



W E N D E L

# Letter to shareholders



September  
2023

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# Editorial

Dear Shareholders,

In this latest edition of our letter to shareholders, we look back at the Shareholders' Meeting held in June and the main topics discussed, and we provide an update on the progress of the Supervisory Board.

This issue also features news about Wendel and our portfolio companies, including a number of appointments and announcements of recent acquisitions, including the completion of the purchase of Scalian and the ongoing sale of Constantia Flexibles.

We also have good news on the ESG front, with the approval of Stahl and Bureau Veritas' CO<sub>2</sub> emissions reduction targets by the Science Based Targets initiative (SBTi). At Group level, Wendel is also committed to SBTi to implementing greenhouse gas emission reduction targets.

Lastly, you can find all the necessary practical information in our shareholders' handbook.

We wish you all a good start to this new season!

**The editorial team**

Net asset value (NAV)  
AS OF JUNE 30, 2023



Restated from the €3.2 dividend per share paid in June 2023, NAV is overall stable year-to-date (-0.9%)

Consolidated <sup>(1)</sup>  
H1 2023 sales



Up 6.5% overall and  
6.0% organically

Ordinary dividend



for 2022

Up 6.7% compared to 2021

The ex-dividend date was June 19, 2023, the dividend was paid in cash on June 21, 2023.

€ 557<sup>m</sup>

in equity invested to acquire  
Scalian, deal closed on  
July 27, 2023

€ 1,097<sup>m</sup> <sup>(2)</sup>

Net proceeds expected  
from the sale of Constantia  
Flexibles (subject to the final  
completion of the transaction)

8.5% <sup>(3)</sup>

LTV ratio  
as of June 30, 2023

(1) Constantia Flexibles is classified within discontinued operations and operations held for sale (IFRS 5) and is no longer included in consolidated sales.

(2) Additional proceeds generated by the Company's ongoing assets disposals, could bring the proceeds up to €1,124 million.

(3) Before the completion of the Scalian and Constantia Flexibles transactions. Pro forma of these transactions and of the dividend received from Bureau Veritas, the LTV ratio would be non-material.



## 2023 Shareholders' Meeting

Wendel's Annual General Meeting was held on Thursday, June 15, 2023, at the Verso conference center in the 9<sup>th</sup> *arrondissement* of Paris, just a few steps away from Wendel's former headquarters.

It was an opportunity for Laurent Mignon, who took up the position of Group CEO last December, to introduce himself to the shareholders at his first General Meeting. After summarizing fiscal year 2022, Laurent Mignon detailed Wendel's new strategic directions, announced in March at the time of the annual results. In particular, he highlighted the Company's pro-active portfolio management policy, and its intention to invest €2 billion within the next two years, through individual equity investments of between €300 and €600 million.

Laurent Mignon also mentioned the new third-party asset management business we are developing, with the aim of creating long-term value. Lastly, the Group CEO explained the new dividend policy, which will consist of *"paying out around 2% of NAV each year, compared with 1.6% to 1.7% up to now, with a minimum objective of dividend stability"*.

David Darmon, member of the Executive Board and Group Deputy CEO of Wendel, took the floor

to report on business in the first quarter of 2023 and to present the Group's first acquisition in line with Wendel's new strategic directions, namely Scalian, a leading European consulting firm in digital transformation, project management and operational performance (find out more about this acquisition on page 9-10).

Christine Anglade Pirzade, Director of Sustainable Development and Communication, then presented Wendel's ESG performance, highlighting the progress made by consolidated portfolio companies.



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

**Laurent Mignon**, Group CEO

**Nicolas ver Hulst**, Chairman of the Supervisory Board

**Caroline Bertin Delacour**, General Counsel and Group Chief Compliance Officer

## Changes within the Supervisory Board

As Jacqueline Tammenoms Bakker did not seek the renewal of her term of office, the shareholders approved the appointment of Fabienne Lecorvaisier, formerly Chief Financial Officer of Essilor and then Air Liquide, as well as the renewal of the terms of office of Gervais Pellissier and Humbert de Wendel.

