

PILLAR 1: Wendel as a responsible company

Roadmap

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

– GOVERNANCE & ETHICS

Ensure that Wendel employees have the best tools and culture to work in an ethical manner by providing annual training and by supporting the deployment of robust compliance programs

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
100% of employees signed the Code of Ethics during the current year	% of employees having signed the Wendel Code of Ethics	94%	99%
100% of employees follow Wendel's annual Business Ethics training course	% of employees having followed Wendel's annual Business Ethics training course	98%	99%
Review and strengthen the Code of Ethics annually at Executive Board level to ensure that compliance with the highest standards	Annual review of the Code of Ethics at the Executive Board level [Yes/No]	Yes	Yes
Ensuring that the robustness of our anti-corruption program is assessed annually	Annual audit of Wendel's Anti-corruption Program [Yes/No]	No	Yes

– SOCIAL & ENVIRONMENT

Carefully selecting and collaborating with our suppliers to ensure they meet our ESG standards

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
Deploy a Responsible Procurement approach	% of suppliers with a "responsible purchasing" approach	27%	Program implemented in 2022. First assessment carried out in 2021 based on suppliers employed in 2020
	% of suppliers with a third-party ESG label	51%	

– ENVIRONMENT

Minimizing our direct environmental impact and our carbon footprint by making eco-efficiency a priority in the decision-making process

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
Carrying out annual carbon reporting	Direct GHG emissions (scopes 1 & 2) (tons of CO ₂ eq.)	130	128
	Indirect GHG emissions (Scope 3) (tons of CO ₂ eq)	2,978	6,219
	CO ₂ eq emissions intensity scopes 1 + 2 + 3 per employee (tons of CO ₂ eq/employee)	38	75
Reducing our carbon footprint by sourcing 100% renewable energy for Wendel offices worldwide	% of renewable energies in Wendel's energy consumption	21%	26%
Reducing our carbon footprint by: - offsetting all GHG emissions that cannot be avoided or reduced further; - offsetting travel-related carbon emissions	GHG emissions offset (tons of CO ₂ eq)	Program launched in 2021	400
	% of emissions offset	Program launched in 2021	6%
Promoting circular solutions and minimizing office waste going to landfill	% of employees covered by recycling systems	100%	100%
	Total volume of waste recycled per employee (tons)	0.08	0.06
Deploying a plan to reduce the use of paper across all offices	% change in paper used	- 67%	+ 11%

Foster employability, inclusion, wellbeing, and engagement through concrete actions

— GOVERNANCE

Nurturing diversity and inclusion to expand the teams' perspectives and skills range

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
Adding ESG as a key mission of the Wendel Supervisory Board and Wendel Governance and Sustainable Development Committee	Number of meetings of Wendel Governance and Sustainable Development Committee dealing with ESG related matters	3	3
	Number of ESG Steering Committee Meetings	4	7
Maintaining or achieving gender balance, defined as maintaining a percentage of females within the workforce of between 30 and 60%:			
- among all Wendel employees	% of women among all employees	54%	57%
	Gender equality index result	55/100	53/100
- among employees in management positions.	% of women in management positions	37%	42%
	% of women in investment teams	37%	42%
	% of women on the Executive Board	0%	0%
	% of women on the Investment Committee	33%	29%
Among Executive Board and/or Investment Committee and/or Management Committee	% of women on the Management Committee	45.5%	40%
	% of women on the Coordination Committee	26%	21%
	- at Supervisory Board level	% of women on Supervisory Board	45%
Initiatives aimed at sparking conversations and inspiring change	Number of initiatives to strengthen diversity and non-discrimination	7	5
Conducting an annual review of progress on diversity	Number of Equal Opportunity Reviews conducted annually by Wendel's governance bodies (Committees, Executive Board, Supervisory Board)	10	20
	Review of salary differences M/F over the year [yes/no]	Yes	Yes
	Review of promotion systems & appointment over the year [yes/no]	Yes	Yes
	Review of M/F hiring rates over the year [yes/no]	Yes	Yes

– SOCIAL

Equipping our teams with lasting professional skills by providing all Wendel employees with a personalized career development plan and professional mentorship

