



**W E N D E L**

WENDEL

European company with an Executive Board and a Supervisory Board  
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**INTERNAL RULES**

**OF WENDEL'S**

**SUPERVISORY BOARD**

**Adopted by the Supervisory Board  
at its meeting of December 1, 2010 and amended  
at its meetings of  
February 10, 2012, February 11, 2015,  
November 29, 2017, October 17, 2018,  
5 September 2019 and 18 March 2020**

## TABLE OF CONTENTS

I.	Responsibilities of the Supervisory Board .....	3
II.	Composition of the Supervisory Board.....	3
III.	Concurrent appointments .....	4
IV.	Independent members .....	4
IV.i	Independence criteria .....	4
IV.ii	Lead Independent Director of the Supervisory Board .....	5
V.	Shares held by Supervisory Board members .....	6
VI.	Meetings of the Supervisory Board.....	6
VII.	Supervisory Board meetings held via telecommunication .....	6
VIII.	Compensation of Supervisory Board members .....	7
IX.	Expense reimbursement .....	7
X.	Powers reserved for the Supervisory Board .....	7
XI.	Regulated agreements .....	9
XII.	Security interests, guarantees, endorsements .....	9
XIII.	Relations with the Executive Board .....	10
XIV.	Relations with shareholders at their Annual Meeting .....	10
XV.	Evaluation of the Supervisory Board.....	11
XVI.	Supervisory Board committees.....	11
XVI.i.	Audit Committee .....	11
XVII.ii.	Governance and Sustainability Committee .....	13
XVII.	Ethics of Supervisory Board members .....	15
XVIII.	Conflicts of interest on the Supervisory Board .....	16
XIX.	Liability of Supervisory Board members .....	17
XX.	Entry into force – amendment to the Internal Rules – communication to Supervisory Board members – disclosure .....	18

***APPENDICES: The Market Confidentiality and Ethics Code currently in force at Wendel, the expense reimbursement policy and the executive transaction disclosure form.***

## ***I. Responsibilities of the Supervisory Board***

The Supervisory Board exercises permanent oversight of the Executive Board's management of Wendel. Throughout the year, it performs the verifications it deems appropriate and may request the documents it considers necessary to fulfill its duties.

The members of the Supervisory Board individually and collectively represent all shareholders. The Board must act in the common interest of the Company.

The Supervisory Board is a collegial body; its members make decisions collectively.

The members of the Supervisory Board stay informed of French and EU laws and regulations, the Company's by-laws, the Afep-Medef code, which constitutes the Company's benchmark, these Internal Rules, the Market Confidentiality and Ethics Code and the Company's internal compliance policy and in particular the policy for combating bribery and influence peddling. They agree to adhere to the obligations resulting therefrom.

Members of the Supervisory Board have an obligation to stay informed. All members are given the opportunity to undertake training that they consider necessary to fulfill their obligations. Any Supervisory Board member may request a meeting with the Company's senior managers.

Members must be diligent and attend all meetings of the Board and of the Committees to which they belong, if any, as well as Annual Shareholders' Meetings.

## ***II. Composition of the Supervisory Board***

The Supervisory Board is composed of a minimum of three and a maximum of 18 members. Supervisory Board members are appointed by shareholders during their Ordinary General Meetings. In the event of a vacancy due to the death or resignation of one or more members of the Supervisory Board, the Board may, between two Shareholders' Meetings, temporarily appoint new members for the remainder of the former members' terms. These appointments must be ratified by shareholders at their next Ordinary Meeting.

Supervisory Board members are appointed for a term of four years. They can be re-appointed. The term of a member of the Supervisory Board ends at the close of the Ordinary Shareholders' Meeting called to approve the financial statements of the previous year and held during the year in which the term expires.

The terms of Supervisory Board members are staggered so as to avoid having to reappoint the entire Board at the same time.

Members of the Supervisory Board may be removed at any time by the shareholders at their Ordinary Meeting.

The Supervisory Board also includes one member representing employees, appointed by Wendel's Works Council for a four-year term. The Board member representing employees is a full member, who participates in the Board's deliberations and voting.

