementioned cases;
- retirement within six months prior to eligibility for a full pension;
- serious or gross misconduct;
- a situation of failure observed by the Supervisory Board, it being specified that a situation of failure occurs if (i) the level of consolidated net debt of the Wendel Group is greater than €2.5 billion, and (ii) for two continuous years, Wendel's TSR is in the last quartile in terms of relative performance compared to the CACmid60.

At the end of David Darmon's term of office as a member of the Executive Board, his employment contract would resume its effects with the Company and might trigger an entitlement to legal and contractual termination indemnities.

It is specified that the total amount of indemnities paid to David Darmon, including legal and contractual indemnities related to his employment contract, may not exceed 18 months of his monthly average remuneration determined as follows: sum of (i) his gross monthly fixed compensation at the time of his removal and (ii)  $1/12^{\rm th}$  of the variable compensation actually paid during the last fiscal year preceding his departure.

# 2.2.1.3 Compensation policy for members of the Supervisory Board

Since 2017, the maximum overall compensation budget as approved by the Shareholders' Meeting for the Supervisory Board members is €900,000.

In accordance with the recommendations of the Afep-Medef Code, a criterion of variability based on actual attendance at Supervisory Board meetings and meetings of its Committees has been included since 2019 to calculate the awarding of compensation to Supervisory Board members.

It is specified that the variable amount of compensation of Supervisory Board members is adjusted each year in line with (i) the number of scheduled meetings of the Supervisory Board and of its Committees, within the limit of the overall budget approved by the Shareholders' Meeting and (ii) the number of members who benefit from this compensation. In 2021, 8 meetings of the Supervisory Board, 7 meetings of the Audit, Risks and Compliance Committee and 6 meetings of the Governance and Sustainability Committee are scheduled.

The compensation policy for Supervisory Board members breaks down as follows:

- ordinary compensation (for all Board members except Chairman):
  - fixed compensation: €25,000,
  - variable compensation: €3,000 per scheduled meeting;

- additional compensation for Committee membership (for all Committee members other than Chair):
  - fixed compensation: €10,000,
  - variable compensation: €1,700 per scheduled meeting;
- compensation for chairing a Committee:
  - fixed compensation: €25,000,
  - variable compensation: €3,400 per scheduled meeting;
- compensation for the Chairman of the Supervisory Board:
  - fixed compensation: €52,000,
  - variable compensation: €6,000 per scheduled meeting;
- specific compensation for the Chairman of the Supervisory Board and for the Lead member of the Supervisory Board:

Since 2018, the annual compensation of the Chairman of the Supervisory Board has amounted to  $\notin$ 250,000. This compensation was set on the basis of a benchmark. It is reviewed every year by the Supervisory Board and the Governance and Sustainability Committee.

The lead member of the Supervisory Board receives compensation of  $\notin$  25,000 for his specific duties.

Members of the Supervisory Board do not receive any other compensation.

# 2.2.2 General information on the compensation of corporate officers for fiscal year 2020

The information mentioned in Article L. 22-10-9, I of the French Commercial Code is described below. In accordance with Article L. 22-10-34, I of the French Commercial Code, this information is submitted for approval to the Shareholders' Meeting of June 29, 2021, pursuant to Resolution No. 13.

# 2.2.2.1 Application of 2020 compensation policy

The 2020 compensation policy for the Chairman of the Executive Board, the member of the Executive Board and the members of the Supervisory Board was approved as follows at the Shareholders' Meeting of July 2, 2020:

- Chairman of the Executive Board, Resolution No. 7 approved with 80.40% "for" votes;
- Member of the Executive Board, Resolution No. 8 approved with 92.46% "for" votes;
- Members of the Supervisory Board, Resolution No.9 approved with 99.80% "for" votes.

As a sign of solidarity in the framework of the Covid-19 crisis:

- the members of the Executive Board waived 25% of their fixed compensation over a period of three months during fiscal year 2020, *i.e.* a total amount of €109,375.
- the members of the Supervisory Board waived 25% of their compensation over a period of three months during fiscal year 2020, *i.e.* a total amount of €56,075.

These sums have been allocated to Wendel's endowment fund to finance philanthropic causes.

The total compensation of the aforementioned corporate officers paid or awarded in respect of fiscal year 2020 complies with the provisions of the compensation policy for 2020. The caps stated in the compensation policy and the presence and performance conditions of options and performance shares have been complied with, without exception. For more information on the achievement of the performance objectives attached to the payment of the annual variable compensation, see section 2.2.2.2 "Total compensation and benefits of all kinds."

Total compensation contributes to the long-term performance of the Company by being both balanced and attractive, thereby enabling to satisfactorily compensate the corporate officers whose skills promote the development of the Company's activities.

# 2.2.2.2 Total compensation and benefits of all kinds

The compensation items of Executive Board and Supervisory Board members presented below are those paid in the course of or allocated for fiscal year 2020 in respect of their term of office.

### Summary of compensation, options and performance shares granted in respect of the 2020 fiscal year to each executive corporate officer

### Relative proportion of fixed and variable compensation

The variable annual compensation allocated to the members of the Executive Board for fiscal year 2020 corresponds to 79.35% of the respective fixed compensation allocated to André François-Poncet, and David Darmon.

For André François-Poncet, the value of options and performance shares granted in 2020 corresponds to 87.7% of the sum of the fixed and the maximum variable compensation provided for by the 2020 compensation policy.

For David Darmon, the value of options and performance shares granted in 2020 corresponds to 55.5% of the sum ot the fixed and the maximum variable compensation provided for by the 2020 compensation policy.

With regard to Bernard Gautier, his term of office as a member of the Executive Board ended on September 9, 2019 and his employment contract expired on March 10, 2020, at the end of a six-month notice period that began on September 11, 2019. In this context, the only elements of compensation that were paid to him in 2020 were as follows:

- fixed compensation for the period January 1 to March 10, 2020;
- annual variable compensation for 2019, paid in July 2020;
- profit-sharing for fiscal year 2019, paid during 2020;
- balance of the termination benefit determined in 2019, paid in March 2020.

As a reminder, the compensation elements allocated to Bernard Gautier in respect of the 2019 fiscal year were approved by the Shareholders' Meeting of July 2, 2020.

# Table 1 under the Afep-Medef Code

	2020	2019
André François-Poncet		
Chairman of the Executive Board		
Total compensation awarded for the year (detailed in table 2)	2,210,666	2,586,376
Number of options granted during the year	22,341	22,579
Valuation of options granted during the year (detailed in table 4)	408,840	383,843
Number of performance shares granted during the year	35,745	36,126
Valuation of performance shares granted during the year (detailed in table 6)	1,758,654	2,958,719
TOTAL	4,378,160	5,928,938
David Darmon		
Member of the Executive Board		
Total compensation awarded for the year (detailed in table 2)	1,636,023	881,074
Number of options granted during the year	20,625	-
Valuation of options granted during the year (detailed in table 4)	377,438	-
Number of performance shares granted during the year	6,875	-
Valuation of performance shares granted during the year (detailed in table 6)	338,250	-
TOTAL	2,351,711	881,074
Bernard Gautier		
Member of the Executive Board until September 9, 2019		
Total compensation awarded for the year (detailed in table 2)	162,273	1,792,999
Number of options granted during the year <sup>(1)</sup>	-	-
Valuation of options granted during the year	-	-
Number of shares granted during the year <sup>(1)</sup>	-	-
Valuation of performance shares granted during the year	-	-
TOTAL	162,273	1,792,999

The options and performance shares in this table have been measured at their "fair value" from an accounting standpoint, calculated at the time they were granted and in accordance with IFRS. They correspond neither to amounts actually received nor to the real amounts that could be obtained if the presence and performance conditions enabling their beneficiaries to receive income were fulfilled. The subscription options and performance shares granted in 2020 were valued at  $\notin$ 18.3 and  $\notin$ 49.2, respectively. The purchase options and performance shares granted in 2019 were valued at  $\notin$ 17 and  $\notin$ 81.9, respectively.

(1) It is specified that the termination of Bernard Gautier's functions having occurred before the expiry of the presence condition applicable to the options and performance shares granted in fiscal year 2019, the latter were lost (32,965 options valued at €560,405 and 10,837 performance shares valued at €887,550 had been granted to him). Bernard Gautier did not receive any options or performance shares in 2020.

# Summary of the compensation of each executive corporate officer

On the recommendation of the Governance and Sustainability Committee, the Supervisory Board made the following decisions in 2020:

- the fixed compensation of André François-Poncet and David Darmon was set at €1,150,000 and €600,000 per year respectively (unchanged from 2019);
- Executive Board members' variable compensation remained set at a maximum of 115% of fixed compensation, with no possibility of exceeding this limit. As before, such variable compensation was not guaranteed.

Variable compensation is paid after the Shareholders' Meeting in the year following the year for which it is awarded.

65% of the variable compensation for 2020 is subject to the achievement of financial targets and 35% is subject to the achievement of non-financial targets. The Supervisory Board, at its meeting of March 17, 2021, on the recommendation of the Governance and Sustainability Committee and after validation of the figures by the Audit, Risks and Compliance Committee, determined the level of achievement of the targets as follows:

Type of objective	Weighting/ ceiling	Rate of achievement on 100%	Comments
FINANCIAL OBJECTIVES:			
Bureau Veritas performance measured equally in terms of organic growth and adjusted operating profit	20%	3.6%	Bureau Veritas' 2020 organic growth and adjusted operating profit were compared with the grid of target amounts initially determined early 2020. This result reflects a lower performance compared to objectives determined before the Covid-19 crisis.
Performance over the year of five unlisted portfolio companies (IHS, Stahl, Constantia, Cromology and CPI), measured equally between organic growth and EBITDA	25%	53.2%	The 2020 organic growth and EBITDA of IHS, Stahl, Constantia, Cromology and CPI were compared with the grid of target amounts initially determined early 2020. For 2020, the good performance of IHS, Cromology and Constantia were negatively offset by Stahl and CPI's performance, that were lower than objectives determined before the Covid-19 crisis.
			Pour l'exercice 2020, les bonnes performances d'IHS, Cromology et Constantia ont été négativement compensées par les performances de Stahl et CPI, qui se sont établies en deçà des objectifs fixés avant la crise de la Covid-19.
Wendel's level of net debt, which must not exceed €2.5bn when calculating each Net Asset Value published during the year	20%	100%	Wendel's net debt at the end of 2020 was €468 million. During 2020, net debt was calculated at each quarter end and published in the Net Asset Value (NAV). It did not exceed the €2.5 billion limit.
TOTAL FINANCIAL OBJECTIVES	65%	52.3%	
NON-FINANCIAL OBJECTIVE			
Priorities:			
Objectives relating to portfolio companies:	45%	100%	<u>Bureau Veritas</u> : On February 24, 2021, the Board of Directors of Bureau Veritas - in which Wendel is a minority member - has decided to award a 100% achievement rate for the non-financual objectives of
<ul> <li>for Bureau Veritas, targets in line with those adopted for the non-financial targets attached to the payment of the variable compensation of the Chief Executive Officer of Bureau Veritas</li> </ul>	10%	100%	Didier Michaud-Danied, CEO. <u>Unlisted companies</u> : planned initiatives have been implemented, in particular: Constantia's management team has evolved (appointment of Pim Vervaat as CEO and 6 appointments in the executive committee); Stahl has extended the maturity of its debt
<ul> <li>targeted initiatives relating to unlisted portfolio companies</li> </ul>	35%	100%	facility and pushed back its debt maturities to 2023; CPI's integration to Wendel has continued with the improvement of its process in terms of cybersecurity, finance, accounting, compliance and ESG; Tsebo's control has been transfered in a consensual transaction; Wendel Lab's strategy has been finalized.
Implementation of initiatives for Wendel: <ul> <li>definition of Wendel's corporate</li> </ul>			<u>Corporate purpose</u> : Wendel's corporate purpose and values have been defined as follows: Corporate purpose: "Work with entrepreneurial management teams to develop leaders for the long
purpose and values			term"; Values: "Engagement, Excellence, Entrepreneurial spirit".
<ul> <li>improvement of HR and diversity policies and practices</li> <li>formalization of the assessment</li> </ul>	15%	100%	<u>Human resources</u> : human resources policies and practices have been improved, driven by the new HR director appointed early 2020, in particular on: diversity (3-year plan), improvement of quality of like at work, talent and culture of performance development.
of IT and cybersecurity tools and procedures			<u>IT/Cybsecurity</u> : the assessment of the IT/cyber maturity of Wendel and the portfolio companies has been done and targets have been set. All companies have followed their roadmap despite the crisis context.
ESG strategy	27.5%	100%	Wendel ESG strategy has been published in April 2020. It contains in particular key performance indicators and an action plan to assess climate risks. As regards to ESG ratings, Wendel achieved outstanding results: inclusion in DJSI World and Europe ratings, and improvement of Wendel's position within other ESG ratings. Wendel has also implemented a demanding reporting process a the level of the portfolio companies, thus enabling to monitor the evolution of the key performance indicators.
Monitoring and strengthening of anti-corruption procedures under the Sapin II law, and monitoring of the procedures put in place			<u>Wendel</u> : The Code of Ethics has been redisigned. Compliance processes have been digitalized to ensure a better monitoring. Several trainings on these topics have been organized for Wendel teams.
in this area by portfolio companies	12.5%	100%	<u>Portfolio companies</u> : For CPI, acquired late 2019, an anti-corruption program has been set. For other companies, the monitoring of Sapin II obligations have been reinforced through an increased involvement of these companies' audit committees and through exchanges with the compliance officers of each company.
TOTAL NON-FINANCIAL OBJECTIVE	35%	100%	
TOTAL	100%	69.0%	

The Supervisory Board did not apply any exemption to the compensation policy, it being reminded that said exemption would have enabled the Board to replace all or part of the non-financial objective's priorities by its assessment of quality of Covid-19 crisis management by the Executive Board. However, the Supervisory Board unanimously highlights the remarkable work of the Executive Board, which has allowed Wendel to withstand the Covid-19 crisis and to keep a sound financial condition.

The Supervisory Board held on March 17, 2021, on the advice of the Governance and Sustainability Committee, has concluded that the achievement rate of 2020 Executive Board members' objectives was 69.0%. As a result, it set the variable compensation of the Executive Board members for 2020 at 69.0% of their maximum variable compensation, *i.e.* €912,525 for André Francois-Poncet and €476,100 for David Darmon.

It should be noted that no variable compensation was awarded to Bernard Gautier in respect of the 2020 fiscal year.

# Tables 2 under the Afep-Medef Code

The amounts "paid during 2020" correspond to the amounts actually received by each executive corporate officer. The amounts "awarded for 2020" correspond to the compensation allocated to the executive corporate officers for duties performed during 2020, regardless of the payment date. These amounts include all compensation paid by Group companies during the year.

### André François-Poncet

	2020	)	2019	
	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Total fixed compensation <sup>(1)</sup>	1,150,000	1,078,125	1,150,000	1,150,000
of which compensation from Group companies <sup>(2)</sup>	126,000	126,000	167,000	175,500
Variable compensation	912,525	1,102,965	1,102,965	1,085,773
Other compensation <sup>(3)</sup>	134,924	36,317	210,651	5,808
Benefits of all kinds <sup>(4)</sup>	13,217	13,217	122,760	13,020
TOTAL	2,210,666	2,230,624	2,586,376	2,254,601

(1)(2) Fixed compensation: The difference between the amount awarded and the amount paid corresponds to the voluntary waiver made by André François-Poncet, in the context of the Covid-19 crisis, of 25% of his fixed compensation over a period of three months during the year (this sum has been allocated to Wendel's endowment fund to finance philanthropic causes). With regard to the compensation of Group companies, André François-Poncet received compensation from Bureau Veritas, Trief Corporation SA and Winvest Conseil SA.

(3) Other compensation: André François-Poncet benefits from the agreements in force at Wendel, including the Group profit sharing and savings plans, in the same manner as any Wendel employee. In view of the progression in NAV in 2019, he received in 2020 profit sharing in an amount of €30,393 for 2019. In addition, as part of his subscription to the capital increase reserved for members of the Group savings plan, and in accordance with the applicable legal provisions, he benefited in 2020 from the company matching contribution of  $\in$ 5,924 and a discount of 30% on the price of the subscribed shares representing a value of €129,000. Benefits of all kinds: André François-Poncet benefited from unemployment insurance taken out with the GSC (social guarantee for business leaders),

(4) amounting to €13,217 for 2020.

André François-Poncet also receives health, death & disability insurance under the same terms and conditions as Wendel management employees.

# David Darmon

	2020		<b>2019</b> <sup>(1)</sup>		
	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid	
Total fixed compensation <sup>(2)</sup>	600,000	562,500,	188,095	188,095	
of which compensation from Group companies	-	-	-	-	
Variable compensation	476,100	180,402	180,402	-	
Other compensation <sup>(3)</sup>	33,663	15,370	9,446	-	
Benefits of all kinds <sup>(4)</sup>	526,260	526,260	503,131	319,316	
TOTAL	1,636,023	1,284,532	881,074	507,411	

(1) Amounts mentioned in these columns are compensation awarded or paid to David Darmon as member of the Executive Board as from September 9, 2019. (2) <u>Fixed compensation</u>: The difference between the amount awarded and the amount paid corresponds to the voluntary waiver made by David Darmon, in the context of the Covid-19 crisis, of 25% of his fixed compensation over a period of three months during the year (this sum has been allocated to Wendel's endowment fund to finance philanthropic causes). It is specified that until the expiration of his US employment contract on July 31, 2020, the fixed

 compensation of the member of the Executive Board was paid in the United States in US dollars, based on an exchange rate of \$1.10 for €1.00.
 (3) <u>Other compensation</u>: David Darmon benefits from the agreements in force at Wendel, including the Group profit sharing and savings plans, in the same manner as any Wendel employee. Given the progression in NAV in 2019, he received in 2020 profit sharing in an amount of €9,446 for 2019 (amount prorated over the period from September 9 to December 31, 2019). In addition, as part of his subscription to the capital increase reserved for members of (4) Benefits of all kinds: David Darmon benefited from unemployment insurance taken out with the GSC (social guarantee for business leaders), amounting to €13,217 for 2020. In connection with his transitional residency status in the United States until July 31, 2020, benefits were granted to David Darmon in the

amount of \$564,347 or €513,043 (amount to offset the additional costs related to his residence in the United States and defrayal of various expenses by the Company).