**The 23 resolutions submitted to the vote of Wendel shareholders at the Combined Shareholders' Meeting of June 15, 2023 were adopted.**

At the close of the Shareholders' Meeting, William D. Torchiana succeeded Jacqueline Tammenoms Bakker as Chairman of the Governance and Sustainability Committee. Fabienne Lecorvaisier became a member of the Audit, Risks and Compliance Committee.

## Dividend

**The Shareholders' Meeting approved the dividend of €3.20 per share, up 6.7% compared to 2022,** representing a dividend yield of 1.9% based on Wendel's NAV as of December 31, 2022 and of 3.3% based on the share price as of March 15, 2023. The ex-dividend date was June 19 and the dividend was paid on June 21, 2023.

“

I intend to bring to the Wendel Group my operational experience in France and internationally and my financial expertise, in mergers and acquisitions of course, but also in risk management and corporate social responsibility.

”



**Fabienne Lecorvaisier,**  
Member of the Supervisory Board of Wendel



## NEWS ABOUT WENDEL

# Appointments

05.25.2023

As part of Wendel's new strategic directions, announced on March 16, the Executive Board decided to entrust Jérôme Michiels with the responsibility of structuring its third-party asset management activity. This new mission is added to his responsibilities as Executive Vice-President, in particular searching for new investment opportunities, monitoring certain direct portfolio companies, managing Wendel Growth and continuing to supervise Wendel's financial communications team, whose organization remains unchanged.

Following this change, Benoît Drillaud was promoted to Chief Financial Officer of Wendel. Reporting to the Executive Board, he is responsible for managing the Finance and Accounting Department.

### **Jérôme Michiels' profile**

Jérôme Michiels, 48 years old, joined Wendel at the end of 2006 as Investment Director and was promoted to Director in January 2010. He was appointed Managing Director in January 2012, and joined the Investment Committee at this date.

On October 1, 2015, he was appointed Chief Financial Officer of the Wendel Group and also joined the Management Committee. On September 11, 2019, he was promoted to Deputy Chief Executive Officer.

From 2002 to 2006, Jérôme was an Associate at the investment fund BC Partners. Prior to that, he worked as a consultant at Boston Consulting Group from 1999 to 2002, carrying out strategic missions in Europe, particularly in the fields of distribution, transportation, telecommunications, and financial services.

He is a graduate from HEC.



**Jérôme Michiels**, Executive Vice-President

## Benoît Drillaud’s profile

Benoît Drillaud, 48 years old, joined Wendel in 2004 as Accounting and Financial Operations Officer and was appointed Deputy Director of Accounting and Financial Affairs in 2007. In 2013, he was promoted to Deputy Chief Financial Officer, a position he has held until now. He is also a member of the Management Committee.

Benoît is a former Board member and Chairman of the Audit Committee of Cromology and Tsebo.

Prior to joining Wendel, Benoît was an auditor at PricewaterhouseCoopers for five years.

He holds a Master’s degree in finance from ESCP and a DEA in economics from the University of Paris I Panthéon-Sorbonne;

**For more information, please read the [press release available on our website](#).**



**Benoît Drillaud, CFO**

07.17.2023

## Appointment of Cyril Marie

Cyril Marie was appointed Executive Vice-President Strategy and Corporate Development at Wendel, with effect from July 25, 2023. In this capacity, he will be in charge of external growth and development projects (M&A, management companies and strategic partnerships).

## Cyril Marie’s profile

Cyril Marie, 48 years old, has over 15 years’ experience in asset management. He was previously Chief Financial Officer, Head of Strategy & Corporate Development and a member of the Executive Committee of Natixis Investment Managers.

He joined Groupe BPCE in 2002, where he held several positions in the Finance and Strategy Department. In 2009, he joined Natixis Investment Managers and became Chief Financial Officer in 2017. In this capacity, he was involved in the development of Natixis’ multi-affiliate model through the acquisition and creation of management companies, and by chairing the Boards of Directors of numerous affiliates.

Cyril Marie is a graduate of Paris-Dauphine University (DEA Finance).

