

Investor Day

December 1, 2022



WENDEL

Investing for the long term

2022





Agenda

01



André François-Poncet
Group CEO

David Darmon
Group Deputy CEO

Christine Anglade Pirzadeh,
Head of ESG and Corporate
Communication

02



Jérôme Michiels
Executive Vice
President, CFO, Head
of Wendel Growth

Antoine Izsak, Head of
Growth Equity at
Wendel Growth

03



Pim Vervaat
CEO

04



Maarten Heijbroek
CEO

05



Tony Jace
CEO

Susan Driscoll
President

06 ACAMS

Scott Liles
CEO

Mariah Gause
COO

— How to ask questions to our speakers?

Directly from the room

OR

Directly from the webcast



You can submit your questions
in writing directly via the platform

Wendel update

André François-Poncet, Group CEO
David Darmon, Group Deputy CEO



WENDEL

2022 : where do we stand?



Strong growth year-to-date across the portfolio

- 9M 2022 consolidated sales of €6,507.8m, **up 17.9% overall** and **10.9% organically**



Significant portfolio rotation and capital deployment since the start of 2022

- Disposal of Cromology closed in January: €896 million of proceeds to Wendel
- Acquisition of ACAMS in March: €304 million equity invested
- Wendel Growth: €51 million additional commitments in 2022



External growth by group companies

- FFP Packaging Solutions acquisition by Constantia Flexibles
- 4 bolt-on acquisitions by Bureau Veritas



Return to shareholders

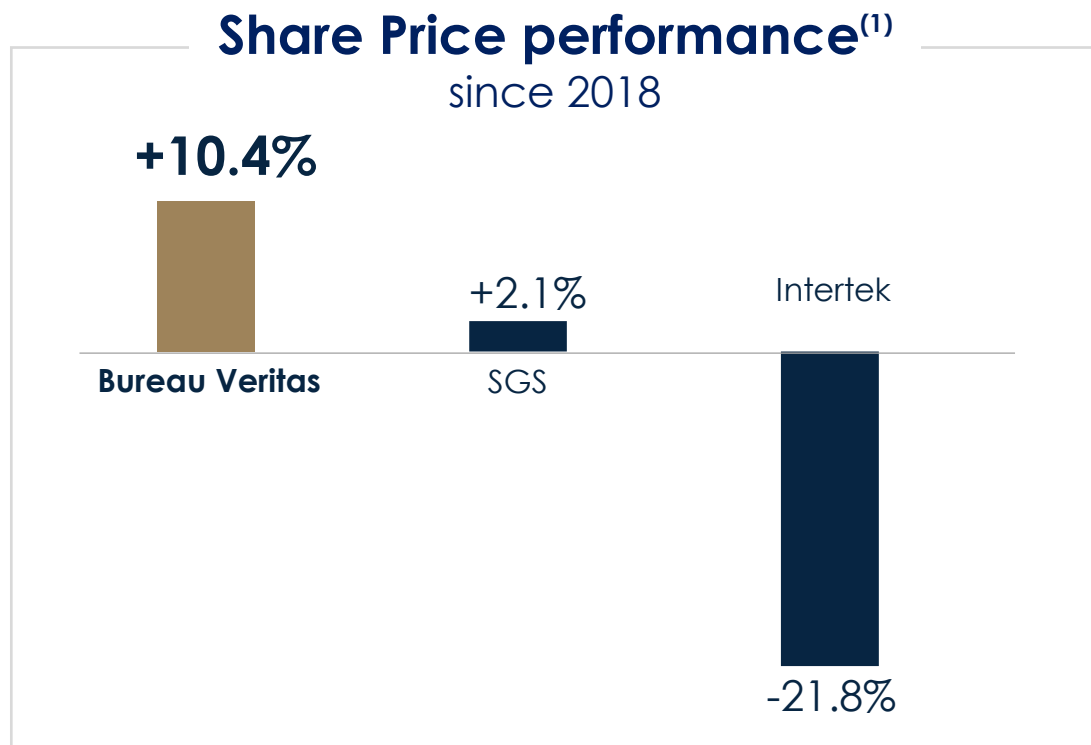
- Cancellation of 377k shares, inducing a positive impact of €0.7/share on NAV
- €3.0 dividend paid on June 22, 2022 and €25 million buy back in 2022