David Darmon also receives health, death & disability insurance under the same terms and conditions as Wendel management employees.

# Bernard Gautier

The compensation paid to Bernard Gautier was entirely derived from his employment contract. His term of office as a member of the Executive Board ended on September 9, 2019 and his employment contract expired on March 10, 2020, at the end of a six-month notice period that began on September 11, 2019.

	2020		2019		
	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid	
Total fixed compensation	162,273	162,273	840,000	840,000	
of which compensation from Group companies	-	-	75,000	75,000	
Variable compensation	-	805,644	805,644	793,086	
Other compensation <sup>(1)</sup>	-	30,393	147,355	12,292	
Benefit of all kinds	-	-	-	-	
TOTAL	162,273	998,310	1,792,999	1,645,378	

(1) Bernard Gautier benefitted from the agreements in force at Wendel, including the Group profit sharing and savings plans, in the same manner as any Wendel employee. Given the progression in NAV in 2019, he received in 2020 profit sharing in an amount of €30,393 for 2019.

# Subscription-type and purchase-type stock options granted to executive corporate officers for 2020 or exercised during 2020

### 1. Options granted in 2020

Executive Board members were granted subscription stock options in 2020 of an amount determined by the Supervisory Board, on the recommendation of the Governance and Sustainability Committee, and within the limits set by shareholders at their Shareholders' Meeting. This grant is presented in the table below.

The exercise price for the stock options was based on the average of the share price in the 20 trading days preceding the grant date, with no discount.

These stock options are subject to the following conditions:

- presence condition: the exercise of the options is subject to a presence condition of two indivisible years; the presence condition may be waived by the Supervisory Board under exceptional circumstances;
- performance condition, assessed over a period of three years: the number of options that may be exercised is linked to the level of the ordinary dividend (excluding any exceptional dividend), the ordinary dividend paid each year must be greater than or equal to the dividend paid the previous year, the growth of the ordinary dividend paid from one year to the next being verified after a period of three years;
- holding condition: the members of the Executive Board must retain at least 500 shares resulting from the exercise of the options of the 2020 plan.

# Table 4 under the Afep-Medef Code - Subscription-type or purchase-type stock options granted for 2020

	Plan No. and date	Type of option (purchase or subscription)	Option valuation according to the method used for the consolidated financial statements	Number of options granted during the year	Strike price	Exercise period	Performance conditions
André François-Poncet	Plan W-13	Subscription	€18.3	22.341	€82.05	2023/2030	
Fiançois-Foncet			£10.5	22,341	£02.05	2023/2030	
	Date: 08/05/2020						See above
David Darmon	Plan W-13	Subscription	€18.3	20,625	€82.05	2023/2030	
	Date: 08/05/2020						See above
TOTAL				42,966			

Options were valued by an independent expert using a Monte Carlo mathematical pricing model. The model takes into account various events that might take place while the options are valid, including various points in time at which the pre-determined requirements for both performance and presence within the Company are tested. Based on this model, each stock option was worth €18.3 as of the grant date (August 5, 2020), as indicated in the table above. This value reflects the particularly restrictive scheme that ensures alignment of the Executive Board's interests with the Company's objectives. On the other hand, this valuation does not reflect the blackout periods or other periods during which possession of inside information would prevent the beneficiaries from exercising their options and selling the corresponding shares. These factors should reduce the value of these options. In any event, this value is theoretical: the Company has paid no cash amount to the beneficiaries with regard to these shares.

The value of the stock options granted to André François-Poncet and David Darmon in 2020 represents respectively 16.5% and 29.3% of the sum of fixed and maximum variable compensation as provided for by the 2020 compensation policy. A total of 116,600 stock options were granted in 2020 to the 10 non-corporate-officer employees who received the highest number of stock options that year.

# 2. Options for which the performance conditions were met in 2020

# Options granted on July 6, 2018:

The performance condition required the payment of an ordinary dividend greater than or equal to the one of the previous year:

- the first half of the options became exercisable on July 8, 2019 as the performance condition was satisfied: the ordinary dividend paid in 2019 (€2.80) was greater than the ordinary dividend paid in 2018 (€2.65);
- the second half of the options became exercisable on July 6, 2020 as the performance condition was satisfied: the ordinary dividend paid in 2020 (€2.80) was equal to the ordinary dividend paid in 2019 (€2.80).

# 3. Options exercised in 2020

Table 5 under the Afep-Medef Code - Subscription-type or purchase-type stock-options exercised in 2020

	Plan No. and date	Type of option (purchase or subscription)	Number of options exercised during the year	Strike price
David Darmon	Plan W-3	Purchase	18,000	€44.32
	Date: 06/04/2010			

## 4. Previous option grants

Table 8 under the Afep-Medef Code - Summary of all stock subscription or purchase option plans to date

It should be noted that the plans whose options have expired are not presented in the table below.

	PLAN 4	PLAN 5	PLAN 6	PLAN 7	PLAN 8	PLAN 9	PLAN 10	PLAN 11	PLAN 12	PLAN 13
Date of the Shareholders' Meeting	05/30/11	06/04/12	05/28/13	06/06/14	06/05/15	06/01/16	05/18/17	05/17/18	05/16/19	07/02/20
Plans	W-4	W-5	W-6	W-7	W-8	W-9	W-10	W-11	W-12	W-13
Date of grant	07/07/11	07/05/12	07/01/13	07/08/14	07/15/15	07/07/16	07/07/17	07/06/18	07/08/19	08/05/20
Type of option	Purchase	Subscription								
Initial total number of shares that can be subscribed or purchased	404,400	227,270	252,182	231,834	268,314	68,814	235,895	152,744	145,944	270,342
of which:										
Number initially granted to corporate officers:										
André François-Poncet	-	-	-	-	-	-	-	23,140	22,579	22,341
Frédéric Lemoine	96,000	54,542	53,518	52,632	51,747	0	50,952	-	-	-
Bernard Gautier	64,000	36,361	35,677	35,088	34,500	0	33,968	33,784	32,965	-
David Darmon	-	-	-	-	-	-	-	-	-	20,625
Start date for exercise of options	07/07/12	07/05/13	07/01/14	08/07/15	07/15/16	07/07/17	07/09/18	08/07/19	08/07/22	08/05/23
Option expiration date	07/07/21	07/05/22	07/01/23	07/08/24	07/15/25	07/06/26	07/06/27	07/05/28	07/08/29	08/02/30
Subscription or purchase price per share	€80.91	€54.93	€82.90	€107.30	€112.39	€94.38	€134.43	€120.61	€119.72	€82.05
Discount	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Performance conditions <sup>(1)</sup>	for all									
Cumulative number of shares subscribed or purchased as of Dec. 31, 2020	343,154	204,319	195,574	0	131,934	22,605	0	4,250	8,500	0
Cumulative number of canceled or expired options	9,350	500	0	231,834	16,005	5,565	144,279	26,002	32,965	0
Number of options remaining to be exercised at December 31, 2020 <sup>(2)</sup>	51,896	22.451	56,608	·	120,375	40.644	·	122,492	·	270,342
BALANCE OF OPTIONS R BY CORPORATE OFFICE	EMAINING	, ,			120,373	-0,0++	71,010	122,472	107,777	270,542
André François-Poncet	-	-	-	-	-	-	-	23,140	22,579	22,341
Bernard Gautier	0	0	8,911	0	34,500	-	16,984	16.892	0	-
Dernard Gautier	-	-	÷1.	-	/		-1 -	-1-		

(1) The performance conditions applicable to executive corporate officers are described in the Registration Document for the year in which options were

(1) The performance containers applicable to executive corporate one granted.(2) Maximum number subject to fulfillment of performance conditions. Over the last five years, employees of Wendel and its foreign offices have been granted options, regardless of the beneficiaries' gender, in the following proportions:

- 2020: 80% of workforce, including 55% of women, at the grant date;
- 2019: 28% of workforce, including 26% of women, at the grant date (options granted only to Executive Board n-1 and top managers);
- 2018: 33% of workforce, including 35% of women, at the grant date (options granted only to Executive Board n-1 and top managers);
- 2017: 84% of workforce, including 51% of women, at the grant date;
- 2016: 35% of workforce, including 41% of women, at the grant date (options granted only to foreign employees).

# Table describing the performance conditions applicable to options not yet exercisable by corporate officers

As requested by the AMF in its 2020 report on corporate governance and executive compensation in listed companies, a new table is presented below detailing the performance conditions applicable to options not yet exercisable by corporate officers:

	PLAN 12	PLAN 13
OPTIONS NOT YET EXERCISABLE BY CORPORATE OFFICERS:		
André François-Poncet	22,579	22,341
David Darmon	-	20,625
PERFORMANCE CONDITIONS		
Start date of the option exercise period	07/08/22	08/05/23
Duration of the condition	3 years	3 years
Nature of the condition	The ordinary dividend paid each year from 2020 must be greater than or equal to the ordinary dividend paid the previous year	The ordinary dividend paid each year from 2021 must be greater than or equal to the ordinary dividend paid the previous year
Achievement of the condition	<u>Precision</u> : the ordinary dividend paid upon the Shareholders' Meeting of May 16, 2019 is of €2.80 per share	Precision: the ordinary dividend paid upon the Shareholders' Meeting of July 2, 2020 is of €2.80 per share
	<u>Achievement</u> : condition satisfied for the first year (dividend paid in 2020 equal to that paid in 2019)	<u>Achievement</u> : not yet known

# Performance shares that were granted to executive corporate officers for 2020 or became available in 2020

### 1. Performance shares granted in 2020

Executive Board members were granted performance shares in 2020 of an amount determined by the Supervisory Board, on the recommendation of the Governance and Sustainability Committee, and within the limits set by shareholders at their Annual Meeting. This grant is presented in the table below.

These performance shares are subject to the following conditions:

- presence condition: the allocation of the performance shares is subject to a presence condition of two years; the presence condition may be waived by the Supervisory Board under exceptional circumstances;
- three performance conditions, assessed over a three-year period:
  - the first condition measures the absolute performance of Wendel's annualized TSR over three years; if the performance is over 9%, the condition is 100% met; if this TSR is less than 5%, the condition is not met. Between these

two limits, the performance condition is evaluated on a linear basis,

- the second condition measures the relative performance of Wendel's cumulative TSR (non-annualized) over three years with the performance of the SBF 120 TSR; if Wendel's TSR is at least 900 basis points higher than that of SBF 120, then the performance condition is fully met; if Wendel's TSR is equal to SBF 120 TSR, then the performance condition is 60% met; if Wendel's TSR is at least 300 basis points lower than that of SBF 120, then the performance condition is not met. Between these limits, the performance condition is evaluated on a linear basis,
- the third condition measures the relative performance of Wendel's TSR over three years with the TSR of a basket of comparable listed investment and holding companies. If Wendel's TSR is in the top decile, then the performance condition is fully met; if Wendel's TSR is equal to the upper limit of the lowest decile, then the performance condition is 20% met; if Wendel's TSR is in the lowest decile, then the performance condition is not met. Between these limits, the performance condition is evaluated on a linear basis;
- holding condition: the members of the Executive Board must retain at least 500 shares of the 2020 plan.

	Plan No. and date	Number of performance shares granted during the year	Performance share valuation according to the method used for the consolidated financial statements	Vesting date	Availability date	Performance conditions
	Plan 12-1	35,745	€49.2	08/05/2023	08/05/2023	
André François-Poncet	Date: 08/05/2020					See above
	Plan 12-1	6,875	€49.2	08/05/2023	08/05/2023	
David Darmon	Date: 08/05/2020					See above
TOTAL		42,620				

# Table 6 under the Afep-Medef Code - Performance shares granted for 2020

Performance shares were valued by an independent expert using a Monte Carlo mathematical pricing model. The model takes into account various events that might take place while the performance shares are valid, including various points in time at which the pre-determined requirements for both performance and presence within the Company are tested. Based on this model, each performance share was worth €49.2 as of the grant date (August 5, 2020), as indicated in the table above. This value reflects the particularly restrictive scheme that ensures alignment of the Executive Board's interests with the Company's objectives. In any event, this value is theoretical: the Company has paid no cash amount to the beneficiaries with regard to these shares.

The value of the performance shares awarded to André François-Poncet and David Darmon in 2020 represents respectively 71.1% and 26.2% of the sum of fixed and

# 3. Performance shares that became available in 2020

maximum variable compensation as provided for by the 2020 compensation policy.

The 10 non-corporate officer employees to whom the largest number of performance shares were granted in 2020 were allocated a total of 47,960 shares (it being specified that in 2020, there were two separate allocation plans, and the number of 47,960 corresponds to the cumulative total of shares allocated under both plans).

# 2. Performance shares for which the performance conditions were met in 2020

No performance share plan currently in force provided for the expiration of the performance period (vesting period) during the course of 2020. Therefore, no performance shares allocated to the Executive Board had its performance condition achieved in 2020.

# Table 7 under the Afep-Medef Code - Performance shares that became available in 2020

No performance shares became available in 2020. Accordingly, Table 7 of the Afep-Medef Code is not applicable.

# 4. Previous performance share grants

Table 9 under the Afep-Medef Code - Summary of all performance share grants to date

Situation as of 12/31/20	Plan 5-1	Plan 6-1	Plan 7-1	Plan 8-1	Plan 9-1	Plan 10-1	Plan 11-1	Plan 11-2	Plan 12-1	Plan 12-2	
Date of Shareholders' Meeting	05/28/13	06/06/14	06/05/15	06/01/16	05/18/17	05/17/18	05/1	6/19	07/0	2/20	
No. of authorized shares as% of capital	0.3%	0.3%	0.3333%	0.3333%	0.3333%	0.5%	0.5	5%	0.5	0.5%	
Share grants as% of capital	0.13%	0.14%	0.147%	0.286%	0.167%	0.283%	0.203%	0.138%	0.189%	0.123%	
Date of grant	07/01/13	07/08/14	07/15/15	07/07/16	07/07/17	07/06/18	07/0	8/19	08/0	5/20	
Number of performance shares granted	64,595	68,928	70,268	137,122	78,632	130,860	91,833	62,480	84,341	55,036	
of which, shares granted to corporate officers:											
André François-Poncet	-	-	-	-	-	37,023	36,126	0	35,745	0	
Frédéric Lemoine	17,838	17,544	17,249	34,572	16,984	-	-	-	-	-	
Bernard Gautier	11,892	11,696	11,500	23,048	11,323	11,107	10,837	0	-	-	
David Darmon	-	-	-	-	-	-	-	-	6,875	0	
Shares to be issued/existing shares	existing	existing	existing	existing	existing	existing	existing	existing	existing	existing	
Vesting date	07/01/15	07/08/16	07/17/17	07/09/18	07/08/19	07/06/21	07/08/22	07/10/23	08/05/23	08/05/24	
End of holding period	07/01/17	07/08/18	7/15/19	07/09/18	07/08/19	07/06/21	07/08/22	07/10/23	08/05/23	08/05/24	
Performance conditions <sup>(1)</sup>	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	
Share value at grant date	€82.90	€107.30	€112.39	€94.38	€134.43	€120.61	€119.72	€119.72	€82.05	€82.05	
Share value at vesting date	€111.00	-	€127.95	€120.00	€120.90	-	-	-	-	-	
Number of shares vested	64,595	0	65,363	131,917	30,064	0	0	0	0	0	
Cumulative number of canceled or expired shares	0	68,928	4,905	5,205	48,568	24,547	14,447	1,340	0	83	
Number of shares not yet vested <sup>(2)</sup>	0	0	0	0	0	106,913	77,386	61,140	84,341	54,953	
Remaining shares to be vested by the corporate officers <sup>(2)</sup> :											
André François-Poncet	-	-	-	-	-	37,023	36,126	0	35,745	0	
Bernard Gautier	0	0	0	0	0	11,107	0(3)	0	-	-	
David Darmon	-	-	-	-	-	-	-	-	6,875	0	

(1) The performance conditions applicable to corporate officers are described in the Registration Document for the year in which performance shares were

(1) The performance conditions applicable to corporate oncers are described in the neglisitation Document of the year in which performance shares granted.
 (2) Maximum number subject to fulfillment of performance conditions.
 (3) The performance shares granted to Bernard Gautier in 2019 are lost because the termination of its duties occurred before the expiry of the presence condition applicable to the performance shares granted in 2019.

Over the last five years, employees of Wendel and its foreign offices have been granted free shares, regardless of the beneficiaries' gender, in the following proportions:

- 2020: 80% of workforce, including 55% of women, at the grant date;
- 2019: 88% of workforce, including 51% of women, at the grant date;
- 2018: 85% of workforce, including 53% of women, at the grant date;
- 2017: 84% of workforce, including 51% of women, at the grant date;
- 2016: 80% of workforce, including 50% of women, at the grant date.

# Table describing the performance conditions applicable to performance shares not yet vested by corporate officers

In accordance with the AMF's request expressed in its 2020 report on corporate governance and executive compensation in listed companies, a new table is presented below detailing the performance conditions applicable to performance shares not yet vested by corporate officers:

	PLAN 10-1	<b>PLAN N° 11-1</b>	PLAN N° 12-1		
SHARES NOT YET VESTED BY CORPORATE OFFICERS:					
André François-Poncet	37,023	36 126	35 745		
Bernard Gautier	11,107	0	-		
David Darmon	-	-	6 875		
PERFORMANCE CONDITIONS					
Share vesting date	07/06/21	08.07.22	05.08.23		
Duration of the condition	3 years	3 ans	3 ans		
Nature of the condition	Each of the following conditions applies to one-third of the total number of shares granted under each plan:				
	<ol> <li>Absolute performance of Wendel's annualized TSR; if the performance is over 9%, the condition is 100% met; if this TSR is less than 5%, the condition is not met. Between these two limits, the performance condition is evaluated on a linear basis.</li> </ol>				
	non-annualized) over three years 00 basis point higher than the SBF 12( s equal to the SBF 120 TSR, the s TSR is 300 basis point lower than that se limits, the allocation is linear.				
	3. Relative performance of Wendel's TSR with the TSR of a basket of comparable listed investment and holding companies. If Wendel's TSR is in the top decile, then the performance condition is fully met; if Wendel's TSR is equal to the upper limit of the lowest decile, then the performance condition is 20% met; if Wendel's TSR is in the lowest decile, then the performance condition is not met; between these limits, the allocation is linear.				
Achievement of the condition	Not yet known.				