**For more information, please read the [press release available on our website](#).**



**Cyril Marie, Executive Vice-President Strategy and Corporate Development**



07.24.2023

## Maud Funaro joins Wendel's Operating Team as Operating Director

Maud Funaro's appointment will reinforce the Operating Team, led by Jérôme Richard and David Varet. In particular, Maud will bring solid experience in digital transformation to the team and to our portfolio companies. This recruitment is in line with Wendel's commitment to strengthen its role as an active shareholder in its portfolio companies, with value creation as its compass.

### Maud Funaro's profile

Maud Funaro, 43 years old, began her career in 2005 as an economist at the French Treasury Department. In 2010, she joined the Boston Consulting Group before becoming General Manager of the lingerie brand Madame Aime (formerly Lejaby). From 2016 to 2021, she worked as Strategy, Digital and Innovation Director for E. Leclerc, reporting to Michel-Edouard Leclerc, in order to accelerate the group's data and e-commerce performance. She joined the Printemps group in early 2021 as Chief Transformation Officer, to lead the group's shift towards omnichannel sales and personalized customer relationships.

Maud is a graduate of HEC, Sciences Po Paris, ENSAE Paris and the London School of Economics (LSE). She also holds a PhD in Economics from the Ecole des hautes études en sciences sociales (EHESS).



**Maud Funaro**, Operating Director

## Other news

06.12.2023

### Wendel extends its bond debt maturities

Wendel has successfully placed a new €300 million bond issue maturing in June 2030 and bearing interest at 4.5%. The issue was very well received by investors and was more than 2.5 times oversubscribed.

Wendel will use the net proceeds of the issue for its general corporate purposes, including the repurchase of the bond maturing in April 2026. On June 19, Wendel announced the success of the offer to repurchase its 2026 bond issue for a nominal amount of €90.8 million.

**For more information, please read the [press release available on our website](#).**

07.27.2023

### Completion of the acquisition of Scalian

After announcing on April 27 that it had entered into exclusive negotiations, Wendel completed the acquisition of the Scalian group, a leading European consulting firm in digital transformation, project management and operational performance, from Cobepa, with an equity investment of €557 million, representing an enterprise value of around €965 million. Wendel holds close to 82% of Scalian's capital, alongside the management of the company.

Founded in 1989, Scalian is ranked among France's Top 10 engineering consulting firms, and is also active internationally, providing industrial project management services for issues pertaining to supply chain (costs, quality, deadlines, performance), digital

engineering from architecture to embedded digital systems development and system applications, big data and AI. Scalian also addresses optimization and performance of projects and organizations, as well as providing digital transformation support for industry and service sector leaders.

The group expects to reach c. €515 million in revenue, an adjusted EBITDA<sup>(1)</sup> margin of c. 14% as of June 2023 LTM, and totaled c. 5,500 employees at this date.

Since 2015, the company has delivered average annual growth of around 30% of its revenue, including 12% of organic growth despite the Covid health crisis, amplified by a selective external growth strategy, in France and internationally, with nine acquisitions completed over the same period.

**For more information, please read the [press release available on our website](#).**



Scalian and Wendel management teams at the signature

07.31.2023

## Sale of Constantia Flexibles

Wendel signed an agreement to sell Constantia Flexibles, a global leader in the flexible packaging market, to an affiliate of One Rock Capital Partners, LLC.

Constantia Flexibles would be sold for a price that yields net proceeds for Wendel<sup>(2)</sup> of c. €1,097 million, reflecting a multiple of 1.94 times Wendel's total investment in Constantia Flexibles since 2015. The transaction net proceeds are €84 million above Constantia Flexibles' valuation in Wendel's net asset value published before the transaction announcement, i.e. as of March 31, 2023.

Furthermore, additional proceeds generated by the Company's ongoing assets disposals, could bring the proceeds up to €1,124 million, i.e. a valuation 11.0% higher than the NAV at March 31, 2023, and 6.8% higher than the NAV at June 30, 2023.

The closing of the transaction should take place during the second half of 2023, subject to the satisfaction of the contractual conditions precedent, including clearance by regulatory authorities.