Solid financial structure

- Low leverage at holding and portfolio companies' level

— The market recognizes Bureau Veritas' transformation



	EV/EBIT 2022^{E (2)}
Bureau Veritas 	14.4x
Intertek	14.2x
SGS	18.2x

(1) Source: Factset, as of November 29, 2022. Share price performance and TSR calculated from 12.31.2017

(2) Source: IR Nasdaq as of November 29, 2022

9M 2022 Trading update & portfolio developments

David Darmon, Member of the Executive Board, Group Deputy CEO



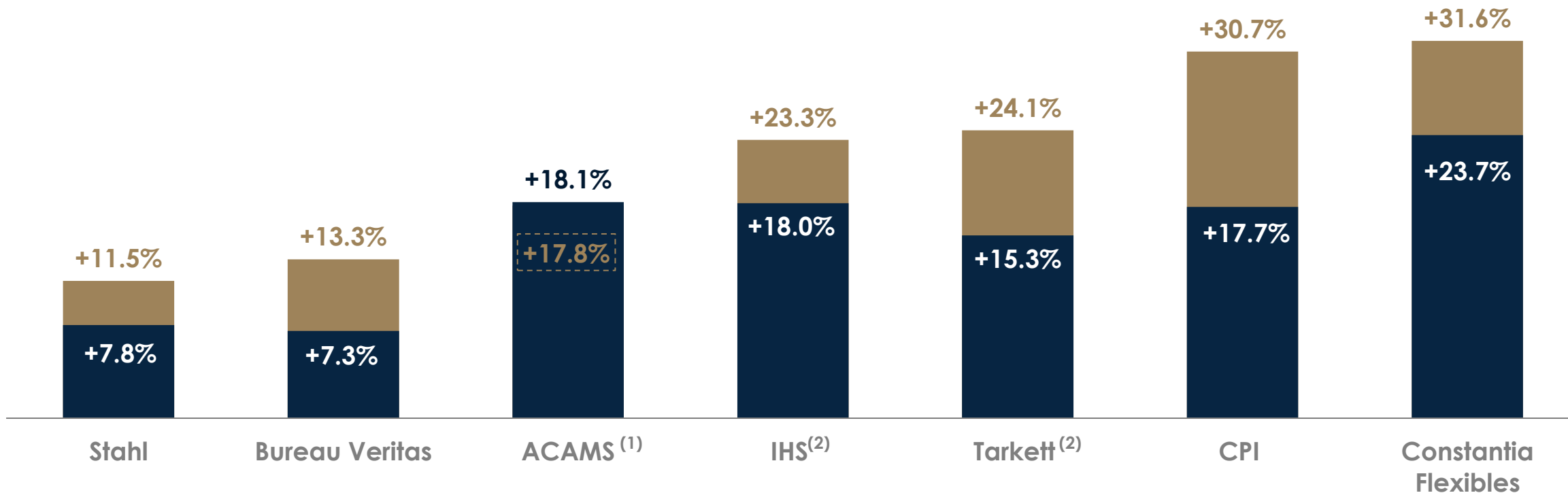
W E N D E L

9M2022: Strong growth across the portfolio, from +11.5% to +31.6%

9-month consolidated sales:
€6.5bn, up **+17.9%** o/w **+10.9%** organic growth

Q3 consolidated sales:
€2.3bn, up **+20.9%** o/w **+12.1%** organic growth

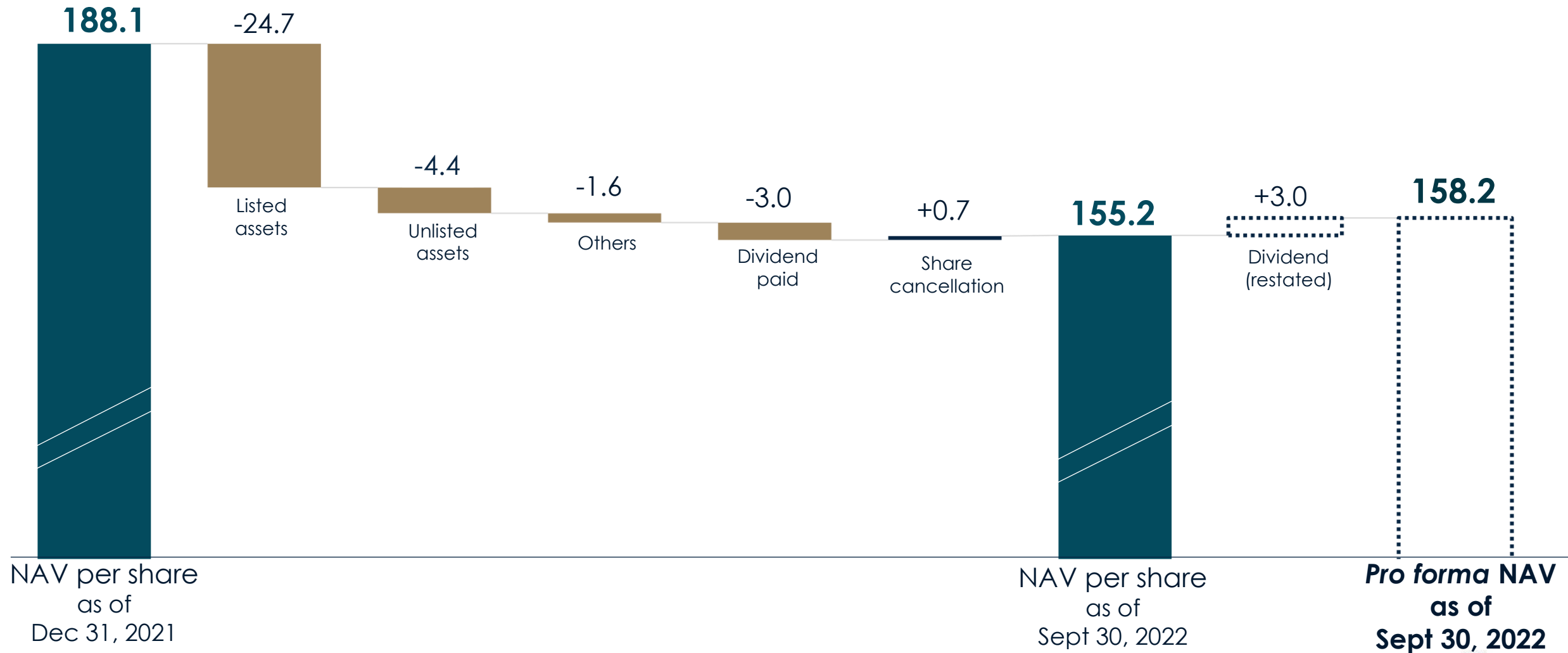
■ Total growth over 9M2022 ■ Organic growth over 9M2022



(1) ACAMS' flagship Las Vegas conference, the largest organized by ACAMS, was held in October 2022, one month later than that of the prior year in September 2021, skewing the year-over-year comparison. Normalized for the timing of this event, pro forma organic growth over the first 9 months would have been 18.1% and total reported 9 months growth would have been 17.8%. Reported organic growth is +8.0% and reported total growth is 7.8%.

(2) Tarkett and IHS Towers are accounted for by the equity method.

— Net Asset Value per share bridge year-to-date



— Wendel is financed at 1.7% on average and has no maturity before 2026



— Strong liquidity

- c. **1€ billion of cash**
- +€750 million of undrawn credit facility until July 2027



— Strong Maturity Profile

- Average maturity of **6.6 years**
- No bond maturity before April 2026
- Successful issue in January 2022 of a **12-year bond @1.375% coupon**



— Optimized cost of debt

- **100% fixed debt**
- **1.7%** of weighted average cost of bond debt










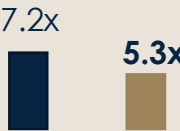

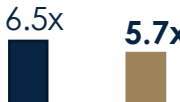



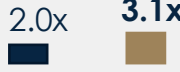
— Solid Credit Rating

- **6.0% LTV** ratio
- Moody's credit rating: **Baa2/stable**
Since September 5, 2018
- S&P credit rating: **BBB/stable**
Since January 25, 2019

