





4.1.5.3 2023 ESG Roadmap

Building sustainable businesses

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

	2023 objective	2020	2021	2022	Achievement	
INVESTMENT	Pre-investment phase	100% of investment opportunities screened through Wendel's exclusion list	100%	100%	100%	
		100% of investment opportunities reviewed through identification of the most material ESG risks and opportunities	100%	100%	100%	
		Annual review of Wendel's exclusion list and business model resilience test criteria at Investment Committee and Supervisory Board levels	No	Yes	Yes	
		100% of ESG investment opportunities assessed (in-depth due diligence)	100%	100%	100%	
	Ownership phase (Governance)	100% of controlled portfolio companies to have formalized an ESG transformation roadmap aligned with their global strategy	100%	100%	100%	
		100% of controlled portfolio companies for which progress in relation to this roadmap is reviewed at Company Board level for each company annually	80%	100%	100%	
		100% of controlled portfolio companies that have had a committee or Board of Directors review an ESG topic	80%	100%	100%	
		100% of ESG roadmaps reviewed each year by Wendel's Executive Board	80%	100%	100%	
		ESG roadmaps reviewed each year by Wendel's Governance and Sustainability Committee and/or Supervisory Board	Yes	Yes	Yes	
		100% of controlled portfolio companies have identified priorities for offering sustainable products and services	100%	100%	100%	
Ownership phase (Environment)	% of net sales associated with products with environmental added value (see section 4.1.5.4)	28%	53%	55%	N/A	
	100% of controlled portfolio companies monitoring their carbon footprint (Scopes 1, 2 and 3)	60%	100%	100%		
	100% of controlled portfolio companies committed to reducing their emissions	60%	100%	80%		
	<i>Of which the pathway has been committed to or approved by the SBTi</i>	60%	75%	60%	Integration of ACAMS in 2022	
	100% of controlled portfolio companies to have assessed their exposure to physical and transition climate change risks and opportunities	100%	100%	80%	Integration of ACAMS in 2022	
	<i>Of which controlled companies that have implemented climate change risk resilience plans</i>	0%	0%	80%	Integration of ACAMS in 2022	
	100% 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%	60%	Not material for ACAMS and CPI	
	Ownership phase (social)	100% of controlled portfolio companies to have adopted a continuous improvement approach to health and safety in the workplace	80%	100%	80%	Deployment in progress for ACAMS
		<i>Of which certified management systems (OHSAS 18001 or ISO 45001)</i>	80%	75%	60%	Not material for ACAMS and CPI
		100% of controlled portfolio companies that organize health and safety training	100%	100%	80%	Integration of ACAMS in 2022
30% women among all people appointed directly or indirectly by Wendel to the relevant boards (boards of directors or equivalent) in the portfolio		21%	26%	29.8%		
100% of controlled portfolio companies to be committed to improving gender balance in their workforce		80%	100%	100%		
<i>% of women in the total workforce of controlled companies</i>		29.2%	29.1%	29.3%	N/A	
<i>% of women in management positions</i>	24%	23%	25%			
<i>% of women in shareholder governance bodies</i>	23%	26%	29%	N/A		
<i>% of women in operational governance bodies</i>	22%	21%	27%			

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		2023 objective	2020	2021	2022	Achievement
GOVERNANCE	Compensation	% of CEOs in the controlled portfolio whose variable compensation is contingent on progress on their ESG roadmaps	80%	100%	80%	 Integration of ACAMS*
		Define a % of total compensation of the Executive Board contingent on progress on ESG issues	Only variable portion indexed to ESG	19.2%	16.9%	
		A variable portion of the Coordination Committee's compensation to be contingent on the progress made by all portfolio companies on their ESG transformation roadmaps	Yes	Yes	Yes	
	Non-financial information	Progressively align Wendel's annual non-financial reporting with international standards, such as the Task Force on Climate-related Financial Disclosures (TCFD) reporting framework	No	Yes (see section 4.1.5.5)	Yes (see section 4.1.5.5)	

* As Wendel only consolidated ACAMS in 2022, certain ESG policies and actions were still being implemented as of the date of publication. The first ESG targets determining a portion of the CEO's variable compensation have been set for 2023.

4.1.5.4 Responsible investment strategy

Integration of non-financial performance throughout the investment cycle**Risks and opportunities**

By investing for the long term, Wendel is committed to working with entrepreneurial teams to build sustainable leaders. Wendel believes it is essential for the companies in which it invests to take into account non-financial issues, both in terms of the risks they may involve and the sustainable value creation opportunities.

Wendel makes sure that management in its portfolio companies takes the appropriate measures to prevent and/or mitigate non-financial risks and seize every opportunity to create value over

the long term. For Wendel, this is a matter of strengthening its positive impact - in strict compliance with its role as a shareholder and with rules of governance - on the companies in its portfolio by encouraging them to take non-financial issues into account in a tangible way.

Policies and outcomes

Wendel has defined a responsible investment procedure that is enriched as investment opportunities arise, and integrates the study of risks and opportunities throughout the cycle of its investments.