



W E N D E L

2023

Universal Registration Document

including the annual financial report

Investing *for the long term*

NON-FINANCIAL INFORMATION

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Foreword

This chapter presents the Group's ESG strategy and the main ESG issues of the consolidated portfolio companies. In addition, with a view to enhancing its non-financial information, Wendel voluntarily submitted four consolidated KPIs to a reasonable assurance assessment: percentage of women in management positions, Scope 1 and 2 CO₂ emissions, frequency rate of workplace accidents and percentage of women on Boards of Directors where Wendel has the power to make proposals.

Non-financial information is structured as follows:

1. non-financial issues and ESG strategy as an investor (Wendel Group);
 2. ESG performance of controlled portfolio companies, including Bureau Veritas, Stahl, Crisis Prevention Institute, ACAMS and Scalian (it should be noted that Constantia Flexibles was removed from the scope of consolidation in September 2023);
 3. non-financial issues as a responsible company (Wendel SE).
- TCFD 2023 report: sets out Wendel's climate plan, as presented in section 4.1.5.5 according to TCFD standards (<https://www.wendelgroup.com/tcf-report-2023.pdf>);
 - ESG performance report for the 2023 portfolio: includes the ESG roadmaps and detailed action plans of the controlled portfolio companies on their most material ESG issues and the climate component (<https://www.wendelgroup.com/performance-esg-2023.pdf>);
 - first report on Wendel's Double Materiality (available from June 2024).

4.1 Wendel Group

4.1.1 Business model

Wendel's business model is described below, including its mission, its values, its resources, and value created with and for stakeholders.

A dual model focused on creating sustainable value

Resources

SHAREHOLDING STRUCTURE

- **39.6%** Family shareholding
Capital held by Wendel-Participations SE and related parties⁽¹⁾, (reference family shareholder)
- **35.3%** Institutional investors
in over 30 countries
- **21.4%** Individual investors
Capital held by **27,990** individuals
- **2.4%** Treasury shares
- **1.2%** Employee shareholding
Capital held by more than one hundred employees including the Executive Board

HISTORY

- **Nearly 50 years** of investment experience
- **320 years** of history

TALENT

- **98 employees**
- **3 offices:** Paris, New York and Luxembourg

VALUES

- Entrepreneurial spirit
- Engagement
- Excellence

(1) In accordance with article L. 233-10 of the French Commercial Code, the data include Wendel-Participations SE, its Chairman Priscilla de Moustier, and Société Privée d'Investissement Mobiliers (SPIM).

Investment strategy

INVESTMENT PHILOSOPHY

Wendel specializes in long-term equity investments as a majority or leading minority investor. Its strategy is based on two pillars: our principal investments (permanent capital) and third-party private asset management. Wendel's objective is to build sustainable leaders in promising sectors.

Permanent capital

- Focus on sectors driven by megatrends
 - More efficient investment model
- Operational excellence

Third-party private asset management

- Multi-expertise platform
- Wendel's investments in funds

5 controlled companies

- ACAMS
- Bureau Veritas
- Crisis Prevention Institute
 - Scalian
 - Stahl

Non-controlled companies

- IHS Towers
- Tarkett
- Wendel Growth (growth investments)

1 private equity fund

- IK Partners⁽²⁾

(2) The acquisition of 51% of IK Partners is expected to complete in the second quarter of 2024.

Increase in the dividend paid to shareholders

OUR MISSION

Engaging with entrepreneurial teams to build sustainable leading companies

ESG strategy



Building sustainable companies

- **100%** of controlled companies have formalized an ESG roadmap
- **100%** of the CEOs of controlled companies have part of their compensation linked to the achievement of ESG objectives
- **90%** of the portfolio's emissions come from companies with pathways approved by the Science Based Targets initiative
- **-46%** in carbon emissions intensity of consolidated net sales (Scopes 1, 2 and 3) compared to 2022; **-6%** at constant scope



Empowering excellence and engagement

At Wendel in 2023

- **16%** of the total compensation of Wendel's Executive Board linked to ESG performance
- **79%** of employees trained in ESG
- **89%** of employees trained in business ethics
- **37%** women in management positions



Climate focus

- **More than 99%** of the CO₂eq.⁽¹⁾ emissions of companies controlled by Wendel have their pathway approved by the SBTi
- **80%** of controlled portfolio companies that have identified climate change adaptation risks have developed a climate resilience plan approved by their Board of Directors

(1) Carbon dioxide equivalent.

Value created for stakeholders

SHAREHOLDERS

- **Nearly €3.6 billion in market capitalization**
- **Nearly €9.5 billion of gross assets**
- **NAV: €160.2/share as of December 31, 2023**
- **Ordinary dividend: €4.00/share**, up +25%, proposed to the Shareholders' Meeting on May 16, 2024
- **Shareholder dialogue:**
 - Institutional investors: 195 meetings
 - Wendel's Shareholder Advisory Committee: 3 meetings
 - Letter to shareholders: 4 editions
 - Governance roadshows

SOCIAL

- **99%** of employees trained⁽²⁾ over the year
- **79%** of eligible employees⁽³⁾ took part in the capital increase in 2023 via the Group savings plan
- **93%** of employees⁽⁴⁾ were awarded stock options and/or performance shares
- Profit-sharing agreement, Group employee savings plan, collective pension fund

SPONSORSHIPS

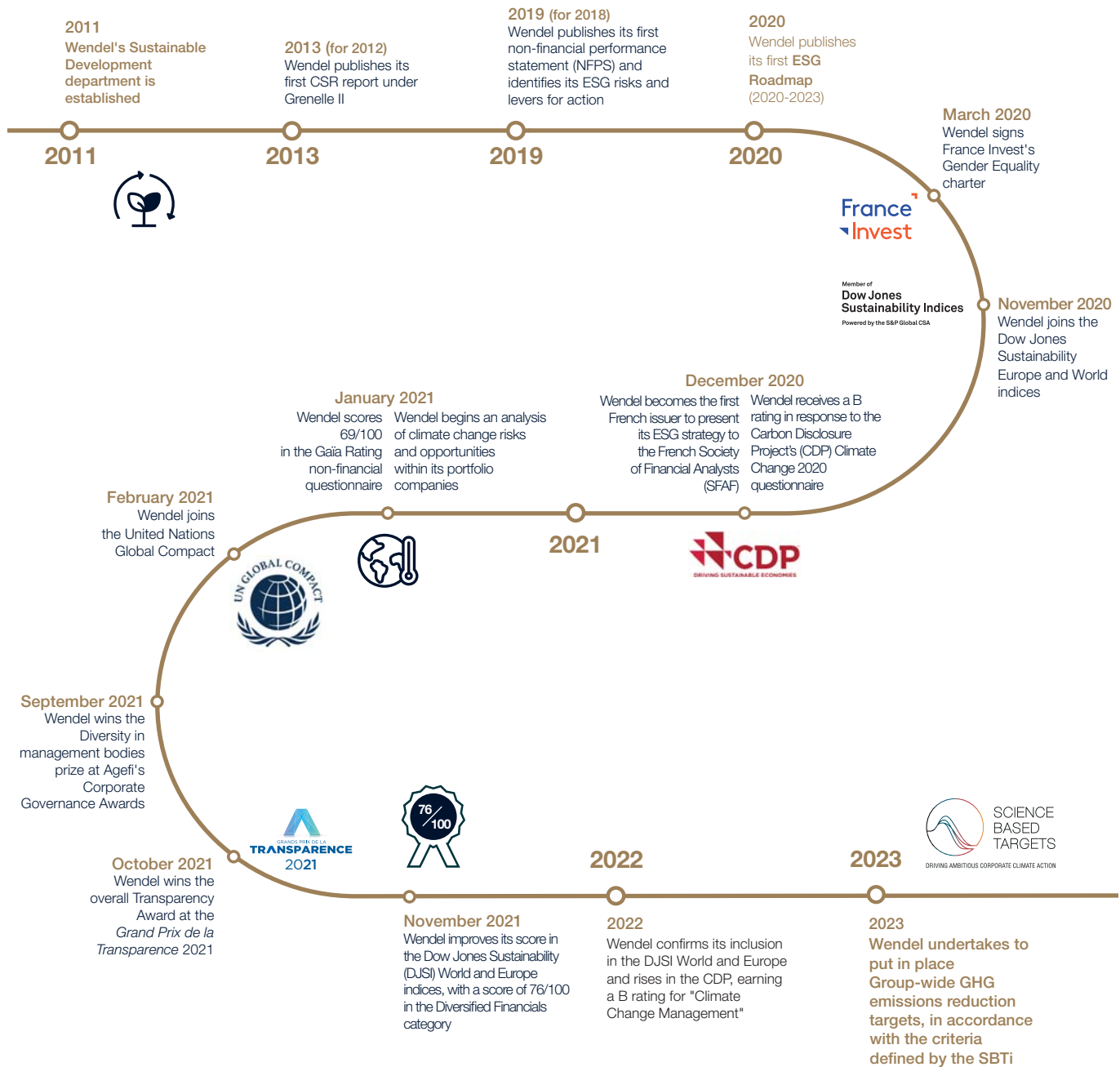
- **More than €7 million** distributed to around 20 associations since 2010
- **5 areas:**
 - Education;
 - Culture;
 - Equal opportunity and professional integration;
 - Medical research and health;
 - Environmental protection.

(2) Present as of December 31, 2023.

(3) In France.

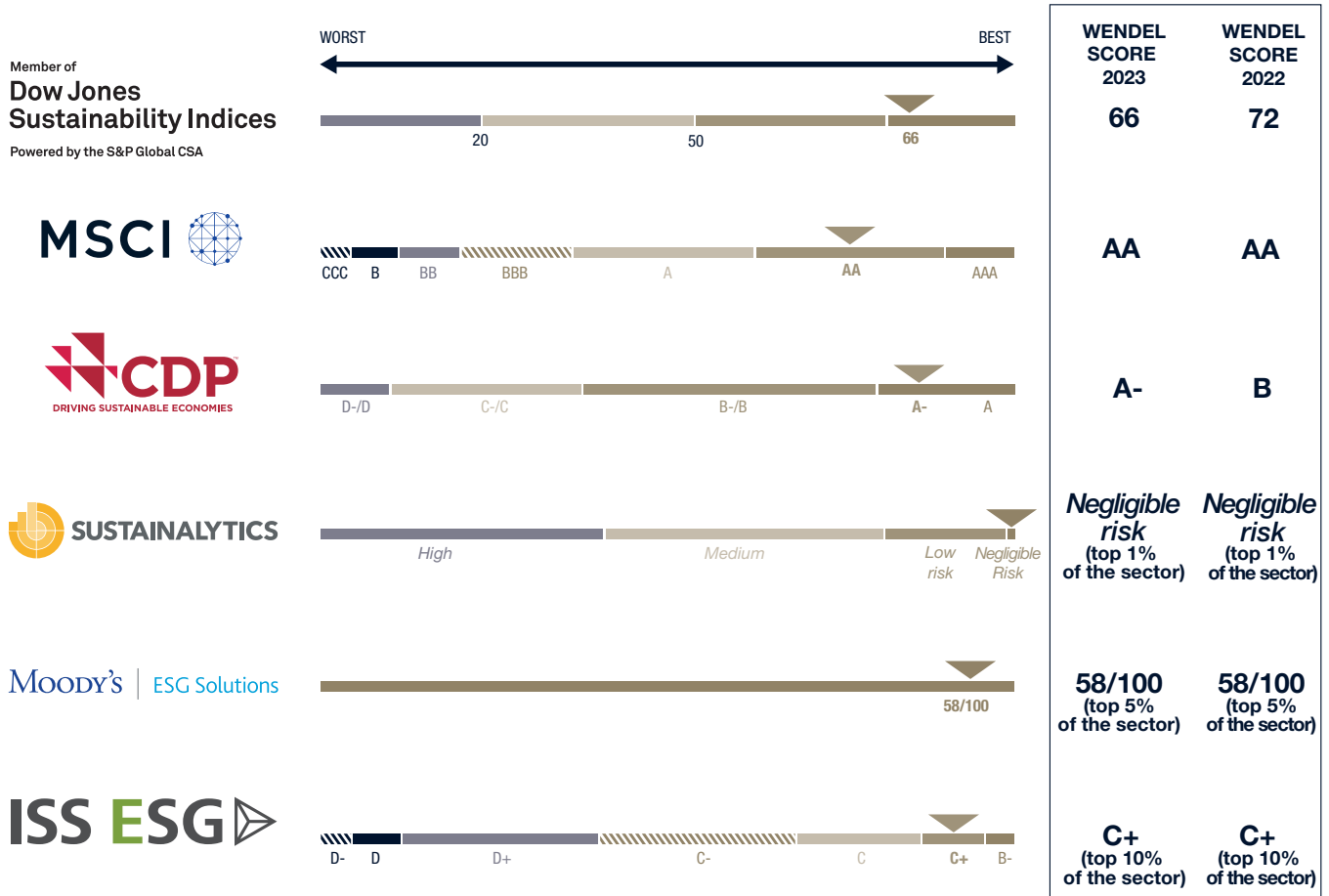
(4) On the payroll at the award date.

4.1.2 Highlights of Wendel’s ESG commitment



4.1.3 Summary of Wendel’s non-financial ratings

Wendel’s non-financial ratings compared to those of other companies in the sector



Wendel also obtained a rating of 84/100 in the ESG ratings campaign conducted by Ethifinance, up 2 points compared to 2022.

4.1.4 Wendel’s main non-financial issues

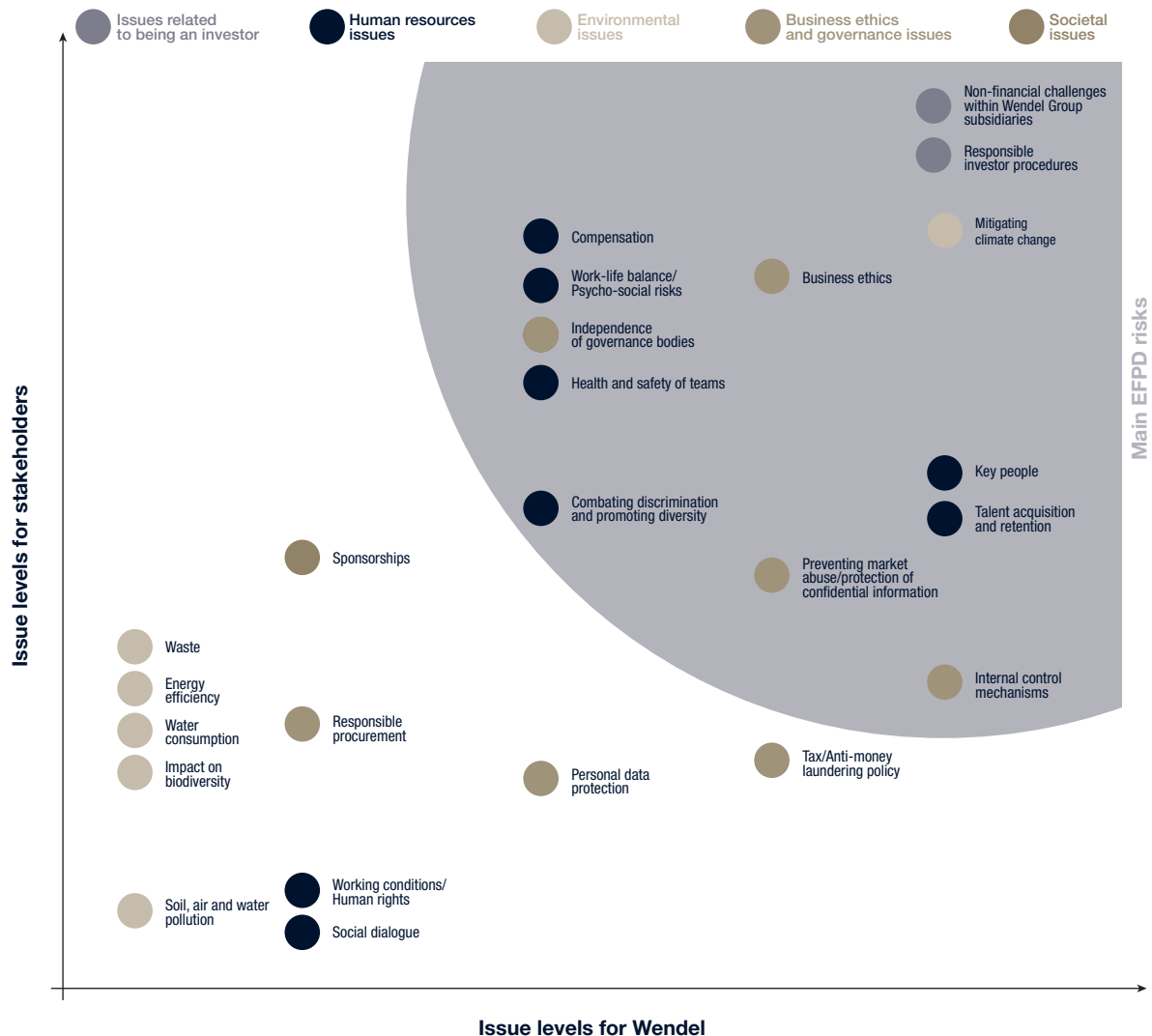
Wendel’s main non-financial issues concern its investment activity and its portfolio companies. Drawn up in accordance with SASB standards, the risk materiality matrix is reviewed each year in light of Wendel’s operational activities, changes in regulations and societal shifts.

Since 2021, a growing emphasis has been placed on the fight against climate change, which is closely monitored by the Executive Board and the Supervisory Board.

Section 4.1.5.5 - Climate Plan is dedicated to this subject.

In view of the implementation of the CSRD, Wendel carried out double materiality assessments in the second half of 2023 and the first half of 2024, as defined in the ESRS 1 standard. These assessments were carried out at the level of Wendel and each of its controlled portfolio companies. Consolidated results will be presented in Wendel’s double materiality report (available in the “ESG, measuring our performance” section on Wendel’s website from June 2024).

The main non-financial risks covered in the non-financial performance statement (NFPS) are presented in the upper circle of the following matrix:



The main non-financial risks derived from Wendel's materiality matrix are as follows:

- Wendel Group ESG issues and investment procedures;
- portfolio companies' ESG issues;
- issues related to climate change;
- issues related to Wendel's human resources: attractiveness and talent retention, compensation, promotion of diversity and non-discrimination;
- issues related to business ethics;
- issues related to the prevention of market abuse and protection of confidential information.

The cross-reference table below links the main non-financial risks to the policies implemented, as described in each of the sections of the NFPS below:

Main risks related to Wendel's business

Wendel Group's ESG issues and responsible investment procedures	Section 4.1.5 - Wendel Group's ESG strategy
Portfolio companies' ESG issues	Section 4.2 - ESG performance of controlled portfolio companies
Risks related to climate change	Sections 4.1.5 and 4.2 (integrated in Wendel's ESG risks and the portfolio companies' ESG performance)
Risks related to Wendel's human resources	Section 4.3.1 - HR performance: fostering commitment, well-being, support, employability and inclusion
<ul style="list-style-type: none"> ■ Key men and women ■ Work-life balance ■ Mental health risks ■ Health at work ■ Combating discrimination and promoting diversity 	
Risk of non-independence of governance bodies and control mechanisms	Section 4.3.3 - Governance and business ethics
Risks related to business ethics	Section 4.3.3 - Governance and business ethics

Non-financial issues within Wendel Group subsidiaries

- **As of December 31, 2023, Wendel is the majority shareholder of Bureau Veritas, Stahl, CPI, ACAMS and Scalian⁽¹⁾. These companies are therefore covered by Wendel's NFPS.** Wendel provided a methodology for identifying and prioritizing the main non-financial risks to the companies within this scope (excluding Bureau Veritas⁽²⁾): Stahl, CPI, Scalian and ACAMS. The results of this work have been approved by the appropriate governing body (Board of Directors or Audit Committee depending on the company) and the risk analysis methodology used was reviewed by an independent third party. The main risks are presented for each of the controlled companies (section 4.2 - ESG performance of controlled portfolio companies).
- **Bureau Veritas, Wendel's largest controlled company⁽³⁾, publishes its own NFPS, available in its 2023 Universal Registration Document, certain sections of which are published in this document.**
- **Since Wendel is not a sector-specific investment company, the Group's holdings are expected to develop ESG policies that address their specific issues. Wendel therefore does not consider it appropriate to consolidate all the risks and all the indicators used since, in certain cases, this information would have no operational significance.**
- **However, as part of its ESG strategy, Wendel encourages the companies to take into account four priorities: the fight against climate change, the safety of employees, gender parity and the ESG performance of the product or service offering. Consolidated indicators are published for these priorities, reflecting Wendel's role as a responsible investor.**

(1) The financial statements of these companies are all fully consolidated by the Group. The non-financial performance statement (NFPS) covers Wendel's scope of consolidation and is reviewed by an independent third-party (ITP), in accordance with the provisions of Article L. 225-102-1 of the French Commercial Code.

(2) As a listed company, Bureau Veritas must issue its own NFPS.

(3) Listed on Euronext Paris and part of the Next 20 index (Compartment A, ISIN Code, FR0006174348, ticker symbol: BVI).

Wendel’s ESG approach is rooted in a firm belief in the core values of Engagement, Excellence, and Entrepreneurial Mindset.

These values guide Wendel’s behavior both as a company and as an investor in order to accomplish its mission, which is to partner with entrepreneurial teams to build sustainable leaders whose long-term performance will create value for all stakeholders.

To this end, and as part of the ESG strategy published at the beginning of 2020, the main thrust of which was set for 2023, Wendel has defined two main levers:

- (1) **its behavior as an investor.** As a professional shareholder investing for the long term, Wendel wants to have a positive impact on society and contribute to a sustainable future by supporting its companies in their transformation to become sustainable leaders;
- (2) **its behavior as a company, and its commitment to its employees and communities.**



Wendel has set commitments with clear and measurable objectives. It has implemented the resources necessary to achieve them.

This roadmap is in its third and last year of deployment in 2023. In 2024, a new roadmap will be deployed at the level of Wendel and its portfolio companies. In particular, it will take into account the results of the various double materiality assessments carried out in 2024, in compliance with the CSRD, applicable to Wendel’s consolidated scope from fiscal year 2024.

4.1.5 Wendel Group's ESG strategy

4.1.5.1 Organization of ESG governance

Wendel believes that corporate ESG (environment, social, and governance) issues are a driver of growth and progress for the Group. Through its long-term action, Wendel encourages its companies to implement ESG practices. At the same time, it defines its own ESG policy that is adapted to its role of investor and applied by a core team of professionals.

ESG issues are addressed at all levels of governance.

For Wendel

Non-executive governance

Tasks relating to Wendel's ESG strategy and non-financial information are allocated as follows within the Supervisory Board and its committees:

Supervisory Board	Audit, Risks and Compliance Committee	Governance and Sustainability Committee
ESG strategy and consideration of ESG issues <ul style="list-style-type: none"> Review ESG strategy (mission statement and values, roadmap and priorities) Take ESG issues into account in the Group's main decisions, particularly in terms of investment Review the work of the committees regarding ESG Review the gender diversity policy in governing bodies Gender and pay equality Succession plan of the Executive Board and the Supervisory Board 	Non-financial information <ul style="list-style-type: none"> Review non-financial information intended for publication Monitor the achievement of key ESG performance indicators Ensure that non-financial information comes from a structured process, including CSRD implementation Be informed of the selection process of the independent third party, and its annual audits Participate in the CSRD sustainability auditor selection process Inform the Supervisory Board of any observations it considers relevant with regard to ESG reporting 	ESG objectives and ESG skills at governance level <ul style="list-style-type: none"> Ensure that the Board has the required skills to assess ESG issues, risks and opportunities, and understand applicable rules and standards in this area Review the choice of the main ESG performance indicators made by the Executive Board Define and assess ESG objectives applicable to the short term and long term Executive Board members' compensation items

The Supervisory Board discusses ESG matters on a regular basis, both at plenary sessions and within the Audit, Risks and Compliance Committee and the Governance and Sustainability Committee. In 2023, the following points were addressed:

- **Supervisory Board:** European Green Taxonomy training - 1 session;
- **Governance and Sustainability Committee:** monitoring of Wendel's non-financial ratings; definition (for 2023) and assessment (for 2022) of ESG objectives underlying the Executive Board's annual variable compensation; assessment of the achievement of performance conditions (including ESG conditions) for stock option and performance share plans; review of the results of the assessment of the functioning and work of the Supervisory Board and committees and presentation of recommendations to the Board, notably concerning the enhancement of ESG skills - 3 sessions;

- **Audit, Risks and Compliance Committee:** monitoring of the implementation by controlled portfolio companies of corrective action plans to address climate risks; review of resilience plans of controlled portfolio companies; monitoring of non-financial performance indicators (notably ESG); review of GHG emissions mitigation commitments at Wendel level (SBTi commitment); follow-up of the processes deployed at the level of Wendel and its portfolio companies concerning the European Taxonomy; review of approaches to achieve CSRD compliance; follow-up of the work of the independent third-party organization on the NFPS; preparation of the selection process for the sustainability auditor - 4 sessions.

Executive Governance – Executive Board

- The Executive Board establishes the Group's strategic direction and ESG roadmap.
- The Sustainable Development department established by Wendel in 2011 reports directly to the Board and coordinates initiatives in this area. It is supported by an **ESG Steering Committee**. The committee is chaired by David Darmon, member of the Executive Board, and is made up of two of the Company's Operating Partners and representatives from Wendel's different business and support divisions: Internal Audit department, General Secretariat, Sustainable Development and Communications department, Financial Communications department, Human Resources and Operational Resources department. It meets every quarter to monitor the Group's and its portfolio companies' ESG ratings and progress made on rolling out the 2023 ESG roadmap.
- The rollout of the portfolio companies' ESG roadmaps is monitored by the ESG team and Wendel's Operating Partners, who provide operational support for major ESG projects (monitoring financial and human resources, anticipating regulations such as CSRD, defining and monitoring variable compensation targets for the management teams linked to ESG performance conditions, monitoring of product and service offers related to sustainability, etc.).