# Multi-year variable compensation

Table 10 under the Afep-Medef Code - Summary table of the multi-year variable compensation of each executive corporate officer

Corporate officers do not receive any multi-year variable compensation. Accordingly, Table 10 under the Afep-Medef Code is not applicable.

# Executive corporate officers' situation with respect to Afep-Medef recommendations

The situation of executive corporate officers complies in every respect with Afep-Medef recommendations.

# Table 11 under the Afep-Medef Code

	Employı	ment contract	Suppler pension		due or l upon de	ts or benefits ikely to be due eparture or a in responsibility	Non-cor clause p	npete ayments
Executive corporate officers	Yes	No	Yes	No	Yes	No	Yes	No
André François-Poncet		Х		Х	Х			Х
Chairman of the Executive Board (January 1, 2018 - April 6, 2025)								
David Darmon	Х			Х	Х			Х
Member of the Executive Board (September 9, 2019 - April 6, 2025	)							

## **Employment contract**

Bernard Gautier's employment contract ended on March 10, 2020, at the end of a six-month notice period that began on September 11, 2019. For David Darmon's employment contract, see section 2.2.1.2 "Compensation policy for Executive Board members."

### **Termination benefits**

See sections 2.2.1.2 "Compensation policy for Executive Board members" and 2.2.2.4 "Termination benefits."

# Compensation received by the members of the Supervisory Board

Since 2017, the annual amount of compensation paid to Supervisory Board members is capped to  $\notin$ 900,000. Since 2019, this compensation includes a variable portion based on attendance. For 2020, the amount of compensation was as follows:

- ordinary compensation (for all Board members except Chairman):
  - fixed ordinary compensation: €25,000,
  - variable ordinary compensation: €3,000 per scheduled meeting;
- additional compensation for Committee membership (for all Committee members other than Chair):
  - fixed compensation for Committee membership: €10,000,
  - variable compensation for committee membership: €1,700 per scheduled meeting;

- compensation for chairing a Committee:
  - fixed compensation: €25,000,
  - variable compensation: €3,400 per scheduled meeting;
- compensation for the Chairman of the Supervisory Board:
  - fixed compensation: €52,000,
  - variable compensation: €6,000 per scheduled meeting;
- annual compensation of €250,000 for the Chairman of the Supervisory Board and annual compensation of €25,000 for the Lead independent member of the Supervisory Board for his specific mission.

As a sign of solidarity in the framework of the Covid-19 crisis, the members of the Supervisory Board waived 25% of their fixed and variable compensation over a period of three months in 2020, *i.e.* a total amount of  $\xi$ 56,075. These sums have been allocated to Wendel's endowment fund to finance philanthropic causes.

Members of the Board may be reimbursed for their travel expenses. The expense reimbursement policy for Supervisory Board members was approved by the Supervisory Board, on the recommendation of the Governance and Sustainability Committee.

The compensation received by the non-executive corporate officers in relation to their positions at Wendel and all companies in the Group are presented in the following table.

# Table 3 under the Afep-Medef Code

The amounts awarded correspond to the amounts paid, as there is no lag between the granting and payment of compensation to Supervisory Board members.

Non-executive corporate officers	Amounts paid in 2020	Amounts paid in 201	
NICOLAS VER HULST - CHAIRMAN			
Compensation for term of office	93,750	100,000	
Compensation for Wendel-Participations term of office	10,000	10,000	
Compensation as Chairman of the Supervisory Board	250,000	250,000	
Total	353,750	360,000	
FRANCA BERTAGNIN BENETTON			
Compensation for term of office	66,363	71,000	
BÉNÉDICTE COSTE			
Compensation for term of office	66,363	69,000	
Compensation for Wendel-Participations term of office	10,000	10,000	
Total	76,363	79,000	
ÉDOUARD DE L'ESPÉE			
Compensation for term of office	64,875	69,000	
Compensation for Wendel-Participations term of office	10,000	10,000	
Total	74,875	79,000	
NICHOLAS FERGUSON			
Compensation for term of office	64,875	69,000	
PRISCILLA DE MOUSTIER			
Compensation for term of office	64,875	69,000	
Compensation for Wendel-Participations term of office	10,000	10,000	
Compensation as Chairwoman and CEO of Wendel-Participations	30,000	30,000	
Total	104,875	109,000	
GERVAIS PELLISSIER			
Compensation for term of office	62,038	69,000	
Compensation of lead independent member of the Supervisory Board	25,000	25,000	
Total	87,038	94,000	
GUYLAINE SAUCIER			
Compensation for term of office	110,413	118,000	
JACQUELINE TAMMENOMS BAKKER			
Compensation for term of office	107,438	114,000	
SOPHIE TOMASI PARISE <sup>(1)</sup>			
Compensation for term of office	-	-	
THOMAS DE VILLENEUVE			
Compensation for term of office	34,600	-	
Compensation for Wendel-Participations term of office	10,000	-	
Total	44,600	-	
FRANÇOIS DE WENDEL			
Compensation for term of office (until July 2, 2020)	30,275	69,000	
Compensation for Wendel-Participations term of office	5,000	10,000	
Total	35,275	79,000	
HUMBERT DE WENDEL			
Compensation for term of office	66,363	69,000	
Compensation for Wendel-Participations term of office	10,000	10,000	
Total	76,363	79,000	
TOTAL	1,202,228	1,251,000	
Of which total Wendel compensation and specific compensation of the			
Supervisory Board Chairman and Lead member	1,107,228	1,161,000	

(1) In her capacity as member of the Supervisory Board representing employees, Sophie Tomasi Parise does not receive any compensation for her duties as a member of the Supervisory Board, and the table above does not include the compensation paid to her by the Company under her employment contract.

# 2.2.2.3 Clawback clause

Neither the compensation policy for the members of the Executive Board nor the compensation policy for the members of the Supervisory Board provided for the possibility of requesting the return of variable compensation (clawback clauses).

# 2.2.2.4 Termination benefits

The terms of the termination benefits that may be paid to André François-Poncet and David Darmon are described in section 2.2.1.2 "Compensation policy for Executive Board members."

In connection with the end of his term of office and his employment contract, Bernard Gautier received a legal severance payment of €908,992 at the end of a 6-month notice period that began on September 11, 2019. This amount was deducted from the total termination benefits of €3,474,666 allocated to him and partially paid in 2019.

The details of Bernard Gautier's termination benefits and the conditions attached to its payment are provided in section 2.2.2.3 "Termination benefits" of the 2019 Universal Registration Document and was approved by Wendel's shareholders at the Shareholders' Meeting of July 2, 2020 under Resolution No. 12.

# 2.2.2.5 Compensation paid or awarded by a company in the scope of consolidation

The compensation paid or granted by the companies included in the scope of consolidation is presented in the following tables:

- for members of the Executive Board: Tables 1 and 2 under the Afep-Medef Code;
- for Supervisory Board members: Table 3 under the Afep-Medef Code.

This is solely about compensation granted or paid for corporate offices held in companies included in the Company's scope of consolidation.

# 2.2.2.6 Table for monitoring changes in Wendel's compensation ratios and performance

In accordance with Article L. 22-10-9 I, paragraphs 6 and 7 of the French Commercial Code, the following are presented for the Chairman of the Executive Board, the member of the Executive Board and the Chairman of the Supervisory Board:

- the ratios between the level of compensation of each of these senior executives and, on the one hand, the compensation <u>average</u> on a full-time equivalent basis for the Company's employees (excluding such senior executives), and on the other hand, the <u>median</u> compensation on a full-time equivalent basis for Company's employees (excluding such senior executives);
- the annual evolution in the compensation of each of these senior executives, the <u>average</u> compensation on a full-time equivalent basis for the Company's employees (excluding such senior executives) above-mentioned ratios, and the Company's performance over the last five fiscal years.

The amounts indicated were calculated in accordance with the methodology set out below. The Company referred to the guidelines published by Afep to define the methodology used to calculate the ratios described below, as updated in February 2021. In particular, the monitoring table is in line with the one proposed by Afep.

# Methodology:

Numerator (senior executives) and denominator (employees)	Description
Compensation and benefits of all kinds paid	<ul> <li>Fixed compensation paid in 2020</li> </ul>
or granted in 2020	<ul> <li>Variable compensation paid in 2020 for 2019</li> </ul>
	<ul> <li>Exceptional compensation paid in 2020</li> </ul>
	<ul> <li>Stock subscription or purchase options granted in 2020<sup>(1)</sup></li> </ul>
	<ul> <li>Performance shares granted in 2020<sup>(1)</sup></li> </ul>
	<ul> <li>Employee savings (profit-sharing, PEG and PERCO contributions) paid in 2020</li> </ul>
	<ul> <li>Benefits of all kinds paid in 2020</li> </ul>
	<ul> <li>For the Chairman of the Supervisory Board (numerator): fixed and variable compensation for its Wendel term of office</li> </ul>

(1) The valuation of the options and performance shares was established by an independent expert, at the date of their grant, and is based on a Monte-Carlo valuation model.

In accordance with Afep guidelines, non-recurring compensation items were excluded from calculations to avoid distortion of the comparability of ratios. The following items are excluded: termination benefits, non-compete payments and supplementary pension plans.

The scope taken into consideration for employees is the Wendel SE workforce in France. This approach was favored given the nature of Wendel's investment company, which acquires and holds operating subsidiaries with diversified and unrelated activities, but does not constitute a centralized industrial or services Group.

Any employee who joined or left during the year was excluded from the calculations. In the event of a seamless replacement, the compensation for each of the employees (the departing employee and the replacement) for their period of work was taken into account and counted as one position (not two employees). If there was an interruption during a replacement, between the end of the first contract and the beginning of the new contract, those two employees were considered arrivals and departures during the year and not taken into account.

For the Chairman of the Executive Board, the member of the Executive Board and the Chairman of the Supervisory Board:

- in the event of termination of office during the year, the ratio was calculated by taking into account the cumulative compensation paid to the departing and incoming corporate officers, pro rata the respective length of their terms of office (ratio expressed according to position and not individually);
- for the Chairman and the member of the Executive Board, the amount of compensation indicated below corresponds to the sum of (i) the total "amounts paid" for the last fiscal year presented in Table 2 under the Afep-Medef Code (net of non-recurring items, i.e. benefits of David Darmon as residing in the United States) and (ii) the valuation of the options and performance shares indicated in Table 1 under the Afep-Medef Code;
- for the Chairman of the Supervisory Board, the amount of compensation indicated below corresponds to the sum of (i) the compensation of Wendel and (ii) the compensation of the Chairman of the Board, indicated in Table 3 under the Afep-Medef Code.

# Table for monitoring changes in Wendel's compensation ratios and performance:

	2016	2017	2018	2019	2020
COMPENSATION AND RATIOS					
Average compensation of employees (excluding senior executives)	205,948	250,664	245,083	290,463	321,984
Change/n-1	-	+21.7%	-2.2%	+18.5%	+10.9%
Median compensation of employees (excluding senior executives)	105,852	126,800	121,938	145,150	131,070
Change/n-1	-	+19.8%	-3.8%	+19.0%	-9.7%
Chairman of the Executive Board (A)					
Compensation of the Chairman of the Executive Board	3,994,940	4,645,427	4,731,811	5,597,164	4,398,118
Change/n-1	-	+16.3%	+1.9%	+18.3%	-21.4%
Compared to average employee compensation	19.40	18.53	19.31	19.27	13.66
Change/n-1	-	-4.5%	+4.2%	-0.2%	-29.1%
Compared to median employee compensation	37.74	36.64	38.80	38.56	33.56
Change/n-1	-	-2.9%	+5.9%	-0.6%	-13.0%
Member of the Executive Board (B)					
Compensation of the Executive Board member	2,663,208	3,091,245	2,893,506	3,337,411	1,487,176
Change/n-1	-	+16.1%	-6.4%	+15.3%	-55.4%
Compared to average employee compensation	12.93	12.33	11.81	11.49	4.62
Change/n-1	-	-4.6%	-4.2%	-2.7%	-59.8%
Compared to median employee compensation	25.16	24.38	23.73	22.99	11.35
Change/n-1	-	-3.1%	-2.7%	-3.1%	-50.6%
Chairman of the Supervisory Board (C)					
Compensation as Chairman of the Supervisory Board	140,000	147,000	274,998	350,000	343,750
Change/n-1	-	+5.0%	+87.1%	+23.7%	-1.8%
Compared to average employee compensation	0.68	0.59	1.12	1.20	1.07
Change/n-1	-	-13.2%	+89.8%	+7.1%	-10.8%
Compared to median employee compensation	1.32	1.16	2.26	2.41	2.62
Change/n-1	-	-12.1%	+94.8%	+6.6%	+8.7%
PERFORMANCE					
NAV per share at December 31	153.9	176.4	147.4	166.3	159.1
Change/n-1	-	+14.6%	-16.4%	+12.8%	-4.3%

(A) Chairman of the Executive Board during the period: Frédéric Lemoine (April 2009 - Dec. 2017), André François -Poncet (since Jan. 2018).
 (B) Member of the Executive Board during the period: Bernard Gautier (May 2005 - Sept. 2019), David Darmon (since Sept. 2019).
 (C) Chairman of the Supervisory Board during the period: François de Wendel (March 2013-May 2018), Nicolas ver Hulst (since May 2018).

# 2.2.3 Breakdown of compensation paid in 2020 or awarded for 2020 to Executive Board members and the Chairman of the Supervisory Board, submitted to a shareholder vote

In accordance with Article L. 22-10-34, II of the French Commercial Code, the following elements of the compensation paid or granted to Executive Board members and to the Chairman of the Supervisory Board for 2020 must be submitted to a vote of shareholders:

- exceptional compensation;
- stock options, performance shares, and any other form of long-term compensation;
- welcome bonuses and termination benefits;

- fixed compensation;
- variable compensation for the year, including any multi-year variable portion, together with the objectives contributing to the determination of that variable compensation;
- supplementary pension plans;any other benefits.

It is proposed that the Shareholders' Meeting of July 29, 2021 vote on the elements of compensation paid in 2020 or awarded for 2020 to André François-Poncet, David Darmon, Bernard Gautier and Nicolas ver Hulst in respect of their terms of office. This will be covered in Resolutions No. 14, 15, 16 and 17 of the Shareholders' Meeting (see section 9.5).

# Breakdown of compensation paid in 2020 or awarded for 2020 to André François-Poncet, Chairman of the Executive Board, to be submitted to a shareholder vote

## **Resolution No. 14**

Form of compensation	Amounts	Comments
Gross fixed	€1,150,000	Fixed compensation awarded for 2020:
compensation	(awarded)	The fixed compensation was approved by the Supervisory Board on November 16, 2017 in the amount of €1,150,000. It is paid partly in the form of compensation paid or granted for corporate offices held in companies included in the Company's scope of consolidation (in this regard, €126,000 was paid for 2020).
	€1,078,125	Fixed compensation paid in 2020:
	(paid)	As a sign of solidarity in the framework of the Covid-19 crisis, André François-Poncet waived 25% of his fixed compensation over three months, <i>i.e.</i> €71,875. This sum has been allocated to Wendel's endowment fund to finance philanthropic causes.
Gross annual	€912,525	Annual variable compensation awarded for 2020:
variable compensation	(awarded)	If all the financial (65%) and non-financial (35%) objectives were achieved, the variable compensation could have amounted up to 115% of fixed compensation.
		The financial objectives were: performance of Bureau Veritas; development of unlisted companies in the portfolio; and debt level. The non-financial objectives were as follows: objectives related to the portfolio companies (non-financial objectives related to the payment of the variable compensation of the Chief Executive Officer of Bureau Veritas, and targeted initiatives for the other companies in the portfolio), the implementation of initiatives at the level of Wendel (the definition of its corporate purpose and its values, the improvement of policies and practices with regard to human resources and diversity, the assessment of the IT and cybersecurity maturity of the Group), the ESG strategy (formalization of a ESG policy that includes climate impact, improvement of Wendel's non-financial ratings and monitoring of the non-financial performance indicators of the companies in the portfolio), the monitoring and strengthening of anti-corruption procedures, and the monitoring of the procedures put in place in this area by the portfolio companies.
		For detailed information on the achievement of these various objectives, see section 2.2.2.2 "Total compensation and any other benefits," paragraph "Summary of each executive corporate officer's compensation."
		On March 17, 2021, upon the recommendation of the Governance and Sustainability Committee, the Supervisory Board set André François-Poncet's variable compensation at 69.0% of his maximum variable compensation, or €912,525. The amount of variable compensation thus determined represents 79.35% of the gross fixed compensation awarded for 2020.
		The payment of André François-Poncet's variable compensation is subject to the approval of the Shareholders' Meeting of July 29, 2021 (Resolution No. 14).
	€1,102,965	Annual variable compensation paid in 2020:
	(paid)	The gross annual variable compensation granted for 2019 was paid in 2020 following the approval of the Shareholders' Meeting of July 2, 2020 (resolution No. 11), based on an achievement level of the objectives set at 83.4% of his maximum variable compensation by the Supervisory Board of March 18, 2020.