## History of Wendel's investment in Constantia Flexibles

In March 2015, Wendel finalized the acquisition of Constantia Flexibles for an enterprise value of €2.3 billion and invested €640 million in equity for a 73% stake in the company, alongside the AREPO Foundation.

In fall 2015, Wendel signed an agreement to syndicate a minority share of its investment. In November 2015, Maxburg Capital Partners acquired approximately 11% of the capital of Constantia Flexibles from Wendel for €101 million. Following this transaction, Wendel, the AREPO Foundation and MCP participated in a €50 million capital increase for Constantia Flexibles, to finance the acquisitions of Afripack and Pemara.

(1) Adjusted EBITDA after IFRS 16 calculated according to Wendel's usual methodology.

(2) Net proceeds after financial debt, dilution to the benefit of the Company's minority investors, transaction costs and other debt-like adjustments.

Following these transactions, Wendel’s equity investment in Constantia Flexibles totaled €565 million. Wendel is the company’s controlling shareholder, with 60.8% of the share capital.

In 2017, Constantia Flexibles sold its Labels business to Multi-Color Corporation. This value-creating transaction gave the company additional resources to bolster its growth strategy in the flexible packaging market, where it is a world leader in segments such as confectionery foils, die-cut lidding, alu-container systems and pharma foil.

Under its ownership, Wendel supported Constantia Flexibles in its external growth strategy, with 11 acquisitions in 10 countries.

## ESG

For more than eight years, Wendel has actively supported Constantia Flexibles in its ESG challenges, and more specifically in the issues of the circular economy, the fight against climate change and occupational health and safety.

**For more information, please read the [press release](#) available on our website.**

## ESG achievements of Constantia Flexibles



In 2022, **85%** of Constantia Flexibles products are designed for recycling or have a recyclable alternative.



An accident frequency rate falling from **13.4 in 2014** to **2.2 in 2022**.



A- rating from the CDP and Ecovadis Gold medal, ranking Constantia Flexibles among **the top 2% of companies** in its sector.



Since 2018, Constantia Flexibles has implemented a **greenhouse gas emissions reduction trajectory** approved by the SBTi.



 NEWS ABOUT  
OUR COMPANIES

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## Vincent Bourdil appointed Executive Vice-President of Bureau Veritas Global Business Lines and Performance

Since May 1, 2023, Vincent Bourdil has reported to Hinda Gharbi, Chief Executive Officer of Bureau Veritas, and joined the Group Executive Committee.

This newly created position is designed to develop the portfolio in Commodities, Industry, Certification and Facilities and will help anticipate market and customers' needs and enable performance programs across global operations.

Hinda Gharbi said: *"Vincent's experience [...] brings a perfect blend of strategic thinking, strong operational skills and commercial focus to this role. His leadership, energy and customer centricity will be pivotal to our success as we accelerate our growth and performance."*

Vincent Bourdil joined Bureau Veritas in 2016 to build and drive the Global Food Service Line. In 2019, he was promoted to Vice-President of CIF South-East Asia, based in Singapore.



In 2020, Vincent became the Senior Vice-President for South-East Asia and Pacific Regions, where he has successfully led a deep business acceleration towards a more diversified and sustainable portfolio, driving superior growth generation and enhanced performance.

Vincent Bourdil graduated from HEC Paris.

**For more information, please read the [press release available on our website](#).**



**Vincent Bourdil, Executive Vice-President Global Business Lines and Performance, Bureau Veritas**

06.22.2023

## Changes to Bureau Veritas' corporate governance

A new chapter in Bureau Veritas' history opened following the Annual Shareholders' Meeting on June 22: as announced, Hinda Gharbi was appointed Chief Executive Officer, succeeding Didier Michaud-Daniel. The Board of Directors of Bureau Veritas expressed its sincere thanks to Didier Michaud-Daniel for *"the tremendous work he has accomplished at the Group over more than 10 years, and the major role he has played in shaping Bureau Veritas' success"*.