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
100% of employees have formalized a skills development plan	Number of employees with a skills development plan	85	84
	% of employees with a skills development plan	100%	100%
100% of employees receiving non-mandatory training each year, in line with their career development plan objectives	% of employees trained (non-mandatory training)	98%	99%
	Number of hours of non-mandatory training (soft skills or technical, in alignment with employee career development objectives)	2,514	2,483
	Hours of non-mandatory training (soft skills or technical, in alignment with employee career development objectives)	29.5	29.5
100% of employees receive mandatory training to acquire general or technical skills essential to their performance at Wendel	Number of hours of mandatory training (e.g. annual business ethics training, etc.)	455	371
	Hours of mandatory training (e.g. annual business ethics training, etc.)	5.4	4.4
Conducting quality-of-life-at-work surveys every two years, starting in April 2020	Survey on quality of life at work [Yes/No]	Yes	Yes
	Participation rate in the survey on the quality of life at work of employees (%)	60%	81%
Formalize and deploy employee wellbeing at work action plans addressing survey findings	Number of employee well-being initiatives in place	6	9

– SOCIAL & ENVIRONMENT

Enabling our teams to contribute to causes aligned with Wendel's values

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
Offering the opportunity to contribute one day per employee per year to non-profit organizations operating in communities where Wendel is present	Hours of volunteer work performed by Wendel employees during working hours (per year)	Deployed in early 2021	8 hours (first launch in 2021)
Establish long-term partnerships with at least two organizations	Number of long-term [> 2 years] partnerships formalized with non-profits [with localization]	3	2
	Amounts (in euros) paid to different community/ philanthropic projects	€881.8 thousand	€834.3 thousand

Investing to support the prosperity and transformation of companies that respect society and the environment

— G O V E R N A N C E

Screening all potential investments using an up-to-date exclusion list reflecting Wendel's values as an investor

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
100% of investment opportunities reviewed using Wendel's exclusion list and identification of the most material ESG risks and opportunities	% of investment opportunities screened through Wendel's exclusion list	100%	100%
	% of investment opportunities reviewed through identification of material ESG risks and opportunities	100%	100%
Annual review of Wendel's exclusion list and business model resilience test criteria at Investment Committee and Supervisory Board levels	Annual review of the exclusion list by Investment Committee and Supervisory Board (Yes/No)	No as implementation started in early 2020	Yes

Conducting ESG due diligence for all potential investments to confirm that the investment thesis is aligned with long-term trends, as well as full, in-depth ESG and compliance assessments on all new investments

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
100% of ESG investment opportunities assessed	% of investment opportunities having undergone in-depth ESG and compliance due diligence	100%	100%

Defining precise ESG roadmaps for all portfolio companies

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
100% of controlled portfolio companies having formalized an ESG transformation roadmap aligned with their global strategy	% of controlled portfolio companies with an ESG roadmap	100%	100%
100% of portfolio companies' progress vis-à-vis this roadmap is reviewed at Company Board level once a year	% of controlled portfolio companies for which progress vis-à-vis this roadmap is reviewed at Company Board level for each company annually	80%	100%
	% of controlled portfolio companies that have had a committee or Board of Directors review an ESG topic	80%	100%

Defining precise ESG roadmaps for all portfolio companies

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
The progress of all controlled companies in the portfolio with respect to their ESG roadmap is reviewed each year by Wendel's Executive Board	% of ESG transformation roadmaps reviewed each year by Wendel's Executive Board	80%	100%
The progress of all controlled companies in the portfolio with respect to their ESG roadmap is reviewed each year by Wendel's Supervisory Board	ESG roadmaps reviewed each year by Wendel's Governance and Sustainable Development Committee and/or Supervisory Board	Yes	Yes

Hold Wendel & portfolio companies management teams accountable for progress made against ESG transformation roadmaps

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
100% of portfolio companies' Executive Management teams' variable compensation is partially conditional on progress vis-à-vis their ESG transformation roadmaps	% of CEOs in the controlled portfolio whose variable compensation is contingent on progress on their ESG roadmaps	80%	100%
Wendel's Executive Board's variable compensation is partially conditional on overall portfolio companies' progress vis-à-vis their ESG transformation roadmaps (including climate change and gender equality)	% of total compensation of the Executive Board contingent on progress on ESG issues	Only variable portion indexed to ESG	19.2%
100% of the variable compensation of Wendel's management teams is partially contingent on the progress made by all controlled portfolio companies on their ESG roadmaps	A variable portion of the Coordination Committee's remuneration is contingent upon the progress of all portfolio companies on their ESG transformation roadmaps [Yes/No]	Yes	Yes