As of September 30, 2022

Overall solid financial structure with balanced maturity profiles for our portfolio companies

Minority holdings

	Net debt to EBITDA (end of 2019 end of June 2022 ⁽¹⁾)	Net debt (as of June. 30 2022 including IFRS 16)	Fixed rate debt ⁽³⁾	Weighted Average maturity ⁽³⁾	
	1.9x 	€1,089m	100%	4.2 y	The lowest leverage level since IPO in 2007
	2.0x 	€392m	36%	2.4 y	Acquisition of Propak in H1 2021
	1.9x 	€184m	50%	1.2 y	Historically low leverage
	7.2x 	\$312m	32%	4.3 y	Debt swapped to fixed rate in 2022
	6.5x 	\$144m ⁽²⁾	70%	4.6 y	Acquisition signed on March 10, 2022 ⁽²⁾
	1.7x 	€778m	81%	5.4 y	4.7x at Tarkett Participation level with €1,136m net debt
	2.0x 	\$3,234m	66%	4.7 y ⁽⁴⁾	Tower count up from 27.8k to 39.4k

(1) As per credit documentation. Tarkett net debt to EBITDA from end-2020. ACAMS net debt from end-2021.

(2) There is no IFRS 16 impact on ACAMS. Net debt and leverage are pro forma for transaction closed.

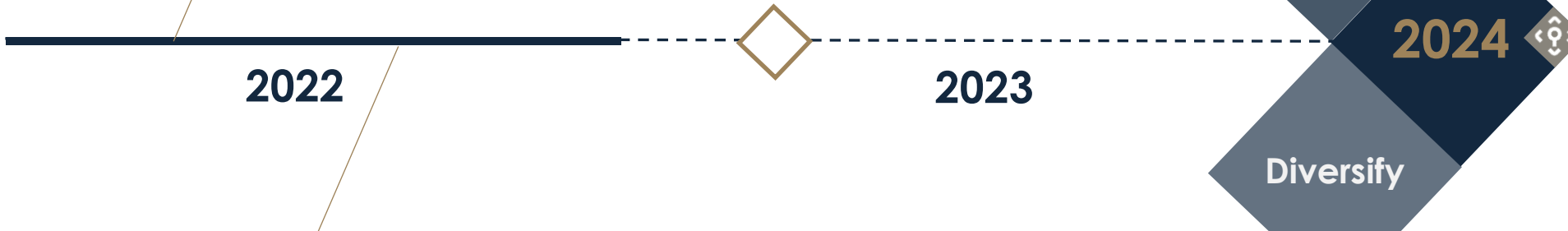
(3) As of end of September 2022. Fixed rate debt or subscribed to a fixed rate swap.

(4) Maturity profile as of September 30, 2022, pro forma for the drawn portion of the new \$600M three-year bullet term loan agreement entered in October 2022. This includes having used the proceeds to repay the IHS Holding bridge facility and U.S. dollar tranche of the Nigeria Senior Credit Facilities in November 2022 and the drawn portion of the BRL 400M (\$74M equiv.) eight-year term loan agreement entered in October 2022 for I-Systems. Maturity profile only includes the current drawn facilities and assumes FX rates as of September 30, 2022. Figures represent full year impact of debt maturity profile (excluding 2022 which only considers Q4 2022) and excludes Letters of Credit.