In 2023, the following ESG themes were addressed at the Executive Governance level:

- **Executive Board:** presentation of non-financial results for 2022, approval of objectives for the GHG emissions mitigation plan (Wendel and portfolio) as part of Wendel's SBTi commitment in 2023;
- **ESG Committee:** approval of Wendel's SBTi targets, ESG integration of Scalian, preparation of CSRD implementation for 2024, presentation of non-financial ratings, presentation of the NFPS 2023, etc.

Inclusion of non-financial performance criteria in compensation arrangements

- The members of the Executive Board and all members of the Coordination Committee (i.e., **20% of Wendel's workforce**) **receive a portion of their variable compensation contingent on the achievement of ESG objectives**. In addition to the Coordination Committee, staff from all of Wendel's functional departments contribute to the deployment of the 2023 ESG roadmap and develop initiatives that contribute to the sustainability of the Company's activity.

Key figures

- A portion of the variable compensation of **100% of the CEOs of controlled companies** is based on the achievement of ESG objectives.
- **20%** of Wendel's employees receive variable compensation contingent on the achievement of ESG objectives.
- **16.3%** of the compensation of Wendel's Group CEO is linked to ESG performance.

For Wendel's portfolio companies

Among the consolidated companies, Bureau Veritas, Stahl and Scalian each have their own CSR departments and specialized committees. Given their size, CPI and ACAMS do not have their own CSR departments but have appointed CSR managers within their structures.







Under Wendel's impetus, many ESG-related issues are discussed within the companies' governance bodies (Boards of Directors and Audit Committees). In 2023, this included:

- monitoring of climate resilience plans: Bureau Veritas, Stahl;
- validation of assumptions and KPIs related to the EU Taxonomy: Stahl;
- approval of double materiality assessments in the context of CSRD: Bureau Veritas, Stahl;
- monitoring of ESG roadmaps and objectives: Bureau Veritas, Stahl, CPI, ACAMS and Scalian for the first implementation of ESG objectives;
- monitoring of ESG reporting processes and audits as part of the NFPS: Bureau Veritas, Stahl and ACAMS.

A portion of the variable compensation of the CEOs of the consolidated companies is linked to the achievement of ESG targets defined by Wendel.

4.1.5.2 Sustaining dialogue with stakeholders

Wendel considers its stakeholders to be all persons or organizations directly or indirectly involved in the Group’s business. Wendel endeavors to maintain a regular dialogue with each of them. This approach contributes to the Group’s strategy in both its economic and societal aspects. The main methods of interaction with stakeholders are as follows:

 <p>WENDEL PORTFOLIO COMPANIES</p> <ul style="list-style-type: none"> • Attendance and voting at meetings of the Board of Directors • Strategic and operational support (investment teams, operating partners, compliance and ESG teams, finance teams, etc.) 	 <p>FINANCIAL AND MEDIA COMMUNITY</p> <ul style="list-style-type: none"> • Analyst conferences and regular press updates • Annual Investor Day • Conference calls/webcasts for half-yearly and quarterly results and other ad hoc strategic events • Credit, equity, Governance and ESG roadshows • Shareholders’ Meeting • Publication of communication materials relating to our business (press releases, brochures, letters to shareholders, website, social media, etc.) • Shareholder Advisory Committee • Perception studies 	 <p>NON-EXECUTIVE EMPLOYEES</p> <ul style="list-style-type: none"> • Surveys on quality of life at work • Social dialogue with employee representative bodies (if applicable under local regulations) • Staff meetings • Annual 360° assessments • Corporate seminars
 <p>SUPPLIERS AND SERVICE-PROVIDERS</p> <ul style="list-style-type: none"> • Third-party assessment process • Call for tenders or competitive bidding for larger service-providers 	 <p>LOCAL NON-PROFITS AND COMMUNITY ORGANIZATIONS</p> <ul style="list-style-type: none"> • Wendel Cares endowment fund • Organization of team seminars 	 <p>TRADE ASSOCIATIONS</p> <ul style="list-style-type: none"> • Participation in working groups on the challenges faced by our sector

In 2023, Wendel continued its program of meetings with institutional and individual investors on the subject of ESG, by participating in dedicated conferences or by soliciting its investors who are sensitive to these issues. In total, around ten meetings were organized.

During the year, all major events organized for shareholders and investors (Shareholders’ Meeting, Investor Day) included a presentation of the Group’s ESG approach and the companies in its portfolio. The Group’s communication media (brochures, social media, etc.) regularly include information on the ESG performance of Wendel and its companies.

The non-financial scores and ratings received by Wendel in 2023 are presented in section 4.1.3.

Lobbying activities

Wendel SE does not use any lobbying agencies.

Trade associations

As a listed company, Wendel contributes to marketplace discussion by participating in the work of all the major professional and financial market organizations of which it is a member: Afep, Ansa, Medef, France Invest, Paris Europlace, etc. In 2023, professional contributions amounted to approximately €148,000.

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	2023	Achievement	
INVESTMENT Pre-investment phase	100% of investment opportunities screened through Wendel's exclusion list	100%	100%	100%	100%		
	100% of investment opportunities reviewed through identification of the most material ESG risks and opportunities	100%	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	Yes		
	100% of ESG investment opportunities assessed (in-depth due diligence)	100%	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%	
		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%	
		100% of controlled portfolio companies that have had a committee or Board of Directors review an ESG topic	80%	100%	100%	100%	
		100% of ESG roadmaps reviewed each year by Wendel's Executive Board	80%	100%	100%	100%	
		ESG roadmaps reviewed each year by Wendel's Governance and Sustainability Committee and/or Supervisory Board	Yes	Yes	Yes	Yes	
		100% of controlled portfolio companies have identified priorities for offering sustainable products and services	100%	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%	53%	N/A	
	100% of controlled portfolio companies monitoring their carbon footprint (Scopes 1, 2 and 3)	60%	100%	100%	100%		
	100% of controlled portfolio companies committed to reducing their emissions	60%	100%	80%	80%		
	<i>Of which the pathway has been committed to or approved by the SBTi</i>	60%	75%	60%	40%	100% excluding ACAMS, non-material	
	100% of controlled portfolio companies to have assessed their exposure to physical and transition climate change risks and opportunities	100%	100%	80%	80%	100% excluding ACAMS, non-material	
	<i>Of which controlled companies that have implemented climate change risk resilience plans</i>	0%	0%	80%	80%	N/A	
	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%	60%	100% excluding ACAMS and CPI, non-material	
	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%	100%	
		<i>Of which certified management systems (OHSAS 18001 or ISO 45001)</i>	80%	75%	60%	40%	Not material for ACAMS and CPI Integration of Scalian in 2023
		100% of controlled portfolio companies that organize health and safety training	100%	100%	80%	100%	
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%	30%	30%		
100% of controlled portfolio companies to be committed to improving gender balance in their workforce		80%	100%	100%	100%		
<i>% of women in the total workforce of controlled companies⁽¹⁾</i>		29%	29%	29%	31%	N/A	
<i>% of women in management positions</i>	24%	23%	25%	30%	N/A		
<i>% of women in shareholder governance bodies</i>	23%	26%	29%	31%			
<i>% of women in operational governance bodies⁽¹⁾</i>	22%	21%	27%	39%			

(1) Indicators calculated excluding Scalian, which joined the Group in July 2023. In view of the integration of Scalian during 2023, non-financial reporting has been focused on indicators covered by a reasonable assurance audit by the independent third-party.

Building sustainable businesses

	2023 objective	2020	2021	2022	2023	Achievement
GOVERNANCE	% of CEOs in the controlled portfolio whose variable compensation is contingent on progress on their ESG roadmaps	80%	100%	80%	100%	
	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%	16.3%	
	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	Yes	
	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	Yes	Yes (see section 4.1.5.5)	

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.

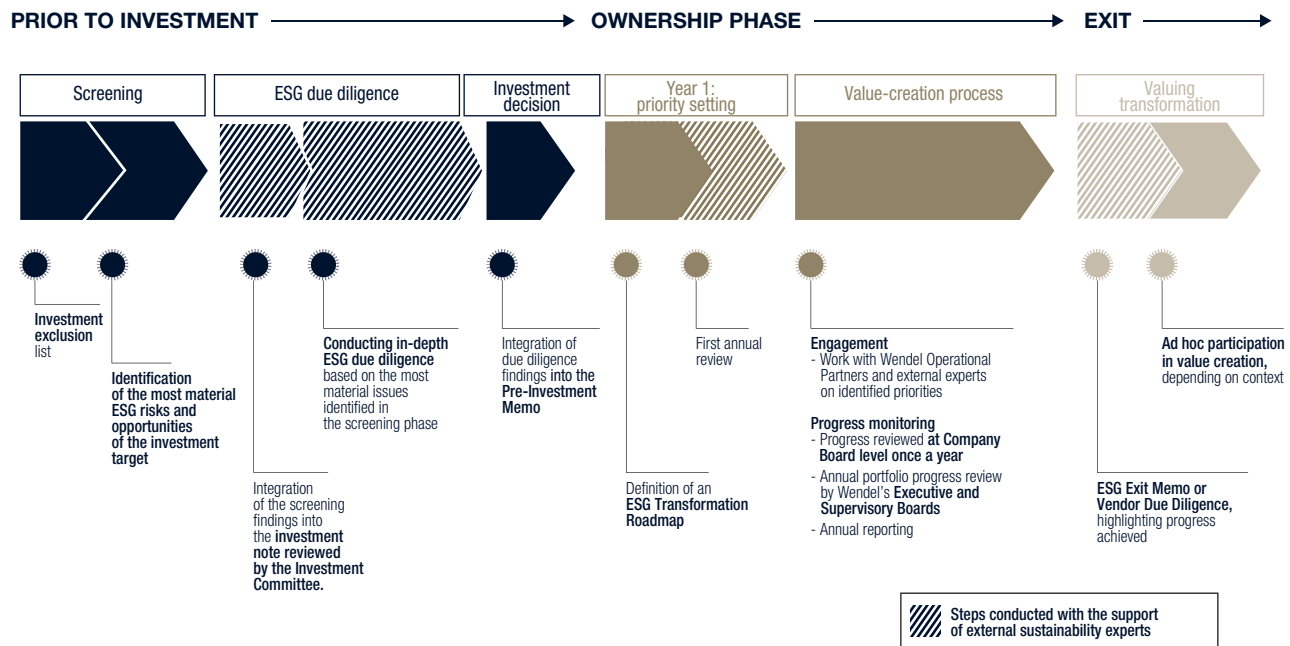
As a long-term shareholder, Wendel is convinced that taking ESG (Environmental, Social and Governance) criteria into account in its investment activity is an essential factor in creating value. Wendel sets itself apart by emphasizing the importance of an ESG commitment and strategy during the holding phase of its portfolio companies, with a two-fold objective: to define relevant commitments for each investment, accompanied by clear, measurable objectives; and to provide the portfolio companies with its expertise and support on ESG issues.

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 through regulatory developments as investment opportunities arise, and integrates the study of risks and opportunities throughout the cycle of its investments.

Responsible investment procedure

**Prior to the investment****Exclusion policy**

The exclusion policy is reviewed each year by Wendel's Executive Board.

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

1. tobacco;
2. pornography;
3. controversial weapons, as defined by the following treaties:
 - the Treaty on the Non-Proliferation of Nuclear Weapons (1968),
 - the Biological Weapons Convention (1975),
 - the Chemical Weapons Convention (1997),
 - the Ottawa Treaty (1997) on anti-personnel mines,
 - the Convention on Cluster Munitions (2008);

4. firearms;
5. gambling facilities or products;
6. coal mining and coal-based power generation;
7. narcotics;
8. fur;
9. asbestos.

In addition to the sector exclusions set out above for all of the Company's direct investments, Wendel will also pay the utmost attention to indirect economic exposure to these business segments, in particular when examining investment opportunities that have passed the first filter of the exclusion list.

ESG due diligence

Once it has been established that an investment opportunity complies with Wendel's exclusion policy, the investment team works with the Sustainable Development department on ESG due diligence. Depending on the materiality and complexity of the issues identified, Wendel's teams may refer to external experts.

This could include hiring consulting firms or calling experts, for example. In this phase, climate-related issues are analyzed. Wendel assesses both the investment opportunity's carbon intensity and its capacity to decarbonize. In addition, Wendel ensures that its investment teams are trained in these issues (annual ESG training for the Coordination Committee, ESG training for the Wendel North America investment team, awareness-raising for all employees with the "Climate Fresk" and "2tonnes" workshops).

	2023	2022	2021
Number of investment team members trained in ESG work to be undertaken in portfolio companies	100%	100%	100%
Percentage of investment opportunities studied that have undergone due diligence covering ESG risks and opportunities	100%	100%	100%

Ownership phase**Systematically integrate ESG into senior executive compensation at Wendel and its controlled companies**

Wendel's management and the management teams of the controlled companies are held accountable through the alignment of their variable compensation with non-financial performance.

	2023	2022	2021
% of the management teams of controlled portfolio companies whose variable compensation is aligned with the ESG performance of their company	100%	80%	100%
% of the Group CEO's total compensation contingent on the Group's ESG performance	16.3%	16.9%	19.2%
% of Wendel teams whose variable compensation is contingent on ESG performance criteria	20%	20%	23%

Constantly improving the quality of non-financial information in the absence of a stabilized normative ESG framework

Wendel's responsible investor approach also covers its ability to measure as rigorously as possible the non-financial performance of its business and that of its companies, business sectors ranging from services to industry, in the case of Stahl. Within this framework, Wendel's ambition is to put in place procedures aimed at aligning the production of its non-financial information with that of its financial information. In particular, since 2022, four consolidated KPIs on the controlled companies scope have been covered by a reasonable assurance audit⁽¹⁾ initiated by Wendel (see section 4.7). This constant improvement approach will be pursued in the coming

months. The attention paid to the quality of non-financial information makes it possible to:

- address the most material ESG topics for the Group;
- regarding climate, have the Company's carbon footprint reliably assessed on Scopes 1, 2 and 3 on an annual basis;
- improve the readability for all stakeholders of Wendel's non-financial performance with regard to the wide range of international ESG reporting standards;
- allow investors to form an opinion on the Wendel Group's ESG strategy.

Standard or reporting exercise**Status**

CSRD reporting	Preparatory work: June 2023 to December 2024
Reporting to non-financial rating agencies: CSA (S&P), PRI, CDP, MSCI, ISS, Sustainalytics	Voluntary reporting since 2021
Task Force on Climate-related Financial Disclosures (TCFD)	See Climate Plan chapter -built on TCFD recommendations and TCFD report available on Wendel's website
GHG Protocol	All controlled portfolio companies carry out a Scope 1, 2 and 3 carbon assessment in accordance with GHG protocol standards

(1) As Scalian joined the Group in 2023, it has not been included in the audit scope for this fiscal year.

Support the deployment of strategic roadmaps on the portfolio companies' material issues

Wendel relies on a hybrid system composed of Operating Partners and the Sustainable Development department, which makes it possible to integrate ESG into the companies' strategy and governance.

As a shareholder, the Wendel Group is not involved in the operational management of its subsidiaries. It does however ensure, mainly through permanent communication with their management and the Boards of Directors, that these companies gradually integrate ESG issues into their risk management and strategies.

In addition to setting objectives, Wendel assists its portfolio companies in monitoring and complying with European regulations (CSRD, Taxonomy, etc.), and in implementing their climate strategies (help with the analysis of physical and transition risks, review of decarbonization plans, etc.).

Each portfolio company has its own strategic roadmap in which its ESG commitments are formalized (see section 4.2 - ESG performance of controlled portfolio companies). The roadmaps address the material issues specific to each company, as well as the four priority topics defined by Wendel:

Priority topics defined by Wendel in the ownership phase



Employee health
and safety



Climate change
mitigation



Gender balance
and diversity



Products and services
with added
environmental value

Overview of the 2023 ESG performance of the consolidated portfolio companies based on Wendel's four priorities

In order to facilitate the readability of ESG performance at the portfolio level, Wendel makes sure to present a consolidated measurement indicator for these priority issues whenever possible. In 2023, with the exception of the percentage of sales generated by products or services with added environmental value, all priority KPIs showed positive trends:

					 (acquisition 2023)	WENDEL PORTFOLIO – CONTROLLED ASSETS	CHANGE 2022/2023	
 CLIMATE CHANGE	Emissions (Scopes 1 to 3) ✓	741,684 tCO ₂ eq	643,138 tCO ₂ eq	3,204 tCO ₂ eq	1,112 tCO ₂ eq	7,810 tCO ₂ eq ⁽¹⁾	197 tCO ₂ /€m of net sales	-46 % in tCO ₂ /€m
	Weight of emissions in the controlled portfolio	53%	46%	0.2 %	0.1%	0.6%		
	Reduction targets	YES	YES	YES	NO	In progress - 2024		
	SBTi status	1.5 C° by 2030 Approved	1.5 C° by 2030 Approved	NO	NO	In progress - 2024		
	Targets	-42% Scopes 1 and 2 (2030) -25% Scope 3 (2030)	-42% Scopes 1 and 2 (2030) -25% Scope 3 purchased goods and services (2030)	-10% 2024 Scopes 1, 2 and 3	NO	In progress		
 DIVERSITY AND GENDER PARTY	% women on the Board of Directors ✓	42%	13%	29%	40%	25%	31%	+2 pp
	% women in management positions ⁽³⁾ ✓	30%	25%	56%	48%	26%	30%	+5 pp
	Targets to enhance parity	35% women in management positions	25% women in management positions by end-2023	45% to 50% women on the Board of Directors by 2024	Maintain the current parity (49% of women managers)	Diversity action plan for 2024		
 HEALTH AND SAFETY	Frequency rate of work-related accidents ✓	0.13 ⁽²⁾	2.24	1.28	1.54	1.72	0.74	-22%
	Health and safety management system (OHSAS 18001 or ISO 45001)	YES	YES	NO Non-material	NO Non-material	NO		
 SUSTAINABILITY OF PRODUCTS AND SERVICES	% of net sales from products or services with environmental value added	56%	53%	Not applicable	Not applicable	2%	53%	-2 pp
	Offers of products or services with value added	BV's Green Line (sustainable services and solutions)	Water-based products eligible for the Taxonomy under the category "Other low carbon manufacturing technologies"			Sustainable services and solutions		

(1) GHG emissions for the 2022 calendar year, as Scalian's carbon footprint for 2023 was not available as of the date of publication of the URD.

(2) Calculated according to Bureau Veritas' methodology (number of accidents with lost time x 200,000)/theoretical number of hours worked. Frequency rates are presented in theoretical hours.

(3) Calculated according to Wendel's definition: any employee with at least one direct report is considered to be a manager.

✓ Indicators subject to a reasonable assurance audit (only Scopes 1 and 2 for emissions).

1. Climate change mitigation

See Climate Plan presented in section 4.1.5.5.

2. Employee health and safety

- **The average frequency rate of workplace accidents in the portfolio of consolidated companies was 0.74, down 22% compared to 2022 (0.95).** The average severity rate was also down for the fourth consecutive year (0.01 in 2023 compared to 0.02 in 2022, 0.03 in 2021, and 0.04 in 2020). On a like-for-like basis, the frequency rate decreased by 15%, from 0.83 in 2022 to 0.70 in 2023.
- 100% of controlled companies have implemented a continuous improvement process for health and safety in the workplace (not applicable to ACAMS due to its fully remote internal organization).

3. Promotion of diversity and gender parity

- **Readings on the gender balance indicators defined by Wendel for its portfolio companies were all up:**
 - the percentage of women among the directors appointed by Wendel was 31% in 2023. This represents a slight increase compared with 2022 (up 2 percentage points);
 - the average percentage of women in the operational governance bodies (e.g., Executive Committees) of portfolio companies increased significantly to 39% in 2023 from 27% in 2022. This increase is due partly to the exit of Constantia Flexibles from the scope of consolidation, and partly to the increased representation of women on the operational governance bodies of all Wendel's controlled portfolio companies. On a like-for-like basis (excluding Constantia Flexibles and Scalian), the ratio amounted to 39% in 2023, compared with 34% in 2022;
 - the average percentage of women in management positions within the Group's entities increased from 25% in 2022 to 30% in 2023. On a like-for-like basis (excluding Constantia Flexibles and Scalian), this ratio increased from 27% in 2022 to 31% in 2023;
- 100% of companies have incorporated gender-related commitments into their roadmap.

4. Innovation and products or services with environmental added value

The share of products and services with environmental added value offered by portfolio companies amounted to 53% of Wendel's consolidated net sales, a decrease of 2 percentage points (pp) in 2023. The decline is explained by the exit of Constantia Flexibles and its recyclable packaging offering from the portfolio. On a like-for-like basis, the share of products and services with environmental added value was unchanged from 2022 to 2023 (54% excluding Constantia Flexibles and Scalian). This indicator reflects the proportion of sales of products and services that contribute to environmental objectives (low-carbon products, environment-related services and inspections, climate change mitigation, etc.). Its calculation method differs from that used for Taxonomy reporting, which is outlined in section 4.4.

This ratio for products and services with environmental added value therefore covers:

- Bureau Veritas' "Green Line" certification services offering, which represents 55.6% of its net sales, was up 0.9 pp compared to 2022;
- Stahl's water-based products, eligible for the EU Green Taxonomy under the category "Other low-carbon manufacturing technologies", accounted for 52.9% of the company's sales in 2023 (a 3.9 pp decrease compared with 2022). On a like-for-like basis (excluding acquisitions), the ratio was up 1.8 pp. The composition of these products (high water and low solvent content) leads to a significant reduction in CO₂ emissions generated over the product life cycle. An emissions reduction target has been set; it is monitored on the basis of life cycle analyses carried out in accordance with ISO 14040/44 (see section 4.4 - European Green Taxonomy);
- Scalian's sustainable development services, including support with carbon audits, decarbonization strategies, life-cycle analysis and ESG reporting. It represents 2% of Scalian's sales for 2023.

CPI and ACAMS do not present sales with environmental added value due to their activity. However, both companies have a significant societal impact:

- the entire CPI training offer, which aims to reduce violent behavior and improve personal safety in the workplace (see section 4.2.3 on CPI's ESG performance and 2023 ESG portfolio performance report);
- the entire ACAMS training offer, which aims to combat financial crime (see section 4.2.4 on ACAMS' ESG performance and 2023 ESG portfolio performance report).

In line with Wendel's four ESG pillars and the aim of measuring the effective contribution of its companies to a universal sustainable growth objective, Wendel uses the United Nations Sustainable Development Goals (SDGs) framework to qualify the sustainability challenges that its activity enables it to meet. This reference framework is also used by controlled companies within the portfolio.



Wendel has selected SDGs that are aligned with its business and believes that its ESG performance strategy will make a contribution to achieving the following SDGs:

- 4.4 by 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship;
- 5.5 ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life;
- 8.3 promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services;
- 12.6 encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle;
- 13. take urgent action to combat climate change and its impacts.

Case study: Constantia Flexibles' ESG transformation during the 2015-2022 holding period by Wendel

Wendel acquired Constantia Flexibles, one of the world's leading manufacturers of flexible packaging, in March 2015 and sold it in September 2023.

Constantia Flexibles is a good example of Wendel's ESG commitment to its portfolio companies and the creation of non-financial value during the holding phase:

- **climate:** Constantia Flexibles set approved SBTi below 2° reduction targets for 2018. Over the period 2015 to 2022, emissions fell 17% in absolute terms. Constantia Flexibles also defined a climate change adaptation plan, approved by the Supervisory Board in 2022;
- **health and safety:** the frequency rate of workplace accidents fell from 13.4 points in 2014 to 2.08 points in 2022, a reduction of 11.2 points during the holding period by Wendel;
- **products with environmental added value:** in 2018, Constantia Flexibles committed that 100% of its packaging solutions would be designed for recycling by 2025. In 2022, 85% of the Constantia Flexibles product offering was either designed for recycling or had a recyclable alternative.

Thanks to these results, Constantia Flexibles was awarded an A rating by CDP in 2023, placing it among the 346 highest-performing companies out of 23,000 worldwide.

4.1.5.5 Climate Plan

Wendel is conscious of the urgency of the fight against climate change and the need to take its impact into account in its strategic planning and operational management.

In full compliance with its role as a shareholder, in 2023 Wendel continued to assist its controlled companies with the management of their climate strategy, in particular by monitoring climate change adaptation and mitigation action plans. Wendel ensures that all its controlled companies carry out an annual carbon assessment and identify short-, medium- and long-term reduction paths and targets that are compatible with the Paris Agreement, and implements a climate risk adaptation plan where risks have been identified.

The climate plan below is structured in two parts:

1. the GHG emissions mitigation plan, including metrics and reduction targets for Wendel and its portfolio companies;
2. the climate change adaptation plan, including action plans for transition and physical risks.

This climate plan is also presented in detailed format in line with the TCFD framework in the 2023 TCFD report available on Wendel's website.