**Didier Michaud-Daniel also became Senior Advisor to Wendel's investment teams, with effect from July 1.**

## Appointments to the Board of Directors and creation of a CSR Committee

Following Aldo Cardoso's resignation after 17 years on the Bureau Veritas Board of Directors, the Board unanimously appointed Laurent Mignon as Chairman of the Board, with effect from June 22.

Laurent Mignon praised Aldo Cardoso's commitment, together with management, to support Bureau Veritas' development for the benefit of the Group and its shareholders. He said he was honored to be appointed *"as a new chapter in the Group's history opens"* with the appointment of Hinda Gharbi.



Pascal Lebard was appointed Lead Independent Director and Vice-Chairman of the Board of Directors. He has sat on the Board as an independent Director since 2013 and is Chairman of the Nomination & Compensation Committee.

Julie Avrane was appointed Chair of the Strategy Committee, replacing Laurent Mignon.

All Bureau Veritas Board Committees are now chaired by an independent Director.

The Board also decided to set up a CSR (Corporate Social Responsibility) Committee, which will be chaired by Ana Giros Calpe.

**All the resolutions put to the vote at the Annual Shareholders' Meeting were adopted,** including the approval of the parent company and consolidated financial statements for the year ended December 31, 2022, and the payment of a dividend of €0.77 per share.

**For more information, please read the [press release](#) available on our website.**

0 7 . 2 6 . 2 0 2 3

## **Geoffroy Roux de Bézieux joins the Bureau Veritas Board of Directors**

The Board of Directors of Bureau Veritas, held on July 25, 2023, co-opted Geoffroy Roux de Bézieux as an independent Director of the company, to replace Aldo Cardoso, who resigned from his position as Director after the Shareholders' Meeting of the company held on June 22, 2023, until the close of the Shareholders' Meeting to be called to approve the financial statements for the year ending on December 31, 2025.

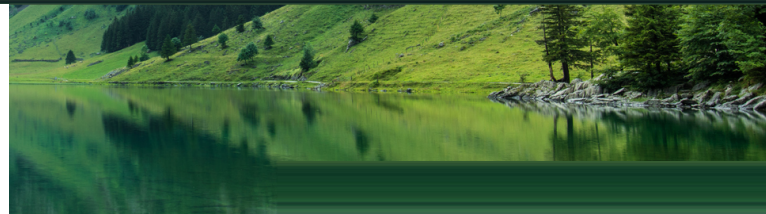
This appointment is effective immediately.

Laurent Mignon, Chairman of the Bureau Veritas Board of Directors, stated: *"I am delighted that Geoffroy Roux de Bézieux has agreed to join the Bureau Veritas Board of Directors. Geoffroy Roux de Bézieux has broad experience in governance, which he acquired at large French companies. His strong entrepreneurial track record in the world of technology and innovation will bring new expertise to the Bureau Veritas Board of Directors."*

**For more information, please read the [press release](#) available on our website.**



## ESG COMMITMENTS



### Stahl and Bureau Veritas CO<sub>2</sub> emissions reduction targets approved by the Science Based Targets initiative (SBTi)

05.04.2023

#### Stahl

This is an important recognition for the world leader in coating technologies and surface treatments for flexible materials. Stahl's targets, which reflect the company's commitment to the 2015 Paris Agreement goals, are to **reduce absolute scope 1 and 2 greenhouse gas emissions by 42% and scope 3 emissions by 25% by 2030** (from a 2021 base year).

Maarten Heijbroek, CEO of Stahl, welcomed this milestone in the company's ESG journey: *"Our targets are ambitious, and rightly so. Realizing our goal to help create a more responsible coatings value chain starts with being accountable for our own environmental impact, and taking concrete steps to reduce our emissions wherever possible."*

**For more information, please read the [press release available on our website](#).**

06.01.2023

#### Bureau Veritas

Bureau Veritas also commits to reducing absolute scope 1 and 2 GHG emissions by 42%

by 2030 and scope 3 emissions by 25% from a 2021 base year. This validation by the SBTi is an important step, in line with Bureau Veritas' Climate Transition Plan. It marks the group's strong commitment to follow a CO<sub>2</sub> emissions reduction trajectory consistent with 1.5°C of global warming.