Wendel's portfolio in 2024

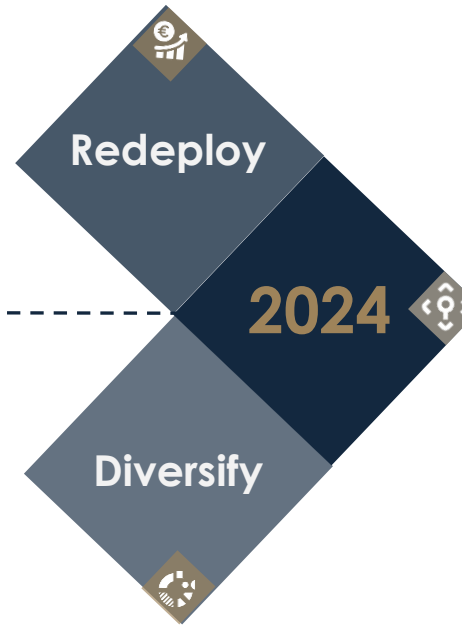
 **€380m deployed in 2022** ⁽¹⁾

c.€304m invested to acquire ACAMS (the world's largest membership organization dedicated to fighting financial crime)



Wendel Growth: €167m total commitments as of September 2022

Focus on redeploying our capital towards **higher growth companies with a commitment to ESG**, while remaining reasonably opportunistic



- Target portfolio of **7-10 companies** with **new investments in €150-€500M range**
- Reach **5-10% exposure in Wendel Growth** (funds & direct investments)

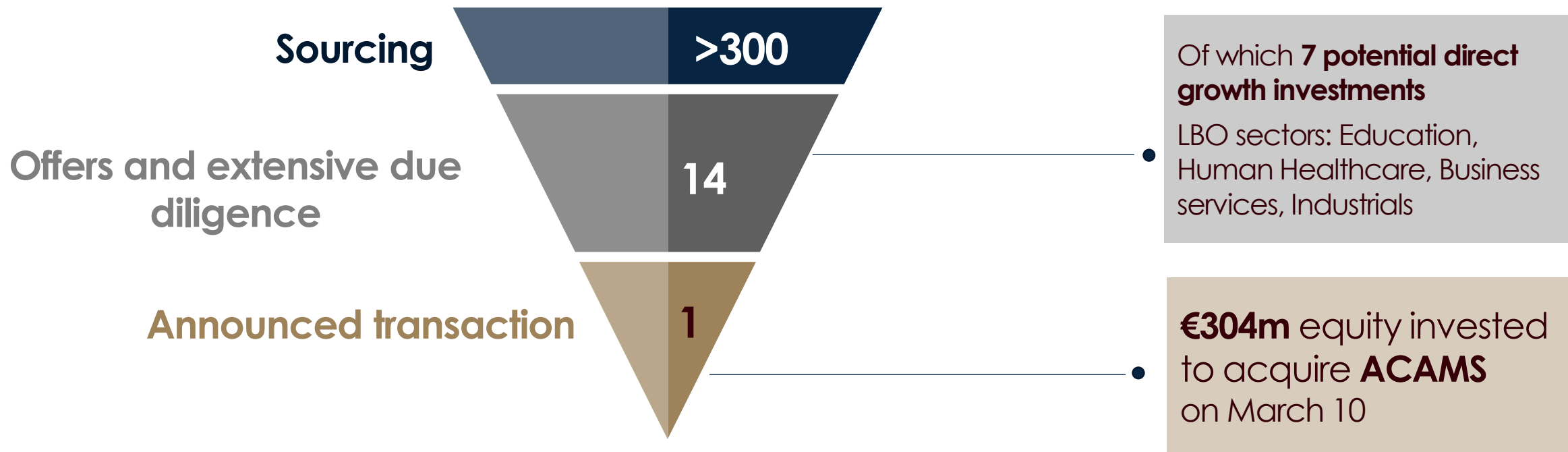
Diversify investment portfolio with **balanced exposure to listed and unlisted companies**

(1) Including €25m of share buyback

— Sustained activity in 2022, especially for the Wendel Growth team

New Opportunities

Year to date count



+5 build-up opportunities solely financed by Group companies

Charles Goulet and Xavier Lemonnier appointed Managing Directors



Charles Goulet joined Wendel in 2010. He is a Board Member of Tarkett Participation and Observer on the Board of Directors of Tarkett SA.

Since joining Wendel, Charles has been actively involved in multiple transactions at Wendel, including in recent years the investments in Mecatherm and Cromology which were sold in 2018 and 2022. Within the investment team, he covers in Europe the Business Services and Healthcare sectors.