The Board chooses a Vice-Chairman from among its independent members, who becomes the Lead Independent Director of the Supervisory Board.

At the close of each year's Ordinary Annual Meeting to approve the financial statements, the number of Supervisory Board members more than 70 years old may not exceed one-third of the number of current Board members.

### **III. *Concurrent appointments***

The members of the Supervisory Board must devote all the time necessary to their responsibilities.

According to French law, a Supervisory Board member may exercise no more than five simultaneous appointments to Supervisory Boards or Boards of Directors of limited companies (SA) whose head offices are in France, with the exception of controlled companies (joint or exclusive control, Art. L.223-16 of the French Commercial Code).

Under the Afep-Medef code, a Supervisory Board member may exercise no more than four appointments to listed companies outside his or her own group (same definition of control as above), whether these companies are French or not. If the Board member is a chief executive, he/she may exercise no more than two appointments in listed companies outside his/her group, whether these companies are French or not.

Members of the Supervisory Board must inform the Chairman of the Supervisory Board of their intention to accept any new appointment in a company outside their own group (see also paragraph XVIII, Conflicts of interest on the Supervisory Board).

Each member of the Supervisory Board must ensure his/her compliance with the rules of concurrent appointments.

### **IV. *Independent members***

#### ***IV.i Independence criteria***

A director is independent if he or she has no relationship of any kind with the Company, its group or its management, which could compromise his or her judgment.

The Board will use the following criteria on a case-by-case basis to determine whether a member can be considered independent, keeping in mind that the Board may hold that a member can be qualified as independent in light of his or her individual situation, even if that member does not fulfil the enumerated criteria:

- is not an employee or executive corporate officer<sup>1</sup> of the Company, and is not an employee, director or member of the Supervisory Board of its parent company or of a company consolidated by its parent company, either currently or at any time in the five previous years;
- is not an executive corporate officer of a company (i) in which the Company holds, directly or indirectly, a seat on the Board of Directors or Supervisory Board, or (ii) in which an employee designated as such or an executive corporate officer of the Company (current or in the last five years) holds a seat on the Board of Directors or Supervisory Board;
- is not a major customer, supplier, or corporate or investment banker of the Company or its Group, and does not carry out a significant proportion of his or her business with the Company or its group (the assessment of whether the relationship is significant or not is determined by the Board, and the criteria on which this assessment is made are detailed in the registration document);
- does not have close family ties with a corporate officer;
- has not been a Statutory Auditor of the Company during the previous five years;
- has not been a member of the Company's Supervisory Board for more than 12 years (independent status ends as of the 12th anniversary of the member's appointment).

#### ***IV.ii Lead Independent Director of the Supervisory Board***

The role of the Lead Independent Director of the Company's Supervisory Board is as follows:

- interact with Wendel shareholders who so request and answer their questions regarding corporate governance, in liaison with the Chairman of the Supervisory Board and the Chairman of the Governance and Sustainability Committee, with the proviso that the Lead Independent Director may not communicate information about business matters (in particular strategy, finance, transactions and financial communication), which are the sole responsibility of the Executive Board;
- represent the Board's independent members vis-à-vis the other members of the Supervisory Board and the Executive Board, call and chair meetings of the independent members;
- prevent, examine and handle potential or actual conflicts of interest with the majority shareholder.

The Lead Independent Director reports on the execution of his or her assignment to the Supervisory Board, and this report is published in the registration document. The Chairman of the Board may also call upon the Lead Independent Director to report on his or her duties to shareholders at their General Meeting.

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<sup>1</sup> Executive corporate officers are defined as follows: Chairman of the Board of Directors, CEO, Deputy CEO, Chairman or member of the Executive Board, chief executive of a partnership limited by shares.

#### ***V. Shares held by Supervisory Board members***

The Company's by-laws stipulate that each member of the Supervisory Board must hold 500 fully paid-up shares. If they do not hold this number of shares when they are appointed, they must correct that situation within six months.