Key figures:

- **100%** of controlled companies **measure their carbon footprint** every year, at Wendel's request within 18 months of their acquisition. Although Scalian will be included in the Wendel Group's scope of consolidation in 2023, it already has an exhaustive carbon footprint for the 2022 calendar year.
- **100%** of the controlled companies that have identified risks related to climate change adaptation (Stahl, Bureau Veritas, CPI) have developed a **climate resilience plan** approved by their Boards of Directors. Scalian will present its transition plan to the Supervisory Board in 2024. Identifying the risks associated with adapting to climate change is not relevant for ACAMS, which has a full remote work model.
- **4% reduction in Scope 1, 2 and 3 emissions in absolute terms on a like-for-like basis** (according to the PCAF financial control approach).
- **197 tCO₂ eq/€m of sales** on the consolidated scope (Scopes 1, 2 and 3).
- **46% reduction in carbon intensity** (Scopes 1, 2 and 3) relative to consolidated sales compared to 2022, and a **6% reduction on a like-for-like basis**.
- **90% of the Wendel Group portfolio's emissions** come from companies with SBTi-approved pathways.
 - **98% of the portfolio's emissions from unlisted assets** are attributable to companies with **SBTi-approved** pathways.
 - **86% of the portfolio's emissions from listed assets** (controlled and non-controlled companies) are attributable to companies with **SBTi-approved** pathways.

GHG emissions mitigation plan**Consolidation of emissions using the financial control approach - PCAF method**

Under the financial control approach to consolidation, as defined by the PCAF (Partnership of Carbon Accounting Financials), the Company accounts for 100% of the emissions of controlled assets (Bureau Veritas, Stahl, CPI, ACAMS, Scalian and Wendel SE) and includes the emissions (Scopes 1, 2 and 3) of non-controlled assets in Scope 3, in proportion to its percentage interest. Emissions related to Wendel Growth investments are not included as they are not deemed material.

In tCO ₂ eq	Total emissions - PCAF financial control approach 2023 ⁽¹⁾	Total emissions - PCAF financial control approach 2022	2023-2022 change restated
Scope 1	85,828	203,705	-58%
Scope 2 market-based	78,305	167,206	-53%
Scope 3 ⁽²⁾	1,828,264	3,417,154	-46%
TOTAL (MARKET-BASED)	1,992,397	3,788,065	-47%

(1) As IHS Towers' 2023 Scope 1 and 2 emissions were only available after the publication of the URD, we have used the 2022 data. IHS Towers' Scope 3 emissions are not available. Scalian's Scope 1, 2 and 3 emissions are not available for 2023. We have used the 2022 data.

(2) The emission items included in the controlled portfolio companies' Scope 3 emissions are listed in section 4.2 – ESG performance of controlled portfolio companies. Downstream and/or upstream emissions taken into account depend on their materiality by business sector.

Consolidation of emissions using the financial control approach - SBTi method

The consolidation method proposed by the SBTi for financial institutions consists in including 100% of the emissions (Scopes 1, 2 and 3) of controlled assets in the Wendel Group's Scope 3 emissions, unlike the PCAF method. Emissions from non-controlled assets are also included in Scope 3, in proportion to the percentage interest.

The Scope 1 and 2 emissions below only include Wendel SE's Scope 1 and 2 emissions, essentially linked to energy consumption in the offices.

The reduction targets set out below are based on this consolidation methodology.

In tCO ₂ eq	Total emissions - financial control approach SBTi 2023 ⁽¹⁾	Total emissions - financial control approach SBTi 2022	2023-2022 change
Scope 1	18	20	-11%
Scope 2 market-based	98	140	-30%
Scope 3 ⁽²⁾	1,986,000	3,784,636	-48%

(1) As IHS Towers' Scope 1, 2 and 3 emissions and Constantia Flexibles' Scope 3 emissions were only available after the publication of the URD, we have used the 2022 data. IHS Towers' Scope 3 emissions are not available. Scalian's Scope 1, 2 and 3 emissions are not available for 2023. We have used the 2022 data.

(2) The emission items included in the controlled portfolio companies' Scope 3 emissions are listed in section 4.2 – ESG performance of controlled portfolio companies. Downstream and/or upstream emissions taken into account depend on their materiality by business sector.

Overall portfolio emissions were down 47% in absolute terms compared to 2022. This decrease is mainly due to the exit from the portfolio of Constantia Flexibles, which in 2022 represented 45% of emissions consolidated according to the financial control method.

On a like-for-like basis, emissions decreased by 4% in absolute terms. The intensity ratio of tons of CO₂ eq per million euros of consolidated sales was down 46% with the exit of Constantia Flexibles and down 6% on a like-for-like basis.

The biggest decline was in Scope 2, where all of the Group's portfolio companies recorded significant reductions. The change in the share of renewable energy is also explained by the exit of Constantia Flexibles, which accounted for 64% of total energy consumption and whose share of renewable energy was 28% in 2022. On a like-for-like basis, the share of renewable energy consumed rose slightly from 18% in 2022 to 19% in 2023.

Share of renewable energy consumed	2023	2022	2023-2022 change
Total energy consumed (in MWh)	357,397	981,043	-64%
Renewable energy consumed (in MWh)	67,166	237,786	-72%
Share of renewable energy (in %)	19%	24%	-5 pp

Focus on Wendel's SBTi commitment

In 2023, Wendel committed to implementing Group-wide greenhouse gas emissions reduction targets, based on the criteria defined by the SBTi and in line with the latest climate-related scientific advances. Wendel's targets were submitted to the SBTi for approval.

Wendel's short-term targets are two-fold:

- GHG emissions from Wendel's offices (Scopes 1 and 2): **-42% Scopes 1 and 2** (baseline year 2022);
- GHG emissions of eligible companies⁽¹⁾ in Wendel's portfolio using a portfolio coverage approach derived from SBTi guidelines⁽²⁾: 100% of eligible portfolio companies SBTi approved by 2030.

The above commitments may be adjusted in line with the SBTi's recommendations before the targets are approved.

Three companies received approval of their reduction pathways by the Science-Based Targets initiative (SBTi) in 2023 based on a 1.5° pathway by 2030:

- Bureau Veritas, representing 37% of the portfolio's emissions at the end of 2023;
- Stahl, representing 32% of the portfolio's emissions at the end of 2023;
- Tarkett, representing 20% of the portfolio's emissions at the end of 2023.

At December 31, 2023, 90% of the portfolio's emissions were therefore covered by SBTi-approved targets.

Within the **scope of controlled companies**, the following objectives have accordingly been defined:

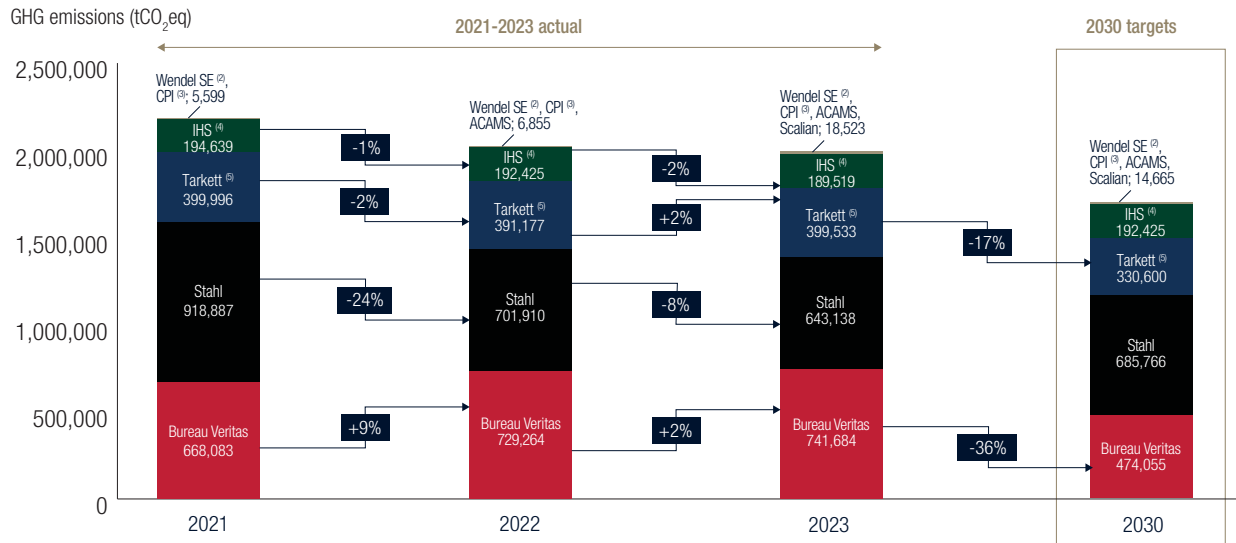
- Bureau Veritas - SBTi approved: -42% on Scopes 1 and 2 and -25% on Scope 3 by 2030 - *baseline year 2021*;
- Stahl - SBTi approved: -42% on Scopes 1 and 2 by 2030 and -25% on Scope 3 by 2030 - *baseline year 2021*;
- CPI: -10% of CO₂ eq emissions per employee (Scopes 1, 2 and 3) by the end of 2024 - *baseline year 2022*;
- Scalian: specialized in engineering and consulting for business transformation, the company joined the Wendel Group in 2023. The company has been calculating its carbon footprint since 2018 and has drawn up a transition plan including an action plan to mitigate its emissions. Under the impetus and support of Wendel, it plans to set reduction targets in line with SBTi standards by 2024;
- ACAMS does not currently have a GHG emissions reduction plan. This is due to its internal organization model based on full remote work and the absence of offices worldwide.

The detailed action plans associated with these targets for each of the portfolio companies are described in detail in Wendel's 2023 portfolio ESG performance report.

In the non-controlled companies scope, Tarkett has committed to reducing its Scope 1 and 2 emissions by 50% and its Scope 3 emissions in Category 3.1 "Purchased goods and services" and Category 3.12 "End-of-life treatment of sold products" by 27.5% by 2030 (baseline year 2019). The Company aims to reduce its overall emissions by 30% by 2030 and was SBTi approved in 2023. IHS Towers is committed to reducing the kWh intensity of its emissions by 50% on Scopes 1 and 2 by 2030 (baseline year 2021).

(1) All listed portfolio companies and unlisted companies in which Wendel holds an interest of more than 25% and has at least one seat on the Board of Directors (reference threshold of 15% for Venture Capital).

(2) Financial Sector Science-Based Targets Guidance (version 1.1) and Private Equity Sector Science-Based Target Guidance.

Portfolio emissions and 2030 reduction targets in absolute terms compared to baseline years⁽¹⁾

- (1) Scope 1, 2 and 3 emissions of the portfolio calculated according to the financial control approach of the GHG Protocol and the PCAF methodology.
 (2) Wendel SE has defined a reduction target of -42% for Scopes 1 and 2 by 2030, which does not appear in the chart.
 (3) CPI has defined an absolute yearly reduction target of -10% by the end of 2024, which does not appear in the chart.
 (4) IHS Towers' emissions are weighted based on the holding ratio as of December 31, 2023. 2023 IHS emissions include Scope 1 and 2 emissions for 2022, as 2023 data were not yet available at the time of publication. The difference between emissions in 2022 and 2023 is attributable to the change in the holding ratio. The IHS Towers reduction pathway is not shown in the chart because it is expressed in relative terms (-50% on Scopes 1 and 2 in kWh intensity compared to 2021).
 (5) Tarkett's emissions are weighted according to the percentage interest held as of December 31, 2023.

As illustrated in the above chart, the companies that have set absolute reduction targets have made significant progress:

- Stahl has reduced its emissions by 29% compared to 2021. This reduction is attributable to efforts on Scopes 1, 2 and 3 and a decline in purchasing volumes compared to 2021. It is likely that absolute Scope 3 emissions will increase in 2024, notably due to the impact of Stahl's acquisition of ISG, a unit of the ICP group (see section 4.2.3);
- Tarkett already reduced its emissions by 18% on Scopes 1, 2 and 3 between 2019, the baseline year, and 2023 (see Tarkett's Universal Registration Document).

Climate change adaption plan

In order to conduct this assessment, Wendel relied on the TCFD (Task Force on Climate-Related Financial Disclosure) framework, which has developed recommendations for communicating climate-relevant information. The objectives of this framework are to:

- promote more informed investment, credit and insurance decisions;

- enable stakeholders to better understand the exposure of assets to climate-related risks;
- enable companies to integrate climate-related risks and opportunities into their risk management and strategic planning processes.

The conclusions of the analysis conducted enabled Wendel to establish:

- its alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD);
- a table of transition risks and physical risks to which Wendel and its controlled portfolio companies are exposed;
- a short- and medium-term action plan to improve the climate resilience of controlled portfolio companies. Action plans were approved in 2023 by the governance bodies of companies for which significant risks have been identified.

The successful implementation of this climate plan is a condition for the 2021-2024 stock option plan for the Executive Board and for all employee beneficiaries of Wendel SE.

Wendel's alignment with the TCFD recommendations

The table below summarizes Wendel's alignment with the TCFD pillars. The full TCFD report is available on Wendel's website.

TCFD pillar	TCFD recommendations	Wendel positioning
Climate governance	Description of the roles of Management and the Board of Directors in assessing and managing climate-related risks and opportunities.	<p>The responsibility for managing the effects of climate change is borne at all levels of the Company.</p> <p>See 4.1.5.1</p> <p>Non-executive governance:</p> <ul style="list-style-type: none"> ■ Supervisory Board: ESG strategy and taking climate issues into account, particularly in terms of investments; ■ Audit and Risks Committee: quality and relevance of climate-related non-financial information; ■ Governance and Sustainability Committee: ESG objectives and ESG skills at governance level. <p>Executive Governance:</p> <ul style="list-style-type: none"> ■ Executive Board: approval of the climate strategy and targets; ■ ESG Committee: coordination and definition of climate change mitigation and adaptation targets. <p>Governance within the portfolio companies:</p> <ul style="list-style-type: none"> ■ annual reviews of climate plans by the portfolio companies' governance bodies; ■ a portion of the variable compensation of all the CEOs of the consolidated companies is linked to the achievement of ESG targets, 80% of which relate directly to mitigating and/or adapting to climate change.
Corporate strategy	Identification of climate-related risks and opportunities identified over the short, medium and long term, and their impacts on the Company's businesses, strategy and financial planning. Alignment of the Company's strategy with a low-carbon pathway.	<p>Wendel's approach as a long-term investor, strongly oriented towards value creation through ESG leverage, demonstrates that sustainability issues are at the heart of its strategy. Climate change management is positioned as one of the four ESG priorities established by the Company. Wendel's ESG team and the operating partners ensure that climate issues are integrated into the strategy of the portfolio companies. The climate strategy of controlled companies is reflected in the ESG objectives of the CEOs of controlled companies.</p> <p>Accordingly, 80% of the controlled portfolio companies have defined low-carbon products and services:</p> <ul style="list-style-type: none"> ■ Bureau Veritas' Green Line segment on energy efficiency and low-carbon transition; ■ sustainability segment for Scalian's ESG reporting and decarbonization strategies; ■ Stahl's development of water-based products (with a better carbon footprint than solvent-based products); ■ digitalization of CPI's training courses.
Risk management	Description of the processes for identifying and managing climate-related risks, and integrating them into the Company's overall risk management process.	<p>The risk factors to which Wendel is exposed, as presented in chapter 3, mention ESG and climate risks, demonstrating that these are integrated and prioritized in the Company's overall risk management.</p> <p>Physical and transition risk analyses have been presented to the governance bodies of each of the portfolio companies.</p> <p>Wendel, as an investor, also develops methodologies to fine-tune the consideration of the financial impacts on companies' valuations.</p>
Metrics and targets	Having indicators to assess the Company's performance with respect to its climate-related commitments, in particular information on the Company's carbon footprint across all scopes, and setting reduction targets.	<p>100% of controlled portfolio companies to offer a complete and published measurement of their carbon footprint, in accordance with GHG Protocol standards.</p> <p>Wendel's short-term climate objectives are set at two levels:</p> <ul style="list-style-type: none"> ■ GHG emissions from Wendel's offices (Scopes 1 and 2): -42% Scopes 1 and 2 (baseline year 2022); ■ GHG emissions of eligible companies⁽¹⁾ in Wendel's portfolio using a portfolio coverage approach from the SBTi guidelines⁽²⁾: 100% of eligible portfolio companies SBTi approved by 2030. <p>At the end of 2023, emissions from the portfolio covered by an approved SBTi pathway represented 90% of the portfolio's emissions.</p>

(1) All listed portfolio companies and unlisted companies in which Wendel holds an interest of more than 25% and has at least one seat on the Board of Directors (reference threshold of 15% for Venture Capital).

(2) Financial Sector Science-Based Targets Guidance (version 1.1) and Private Equity Sector Science-Based Target Guidance.

Exposure to physical hazards and transition risks (controlled scope)

The climate risk analysis is based on the classification table of climate risks and opportunities as defined by the TCFD for transition risks. For physical hazards, the modeling is based on RCP 8.5 weather scenario data for 2030 and 2050.

Transition risks and opportunities			
Transition risk/ opportunity	Risk/opportunity category as presented in the TCFD classification	Description	Measures in place or recommended
Transition risk	Carbon price increase	<p>Estimates from the International Energy Agency anticipate a 250% increase in the price per metric ton of carbon by 2050, assuming a low-carbon transition⁽¹⁾.</p> <p>No portfolio companies currently have facilities subject to the emissions trading scheme. This increase will mainly have indirect effects in the value chain of the portfolio companies (transportation, energy, commodities, etc.).</p>	<p>Measuring and anticipating the potential cost generated by a carbon emissions tax. For the portfolio companies and for future investment opportunities studied, a carbon cost is estimated where material.</p> <p>GHG emissions mitigation targets for Wendel and the portfolio companies according to SBTi standards.</p> <p>Vigilance with regard to the applicability of emissions trading systems (size of facilities, choice of geographical location, etc.).</p>
Transition risk	Stricter regulations on emissions generated	<p>Recent examples related to the EU taxonomy and the European Fit for 55 package demonstrate the strongly evolving nature of the regulations related to low-carbon alignment and emissions reduction.</p> <p>These new regulations generate direct costs (internal and external resources mobilized to verify compliance) as well as indirect costs over the long term (operational transformations necessary for compliance).</p>	<p>As a listed company, Wendel monitors changes in European and international regulations on climate impact reduction. It also encourages the controlled companies to respect the best standards in terms of reducing their emissions (e.g., emissions reduction pathway approved for Stahl, Bureau Veritas and Tarkett).</p> <p>The companies in the portfolio also carry out more specific monitoring of certain subjects to which they may be exposed (e.g., the carbon credit market, environmental labeling, circular economy, etc.).</p>
Transition risk and opportunity	Change in commodities costs	<p>The energy transition requires a rapid increase in renewable energy production capacity.</p> <p>Nevertheless, this transition to renewable energy will automatically reduce the current costs of renewable energy. Wendel and its portfolio companies are committed to significantly increasing the share of renewable energies in their total consumption. Renewables currently account for 19% of the Group's total consumption.</p>	<p>Securing multiple and diversified supply chains.</p> <p>Wendel monitors and controls the deliberations of the portfolio companies in order to optimize the quantities of products used.</p> <p>Participation in the improvement of recycling capacities in order to promote the reuse of certain commodities.</p> <p>In 2024, Wendel will roll out an application that analyzes climate risks in the value chain, particularly for the most exposed companies in its portfolio.</p>

(1) World Energy Outlook study by the International Energy Agency, 2020.

Transition risks and opportunities

Transition risk/ opportunity	Risk/opportunity category as presented in the TCFD classification	Description	Measures in place or recommended
Transition opportunity	Substitution of existing products and services in favor of low-carbon solutions	The transition to a low-carbon economy requires the transformation or discontinuation of certain products and services, the manufacture and consumption of which will become difficult to reconcile with the emission levels to be respected.	<p>Wendel encourages its portfolio companies to monitor emerging trends and the risks of substitution in their respective products. The share of sales linked to products or services with environmental added value illustrates Wendel's determination to steer portfolio companies towards transition opportunities.</p> <p>Accordingly, the majority of the controlled portfolio companies have defined low-carbon products and services:</p> <ul style="list-style-type: none"> ■ Bureau Veritas' Green Line segment on energy efficiency and low-carbon transition; ■ segment of Scalian's sustainability offering, including decarbonization strategy services; ■ Stahl's development of water-based products eligible for the European Taxonomy (with a better carbon footprint than solvent-based products). <p>Wendel and its controlled portfolio companies are working to increase the share of these products and services.</p>
Transition opportunity	Changes in consumer expectations	<p>The transition to a low-carbon society is transforming the needs and consumption habits of society as a whole. While some products may be abandoned, new needs may emerge. The main examples within the Wendel portfolio are:</p> <ul style="list-style-type: none"> ■ the development of needs related to corporate social responsibility, eco-efficiency, emissions reduction and climate change adaptation, as expressed by Bureau Veritas and Scalian group customers via the Net Promoter Scores calculated; ■ the management and support of trauma related to natural disasters or severe weather events. 	<p>Bureau Veritas' Green Line offering addresses all emerging needs related to the low-carbon transition (renewable energies, new forms of mobility, low-carbon buildings, etc.).</p> <p>Scalian's sustainability offering specifically addresses issues related to ESG performance, decarbonization of organizations, ESG reporting and life cycle analysis.</p> <p>CPI is involved in managing people who have survived severe climatic events, and its training includes emergency care workers and hospitals.</p> <p>Lastly, Stahl is actively involved in the Zero Discharge of Hazardous Chemicals (ZDHC) program, which is designed to promote the sustainable management of chemicals in the fashion industry. It is also a founding member of the Renewable Carbon Initiative.</p>

Physical hazards and opportunities - moderate or severe risks

At the Wendel portfolio level (save Bureau Veritas), four sites have been identified to date as vulnerable to potentially moderate or severe physical hazards by 2050.

The identification of sites at risk of hazards is based exclusively on the RCP 8.5 scenario projections for 2050. This process does not therefore include the existence of protection measures put in place by the Company or by third parties (such as the local authority where the Company is located). This assessment of actual and effective risks at the most vulnerable sites was prepared in 2022 as part of the climate resilience plans of the relevant portfolio companies.

Bureau Veritas estimates the number of sites exposed to high risk at 431 according to the RCP 8.5 scenario⁽¹⁾.

(1) For more information, see "Climate change adaptation" in the Bureau Veritas 2023 Universal Registration Document.

4.2 ESG performance of controlled portfolio companies

This section presents the application of Wendel's ESG strategy, as described above, to controlled companies in the portfolio:

- 4.2.1 **Bureau Veritas**
- 4.2.2 **Stahl**
- 4.2.3 **Crisis Prevention Institute**
- 4.2.4 **ACAMS**
- 4.2.5 **Scalian**

Each of the sub-sections below includes:

- i) a brief overview of the business and key figures;
- ii) the ESG Roadmap - including the four pillars of Wendel's ESG strategy and the material issues specific to each investment;
- iii) methodological information pertaining to the indicators presented.

The 2023 portfolio ESG performance report available on Wendel's website also presents the policies implemented to address the most material issues, as well as the climate change adaptation and mitigation plans, for each of the controlled companies.

4.2.1 Bureau Veritas

4.2.1.1 Business overview and key figures

GENERAL INFORMATION		
Activity	Global leader in Testing, Inspection and Certification (TIC) services	
Revenue	€5,868 million	
Revenue by region	Europe	35%
	Middle-East, Africa	9%
	Asia-Pacific	28%
	Americas	28%
HEADCOUNT		
Number of employees	81,511	
Headcount by region	Europe	22%
	Middle East, Africa	10%
	Asia	40%
	America (USA/Mexico)	28%
SUPPLY CHAIN		
Number of operational sites and offices	1,610 sites	
Services	Regulatory or voluntary compliance assessment Technical and regulatory assistance Services and solutions to support the implementation of sustainable strategies	
End markets	Buildings & Infrastructure Agri-Food & Commodities Industry Consumer Products Services Marine & Offshore Certification	
OTHER INFORMATION		
ESG Ratings	S&P Global	83 (1/184)
	MSCI	AA
	Sustainalytics	9.1 (1/72)
	Moody's	70
In Wendel's portfolio since	1995	

4.2.1.2 ESG Roadmap

This section summarizes the main terms of the Bureau Veritas Non-Financial Statement (NFS). The full version of the NFS is published in the Bureau Veritas Universal Registration Document.

Bureau Veritas tracks 19 CSR internal management indicators on a quarterly basis. The annualized performance of these indicators is presented in the table below:

	2023	2022	2021	2028 target
Scope 1 & 2 emissions (ktCO ₂ eq)	149	151	159	107
Scope 3 emissions (ktCO ₂ eq)	592	578	509	410
Share of renewable energy	9.9%	9.5%	4.0%	40%
Number of certified energy efficient sites	N/A	N/A	N/A	-
Number of labelled eco-sites	N/A	N/A	N/A	-
Total Accident Rate (TAR)	0.25	0.26	0.27	0.23
Lost days rate	0.13	0.16	0.19	0.13
Number of fatalities	0	2	0	0
Learning hours per employee	36.1	32.5	29.9	40
Share of employees participating in a performance review	63%	57%	55%	95%
Employee engagement score	70%	69%	70%	76%
Rate of internal recruitment to leadership and expert positions (from the Executive Committee to Band IV)	N/A	N/A	N/A	35%
Global gender balance	31%	30%	30%	35%
Gender balance in senior leadership (EC-II)	29%	29%	27%	36%
Gender balance in leadership and experts (EC-IV)	27.3%	27%	N/A	36%
Gender pay ratio	0.93	0.97	-	1
Proportion of employees trained to Bureau Veritas Code of Ethics	97.4%	97.1%	95.8%	99%
Number of Bureau Veritas Code of Conduct breaches	91	51	N/A	N/A
Share of suppliers covered by the Bureau Veritas Code of Conduct	54%	55%	60%	75%

4.2.1.3 Reporting methodology

The indicators presented in this section were calculated based on data collected from the Bureau Veritas operating groups. These data were then consolidated by the Bureau Veritas departments concerned (Human Resources, Legal Affairs and Audit, QHSE, Technical, Quality, Risks and Finance) using proven methods. Changes in methods or scope are reported systematically.