Form of compensation	Amounts	Comments	
Performance shares	35,745 performance shares valued at their grant date	In accordance with the Supervisory Board's authorization of June 4, 2020 and the autorization of the Shareholders' Meeting of July 2, 2020, performance shares were granted to members of the Executive Board. The definitive acquisition of these shares is subject to presence and performance conditions. These are described below:	
	to €1,758,654	The first condition measures the absolute performance of Wendel's annualized TSR over three years; if the performance is over 9%, the condition is 100% met; if this TSR is less than 5%, the condition is not met. Between these two limits, the performance condition is evaluated on a linear basis.	
		The second condition measures the relative performance of Wendel's cumulative TSR (non-annualized) over three years with the performance of the SBF 120 TSR; if Wendel's TSR is 900 basis points higher than that of SBF 120, then the performance condition is fully met; if Wendel's TSR is equal to SBF 120 TSR, then the performance condition is 60% met; if Wendel's TSR is 300 basis points lower than that of SBF 120, then the performance condition is not met. Between these limits, the performance condition is evaluated on a linear basis.	
		The third condition measures the relative performance of Wendel's TSR over three years with the TSR of a basket of comparable listed investment and holding companies. If Wendel's TSR is in the top decile, then the performance condition is fully met; if Wendel's TSR is equal to the upper limit of the lowest decile, then the performance condition is not met. Between these limits, the performance condition is not met. Between these limits, the performance condition is parallel.	
		The performance shares were valued by an independent expert at €49.2 (unit value) on their allocation date.	
(subscription s and/or purchase) o	22,341 subscription stock options valued at their grant date at €408,840	In accordance with the Supervisory Board's authorization of June 4, 2020 and the autorization of the Shareholders' Meeting of July 2, 2020, subscription stock options were granted to members of the Executive Board. The exercise of these options is subject to presence and performance conditions. The performance condition is described below:	
		The ordinary dividend paid each year must be greater than or equal to the ordinary dividend paid the previous year, with the growth in the dividend paid from one year to the next being verified at the end of a three-year period.	
		The options were valued by an independent expert at $\in$ 18.3 (unit value) on their allocation date.	
Other .	€134,924	Other compensation awarded for 2020:	
compensation	(awarded)	As part of his subscription to the capital increase reserved for members of the Group savings plan, and in accordance with the applicable legal provisions, André François-Poncet benefited from the matching contribution of €5,924 and a 30% discount on the price of the subscribed shares, representing €129,000.	
	€36,317	Other compensation paid for 2020:	
	(paid)	Included in this amount are: the amount of the matching contribution as part of the capital increase reserved for members of the Group savings plan, <i>i.e.</i> €5,924 and the profit sharing amount of €30,393 received in 2020 in respect of 2019.	
Benefit of all kinds	€13,217	André François-Poncet benefited from unemployment insurance taken out with the GSC (social guarantee for Company managers), the amount for the 2020 fiscal year being €13,217.	
Termination	None owed	The 2020 compensation policy included the following commitments:	
benefits	or paid	<ul> <li>termination benefit equal to fixed monthly compensation at the time of removal times the number of months in office, limited to 24 months of fixed compensation;</li> </ul>	
			<ul> <li>subject to two performance conditions: (i) the dividend paid on the profit for the year n-2 must be greater than or equal to that paid on the profit for the year n-3 and (ii) the receipt of at least 37% of variable compensation in respect of one of the two previous years.</li> </ul>
		As an exception to the foregoing, in the event that Wendel-Participations loses control of Wendel	
		• termination benefit of 36 months of fixed compensation as it stands at the time of departure;	
		<ul> <li>subject to the payment of a dividend for each of the years prior resignation or removal greater than or equal to the dividend paid on 2016 earnings.</li> </ul>	

André François-Poncet did not receive any of the following benefits: multi-year variable compensation, exceptional compensation, a non-compete clause payment, or a supplementary pension plan. André François-Poncet did not use the company car that may have been made available to him.

# Breakdown of compensation paid in 2020 or awarded for 2020 to David Darmon, member of the Executive Board, submitted to a shareholder vote

# **Resolution No. 15**

Form of compensation	Amounts	Comments				
Gross fixed	€600,000	Fixed compensation awarded for 2020:				
compensation	(awarded)	The fixed compensation was approved by the Supervisory Board on September 27, 2019 in the amount of €600,000.				
	€562,500	Fixed compensation paid in 2020:				
	(paid)	As a sign of solidarity in the framework of the Covid-19 crisis, David Darmon waived 25% of his fixed compensation over three months, <i>i.e.</i> €37,500. This sum has been allocated to Wendel's endowment fund to finance philanthropic causes.				
Gross annual	€476,100	Annual variable compensation awarded for 2020:				
ariable (av ompensation	(awarded)	If all the financial (65%) and non-financial (35%) objectives were achieved, the variable compensation could have amounted up to 115% of fixed compensation.				
		The financial objectives were: performance of Bureau Veritas; development of unlisted companies in the portfolio; and debt level. The non-financial objectives were as follows: objectives related to the portfolio companies (non-financial objectives related to the payment of the variable compensation of the Chief Executive Officer of Bureau Veritas, and targeted initiatives for the other companies in the portfolio), the implementation of initiatives at the level of Wendel (the definition of its corporate purpose and its values, the improvement of policies and practices with regard to human resources and diversity, the assessment of the IT and cybersecurity maturity of the Group), the ESG strategy (formalization of a ESG policy that includes climate impact, improvement of Wendel's non-financial ratings and monitoring of the non-financial performance indicators of the companies in the portfolio), the monitoring of the procedures, and the monitoring of the procedures put in place in this area by the portfolio companies.				
		For detailed information on the achievement of these various objectives, see section 2.2.2.2 "Total compensation and any other benefits," paragraph "Summary of each executive corporate officer's compensation."				
		On March 17, 2021, upon the recommendation of the Governance and Sustainability Committee, the Supervisory Board set André François-Poncet's variable compensation at 69.0% of his maximum variable compensation, or €476,100. The amount of variable compensation thus determined represents 79.35% of the gross fixed compensation awarded for 2020.				
		The payment of David Darmon's variable compensation is subject to the approval of the Shareholders' Meeting of July 29, 2021 (Resolution No. 15).				
	€180,402 (paid)	Annual variable compensation paid in 2020:				
	(puld)	The gross annual variable compensation granted for 2019 was paid in 2020 following the approval of the Shareholders' Meeting of July 2, 2020 (resolution No. 13), based on an achievement level of the objectives set at 83.4% of his maximum variable compensation by the Supervisory Board of March 18, 2020.				
Performance shares	6,875 performance shares valued at their grant date at €338,250	In accordance with the Supervisory Board's authorization of June 4, 2020 and the autorization of the Shareholders' Meeting of July 2, 2020, performance shares were granted to members of the Executive Board. The definitive acquisition of these shares is subject to presence and performance conditions. These are described below:				
		The first condition measures the absolute performance of Wendel's annualized TSR over three years; if the performance is over 9%, the condition is 100% met; if this TSR is less than 5%, the condition is not met. Between these two limits, the performance condition is evaluated on a linear basis.				
		The second condition measures the relative performance of Wendel's cumulative TSR (non-annualized) over three years with the performance of the SBF 120 TSR; if Wendel's TSR is 900 basis points higher than that of SBF 120, then the performance condition is fully met; if Wendel's TSR is a qual to SBF 120 TSR, then the performance condition is 60% met; if Wendel's TSR is 300 basis points lower than that of SBF 120, then the performance condition is not met. Between these limits, the performance condition is evaluated on a linear basis.				
		The third condition measures the relative performance of Wendel's TSR over three years with the TSR of a basket of comparable listed investment and holding companies. If Wendel's TSR is in the top decile, then the performance condition is fully met; if Wendel's TSR is equal to the upper limit of the lowest decile, then the performance condition is 20% met; if Wendel's TSR is in the lowest decile, then the performance condition is not met. Between these limits, the performance condition is evaluated on a linear basis.				
		The performance shares were valued by an independent expert at €49.2 (unit value) on their allocation date.				
Stock options (subscription and/or purchase)	20,625 subscription stock options valued at their grant date	In accordance with the Supervisory Board's authorization of June 4, 2020 and the autorization of the Shareholders' Meeting of July 2, 2020, subscription stock options were granted to members of the Executive Board. The exercise of these options is subject to presence and performance conditions. The performance condition is described below:				
	at€377,438	The ordinary dividend paid each year must be greater than or equal to the ordinary dividend paid the previous year, with the growth in the dividend paid from one year to the next being verified at the end of a three-year period.				
		The options were valued by an independent expert at $\in$ 18.3 (unit value) on their allocation date.				

Form of compensation	Amounts	Comments				
Other	€33,663	Other compensation awarded for 2020:				
compensation (awarded)	As part of his subscription to the capital increase reserved for members of the Group savings plan, and in accordance with the applicable legal provisions, David Darmon benefited from the matching contribution of €5,924 and a 30% discount on the price of the subscribed shares representing €27,739.					
	€15,370	Other compensation paid for 2020:				
(paid)		Included in this amount are: the amount of the matching contribution as part of the capital increase reserved for members of the Group savings plan, <i>i.e.</i> €5,924 and the profit sharing amount of €9,446 received in 2020 in respect of 2019.				
Benefit of all kinds	(awarded	David Darmon benefited from unemployment insurance taken out with the GSC (social guarantee for Company managers), the amount for the 2020 fiscal year being €13,217.				
and paid)		In connection with his transitional residency status in the United States until July 31, 2020, benefits were granted to David Darmon in the amount of \$564,347 or €513,043 (amount to offset the additional costs related to his residence in the United States and defrayal of various expenses by the Company).				
Termination	None owed	The 2020 compensation policy included the following commitments:				
benefits	enefits or paid	<ul> <li>termination benefits equal to the gross monthly fixed compensation multiplied by the number of months of presence as a member of the Executive Board, such payment being capped to 18 months of fixed compensation;</li> </ul>				
		<ul> <li>subject to two cumulative performance conditions: (i) the receipt, for the last two years ended prior to departure, of variable compensation equal to at least 70% of the maximum variable compensation that may be awarded; and (ii) the amount of the last known ordinary dividend on the date of departure must be greater than the dividend for the previous fiscal year.</li> </ul>				
		Since David Darmon's employment contract governed by French law was suspended during his term of office, said contract will take effect again at the end of his term of office and may entitle him, if applicable, to statutory and contractual termination benefits. These benefits, combined with those owed for his term of office, were capped at 18 months of the average monthly fixed and variable compensation actually paid for the last year preceding the departure.				

David Darmon did not receive any of the following benefits: multi-year variable compensation, exceptional compensation, a non-compete clause payment, or a supplementary pension plan.

# Breakdown of compensation paid in 2020 or awarded for 2020 to Bernard Gautier, member of the Executive Board until September 9, 2019, to be submitted to a shareholder vote

# Resolution No. 16

The compensation paid to Bernard Gautier was entirely derived from his employment contract.

His term of office as a member of the Executive Board ended on September 9, 2019 and his employment contract expired on March 10, 2020, at the end of a six-month notice period that began on September 11, 2019.

Form of compensation	Amounts	Comments
Gross fixed	€162,273	The annual fixed compensation of Bernard Gautier was set at €840,000.
compensation	(awarded/paid)	The amount of €162,273 was calculated <i>prorata temporis</i> over the period from January 1 to March 10, 2020, date of expiry of his notice.
Gross annual variable compensation	N/A (awarded)	Annual variable compensation awarded for 2020: -
	€805,644	Annual variable compensation paid in 2020:
	(paid)	The gross annual variable compensation granted for 2019 was paid in 2020 following the
		approval of the Shareholders' Meeting of July 2, 2020 (resolution No. 12), based on an achievement level
		of the objectives set at 83.4% of his maximum variable compensation by the Supervisory Board of March 18, 2020.
Performance shares	N/A	
Stock options (subscription and/or purchase)	N/A	-
Other compensation	N/A (awarded)	Other compensation awarded for 2020:
	€30,393 (paid)	Other compensation paid for 2020:
		Profit sharing of €30,393 in respect of 2019, received in 2020.
Benefit of all kinds	N/A	-
Termination benefits	€908,992 (paid)	In connection with the end of his term of office and his employment contract, Bernard Gautier received a legal severance payment of €908,992 at the end of the 6-month notice period that began on September 11, 2019. This amount was deducted from the total termination benefits of €3,474,666 allocated to him and partially paid in 2019.
		The details of this termination benefit and the conditions attached to its payment are provided in section 2.2.2.3 "Termination benefits" of the 2019 Universal Registration Document and was approved by Wendel's shareholders at the Shareholders' Meeting of July 2, 2020 under Resolution No. 12.

Bernard Gautier did not receive any other compensation in 2020.

# Breakdown of compensation paid in 2020 or granted for 2020 to Nicolas ver Hulst, Chairman of the Supervisory Board, to be submitted to a shareholder vote

# **Resolution No. 17**

Form of compensation	Amounts	Comments
Gross fixed compensation	€250,000 (awarded/paid)	The compensation for the Chairman of the Supervisory Board was fixed by the Supervisory Board on March 21, 2018 at €250,000, in line with market practices. It has not changed.
Compensation related to meetings	€93,750 (awarded/paid)	In accordance with the compensation policy for members of the Supervisory Board approved by the Shareholders' Meeting of July 2, 2020, this amount corresponds to the sum of the "fixed fee" of €52,000 and the "variable fee" of €6,000 per scheduled meeting, less the sum of €6,250 which Nicolas ver Hulst waived as a sign of solidarity in the framework of the Covid-19 crisis (this amount represents 25% of his fixed and variable compensation, over a period of three months). This sum has been allocated to Wendel's endowment fund to finance philanthropic causes.

Nicolas ver Hulst did not receive any of the following benefits: variable compensation, multi-year variable compensation, exceptional compensation, stock options, performance shares, benefits of any kind, termination benefits, a non-compete clause payment, or a supplementary pension plan.

# 3.4 Statutory Auditors' report on regulated related-party agreements

This is a translation into English of a report issued in French and it isprovided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordancewith, French law and professional standards applicable in France.

(Annual General Meeting held to approve the financial statements for the year ended December 31, 2020)

To the Annual General Meeting of Wendel,

In our capacity as statutory auditors of your Company, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-58 of the French Commercial Code (*Code de commerce*), to assess the relevance of these agreements prior to their approval. We are also required, where applicable, to inform you in accordance with Article R. 225-58 of the French Commercial Code *(Code de commerce)* of the continuation of the implementation, during the year ended December 31 2020, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des Commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

# Agreements submitted for approval to the Annual General Meeting

# Agreements authorized and concluded during the year ended December 31 2020

In accordance with Article L. 225-88 of the French Commercial Code (*Code de commerce*), we have been notified of the following related party agreements which received prior authorization from your Supervisory Board.

# With Wendel-Participations SE

### Persons concerned:

- Wendel-Participations SE, a shareholder with more than 10% of the voting rights;
- Mr. Nicolas ver Hulst (Director), Ms. Bénédicte Coste (Director), Mr. Edouard de l'Espée (non-voting director), Ms. Priscilla de Moustier (CEO), Mr François de Wendel (non-voting director and member of the Supervisory Board of Wendel until July 2, 2020), Mr. Thomas de Villeneuve (Director and member of the Supervisory Board of Wendel since July 2, 2020), Mr. Humbert de Wendel (Director) of Wendel-Participations SE, and also members of the Supervisory Board of Wendel.

## 1) Agreements on the use of the "Wendel" trademark

By way of two agreements dated May 15, 2020, SLPS, SOGEVAL, and Wendel-Participations authorized Wendel to use the Wendel family name as its corporate and commercial name, and granted it an exclusive license to use the trademark "WENDEL Investissement".

These agreements were entered into without consideration and for an indefinite period, with the stipulation that they may be revoked if the direct or indirect interest of the family companies in the capital of Wendel remains less than 33.34% for 120 consecutive days. If this right of revocation is not exercised within 60 days after the expiration of the said 120-day period, the right to use the name and the exclusive license to use the trademark will become final and irrevocable. The trademark license agreement dated May 15, 2002 was amended by amendments dated October 25, 2013, December 8, 2015, March 21, 2018 and February 18, 2020 in order to define the rules for the use of the Wendel trademark abroad.

In 2020, Wendel set up a company mutual fund (FCPE - Fonds Commun de Placement d'Entreprise), approved by the French Financial Markets Authority, to hold Wendel shares subscribed or acquired within the framework of the employee savings program applicable to Wendel. On September 17, 2020, Wendel-Participations SE, the owner of the Wendel trademark, and Wendel entered into an amendment to the trademark license agreement in order to authorize the use of the Wendel trademark by the Wendel FCPE, which is named "FCPE Wendel".

At its meeting on July 30, 2020, the Supervisory Board authorized the conclusion of the aforementioned amendment and noted the advantage of being able to name the FCPE using the name of the underlying securities held, according to common practice.

### 2) Agreement on the provision of country-by-country reporting (CbCR) and anti-corruption (Sapin 2 Law) services

Wendel and Wendel-Participations SE signed a services agreement on December 18, 2017 whereby Wendel provides Wendel-Participations SE with country-by-country reporting (CbCR) and anti-corruption (Sapin 2 Law) services.

By way of an amendment entered into on December 1, 2020, Wendel and Wendel-Participations SE decided to modify, with effect as from January 1, 2020, certain provisions of the agreement aiming to reduce the scope of the services provided and consequently decrease the annual remuneration, reduced to  $\leq$ 15,000 before tax (amounted to  $\leq$ 35,000 before tax in respect of FY 2019).

At its meeting on November 3, 2020, the Supervisory Board authorized the conclusion of the aforementioned amendment and noted the advantage of adapting the agreement to the services provided.

# Agreements authorized and concluded since the year-end

We have been informed of the following agreements authorized and concluded since the year-end, previously authorized by your Supervisory Board.

# With Wendel-Participations SE

## Persons concerned:

- Wendel-Participations SE, a shareholder with more than 10% of the voting rights;
- Mr. Nicolas ver Hulst (Director), Ms. Bénédicte Coste (Director), Mr. Edouard de l'Espée (non-voting director), Ms. Priscilla de Moustier (CEO), Mr François de Wendel (non-voting director and member of the Supervisory Board of Wendel until July 2, 2020), Mr. Thomas de Villeneuve (Director and member of the Supervisory Board of Wendel since July 2, 2020), Mr. Humbert de Wendel (Director) of Wendel-Participations SE, and also members of the Supervisory Board of Wendel.