#### ***VI. Meetings of the Supervisory Board***

The Supervisory Board meets as often as the interests of the Company require, and at least once a quarter. The Chairman of the Supervisory Board is responsible for convening the Board and chairing its discussions. In the event the Chairman is unable to attend, this task is the responsibility of the Vice-Chairman.

The Supervisory Board may validly deliberate only if at least half of its members are present, represented or deemed present in the event telecommunication tools are used (see paragraph VII below). Board decisions require a majority vote of the members present, represented or deemed present in the event telecommunication tools are used.

When at least one member of the Executive Board or at least a third of the members of the Supervisory Board present a request for a Supervisory Board meeting to the Chairman, supported by the reasons for their request, the Chairman must call a meeting within 15 days of receiving the request. If the Chairman of the Supervisory Board does not call a meeting, the members who requested it may call the meeting themselves, sending the meeting agenda with the invitation.

The Statutory Auditors are invited to all meetings of the Supervisory Board at which the annual or semi-annual financial statements are examined, attending the parts of the meeting during which those financial statements are discussed.

The agenda for a Supervisory Board meeting and related documents are sent to Board members approximately one week before the meeting by email or post. The Secretary of the Supervisory Board prepares the minutes of the Board meetings. The minutes are sent to Board members as soon as possible and prior to the following Board meeting at the latest. Any changes are sent subsequently. The minutes of a Supervisory Board meeting are approved at the start of the Supervisory Board's following meeting.

#### ***VII. Supervisory Board meetings held via telecommunication***

Article 14 of the Company's by-laws states that Supervisory Board meetings may be held by videoconference or via telecommunication. The members of the Supervisory Board who participate in the Board meeting by videoconference or telecommunication tools that ensure they can be identified and can participate, are considered present for the purposes of calculating the quorum and the majority. These tools must transmit at least the participants' voice and allow for continuous and simultaneous transmission of all deliberations. Any technical incidents must be mentioned in the minutes.

The following decisions may not be made when some Board members attend the meeting via telecommunication, unless authorized by applicable laws or regulations:

- decisions related to verifying the annual financial statements and the management report;
- decisions related to appointing or replacing the Chairman of the Supervisory Board and nominating or removing members of the Executive Board;
- decisions related to the compensation of Executive Board and Supervisory Board members.

#### ***VIII. Compensation of Supervisory Board members***

The shareholders set the annual amount of director's fees at their Annual Meeting. The Supervisory Board apportions director's fees among its members based on the recommendations of the Governance and Sustainability Committee.

Each member of the Supervisory Board receives a basic fixed director's fee. Members who sit on a committee receive an additional amount. A double director's fee is paid to the Chairman of each committee.

In accordance with a recommendation of the Governance and Sustainability Committee, the Supervisory Board, at its meeting of 28 November 2018, decided to incorporate a variability criterion as from the 2019 financial year. The variable amount of directors' fees will be adjusted each year in line with the number of meetings of the Supervisory Board planned, within the limit of the overall budget approved by the Shareholders' meeting.

The compensation paid to the Chairman of the Supervisory Board and the Lead Independent Director are subject to an annual decision of the Board.

In the event a Board member resigns or is removed from office during the year, director's fees are paid based on the number of months of the member was present on the Board.

#### ***IX. Expense reimbursement***

Expenses incurred by members of the Supervisory Board that are in the interest of the Company are reimbursed upon presentation of the necessary supporting documentation.

#### ***X. Powers reserved for the Supervisory Board***

##### ***X.i. The following powers are granted to the Supervisory Board by law:***

- appointing the members of the Executive Board and determining their compensation;
- choosing the Chairman of the Executive Board;
- appointing one or more CEOs to represent the Company;
- appointing Supervisory Board members on an interim basis;
- authorizing agreements between the Company and a member of the Executive or Supervisory Board (see paragraph XI below);

- appointing Committee members and determining the responsibilities of each Committee;
- issuing a report on corporate governance;
- apportioning director's fees;
- calling a General Shareholders' Meeting when it deems such a meeting necessary;
- granting prior approval for the sale of real property, financial investments, the granting of security interests, guarantees and endorsements (see paragraphs XII and XIII below);
- deliberating annually on Company policy regarding professional equality and equal pay.