The data are presented on a consolidated scope basis in 2023 (from January 1 to December 31), except the indicators below:

- the number of employees used in the calculation of Health and Safety indicators is based on employees in November 2023;

- the following environmental data are calculated on a 12-month rolling basis (from October 1, 2022 to September 30, 2023): Scope 1, 2 and 3 CO₂ emissions for waste and business travel.

The information presented in this section is based on the Bureau Veritas group's Non-Financial Statement (NFS), included in its 2023 Universal Registration Document. The Bureau Veritas group's NFS has been reviewed by an independent third party in accordance with Article R. 225-105 of the French Commercial Code. The complete NFS and the Independent Third Party's report are available in the Bureau Veritas Universal Registration Document.

4.2.2 Stahl

4.2.2.1 Business overview

Stahl is a world leader in specialty coatings and treatments for flexible substrates. Its products add functionality, durability and comfort to many different materials used in everyday life. Through its continuous focus on innovation and reducing environmental footprint, Stahl's unique service model and premium solutions add value to various industries.

GENERAL INFORMATION		
Activity	Stahl is a world leader in specialty coatings and processing chemicals that provide functionality, durability and comfort to many different materials used in everyday life.	
Revenue	€913.5 million	
SALES BY REGION		
	Asia-Pacific	42%
	EMEA (Europe, Middle East & Africa)	35%
	North and Central America	16%
	South America	8%
HEADCOUNT		
Number of employees	1,802	
HEADCOUNT BY REGION		
	EMEA (Europe, Middle East & Africa)	50%
	Asia-Pacific	20%
	India and Pakistan	15%
	North and South America	15%
PRODUCTS & SUPPLY CHAIN		
Number of manufacturing sites	14 manufacturing sites (11 excluding ICP) (59% of volume produced in the EU, 97.7% of volume from ISO 14001-certified sites excluding ICP sites)	
Products: resources/use of resources/final products and market	Specialty performance coatings Leather processing chemicals Packaging coatings	
Outsourced activity	The manufacture of part of Stahl's leather chemicals portfolio is outsourced to a third party, under supply agreements.	
Value Chain Position	Stahl's unique position at the end of the chemical supply chain (i.e., its direct customers are not chemical companies) means that it is dependent on the chemical and biotech industries for the supply of its raw materials. This also means that its factories are not heavily energy intensive, i.e., Stahl doesn't have cracking, distillation or pyrolysis processes.	
OTHER INFORMATION		
In Wendel's portfolio since	2006	
ESG ratings	EcoVadis 2023 Platinum rating	

Note: This business overview excludes the ICP Industrial Solutions Group, acquired by Stahl in 2023.

4.2.2.2 ESG Roadmap

ESG issue	ESG Roadmap Topic	Target	KPIs	Unit	2023	2022	Change	Remarks on 2023 achievement in relation to the target
Climate Change	Reduce Scope 1 and 2 emissions	Absolute reduction in Scope 1 and 2 emissions of 42% (2021 vs 2030)	Scope 1 and 2 emissions	tCO ₂ eq	12,581	16,469	-24%	SBTi approval obtained in May 2023.
	Reduce Scope 3 emissions	Absolute reduction in Scope 3 category 1 purchased goods and services of 25% (2021 vs 2030)	Scope 3 emissions	tCO ₂ eq	630,557	685,441	-8%	SBTi approval obtained in May 2023.
	Renewable energy located at or near Stahl factories	Three sites using on-site renewable sources (solar panels) (minimum 20% of total on site energy) by 2023 & six sites by 2030	Number of sites using on-site renewable sources (solar panels)	Number of sites	4	3	+33%	49% of Stahl's global energy consumption is renewable (solar panel, renewable electricity, agri briquettes). In Singapore (2023), Mexico (2022), India (2022) and Brazil (2018), energy from solar panels is used for electricity.
	Climate resilience and adaption	Implement a Climate resilience and adaption plan	Implementation of the resilience plan and approval by the Board	Yes/no	Yes (approval at Board level)	Yes (approval at Board level)		Climate resilience plan discussed and approved by Stahl Board in December 2021, 2022, and 2023.
Sustainable products	Safe chemistry (ZDHC) and improved water footprint	80% of Stahl portfolio for the footwear, garment & accessories segment to be ZDHC-certified by 2023	Number of Stahl products (% of total portfolio sales revenue) at ZDHC level 3 Gateway conformance	Number of products	63%	73%	-10 pp	Ongoing external testing of portfolio products & raw materials, and auditing of our manufacturing sites, to maintain and grow the % of products registered at ZDHC level 3 Gateway conformance.
	Environmental footprint - Measuring: Environmental Impact data via Life Cycle Assessment (LCA) methodology	ISO 14044 LCA data for a minimum of 50 strategic products	Number of strategic products with available LCA/LCI data	Number of products	353	160	+121%	In 2023, the company added 193 products for which the Carbon Footprint data is available, bringing the total to 353 products (47% of sales revenue).
	Environmental certification: ISO 14001 certification (environment)	ISO 14001 for all Stahl sites by 2030	Number of sites with ISO 14001 certification	Number of sites certified	9 out of 11 sites	8 out of 11 sites	+12.5%	97.7% of Stahl's production volume is produced at ISO 14001-certified manufacturing sites.
Sustainable use of resources	Sustainable use of water	-	Water withdrawals	m ³	598,726	644,268	-7%	-
		-	Water consumption	m ³	161,108	N/A	-	-
ESG issues in the supply chain	ESG performance in the supply chain: Supplier performance & external EcoVadis rating for Stahl	By 2023: external rating for top 10 suppliers in EcoVadis: minimum rating of 60/100	Average score in EcoVadis rating of Top 10 suppliers (based on spend/€)	Average score	68.7	65.7	+3	Continuous progress on encouraging suppliers to improve their Ecovadis ratings.
		Maintain Platinum EcoVadis rating	EcoVadis rating Stahl	Medal rating (score out of 100)	Platinum rating (80/100)	Platinum rating (77/100)	+3	Platinum EcoVadis achieved in 2022 and 2023. Focus is on maintaining this level. EcoVadis performance bar is continuously rising.

ESG issue	ESG Roadmap Topic	Target	KPIs	Unit	2023	2022	Change	Remarks on 2023 achievement in relation to the target
Health and safety	Health and safety: Safe working environment (OHS) for Stahl employees and contractors at Stahl sites	Zero accidents, all Stahl locations & staff (including contractors)	TRIFR (total recordable injury frequency rate)	Rate	2.391	2.325	+3%	TRI-FR consolidated a stable low value compared to Stahl's record. In 2022, Stahl reported 6 events causing 142 days lost. In 2023, the number of LTI events was 8, causing 84 days lost. While the LTI-FR increased by 37%, the severity rate decreased by 36%.
			LTIFR (lost time injury frequency rate - employee)	Rate	2.239	1.638	+37%	
			Severity rate	Rate	0.025	0.039	-36%	
		ISO 45001 certification for all Stahl sites by 2030	Number of sites with ISO 45001 certification	Number of sites certified	5 out of 11 sites	5 out of 11 sites	0	
Issue related to Human Resources: attracting and retaining talent, diversity	Diversity, Equity and Inclusion (DEI) at Stahl	100% of Stahl employees trained in diversity, equity and inclusion by 2023	Percentage of employees trained in DEI annually	%	89.83%	Voluntary training available for employees		Stahl has set up local DEI Committees for each of its entities worldwide and a global DEI Committee, which oversees progress and promotes awareness.
			Human capital: Talent attraction and retention, alignment between employee competencies and company needs	Employee engagement index Turnover rate - resignations only	% turnover	4.07%	5.22%	
	Diversity in Leadership: Gender balance in leadership positions in Stahl	By 2023: One female (minimum) member in Stahl's Leadership Team By 2030: gender balance (30-60%) in Stahl's Leadership Team	Percentage of women in Stahl's Leadership Team	% membership	11.11%	0%	+11.11 pp	As of March 2023, Stahl had one female member on the leadership team.
			By 2023: 25% (minimum) female representation in Stahl's Extended Leadership Team & Heads of functions By 2030: gender balance (30-60% ratio)	Percentage male - female (30-60%) in Stahl supervisory and managerial positions	% membership	24.8%	25.1%	
Corruption and bribery	Adherence to the Stahl Code of Conduct, laws and policies in place, identification and reporting of incidents	Each year: 100% of Stahl employees trained in anti-corruption and bribery 100% of whistleblower cases treated	Percentage of employees trained	%	92.06%	97.50%	-5.44 pp	The proportion of trained employees is stable and close to 100%. All cases were treated in 2023.
			Number of whistleblower cases treated	% (number of cases)	100% (5)	100% (8)	-	
Governance	Independent membership on the Stahl Board of Directors	Reporting of Stahl Board members (gender and independence)	Number of independent members on the Board of Directors, excluding observers	Number of members	1	3	-2	-
	ESG is a Strategic priority: Link ESG objectives to Executive & Management incentive bonus plans	Incentive bonus plans to include ESG targets	Bonus plan of Executive Control group includes ESG objectives		Completed	Completed	-	The incentive bonus plan was expanded beyond the Leadership Teams to a larger group of senior managers.

A full overview of Stahl's ESG Roadmap to 2030 is available on the company's website: <https://cms.Stahl.com/assets/downloads/Stahls-esg-roadmap-to-2030-v1-2.pdf>

4.2.2.3 Reporting methodology

Reporting period

The period selected for 2023 annual reporting is the calendar year from January 1 to December 31, 2023.

Reporting scope

- Unless otherwise indicated, HR and Safety data are reported for all Stahl entities worldwide.
- For environmental data, the manufacturing sites are included as indicated in the table below.
- Data from the acquired ICP Industrial Solutions Group, and its associated manufacturing sites, were not included in EFPD reporting for 2023.

Site	2023	2022
1 Brazil, Portao	Yes	Yes
2 China, Suzhou	Yes	Yes
3 France, Graulhet	Yes	Yes
4 Germany, Leinfelden	Yes	Yes
5 India, Kanchipuram	Yes	Yes
6 Italy, Palazzolo	Yes	Yes
7 Mexico, Toluca	Yes	Yes
8 Netherlands, Waalwijk	Yes	Yes
9 Singapore, Singapore	Yes	Yes
10 Spain, Parets	Yes	Yes
11 USA, Calhoun	Yes	Yes

Based on this definition, the impact of workers on the KPIs is as follows:

Relation with Stahl	Reported by site in case of injury	Included in Stahl SHE&PS Injury KPIs	Included in Stahl SHE&PS days lost, LTI KPI and Severity Rate
Stahl worker	YES	YES	YES
Usual contractor	YES	YES	NO
Specific contractor	YES	NO	NO

Total reported injuries frequency rate

The total reported injuries (TRI) frequency rate is calculated on the basis of the total number of injuries recorded in the last twelve months over the total number of hours worked and referenced to a base of 1,000,000 h.

Lost-time injury frequency rate

The lost-time injury frequency rate is the number of accidents involving the loss of one or more days of working time in the last twelve months over the total number of theoretical hours worked and referenced to a base of 1,000,000 h.

Social indicators

Total workforce

The total workforce is the number of employees with a permanent or fixed-term contract with the Stahl group on the last calendar day of the month. Data are reported in terms of full-time equivalents.

Safety indicators

Population considered

In preparing the KPI, the following types of population are considered:

- specific contractor: a contractor present at Stahl only for specific projects or work;
- usual contractor: a contractor present at Stahl on a regular basis, i.e., maintenance personnel, security guards or personnel working in the canteen;
- Stahl worker: any person having a personal employment contract with Stahl.

To align LTI FR with TRI FR, the lost days considered in this calculation are those caused by injuries with medical treatment or a higher level. The calculation is based on calendar days.

Severity rate

The severity rate is the number of lost working days due to injuries in the last twelve months over the total number of hours worked and referenced to a base of 1,000 h.

Environmental indicators

Energy

Reported energy consumption includes all energy sources consumed by Stahl manufacturing sites around the world. The figures indicated do not include energy consumed by offices and laboratories that are not geographically connected to one of the manufacturing sites. Coal is not used.

Water

The water consumption indicator covers all water sources (public water, ground water, third-party supply, surface water, and other water like rainwater for instance) consumed by Stahl manufacturing locations, deducted from the water released into the environment and public sewers around the world. The figures exclude water consumption by offices and laboratories that are not geographically connected to one of the manufacturing sites.

Waste

The waste indicator includes all hazardous and non-hazardous waste generated by Stahl manufacturing sites around the world. The figures do not include waste generated by offices and laboratories that are not geographically connected to one of the manufacturing sites.

Stahl also reports wastewater that is sent for external treatment. These data relate to the sites in Calhoun (USA) and Toluca (Mexico). Stahl’s other manufacturing sites have onsite wastewater treatment.

Zero Discharge of Hazardous Chemicals (ZDHC) is a multi-stakeholder organization, comprising brands, textile manufacturers, leather tanneries, solution providers and chemical companies, whose goal is to eliminate the use of unwanted substances in the textile, leather and footwear value chains.

Consolidation and internal controls

The HR and SHE departments are responsible for consolidating social and safety data based on the information provided by the Group.

At each site, the SHE Manager reviews safety and environmental data reported before the group-level consolidation is performed.

Social data relating to the workforce are compared with the consolidated data in the group’s finance database for consistency.

Guidelines on calculation and reporting of indirect Scope 1, 2 and 3 emissions

All Scope 1, 2 and 3 emissions reported by Stahl are calculated and communicated in accordance with the recommendations of the GHG protocol.

Scope 3 emissions exclude GHG protocol categories 8, 10, 11, 13, 14 and 15, as they are deemed to be not relevant to Stahl. In particular, category 11 – Use of Sold Products – is deemed irrelevant, as Stahl’s products are not combusted, do not directly consume fuel or electricity, and do not contain GHGs which are emitted during use. Additionally, under the GHG Protocol guidance, the reporting of indirect use-phase emissions is optional for intermediary products.

Process-based data

Process-based data are prioritized as follows	Data description
Primary	Actual consumption data such as liters of fuel or kWh consumed
Secondary	Data one step removed from actual consumption data such as company car mileage
Tertiary	Data two or more steps removed from actual consumption data such as spend data

Consistency

- Emission factors for the main category 1 are extracted from an LCA software tool (SimaPro – Ecoinvent Database). The ESG team will track and update the emission factors annually or update them based on supplier data (if they meet the LCA criteria).
- Each year emission factors are reviewed internally and externally (for example by Accenture, Deloitte).
- Stahl follows ISO guidelines for its LCA and Carbon Footprint calculations.

Uncertainties

Aligned with the GHG protocol, the reporting methods for certain CO₂ eq indicators for Scope 3 emissions may have certain limitations due to the pragmatic considerations of collecting and consolidating the relevant data. For CO₂ eq emissions from Scopes 1, 2 and 3, there are uncertainties due to the intrinsic uncertainties of emission factors.

The source of Stahl’s emission factors for Scopes 1, 2 and 3 are: IPCC, guidelines for National Greenhouse Gas Inventories, EPA (Environmental Protection Agency), IEA (International Energy Agency), National sources, SimaPro/Ecoinvent and DEFRA (Department for Environment, Food & Rural Affairs – UK ministerial department).

4.2.3 Crisis Prevention Institute

CPI is the world's leading provider of de-escalation training, non-violent physical intervention training, and person-centered care training for those living with dementia. The social impact is core to CPI's values, business plan, and mission, driven by the thousands of training events it holds each year. Every year, over a million nurses, teachers, social care workers are trained in CPI skills and deploy those strategies to improve a safer, more caring workplace environment.

Additionally, although its business is not particularly emissions-intensive, the company undertakes yearly activities to reduce its carbon footprint and leverage digitization. CPI's stated goal is to reduce the carbon footprint per employee by 10% by the end of 2024.

The following report presents CPI's 2024 ESG Roadmap and associated plans.

4.2.3.1 Business overview and key figures

GENERAL INFORMATION		
Company activity	De-escalation and physical intervention training for health and education professionals, worldwide	
Revenue	€128 million	
Sales by region	North America	87%
	EMEA	10%
	Asia-Pacific	3%
Sales by market	B2B	100%
	Education	43%
	Healthcare	23%
	Human and Social Services	16%
	Mental Health Facilities	9%
	All Other (e.g., Retail, Long-term Care)	9%
HEADCOUNT		
Number of employees	410	
Headcount by region	North America	71%
	Rest of the World	29%
Female to Male %	58% female, 42% male	
OFFICE LOCATIONS		
North America	Milwaukee, WI (2), Gurnee, IL	
Rest of World	Reading, UK (new location)	
	Newcastle-Under-Lyme, UK	
	Sale, UK	
	Sydney, AU	
	Dubai UAE (new location)	

4.2.3.2 ESG roadmap

ESG issue	ESG Risk/ Opportunity	Key policies	KPIs	Unit	2023	2022	2021	Change (2022/ 2023)	Target 2024
Health and safety	Health and safety of employees	<ul style="list-style-type: none"> Safety policy (for example, Workplace Violence, Work from Home, and Operation of Vehicles) Well-being at work (for example, Health and Wellness Days, Break-Time for Nursing Employees, and Employee Assistance Program) Training on an annual basis on safety, health and well-being Monitor employee engagement (2 surveys a year) and track planned vs. unplanned churn 	Hours of Personal Time off per employee (CPI North America scope) - including Health and Wellness days leave	h	137.4	25.1	N/A	+448%	-
			Lost time injury frequency rate (LTIFR)	Rate	1.28	1.56	1.64	-18%	0
			Health and Safety incidents	Nb	0	0	3	-	-
			Departure rate	Rate	18%	21%	28%	-3 pp	-
Climate change	Climate change	<p>Employee travel and energy consumption generate carbon emissions. CPI, as a responsible company, must demonstrate that it is making efforts to participate in the fight against climate change.</p> <p>Key policies are:</p> <ul style="list-style-type: none"> Carbon footprint monitoring; Carbon footprint of workbooks; Mandatory remote work day/week; Implementing virtual training to reduce air travel and hotel days; Use of LED light bulbs. 	CO ₂ footprint/employee	tCO ₂ eq./employee	7.97	8.1	7.7	-2%	7.3
			Catalog page count (2020 baseline year)	pages	576,000.00	582,144.00	832,000.00	-1%	-20% compared to 2019
			% of increase in digital revenue (year on year)	%	+30%	+26%	141%; Covid-19 impacted	+4 pp	+25% per year
			% of CPI's m ² using LEDs	%	92%	93%	87%	-1 pp	-
Social	Training	<p>As a professional services firm, CPI makes employee learning and development a priority.</p> <p>Key policies are:</p> <ul style="list-style-type: none"> Attendance tracking in all mandatory training; All employees trained on cyber security. 	Number of hours of mandatory training per employee	h/employee	4.90	6.47	23.49	-24%	-
			Number of Cyber Incidents per employee	Nb/employee	6.16	3.09	0.98	+99%	-
			% CPI staff with cyber security training	%	100%	100%	100%	-	100%
	Discrimination and equal treatment	<ul style="list-style-type: none"> Applicant Tracking System (ATS) to manage the recruiting and hiring process Affirmative Action Plan (AAP) which details our efforts to provide equal employment opportunities that reflect the gender and racial profile of the labor pools from which we recruit and select. 	Percentage of women Board directors	%	29%	29%	25%	-	-
			Percentage of women managers	%	56%	53%	54%	+3 pp	45% -50%
	Local employment and development	<ul style="list-style-type: none"> Implementing a Volunteer Time Off Program to support volunteer activities that enhance and serve the communities in which we live and work. Consideration of accessibility of public transportation in making the business decision to close the Kings Langley office in the UK and open a new location in Reading. 	% of offices accessible with public transportation	%	100%	100%	100%	-	-
Total paid Volunteer Time Off (VTO) hours per employee (only CPI US)			h/employee	5.04	3.58	N/A	+41%	-	

ESG issue	ESG Risk/ Opportunity	Key policies	KPIs	Unit	2023	2022	2021	Change (2022/ 2023)	Target 2024
Corruption and bribery	Corruption and bribery	<ul style="list-style-type: none"> ■ CPI maintains audited approved segregation of duties and open transactions/contracting (via on-line contracting and DocuSign) ■ Full training on anti-bribery and corruption (ABC) 	% of identified CPI staff trained and passed on Foreign Corrupt Practices Act (FCPA)	%	100%	100%	100%	-	-
			Number of lost contracts due to ethics	Nb	0	0	0	-	-
ESG performance of products	ESG performance of products and services	<ul style="list-style-type: none"> ■ Regulatory authorities certify the quality of training ■ Verification scheme to guarantee confidence in training delivery for future Certified Instructors ■ External instructors' acknowledgment of CPI's quality training 	Total number of active Certified Instructors/ number of learners	Nb	42,241/ 1,238,871	39,224/ 1,078,000	35,954/ 1,400,000	N/A	40,000 over 1,400,000
			NPS	Nb	70	76	70	-6	50

4.2.3.3 Reporting methodology

Reporting period

The period selected for the 2023 annual reporting is the calendar year from January 1 to December 31, 2023.

Reporting scope

The reporting scope covers all legal entities in the United States, the United Kingdom, the United Arab Emirates, and Australia.

Reporting standards and choice of indicators

To monitor the progress of its environmental, social, and societal performance, Wendel and CPI have adopted key performance indicators in connection with the CSR commitments at both the Wendel Group level and the CPI level.

Greenhouse emissions are calculated and reported according to the GHG Protocol standard. Scope 1, 2, and 3 emissions are updated every year.

Specific scope

The indicator "Total VTO (volunteer time off) hours per employee" applies to US employees only and excludes Global Professional Instructors (GPIs) and Global Professional Managers (GPMs). The indicator is calculated as follows: "Total VTO hours"/"Total number of employees who took VTO during the year".

Specific indicators' definitions

- Planned absenteeism: to calculate planned absenteeism, CPI North America used the total PTO (personal time off) granted to employees in the United States. The PTO covers both absences for illness and annual leave. For the Rest of the World, the formula used for planned absenteeism is total hours of sickness for all employees/total contracted hours for all employees. Contracted hours are calculated as the number of hours worked in a week multiplied by the number of weeks in a year (e.g., full-time employee working 37.5 hours multiplied by 52 = 1,950 hours per year).
- Departure rate: the departure rate is calculated as follows: $100 \times \frac{\text{Total number of leavers}}{\text{Headcount} - \text{Over the year}}$.
- Certified Instructors: individuals trained by CPI to train and coach staff at their organizations to assess, manage, and safely resolve instances of high-risk, disruptive, aggressive, or high-risk behavior in the workplace. A Certified Instructor remains active if they attend required renewal programs, pay annual membership fees, and deliver training at least four times in any 24-month period.

Estimated data for the carbon footprint

- Energy consumption has been estimated based on the surface area of each office.
- Freight: upstream freight has been estimated based on the suppliers' addresses and the weight of the total workbooks purchased. Downstream freight has been calculated based on the transport spend.

4.2.4 ACAMS

4.2.4.1 Presentation of the company's activity

In 2023, ACAMS marked another year of transformative progress with new and updated product and service offerings, strengthened and expanded partnerships and key relationships across sectors, with a focus on organizational culture through pivotal initiatives. These collective efforts further strengthen ACAMS' global leadership in combating financial crime and in cultivating a cohesive and collaborative work environment.

GENERAL INFORMATION		
Activity	Continuing Professional Education, Comprehensive Professional Development, Industry-Leading Peer-to-Peer Networking, Expert-Led Training & Content	
Revenue	€91.6 million	
Sales by region	North America	47%
	Europe	19%
	Asia-Pacific	24%
	Rest of the world	11%
Sales by market	B2B	53%
	B2C	47%
HEADCOUNT		
Number of employees	312	
Headcount by region	Americas	60%
	Asia-Pacific	23%
	EMEA	17%
OTHER INFORMATION		
In Wendel's portfolio since	2022	

4.2.4.2 ESG Roadmap

ACAMS is committed to cultivating platforms that improve and strengthen the quality of financial flows for the benefit of environmental, social and governance progress globally.

Theme	Commitment	Target(s)	KPIs	Unit	2023	2022	Change (2022/2023)	
Sustainability and collaboration across the value chain of business operations	We are committed to minimizing our impact on the environment and to improving our sustainability performance and creating solutions for the AFC community.	Through the development of a travel policy, we pledge: <ul style="list-style-type: none"> to reduce mid-and-long-haul flights by 10% in 2023; to increase the utilization of transportation options which are more efficient, including rail and train. 	Breakdown of flights into three categories: short-haul, medium-haul and long-haul	% Short-haul	43%	47%	-4 pp	
				Medium-haul	17%	17%	0	
				Long-haul	40%	36%	+4 pp	
			Share of journeys made by rail/train ⁽¹⁾	%	4%	N/A	N/A	
			We commit to establishing supplier policies that meet certain sustainability considerations.	%	74%	N/A	N/A	
	We commit to building an ESG ecosystem that informs and educates.	# of resources (content, training) related to ESG	#	134	N/A	N/A		
Climate Change	Our employee travel generates carbon emissions (Scope 3). We are committed to demonstrating that we are making efforts to contribute positively to reducing carbon emissions.	Measure our carbon footprint.	Intensity of GHG emissions over the year (Scopes 1, 2, 3)	tCO ₂ eq/employee	3.56	1.22	+192%	
Consistently enhance products and services	We commit to staying abreast of the latest trends and regulations impacting financial flows and enhancing our products and offerings accordingly.	We commit to the continuous development of our offerings: training, certifications, events and thought leadership programming.	Number of products updated or released this year	Number	180	N/A	N/A	
			Net promoter score	%	49%	48%	+1 pp	
			Number of AFC professionals certified during the year	Number	75,007	62,927	+12,080	
			Number of jurisdictions covered ⁽²⁾	Number	203	194	+9	
			We commit to strengthening the breadth of independent expertise and faculty that is infused throughout our products, PPP initiatives and global events.	Number of engagement opportunities for Advisory Board Members	Number	30	N/A	N/A
			We commit to offering social impact certificates that protect the world's most vulnerable populations and biodiversity.	Ratio of new social impact certificates developed and amplified	%	45%	45%	-
				Total enrollments for social impact certificates, since inception	Number	73,664	41,307	+32,357
				Number of individuals enrolled in the "Fighting Modern Slavery and Human Trafficking" free certificates	Number	12,027 ⁽³⁾	14,442	-2,415
				Number of individuals enrolled in the "Preventing Online Child Exploitation with Financial Intelligence" free certificates ⁽⁴⁾	Number	10,248	N/A	N/A
				Number of individuals enrolled in the "Ending Illegal Wildlife Trade" free certificates	Number	6,702 ⁽⁵⁾	6,606	+96
	Number of individuals enrolled in the "Enhancing Financial Inclusion with a Risk-Based Approach" free certificates ⁽⁶⁾	Number	5,308	N/A	N/A			

(1) Data are for USA and EMEA regions only.