Charles started his career at AXA Private Equity (now Ardian) in London as an Analyst in the private debt and fund-of-funds teams.

Charles is a graduate of ESSEC Business School and holds a degree in Law.



Xavier Lemonnier joined Wendel in 2018. He is a Board member of Stahl and a member of the team managing our investment in Bureau Veritas.

With a generalist background, Xavier has contributed in recent years to the development of the TMT and Education sectors within the investment team in Europe.

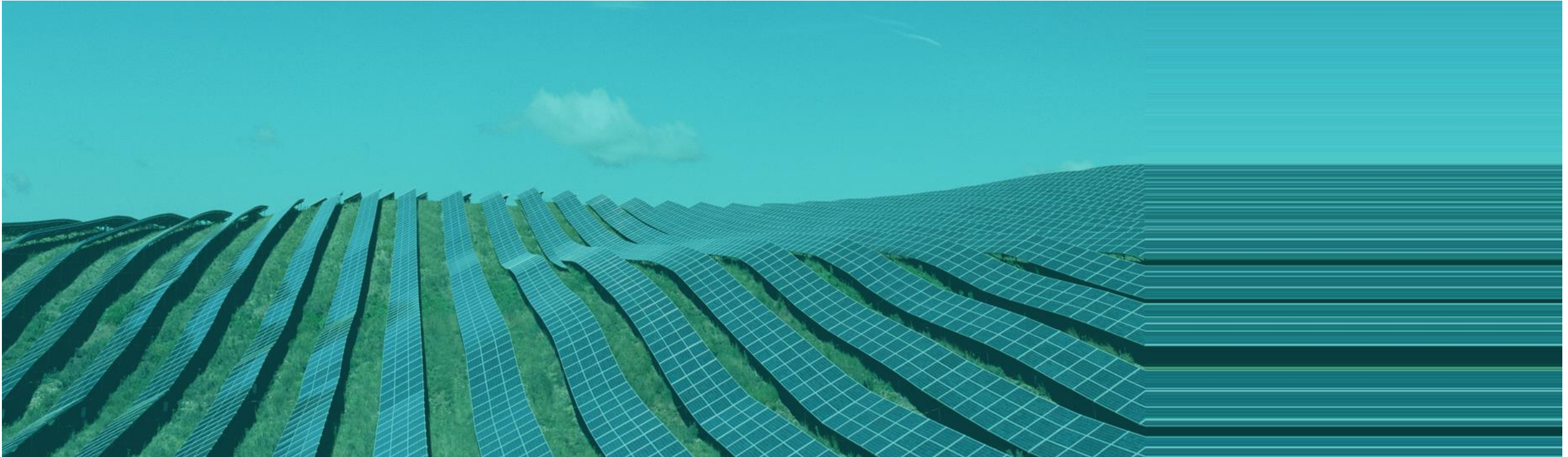
Prior to joining Wendel, Xavier worked for nine years at BC Partners, in Paris and then in London, where he was involved in numerous investments across Europe, in a variety of sectors notably Consumer & Retail and Financial Services.

Xavier started his career in 2008 at Merrill Lynch's investment banking group where he worked on cross-border transactions involving French clients.

Xavier is a graduate of École Polytechnique and ENSAE ParisTech.

ESG

Christine Anglade Pirzadeh, Head of ESG and Corporate Communication



W E N D E L

—In three years, Wendel has become a company recognized for its ESG performance

- **4 priorities: climate, gender, health and eco-conception**
(55%⁽¹⁾ of Bureau Veritas sales)



- **ESG integrated throughout the investment cycle**
(exclusion list, due diligence, roadmap and divestment)
- **Solid ESG Ratings**

(1) As of September 30, 2022

(1) As of September 30, 2022

— Wendel has embedded ESG through its investment cycle



— Wendel ESG disclosures comply with leading reporting standards

Regulatory



NFRD (EFPD)