***X.ii. Under the Company's by-laws, the Supervisory Board has the power to remove members of the Executive Board, according to conditions set down by law.***

***X.iii. Under the Company's by-laws, the following Executive Board decisions must receive prior authorization from the Supervisory Board:***

- any transaction, particularly any acquisition or divestment by the Company (or an intermediate holding company) in an amount of more than €100 million;
- any decision binding the Company or its subsidiaries over a long period of time;
- divestment of real property of more than €10 million per transaction;
- granting of security interests, guarantees, endorsements and collateral of more than €100 million per transaction for commitments made by the Company to the benefit of portfolio companies or third parties;
- any proposal to shareholders to change the by-laws;
- any transaction that may lead, immediately or at a later date, to a capital increase or reduction of capital through the issuance of securities or cancellation of shares;
- any proposal to shareholders regarding the appropriation of earnings or the distribution of dividends, as well as any interim dividend;
- any merger or spin-off that the Company would be party to;
- any proposal to shareholders regarding a share buyback program;
- any proposal to shareholders regarding the appointment or re-appointment of the Statutory Auditors;
- any agreement subject to Article L.225-86 et seq of the French Commercial Code (cf §XI.)

In accordance with the interpretation given by the Supervisory Board during its December 1, 2010 meeting, the terms "Any decision binding the Company or its subsidiaries over a long period of time" in Article 15 of the by-laws applies to decisions that significantly change the Wendel Group's strategy or image.

At its September 5, 2018 meeting, the Supervisory Board defined the transactions in excess of €100 million requiring the Board's prior approval as follows:

In case of the acquisition of a new business: authorization is required if total capital deployed exceeds 100 M€. Capital deployed refers to equity, and loan / warranty granted, with a general tolerance of 5% of the equity for all approvals.



In case of an add-on investment into an existing portfolio company: authorization is required if (i) new capital deployed (equity, loan, warranty) exceeds 100 M€, or if (ii) new capital deployed causes the historic cost to go over 100 M€; it being specified that no authorization is required for reinvestments representing, over a 12-month period, less than 5% of the cash already invested.

In case of disposal of a portfolio company: authorization is required if the equity value of such company in the last published NAV exceeds 100 M€.

#### ***XI. Regulated agreements***

Certain agreements require prior approval from the Supervisory Board. The Chairman of the Supervisory Board reports all authorized agreements to the Statutory Auditors and submits them to shareholders for approval at their Annual Meeting. The Statutory Auditors present a special report to shareholders during the meeting, which the shareholders vote on.

Agreements subject to this requirement are those involving, either directly or indirectly via another person or legal entity, the Company and a member of the Executive or Supervisory Board, a shareholder with more than 10% of the voting rights, or a corporate shareholder's controlling company. The same applies to agreements in which one of the persons mentioned in the preceding paragraph is indirectly an interested party. Agreements between the Company and another company, if one of the members of the Executive or Supervisory Board of the Company is the owner, a partner with unlimited liability, president, member of the Board of Directors or Supervisory Board or more generally an executive of that company, are also subject to prior authorization. The interested party, if he/she is a member of the Board, does not take part in the vote on the requested authorization.

The Supervisory Board's prior authorization must be based on the benefits the Company will derive from the agreement; in particular the Board must specify the financial terms connected with the agreement.

Agreements already authorized and entered into and whose execution is ongoing are reviewed every year by the Supervisory Board and communicated to the Statutory Auditors for their report.

Arm's length agreements for ordinary transactions as well as agreements between a company and a wholly-owned subsidiary of that company (not including the minimum number of shares required to be held depending on the legal form of the company) are not subject to the regulated agreements procedure.

#### ***XII. Security interests, guarantees, endorsements***

Before the Company may grant security interests, guarantees or endorsements to secure a commitment made by third party, including by a subsidiary of the Company, the Executive Board must receive prior authorization from the Supervisory Board. Such authorization is valid for one year. The Supervisory Board determines the total annual maximum amount that can

be used by the Executive Board. It may also determine, within the limits of the overall ceiling, the unitary amounts beyond which its authorization is required.