## 1) Agreements on the use of the "Wendel" trademark and amendment to the trademark license agreement

Wendel decided to set up an endowment fund (*fonds de dotation*) for the purpose of supporting and developing activities in the public interest in cultural, educational, social and humanitarian fields. On February 12, 2021, Wendel-Participations SE, owner of the Wendel trademark, and Wendel entered into an amendment to their trademark license agreement allowing the use of the Wendel trademark by the endowment fund, which is named the "Fonds de dotation Wendel SE".

At its meeting on January 29, 2021, the Supervisory Board authorized the conclusion of the aforementioned amendment and noted the advantage of being able to use the Wendel trademark in the name of the endowment fund free of charge.

# 2) Service agreement for administrative assistance

Wendel provides consulting and assistance services to Wendel-Participations SE within the framework of an agreement entered into on September 2, 2003.

By way of an amendment entered into on February 12, 2021, Wendel and Wendel-Participations SE decided to modify, with effect as from January 1, 2021, certain provisions of the agreement aiming to (i) update and expand the scope of the services provided and (ii) consequently, increase the remuneration to €23,000 before tax. The services provided concern the following areas: human resources, accounting, IT and support services.

At its meeting January 29, 2021, the Supervisory Board authorized the conclusion of the aforementioned amendment and noted the advantage of updating the services provided and adapting the amount of remuneration relating thereto.

# 3) Agreement to rent premises

Wendel makes available to Wendel-Participations SE premises for office use in a building located at 89 rue Taitbout, 75009 Paris, within the framework of the rental agreement entered into on September 2, 2003.

By way of an amendment entered into on February 12, 2021, Wendel and Wendel-Participations SE decided to modify, with effect as from January 1, 2021, certain provisions of the rental agreement aiming to (i) reduce the surface area of the premises leased and (ii) increase the amount of the annual occupancy fee to  $\xi$ 80,000 (rental charges included, before tax).

At its meeting on January 29, 2021, the Supervisory Board authorized the conclusion of the aforementioned amendment and noted the advantage of these adjustments, which take into account current price in the rental market in the district.

### With Mr. André François-Poncet and Mr. David Darmon, members of the Executive Board, and with Ms. Sophie Tomasi Parise and Ms. Harper Mates, members of the Supervisory Board representing employees

## Principles of the 2021-2025 co-investments

Upon renewal of the Executive Board for a further four-year term of office, the Supervisory Board defined a new co-investment program for investments made in new companies between April 2021 and April 2025 (and for later re-investments made by the Wendel group in these companies). This program applies to André François-Poncet and David Darmon, members of the Executive Board, and to Sophie Tomasi Parise and Harper Mates, members of the Supervisory Board representing employees.

It is governed by the following principles:

- the amount of the co-investment, *i.e.* the disbursements made by the co-investors from their own funds, stands at 0.6% of the amount invested by the Wendel Group and the managers;
- ii) if a liquidity event (as defined in v hereof) occurs affecting one of the companies initially acquired during the period, the co-investors are entitled to the repayment of their contributions *pari passu* with Wendel and (a) if the minimum return is reached, to the share of the capital gain referred to in iii) or iv) herebelow or (b) if that return is not achieved, their share of any capital gain *pari passu* with Wendel;
- iii) if a liquidity event (as defined in v hereof) occurs affecting one of the companies initially acquired during the period, 50% of the co-invested amount gives entitlement to 5% of any capital gain realized (*carried deal by deal*), on condition that that annual return on the investment is at least 8% until the fifth anniversary of the initial investment; past five years, the annual return is decreased by 0.75% per year for the next five years and then remains constant. In the event of an annual return greater than 15%, the capital gain rate is raised from 5% to 6%;
- iv) if a liquidity event (as defined in v) hereof) occurs affecting the last company initially acquired during the period, 50% of the overall co-invested amount gives entitlement to 5% of any capital gain calculated on all of the companies initially acquired during the period (pooled carried interest), on condition that the annual return calculated on all of these investments is at least 7% until the fifth anniversary of the initial investment in the program; past five years, the annual return is decreased by 0.75% per year for the next four years and then remains constant. In the event of an overall annual return greater than 15%, the capital gain rate is raised from 5% to 6%;

- v) a liquidity event is defined as (a) a change in control, or divestment of more than 50% of the shares held by the Wendel Group of a company in the portfolio, giving rise to full liquidity on the basis of the transaction price, or (b) the IPO of the company, which gives entitlement to liquidity proportional to the investment sold on the basis of the IPO price. Exceptionally, for the deal-by-deal portion of the co-investment, co-investors may opt for full liquidity;
- vi) in the absence of a full liquidity event, liquidity for the remaining investment will be granted to co-investors in three, one-third tranches, at December 31, 2028, 2030 and 2032; this liquidity may be deferred from one tranche to another within certain limits; the valuation is calculated at each due date (a) if the issuer is listed, on the basis of the average market price of its securities and (b) if the issuer is not listed, on the basis of an independent expert appraisal;
- vii) as the co-investors freely agreed to participate in the 2021-2024 co-investment program for a certain proportion of total co-investments, they are required to invest at this level in all of the investments of the period with respect to the pooled portion; failing which, the co-investor concerned may lose all of his/her rights to the pooled capital gain for the non-invested portion and 20% of his/her previous investment, except for cases of force majeure where the co-investor will simply be diluted;

- viii) co-investors who have met their commitment to co-invest in the pooled portion may invest the same amount on a deal-by-deal basis, without obligation;
- ix) the rights of co-investors vest gradually over a minimum period of five years, in five tranches of 20% per annum, i.e. 20% on each anniversary of the investment; it being specified that for (a) the pooled carried interest rights, the term is calculated from the first investment of the period and that (b) the term is extended by one year if the co-investor leaves Wendel for a competitor company.

The Executive Board's share of the investment was revised upward upon renewal of the term of the Executive Board, in accordance with a benchmark study performed by an external consultant. It is now 16%, *i.e.* 8% for each Executive Board member. The breakdown of the Executive Board's co-investment has also evolved and is now evenly divided between deal-by-deal and pooled.

At its meeting on March 17, 2021, the Supervisory Board authorized the implementation of this new co-investment program, which also applies to members of the Executive Board. The Board noted the advantage to the Company of:

- promoting, through this program, the achievement of the strategic plan and new investments by Wendel's managers;
- attracting and retaining the talents needed to face competition from risk-capital funds.

# Agreements previously approved by the Annual General Meeting

# Agreements approved in prior years, the execution of which continued during the past year

In accordance with Article R. 225-57 of the French Commercial Code (*Code de commerce*), we have been notified that the implementation of the following agreements, which were approved by the Annual General Meeting in prior years, continued during the year ended December 31, 2020.

### 1) Co-investments by members of the Executive Board

## a) Framework agreement on co-investments by Wendel's management team relating to acquisitions made by Wendel in 2011 and in April 2013 (and to later re-investments made by Wendel in these companies)

# <u>Person concerned</u>: David Darmon, member of the Executive Board

For acquisitions carried out by Wendel in 2011 and 2012, the members of the Wendel management team, including Mr. David Darmon, invested personally alongside the Wendel Group in Oranje-Nassau Développement SA SICAR, which held the Group's investments in the unlisted company IHS in 2020.

The general principles applicable to these co-investments are as follows:

- the co-investors invest alongside the Group, at Wendel's request, a maximum overall amount of 0.5% of the total amounts invested by Wendel;
- 30% of the amount invested by the management teams is invested under the same conditions as Wendel (*pari passu* co-investment);

- iii) the remaining 70%, *i.e.*, a co-investment of 0.35% of the total invested by Wendel, gives entitlement, in the case of events defined in paragraphs (v) and (vi) below, to 7% of the capital gain (leveraged co-investment), on condition that Wendel has obtained a minimum annual return of 7% and a cumulative return of 40% on its investment; failing this, the co-investors will lose the 70% invested;
- iv) the rights to leveraged co-investment benefits are vested gradually over a period of four years in five 20% tranches (20% at the investment date, then 20% at each anniversary);
- v) the potential capital gain is realized in the event of total divestment, change of control, sale of over 50% of the shares owned by the Group or the stock market flotation of the company concerned; depending on the situation, the liquidity granted to the co-investors may be total or in proportion to the shareholding transferred;
- vi) at the end of an eight-year period as from the initial investment by the Group and failing any total divestment or stock market flotation, the potential capital gain is also realized on one-third of the amounts invested by the co-investors; the same holds true after ten years, then twelve years, if no total divestment or stock market flotation has taken place in the meanwhile; in these cases, the co-investment is valued at the end of each period by an internationally-recognized independent expert.

In the event of the departure of a member of the management team:

- the person concerned has undertaken to sell to your Group:
  - his or her unvested shares in Oranje-Nassau Développement SA SICAR at their original value, regardless of the reasons for his/her departure from the Group, and
  - In his or her vested shares in Oranje-Nassau Développement SA SICAR, at their market value in the event of gross misconduct resulting in dismissal or removal from office or non-renewal of office; for €1 with an earn-out at market value in the case of a liquidity event when the departure is due to dismissal or removal from office for serious misconduct; and at their original value or the market value, whichever is higher, in the event of death;
- the Group has undertaken to purchase from the person concerned:
  - his or her unvested shares in Oranje-Nassau Développement SA SICAR at their original value in the event of his/her dismissal, removal from office or non-renewal of term (except in the event of gross/serious misconduct), or in the event of death, and
  - his or her vested shares in Oranje-Nassau Développement SA SICAR at their market value in the event of his/her dismissal, removal from office or non-renewal of term (except in the event of gross/serious misconduct), and at the higher of the original value or the market value in the event of death.

The principles applicable to co-investments relating to acquisitions made by Wendel between 2011 and April 2013 (as well as to subsequent re-investments made in these companies) remain unchanged.

In accordance with these principles, Wendel's managers have personally invested alongside the Group in Parcours, Mecatherm and IHS. These co-investments were made through a Luxembourg venture capital company, Oranje-Nassau Développement SA SICAR, which was set up in 2011 and transformed at the end of 2019 into a reserved alternative investment fund (FIAR).

The co-investments in Parcours and Mecatherm were unwound following the disposal of these companies at the end of 2016 and 2018 respectively. The co-investment in IHS remains in effect.

On March 17, 2021, the Supervisory Board acknowledged it was in Wendel's best interests to maintain the 2011-2012 co-investment program, which remains in effect for IHS. In accordance with the principles of this program, if Wendel has not fully divested IHS or listed it on a stock exchange, the first automatic liquidity payment date will occur on March 31, 2021, *i.e.* eight years as from the investment initially made by the Wendel Group in this company. In this context, the co-investors, including Mr. David Darmon, should receive, if the minimum return is achieved, their share of the capital gain on one-third of the amounts they co-invested in IHS. For this purpose, the value of IHS will be determined by an internationally-recognized independent expert, according to the valuation principles defined by the Oranje-Nassau Développement prospectus.

## b) Framework agreement on co-investments by Wendel's management team relating to acquisitions made by Wendel between April 2013 and April 2017 (and to later re-investments made by Wendel in these companies) <u>Person concerned</u>: David Darmon, member of the Executive Board

In 2013, Wendel adjusted its guidelines for co-investments relating to acquisitions made by the Group between April 2013 and April 2017 (and for later re-investments made in these companies) (the *"Millésime"*) in order to add a pooled share and increase the minimum return condition for the Wendel Group.

The general principles for these co-investments are as follows:

- 35% of the amount co-invested gives the right, if a liquidity event occurs, to 3.5% of the capital gain realized on each of the *Millésime* investments, on the condition that Wendel's return is at least 10% *per annum* (carried deal by deal);
- 35% of the amount co-invested gives the right to 3.5% of the capital gain calculated on all of the *Millésime* co-investments, on the condition that Wendel's annual return, calculated for all of these investments as a whole, is at least 7% (pooled carried interest); in the absence of the divestment or flotation of each of the *Millésime* investments by Wendel, any pooled capital gain will be allocated half in 2024 and half in 2025 (the investments remaining in the portfolio being valued by an independent expert in every case);
- the remaining 30% is co-invested pari passu with Wendel, 15% on a deal-by-deal basis, and 15% on a pooled basis;
- the co-investors having committed to participating in the 2013-2017 co-investment program are required to invest in all of the *Millésime* investments with respect to the pooled portion (carried interest and *pari passu*); failing this, the co-investor concerned will lose all of his or her rights, except in cases of force majeure, where the co-investor will simply be diluted pro rata for the unsubscribed portion;
- co-investors who have met their commitment to co-invest in the pooled portion may invest the same amount on a deal-by-deal basis (carried interest and *pari passu*), without obligation;
- the amount co-invested may not exceed 0.5% of Wendel's investment;
- liquidity events are defined as total divestment, change of control, sale of over 50% of the securities held by the Wendel Group or the stock market flotation of the company concerned;
- for investments on a deal-by-deal basis, one-third of the amount invested is distributed to the co-investors, failing any total divestment or stock market flotation, eight, ten and twelve years after the initial investment;
- carried interest rights vest gradually over four years in five 20% tranches, including 20% at the investment date; for Global Performance 17 SA SICAR, this period begins with the first investment;
- in the event of the departure of a member of the management team, the commitments made and received by the co-investors and your Group are identical to those under the framework agreement on the co-investments made by the management team relating to acquisitions made by Wendel between 2011 and 2012 (and to the subsequent re-investments made by Wendel in these companies), as described above.
On February 11, 2015, the Supervisory Board specified that the date to be used to determine any applicable rate of exchange is the date of the capital increases of Expansion 17 SA SICAR and Global Performance 17 SA SICAR, reflecting the co-investments of the members of the Executive Board.

The principles applicable to co-investments relating to acquisitions made by Wendel between April 2013 and April 2017 (as well as to subsequent reinvestments made in these companies) remain unchanged.

In accordance with these principles, the relevant Wendel managers, including Mr. David Darmon, have made personal investments alongside the Group in Saham, Nippon Oil Pump, CSP Technologies, Constantia Flexibles, Allied Universal and Tsebo. These co-investments were made through the Luxembourg venture capital companies Expansion 17 SA SICAR et Global Performance 17 SA SICAR, which was transformed at the end of 2019 into a reserved alternative investment fund (FIAR).

In 2018, the co-investments in Saham, Nippon Oil Pump and CSP Technologies were unwound as a result of the divestment of these three companies. In 2020 and early 2021, the residual amounts due in respect of these co-investments were paid to the co-investors. Within this framework, Mr. David Darmon, member of the Executive Board, received a marginal amount (€87) in respect of the co-investment in Saham (earn-out relating to the sale of Saham Pharma) and €245,245 in respect of the co-investment in CSP Technologies (plus €38,592 paid in March 2021).

The co-investment in Allied Universal was unwound in two different stages, corresponding to the two partial sales by the Wendel Group of its stake in the company (79% in December 2019 and the remaining 21% in April 2020). These transactions led to Wendel's net investment in Allied Universal being valued at approximately US\$918m, approximately 2.5 times the total capital invested in dollars. A price adjustment that was unfavorable to the sellers was paid in December 2020 for an amount of US\$0.9m (Wendel share). In accordance with the rules of the 2013-2017 program, these two sales constituted liquidity events in proportion to the divested interest.

- With regard to the pooled portion of the co-investment in Allied Universal:
  - for the *pari passu* portion, in November 2020 the co-investors received the repayment of their contributions in proportion to their interest in the capital. In this respect, Mr. David Darmon received €19k, and
  - for the carried interest portion, the result of this sale will be taken into account to calculate, at the end of the program and for all of the investments for the period, the total return and, if applicable, the capital gain attributable to the co-investors.
- Regarding the deal-by-deal portion of the co-investment in Allied Universal, the disposal having made it possible to achieve the minimum expected return, the co-investors have received or will receive their share of the capital gain, *i.e.* €1.8m for Mr. David Darmon (paid in July 2020).

Lastly, concerning the co-investment in Tsebo, the company was sold at a loss by the Wendel Group in December 2020. Mr. David Darmon lost an amount of €26k on the deal-by-deal part of his co-investment.

On March 17, 2021, the Supervisory Board acknowledged it was in Wendel's best interests to maintain the 2013-2017 co-investment program, the pooled part of which remains fully in effect and the deal-by-deal part of which remains in effect for Constantia Flexibles.

#### c) Framework agreement on co-investments by Wendel's management team relating to acquisitions made by Wendel between 2018 and 2021 (and to later re-investments made by Wendel in these companies

#### <u>Persons concerned</u>: André François-Poncet and David Darmon, members of the Executive Board and Sophie Tomasi Parise, member of the Supervisory Board representing employees

In 2018, Wendel adjusted its guidelines for co-investments relating to acquisitions made by Wendel for investments made by the Wendel Group in new companies acquired between January 2018 and April 2021. They replace the rules previously established for the April 2017-December 2020 period for the members of the Executive Board, which were not implemented, as no investments were made.

The general principles applicable to these co-investments are as follows:

- the amount of the co-investment remains set at 0.5% of the amount invested by Wendel;
- the pooled portion of the co-investment accounts for 80% of the total co-investment (previously 50%) and the deal-by-deal portion accounts for 20% (previously 50%);
- the minimum return is 8% per annum for the deal-by-deal portion and 7% per annum for the pooled portion.

If a liquidity event occurs, the co-investors will be entitled to 10% (previously 7%) of the capital gain if the minimum return is achieved. Failing this, they will be treated on a *pari-passu* basis with Wendel.

The definition of a liquidity event (full or partial) remains unchanged: complete divestment of the company, change in control or sale of over 50% of the shares of the company held in the portfolio, or a stock market flotation of the company concerned. In the event of a stock market flotation, the liquidity event will typically be partial, and will be calculated pro rata based on the investment sold by Wendel. The rate of liquidity events will therefore be in line with the rate of disposals by Wendel. Exceptionally, for the deal-by-deal portion of the co-investment, co-investors may opt for full liquidity.

