

# INVESTOR MEETING

## ESG FORUM

November 29, 2023



# AGENDA

/ **01**      **About Wavestone**

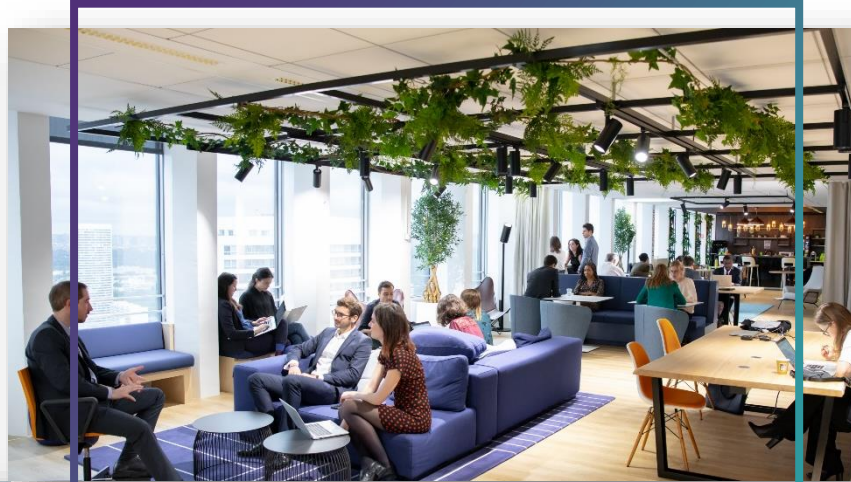
/ **02**      2022/23 CSR results

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# Supporting large organizations in their most critical transformations

**Pure player**  
in consulting

~€532m  
in 2022/23



**Europe**  
**US, Asia**

~4,400 employees



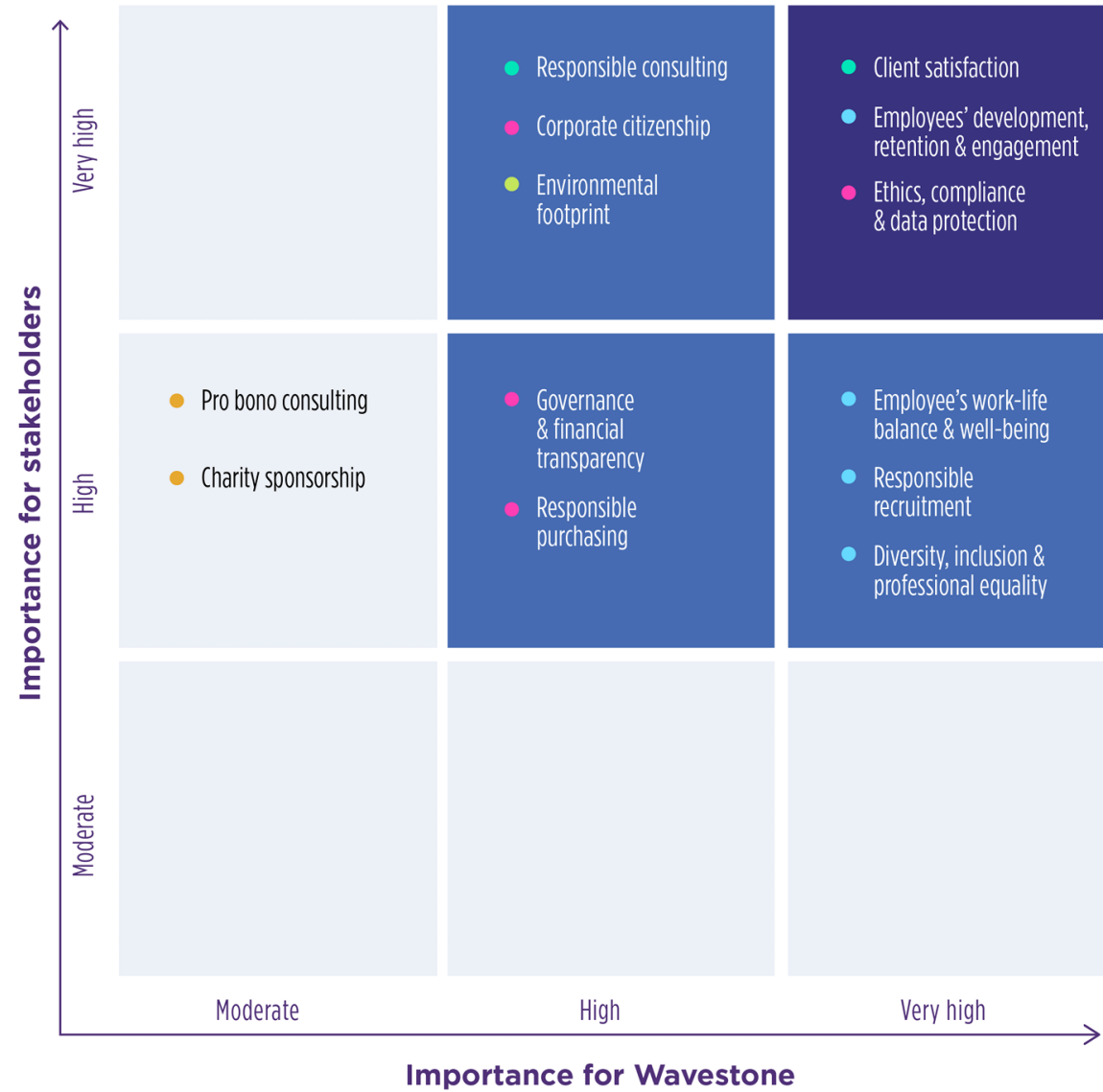
***Business***  
***Technology***  
***Sustainability***