The Board must grant a special authorization for any commitment that exceeds the total annual maximum amount.

### ***XIII. Relations with the Executive Board***

At least once every quarter, the Executive Board must present a report to the Supervisory Board. This report must include the performance and growth strategy of the subsidiaries and associates in the investment portfolio (e.g. net sales, financial condition), projected or executed financial transactions and all other transactions that might affect the Company.

Within three months after the close of each fiscal year, the Executive Board must submit the parent-company and consolidated financial statements for the year to the Supervisory Board for verification, along with its management report. Before the end of the months of March, April and October, the Executive Board must prepare management forecasts, which it submits to the Supervisory Board along with a report analyzing the numerical data they contain.

The Executive Board must also inform the Supervisory Board each quarter of the change in net asset value (NAV) per share, which measures the value created by the Company. As frequently as required, it presents the Company's balance sheet position, its debt structure, its cash position and the nature and maturity of its bank or bond financing.

The Executive Board keeps the Supervisory Board regularly informed of the risks the Company runs and the measures it has taken to address them.

It also regularly informs the Supervisory Board of changes in the share capital and voting rights and of the Company's proposed acquisitions or divestments. It requests its authorization on the subjects indicated in paragraph X.iii.

The Executive Board ensures that the draft resolutions it submits to shareholders at their Annual Meeting regarding the composition or the proceedings of the Supervisory Board accurately reflect the Supervisory Board's decisions.

In the event a vacancy occurs on the Executive Board, the Supervisory Board may designate one of its members to carry out the functions of an Executive Board member; in this case, the Supervisory Board member's responsibilities are suspended. Such member can be appointed for the time remaining before the Executive Board is to be renewed or for six months, whichever is shorter.

### ***XIV. Relations with shareholders at their Annual Meeting***

The Supervisory Board must present its observations on the Executive Board's report and on the parent-company and consolidated financial statements to shareholders at their Ordinary Annual Meeting called to approve the financial statements.

Each year during the Ordinary Annual Meeting called to approve the financial statements, the Supervisory Board submits a report on the following topics, which is appended to the management report:

- corporate officer compensation policy,
- all forms of compensation and benefits,
- the terms of corporate officers and regulated agreements,
- the composition of the Board and the preparation and organization of its proceedings,
- factors likely to have an impact in the event of a takeover offer, and
- its observations.

#### ***XV. Evaluation of the Supervisory Board***

The Supervisory Board must periodically evaluate its composition, organization and proceedings, as well as that of its Committees. The Board performs a review once a year, and a formal evaluation by a specialized firm under the authority of the Chairman of the Supervisory Board and the Chairman of the Governance and Sustainability Committee is performed once every three years.

#### ***XVI. Supervisory Board committees***

The law requires companies whose shares are admitted to trading on a regulated market to create an Audit Committee responsible for monitoring the preparation and verification of accounting and financial information.

In addition, the Supervisory Board may create other committees and set their composition and duties. Accordingly, the Supervisory Board has created a Governance and Sustainability Committee, based on the proposal of its Chairman.

Such committees act under the responsibility of the Supervisory Board. The committees' duties may not have as their purpose the delegation of the powers of the Supervisory Board nor have the effect of reducing or limiting the powers of the Executive Board.

The Board's committees and may contact the Company's principal executives after informing the Chairman of the Board of their intention; they must subsequently report to the Board thereon.

Each committee has a meeting secretary. At least half of a committee's members must be present for the committee to validly deliberate.

##### ***XVI.i. Audit Committee***

###### ***XVI.i.a. Composition of the Audit Committee***

The Audit Committee is composed of at least three Supervisory Board members. The Supervisory Board designates from among its members those who have recognized expertise

in finance and accounting. The Chairman of the Audit Committee is appointed by the Supervisory Board.

The Chairman of the Audit Committee must be an independent Board member.

The Chairman of the Supervisory Board is invited to attend each Audit Committee meeting.