In the absence of a full liquidity event, liquidity for the remaining investment will be granted to co-investors in three one-third tranches, in 2026, 2028 and 2030. The valuation is then calculated as follows:

- if the issuer is listed, on the basis of the market price of its securities;
- if the issuer is not listed, on the basis of an independent expert appraisal.

Rights are vested gradually over a five-year period (previously four), in 20% tranches on the anniversary of the investment. In certain circumstances involving departures, the vesting period is extended to six years, and does not begin until the second anniversary of the investment. As in the past, departures of members of the Executive Board are subject to reciprocal purchase and sale agreements with a Wendel Group entity. The principles applicable to the co-investments relating to acquisitions made by Wendel between January 2018 and April 2021 remain unchanged, with the exception of those presented below.

The Executive Board's share of co-investment, initially set at 12.4% of the total co-investment (*i.e.* 4% for the Chairman of the Executive Board and 8.4% for the other member of the Executive Board), was revised downwards in 2019 when Mr. Bernard Gautier was replaced as a member of the Executive Board by Mr. David Darmon. It is now 10.7% (*i.e.* 4%, unchanged, for the Chairman of the Executive Board and 6.7% for the other member of the Executive Board). The breakdown of the Executive Board's co-investment remains fixed at 90% pooled and 10% deal-by-deal.

In accordance with these principles, the relevant Wendel managers, including André François-Poncet and David Darmon:

- invested personally alongside the Group in the Crisis Prevention Institute (CPI) in December 2019; and
- on December 19, 2019, entered into purchase and sale agreements with Trief Corporation, a wholly-owned subsidiary of Wendel, relating to their co-investments made or to be made through Global Performance 17 SCA and Expansion 17 SCA, approved as reserved alternative investment funds (FIAR) by the competent Luxembourg authorities.

At its meeting on March 8, 2020, the Supervisory Board ratified *ex post* the investment made by Ms. Sophie Parise, member of the Supervisory Board representing employees, as part of the Wendel Group's investment in Crisis Prevention Institute (CPI), distributed in equal shares between the pooled/deal-by-deal, in accordance with the co-investment rules applicable for the period 2018-2021.

At its meeting on March 17, 2021, the Supervisory Board acknowledged it was in Wendel's best interest to maintain the 2018-2021 co-investment program, which remains in full effect.

#### 2) With Wendel-Participations SE

#### Persons concerned:

- Wendel-Participations SE, a shareholder with more than 10% of the voting rights;
- Mr. Nicolas ver Hulst (Director), Ms. Bénédicte Coste (Director), Mr. Edouard de l'Espée (non-voting director), Ms. Priscilla de Moustier (CEO), Mr François de Wendel (non-voting director and member of the Supervisory Board of Wendel until July 2, 2020), Mr. Thomas de Villeneuve (Director and member of the Supervisory Board of Wendel since July 2, 2020), Mr. Humbert de Wendel (Director) of Wendel-Participations SE, and also members of the Supervisory Board of Wendel.

#### a) Services agreement for administrative assistance

Wendel provides advice and assistance to Wendel-Participations SE under a contract entered into on September 2, 2003. Wendel invoiced a total of €13,000 before tax under this agreement in respect of 2020.

On March 18, 2020, the Supervisory Board acknowledged it was in Wendel's best interests to maintain this agreement, given that it allows for synergies and smooth relations between the two companies.

#### b) Agreement to rent premises

Wendel makes office premises available to Wendel-Participations SE in a building located at 89 rue Taitbout, 75009 Paris, as part of a rental agreement entered into on September 2, 2003. Wendel invoiced a total of  $\notin$ 45,239 before tax under this agreement in respect of 2020.

On March 18, 2020, the Supervisory Board acknowledged it was in Wendel's best interests to maintain this agreement, insofar as it allows for smooth cooperation between the two companies.

## Agreements approved during the year ended December 31 2020

In addition, we have been notified of the implementation during the year ended December 31, 2020 of the following agreements which were approved by the Annual General Meeting of July 2, 2020 based on the statutory auditors' report on related party agreements dated April 15, 2020.

## 1) Guarantee agreements in the event of disputes relating to the exercise of corporate offices

#### <u>Persons</u> concerned: Mr. André François-Poncet and Mr. David Darmon, members of the Executive Board

At its meeting on March 18, 2020, the Supervisory Board authorized the conclusion of a letter of guarantee with Mr. André François-Poncet and Mr. David Darmon.

Under this letter of guarantee dated March 18, 2020, Wendel assumes, in accordance with the terms and limits of the applicable insurance policies, the defense costs and the financial consequences resulting from claims related to the corporate offices, as the case may be, of the Chairman of the Executive Board or member of the Executive Board of Wendel, as well as to the corporate offices they hold within one or more entities of the Wendel Group. The guarantee is subject to various conditions and provides for several exclusions from its application, in particular in the event of willful misconduct, unlawful personal benefit or criminal sanction.

The Supervisory Board considered that it was in the interest of the Company to allow the Company to maintain this assumption of responsibility, since the action of the corporate officer is undertaken in the interest of Wendel, and it being specified that the implementation of the guarantee should be exceptional because of the civil liability insurance coverages of the corporate officers.

#### 2) Transition Agreement relating to the US employment contract of Mr. David Darmon, member of the Executive Board

The Supervisory Board, at its meeting on February 5, 2020, authorized the conclusion of a Transition Agreement between Wendel North America LLC and Mr. David Darmon.

The Transition Agreement, concluded on March 4, 2020, aimed to:

- set the end date of the US employment contract on July 31, 2020 at the latest;
- agree on the conditions of application of the US employment contract from the date of appointment of Mr. David Darmon as a member of the Executive Board, *i.e.* September 9, 2019, until the expiration of said contract, *i.e.* July 31, 2020 at the latest.

Under the terms of the Transition Agreement, from September 9, 2019 and until the expiration date of the US employment contract, Mr. David Darmon:

- is exempted from carrying out any activity by Wendel North America LLC;
- no longer receives the fixed and variable compensation provided for in the US employment contract;
- is no longer eligible for the stock option, performance share, co-investment and savings plans set up within the Wendel Group and its subsidiaries;
- continues to receive an expatriation allowance of US\$80,621 gross per month for the duration of the above-mentioned period.

The Supervisory Board considered that these adjustments were in the interest of the Company, given the need to rearrange the conditions of application of the US employment contract in light of the appointment of Mr. David Darmon to the Executive Board.

#### 3) Amendment to the French employment contract of Mr. David Darmon, member of the Executive Board

At its meeting on February 5, 2020, the Supervisory Board authorized the conclusion of an amendment to Mr. David Darmon's employment contract with Wendel.

Mr. David Darmon is an employee of Wendel under an employment contract governed by French law that came into force on July 4, 2005. By letter dated May 31, 2013, this employment contract was suspended as part of his expatriation to the United States of America, to work for Winvest Advisors North America, which became Wendel North America LLC.

During his expatriation in the United States of America, Mr. David Darmon served as CEO of Wendel North America LLC under an employment contract governed by US law entered into on May 31, 2013.

The purpose of the amendment to the French employment contract, concluded on March 4, 2020, was to:

confirm the continuation of the suspension of the French employment contract during his term of office as member of the Executive Board, it being specified that at the end of his term of office, subject to the applicable legal provisions, Mr. David Darmon will be reinstated at Wendel in a position at an equal level or equivalent to that of Deputy Chief Executive Officer and member of the Investment Committee;

- agree on the conditions applicable to Mr. David Darmon during the transitional period from September 9, 2019 until the effective term of the US employment contract, which is scheduled to end no later than July 31, 2020, and in particular on the continuation of Mr. David Darmon's affiliation to the following various social protection plans, with contributions being borne by Wendel:
  - affiliation to the Caisse des Français à l'Etranger: insurance against sickness-maternity-disability and accidents at work/occupational diseases, participation in the basic retirement pension scheme of the French general scheme,
  - affiliation to the CRE-IRCAFEX supplementary pension schemes (Agirc-Arrco),
  - affiliation against the risk of job loss: with Pôle Emploi International until December 31, 2019, with Mr. David Darmon benefiting from GSC unemployment insurance (social guarantee for company directors) as of January 1, 2020,
  - welfare health expenses: Mr. David Darmon benefits from the health and welfare schemes attached to the above-mentioned French voluntary social security schemes;
- set the reinstatement salary applicable on the day of reactivation of the French employment contract as follows (subject to increases decided at the time of the annual compensation review):
  - basic gross annual salary: €490,000,
  - maximum gross variable compensation for a full year: €490,000;
- specify that the period of expatriation working for Wendel North America LLC will be taken into account in determining the seniority of Mr. David Darmon (it being specified that, in accordance with the applicable legal provisions, the period of exercise of corporate office as a member of the Executive Board is not taken into account for the calculation of seniority).

The Supervisory Board authorized these adjustments to allow Mr. David Darmon to exercise his corporate office as a member of the Management Board under satisfactory social conditions, taking into account his expatriation. The Supervisory Board considered that these arrangements were in the interest of the Company, taking into account, on the one hand, the seniority of Mr. David Darmon as an employee of the Company and, on the other hand, the overall balance of the terms negotiated with Mr. David Darmon in connection with his appointment as a member of the Executive Board.

Paris-La Défense, April 15, 2021 The Statutory Auditors French original signed by

DELOITTE ET ASSOCIES

Mansour Belhiba

ERNST & YOUNG Audit

**Jacques** Pierres

## 4. Shareholders' Meeting

## 4.1 Observations from the Supervisory Board

#### To the Shareholders,

In 2020, the Supervisory Board continued to perform its control and oversight of the Executive Board with the support of its two Committees, the Audit, Risks and Compliance Committee and the Governance and Sustainability Committee.

Despite the constraints linked to the health crisis, the Board and the Committees were able to complete their work in accordance with to the planned schedule. Your Supervisory Board met 13 times, the Audit, Risks and Compliance Committee 7 times and the Governance and Sustainability Committee 7 times.

2020 was marked by the Covid-19 pandemic and by a particularly significant global recession. The Group's investments were affected in various ways: IHS Towers recorded solid growth, Constantia's activities were little affected by nature, Cromology experienced a spectacular rebound after the first lockdown which paralyzed its activity, Stahl and Bureau Veritas saw a strong improvement during the second half of the year and CPI, after its low point during the lockdown, has seen an improvement in its activity levels month on month.

In a context of great uncertainty throughout the year as to the duration of the pandemic, the Executive Board made some brave decisions: decision to sell Tsebo to its creditors, decision to allow Bureau Veritas to strengthen its equity by not distributing any dividend, extremely careful monitoring of cash positions in all portfolio, decision to refocus on Wendel's teams in Paris, New York and Luxembourg.

Wendel's financial position remained solid throughout the year: this enabled it the distribution of a dividend of €2.80 per share in July 2020, stable compared to the previous year; this is also what enabled Wendel to post a loan-to-value (LTV) ratio of 6.2% at December 31, 2020, also stable despite the decline in the equity markets.

There was no investment in new sectors in 2020; but after a few years of strengthening its balance sheet and that of its companies, the Group is now entering a phase of redeployment.

In recognition of the remarkable work carried out by the Executive Board, the Supervisory Board has decided to renew its term of office for four years as from April 7, 2021.

The strong performance of the portfolio made it possible to limit the decrease in Net Asset Value in 2020 to -4.3% ( $\leq$ 159.1 per share as of December 31, 2020). Restated for the dividend of  $\leq$ 2.80 per share paid in 2020, the Net Asset Value per share decreased by only 2.6%.

On March 17, 2021, the Supervisory Board examined Wendel's parent company and consolidated financial statements as prepared by the Executive Board. It has no observations to bring to your attention and recommends approval of the financial statements.

Your Supervisory Board has approved the Executive Board's proposal to set the 2020 dividend at  $\in$ 2.90 per share, an increase of 3.6% compared to dividend paid in respect of 2019.

With regard to governance, Harpers Mates, appointed by the Social and Economic Committee, joined the Supervisory Board as second member representing employees on January 1, 2021.

The Supervisory Board would like to express its sincere thanks to Edouard de l'Espée and Nicholas Ferguson, whose terms of office expire at the end of the Shareholders' Meeting, for their remarkable contribution to the work of the Board over respectively the past sixteen and four years.

The Supervisory Board proposes that you renew the terms of office of Nicolas ver Hulst, Priscilla de Moustier and Bénédicte Coste, it being specified that the Supervisory Board has already confirmed that Nicolas ver Hulst would be reappointed as Chairman of the Board.

The Supervisory Board also proposes to appoint François de Mitry as a new member of the Supervisory Board, who will bring to the Board his strong international background and his decades of experience in the investment sector to the Board. Subject to your vote, the Board welcomes the presence of François de Mitry for a term of four years.

Finally, the Board recommends shareholders' approval of all resolutions submitted by the Executive Board at the Shareholders' Meeting.

## 4.2 Draft resolutions and Executive Board report

## Resolutions pertaining to the Ordinary Shareholders' Meeting

#### **2020** financial statements and allocation of income

The purpose of the  $1^{\rm st}$  and  $2^{\rm nd}$  resolutions is to approve Wendel's financial statements as of December 31, 2020.

The parent company financial statements show net loss of  $\notin$ 26.6 million. Equity (excluding income for the year) amounted to  $\notin$ 7,018 million and is a guarantee of Wendel's financial soundness.

The consolidated financial statements show net loss, Group share, of  ${\rm \xi}{\rm 264.1}$  million.

The **3**<sup>rd</sup> **resolution** proposes to allocate net income for the year ended December 31, 2020 and distribute a dividend of  $\notin$ 2.90 per share, an increase of 3.6% from the ordinary dividend paid in respect of 2019

	2017	2018	2019
Dividend	€2.65	€2.80	€2.80

The ex-dividend date is July 1, 2021 and the dividend will be paid on July 5, 2021.

For individuals whose tax residence is France, the gross dividend is subject either to a flat-rate tax on the gross dividend at the rate of 12.8% (Article 200 A of the French General Tax Code) or to a progressive tax rate applied after an allowance of 40% (under Articles 200 A, 2. and 158-3 2° of the French General Tax Code). The dividend is also subject to withholding of 17.2% for social contributions.

#### First resolution

# Approval of the parent company financial statements for the year ended December 31, 2020

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed:

- the Executive Board's management report for the 2020 fiscal year and the Supervisory Board's observations; and
- the Statutory Auditors' report on the financial statements;

approves the parent company financial statements for the fiscal year beginning on January 1, 2020 and ending on December 31, 2020, as presented by the Executive Board, which show net loss of  $\leq$ 26,613,226.98, as well as the transactions presented in these statements or described in these reports.

#### Second resolution

# Approval of the consolidated financial statements for the year ended December 31, 2020

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed:

- the Executive Board's management report for the 2020 fiscal year and the Supervisory Board's observations; and
- the Statutory Auditors' report on the consolidated financial statements;

approves the consolidated financial statements for the fiscal year beginning on January 1, 2020 and ending on December 31, 2020, as presented by the Executive Board, with net loss, Group share, of €264.1 million, as well as the transactions presented in these statements or described in these reports.

#### Third resolution

## Net income allocation, dividend approval and dividend payment

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, on the proposal of the Executive Board approved by the Supervisory Board,

1. decides to allocate:

- the loss for the 2020 fiscal year amounting to  $\notin 26,613,226.98$ ,
- the "Retained earnings" account amounting to €4,412,136,470.95,
- constituting a distributable profit of €4,385,523,243.97,

as follows:

■ to the shareholders, an amount of €129,685,445.10,

representing a net dividend of €2.90 per share,

- Ito other reserves an amount of €0,
- for the balance, to the "Retained earnings" account, an amount of €4,255,837,798.87;
- 2. decides that the ex-dividend date shall be July 1, 2021, and that the dividend shall be paid on July 5, 2021;
- decides that the dividend that cannot be paid to Wendel treasury shares shall be allocated to "Retained earnings"

account and that the amounts required to pay the dividend described above on shares resulting from the exercise of stock options or purchase options before the ex-dividend date shall be deducted from the "Retained earnings" account;

 notes that, in accordance with Article 243 *bis* of the French General Tax Code, the dividends paid out for the past three fiscal years were:

Fiscal year	Dividends distributed	Net dividend per share
2017	€120,533,516.90	€2.65
2018	€129,585,794.80	€2.80
2019	€125,110,462.40	€2.80

For individuals whose tax residence is France, the gross dividend is subject either to a flat-rate tax on the gross dividend at the rate of 12.8% (Article 200 A of the French General Tax Code) or to a progressive tax rate applied after an allowance of 40% (under Article 200 A, 2. and 158-3 2° of the French General Tax Code). The dividend is also subject to withholding of 17.2% for social contributions.

#### **Regulated related-party agreements**

The purpose of the **4**<sup>th</sup> **resolution** is to approve the agreements entered into with certain corporate officers of the Company, as described in the Statutory Auditors' special report. These agreements are the principles of the new co-investment program for 2021-2024 from which André François-Poncet and David Darmon, members of the Executive Board, as well as Sophie Tomasi Parise and Harper Mates, members of the Supervisory Board representing employees, benefit.

The purpose of the **5<sup>th</sup> resolution** is to approve regulated related-party agreements enetered into with Wendel-Participations SE and described in the Statutory Auditors' special report. These agreements are the amendments modifying (i) the agreement on the use of the "Wendel" trademark, (ii) the agreement on the provision anti-corruption (Sapin II law) and country-by-country tax reporting (CBCR) services, (iii) the service agreement for administrative assistance and (iv) the agreement to rent premises.

#### Fourth resolution

#### Approval of regulated related-party agreements entered into with certain corporate officers of the Company

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having heard the Statutory Auditors' special report on agreements governed by Articles L. 225-38 et seq. and L. 225-86 et seq. of the French Commercial Code, notes the content of the

report and approves the agreements entered into with certain corporate officers of the Company during the fiscal year ended December 31, 2020 and at the beginning of the 2021 fiscal year, mentioned in this report and submitted for approval.

#### Fifth resolution

## Approval of regulated related-party agreements entered into with Wendel-Participations SE

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, hhaving heard the Statutory Auditors' special report on agreements governed by Articles L. 225-38 et seq. and L. 225-86 et seq. of the French Commercial Code, notes the content of the

report and approves the agreements entered into with Wendel-Participations SE during the fiscal year ended December 31, 2020 and at the beginning of the 2021 fiscal year, mentioned in the said report and submitted for approval.