(2) A jurisdiction is country or territory, and is considered as "covered by ACAMS" if ACAMS had at least one transaction in that jurisdiction over the past year, including transactions with 0 USD amount.

(3) 0.04% of participants in the free Fighting Modern Slavery and Human Trafficking certificate registered in several languages.

(4) The "Preventing Online Child Exploitation with Financial Intelligence" certificate was launched in 2023.

(5) 0.15% of participants in the free Ending Illegal Wildlife Trade certificate registered in several languages.

(6) The "Enhancing Financial Inclusion with a Risk-Based Approach" Certificate was launched in 2023.

Theme	Commitment	Target(s)	KPIs	Unit	2023	2022	Change (2022/2023)
Diversity, equity and inclusion	We welcome people from all backgrounds and cultural experiences to strengthen the diversity of perspectives and practices across the organization.	We commit to gender parity in pay and representation in management levels by 2025.	Proportion of women among managers	%	48%	49%	-1 pp
			Proportion of women among Board members	%	40%	43%	-3 pp
		We commit to improving speaker gender diversity at our events and webinars.	Female speakers at events and webinars	%	36%	N/A	N/A
		We commit to expanding opportunities for professionals from various backgrounds.	Number of scholarship and mentorship granted	Number	28	31	-3
Talent retention, attraction, engagement and development	We commit to providing continuous support and development opportunities for our workforce, as they are foundational to ACAMS outcomes and impact.	We commit to expanding our learning & development opportunities for all employees.	Percentage of employees who attended at least one training course	%	95.2%	N/A	N/A
			Number of hours spent on training per employee	Hours	6.41	N/A	N/A
Health, safety and well-being of employees	We commit to prioritizing the consistent development of employee well-being and sustainable improvement of the work environment.	We commit to offering mental health resources/support and team building opportunities to drive well-being, community, and job satisfaction.	% of employees who participated in team building activities	%	78%	N/A	N/A
			% of employees who responded to the annual pulse and engagement surveys to gauge engagement levels ⁽⁷⁾	%	63%	80%	-17 pp
			% of employees who feel "satisfied" or "very satisfied" at work, based on the annual employee survey ⁽⁸⁾	%	61%	60%	+1 pp
Business ethics	We commit to fair, ethical and transparent practices, as outlined in the company's Code of Conduct.	We commit to ensuring compliance with our Code of Conduct.	% of employees who completed the Anti-Bribery and Corruption Training	%	97%	98%	-1 pp
			% of employees who completed the Code of Conduct training	%	92%	100%	-8 pp
		We commit to ensuring global compliance with local laws and regulations.	Number of enhanced third-party risk assessments for strategic partners and vendors ⁽⁹⁾	Number	11,971	N/A	N/A
			% of strategic partners and vendors placed under On-going Monitoring based on risk profiles and relationship ⁽¹⁰⁾	%	11%	N/A	N/A
	We commit to ensuring proper awareness and best practices to strengthen cybersecurity.	% of people who have completed the cybersecurity training at least once	%	94%	N/A	N/A	

(7) There were no engagement surveys for employees in 2023. The 2023 data are based on the most recent Pulse Survey conducted in October 2023.

(8) Ibid.

(9) Strategic partners and vendors refer to third parties that represent or conduct businesses on behalf of ACAMS or those that maintain critical functions or operations for ACAMS, such as HR, Sales, and Finance.

(10) On-going Monitoring is a method of automatic screening and alerts against third parties on periodic intervals (daily, weekly, monthly, or quarterly as needed) through a service provider (i.e., Refinitiv).

4.2.4.3 Reporting methodology

Reporting period

The period selected for 2023 annual reporting is the calendar year from January 1 to December 31, 2023.

Reporting scope

The reporting scope covers 100% of ACAMS employees.

Reporting standards and choice of indicators

To monitor the progress of its environmental, social and societal performance, ACAMS has adopted key performance indicators that are material for ACAMS and consistent with CSR commitments at the Wendel Group level.

The ESG risk matrix presented above was approved by the Audit Committee in December 2022.

Greenhouse gas emissions are calculated and reported according to the GHG protocol standard. Scope 3 only includes business travel of employees, work-from-home energy use and some service purchases. It does not include emissions related to the travel of participants going to training courses or conferences organized by ACAMS, or any purchases of products and services.

Specific indicator definitions

- Turnover rate: The formula used is “Number of departures (voluntary and involuntary) / Headcount at year-end.” It excludes interns and temporary employees.
- Number of jurisdictions covered: A jurisdiction is considered “covered by ACAMS” if ACAMS carried out at least one transaction in that jurisdiction over the past year.
- Number of products updated or released: Includes the total number of updates over the year in relation to the total number of products. This includes certifications, examinations and new translations.
- Total enrollments for social impact certificates is the sum of unique individuals enrolled (enrolled, in-progress, or completed) for each social impact certificate, since the launch of the certificates.
- Number of “Fighting Modern Slavery and Human Trafficking”, “Preventing Online Child Exploitation with Financial Intelligence”, “Ending Illegal Wildlife Trade” and “Enhancing Financial Inclusion with a Risk-Based Approach” certificates enrolled. These certificates are sold for 0 USD.
- Employee engagement (% of employees covered by the annual pulse and engagement surveys to gauge engagement levels, % of employees who felt satisfied or very satisfied at work during the annual employee survey): These indicators are calculated internally this year.
- Net Promoter Score: This indicator is calculated and provided by an external third-party.
- Team building is defined as collaborative moments that go beyond routine professional interactions, elevating the overall experience for ACAMS’ global teams. This includes activities organized by regional Engagement Committees, team get togethers organized to coincide with ACAMS events and departmental team engagement events.
- Distance travelled by air is measured according to hours travelled or distance. Short haul is travel less than 3 hours, or 0-1,000 km; medium haul is travel between 3-6 hours, or 1,000-4,000 km; long haul is travel above 6 hours, or above 4,000 km.

4.2.5 Scalian

4.2.5.1 Business overview

GENERAL INFORMATION		
Company activity	Embedded and critical complex systems, information systems. Overall performance of projects, of supply chain, of purchasing function or of the entire company. Leverage of Big Data and new disruptive digital approaches to transform business and operating models.	
Revenue	€541 million ⁽¹⁾	
SALES BY REGION		
	Europe	96%
	North America	3%
	North Africa	Less than 1%
	Asia	Less than 1%
HEADCOUNT		
Number of employees	4,995	
HEADCOUNT BY REGION		
	Europe	97%
	North America	1%
	North Africa	Less than 1%
	Asia	2%
PRODUCTS & SUPPLY CHAIN		
Number of offices	26	
Products: resources/use of resources/ final products and market	Consulting services and software development	
OTHER INFORMATION		
In Wendel's portfolio since	2023	
ESG ratings	CDP	C
	EcoVadis	Silver medal - 77 th percentile
	Great Place to Work France	5 th for companies with more than 2,500 employees

(1) For the period from January 1 to December 31, 2023.

4.2.5.2 ESG Roadmap

ESG issue	ESG Roadmap Topic	Target	KPIs	Unit	2023
Climate Change	Climate change: GHG emissions	A target aligned with SBTi specifications is being developed	GHG emissions from Scopes 1, 2 and 3	tCO ₂ eq per employee	2.1
		Reducing our carbon footprint by sourcing 95% guaranteed renewable electricity 2028	Renewable energy/ Total energy consumed	%	50%
		Setting up a climate change resilience and adaptation plan	Climate change resilience and adaptation plan approved by the Board of Directors	Yes/No	Yes
	Contributing to economy-wide transition	Support our customers through a sustainable pathway	% of sales related to the CSR services offering	%	2%
Social	Health & Safety	Zero accidents at all sites and for all Scalian employees including subcontractors in 2028	Lost-time injury frequency rate	Rate	1.72
	Ensure with employees that safety conditions are met	Safety conditions are 100% met in 2026	External survey - Employee safety satisfaction rate (Trust Index GPTW).	%	93%
	Ensure diversity & equal opportunity	Encourage female employees to progress in their careers: 40% women in management positions in 2028	% of women managers (directly managing at least 1 employee)	%	25.6%
	Ensure employability through skills development	Maintain a high number of trained employees (for at least 2 days/year): 60%	% of employees trained at least once per year	%	64%
	Promote the creation of stable jobs	Maintain 95% of permanent employees	% of permanent employees	%	95%
	Global Satisfaction of employees	Reach 85% satisfaction rate in 2028	% of employees satisfied according to the survey	%	75%
Governance	ESG performance in the supply chain: Supplier performance & external EcoVadis rating for Stahl	By 2023: external EcoVadis rating for top 10 suppliers: minimum rating of 60/100	Average score in EcoVadis rating of Top 10 suppliers (based on spend/€)	Average score	68.7
	Ensure that all employees are made aware of and trained in ethical issues	Train employees in the Code of Conduct (including Anti-Bribery & Sapin II), with a minimum objective of 100% of employees trained in 2026	% of employees trained in the new versions deployed in November 2023	%	8% ⁽²⁾
	Respect security conditions and protection of customer and company data	Train employees in the Security of Information System, with a minimum objective of 100% of employees trained in 2026	% of employees trained at least once per year	%	12% ⁽¹⁾

(1) These training courses have recently been rolled out, and an action plan will be deployed in 2024 to significantly increase the proportion of employees trained and get closer to the 2026 target.

4.2.5.3 Reporting methodology

Reporting period

The period selected for this reporting is our fiscal year (June 30, 2022, to July 1, 2023). However, Social KPIs regarding Women Managers and the percentage of collaborators with a permanent contract has been calculated on the 2023 calendar year.

Reporting scope

Scalian has integrated several companies in recent years, so some of them are not yet fully included in the reporting scope.

The environmental indicators concern the worldwide scope (coverage rate of over 90% of employees).

The social and governance indicators concern France only (coverage rate of over 50% of employees).

The frequency rate indicator concerns Europe (coverage rate of over 90%).

Reporting standards and choice of indicators

To monitor the progress of its environmental, social and societal performance, Wendel and Scalian have adopted key performance indicators in connection with the CSR commitments at the Wendel Group level and at the Scalian level.

Carbon footprint calculation methodology

Greenhouse gas emissions are calculated and reported according to the GHG Protocol standard. Scope 1, 2 and 3 emissions are updated every year. The following elements have been considered during the carbon footprint analysis:

- timeframe: 2022 calendar year;
- number of employees: 3,752;
- turnover considered for carbon footprint assessment: €370 million (2022);
- scope: worldwide excepted German, i.e., 90% of our employees.

Calculation Scope 3

During the last update (2022 calendar year), the following assumptions have been considered in the calculation of Scope 3 emissions:

- monetary ratios were used for the analysis. Service expenses entitled "External services" have been removed from service expenditure because they only correspond to wages. The emissions that these activities generate are already counted elsewhere because Scalian provides the materials and pays for travel expenses;
- the assessment of employee commuting was based on the results of a questionnaire sent to all employees.

4.3 Issues specific to Wendel SE

Wendel SE includes the business as an investment company (investment teams and support services) representing 98 employees working at three offices in Paris, New York and Luxembourg.

The material non-financial risks identified for this business are as follows:

- risks related to human resources: section 4.3.1 - HR performance: fostering commitment, well-being, support, employability and inclusion;
- risks relating to the non-independence of governance bodies and control mechanisms and risks relating to business ethics section 4.3.3 - Governance and business ethics.

In addition to these main non-financial risks, this section also includes a section dedicated to the environmental performance of Wendel SE, section 4.3.2 - Measuring and managing our environmental footprint.

Wendel's ESG approach is based on responsibility and is rooted in a firm belief in the core values of Engagement, Excellence, and Entrepreneurial Mindset.

These values guide Wendel's behavior both as an investor and as a company in order to accomplish its mission: partnering with entrepreneurial teams to build sustainable leaders whose long-term performance will create value for all stakeholders.

To this end, and as part of the new ESG strategy published at the beginning of 2020, the main thrust of which was set for 2023, Wendel has defined, in addition to its objectives as a long-term investor, **an ESG roadmap for the Wendel SE holding company.**



4.3.1 HR performance: fostering commitment, well-being, support, employability and inclusion

As part of the ESG strategy published at the beginning of 2020, the main thrust of which is set for 2023, Wendel has set the following objectives in relation to human resources:

		2023 objective	2021	2022	2023
Social	Gender balance	Maintain or achieve gender balance, defined as maintaining a percentage of women of between 30% and 60% at all levels			
		% of women among all employees	57%	60%	57%
		% of women in management positions	42%	40%	37%
		% of women in investment teams	42%	45%	44%
		% of women on the Executive Board	0%	0%	0%
		% of women on the Investment Committee	29%	33%	20%
		% of women on the Management Committee	40%	44%	38%
		% of women on the Coordination Committee	21%	22%	20%
		% of women on the Supervisory Board	50%	40%	40%
		Conduct an annual review of progress on diversity			
	Number of diversity-related reviews conducted annually by Wendel's governance bodies (Committees, Executive Board, Supervisory Board)	20	23	22	
	Review of salary differences between men and women over the year [yes/no]	Yes	Yes	Yes	
	Review of systems for promotions and appointments over the year [yes/no]	Yes	Yes	Yes	
	Review of hiring rates of men and women over the year [yes/no]	Yes	Yes	Yes	
Training	100% of employees to formalize a skills development plan	100%	100%	100%	
	100% of employees to receive non-mandatory training each year, in line with their career development plan objectives	99%	96%	99%	
	Hours of non-mandatory training (soft skills or technical, in alignment with employee career development objectives)	29.5	30.8	31.4	
Quality of life at work	Conduct quality-of-life-at-work surveys every two years, starting in April 2020	Yes	Yes	Yes	
	Employee participation rate in the survey on the quality of life at work (in %)	81%	88%	70%	
Societal	Partnerships with associations	Establish long-term partnerships with at least two organizations - Number of long-term [>2 years] partnerships formalized with non-profits [with localization]	2	3	3
		Amounts (in thousands of euros) paid to different community/philanthropic projects	834.30	1,130.8	667.14

1. Main risks related to human resources and policies

Promoting a culture of integration, support and diversity to promote well-being and performance at work

Risks related to Wendel's human resources

NB: This section covers all of Wendel's priority human resources risks identified via the risk matrix (key people, talent acquisition and retention, compensation, work/life balance, combating discrimination and promoting diversity, Support for teams in the context of a health crisis).

Risk description

Attracting and retaining talent over time is a key factor in the Group's success.

Wendel operates a services business which demands a high level of skills and commitment from its employees. On a daily basis, employees foster good relations with the portfolio companies, with whom they maintain a constructive dialogue on new strategic issues related to the activity of the Company, enabling Wendel to achieve its mission.

2. Composition of Wendel's workforce

As of December 31, 2022, Wendel and its holding companies employed a total of 98 people.

The Luxembourg-based company (established in 1931) mainly engages in AIFM-regulated activities and is a holding company. Its United States branch was established in 2013 and is dedicated to investment research and/or support of the Group's portfolio companies.

The figures in the tables below are given in headcount at the end of the reference period (i.e., at December 31, 2023).

	Employees at Dec. 31, 2023	Workforce at Dec. 31, 2022	2022-2023 change
Men	42	36	17%
Women	56	53	6%
Other	0	0	- %
Not declared	0	0	- %
TOTAL	98	89	10%

Country	Employees at Dec. 31, 2023	Workforce at Dec. 31, 2022	2022-2023 change
France	76	67	13%
USA	10	9	11%
Luxembourg	12	13	-8%
TOTAL	98	89	10%

Dec. 31, 2023	Women	Men	Other	Not communicated	Total
Number of employees	56	42	0	0	98
Number of permanent employees	53	38	0	0	91
Number of temporary employees	3	4	0	0	7
Number of employees with non-guaranteed hours	0	0	0	0	0
Number of full-time employees	56	41	0	0	97
Number of part-time employees	0	1	0	0	1
TOTAL	56	42	0	0	98

Dec. 31, 2023	France	USA	Luxembourg	Total
Number of employees	76	10	12	98
Number of permanent employees	73	6	12	91
Number of temporary employees	3	4	0	7
Number of employees with non-guaranteed hours	0	0	0	0
Number of full-time employees	76	10	11	97
Number of part-time employees	0	0	1	1
TOTAL	76	10	12	98

3. Talent management

Key people - Talent acquisition, development and retention

Due to its streamlined workforce, Wendel must ensure that its business is not affected by the departure of key people. A process aimed at anticipating and supporting career development within the Company is in place to set clear milestones for each individual's professional development and encourage the development of talent. The aim is to support and accompany those who will be able to make a major difference in their current role, in order to take on other functions and responsibilities to ensure the development and continuation of the Company's activities. Gender balance is naturally integrated into this process. In line with Wendel's gender diversity policy, successors are appointed based first and foremost on their aptitude for the role.

These steps, along with a compensation policy that is fair and aligned with the market, allow the Group to anticipate the risks associated with the development of its organization. As well as performance, annual employee skills and objective appraisals focus on transparency and progress, while taking personal development and teamwork into account.

Wendel also develops an annual individual and collective training offering adapted to the expectations and profiles of its employees, continually improves the appeal of their working conditions, introduces attractive employee benefits, and actively promotes diversity in the workplace.

Training

Professional training and skills development

Wendel considers the development of its employees' skills and experience to be essential to their employability, which makes it a priority. The importance of this issue is underlined by the fact that the percentage of employees who have attended at least one non-mandatory training course per year is a criterion for calculating the annual profit-sharing allocation, as is the percentage of employees with clear and measurable individual objectives set by their manager for the following year.

The 360° feedback process set up in 2018 has improved the quality of employees' individual objectives and allowed for training plans to be adjusted.

Wendel ensures that its employees develop their skills, in particular by offering individualized training in line with the Company's strategic direction. In order to promote the employability of its teams, training leading to a certificate or diploma is encouraged.

To enable each employee to develop their expertise, Wendel puts the emphasis on "job-related" training, i.e., training focused on a specific aspect of their profession, as well as personal development training. In total, these job-related training courses represented 29% of the overall volume of training hours.

In addition to these job-related training courses, we offer cross-functional training in occupational health and safety, ESG and cyber risks. The latter account for 24% of training courses. In 2023, Wendel began rolling out a long-term mental health risk awareness program for all employees, with three sessions, covering ordinary sexism, invisible disabilities and bullying. Eight employees were also certified as "mental health first aiders".

Maintaining ESG training in 2023

As in 2022, Wendel supported the deployment of its CSR policy with a dedicated training program. Virtually all employees attended a "2-tonne workshop" training session to learn about the individual and collective levers of the ecological transition and how to limit climate change, or an "ESG Workshop" in the United States to gain an understanding of local challenges. Fighting climate change is one of the Group's four ESG priorities. Two employees achieved CESGA certification (ESG analysis certificate), after completing training that began in 2022. Members of the Coordination Committee received training in sustainable finance. Lastly, one employee followed an "energy-saving ambassador/adviser" training course and two other employees received training with Carbone 4 (carbon footprint) and Novethic (an overview of green and sustainable finance strategies and regulations).

ESG-related training totaled 508 hours in 2023, or about five hours of training per person.

2023 key figures

- 3,567 hours of training;
- 99% of employees trained;
- 36.4 hours on average per employee;
- 78.6% have received training on ESG issues, including 95% of the members of the Coordination Committee;
- 2.8% of payroll dedicated to training.

Tracking of training hours

Indicators	2023	2022	2021
Percentage of employees trained	98.9% (all countries)	95.5% (all countries)	98.8% (all countries)
	98.6% (France)	92.5% (France)	98.4% (France)
Training hours per employee	36.4 (all countries)	30.8 (all countries)	29.5 (all countries)
	34.9 (France only)	31.12 (France only)	30.56 (France only)

Compensation

For France, total cash compensation (base salary, variable compensation and individual job-related bonuses) paid in respect of 2023 was approximately €18 million (excluding expenses).

Wendel's salary policy uses several levers to ensure that employee and shareholder interests are aligned, including the variable component of compensation, profit-sharing (in France) and the employee shareholding scheme, open to all employees. This convergence of interests is a key component of the corporate culture.

Each year, Wendel reviews its employees' compensation according to their duties, skills, experience and the market. Variable compensation is awarded based on the individual and collective performance of teams and the Company as a whole.

The fixed salary and bonuses are also accompanied by the following features:

- employee shareholding;
- allocation of stock options and performance shares;
- PERECOL;
- CET;
- profit-sharing;
- other employee benefits (nursery, CESU vouchers which can be used to pay for services such as cleaning or childcare, etc.).

Indicators

Wendel's Human Resources department closely accompanies all Wendel employees both in and outside France.

	2023	2022
Absenteeism (scope: France) ⁽¹⁾	6.78%	6.23%

(1) Methodology for calculating absenteeism: $(\text{total absenteeism days} \times 100) / (218 \text{ days} \times \text{average number of employees})$.
Absences recognized: illness, commuting accidents, workplace accidents, sick children, part-time working on health grounds/Absences not recognized: family events and parental leave.

Absenteeism, excluding family events, was around 6.78% in 2023.

4. Well-being at work

Work-life balance, working conditions and mental health risks

As an employer, Wendel must ensure that its employees' working conditions promote a positive work-life balance. This balance also guarantees their long-term commitment and investment in the Company's goals.

In France

Managers aim to optimize working conditions and relations by providing support through close dialogue with employee representatives (CSE) and an end-of-year review process that encourages information sharing, and aims to optimize working conditions and relations. In this way, Wendel can implement the measures that most closely meet staff expectations.

Family policy

Since 2010, Wendel has helped employees achieve a better balance between their work and family lives by offering co-funded childcare places to employees who request them. In 2023, Wendel helped finance daycare for nine children, benefiting nine employees.

Key figures:

- 100% of requests for daycare places fulfilled;
- Additional salary for maternity and paternity leave paid at 100%.

Wendel's **Remote Work charter** aims to offer flexibility to employees who wish to work from home. In this context, Wendel remains vigilant with regard to the application of the charter on the right to disconnect.

	2023	2022
Number of workplace accidents (scope: France)	0	0
Number of commuting accidents	1	0
Number of fatal accidents	0	0

In 2023, there was one commuting accident which did not result in any lost time.

	2023	2022	2021
Average seniority of employees (in years)	7.4	7.6	7.9

Globally, the average seniority of employees is 7.4 years.

5. Diversity, inclusion and human rights

Combating discrimination and promoting diversity

Wendel strives to promote diversity within the Company, seeing it as a major benefit which contributes to the Group's excellence. Wendel promotes a Code of Ethics and Equality among its employees.

Wendel takes steps to ensure that decisions regarding recruitment, career development (training and job promotions) and compensation are made without any form of discrimination. Only candidates' skills and experience are taken into account to ensure that the skills required and developed within the Company remain in line with the needs of the position.

Gender equality

Wendel aims to provide a welcoming and stimulating work environment for men and women and has implemented several initiatives to achieve this goal.

For example, Wendel requires women to be equally represented in the applicant pool during each recruitment process.

There is no difference in pay for men and women in equivalent positions.

Wendel promotes work-life balance by offering working conditions adapted to the demands of employees' personal lives and benefits for parents as described above (see section on work-life balance).

Wendel is aware that gender equality requires a collective effort, particularly in the area of investment. With this in mind, Wendel signed France Invest's Gender Equality charter published on March 6, 2020.

Women are represented in the total workforce and in executives positions, as well as in investment positions and on governance bodies:

Key figures:

- 40% women on the Supervisory Board;
- 37% women in management positions;
- 44% women in investment teams (i.e., 16% higher than the average resulting from the 2023 Deloitte France Invest Study).

	2023			2022		
	France	International	Group	France	International	Group
Women in the total workforce ⁽¹⁾	57%	59%	57%	59.6%	59%	60%
Women in executive positions ⁽¹⁾	60%	N/A	N/A	60%	N/A	N/A
Women investors ⁽²⁾	44%	37.5%	44%	46%	43%	45%
Women in management positions ⁽³⁾	31.8%	40%	37%	40%	40%	40%
Women on the Investment and Management Committees ⁽⁴⁾	Investment Committee: 20%			Investment Committee: 33%		
	Management Committee: 38%			Management Committee: 44%		
Women on the Supervisory Board ⁽⁵⁾			40%			40%
Women in new hires	53%	50%	53%	64%	80%	69%

(1) In 2022 and 2023: France scope: permanent and fixed-term employees in France/International scope: employees with a permanent or temporary employment contract outside France.