#### *XVI.i.b. Responsibilities of the Audit Committee*

The primary responsibilities of the Company's Audit Committee are to monitor:

- the process for preparing financial and extra-financial information;
- the effectiveness of internal control and risk management systems;
- the audit of parent-company and consolidated financial statements by the Statutory Auditors;
- the independence of the Statutory Auditors.

More specifically, the Audit Committee's main tasks are to:

- review all accounting and financial documents to be issued by the Company before they are published (in particular the periodic calculation of NAV);
- ensure that the processes used to produce financial and extra-financial information are rigorous enough to guarantee the sincerity of this information;
- ensure that the accounting policies chosen are appropriate and properly applied in the preparation of parent-company and consolidated financial statements;
- ensure the appropriate accounting methods are used for any significant or complex transaction realized by the Company;
- ensure that internal data collection and control procedures make it possible to guarantee the quality and sincerity of the Company's accounts;
- ensure that a procedure exists to identify and analyze risks that may have material impact on accounting and financial information, and in particular on the Company's assets;
- regarding anti-corruption measures, review risk assessment and follow-up implementation of action plans;
- review risk exposure, interview the persons in charge of internal audit and risk control, and provide advice on the organization of their departments;
- be informed about the internal audit program;
- follow-up extra-financial key performance indicators;
- review extra-financial reporting information;
- serve as liaison with the Statutory Auditors and consult them regularly;
- oversee the Statutory Auditor selection process, submit its findings to the Supervisory Board, and issue a recommendation on the Statutory Auditors nominated for shareholder approval at the Annual Meeting;
- review the audit and consulting fees paid by the Group and Group-controlled companies to the Statutory Auditors and their networks and submit a report thereon to the Supervisory Board;
- examine any work that is accessory to or directly complementary to the audit of the financial statements (work directly related to the audit);

- review the Company's earnings releases;
- review any issues within its remit raised by the Supervisory Board.

#### *XVI.i.c. Audit Committee meetings and information sources*

The Audit Committee meets as frequently as it deems necessary, and at least twice a year, prior to the Supervisory Board's review of the annual and semi-annual financial statements.

It may, in the context of its responsibilities, examine a topic whenever it believes it is necessary and worthwhile to do so.

The Audit Committee may interview the accounting staff as well as the Statutory Auditors outside the presence of the Company's management. The Committee may also retain experts to perform specific tasks falling within the scope of its responsibilities. Upon request, information on specific aspects of the Company's accounting, financial and operating processes is provided to the members of the Supervisory Board who are also members of the Audit Committee.

The Audit Committee may hold meetings using videoconferencing or other telecommunications tools.

The Chairman of the Audit Committee presents the Committee's conclusions to the Supervisory Board for debate and decision at the Board's next meeting.

### ***XVII.ii. Governance and Sustainability Committee***

#### *XVI.ii.a. Composition of the Governance and Sustainability Committee and Sustainability*

The Governance and Sustainability Committee is composed of at least three members of the Supervisory Board. The Chairman of the Governance and Sustainability Committee is appointed by the Supervisory Board.

The Chairman of the Governance and Sustainability Committee must be an independent Board member.

The Chairman of the Supervisory Board is invited to attend each Governance and Sustainability Committee meeting.

#### *XVI.ii.b. Responsibilities of the Governance and Sustainability Committee and Sustainability*

The Governance and Sustainability Committee includes the functions of a Compensation Committee and an Appointments Committee.

The Governance and Sustainability Committee responsibilities are to:

- propose new members of the Executive Board or the renewal of the Executive Board to the Supervisory Board;
- propose changes in the composition of the Supervisory Board and potential candidates therefor after reviewing all factors that must be considered: desired balance on the Board given the breakdown of the ownership interests of the Company's shareholders and the changes therein, legitimate number of independent members and promotion of gender equality;
- prepare succession plans for the Supervisory Board and the Executive Board;
- propose the current or deferred compensation (severance payments) of Executive Board members, whether fixed or variable, including benefits in kind and the granting of stock options or performance shares and retirement benefits;
- examine Executive Board proposals involving stock options, the granting of performance shares, and other bonus programs for Company employees;
- propose to the Supervisory Board the general principles of the co-investment policy for Executive Board members and the management team, for decision by the Board, and examine the terms and conditions proposed by the Executive Board;
- propose the compensation package for the Chairman of the Supervisory Board;
- propose the methods for apportionment of director's fees among the members of the Supervisory Board;
- express an opinion on any question related to the governance of the Company or the functioning of its governing bodies;
- monitor the evaluation of the Supervisory Board's composition and proceedings;
- examine commitments and approaches of the Company's guidelines regarding ESG, follow-up their implementation and, more generally, ensure that ESG matters are taken into account in the Company's strategy and in its implementation;
- review the compliance to the Afep-Medef Code and to best governance practices;
- ensure the implementation of a program preventing and detecting corruption and influence peddling; and
- review any question concerning business ethics of Supervisory Board and Executive Board members, raised by the Supervisory Board.

#### *XVI.ii.c. Governance and Sustainability Committee meetings and information sources*

The Governance and Sustainability Committee meets as frequently as it deems necessary.

The Governance and Sustainability Committee has access to all the resources it considers necessary to discharge its responsibilities. To the greatest extent possible, its meetings are held sufficiently in advance of Board meetings to allow for an in-depth examination of any subject requiring the Committee's attention. Accordingly, documents must be addressed to Committee members sufficiently in advance of each meeting.

The Governance and Sustainability Committee may call upon recognized independent experts to help it carry out its assignments.

The Chairman of the Governance and Sustainability Committee presents the Committee's conclusions to the Supervisory Board for debate and decision at the Board's next meeting.

### ***XVII. Ethics of Supervisory Board members***

The Company's Market Confidentiality and Ethics Code applies to the members of the Supervisory Board. A brief summary of Board members' obligations to maintain confidentiality, refrain from securities transactions, disclose securities transactions, and conflicts of interests is provided below. This summary does not relieve the members of the Supervisory Board from their obligation to adhere to all stipulations of the Code, which is updated regularly. Terms beginning with a capital letter are defined in the Code.

#### ***XVII.i. Securities to be held in registered form***

All Securities held by or that might in the future be held by Supervisory Board members or their spouses or dependent children must be held in registered form.

#### ***XVII.ii. Obligation to maintain confidentiality***

Supervisory Board members are bound by strict confidentiality rules regarding Confidential Information or Inside Information they have acquired in the exercise of their duties. This information may not be shared or used for personal reasons.

#### ***XVII.iii. Obligation to refrain from trading***

The members of the Supervisory Board must refrain from carrying out any Securities Transaction, either directly or indirectly, for their own account or for the account of a third party, whether on or off the market, before such Confidential Information or Inside Information is published.

Specifically, the members of the Supervisory Board must refrain from carrying out any Securities Transaction, either directly or indirectly, for their own account or for the account of a third party:

- During a continuous period beginning 30 calendar days before publication of annual or semi-annual financial statements and expiring 24 hours after such publication;
- During a continuous period beginning 15 calendar days before publication of the NAV and expiring 24 hours after such publication; NAV is generally published with annual and semi-annual financial statements, and at the time of the Annual Shareholders' Meeting and the year-end Investor Day;
- Between the date on which the insider in question becomes aware of Inside Information and the date such information is made public;
- Any other period communicated to employees by the Ethics Officer.

Unless specified to the contrary, these periods end upon the publication of the information in question, in an official notice and/or a press release that is effectively and fully disseminated.

In addition, the members of the Supervisory Board must also refrain from trading in the securities of listed or unlisted Wendel Group subsidiaries and associates. This restriction does not apply to Securities held therein in their capacity as director, or in accordance with legislation, the by-laws or a legitimate investment policy thereof (in line with the principles of corporate governance of the company of which the member is a director). This restriction also does not apply to the payment of a dividend in kind in the form of securities of subsidiaries or associates held in the Company's portfolio.