# Our business model



# Our key ESG stakes



● Environment   ● Social   ● Ethics   ● Business   ● Societal

# Our CSR commitments

	Commitments	Challenges	Contribution to SDGs
1	Improve <b>client satisfaction</b> and <b>support clients in sustainable performance</b>	<ul style="list-style-type: none"> <li>client satisfaction</li> <li>responsible consulting</li> </ul>	   
2	Promote <b>employee engagement</b> , well-being, and quality-of-life at work	<ul style="list-style-type: none"> <li>employee development, retention, and engagement</li> <li>work-life balance and well being</li> </ul>	 
3	<b>Act for diversity</b> , and create an <b>inclusive working environment</b> where everyone is free to be themselves, and has the <b>same opportunity</b> to fulfill their potential	<ul style="list-style-type: none"> <li>diversity, inclusion, and professional equality</li> <li>responsible recruitment</li> </ul>	  
4	Be a <b>corporate citizen</b> that behaves <b>ethically and responsibly</b>	<ul style="list-style-type: none"> <li>corporate citizenship</li> <li>ethics, compliance, and data protection</li> <li>governance and financial transparency</li> <li>responsible purchasing</li> <li>pro bono consulting</li> <li>charity sponsorship</li> </ul>	          
5	<b>Minimize the impact of our activity on the environment</b>	<ul style="list-style-type: none"> <li>environmental footprint</li> </ul>	

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# Continued progress on sustainability in 2022/23

## / Employee engagement

- › Great Place To Work® certification for all offices, 1<sup>st</sup> in France
- › staff turnover rate under control

## / Re-expression of the firm's values: "The Positive Way"

## / Implementation of a trajectory aligned with the SBTi's Net Zero Standard

- › validation of short-term (2026/27) and long-term (2049/50) targets by SBTi

## / Achievement of the objective of being in the 5% of most successful companies

- › Ethifinance ESG Ratings (ex Gaïa Research): 78/100; Top 5% nationally
- › Ecovadis: 78/100, "Platinum" level, Top 1%

## / ... but an area for improvement in the year ahead

- › client satisfaction, measured by the NPS®, below our target

EthiFinance  
ESG ratings

ecovadis  
Business Sustainability Ratings





# Our priorities for the current fiscal year

## 1. Improvement in client satisfaction

- › more resources to execute the action plan

## 2. Supporting clients on sustainable development issues

- › accelerated dissemination of the responsible consulting approach
- › development of the sustainability offer

## 3. Actions to reduce greenhouse gas emissions

- › to ensure success on a demanding SBTi trajectory



# Development of our offer on sustainable development challenges

## Key points

**Nomadéis,**

the backbone of Wavestone's sustainability business

**150+**

consultants & experts in the Sustainability team

## The Sustainability offer

- / **CSR strategy and governance:** materiality analysis, CSR strategy & roadmap, ESG reporting, etc;
- / **Transformation of functions:** green IT, responsible purchasing, etc;
- / **Reducing carbon footprint**

**Accor**  
CSR Program  
of the Group

**Stellantis**  
Freedom of  
Mobility Forum

# 2023/24 objectives

	Commitments	Indicators	2023/24 objectives	2022/23 results
1	Improve <b>clients' satisfaction</b> and support them in sustainable performance	NPS®	50	✗ 45
		Number of projects carried out using the responsible consulting approach	300	✓ 119
2	Promote <b>employee engagement</b> , well-being, and quality-of-life at work	Employee engagement index	74	✓ 74
		Staff turnover rate	15%	✗ 16%
3	Act for <b>diversity</b> , and create an inclusive working environment where everyone is free to be themselves and has the same opportunity to fulfill their potential	Proportion of women in management	34.5%	✓ 35%
		Number of employees with a disability	58	✓ 49
4	Be a good <b>corporate citizen</b> that behaves ethically and responsibly	Employees trained in applying the business ethics charter	95%	✓ 96%
		Workforce time spent on societal commitments	1.0%	✓ 1.3%
5	Minimize the impact of our activity on the <b>environment</b>	Reduction in carbon footprint, compared with 2019/20	Scope 1 & 2 (total Wavestone footprint) -17%	✓ -51%
			Scope 3 (footprint per employee) -25%	✓ -27%