(2) Women employees within the investment teams, excluding assistants and office managers.

(3) Line manager of at least one employee (excluding the Group CEO).

(4) Including the Group CEO.

(5) Excluding members representing employees.

At 44% in 2023, the proportion of women in the Company's investment teams currently exceeds the target set by the France Invest Gender Equality charter (40% by 2030).

The French "Freedom to Choose a Career" law (*loi pour la liberté de choisir son avenir professionnel*) enacted on September 5, 2018, requires Wendel to publish its Gender Equality Index indicator. In 2023, Wendel obtained a score of 93/100. The index's scope covers all of Wendel's workforce in France. The method of job classification used in the end-of-year performance reviews, which divides employees into three main categories of positions ("employees", "middle management" and "senior management"), contributed to achieving this strong result. This categorization system is based on an assessment grid comprising three criteria, namely professional expertise, autonomy and responsibilities, as well as the management of teams or external service providers, each given a score between 1 and 5 according to the position held. For the first time, this grid has been used to calculate the index, offering an employee breakdown that is more coherent with the way Wendel's organization operates and in compliance with legal provisions. Using this method, Wendel notably obtained 33 points for indicator 1, allowing it to achieve an overall score of 93 points.

Disability

Wendel welcomes and recognizes all talents, and does not discriminate against candidates or employees with disabilities.

The Company has two permanent employees with disabilities in France and takes out regular contracts with ESATs (centers providing support through employment), in particular for the purchase of office supplies.

Wendel has also adopted a preventive attitude towards its employees, providing ergonomic equipment for any employees who express a need for it, without the need for a doctor's prescription.

Wendel is building a work environment that respects each individual by ensuring safe working conditions and respect for all.

Youth and senior employment

The breakdown of permanent and temporary staff by age group is as follows:

	2023	2022
Under 30	16.3%	14%
30 to 50	62.3%	66%
Over 50	21.4%	20%

- New hires under the age of 30: seven people under the age of 30 hired worldwide.
- New hires aged between 30 and 50: seven people aged between 30 and 50 hired worldwide.
- New hires over the age of 50: three people over the age of 50 hired.

Promotion and respect of the ILO fundamental conventions and human rights

Wendel manages its human resources in accordance with the International Labor Organization's (ILO) fundamental conventions.

France has ratified the eight ILO fundamental conventions on forced labor, the freedom of association and protection of the right to organize, and collective bargaining, equal pay, the abolition of forced labor, discrimination, the minimum age for admission to employment and all forms of child labor.

Wendel does not operate in a business segment where there is a risk of violation of workers' rights, and therefore is not faced with the issue of respecting these conventions.

In the course of 2023, Wendel's Code of Ethics was completely revised and mandatory training on this subject was provided to raise employee awareness of Wendel's commitments to upholding individual and human rights. This Code of Ethics is given to each new employee on arrival.

Wendel emphasizes the fact that being valued and respected creates a virtuous circle of a positive work culture, establishing an environment in which every individual is treated with respect. A zero-tolerance approach to any form of harassment or discrimination enables Wendel to comply with the various regulations imposed on each of the countries in which its offices are located. Almost all employees in the French and Luxembourg offices have been trained or made aware of the issue of harassment and, more generally, of mental health risks.

The due diligence procedures relating to the ILO fundamental conventions and human rights implemented by Wendel in connection with its investments are described in section 4.5 on duty of care.

6. Supporting and strengthening our commitments to civil society

Wendel's commitment to civil society is in the Group's DNA. It is, in fact, part of its family heritage. This commitment goes hand-in-hand with a long-term vision in line with its business as an investor.

Since 2022, this commitment has gained new momentum with the creation of Wendel Cares, the Wendel endowment fund, designed to bring together all of its sponsorship initiatives within a dedicated structure and extend its scope of action to other issues in line with topical societal challenges.

Historically, Wendel's sponsorship initiatives focused on two pillars, education and culture. Today, there are five pillars, which provide the framework for the initiatives to which Wendel Cares chooses to commit itself:

1. culture;
2. education;
3. equal opportunities and professional integration;
4. medical research and health; and
5. environmental protection.

Initiatives supported by Wendel Cares

Culture

Since its creation in 2010, Wendel has been committed to the Centre Pompidou-Metz, supporting this emblematic institution in its mission to make art available to the general public. This support is especially meaningful for Wendel, as the Center is located in Lorraine, the historical home of the Group. The Group is represented on the Centre Pompidou-Metz Board of Directors by Nicolas ver Hulst, Chairman of Wendel's Supervisory Board.

In recognition of its long-standing commitment to the arts, Wendel was awarded the title of *Grand Mécène de la Culture* (Grand patron of the arts) by the French Minister of Culture in 2012.

■ For more information: <https://www.centrepompidou-metz.fr/>

Education

Wendel has supported Insead since 1996. In that year, the prestigious business school created a chair and then the Wendel International Centre for Family Enterprise (*Centre Wendel pour l'Entreprise Familiale*) and Wendel has been a partner in this initiative from the start. The entity aims to raise awareness and promote understanding of family businesses as a model of sustainability. Priscilla de Moustier, Chairwoman of Wendel-Participations SE and member of the Supervisory Board, represents Wendel on the Center's Board of Directors.

■ For more information: <https://www.insead.edu/centres/family-enterprise>

Medical research and health

Supported by Wendel Cares since 2022, HELEBOR contributes to the development of palliative care in France and to the improvement of quality of life for seriously ill people and their relatives. HELEBOR is a public interest structure which develops partnerships between various civil society stakeholders to support and foster the development of innovative palliative care projects.

■ For more information: www.helebor.fr

Equal opportunities and professional integration

Alliance pour l'éducation - United Way, another organization that Wendel Cares has been supporting since 2023, promotes equal opportunity and helps young people from priority areas and rural areas to continue their education with a view to ensuring that they have clear options for their future. With a focus on collective impact, the *Défi Jeunesse* (Youth Challenge) program pools support from the many stakeholders involved in the association and rolls out regional initiatives.

■ For more information: alliance-education-uw.org

For several years now, Wendel Cares has regularly supported Clubhouse France, an association that offers a friendly, non-medicalized place to live, created with and for people suffering from mental health problems. The Clubhouse method is a springboard to an active social and professional life for people living with a mental health problem, and a model of integration that has proved its worth over 70 years and in more than 35 countries.

■ For more information: <https://www.clubhousefrance.org/>

Environmental protection

Since 2023, Wendel Cares has also supported Plastic Odyssey, a project designed to reduce plastic pollution in the ocean by creating a worldwide network of local recycling actions. It is supported by several stakeholders who all share the drive to build a world in which plastic waste will no longer end up in the ocean.

■ For more information: plasticodyssey.org

In total, in 2023, Wendel's charitable donations amounted to €667,135.

A day of skills sponsorship offered to all Wendel employees

Since 2021, as part of the reinforcement of its philanthropy strategy, Wendel has offered each employee the opportunity to spend one day of working time per year on a charitable initiative. This skills sponsorship day allows everyone to volunteer with the non-profit of their choice, in compliance with the principles of the Wendel Ethics charter, provided that the organization has no political and/or religious leaning. In order to encourage teams to commit to this approach, in collaboration with its partner associations, Wendel offers a certain number of predefined assignments that enable employees to use their time and skills in the public interest.

In 2023, Wendel did not set up any specific initiatives to promote the link between the Nation and the armed forces and to support commitment to the reserves.

4.3.2 Measuring and managing our environmental footprint

As part of the ESG strategy published at the beginning of 2020, the main thrust of which is set for 2023, Wendel has set the following objectives in relation to the environmental performance of its offices:

	2023 objective	2021	2022	2023
Environment	Carry out annual carbon reporting for Wendel SE (Scopes 1, 2 and 3)	Yes	Yes	Yes
	Reduce our carbon footprint by sourcing 100% renewable energy for Wendel offices worldwide <i>% of renewable energies in Wendel's energy consumption</i>	26%	28%	16%

Carbon impact and climate change management

Risk description

The Wendel Group is conscious of the climate emergency and the importance of everyone involved in mitigating its effects. Managing climate change and the risks and opportunities it generates is a priority in the Group's action as a responsible shareholder. While Wendel focuses primarily on reducing the CO₂ emissions of its portfolio companies, it is nevertheless careful to measure and communicate transparently on its annual carbon footprint. It should be noted that the limited size of the Company (98 employees as of December 31, 2022) and its activity (investment) make its carbon footprint marginal compared to the emissions generated indirectly by the companies in which it invests. Wendel SE accounts for 0.1% of the Wendel Group's emissions, including the portfolio companies.

Policies and outcomes

As mentioned in the climate plan (see 4.1.5.5), in 2023, Wendel committed to implementing targets for reducing greenhouse gas emissions in line with the criteria defined by the SBTi.

Consolidating emissions according to the financial control approach defined by the SBTi implies including in Scopes 1 and 2 the emissions linked to Wendel SE's office activities presented below.

The reduction target defined as part of the SBTi commitments regarding Wendel SE is as follows: **42% reduction in Scope 1 and 2 emissions by 2030** compared to the 2022 baseline year.

At December 31, 2023, Wendel's carbon footprint was as follows:

Emissions by category (in tCO ₂ eq.)	2022 ⁽¹⁾	2023	2022/2023 change
Scope 1	20	18	-11%
Scope 2	140	98	-30%
Scope 3	3,268	6,281	92%
TOTAL (SCOPES 1 AND 2)	161	116	-28%
TOTAL (SCOPES 1, 2 AND 3)	3,429	6,397	87%
Intensity of Scope 1, 2 and 3 emissions per employee	39.52	65.28	65%

(1) 2022 emissions were recalculated in 2023 following the update of certain emissions factors.

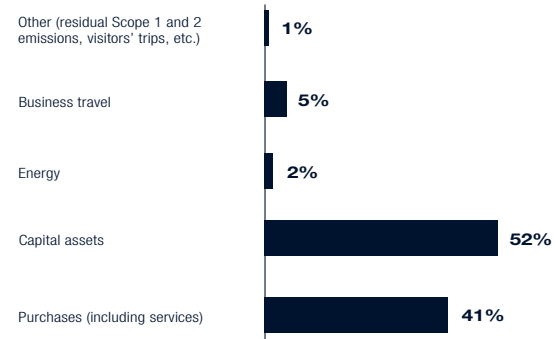
Since 2022, the methodology used to calculate GHG emissions related to the purchase of intellectual services has been fine-tuned. Wendel requested GHG emission intensity ratios from its main suppliers of intellectual services, corresponding to the services provided. Historical data have been adjusted based on these emissions factors.

Wendel SE's emissions in 2023 were up 87%, mainly due to the relocation of Wendel Paris and the work carried out in the new premises. Scope 3 emissions remain the main source of Wendel SE's emissions, and consist mainly of intellectual services, which are essential to an investment activity (law firms, insurance, strategic consulting, etc.) and exceptionally for 2023, capital expenditure related to the move.

The 2023 move of the Paris headquarters to a more energy-efficient, BREEAM certified location (excellent level for "asset building" and "building management") has significantly reduced the Scope 1 and 2 carbon footprint of the Paris offices.

Alongside its formal objectives, Wendel has drawn up an action plan to reduce energy consumption at its Paris, New York and Luxembourg offices, focusing in particular on Building Management Systems (BMS), energy-saving measures and the possibility of subscribing to renewable energy contracts as tenants of the Paris and New York offices.

Breakdown of Wendel SE Scope 1, 2 and 3 emissions



The Paris and Luxembourg offices are supplied with electricity from renewable sources, bringing the percentage of renewable energies in Wendel SE's energy consumption to 16%.

4.3.3 Governance and business ethics

As part of the ESG strategy published at the beginning of 2020, the main thrust of which is set for 2023, Wendel has defined the following objectives in the areas of governance and business ethics. Aspects related to parity in governance bodies are included in section 4.3.1 – HR performance.

		2023 objective	2020*	2021*	2022*	2023*
GOVERNANCE & ETHICS	Ethics	100% of employees to sign the Code of Ethics over the course of the year	94%	99%	96%	98%
		100% of employees follow Wendel's annual Business Ethics training course	98%	99%	96%	89%
		Annual review of the Code of Ethics at the Executive Board level	Yes	Yes	Yes	Yes
		Annual audit of Wendel's anti-corruption program	No	Yes	Yes	Yes
ESG governance	Adding ESG as a key mission of the Wendel Supervisory Board and the Wendel Governance and Sustainability Committee	Number of meetings of the Wendel Governance and Sustainability Committee dealing with ESG-related matters	3	3	8	1
		Number of ESG Steering Committee meetings	4	7	5	4

* The percentages shown include employees whose absence is justified (e.g. maternity leave, sick leave, etc.). Excluding justified absences, the percentages for 2023 are respectively 100% for the Ethics charter and 96% for training.

Ensuring balanced governance

Independence of governing bodies

Risk description

Wendel has a controlling shareholder, Wendel-Participations SE which (along with its related parties), held 39.57% of Wendel's share capital and 51.86% of the theoretical voting rights as of December 31, 2023. This could result in a risk of conflict of interest or non-compliance with the principle of equality between shareholders.

Policies and outcomes

Various good governance measures are applied to avoid this risk. Firstly, Wendel's dual structure, as a company with an Executive Board and a Supervisory Board, makes it possible to clearly separate the executive functions performed by an independent Executive Board from the control functions exercised by the Supervisory Board (see section 2.1.7 – Division of powers between the Executive and Supervisory Boards). Within the Supervisory Board itself, 40% of members are independent (excluding members representing employees), which exceeds the recommendations of the Afep-Medef Corporate governance Code (see section 2.1.1 – The Supervisory Board and its operations). Both Board committees are chaired by independent members. In addition, the Chairman of Wendel's Supervisory Board no longer serves as Chairman of the Board of Directors of Wendel-Participations. Lastly, the Supervisory Board's internal

regulations provide for a procedure for the prevention and management of conflicts of interest, and the Lead Member of the Supervisory Board (who is an independent member) is specifically tasked with handling matters of conflicts of interest with the majority shareholder. On shareholder equality, see the section entitled "Preventing market abuse".

Robustness of internal control mechanisms

Risk description

Wendel must ensure the effective internal control of its own organization and that of its consolidated subsidiaries, in order to control risks relating to their operational activities.

Policies and outcomes

For internal control procedures, (see section 3.3 – Risk management and internal control systems).

Strengthening and upholding business ethics within the Group

Management of main risks as defined by the NFPS

Risk description

In terms of business ethics, Wendel has identified the following as main risks based on NFPS definitions:

- corruption;
- market abuse.

Other risks related to business ethics are taken into account by Wendel and outlined below following the presentation of these two priority NFPS risks.

Anti-corruption

Risk description

The risk mapping conducted for Wendel (namely Wendel SE, its holding companies and foreign offices) showed that corruption risks could arise from some of its activities, particularly its investment arm. For example, this risk could arise in the case of an investment to influence the outcome of a competitive process or to obtain specific authorizations or confidential information.

Corruption distorts competition and normal market conditions. Should it occur, it would be highly damaging to Wendel's reputation and that of the people responsible or who allow the corruption to occur. It would expose Wendel to particularly damaging financial consequences as well as administrative and criminal sanctions. It could disrupt the Wendel Group's operations and destabilize its activities.

Policies and outcomes

For Wendel

The Executive Board has identified the prevention and detection of acts of corruption as an absolute necessity for the Wendel Group and is committed to a zero-tolerance corruption policy. Any use of corrupt practices in the Wendel Group's operations, as well as in its relations with partners or third parties, whether public or private, is strictly prohibited.

To prevent this risk, the Executive Board has put in place a robust program in accordance with the Sapin II Law and the recommendations of the French Anti-Corruption Agency (AFA). The Group Compliance and Internal Audit departments monitor, control and reinforce this program.

In addition, Wendel regularly reviews its corruption-related risk mapping: an annual assessment of the need to update the mapping is carried out. In 2023, no new areas of exposure to corruption risks were identified, but certain processes have been reinforced in areas requiring special attention. The risk mitigation measures for each corruption scenario were listed and reviewed in detail, ensuring Wendel's alignment with AFA requirements.

The anti-corruption policy is adapted to the specific risks associated with Wendel's activities as identified in the risk map and complies with the latest AFA recommendations in this regard. The policy is included in the "Employee Handbook" and failure of Wendel employees to comply with its obligations may result in disciplinary sanctions up to and including dismissal for gross misconduct.

With respect to its core business, which is investing, Wendel's compliance team, in collaboration with external firms, performs thorough anti-corruption due diligence before carrying out any investment transaction. This analysis involves verifying the integrity of the target and its management team, as well as defining the target's corruption risk profile and evaluating any existing compliance framework. Wendel formalized this process in its M&A Compliance Due Diligence Policy and now regularly provides training to the teams concerned in order to raise awareness and ensure that compliance is taken into account at all stages of a planned investment.

In order to effectively deploy its anti-corruption program, Wendel uses a dedicated compliance and internal control tool - Wendel Protect - to streamline and optimize compliance processes and improve traceability, for example with regard to gifts and invitations or conflicts of interest.

Wendel Protect also ensures a thorough evaluation of third parties. Various levels of counterparty due diligence are in place according to their risk profile, in compliance with AFA recommendations. It should be noted that the process in place is linked to accounting procedures and prevents payments to third parties that have not been previously assessed.

Anti-corruption accounting controls, in line with the AFA guide published in 2022 on this subject, are also carried out regularly.

In addition, following the transposition of the European Directive on the protection of whistleblowers and the adoption of its implementing decrees, as well as the publication of an investigation guide by the AFA and the *Parquet National Financier* (PNF), Wendel's internal whistleblowing policy and procedure were subjected to an in-depth review to ensure compliance with the new provisions and recommendations. In 2023, Wendel received three admissible alerts. The whistleblowing hotline is available round the clock on Wendel's website, in the ESG section at www.wendelgroup.com.

In terms of awareness, in addition to deploying training specific to certain Group policies when they are updated or in place, employees receive regular training on corruption risks. In addition, the compliance team ensures a culture of compliance through regular reminders of the procedures to be followed under the program in place. During onboarding, employees and managers are informed that they must adhere to Group policies. It should be noted that in 2023, training was provided to all employees on new features of Wendel's updated whistleblowing system.

Level 2 controls in place ensure that the procedures defined and disseminated internally are effectively applied by the teams, and allow for the continuous improvement of these procedures. In this regard, an Anti-Corruption Compliance Code specifies the role and responsibilities of Wendel's Compliance department. Finally, all of these measures were audited by Wendel's Internal Audit department in 2023. The results of the report were presented to Wendel's Audit Committee in June 2023. The system in place was assessed as being in compliance with regulatory requirements, and the compliance team is encouraged to optimize the effectiveness of its control processes using a risk-based approach.

For controlled portfolio companies

Wendel also ensures that the measures provided for in the Sapin II law are implemented within the controlled companies in its portfolio. Wendel requires that the Audit Committees include the Sapin II program on their meeting agendas for regular discussion. In particular, in order to continue to monitor the progress made in the fight against corruption, each of the controlled companies produces an annual report on the Sapin II program, presenting the main improvements achieved and an action plan for the following year. In addition, a review of the action plan's progress is scheduled at the Audit Committee's mid-yearly meeting. In 2023, a gap analysis was carried out on Scalian's Sapin II system, following the company's acquisition by the Wendel Group. The recommendations arising from this analysis will be used by Scalian to further develop and improve its compliance system.

In addition, Wendel holds regular meetings on this topic with the compliance officers of portfolio companies, as required, to offer them guidance and discuss specific points. At least once a year, an exchange session called the Compliance Forum is also held for the compliance officers of the portfolio companies. In 2023, the aim of this session was to share the latest regulatory developments in terms of international sanctions, as well as the latest AFA guides (particularly concerning accounting controls and internal investigations).

Lastly, the portfolio companies file an annual statement of compliance with the obligations resulting from the Sapin II law on corruption (Compliance Statement) and Wendel ensures that the compliance objectives are communicated to the CEOs of controlled portfolio companies.

Preventing market abuse

Risk description

Given its activity as an investor and its status as a company listed on the Euronext Paris regulated market, there may be inside information about Wendel. Inside information is information of a precise nature which has not been made public, relating directly or indirectly to the companies within the Wendel Group or their securities and which, if it were made public, would be likely to have a significant effect on the prices of those securities (see Article 7 of Regulation [EU] 596/2014 of the European Parliament and the Council of April 16, 2014 on market abuse - "MAR Regulation"). Under this framework, Wendel has a duty to prevent any market abuse.

Policies and outcomes

Wendel ensures that it complies with the MAR Regulation. It communicates accurate, precise and fair information to investors, shareholders and analysts. Wendel also ensures that shareholders receive equal information.

A Compliance Committee - made up of the members of the Executive Board, the Ethics Officer and an Executive Vice-President - oversees compliance with market regulations at Wendel.

A Market Confidentiality and Ethics Code sets out rules that apply to all Wendel employees and corporate officers to prevent market abuse. In addition to strict legal and regulatory obligations in this area, the Code includes certain more restrictive internal provisions in the interest of transparency and prudence. The main rules introduced by the Code are presented in sections 2.1.8 and 3.3.2 of the Universal Registration Document. The Code is regularly reviewed, and was last updated in September 2023.

A procedure for classifying inside information has been put in place. Insider lists are opened whenever necessary and blackout periods - during which all trading in Wendel shares is prohibited - have been introduced to cover the periods of financial statement preparation and Net Asset Value calculation. Confidentiality and trade restriction lists may also be opened in the presence of information that is not yet classed as inside information but is potentially sensitive. Wendel has deployed a digital tool to manage these lists and blackout periods, which automates the process and ensures better traceability.

Managing other business ethics risks

Other initiatives supported by Wendel's compliance program

In addition to the measures presented above put in place to manage the regulatory issues most significant to Wendel within the meaning of the NFPS, other compliance processes have been implemented to ensure that the compliance approach is universally respected thanks to the application, by all its executives and employees, not only of the legislative and regulatory standards, but also of all of the Group's values and commitments in terms of compliance, business integrity and ethics. Wendel pays particular attention to the implementation of its compliance program in a constantly changing regulatory environment and intends to act ethically in all its activities by effectively preventing the risks of non-compliance.

The implementation of the compliance program therefore boosts the confidence of stakeholders with regard to Wendel's commitments as a long-term investor.

In order to promote an overall vision, the other initiatives included in Wendel's compliance program adopted by the Executive Board are described below.

Code of Ethics

Approved by the Executive Board with the support of the Supervisory Board, Wendel's Code of Ethics aims to bring the Group's long-term investor activity in line with an exemplary approach to doing business. In particular, it illustrates Wendel's desire to behave responsibly and fairly in its relationships with employees and stakeholders, going beyond purely legal requirements. The Code aims to ensure that Wendel's activities constantly comply with laws and regulations, while reinforcing the Group's ethical commitments to the respect for human rights and supporting employees and corporate citizenship.

The ethical principles and values set out in this Code guide the way the Group does business. Wendel promotes an approach based on individual responsibility and has a zero-tolerance policy.

The Code of Ethics applies to all employees and managers of the Company, its holding companies and its foreign offices. Wendel requires companies in which it invests to adopt similar standards. The Code of Ethics can be consulted in the ESG section on Wendel's website at www.wendelgroup.com.

In 2023, the Code was reviewed again by the Executive Board before being distributed to all employees. The changes that have been made include updating Wendel's internal whistleblowing system.

Protection of confidential information

In the context of its activity as a long-term investor, Wendel handles a large amount of confidential information concerning, for example, its strategy, portfolio companies, acquisition or divestment projects, its dividend policy, etc.

A Market Confidentiality and Ethics Code sets out the rules that apply to all Wendel employees and corporate officers in terms of protecting confidential information and, where applicable, restrictions on trading. The introduction of the Code in 2023 formalized the measures in this area.

Compliance with economic sanctions

In general, Wendel (including its holding companies and international sites) ensures that it does not engage in any activity prohibited by sanctions or embargoes, and that it does not enter into any relationship with individuals or legal entities on sanctions lists. All third parties are subject to checks in terms of sanctions using Wendel's own tools or, for more complex cases, external investigations.

Wendel pays close attention to this subject in the context of the conflict between Russia and Ukraine and the sanctions imposed by the United States and the European Union, in particular. After updating its international sanctions policy in 2022, Wendel continued to carefully monitor regulatory developments in this area in 2023 in order to ensure continued compliance.

Anti-money laundering

The Anti-Money Laundering/Combating the Financing of Terrorism (AML-CFT) policy was updated in 2023 and applies to Wendel SE, its holding companies and its international operations.

In addition, a specific AML-CFT policy has been put in place within the framework of the AIFM regulations to which the Luxembourg fund manager (Wendel Luxembourg S.A.) and its subsidiaries are subject. This policy is reviewed annually. All employees, directors and Responsible Leaders Committee members at these companies receive training on the subject every year.

All members of the Board of Directors are jointly responsible for compliance with AML-CFT requirements and one member has been made responsible for monitoring this compliance. They are assisted by the AIFM Compliance Officer and are approved by the CSSF. They report to the AIFM Responsible Leaders Committee, which conducts regular compliance assessments.

The Compliance department ensures compliance with the AML-CFT rules and policy. In particular, it determines the extent of the reasonable due diligence to be carried out according to the level of risk allocated to each investor or investment.

Tax policy

The primary objective of Wendel's tax policy is to ensure legal certainty and stability over the long term. Wendel believes that aggressive and artificial tax structures create long-term financial and reputational risks that are contrary to its interests and values. Wendel is committed not to use structures domiciled in countries considered to be tax havens⁽¹⁾ in order to reduce the amount of taxes due.