Finally, the members of the Supervisory Board of the Company are prohibited from trading in any put or call options on Securities and more generally in any hedging transaction on Securities, when the maturity of the transaction is less than one year. Options or hedging transactions with a maturity of more than one year must comply with the principles of the Market Confidentiality and Ethics Code.

#### ***XVII.iv. Transaction disclosure***

The members of the Supervisory Board and any Related Person with respect to the Supervisory Board must disclose to the AMF, via the AMF's "Onde" website, any transaction in excess of €20,000 carried out on the shares of Wendel within three trading days of such transaction. These transactions include acquisitions, sales, short sales, subscriptions, the pledging, lending or borrowing of securities, transactions carried out on a life insurance policy, transactions connected with derivative instruments, gifts, donations and inheritances. This list is not exhaustive; Board members should refer to paragraph 8.4 of Wendel's Market Confidentiality and Ethics Code.

#### ***XVIII. Conflicts of interest on the Supervisory Board***

The members of the Supervisory Board have an obligation to maintain confidentiality and to be loyal to the Company. They are required to disclose any conflict of interest situation, including potential situations, to the Ethics Officer, and to inform the Lead Independent Director of any conflict with the majority shareholder (see § IV.II).

Each member of the Supervisory Board must declare that he or she is not subject to any conflict of interest, even potential, as defined in the Company's Market Confidentiality and Ethics Code. This statement is addressed to the Company's Ethics Officer (i) when the Board member assumes his or her office, (ii) at any other time, at the initiative of the member or upon the request of the Ethics Officer and (iii) within ten business days of any event rendering all or part of the previous statement inaccurate. The Ethics Officer examines and monitors any potential conflict of interest situation between a member of the Board and the Company.

In the event of conflict of interest, even a potential one, the Board member must abstain from participating in debate and must not take part in the corresponding vote. He or she does not receive the information related to the agenda item giving rise to the conflict of interest, and



the Chairman of the Supervisory Board asks the member not to take part in the deliberation. Any Board decision relating to a conflict of interest is explained in the minutes of the meeting.

Members of the Supervisory Board must also inform the Chairman of the Supervisory Board of their intention to accept a new appointment in a company that does not belong to a group of which they are executives. If the Chairman of the Supervisory Board believes that the new appointment could create a conflict of interest, the Chairman puts the issue before the Supervisory Board. In this case, the Board decides whether the appointment is incompatible with the position of a Wendel Supervisory Board member. Should the Board decide that there is a conflict of interest, it asks the Board member to choose between the new appointment and his/her appointment at Wendel. The Board must explain the reasoning behind its decision to declare an appointment incompatible.

## **XIX. Liability of Supervisory Board members**

### **XIX.i. Civil liability**

Supervisory Board members are responsible only for their personal failings in the execution of their duties. These would include, for example, being delinquent in their verification duties, or not revealing to shareholders illegal activities committed by members of the Executive Board even though they were aware of them. On the other hand, they do not bear any liability for the acts of management.

The members of the Supervisory Board must not interfere with the management of the Company when they carry out their responsibility to monitor and verify the work of the Executive Board. If they do so interfere, the members of the Supervisory Board can be qualified as *de facto* executives. This could cause them to bear the same liability as the members of the Executive Board.

### **XIX.ii. Penal liability**

Because their duties involve verification, the penal liability of the members of the Supervisory Board is reduced, unless they are qualified as *de facto* executives. Interference in the management of the Company could have penal consequences if infractions have been committed.

### **XIX.iii. Insurance**

The members of the Supervisory Board are covered by Wendel's liability insurance policy for its corporate officers.

***XX. Entry into force – amendment to the Internal Rules – communication to Supervisory Board members – disclosure***

These Internal Rules will enter into force when they are adopted by the Supervisory Board.

Any amendment to the Internal Rules must be approved by a majority of the members present or represented.

Each member of the Supervisory Board will receive a copy of the Internal Rules as an attachment to the minutes of the Supervisory Board meeting during which they were approved.

The principal features of the Internal Rules will be disclosed to the public in the Company's registration document and more generally in compliance with the applicable legal or regulatory requirements.

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