#### Supervisory Board: renewal of the terms of office of three members of the Supervisory Board

The terms of office of Mr. Nicolas ver Hulst, Ms. Priscilla de Moustier and Ms. Bénédicte Coste expire at the end of the Shareholders' Meeting of June 29, 2021. Their renewal for a period of four (4) years is proposed.

The purpose of the **6<sup>th</sup> resolution** is to renew the term of office of Mr. Nicolas ver Hulst, it being specified that if this resolution was approved, Mr. Nicolas vert Hulst would also be Chairman of the Supervisory Board.

The purpose of the **7<sup>th</sup> resolution** is to renew the term of office of Ms. Priscilla de Moustier.

The purpose of the 8<sup>th</sup> resolution is to renew the term of office of Ms. Bénédicte Coste.

#### Sixth resolution

#### Renewal of the term of office of Mr. Nicolas ver Hulst as member of the Supervisory Board

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, notes that Mr. Nicolas ver Hulst's term of office as member of the Supervisory Board expires at the end of this Meeting and resolves to renew this term of office for a period of four (4) years ending at the Ordinary Shareholders' Meeting called in 2025 to approve the financial statements for the fiscal year ending on December 31, 2024.

#### Seventh resolution

#### Renewal of the term of office of Ms. Priscilla de Moustier as member of the Supervisory Board

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, notes that Ms. Priscilla de Moustier's term of office as member of the Supervisory Board expires at the end of this Meeting and resolves to renew this term of office for a period of four (4) years ending at the Ordinary Shareholders' Meeting called in 2025 to approve the financial statements for the fiscal year ending on December 31, 2024.

#### Eighth resolution

## Renewal of the term of office of Ms. Bénédicte Coste as member of the Supervisory Board

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, notes that Ms. Bénédicte Coste's term of office as member of the Supervisory Board expires at the end of this Meeting and resolves to renew this term of office for a period of four (4) years ending at the Ordinary Shareholders' Meeting called in 2025 to approve the financial statements for the fiscal year ending on December 31, 2024.



#### Supervisory Board: appointment of a new member of the Supervisory Board

The purpose of the 9th resolution is to appoint Mr. François de Mitry as a member of the Supervisory Board for a period of four (4) years.

Mr. François de Mitry will provide the Supervisory Board with his professional experience in the investment sector, gained within its successive positions in the alternative asset manager Intermediate Capital Group Plc (1997-2012) and in the investment fund Astorg (since 2012) in London. He will also share with the Board his knowledge of the European and American markets, in particular in the fields of software, healthcare, business services and technology-based industrial companies, gained from his time at Astorg. In addition, he already has a good view on Wendel, as being member of the Supervisory Board from 2004 to 2012.

Mr. François de Mitry's background is set out in the Company's 2020 Universal Registration Document, section 2.1.1.1 "Composition of the Supervisory Board".

#### Ninth resolution

### Appointment of Mr. François de Mitry as member of the Supervisory Board

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, decides to appoint Mr. François de Mitry as member of

the Supervisory Board for a term of four (4) years expiring at the Ordinary Shareholders' Meeting called in 2025 to approve the financial statements for the year ending on December 31, 2024.

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#### Vote on compensation of corporate officers

The purpose of the **10<sup>th</sup>**, **11<sup>th</sup>** and **12<sup>th</sup> resolutions** is to approve the compensation policy for the 2021 fiscal year for the Chairman of the Executive Board, the member of the Executive Board and the members of the Supervisory Board. This policy is presented in the Supervisory Board's report on Corporate governance, in sections 2.2.1.1, 2.2.1.2 and 2.2.1.3 of the Company's Universal Registration Document for 2020. Your vote is required pursuant to Article L. 22-10-26 II of the French Commercial Code.

The purpose of the **13<sup>th</sup> resolution** is to approve the information relating to the compensation previously paid or awarded to the Company's corporate officers (members of the Executive Board and members of the Supervisory Board), such as they are presented in the Supervisory Board's report on Corporate governance, in accordance with Article L. 22-10-91 of the French Commercial Code. Your vote is required pursuant to Article L. 22-10-341 of the French Commercial Code.

In addition to the information concerning the total compensation and benefits of any kind paid during or awarded in respect of fiscal year 2020, the information provided in accordance with these regulations contains, in particular, the ratios between the level of compensation of executive officers and the average and median compensation of the Company's employees, as well as items illustrating the evolution of these compensations and of the performance of Wendel over the last five fiscal years.

This information is described in the Supervisory Board's report on Corporate governance, in section 2.2.2 "General information on the compensation of corporate officers related to the 2020 fiscal year" of the Company's Universal Registration Document for 2020.

The purpose of the **14**<sup>th</sup>, **15**<sup>th</sup>, **16**<sup>th</sup> and **17**<sup>th</sup> **resolutions** is to approve the compensation items paid during 2020 or awarded in respect of the 2020 fiscal year to:

- Mr. André François-Poncet, Chairman of the Executive Board;
- Mr. David Darmon, member of the Executive Board;
- Mr. Bernard Gautier, former member of the Executive Board until September 9, 2019;
- Mr. Nicolas ver Hulst, Chairman of the Supervisory Board.

These compensation items are presented in the Supervisory Board's Corporate governance report in section 2.2.3 "Breakdown of compensation paid in 2020 or awarded for 2020 to Executive Board members and to the Chairman of the Supervisory Board, submitted to a shareholders' vote" of the Company's Universal Registration Document for 2020.

The variable compensation items of Mr. André François-Poncet, Mr. David Darmon and Mr. Nicolas ver Hulst will be paid to them after your approval.

Your vote is required pursuant to Article L. 22-10-34 II of the French Commercial Code.

#### Tenth resolution

## Approval of the compensation policy for the Chairman of the Executive Board

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed the report of the Supervisory Board on Corporate governance prepared in accordance with Article L. 225-68 of the French Commercial Code, approves, pursuant to Article L. 22-10-26 II of the French Commercial Code, the compensation policy applicable to the Chairman of the Executive Board, as presented in this report (sections 2.2.1.1 and 2.2.1.2 of the 2020 Universal Registration Document, pages 103 to 112).

#### Eleventh resolution

## Approval of the compensation policy for the member of the Executive Board

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed the report of the Supervisory Board on Corporate governance prepared in accordance with Article L. 225-68 of the French Commercial Code, approves, pursuant to Article L. 22-10-26 II of the French Commercial Code, the compensation policy applicable to the member of the Executive Board, as presented in this report (sections 2.2.1.1 and 2.2.1.2 of the 2020 Universal Registration Document, pages 103 to 112).

#### Twelfth resolution

## Approval of the compensation policy for the members of the Supervisory Board

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed the report of the Supervisory Board on Corporate governance prepared in accordance with Article L. 225-68 of the French Commercial Code, approves, pursuant to Article L. 22-10-26 II of the French Commercial Code, the compensation policy applicable to members of the Supervisory Board, as presented in this report (sections 2.2.1.1 and 2.2.1.3 of the 2020 Universal Registration Document, pages 103, 104 and 112).

#### Thirteenth resolution

#### Approval of the information relating to the compensation previously paid or awarded to the members of the Executive Board and to the members of the Supervisory Board, in accordance with Article L. 22-10-9 I of the French Commercial Code

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed the report of the Supervisory Board on Corporate governance prepared in accordance with Article L. 225-68 of the French Commercial Code, approves, pursuant to Article L. 22-10-34 | of the French Commercial Code, the information referred to in Article L. 22-10-9 | of the French Commercial Code (section 2.2.2 of the 2020 Universal Registration Document, pages 113 to 128).

#### Fourteenth resolution

#### Approval of the compensation items paid during or awarded for the year ended December 31, 2020 to Mr. André François-Poncet, as Chairman of the Executive Board

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed the report of the Supervisory Board on Corporate governance, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional items making up the total compensation

and any benefits of all kinds paid during or awarded in respect of the fiscal year ended December 31, 2020 to Mr. André François-Poncet, in his capacity as Chairman of the Executive Board, as presented in this report (section 2.2.3 of the 2020 Universal Registration Document, pages 129 to 131).

#### Fifteenth resolution

#### Approval of the compensation items paid during or awarded for the year ended December 31, 2020 to Mr. David Darmon, as a member of the Executive Board

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed the report of the Supervisory Board on Corporate governance, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional items making up the total compensation

and benefits of all kinds paid during or awarded in respect of the fiscal year ended December 31, 2020 to Mr. David Darmon, in his capacity as Member of the Executive Board, as presented in this report (section 2.2.3 of the 2020 Universal Registration Document, pages 129, 132 and 133).

#### Sixteenth resolution

#### Approval of the compensation items paid during or awarded for the year ended December 31, 2020 to Mr. Bernard Gautier, as a member of the Executive Board up to September 9, 2019

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed the report of the Supervisory Board on Corporate governance, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional items making up the total compensation

and benefits of all kinds paid during or awarded in respect of the fiscal year ended December 31, 2020 to Mr. Bernard Gautier, in his capacity as Member of the Executive Board up to September 9, 2019, as presented in this report (section 2.2.3 of the 2020 Universal Registration Document, pages 129 and 134).

#### Seventeenth resolution

#### Approval of the compensation items paid during or awarded for the year ended December 31, 2020 to Mr. Nicolas ver Hulst, as Chairman of the Supervisory Board

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed the report of the Supervisory Board on Corporate governance, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional items making up the total compensation

and benefits of all kinds paid during or awarded in respect of the fiscal year ended December 31, 2020 to Mr. Nicolas ver Hulst Chairman of the Supervisory Board, as presented in this report (section 2.2.3 of the 2020 Universal Registration Document, pages 129 and 135).

#### 

#### Share buyback program

The **18<sup>th</sup> resolution** proposes to renew the authorization granted to the Company to buy back its own shares as provided for by law. The maximum purchase price has been set at  $\leq$ 250, with the authorization valid for 14 months.

The share buyback program can only be used for the purposes defined by law and set out in this resolution. In practice, your Company may use it to reduce the share capital by canceling shares, carrying out external growth transactions, boosting the Company's share market or hedging stock option or free share plans. In 2020, Wendel purchased 676,021 treasury shares (including 669,757 shares under the liquidity contract).

Under no circumstances may the Company acquire more than 10% of its share capital, *i.e.* 4,471,911 shares based on the capital at December 31, 2020. This authorization is without force during a takeover bid.

#### Eighteenth resolution

## Authorization given to the Executive Board to purchase Company shares

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, on the proposal of the Executive Board approved by the Supervisory Board pursuant to Article 15-V of the by-laws,

- having reviewed the Executive Board's report;
- in accordance with the provisions of Articles L. 22-10-62 et seq. of the French Commercial Code, Regulation (EU) 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse, Delegated Regulation (EU) 2016/1052 of the Commission of March 8, 2016 on the conditions applicable to share buyback programs and stabilization measures, the General Regulations of the Autorité des marchés financiers, Articles 241-1 et seq., as well as any other provisions that may become applicable;
- authorizes the Executive Board, with the power to sub-delegate as provided for by law, to buy back shares of the Company within the following limits:
  - the number of shares purchased by the Company during the term of the buyback program does not exceed 10% of the shares comprising the share capital of the Company at any time, with said percentage applying to share capital adjusted based on the transactions affecting it subsequent to this Meeting, (i.e. on the basis of the share capital as of December 31, 2020, 4,471,911 shares), it being specified that in accordance with the law, (i) if shares are redeemed to increase liquidity under the conditions defined by the AMF General Regulation, the number of shares taken into account for the calculation of that limit of 10% corresponds to the number of shares purchased, minus the number of shares sold during the term of the authorization, and (ii) if the shares are acquired by the Company for the purpose of the retention thereof and subsequent delivery for payment or exchange during an external growth operation, the number of shares acquired may not exceed 5% of its share capital,

- the number of shares held by the Company at any time shall not exceed 10% of the Company's share capital at the date under consideration;
- 2. decides that the Company's shares, within the limits defined above, may be purchased for the following purposes:
  - to enable an investment service provider to make operations on a secondary market or maintain the liquidity thereof within the framework of a liquidity contract in compliance with market practices approved by the AMF (Autorité des marchés financiers),
  - to implement stock purchase option plans as defined in Articles L. 225-177 *et seq.* and L. 22-10-56 *et seq.* of the French Commercial Code,
  - to allocate free shares pursuant to Articles L. 225-197-1 et seq. and L. 22-10-59 et seq. of the French Commercial Code,
  - to deliver shares on the occasion of the exercise of rights attached to securities giving access to the Company's share capital immediately or at a later date,
  - to retain them pending a delivery of shares (as an exchange, payment or other consideration) in the context of acquisitions, mergers, spin-offs or asset contributions, subject to prior authorization by the Supervisory Board,
  - to allocate or sell shares as part of the Group's profit sharing program and any Group savings plan as provided for by law, in particular Articles L. 3332-1 et seq. of the French Labor Code,
  - to cancel all or part of the shares thus purchased, subject to the prior authorization of the Supervisory Board, in the context of the authorization of the Shareholders' Meeting.

this program is also intended to allow the Company to pursue any other purpose that has been or may be authorized by legislation or regulations in force, or by any market practice that may be admitted by the AMF, in such a case, the Company would inform its shareholders by means of a press release;

- decides that the acquisition, disposal or transfer of shares may, subject to the applicable legal and regulatory restrictions, be performed at any time and by any means on the regulated market of Euronext Paris or elsewhere, including by:
  - block transfers,
  - public offers (purchase, sale or exchange),
  - use of any financial instruments or derivatives,
  - creation of optional instruments,
  - conversion, exchange, redemption, delivery of shares following the issue of securities giving future access to the Company's share capital, or
  - in any other way, either directly or indirectly through an investment services provider;
- 4. sets the maximum purchase price at €250 per share (excluding brokerage fee) (representing, on an indicative basis, a total maximum share buyback amount of €1,117,977,750 on the basis of 4,471,911 shares corresponding to 10% of the share capital as of December 31,

2020), and give full power to the Executive Board to adjust this purchase price, in the event of transactions on the Company's capital, in order to take into account the impact of these transactions on the value of the shares;

- decides that the Executive Board may not, without the prior authorization of the Shareholders' Meeting, use this delegation from the date of the announcement by a third party of a public offer for the Company's securities until the end of the offer period;
- 6. gives full power to the Executive Board, with the power to sub-delegate, without this list being exhaustive, to decide and implement this authorization, to specify, where necessary, the terms and procedures, to carry out the share buyback program, and in particular to trade in the stock market, enter into any agreements, facilitate the recording of purchases and sales in stock market registers, inform the shareholders under the conditions provided for by the laws and regulations in force, make any disclosures including to the Autorité des marchés financiers, carry out any formalities, and, generally, do what is required for the application of this authorization;
- 7. decides that this authorization, which terminates, for their unused amounts, any previous authorization of the same nature, shall be valid for a period of fourteen (14) months from the date of this Shareholders' Meeting.

## Resolutions pertaining to the Extraordinary Shareholders' Meeting

#### Employee savings and employee share ownership

Wendel manages its employee share ownership policy with the aim of limiting the dilutive effect for shareholders.

#### **Group Savings Plan**

The purpose of the **19<sup>th</sup> resolution** is to grant, for a period of fourteen months, a delegation of authority to the Executive Board to increase the share capital for a maximum nominal amount of €150,000, in favor of the Group's employees and corporate officers who are members of the Group Savings Plan or of the International Group Savings Plan, subject to the prior authorization of the Supervisory Board.

In accordance with the legislation in force, the subscription price of new shares shall not be higher than the average closing share price for the twenty (20) trading days prior to the date of the Executive Board's decision setting the opening date of the subscription, nor more than 30% lower than this average or less than any other upper limit that may be set by law.

The previous delegation of authority with the same purpose, granted by the Shareholders' Meeting of July 2, 2020, was implemented by the Executive Board in September 2020. The operation was a success among the beneficiaries and 36,811 shares were subscribed. Employee share ownership through the Group Savings Plan represented 0.7% of the share capital as of December 31, 2020.