## Financial & ESG connectivity

- / A sustainable loan implemented in 2021 to link financing to our ESG performance
  - › signature of an amendment with our banking partners to include environmental, social and societal criteria within the loan agreement
  - › margin bonus applicable to all of Wavestone's credit lines, depending on whether or not the CSR objectives are met (margin bonus is granted to Wavestone Foundation)
  
- / Compensation policy for General Management (CEO & COO)
  - › CSR criteria account for 20% in the determination of the individual performance indicator (IPI) that enters into the bonus formula
  - › same weighting given to each of the nine indicators published in the statement of non-financial performance

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## 2022/23 annual revenue grows by +13%

<i>Audited consolidated data at 03/31 (in €m)</i>	2022/23	2021/22	Change	<i>Change at constant scope <sup>1</sup> and on a constant forex basis</i>
12-month total	532.3	470.1	+13%	+7%

<sup>1</sup> Excluding Everest Group consulting, consolidated since 05/01/2021; why innovation!, consolidated since 11/01/2021; NewVantage Partners, consolidated since 01/01/2022; Nomadéis, consolidated since 04/01/2022; PEN Partnership, consolidated since 08/01/2022; and Coeus Consulting, consolidated since 10/01/2022.

/ €532.3m at the end of the 2022/23 fiscal year – up +13%, of which +7% was organic growth

- > €528.6m at constant exchange rates, in line with the annual target of €525m
- > three external growth acquisitions during the year: the sustainable-development consulting firm Nomadéis in France, and the firms PEN Partnership, and Coeus Consulting in the UK
- > working day impact of -0.3%

# +4% increase in sales prices over the fiscal year; consultant utilization rate down at 73%

	2022/23 fiscal year (12 months)	2021/22 fiscal year (12 months)	
Consultant utilization rate	73%	77%	▶ down at the end of the fiscal year due to the high number of new starters in H2 and a slower Q4
Average daily rate	€890	€854	▶ sales prices up +4% (+3% at constant exchange rates)
Order book	4.0 months	4.3 months	▶ order book at March 31, 2023, identical to that of December 31, 2022
Employees	4,406	3,732	▶ around 1,300 new employees by 2022/23, including 126 from Nomadéis, PEN Partnership and Coeus Consulting
Turn-over	16%	18%	▶ marked deceleration in the 2 <sup>nd</sup> half of 2022/23

# EBIT margin of 14.5% in 2022/23

Audited consolidated data at 03/31 (in €m)	2022/23 (12 months)	2021/22 (12 months)	Change
<b>Revenue</b>	<b>532.3</b>	<b>470.1</b>	<b>+13%</b>
<b>EBIT</b>	<b>77.0</b>	<b>74.8</b>	<b>+3%</b>
<i>EBIT margin</i>	<i>14.5%</i>	<i>15.9%</i>	
Amortization of client relationships	(1.5)	(1.5)	
Other operating income and expenses	(2.9)	(0.5)	
<b>Operating income</b>	<b>72.7</b>	<b>72.8</b>	<b>0%</b>
Cost of net financial debt	(1.8)	(0.9)	
Other income and expenses	(2.3)	(0.0)	
Income tax expenses	(18.5)	(20.9)	
<b>Group share of net income</b>	<b>50.1</b>	<b>51.0</b>	<b>-2%</b>
<i>Net margin</i>	<i>9.4%</i>	<i>10.9%</i>	



Q\_PERIOR - A consulting leader in the GSA region

**Business  
& IT consulting**

€285m  
in 2022

**Strong  
transversal  
& vertical  
capabilities**

**Europe,  
North America**

1,410 employees

# Wavestone and Q\_PERIOR: joining forces to create a European consulting champion

- / A new consulting player to better answer our clients' challenges and realize substantial growth opportunities
  - > a solid international footprint
  - > a rich range of capabilities and expertise
  - > a best place to work, at the forefront of social, societal and environmental responsibility issues
- / A roadmap aiming at sustained growth and profitability
  - > 2025 financial targets<sup>1</sup>: revenue of ~€1bn, at least €130m EBIT
  - > longer term financial targets: average annual growth of around +15%<sup>2</sup>, ~15% EBIT margin
- / Main terms of the operation
  - > acquisition by Wavestone of 100% of Q\_PERIOR's share capital
  - > purchase price: €330m in enterprise value (equity value of €321.9m), plus an earn-out of up to €35.0 million
  - > 79% of the initial equity value financed in shares

- / **€818m** consolidated<sup>3</sup> revenue
- / **5,500+** cumulated FTEs
- / **17** countries in presence
- / **18** Global 500 clients among the Top 30

<sup>1</sup> excluding new acquisitions

<sup>2</sup> combined organic and inorganic

<sup>3</sup> based on the combined IFRS 12-month figures at March 31, 2023 for Wavestone (audited) and December 31, 2022 for Q\_PERIOR (unaudited)