Reducing its carbon footprint is one of the three pillars of the Bureau Veritas climate transition approach, along with adapting to climate change and assisting its clients to reach net zero. Bureau Veritas does this by providing ESG technical assistance, inspection and certification services designed to help reduce CO<sub>2</sub> emissions.

Five main pathways have been identified to achieve its goals and dedicated action plans and indicators associated with 2030 targets have been developed for each of them:

- lab energy consumption;
- office energy efficiency;
- renewable energy;
- business travel;
- suppliers.

**For more information, please read the [press release available on our website](#).**

07.27.2023

**SBTi: Wendel makes a commitment**

On publishing its half-year results, **Wendel announced that it had committed to setting Group-wide greenhouse gas emission reductions targets in line with with the latest advance in climate science and with the SBTi.** Wendel’s targets will be submitted to the SBTi for approval by the end of 2023.

Wendel’s near-term targets will be set at two levels:

- Greenhouse gas emissions from Wendel’s offices (scopes 1 and 2);

- Greenhouse gas emissions from eligible companies<sup>(1)</sup> in Wendel’s portfolio, using the “portfolio coverage approach” from the SBTi guidelines (scope 3).

These targets are in addition to the SBTi commitments already approved for: Bureau Veritas, Constantia Flexibles, Stahl and Tarkett.

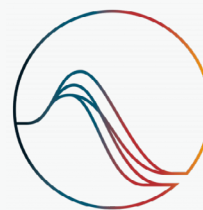
(1) “Eligible companies” are those in which Wendel holds more than 25% of the shares and 1 seat on the board of directors (or 15% of the shares for Wendel Growth companies) according to SBTi guidelines.

**About the SBTi**

The Science Based Targets initiative (SBTi) is a global body enabling businesses to set ambitious emissions reduction targets in line with the latest climate science. It is focused on accelerating companies across the world to halve emissions before 2030 and achieve net zero before 2050.

The initiative is a collaboration between the Carbon Disclosure Project (CDP), the United Nations Global Compact (UNGC), World Resources Institute (WRI) and the World Wide Fund for Nature (WWF), and one of the We Mean Business Coalition commitments. The SBTi defines and promotes best practices in science-based target setting, offers resources and guidance to reduce barriers to adoption and independently assesses and approves companies’ targets.

**The SBT initiative is now a reference standard, considered to be the first global scientific norm aligned with the Paris Agreement’s trajectory of limiting global warming to 1.5°C.**



SCIENCE  
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TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

For more information:

<https://sciencebasedtargets.org/>





## Wendel and Bureau Veritas receive Transparency Awards 2023

Wendel received the Transparency Award CAC Mid 60 on June 28, at the Transparency Awards 2023 organized by Labrador, and also ranked in the Top 3 of the 125 companies analyzed.

The award once again rewarded all Wendel teams for the quality of their communication materials for investors and shareholders (Universal Registration Document, website, the notice of meeting, ESG information, etc.).

Beyond the technical recognition, this award confirms Wendel's commitment and determination to provide transparent and relevant information to its more than 30,000 individual shareholders, its institutional investors and all of its stakeholders.

Bureau Veritas also received the Transparency Award for the best website. The Group was ranked fifth in the Top 20 most transparent companies.

The level of "transparency" is assessed according to 289 criteria, based on five pillars: accessibility, precision, comparability, availability and clarity.

These distinctions encourage us to continue with our efforts to inform and interact with our shareholders.



Wendel wins the Transparency Award 2023 in the CAC Mid 60 category

### Agenda

**10.26.2023**

#### Q3 2023 trading update

Publication of NAV as of September 30, 2023 (post-market release)

**12.07.2023**

#### 2023 Investor Day

**02.28.2024**

#### FY results 2024

Publication of NAV as of December 31, 2023, and Full-Year Results (post-market release)

**04.25.2024**

#### Q1 2024 trading update

Publication of NAV as of March 31, 2024 (post-market release)

**05.16.2024**

#### Shareholders' Meeting





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