Wendel also ensures that its activities comply with applicable tax laws and regulations. In particular, Wendel ensures that its investments are structured in accordance with its operational and financial business objectives and that intragroup transactions comply with the arm's length principle of the OECD transfer pricing guidelines.

Wendel ensures compliance with tax filing and payment obligations in the jurisdictions in which it operates.

Wendel is committed to exchanging information with the tax authorities in a cooperative and transparent manner, in particular during tax audits. The last audit of the Wendel tax group did not result in any major adjustments.

Wendel participates, mainly through professional organizations, in consultations initiated by legislators or national and international governmental organizations aimed at improving tax certainty and encouraging sustainable growth in compliance with the initiatives of the OECD and governments regarding the fight against tax evasion.

Each year, Wendel SE provides the French tax authorities with country-by-country reporting on behalf of Wendel-Participations. This report is then shared via an automatic exchange mechanism with the tax authorities of all countries in which the Company or its subsidiaries operate.

The management and control of the Group's tax positions are based on documents and strict processes and are fully integrated in the Group's global risk management process. As part of this process, the Tax Director regularly reports to the Audit Committee and the Management Committee on the Group's global tax position, any risks or tax disputes and the main changes anticipated.

Whistleblowing procedure

As indicated in the section on anti-corruption, the whistleblowing hotline is available round the clock on Wendel's website, in the ESG section at www.wendelgroup.com. The whistleblowing system is accessible to all employees (current or former), management and supervisory bodies, shareholders, external and temporary employees, service providers and co-contractors, as well as their management bodies and their employees or those of their subcontractors.

In addition to combating corruption, this whistleblowing system covers finance and accounting, stock market ethics, anti-competitive practices, health, hygiene and safety at work, discrimination and harassment at work, environmental protection, human rights and fundamental freedoms.

In 2023, Wendel's internal whistleblowing system was completely overhauled to ensure compliance with new regulatory provisions.

Personal data protection

Wendel attends to the privacy and the protection of personal data. It implements the necessary measures to ensure the protection, confidentiality and security of personal data in compliance with the applicable provisions, in particular European Regulation 2016/679 of April 27, 2016 (hereinafter the General Data Protection Regulation or "GDPR").

Wendel's Personal Data Protection Policy is available on its website. It describes the measures taken with regard to all personal data processing carried out by Wendel with respect to the various categories of persons whose data are collected and processed by Wendel (for example: website visitors, suppliers, service providers, job applicants, shareholders, co-investors, and executives of companies in which Wendel plans to acquire a stake).

In addition, the internal policy dedicated to the protection of employees' personal data is available to employees on the Wendel intranet. Wendel has also defined a GDPR charter describing obligations and procedures applicable to the Executive Board and to all Wendel employees who are involved in the processing of personal data. A set of personal data protection "golden rules" are also available to all Wendel employees on the compliance page of Wendel's intranet site. They explain the GDPR fundamentals in a synthetic and pedagogical manner and draw attention to the main points concerning the requirements of each employee in terms of GDPR compliance.

Distribution to employees

All of the compliance program policies have been shared with all executives and employees of Wendel, its holding companies, and its international offices. Each year and each time they are updated, the policies are submitted for signature by each employee, who is thereby made aware of the policies and asked to confirm their commitment to respecting their principles.

(1) According to the list of non-cooperative jurisdictions for tax purposes issued by order of February 3, 2023.

4.4 European Green Taxonomy

Pursuant to Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020, on the establishment of a framework to facilitate sustainable investment, Wendel has prepared a report on its net sales (turnover), capital expenditure (Capex) and operating expenses (Opex) eligible and aligned under Annexes I and II of the Regulation.

This Regulation aims to direct financing towards activities that contribute significantly to the achievement of one or more of the Taxonomy's six environmental objectives:

1. climate change mitigation;
2. climate change adaptation;
3. sustainable use and protection of water and marine resources;
4. transitions to a circular economy;
5. pollution prevention and control;
6. protection and restoration of biodiversity and ecosystems.

To date, the alignment calculation is only applicable to objectives 1 and 2 (Annexes I and II of the European regulation). Only the eligibility calculation applies to the other four environmental objectives.

This report therefore establishes eligibility and alignment criteria for the first two environmental objectives and eligibility criteria only for the four other objectives. As a result, contributions to the four other environmental objectives (such as the circular economy) are not captured in the alignment ratios presented below.

In accordance with the Taxonomy Regulation, the following rules were applied to define the eligibility and alignment of activities:

- eligibility: activities described in the Annexes relating to the six objectives of the Taxonomy Regulation are considered eligible;
- alignment: eligible activities meeting the three criteria below are considered aligned:
 - substantial contribution criteria: the eligible activity meets the technical review criteria set for each objective (mitigation or adaptation),
 - do no significant harm (DNSH): the eligible activity does not significantly impact any of the other five Taxonomy objectives,
 - minimum safeguards: the eligible activity is conducted in accordance with the OECD and UN guidelines for business, including the eight fundamental ILO conventions and the International Bill of Human Rights. These requirements include the following four pillars: human rights, anti-corruption, taxation, and fair competition.

4.4.1 Taxonomy alignment of consolidated turnover

The table below presents the breakdown of the eligibility and alignment ratios for controlled portfolio companies, as well as for Wendel SE. All values presented below are for fiscal year 2023.

Scalian, which became part of the Wendel Group in July 2023. The entity has therefore not been the subject of an eligibility and alignment study.

The presentation of the alignment and eligibility ratios for turnover, Capex and Opex on the consolidated scope within the meaning of Article 8 of the Regulation and Annex II of the Delegated Act of July 6, 2021 is included in section 4.4.4.

Economic activity	Unit	Bureau Veritas		Stahl		CPI		ACAMS		Scalian ⁽¹⁾		Total Group	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Turnover	In millions of euros	5,868	5,651	914	915	128	114	92	66	126.8	7,127	8,700 ⁽²⁾	
Taxonomy eligible turnover (including Taxonomy-aligned turnover)	In millions of euros	319	287	484	520	0	0	0	0	0	803	807	
Taxonomy-aligned turnover	In millions of euros	164	142	73	37.8	0	0	0	0	0	237	179	
Share of turnover that is Taxonomy-aligned	%	2.8%	2.5%	7.9%	4.1%	0%	0%	0%	0%	0	3.3%	2.1%	

(1) Scalian joined the Wendel Group in July 2023, in accordance with the consolidated financial statements for 2023, Scalian's turnover corresponds to the period from July to September 2023.

(2) 2022 sales include Constantia Flexibles, a portfolio company sold in 2023 which does not appear in the above table.

To date, only Bureau Veritas and Stahl have a share of turnover that is eligible and/or aligned with the European Taxonomy.

For fiscal year 2023, the share of consolidated turnover that is Taxonomy-aligned is 3.3% and contributes to the climate change mitigation objective exclusively. The 1.26% rise in aligned turnover is essentially linked to the increases in Bureau Veritas' "Technical control and inspection of rail transport infrastructure" and "Inspection of renewable energy production facilities" activities, and to the growth in Stahl's aligned turnover.

Eligible and aligned activities are described below.

Bureau Veritas - testing, inspection and certification services

The turnover presented is taken from the Bureau Veritas Group management tool (FLEX), which covers 96% of group revenue as at December 31, 2022. Bureau Veritas has significantly increased the scope of its eligibility and alignment analysis: the Taxonomy reporting coverage rate was 57% in 2022, rising to 80% in 2023.

Bureau Veritas' share of eligible and aligned turnover breaks down as follows:

Eligible and aligned economic activities	Eligible turnover for 2023 (in millions of euros)	Eligible turnover for 2022 (in millions of euros)	% of total turnover considered aligned in 2023	% of total turnover considered aligned in 2022
Technical verification and inspection of infrastructure for rail transport (Annex I - 6.14)	24.6	9.4	0.4%	0.2%
Audits of the energy performance of buildings (Annex I - 9.3)	23.6	20.0	0.4%	0.4%
Inspection of electric vehicle charging stations (Annex I - 6.15)	2.3	10.0	0%	0.2%
Issue of energy saving certificates (Annex I - 7.3)	62.2	77.6	1.1%	1.4%
Inspection of renewable energy production facilities (Annex I - 7.6)	51.3	24.5	0.9%	0.4%
TOTAL	164.1	141.5	2.8%	2.5%

In total, 2.8% of Bureau Veritas' turnover is considered aligned, up 0.3%. The alignment/eligibility ratio is 51%. Of the climate change mitigation target, only activities related to the inspection of heating, ventilation and air conditioning systems (7.3) are considered to be partly eligible, but not aligned.

The alignment/eligibility ratio is explained by the fact that inspection and audit activities, by their nature, do not have a significant impact on environmental objectives. On the other hand, certain DNSH are not considered applicable under the Regulation (such as for categories 9.3 and 7.6). Minimum safeguards are also respected for all four pillars thanks to the policies deployed at group level by Bureau Veritas (duty of care plan, Code of Ethics, tax policy). These policies are detailed in the Bureau Veritas Universal Registration Document.

In addition, many Testing, Inspection and Certification (TIC) services not described above also contribute to one or more of the environmental objectives of the Taxonomy. **A significant portion of these activities are not explicitly mentioned in the Taxonomy and are therefore not strictly eligible under the Regulation.**

This is the case for the following two activities:

- testing/inspection/certification activities implicitly included in eligible activities listed in the Delegated Acts of the Taxonomy related to the manufacturing of equipment (Annex I, section 3), construction and operation of buildings and infrastructures (Annex I, sections 4, 5, 6, 7). This is the case, for example, for the various services and inspections carried out by Bureau Veritas in the renewable energy sector;
- independent third-party activities for verification and certification required by the Technical Screening Criteria (TSC) of the Taxonomy for alignment of certain eligible activities. This is particularly the case for services related to the verification of life cycle GHG emission reductions, which are required in the technical criteria of a significant number of eligible activities.

These contributing but not directly eligible activities within the meaning of the Taxonomy Regulation explain the difference between the proportion of turnover linked to the Green Line of services and the Taxonomy alignment ratio. The description of these "contributing" activities is included in the Bureau Veritas Universal Registration Document.

Stahl – Manufacturing of water-based products

Within the Stahl product portfolio, certain products, due to their composition (significant water and low solvent content) offer a significantly lower-than-market standard carbon footprint over the life cycle of the product. These “water-based” products, which are sold exclusively B2B, are therefore considered to be low-carbon technologies, enabling the reduction of greenhouse gas emissions throughout the value chain.

The share of Stahl’s turnover considered aligned breaks down as follows:

Economic activity	Turnover for 2022 (in millions of euros)	% of total 2022 turnover	Turnover for 2023 (in millions of euros)	% of total 2023 turnover
Manufacture of other low carbon technologies (Annex I - 3.6) – Eligibility	520.0	56.8%	483.6	52.9%
Manufacture of other low carbon technologies (Annex I - 3.6) – Alignment	37.8	4.1%	72.5	7.9%

The difference between the aligned share and the eligible share is due to a particularly rigorous and conservative approach to the alignment assumptions, which is described in the alignment analysis below:

- substantial contribution criterion: only water-based products covered by a life cycle assessment of avoided GHG emissions according to ISO 14040/44 mentioned in the Commission Recommendation 2013/179/EU on life cycle assessments were considered. These life cycle analyses were reviewed by an independent third party as part of a critical review and make it possible to validate a carbon footprint that is approximately half that of solvent-based products;
- DNSH:
 - climate change adaptation: In 2021, Stahl completed an analysis of physical and transition risks and drafted a Climate Resiliency Plan which was approved by the Board of Directors in 2022 and reviewed in 2023 (see section 4.1.5.5 – Climate Plan),
 - sustainable use and protection of water and marine resources: the sites manufacturing water-based products in the European Union comply with the European regulations cited in Annex B of the Taxonomy regulation. A conservative approach has been taken and sites located outside the European Union have been excluded from the scope of alignment, pending the collection of evidence of compliance,
 - transition to a circular economy: Stahl’s policies, environmental management systems and actions comply with the provisions mentioned for this DNSH,
 - pollution prevention and control: all water-based products have been checked by the regulatory and R&D departments to ensure they do not contain any of the substances mentioned in the European Regulation mentioned in Annex C of the Taxonomy Regulation. Products that do contain such substances were not considered to be aligned,

- protection and restoration of biodiversity and ecosystems: a geographical analysis of the sites located in the European Union in relation to protected areas has been carried out. All sites that are located far from protected areas or that have an appropriate assessment in place when located close to a protected area were included in the alignment scope,
- safeguards: the Stahl group complies with the minimum safeguards of the OECD and UN guidelines for all four pillars (human rights, anti-corruption, taxation, and fair competition) thanks to the policies it has implemented. Stahl has a Duty of Care Plan in accordance with the French duty of care law (see section 4.5), an anti-corruption program in accordance with the French Sapin II law, a Code of Conduct and a tax policy that is publicly accessible on the Company’s website.

The alignment/eligibility ratio is 7% in 2022 and 15% in 2023, i.e., an increase of 8%. The latter is linked to two factors:

- the increase in the coverage of water-based products meeting DNSH criteria and safeguards covered by a cycle analysis;
- the increase in the proportion of water-based products covered by a life-cycle analysis in line with DNSH pollution prevention and control.

The alignment share is expected to increase significantly on these two factors, with a possible extension to manufacturing sites outside the EU. At this stage, the inclusion of product life cycle assessments remains the primary lever for increasing the rate of alignment.

4.4.2 Taxonomy alignment of consolidated Capex

Taxonomy-eligible and Taxonomy-aligned Capex are presented in section 4.4.4. The consolidated Capex alignment rate is 0.6%.

Stahl's Taxonomy-aligned Capex is linked to the Taxonomy-aligned turnover presented above, which was calculated as a proportion of the Taxonomy-aligned turnover for the scope of the Capex mentioned in the Delegated Act of July 6, 2021.

In accordance with the European Commission's Q&A on Article 8 of the Taxonomy regulation, Constantia Flexibles, which was sold by Wendel on July 31, 2023, is included in the taxonomy indicators for consolidated Capex *pro rata* to its presence in 2023 (January-July 2023).

The Stahl and Constantia Flexibles shareholdings have individual Taxonomy-aligned Capex related to the following investments:

Constantia Flexibles:

- heat or cold production through waste-to-energy conversion at the Constantia Patz site in Austria (Annex I - 4.25);
- purchase of electric vehicles (Annex I - 6.5);
- upgrades to heating, lighting and machinery systems at production sites to improve energy efficiency (Annex I - 7.3);

- installation of charging stations for electric vehicles (Annex I - 7.4);
- installation of 1,500 solar panels at one of its production sites (Annex I - 7.6);
- installation of systems to regulate and control the energy performance of buildings (Annex I - 7.5);
- data processing, hosting and related activities (Annex I - 8.1).

Stahl:

- installation of solar panels at various production sites (Annex I - 7.6);
- improvements to building energy efficiency (Annex I - 7.3).

The difference between the eligible and the aligned share of Capex is mainly related to categories 7.7 (Acquisition and ownership of buildings) and 6.5 (Transport by motorbikes, passenger cars and light commercial vehicles). In most cases, the granularity of the available information did not allow us to establish the share aligned with these categories in 2023. Eligible Capex has been considered as non-aligned in these cases.

4.4.3 Opex scope exemptions

The Opex covered by the Delegated Act (EU) 2021/2178 of July 6, 2021 of the Taxonomy Regulation (R&D, building renovation, short-term leases, maintenance and repairs) represent less than 3% of current expenditure at the consolidated level. For portfolio companies, operating expenses as defined by the Taxonomy are therefore not significant in comparison to other operating expenses. In accordance with the exemption mentioned in point 1.1.3.2 of the above mentioned Delegated Act, the eligible and aligned Opex are not included below.

4.4.4 Taxonomy-related regulatory information tables

Turnover

Fiscal year Y	2023			Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')							Minimum safeguards (17)	Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) proportion of turnover, year Y-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)			
	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	YES/NO	YES/NO					YES/NO	YES/NO	YES/NO
A- TAXONOMY-ELIGIBLE ACTIVITIES																								
A.1. Environmentally sustainable activities (Taxonomy-aligned)																								
3.6 - Manufacture of other low carbon technologies	CCM 3.6	72.5	1.0%	YES	0%	N/A	N/A	N/A	N/A	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.4%	E	
6.14 - Infrastructure for rail transport	CCM 6.14	24.6	0.3%	YES	0%	N/A	N/A	N/A	N/A	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.1%	E	
6.15 - Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	2.3	0.0%	YES	0%	N/A	N/A	N/A	N/A	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.1%	E	
7.3 - Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	62.2	0.9%	YES	0%	N/A	N/A	N/A	N/A	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.9%	E	
7.6 - Installation, maintenance and repair of renewable energy technologies	CCM 7.6	51.3	0.7%	YES	0%	N/A	N/A	N/A	N/A	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.3%	E	
9.3 - Professional services related to energy performance of buildings	CCM 9.3	23.6	0.3%	YES	0%	N/A	N/A	N/A	N/A	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.2%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		237	3.3%	3.3%	0%	0%	0%	0%	0%	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	2.1%		
Of which enabling		237	3.3%	3.3%	0%	0%	0%	0%	0%	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	2.06%	E	
Of which transitional		0.0	0.0%							YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES			T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																								
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)															
3.6 - Manufacture of other low carbon technologies	CCM 3.6	411	5.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL													5.50%		
7.3 - Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	3.6	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL													0.05%		
2.4 - Remediation of contaminated sites and areas	PPC 2.4	120.9	1.7%	N/EL	N/EL	N/EL	EL	N/EL	N/EL													0%		
3.2 - Renovation of existing buildings	CE 3.2	30.7	0.4%	N/EL	N/EL	N/EL	N/EL	EL	N/EL													0%		
Turnover of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		566	7.9%	5.8%	0%	0%	1.7%	0.4%	0%													5.6%		
Turnover of Taxonomy-eligible activities (A.1 + A.2)		803	11.3%	9.1%	0%	0%	1.7%	0.4%	0%													7.6%		
B- TAXONOMY-NON-ELIGIBLE ACTIVITIES																								
Turnover of Taxonomy-non-eligible activities (B)		6,325	88.7%																					
Total (A + B)		7,128	100%																					

Capex

Fiscal year Y	2023		Substantial contribution criteria										DNSH criteria ("Does Not Significantly Harm" (h))						Minimum safeguards (17)	Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) proportion of CapEx, year Y-1 (18)	Category (enabling activity Y-1) (19)	Category (transitional activity) (20)		
	Code (2)	CapEx (3)	Proportion of CapEx, year Y (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	YES/NO	YES/NO	YES/NO					YES/NO	YES/NO
A- TAXONOMY-ELIGIBLE ACTIVITIES																								
A.1. Environmentally sustainable activities (Taxonomy-aligned)																								
3.6 - Manufacture of other low carbon technologies	CCM 3.6	3.3	0.4%	YES	NO	NO	NO	NO	NO	NO	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.2%	E	
4.25 - Production of heat/cool using waste heat	CCM 4.25	0.5	0.1%	YES	NO	NO	NO	NO	NO	NO	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.0%	E	
6.5 - Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.1	0.0%	YES	NO	NO	NO	NO	NO	NO	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.1%	E	
7.3 - Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.3	0.0%	YES	NO	NO	NO	NO	NO	NO	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.2%	E	
7.4 - Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings	CCM 7.4	0.1	0.0%	YES	NO	NO	NO	NO	NO	NO	YES	YES	YES	OUI	YES	YES	YES	YES	YES	YES	YES	0.0%	E	
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	CCM 7.5	0.01	0.0%	YES	NO	NO	NO	NO	NO	NO	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.0%	E	
7.6 - Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.3	0.0%	YES	NO	NO	NO	NO	NO	NO	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.2%	E	
8.1 - Data processing, hosting and related activities	CCM 8.1	0.7	0.1%	YES	NO	NO	NO	NO	NO	NO	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.0%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		5.3	0.6%	0.6%	0%	0%	0%	0%	0%	0%	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.7%		
Of which enabling	5.3	0.6%	0.6%	0%	0%	0%	0%	0%	0%	0%	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.7%	E	
Of which transitional	0.0	0.0%	0.0%								YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	0.09%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (g)																								
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)														
3.6 - Manufacture of other low carbon technologies	CCM 3.6	18.5	2.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL												3%		
6.5 - Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	51.46	5.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL												8.2%		
7.7 - Acquisition and ownership of buildings	CCM 7.7	95.8	11.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL												24.2%		
8.1 - Data processing, hosting and related activities	CCM 8.1	0.7	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL												0.2%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.1)		166.4	19.2%	19.2%	0%	0%	0%	0%	0%	0%												36.1%		
CapEx of Taxonomy-eligible activities (A.1 + A.2)		171.7	19.8%	19.8%	0%	0%	0%	0%	0%	0%												36.8%		
B- TAXONOMY-NON-ELIGIBLE ACTIVITIES																								
CapEx of Taxonomy-non-eligible activities		695.3	80.2%																					
Total (A + B)		867	100%																					

Opex

Fiscal year Y	2023		Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')							Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) proportion of OpEx, year Y-1 (18)	Category (enabling activity Y-1) (19)	Category (transitional activity) (20)
	Code (2)	OpEx (3)	Proportion of OpEx, year Y (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)			
Economic activities (1)		€m	%	YES; NO; N/EL (b) (c)	YES; NO; N/EL (b) (c)	YES; NO; N/EL (b) (c)	YES; NO; N/EL (b) (c)	YES; NO; N/EL (b) (c)	YES; NO; N/EL (b) (c)	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	%	E	T
A- TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0.0%	NO	NO	NO	NO	NO	NO	YES	YES	YES	YES	YES	YES	YES	0.0%		
Of which enabling		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	YES	YES	YES	YES	YES	YES	YES	0.0%		
Of which transitional		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	YES	YES	YES	YES	YES	YES	YES	0.0%		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (g)																			
OpEx of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		0.00	0.0%														0.0%		
OpEx of Taxonomy-eligible activities (A.1 + A.2)		0	0.0%														0.0%		
B- TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities			0.0%																
Total (A + B)			100%																

4.5 Duty of care plans

In 2016, in response to the requirements of the March 27, 2017 law on duty of care, Wendel's CSR Steering Committee set up a working group to create a duty of care plan applicable to the Group companies affected by these regulations. The principal Group companies affected by the duty of care are Bureau Veritas, Constantia Flexibles, Stahl and CPI.

With regard to information published pursuant to Article R.225-105-1 of the French Commercial Code, a certain number of tools and procedures had already been implemented on topics covered by the duty of care.

As an investment company that acts as a professional shareholder, Wendel does not take part in the operational management of its subsidiaries. However, it ensures that its subsidiaries take into account the risks targeted by the duty of care regulations, to the extent that they relate to their business. In this context, the relevant

companies perform a risk analysis with respect to the topics covered by the duty of care regulations:

- preventing violations of human rights and fundamental freedoms;
- personal health and safety;
- preventing harm to the environment.

On the basis of this risk assessment, duty of care plans were drawn up by the companies within the relevant scope and are published in this Universal Registration Document, with the exception of Bureau Veritas, in accordance with the applicable regulations. The Bureau Veritas Compliance Program is also available in the Group's Universal Registration Document. The specificities of each duty of care plan set up by the companies within the scope of consolidation can be found below.

Wendel SE

As Wendel is a holding company made up of a small management team, its duty of care largely relates to its controlled companies. Nevertheless, Wendel has taken the following steps to strengthen its approach to preventing any potential violations of human rights, personal health and safety, and the environment:

- signature of the Code of Ethics by all employees and new hires. The Code of Ethics includes a reminder of Wendel's strict compliance with international human rights conventions, and proposes a set of rules and measures to ensure a safer working environment (respect in the workplace, whistleblowing procedure in the event of non-compliance, etc.). It is shared with all third parties and partners with which the Group enters into a transactional relationship. Wendel requires the portfolio companies in which it invests to adopt similar standards;

- adoption of remote working rules in compliance with the regulations applicable to on-site and remote working in the countries where the Group operates, when required by local authorities. Wendel's teams also maintain a constant dialogue with the management teams of the companies within its portfolio in order to support and advise them, so that the best measures can be taken to protect employees, while ensuring business continuity;
- reinforcement of the internal Wendel Protect tool in early 2022 through the development of an ESG assessment module, which evaluates third parties on the basis of sustainability criteria when a threshold amount is exceeded during the year. This module aims to select and give preference to third parties that are concerned about taking environmental and social criteria into account in their own value chains, for example by setting up a Responsible Purchasing charter or obtaining third-party labels.

Wendel's internal whistleblowing procedure may also be used to report serious social and environmental breaches, as set out in the duty of care regulations. It is available on Wendel's website, in the ESG section: www.wendelgroup.com.

Stahl

Risk assessment

Stahl carried out a review of its risk assessment and control policies within the scope of the French law 2017-399 on duty of care (March 2017). This review covered the risks linked to its employees, suppliers and customers/external markets. Stahl has adopted governance policies covering health and safety, the environment, and human rights in order to mitigate such risks. These policies are included in the risk mapping section below. The Duty of Care Team reviewed these risks at its meeting in 2023. No significant changes in duty of care risks were observed, and several mitigation actions were taken in 2023 (see below).

Duty of Care Team

In 2019, Stahl established a Duty of Care Team including representatives from Operations (COO), HR (group director), Tax & Compliance (manager), Finance (CFO), ESG (Environment, Social & Governance group director and manager) and Risk (manager).

Duty of care plan

Stahl's duty of care plan corresponds to the French law on duty of care. The duty of care plan identifies and aims to prevent the risk of serious violations of human rights and fundamental freedoms as well as harm to human health, safety and the environment. The Stahl Duty of Care Team meets periodically to monitor the effectiveness of the duty of care plan.