Duty of Care



Best practices



GREENHOUSE GAS PROTOCOL



SCIENCE BASED TARGETS

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES



Commitment



PRI | Principles for Responsible Investment

France Invest
Association des investisseurs pour la croissance

Gender Parity Charter

Robust ESG ratings



Solid ESG ratings confirmed in 2022

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

2021

76/100

DJSI World and Europe

MSCI 

AA score

Among the 39% best
rated

 **SUSTAINALYTICS**

Negligible Risk

Inclusion in the Global top
50 best-rated companies

REFINITIV 

79

4/57 Out of Investment
Holding Companies in 2022

MOODY'S | ESG Solutions

58/100

#4 among diversified
financials (june 2022)

 **CDP** 2021

B-

 **Gaia
RATING**

81/100



Ranked 9th in the SBF120 according to the last ranking of the **number of women in the executive bodies** of SBF120 companies, commissioned by the French government

Climate change - Mitigation

Consolidated perimeter as of 12.31.2021, excluding ACAMS, integrated in 2022



Committed

637,512



Aligned – well below 2°

1,639,120 ⁽¹⁾



Committed

597,711 ⁽²⁾

2,403

226,577

986,813

399,271

2,256

-30% by 2025 ⁽³⁾
2019 basis

(currently -13%)

- 24% by 2030
2015 basis

(currently -17%)

- 25% by 2031
2021 basis ⁽⁴⁾

-38% by 2024 ⁽⁵⁾
2021 basis

Reduction target (scope 1, 2, 3)

100%
of portfolio controlled companies have defined a **reduction target**

75%
of controlled portfolio companies are under **SBTi commitment**

(1) 2021 emissions scope 3 have been reassessed. The reassessment for 2021 emissions will be published in 2023
 (2) 2021 emissions scope 3 have been reassessed in the context of SBTi submission. The reassessment for 2021 emissions will be published in 2023
 (3) Scope 1, 2, 3 business travel– target for the full scope 3 will be published in 2023. The relative target is currently calculated in tons per employee
 (4) Scope 3 - representing 90% of the carbon footprint
 (5) Absolute target calculated in tons per employee

— ESG fully embedded in management compensation and recent financing

Management



17% of Wendel's CEO total compensation is **conditioned to ESG objectives**



For FY2021, **100%** of our controlled companies' CEOs* have an element of **variable compensation** tied to the **achievement of ESG objectives**

Employees



>20% of Wendel SE employees have a part of their variable compensation **tied to ESG objectives**



94% of Wendel's employees received **stock-options with an ESG performance condition** (assessment of climate risk)

Finance



ESG objectives embedded in the financial conditions of the **€750 million undrawn syndicated loan maturing in 2027**

* excluding ACAMS, integrated in 2022

Q&A session



W E N D E L

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Appendix



W E N D E L

Wendel's 2024 target portfolio & returns

	Listed Equity	Private Equity Buyout	Private Equity Growth Equity/ VC ¹
% of NAV	Balanced %		c. 5 to 10% ⁽²⁾
Target average annual return profile	Above c.7%	Above c.10%	c. 10-15% (for funds) Above 25% in direct investments

(1) Including funds

(2) Ambition to reach €500m exposure in the medium term (5 to 10% of NAV)

— A yearly update of our Exclusion Policy

On Nov 9th, 2021, The executive Board approved an update of Wendel's exclusion policy, adding new banned sectors and guidelines to be observed in our investment process. **Wendel is committed to reviewing its exclusion policy every year.**

« In addition to refraining from investing in entities involved in the production, marketing trade, or use of illegal products or activities, Wendel will also not invest in entities directly responsible for the production, distribution, marketing or trading in :



1. Tobacco;
2. Pornography;
3. Controversial weapons : Nuclear weapons (Treaty on the Nonproliferation of Nuclear Weapons (1968)), and depleted uranium munitions, biological and chemical weapons (biological and Toxin Weapons Convention (1972), anti-personnel mines (Ottawa Treaty (1997)), *cluster weapons (Oslo Convention on Cluster Munitions (2008))*, goods which have no practical use other than for the purpose of “*capital punishment, torture or other cruel, inhuman or degrading treatment or punishment*”
4. Firearms ➔
5. Gambling facilities or products;
6. Coal mining and coal-based power generation;
8. Narcotics
9. Fur ➔
10. Asbestos ➔

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