#### Nineteenth resolution

Delegation of authority granted to the Executive Board to increase the share capital through the issue of shares or securities giving access to the share capital reserved for members of the Group Savings Plan and the international Group Savings Plan, with cancellation of preferential subscription rights in their favor

The Shareholders' Meeting, voting under the quorum and majority conditions required for Extraordinary Shareholders' Meetings:

- having reviewed the report of the Executive Board and the special report of the Statutory Auditors; and
- pursuant to Articles L. 225-129, L. 225-129-2, L. 225-129-6, L. 225-138-1, and L. 22-10-49 of the French Commercial Code and Articles L. 3332-18 et seq. of the French Labor Code;
- delegates to the Executive Board, with the power to sub-delegate as provided for by law, subject to the prior approval of the Supervisory Board in application of Article 15-V of the by-laws, the authority to increase the share capital, on one or more occasions, through the issue of shares or securities giving access to the capital, reserved for members of one or more company savings plans implemented within the Group;
- decides to set at €150,000 the maximum aggregate nominal amount of capital increases that may be carried out by virtue of this delegation;
- decides to cancel, in favor of members of one or more company savings plans implemented within the Group, shareholders' preferential subscription right to securities issued under this delegation;

- 4. decides that the subscription price of new shares, set by the Executive Board in accordance with Article L. 3332-19 of the French Labor Code, shall not be higher than the average closing share price for the twenty (20) trading days prior to the date of the Executive Board decision setting the opening date of the subscription, nor more than 30% lower than this average or less than any other upper limit that may be set by law;
- 5. authorizes the Executive Board to allocate, free of consideration, to the members of one or more company savings plans implemented within the Group, in addition to the shares or securities giving access to the share capital to be subscribed in cash, shares or securities giving access to share capital already issued, in full or partial substitution for the discount set by the Executive Board and/or as a matching contribution, with the stipulation that the resulting benefit from this allocation may not exceed the applicable legal or regulatory limits defined in Articles L. 3332-11 and L. 3332-19 et seq. of the French Labor Code;
- gives the Executive Board full powers, with the power to sub-delegate as provided for by law, to implement this authorization with a view to, in particular, but not restricted to:

- determining the companies or corporate Groups whose employees may subscribe or receive the shares or securities allocated by virtue of this resolution,
- deciding that shares or securities may be subscribed or acquired directly by the beneficiaries, members of a company savings plan implemented within the Group or through mutual funds or other structures or entities authorized by applicable legal or regulatory provisions,
- deciding the amount to be issued or sold, setting the issue price in accordance with the terms and limits set by the legislation in force and the terms of payment, approving the dates, terms and conditions of the issues to be carried out under this delegation,
- setting the date from which ownership rights on the new shares shall take effect, setting the period within which payment must be made within the maximum period set by the legal and regulatory provisions in force, as well as, if applicable, the required length of service for beneficiaries to participate in the transaction and benefit from the Company's contribution,
- in the event of the allocation, free of consideration, of shares or securities giving access to the share capital, setting the number of the shares or securities giving access to capital to

be issued, the number to be allocated to each beneficiary and setting the dates, time periods, terms and conditions of the allocation of these shares or securities giving access to the share capital within the legal and regulatory limits in force and, notably, choosing to allocate these shares or securities giving access to the share capital in full or partial substitution for the discount decided by the Executive Board, or to apply the value of these shares or securities to the total of the matching contribution or to combine the two possibilities,

- charging, if applicable, costs against share premiums, notably issue expenses, and deducting from this amount the sums required to raise the legal reserve,
- recognizing the amount of the capital increase or increases resulting from any issue carried out under this delegation and amending the by-laws accordingly, and
- generally, taking all appropriate steps and entering into any agreements in order to ensure the successful completion of the planned transactions;
- decides that this delegation, which terminates any previous delegation of the same nature, shall be valid for a period of fourteen (14) months from the date of this Shareholders' Meeting.

#### 

#### Grant of stock subscription and/or purchase options and free shares

The purpose of the **20**<sup>th</sup> and **21**<sup>st</sup> resolutions is to authorize the Executive Board, for a period of 14 months, to grant share subscription or purchase options, and free shares, to employees and corporate officers, up to a total limit of 1% of the share capital.

The price of the options will be set in accordance with legal and regulatory provisions, without any discount.

The exercise of all or part of the options granted and the definitive vesting of all or part of the free shares granted to beneficiaries - with the exception of those granted to members of the Executive Board whose plan is specific (see below) - will be subject to the satisfaction of presence and/or performance conditions determined by the Executive Board.

It is also expected that:

- the period during which the options may be exercised will start at least three (3) years from their grant date and may not exceed ten (10) years from their grant date;
- the grant of free shares to their beneficiaries will become definitive at the end of a vesting period, the length of which will be determined by the Executive Board and which may not be less than three (3) years.

For members of the Executive Board, the following provisions apply:

- in accordance with recommendation 25.3.3 of the Afep-Medef Code:
  - the total number of shares resulting from the exercise of the options and the definitive vesting of the free shares granted may not exceed 50% of the overall limit mentioned above,
  - the total value of the options and free shares granted to the members of the Executive Board, as determined on the grant date, may not exceed the amount set by the compensation policy for members of the Executive Board (the compensation policy for 2021 sets this at, respectively, a maximum of 105% and 95% of the total amount of fixed and maximum annual variable compensation of the Chairman and the member of the Executive Board);
- the exercise of share subcription or purchase options and the definitive vesting of free shares are subject to the satosfaction of the presence, performance and holding conditions provided for by the compensation policy for members of the Executive Board in force on the grant date, as may potentially be amended subsequent to its approval in accordance with applicable regulations. For 2021, these conditions are set out in the compensation policy for members of the Executive Board, described in the report on Corporate governance of the Supervisory Board in section 2.2.1.2 of the Company's Universal Registration Document for 2020.

#### Twentieth resolution

Authorization given to the Executive Board to grant stock subscription or purchase options to some or all of the Company's executive corporate officers and employees, entailing the waiver by shareholders of their preferential subscription rights to the shares issued on exercise of the options

The Shareholders' Meeting, voting under the quorum and majority conditions required for Extraordinary Shareholders' Meetings,

- having reviewed the report of the Executive Board and the special report of the Statutory Auditors; and
- pursuant to Articles L. 225-177 et seq. and Articles L. 22-10-56 et seq. of the French Commercial Code;
- authorizes the Executive Board to grant, on one or more occasions, stock subscription options, subject to the prior approval of the Supervisory Board in application of Article 15-V of the by-laws, and/or stock purchase options in the Company, in favor of individuals that it shall designate - or have designated - from among the executive corporate officers described in Article L. 225-185 of the French Commercial Code and employees of the Company or of companies or corporate Groups related to it as defined by Article L. 225-180 of the French Commercial Code;
- 2. decides that the number of shares available to be vested or subscribed through the exercise of options granted under this authorization shall not exceed 1% of the existing share capital on the date the options are granted, not taking into account any adjustments that may be made to preserve the rights of the beneficiaries of said options; it being specified that the number of shares granted under the twentieth-first resolution of this Shareholders' Meeting shall be deducted from this ceiling;
- 3. decides that the total number of shares that may be acquired or subscribed by the members of the Executive Board through the exercise of the options granted under this authorization to the members of the Executive Board may not exceed 50% of the ceiling mentioned in the previous paragraph; it being specified that in any event, the total value of the options granted to members of the Executive Board, combined with that of the free shares referred to in the twenty-first resolution and as determined on their grant date, may not exceed the limit - expressed in proportion of their compensation - set by the compensation policy for the members of the Executive Board;
- 4. decides that the Executive Board may amend its initial choice between stock subscription and stock purchase options, if the option-exercise period has not yet begun; should the Executive Board amend its choice in favor of stock subscription options, it must obtain the prior approval of the Supervisory Board, in application of Article 15-V of the by-laws;
- duly notes that, in accordance with the provisions of Article L. 225-178 of the French Commercial Code, this authorization includes an express waiver by shareholders of

their preferential rights to subscribe to any shares to be issued as these options are exercised, for option beneficiaries;

- 6. notes that the exercise of all or part of the options granted to the beneficiaries - with the exception of those granted to members of the Executive Board whose plan is specific (see below) - will be subject to the satisfaction of presence and/or performance conditions determined by the Executive Board;
- 7. notes that in the event of a grant of options to the members of the Executive Board, the exercise of the options will be subject to the satisfaction of the presence, performance and holding conditions provided for by the compensation policy for the members of the Executive Board in force on the grant date, as may potentially be amended subsequent to its approval in accordance with applicable regulations;
- decides that the options to be granted under this authorization shall be subject to disclosure in the form of a special report of the Executive Board to the Shareholders' Meeting, in accordance with legal and regulatory provisions in force;
- 9. gives the Executive Board full powers to implement this authorization with a view to, in particular, but not restricted to:
  - setting the conditions for the exercise of options by employees and in particular (i) the period(s) to exercise the options thus granted, it being specified that the period during which these options may be exercised will start at least three (3) years from their grant date and may not exceed ten (10) years from their grant date and (ii) the presence and/or performance conditions,
  - determining the dates of each allocation,
  - determining the subscription price for new shares and the purchase price for existing shares, it being specified that this share subscription or purchase price will be set in accordance with the legal and regulatory provisions in force on the date on which the options are granted, without however being lower than the average closing share price of the twenty (20) trading days prior to the date of the price setting nor, as regards to stock purchase options, the average purchase price of treasury shares held by the Company,
  - setting the list or categories of beneficiaries of the options,
  - taking the necessary measures to protect the interests of the beneficiaries in order to take into account any financial transactions that may occur before the options are exercised,
  - approving the rules of the option plan and, as the case may be, amending it following the grant of options,

- providing for the possibility of temporarily suspending the exercise of options in accordance with legal and regulatory provisions for a maximum of three (3) months in the event that financial transactions are carried out involving the exercise of rights attached to the shares,
- recording, if appropriate, for each capital transaction, the number and total value of the shares issued during the year as a result of the exercise of options,
- charging, if applicable, costs against share premiums, notably issue expenses, and deducting from this amount the sums required to raise the legal reserve,
- recognizing the amount of the capital increase or increases resulting from any issue carried out under this authorization and amending the by-laws accordingly, and
- generally, taking all appropriate steps and entering into any agreements in order to ensure the successful completion of the planned transactions;
- decides that this authorization, which terminates any previous authorizations of the same nature, shall be valid for a period of fourteen (14) months from the date of this Shareholders Meeting.

#### Twenty-first resolution

Authorization given to the Executive Board to grant free shares to some or all of the Company's executive corporate officers and employees, entailing the waiver by shareholders of their preferential subscription rights to the shares to be issued

The Shareholders' Meeting, voting under the quorum and majority conditions required for Extraordinary Shareholders' Meetings:

- having reviewed the report of the Executive Board and the special report of the Statutory Auditors; and
- pursuant to Articles L. 225-197-1 et seq. and L. 22-10-59 et seq. of the French Commercial Code;
- authorizes the Executive Board to grant, on one or more occasions, existing performance shares or, subject to the prior approval of the Supervisory Board in application of Article 15-V of the by-laws, performance shares to be issued, in favor of employees or corporate officers of the Company described in paragraph II of Article 225-197-1 of the French Commercial Code, or employees and corporate officers of companies or corporate Groups related to it as defined by Article L 225-197-2 of the French Commercial Code;
- 2. decides that the total number of shares, whether existing or to be issued, that may be granted under this authorization shall not exceed 1% of the existing share capital on the date the shares are granted, not taking into account any adjustments that may be made to preserve the rights of the beneficiaries of said shares; it being specified that the number of shares granted shall be deducted from the maximum number of shares that may be issued in the framework of the twentieth resolution of this Shareholders' Meeting;
- 3. decides that the total number of shares that may be allocated to the members of the Executive Board may not exceed 50% of the ceiling mentioned in the previous paragraph; it being specified that in any event, the total value of the free shares granted to the members of the Executive Board, combined with that of the options referred to in the twentieth resolution and as determined on their grant date, may not exceed the limit expressed in proportion of their compensation - set by the compensation policy for the members of the Executive Board;

- 4. decides that, subject to legal exceptions:
  - the allocation of shares to their beneficiaries will become definitive at the end of a vesting period, the length of which will be determined by the Executive Board and which may not be less than three (3) years,
  - the Executive Board may set a period over which the beneficiaries must hold the aforementioned shares;
- 5. notwithstanding the provisions of the above paragraph, decides that the Executive Board may provide that the definitive allocation of the shares and the right to freely transfer them may nevertheless be acquired by a beneficiary if the latter were to be struck by one of the cases of disability covered by Article L. 225-197-1 of the French Commercial Code;
- 6. notes that the definitive vesting of all or part of the free shares granted to beneficiaries - with the exception of those granted to members of the Executive Board whose plan is specific (see below) - will be subject to the satisfaction of the presence and/or performance conditions determined by the Executive Board;
- 7. notes that in the event of a grant of free shares to the members of the Executive Board, the definitive vesting of the shares will be subject to mthe satisfaction of the presence, performance and holding conditions provided for by the compensation policy for the members of the Executive Board in force on the grant date, as may potentially be amended subsequent to its approval in accordance with applicable regulations;
- authorizes the Executive Board to adjust the number of shares, as the case may be, during the vesting period, as a result of transactions affecting the Company's share capital, so as to protect the rights of the beneficiaries;
- duly notes that in the case of shares to be issued, this authorization shall entail, in favor of the beneficiaries, the waiver by the shareholders of their preferential rights to subscribe to the shares whose issuance is authorized;

- **10.** gives the Executive Board full powers to implement this authorization with a view to, in particular, but not restricted to:
  - setting the conditions and criteria for the share grants,
  - establishing the list of beneficiaries of shares or defining the category or categories of beneficiaries to receive performance shares as well as the number of shares to be awarded to each,
  - adjusting, if applicable, the number of shares granted to protect the rights of beneficiaries with regard to any transactions involving the Company's share capital, it being specified that the shares granted as a result of these adjustments shall be considered to have been distributed on the same date as the shares initially awarded,
  - determining whether bonus shares allocated will be shares to be issued and/or existing shares (in the case of shares to be issued, subject to the preapproval of the Supervisory Board pursuant to Article 15-V of the by-laws),

- approving the rules of the bonus share plan and, as the case may be, amending it following the grant of shares,
- in the event of the issue of new shares, charging the amounts required for the full payment of shares against reserves, profits or share premiums,
- charging, if applicable, costs against share premiums, notably issue expenses, and deducting from this amount the sums required to raise the legal reserve,
- recognizing the amount of the capital increase or increases resulting from any issue carried out under this authorization and amending the by-laws accordingly, and
- generally, taking all appropriate steps and entering into any agreements in order to ensure the successful completion of the planned transactions;
- decides that this authorization, which terminates any previous authorizations of the same nature, shall be valid for a period of fourteen (14) months from the date of this Shareholders Meeting.

## Resolution pertaining to the Ordinary Meeting

#### **Formalities**

The purpose of the 22nd resolution is to grant all necessary powers to carry out formalities related to the Shareholders' Meeting.

#### Twenty-second resolution

#### Powers for legal formalities

The Shareholders' Meeting, voting under the quorum and majority conditions required for Ordinary Shareholders' Meetings, grants full powers to the bearer of copies or extracts of

the minutes of these proceedings to make all declarations and carry out all registration, deposit and other formalities.



The Executive Board recommends shareholders' approval of all of the resolutions presented above, which are submitted to your Shareholders' Meeting.

## 4.3 Existing financial authorizations and use thereof

As of December 31, 2020, the following financial authorizations were in effect:

Authorization	AGM date (resolution No.)	Period and expiration date	Authorized nominal amount or% of share capital	Amount used as of 12/31/2020
A. Issue of shares or other securities giving acc	cess to the capital			
<ul> <li>With preferential subscription rights</li> </ul>	07.02.2020	26 months	40% of share capital	-
	17 <sup>th</sup> resolution	09.02.2022		
By way of a public offering, with waiver	07.02.2020	26 months	10% of share capital	-
of preferential subscription rights	18 <sup>th</sup> resolution	09.02.2022		
By way of a private placement, with waiver of	07.02.2020	26 months	10% of share capital	-
preferential subscription rights	19 <sup>th</sup> resolution	09.02.2022		
Pricing in the event of a public offering	07.02.2020	26 months	-	-
or a private placement	20 <sup>th</sup> resolution	09.02.2022		
<ul> <li>Greenshoe option</li> </ul>	07.02.2020	26 months	15% of the initial issue	-
·	21 <sup>st</sup> resolution	09.02.2022		
As consideration for securities	07.02.2020	26 months	10% of share capital	-
(contributions in kind)	22 <sup>nd</sup> resolution	09.02.2022	1	
Through a public exchange offer	07.02.2020	26 months	10% of share capital	-
	23 <sup>rd</sup> resolution	09.02.2022		
<ul> <li>Capitalization of reserves</li> </ul>	07.02.2020	26 months	50% of share capital	-
	24 <sup>th</sup> resolution	09.02.2022		
<ul> <li>Overall ceiling authorized</li> </ul>	07.02.2020	26 months	Overall ceiling:	-
	25 <sup>th</sup> resolution	09.02.2022	100% of share capital (17 <sup>th</sup> , 18 <sup>th</sup> , 19 <sup>th</sup> , 20 <sup>th</sup> , 21 <sup>st</sup> , 22 <sup>nd</sup> , 23 <sup>rd</sup> , 24 <sup>th</sup> resolutions)	
			Sub-ceiling; 10% of share capital (18 <sup>th</sup> , 19 <sup>th</sup> , 20 <sup>th</sup> , 21 <sup>st</sup> , 22 <sup>nd</sup> , 23 <sup>rd</sup> resolutions)	
B. Authorization of share buyback program and	d share cancellations			
<ul> <li>Share buybacks</li> </ul>	07.02.2020	14 months	10% of share capital	0.029% of share capital
	15 <sup>th</sup> resolution	09.02.2021	max. price: €250 per share	(12,748 shares)
Cancellation of shares	07.02.2020	26 months	10% of share capital	-
	16 <sup>th</sup> resolution	09.02.2022	per 24-month period	
C. Employee shareholding				
<ul> <li>Group Savings Plan</li> </ul>	07.02.2020	14 months	€150,000	€147,244
-	26 <sup>th</sup> resolution	09.02.2021		(36,811 shares)
<ul> <li>Stock options (subscription and/or purchase)</li> </ul>	07.02.2020	14 months	1% of share capital	0.605% of share capita
	27 <sup>th</sup> resolution	09.02.2021	(common ceiling for options and performance shares)	(270,342 options)
Free shares	07.02.2020	14 months	0.5% of share capital	0.312% of share capital
	28 <sup>th</sup> resolution	09.02.2021	(common with the above ceiling)	(139,377 shares)

# Request for additionnal documention and information

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#### To be sent to:

Société Générale Service des Assemblées CS 30812 32, rue du Champ-de-Tir 44308 Nantes CEDEX 3 - France

If you wish to receive documents by e-mail or postal mail, you can request it before **June 24, 2021**, by returning the form below completed and signed.

I, the undersigned
Last name:
First name:
Home address: City:
Email address:
Owner of: shares in nominative form,
And/or ofshares in bearer form,
hereby request to receive the documentation related to the Shareholders' Meeting pursuant to Article R. 225-83 of the French Commercial Code, by way of:
Commercial Code, by way of.
electronic form, by <b>email</b>
paper form, by postal <b>mail</b>
Place , date , date
Signature

N.B.: Under paragraph 3 of Article R. 225-88 of the French Commercial Code, holders of nominative shares may, through a single request, obtain the documents indicated above from the Company prior to every future Shareholders' Meeting.

Photos credits : Ellen Coopers and Henrike Stahl

The English language version of this text is a free translation from the original, which was prepared in French. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinion, the original French language version of the document takes precedence over the translation. English text: Labrador Translation.

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May 2021

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