The duty of care plan focuses on the following three (3) identified main duty of care risks associated with Stahl's activities and the appropriate prevention of these risks through mitigation actions and the monitoring of the effectiveness of such actions:

Risks linked to human rights and the societal impact of its activities

- Gross risk: modern slavery, the lack of diversity, and discrimination need to be eliminated from the industry, starting with employees and corporate policies. Violations or prosecutions in this respect could also have an impact on the Company's financial performance and reputation.

■ Mitigation actions include:

- Code of Conduct: the Stahl Employee Code of Conduct has chapters on modern slavery, conflicts of interest, business practices, data and IP protection, financial reporting and also outlines whistleblower rules. Stahl also has a Code of Conduct for business partners (updated in 2020 with the ten principles of the UN Global Compact). Suppliers are evaluated using the external independent EcoVadis rating system. The Business Partner Code of Conduct is a standard part of contracts with third parties. Both Codes of Conduct are discussed at the monthly Management Team and Quarterly meetings with the Executive Control Group;
- whistleblowing: the Stahl whistleblower policy allows anyone (employees and people outside the company) to report suspicious behavior that could be in conflict with the Code of Conduct by e-mail or telephone, with the necessary protection guarantee for the whistleblower in question. The policy was updated in 2021. Since 2022, Stahl has created the opportunity for anyone (inside or outside the company) to report anonymously through the Stahl website (dedicated page with a form). Using the same form, they can also leave contact details. Whistleblower reports are included annually in the external ESG report;
- training: to ensure that our employees understand the issues regarding modern slavery, diversity, discrimination, equal treatment, sexual harassment, etc., with respect to their own behavior and that of colleagues and of business partners (including suppliers), regular corporate training on these issues is recommended. Stahl employees have completed different levels of online training. Training hours are reported in the annual Stahl ESG report;
- yearly calls organized by the Stahl Compliance Officer with selected colleagues, distributors and suppliers on anti-corruption and human rights issues;
- a Human Rights policy formalized and published in 2021;

- Stahl People Experience surveys conducted in 2021 and 2023, the feedback from which was used to take action on identified gaps. For example, a DEI steering committee and local DEI groups were established throughout the company based on the outcome of the 2021 survey;
- implementation of a due diligence tool for customers that helps Stahl to get to know its customers and avoid entering into business relationships that may harm the trust placed in Stahl;
- salary reviews explicitly referring to the Mercer index and consistent checks on the conformity of payments.

Risks linked to the health and safety of employees & (sub) contractors

- Gross risk: the risks in this category range from employee injuries due to slips or falls, to more significant accidents involving chemical spills, machinery operations or exposure to dangerous substances. These are commonplace in the (heavily regulated) chemical industry and Stahl holds itself to the highest health and safety standards in this respect.
- Mitigation actions include:
 - strict legislation & auditing: Stahl is audited by external organizations, including governmental bodies (like ISO, accountancy firms (including NFRD compliance), industry initiatives (e.g., on ZDHC by Eurofins/Chemmap) and local authorities on environmental permits) on a regular basis. Stahl's policy is to adopt the highest regulatory standards and apply them throughout its operations globally;
 - effective SHE (Safety, Health and Environment) policies with clear rules, guidelines and KPIs. Stahl has a zero-tolerance policy towards unsafe acts;
 - auditing and reporting on health and safety, including accidents and incidents. This is performed monthly and annually by Stahl;
 - training: Courses on general SHE topics, chemical management including safe handling (for Stahl employees, contractors and visitors of Stahl sites);
 - identifying and acting on health and safety risks at the sites of customers who use Stahl chemicals;

- creating, encouraging and promoting an open culture (e.g., Stahl People Experience Survey, webinars, training, employee newsletter, Mystahl, etc.);
- SHE management system developed by a recognized external partner, to further develop a digital toolkit for risk assessments and easy reporting by app. on any digital device;
- safety improvement program at all sites;
- training for customers on brand-led initiatives focused on reducing unwanted substances in the garment and footwear supply chain (e.g., ZDHC).

Risks linked to the protection of the environment

- Gross risk: these risks are linked to unplanned releases to the environment of hazardous materials from Stahl sites, as well as the risks linked to the environmental stewardship practices of our suppliers and customers in the supply chain, who use Stahl's products in their manufacturing operations or who provide it with raw materials.
- Mitigation actions include:
 - alignment with the 17 UN Sustainable Development Goals;
 - effective SHE policies, e.g., covering the risks linked to spills or releases into the environment, a dedicated spill team trained on a regular basis;
 - periodic reporting of spills, releases, incidents, emissions, waste and other environmental KPIs;
 - climate resilience and adaption plan implemented in 2022 (Transition risks) and 2023 (Physical risks), i.e., how the company adapts to climate change risks and opportunities;
 - proactive participation in environmental stewardship projects in the supply chain;
 - long-term ESG targets (ESG Roadmap to 2030) for climate change (mainly through CO₂ and energy reduction);

- Stahl takes into account potential health and safety risks for customers who use its chemicals, and this also requires mitigation actions. Indeed, many of its customers work in environments that are not as highly regulated as the chemical industry. Stahl has taken action, either alone or in conjunction with other peer companies and non-governmental organizations, to train users in these cases on (1) the safe use of chemicals, (2) the correct use of personal protective equipment, and (3) communicating clear rules on exposure prevention for potentially harmful chemicals. In addition, Stahl regularly hosts seminars itself around the world, for example in India, Pakistan and Bangladesh, which are attended by large groups of customers and which focus on safety, health, environmental stewardship and sustainability in general;
- Scope 1, 2 and 3 targets established and approved by the SBTi (Science Based Targets Initiative);
- Carbon Steering Committee and Scope 3 working groups established and operative in 2023.

Monitoring the policies and activities in place and measuring their effectiveness

- KPIs related to corruption/bribery/harassment/non-compliance/environment/safety are reported at least annually in Stahl's ESG publications.
- EcoVadis is used to track and monitor performance with selected suppliers and their suppliers on social, environmental and safety dimensions.
- Incidents, cases and accidents are closely tracked, monitored and action is taken based on data.
- The effectiveness of Stahl's policies is assessed by measuring safety and spills performance at each site.
- Stahl's ESG roadmap to 2030 includes environmental, social and safety targets (see section 4.2.3 – Stahl's ESG Performance). This Roadmap is being updated to include 2026 interim targets.
- EcoVadis platinum rating, which is the highest possible rating for the four EcoVadis priorities: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement.
- The Code of Conduct covers non-compliance of third parties.
- Letter of Representation, signed by local Stahl managers each year, which include Code of Conduct related risks.

Crisis Prevention Institute

Risk mapping

The following stakeholders have been integrated in the risk mapping: Tier 1 suppliers, subsidiaries in the United Kingdom and Australia, employees, and clients.

Risk mapping is conducted annually and consists in identifying and ranking the main risks for each stakeholder. This evaluation is based on criteria such as the geographical location of each stakeholder, its industry, and its weight within CPI's value chain. International frameworks such as Global Risk Profile and SASB are used as a basis for assessing the criteria.

The main risks identified within the subsidiaries are:

- risks relating to the environment, such as greenhouse gas emissions;
- the risk of insufficient employee health and safety;
- risks relating to the non-respect of human rights and principles of the International Labor Organization, and to discrimination.

The main risks identified for the upstream supply chain are:

- the risk of insufficient health and safety, non-respect of human rights and of the principles of the International Labor Organization, and discrimination for suppliers' employees;
- the risk of lack of personal data security among online storage suppliers;
- risks relating to the environment, such as raw material consumption.

The main risks identified for the downstream supply chain are:

- risks relating to the health and safety of people trained directly by CPI.

Evaluation procedures

The risks within the subsidiaries are assessed through internal evaluation questionnaires covering cybersecurity risks, which are completed at site level on a yearly basis.

The risks relating to the downstream supply chain are evaluated through surveys sent to every participant who completes a CPI training program. These surveys are administered by SurveyMonkey and the responses are reviewed by CPI every week. Trainers have the opportunity to report any incident or risk relating to clients during meetings organized at regional level on a weekly basis.

The implementation of evaluation procedures for Tier 1 suppliers is taken into consideration.

Actions to mitigate risks

To reduce risks, CPI has implemented the following procedures:

- inclusion of diversity, anti-discrimination and safety in the workplace policies in the Employee Handbook, which is signed by all employees upon their arrival and subject to an annual review of acknowledgment;
- addition of sustainability criteria in the tender documents for all suppliers and for all group entities, with the exception of Australia. This formalizes the sustainability standards required by CPI for purchases in the US and the UK. Australian operations will also be covered as from 2022;
- onboarding, covering risks relating to human rights and diversity, in all subsidiaries;

- training on health and safety offered to key employees, in all subsidiaries;
- certifications such as IACET, CQC, BILD/RNN, and ASQA, obtained by CPI at country level. Each CPI entity has at least one of the listed certifications. They cover issues relating to human rights and health and safety.

Whistleblowing system

In 2020, CPI implemented a whistleblowing system enabling employees and other individuals to anonymously report a concern to a reporting office by sending an email to whistleblower@crisisprevention.com. This aims to identify suspected illegal or unethical conduct or practices, or violations of CPI's policies. This alert mechanism is referenced in the Employee Handbook and is available on the company's website. The alert is received and processed by the Chief Compliance Officer and, if needed, by an external legal partner.

System to monitor implemented measures

Risk mapping and the implementation of the duty of care plan are the responsibility of the CEO, the VP HR and the Chief Compliance Officer who meet on a quarterly basis.

Key performance indicators (KPIs) are monitored internally and reported to the Audit Committee and/or to the Board on a yearly basis, to evaluate the efficiency of mitigation actions. The KPIs are as follows:

- 100% of sites covered by the internal evaluation questionnaire over the year;
- 100% of employees had signed the Employee Handbook at the year-end;
- 100% of tender documents include a sustainability criteria;
- 100% of CPI entities covered by at least one multi-year certification (IACET, BILD/RNN, ASQA) at the year-end;
- 100% of 'at-risk' employees trained on anti-bribery and anti-corruption practices over the year.

ACAMS

The analysis of non-financial risks carried out jointly by ACAMS and Wendel has not highlighted any risk to date with regard to human rights and fundamental freedoms, health and safety or the environment. ACAMS is a US-based training company and the vast majority of its employees work from home.

Scalian

Scalian is a service company specializing in advising companies on the transformation of business processes and digital technologies. The company became part of the Wendel scope of consolidation in 2023. Over 90% of Scalian's sales are generated in Europe, and as a B2B services company, the upstream value chain is limited.

Risk mapping

Actions to mitigate risks

In order to reduce risks, Scalian has implemented a comprehensive due diligence process. This process, which is integrated into the company's global management system, is used in the same way for all duty of care sustainable topics and consists of several stages:

- risk identification (scope, stakeholder mapping, regulatory compliance);
- impact assessment (environmental, social, governance, corruption, labor, human rights, etc.);
- prevention and mitigation plan;
- supplier engagement (dialogue, consultation, collaboration);
- monitoring and reporting (performance metrics based on the GRI, regular reporting, annual reporting and review, audit, etc.) and continuous improvement (feedback mechanisms, adaption to emergency issues, business continuity plan in case of disasters).

The due diligence process is placed under the responsibility of a Supplier Committee in charge of supplier relationship management, strategic sourcing, risk management, ethical and sustainable sourcing, dispute resolution and compliance management.

At every stage, managers, buyers, and specifiers who are in contact with suppliers to define needs, draw up contracts, and monitor the execution of contracts or invoices, may be subject to attempts to influence them. The Responsible Purchasing charter is based on the Code of Ethics and imposes discipline, transparency, and exemplarity on the part of all stakeholders in the contracting process in the performance of their duties.

- Three charters have been drawn up:
 - Ethics and Compliance Policy: the Group Policy is part of Scalian's commitment to conduct its business legally and honestly, in full compliance with the law;
 - Group Code of Ethics: Scalian's Code of Ethics reflects its respect for the law and for people, as well as its responsibilities to its customers and other group stakeholders. It is the foundation of the group's ethical culture;
 - Supplier Code of Ethics: this supplier Code of Conduct is based on the ten founding principles of the United Nations Global Compact, of which Scalian is a member, and expresses the values and principles that Scalian wishes to promote in terms of ethics, respect for human rights and labor law, environmental standards and the fight against corruption.

Whistleblowing system

- A whistleblowing platform, which protects the identity of the whistleblower, for reporting conduct or situations contrary to the company's Code of Conduct. This system covers corruption, influence peddling and offences or fraud, particularly in the areas of accounting, trade, internal control, and audit. It is accessible via the platform available on Scalian's Internet and Intranet sites. In accordance with the applicable legislation, the whistleblowing platform guarantees confidentiality regarding the identity of the person or persons who report the breach, the persons accused of the breach and the data relating to the breach.

4.6 Cross-reference table and reporting methodology

4.6.1 Cross-reference table

Risk description

Policies and outcomes

The cross-reference table below links the non-financial information required in the non-financial performance statement (NFPS) with the other parts of the Wendel Universal Registration Document, where relevant to the Company's main risks or policies, in accordance with Article L. 225-102-1 of the French Commercial Code.

Topic	Section
Business model	
Description of the main businesses (business segments and/or divisions), products or services, including key figures (i.e., business volumes, headcount, financial results) by business/division and/or geographical area	Introductory guide and section 4.1.1 – Business model
Interactions within its subsidiaries/business segments (i.e., customer categories, potential partnerships, use of subcontracting, competitive positioning, relations with stakeholders, etc.)	Section 1.2 – Business
Challenges and outlook for the entity and its businesses (i.e., market trends, ongoing transformations, sectoral sustainable development issues, etc.)	Section 1.3 – Investment model: strategy and objectives
Information relating to value creation and its distribution among stakeholders	Introductory guide and section 4.1.1 – Business model Section 8.1.2 – Dividend Section 4.3.1 – HR performance: fostering commitment, well-being, support, employability and inclusion
Vision and objectives of the entity (i.e., values, strategy, transformation or investment plan)	Section 1.3 – Investment model: strategy and objectives
Main risks related to Wendel's business	
Wendel Group's ESG issues and responsible investment procedures	Section 4.1.5 – Wendel Group's ESG strategy
Portfolio companies' ESG issues	Section 4.2 – ESG performance of controlled portfolio companies
Risks related to climate change	Sections 4.1.5 and 4.2 (integrated in Wendel's ESG risks and the portfolio companies' ESG performance)
Risks related to Wendel's human resources	Section 4.3.1 – HR performance: fostering commitment, well-being, support, employability and inclusion
Risk of non-independence of governance bodies and control mechanisms and risks related to business ethics	Section 4.3.3 – Governance and business ethics

Topic	Section
Other information mentioned in Article L. 225-102-1 of the French Commercial Code	
The business' social impact, particularly with regard to collective agreements and their effects, combating discrimination and fostering diversity, societal commitments, promoting the practice of sport, disability	Section 4.3.1 - HR performance: fostering commitment, well-being, support, employability and inclusion
The business' environmental impact, in particular with regard to climate change, the circular economy, food waste, the fight against food insecurity, respect for animal welfare and responsible, equitable and sustainable food	Climate issues relating to Wendel's business are among the main risks facing the Group. The risks, opportunities, policies and KPIs related to climate change are presented in sections 4.1.5, 4.2 and 4.3.2 The circular economy approach implemented within Wendel SE is presented in section 4.3.2 - Measuring and managing our environmental footprint. Issues relating to the circular economy specific to Stahl are presented in section 4.2.2 Other environmental risks have not been identified as relevant to Wendel's activity as an investor (apart from specific risks related to the activities of controlled companies mentioned in section 4.2 - ESG performance of controlled portfolio companies)
The impact of the business on respect for human rights	Section 4.3.1 - HR performance: fostering commitment, well-being, support, employability and inclusion Section 4.5 - Duty of care plans
The impact of the business on the fight against corruption	Section 4.3.3 - Governance and business ethics

4.6.2 Methodological information

Details of methodologies and specificities (e.g., scope limitations, specific considerations in the consolidation of certain indicators, etc.) are presented in the various consolidated indicators published in sections 4.1.5 and 4.3 or in the methodological notes for each investment in section 4.2.

4.7 Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial performance statement

Year ended December 31, 2023

This is a free English translation of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders' Meeting,

In our capacity as Statutory Auditor of your company Wendel SE (hereinafter the "Company"), appointed as independent third party ("third party") and accredited by the French Accreditation Committee (Cofrac validation/verification accreditation under number 3-1886, scope available at www.cofrac.fr), we have conducted procedures to express a limited assurance conclusion on the historical information (observed or extrapolated) in the consolidated non-financial performance statement, prepared in accordance with the Company's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2023 (hereinafter the "Information" and the "Statement", respectively), presented in the Group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*code de commerce*).

Further to your request and beyond the scope of our accreditation by COFRAC, we also have conducted procedures to express a reasonable assurance conclusion on the fact that some information, selected by the Company, has been prepared, in all material respects, in accordance with the Guidelines.

Limited assurance conclusion on the Statement pursuant to article L. 225-102-1 of the French Commercial Code

Based on the procedures we have performed as described in the section "Nature and scope of procedures" and the evidence we have obtained, no material misstatements have come to our attention that cause us to believe that the non-financial performance statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

Reasonable assurance conclusion on selected information included in the Statement

In our opinion, the following information, selected by the Company, has been prepared, in all material respects, in accordance with the Guidelines:

- CO₂ equivalent emissions from scope 1 and 2 - Financial control (kT CO₂ eq);
- Frequency rate of work accidents with time off (per 1,000,000 hours worked);
- Women in management positions (number and%);
- Percentage of women among the aggregate number of all the individuals nominated directly or indirectly by Wendel in the relevant boards (board of directors or equivalent) of the portfolio.

Preparation of the non-financial performance statement

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarised in the Statement and available on the Company's website or on request from its headquarters.

Limits inherent in the preparation of the Information

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the Company

The Management Board of Wendel SE is responsible for:

- selecting or establishing suitable criteria for the preparation of the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);

- preparing the Statement by applying the Company's "Guidelines" as referred above; and
- designing, implementing, and maintaining internal control over information relevant to the preparation of Information that is free from material misstatement, whether due to fraud or error.

The Statement has been endorsed by the Management Board.

Responsibility of the Statutory Auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information".

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to provide a conclusion on:

- the Company's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the French duty of care law and against corruption and tax evasion);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 *et seq* of the French Commercial Code, with our verification program consisting of our own procedures and with the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to such engagement, in particular the professional guidance issued by the *Compagnie Nationale des Commissaires aux Comptes*, *Intervention du commissaire aux comptes - Intervention de l'OTI - déclaration de performance extra-financière*, and acting as the verification programme and with the international standard ISAE 3000 (revised)⁽¹⁾.

Independence and quality control

Our independence is defined by Article L. 821-28 of the French Commercial Code and French Code of Ethics for Statutory Auditors (*Code de déontologie*). In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

Means and resources

Our work engaged the skills of seven people between November 2023 and March 2024 and took a total of sixteen weeks.

To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around twenty interviews with people responsible for preparing the Statement.

Nature and scope of procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information:

- We obtained an understanding of all the consolidated entities' activities and the description of the main risks associated.
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality, and understandability considering, where appropriate, best practices within the sector.
- We verified that the Statement includes each category of social and environmental information set out in section III of Article L. 225-102-1 as well as information regarding compliance with human rights and anticorruption and tax avoidance legislation.
- We verified that the Statement provides the information required under Article R.225-105 II of the French Commercial Code where relevant with respect to the main risks, and includes, where applicable, an explanation for the absence of the information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code.

(1) ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information

- We verified that the Statement presents the business model and a description of the main risks associated with all the consolidated entities, including where relevant and proportionate, the risks associated with their business relationships, their products, or services, as well as their policies, measures, and the outcomes thereof, including key performance indicators associated to the main risks.
 - We referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented; and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important and presented in Appendix 1. Concerning certain risks or information, our work was carried out on the consolidating entity, while for other risks, our work was carried out on the consolidating entity and on a selection of entities.
 - We verified that the Statement covers the consolidated scope i.e., all companies within the consolidation scope in accordance with Article L. 233-16 of the French Commercial Code, with the limits specified in the Statement.
 - We obtained an understanding of internal control and risk management procedures implemented by the Company and assessed the data collection process aimed at ensuring the completeness and fairness of the Information.
 - For the key performance indicators and other quantitative outcomes that we considered to be the most important and presented in Appendix 1, we implemented:
 - analytical procedures that consisted in verifying the proper consolidation of collected data as well as the consistency of changes there to;
 - tests of details, using sampling techniques, to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing entities⁽¹⁾ and covers:
 - For Stahl, between 11% and 100% of the information selected for this subsidiary;
 - For ACAMS, 100% of the information selected for this subsidiary;
 - For Wendel SE, 100% of the information selected for this entity.
 - We have reviewed the work and findings of the independent third-party organization appointed by Bureau Veritas.
 - We assessed the overall consistency of the Statement in relation to our knowledge of all the consolidated entities.
- The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.
- At the request of the Company, we have conducted additional work to enable us to form a reasonable assurance conclusion on the following information:
- CO² equivalent emissions from scope 1 and 2 - financial control (kT CO² eq);
 - Frequency rate of work accidents with time off (per 1,000,000 hours worked);
 - Women in management positions (number and%);
 - Percentage of women among the aggregate number of all the individuals nominated directly or indirectly by Wendel in the relevant boards (boards of directors or equivalent) of the portfolio.
- The work carried out was of the same nature as that described in the section above relating to limited assurance, but more in-depth, particularly regarding:
- Analytical procedures to verify the correct consolidation of the collected data and the consistency of their trends;
 - Detailed tests performed on a sample basis to verify the correct application of definitions and procedures and to reconcile data with supporting documents.

Paris-La Défense, 12 March 2024

One of the Statutory Auditors,

Deloitte & Associés

Mansour BELHIBA

Partner, Audit

Yoan CHAZAL

Partner, Sustainability Services

(1) Wendel SE; Stahl: Kanchipuram (India), Palazzolo (Italy), Parets (Spain), Waalwijk (Netherlands); ACAMS.

Appendix 1: Qualitative and quantitative information that we considered to be the most important

Qualitative KPIs

<i>Qualitative KPIs for Wendel</i>	<i>Qualitative KPIs for Stahl, ACAMS</i>
<ul style="list-style-type: none"> ■ Actions taken as part of the climate plan ■ Actions taken as part of responsible investment procedures 	<ul style="list-style-type: none"> ■ Policies and measures in place to improve employee health and safety at work ■ Policies and measures in place to mitigate and adapt to climate change ■ Measures put in place to promote a better gender balance among employees ■ Priorities and action plans identified for offering sustainable products and services

Quantitative KPIs

<i>Consolidated quantitative KPIs for Wendel Group</i>	
<ul style="list-style-type: none"> ■ Percentage of controlled companies in the portfolio with an ESG roadmap aligned with their overall strategy ■ Percentage of CEOs in the portfolio whose variable remuneration is linked to progress on their ESG roadmaps ■ Percentage of controlled companies in the portfolio tracking their carbon footprint (scope 1, 2, 3) ■ CO₂ eq emissions from scopes 1 and 2 - financial control ■ Energy consumption (including share of renewable energy) ■ Percentage of controlled companies in the portfolio that have committed to reducing their emissions ■ Percentage of controlled companies in the portfolio that have assessed their exposure to the physical and transitional risks and opportunities associated with climate change ■ Percentage of controlled companies in the portfolio that have implemented a climate change resilience plan ■ Percentage of controlled companies in the portfolio with an environmental management system (including ISO 14001 certification) for all or part of their scope of activity 	<ul style="list-style-type: none"> ■ Percentage of controlled companies in the portfolio that have adopted a continuous improvement approach to health and safety at work ■ Lost time injury frequency rate (per 1,000,000 hours worked) ■ Percentage of controlled portfolio companies with a certified health and safety management system (including OHSAS 18001/ISO 45001) ■ Workforce (by gender) ■ Percentage of companies committed to improving gender balance in the workforce ■ Percentage of women in the total workforce ■ Percentage of women in management positions ■ Percentage of women in shareholder governance bodies ■ Percentage of women in operational governance bodies ■ Percentage of portfolio companies that have identified priorities for offering sustainable products and services ■ Percentage of consolidated sales generated by products and services with added environmental value
<i>Quantitative KPIs for Wendel</i>	
<ul style="list-style-type: none"> ■ Percentage of investment opportunities examined using the exclusion list ■ Percentage of investment opportunities assessed in the light of ESG (in-depth due diligence) ■ Percentage of women among all individuals appointed directly or indirectly by Wendel to the relevant boards (board of directors or equivalent) in the portfolio 	<ul style="list-style-type: none"> ■ Total workforce (including new hires and departures) ■ Percentage of women in management positions and in the Supervisory Board ■ Percentage of Coordination Committee members having received ESG training during the year ■ Scope 3 absolute emissions
<i>Quantitative KPIs for Stahl</i>	
<ul style="list-style-type: none"> ■ Lifecycle Assessment (% of revenue) ■ Product safety - ZDHC (% of total portfolio sales revenue) 	<ul style="list-style-type: none"> ■ Water withdrawals ■ Water consumption
<i>Quantitative KPIs for ACAMS</i>	
<ul style="list-style-type: none"> ■ Number of ACAMS members ■ Number of jurisdictions covered ■ Number of AFC professionals certified ■ Net Promoter Score - ACAMS 	<ul style="list-style-type: none"> ■ Share of products updated over the year ■ Number of enrolments for "Ending Human trafficking & modern slavery" certificates ■ Number of enrolments for "Ending Illegal Wildlife Trade" certificates



W E N D E L

European company with an Executive Board and a Supervisory Board and share capital of €177,722,216

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