Continuously improving the quality of extra-financial portfolio-level information disclosure

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
Progressively align Wendel's annual extra-financial reporting with international standards, such as the TaskForce of Climate Disclosure (TCFD) reporting framework	Annual PRI score		1 st voluntary participation in 2021 – Score available in 2022
	Alignment with TCFD [Yes/No] Communication on progress (COP) of the United Nations Global Compact KPIs	No	Yes See Section 4.1.9 – Climate Plan of the 2021 Universal Registration Document.

PILIER 2: ESG in our investment business

Roadmap

– ENVIRONMENT & SOCIAL

Assess and address the portfolio companies' exposure to transition and physical climate risks

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
100% of the portfolio companies have completed their carbon footprint assessment and are committed to reducing their emissions.	% of portfolio companies monitoring their carbon footprint.	60%	100%
	% of controlled portfolio companies calculating their scopes 1 and 2 carbon emissions.	80%	100%
	% of controlled portfolio companies that have estimated their scope 3 carbon emissions.	60%	100%
	CO ₂ eq. emissions of scopes 1+2 (k CO ₂ eq.).	104	128
	CO ₂ eq. emissions of scopes 2 (k CO ₂ eq.).	125	142
	Total scopes 3 CO ₂ eq. emissions (kT CO ₂ eq.) of the portfolio.	1,364	1,993
100% of the portfolio companies have completed their carbon footprint assessment and are committed to reducing their emissions.	Total scopes 1, 2 and 3 CO ₂ eq. emissions (kT CO ₂ eq.) of the portfolio of controlled assets.	1,578,880	1,614,917
	% of controlled portfolio companies with a reduction target in place.	60%	100%
	% of controlled portfolio companies committed to submitting their reduction target to the Science-Based Target Initiative (SBTi).	60%	75%
100% of portfolio companies have assessed their exposure to physical and transition climate change risks and opportunities	% of portfolio companies have assessed their exposure to physical and transition climate change risks and opportunities [Yes/No].	-	100 %
	% of controlled portfolio companies using renewable energy for more than 10% of their energy consumption.	40%	50%
	% of renewable energy among portfolio companies.	36%	36%
	% of controlled portfolio companies with identified climate change risk resilience plans.		Risk analysis finalized in 2021. The action plans will be implemented in 2022.

Promote operational excellence & ESG-driven innovation across the portfolio companies

2023 TARGETS	KPIs	2020 VALUES	2021 VALUES
100% of controlled portfolio companies have implemented actions to improve their eco-efficiency and environmental management	% of controlled portfolio companies that have an environmental management system (in particular via ISO 14001 certification) for all or part of their activities	80%	75%
	Lost-time accident frequency rate (per 1,000,000 hours worked)	1.08	1.14
	Workplace accident severity rate (per 1,000 hours worked)	0.04	0.03
100% of controlled companies in the portfolio that have adopted a continuous improvement approach to health and safety in the workplace	% of controlled companies in the portfolio that have implemented a continuous improvement approach in terms of health and safety in the workplace	80%	100%
	% of controlled portfolio companies with a health and safety management system (in particular OHSAS 18001/ISO 45001) for all or part of their scope of activity	80%	75%
	% of controlled portfolio companies that organize health and safety training	100%	100%
100% of controlled portfolio companies are committed to improving gender balance in their workforce	% of controlled portfolio companies are committed to improving gender balance in their workforce	80%	100%
	% of women in the total headcount	29%	29%
	% of women in management positions	24%	23%
	% of women in shareholder governance bodies (Board of Directors or Supervisory Board as appropriate)	23%	26%
	% of women in operational governance bodies (Management Committee or Executive Committee as appropriate)	22%	21%
100% of controlled portfolio companies have identified priorities for offering sustainable products and services and have defined related action plans	% of controlled portfolio companies have identified priorities for offering sustainable products and services and have defined related action plans	100%	100%
	% of net sales associated with products and services with social or environmental added value	28%	54%