

WAVESTONE



Transform.

**It's what we do.
With you.**



Brussels
New York
Paris
Lyon
Marseille
Nantes
Milan*
Hong Kong
Madrid*
Luxembourg
Casablanca
London
São Paulo*
Geneva
Singapore*
Istanbul*



*Partnerships

revenues
in millions of euros

338.7

26,288

employees
worldwide

N°

**independent
consulting
firm in France,**
and among the top firms
in Europe

Data at 03/31/2017

Present in

14

countries
on 4 continents



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How to transform yourself.
How to transform yourself successfully.
How to transform yourself before everyone else.
How to transform yourself with everyone else.
How to transform yourself sustainably.
How to embrace change.

All of these are issues you work with every day.
We envision the answers with you,
where you operate, and as closely as possible to your
business, your business model and your people.
So that change, innovation and creativity
become a culture.

Together, we envision new ways of doing
and new ways of seeing.
Together, we are change.



Leading the way

**Controlling
every
aspect of
transformation.
To grow
better and
stronger
together.**

A single, sector-specific, functional and technological approach.

With a distinctively original positioning developed out of the combination of management consulting and digital & innovation consulting, Wavestone has developed a value proposition that blends specialist skills to more effectively embrace the complex transformational changes of its clients. As a committed stakeholder in the ecosystems of many business sectors, Wavestone leads the transformation process to provide the best possible guidance for those living through it.



VALUE PROPOSITION

Informing and guiding leaders in delivering transformational change

At the confluence of management consulting and digital & innovation consulting, Wavestone is built on the basis of a unique market positioning and a distinctive value proposition that is perfectly aligned with the challenges faced by companies and organizations in the digital age.

“The essence of our value proposition is our ability to combine all our skills seamlessly and in multidisciplinary teams to cut through the silo management approach.”

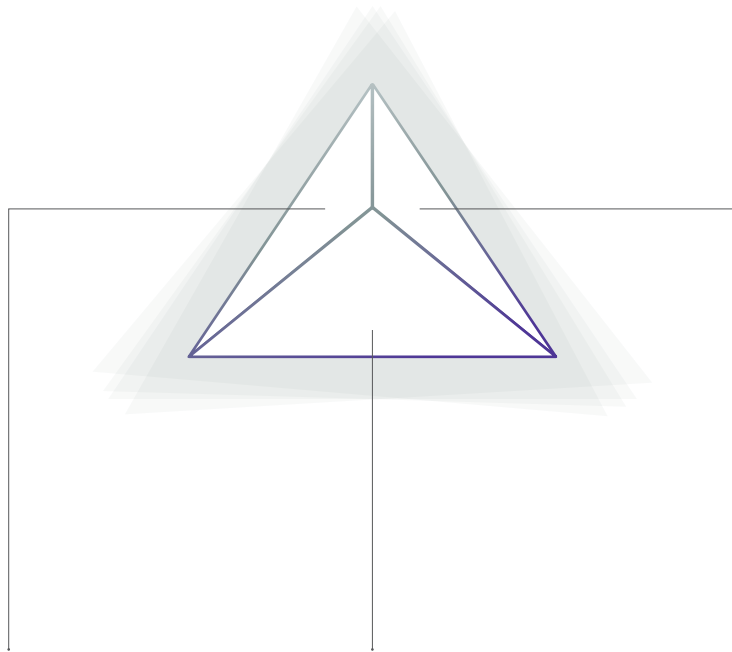
In a world where understanding how to make transformational change happen is key to success, the Wavestone mission is to enlighten and guide its clients in their most strategic transformation decisions.

It's a mission that we deliver on the basis of three strong convictions:

- + Innovation is no longer an option for companies, but an everyday necessity,
- + Defining relevant corporate strategies means embracing technology more than at any time in the past,

- + Companies seeking to implement change need a consulting firm that can provide not only concepts, but can also act as a partner with the ability to translate those concepts into practical action.

Wavestone serves a portfolio of top-ranking clients, the majority of which are leading institutions and companies that are key stakeholders in their own markets. The firm offers its clients the services of over 2,600 employees on four continents, with the ability to operate in synchronization across all regions. This strike force establishes Wavestone as a top independent consulting firm at the European level, and the outright leader in France.



Functions

— Strategy
 — Innovation management & funding
 — Marketing, sales & customer experience
 — People & change
 — Finance & performance
 — Operations & supply chain

Sectors

— Financial services
 — Telecoms & media
 — Consumer goods & retail
 — Manufacturing
 — Energy & utilities
 — Transportation & travel
 — Real estate
 — Public sector & international institutions

Technologies

— Digital & IS strategy
 — Digital & emerging technologies
 — IS & data architecture
 — Cybersecurity & digital trust

——— Sector-specific, functional and technological expertise

Wavestone offers its clients a broad palette of expertise spanning 18 areas of excellence of three distinct types:

- + Sector-specific excellence solutions designed to address core business challenges in many different business sectors,
- + Business function excellence to address major corporate functions, from strategy through innovation to operations,

- + Technological excellence that enables the firm to provide an unparalleled range of digital, technology and cybersecurity solutions.

In each of these areas of excellence, Wavestone contributes an unrivaled depth of expertise. And because company transformations impact all corporate functions, the essence of our value proposition is our ability to combine these skills seamlessly in multi-disciplinary teams that cut through the silo-management approach.



ASSETS

Wavestone plays to its strengths

To provide its clients with the best-possible problem-solving support, Wavestone relies on five key levers. Its goal is always to exceed its clients' initial expectations.

David Le Louarn
Co-Founder, Kinov



Eva Rosillo
Senior Consultant, Wavestone



**RESEARCH & KNOWLEDGE CENTER:
providing the right information
for informed decision-making**

A dedicated team of market researchers with access to a broad portfolio of databases and international expert networks.



**CREADESK:
boosting creativity
and generating new ideas**

A dedicated workspace, methodologies and team focused exclusively on stimulating creativity, generating innovative ideas and contributing new working methods.



**THE FAKTORY:
bringing ideas to life**

A technical platform led and coordinated by senior designers and developers who use prototyping techniques for rapid concept testing and validation.



**MACHINE LEARNING & DATA LAB:
creating value out of data**

A team of data scientists expert in data mining and application apply their skills to envisioning new sources of value creation.

**Shake'Up: leveraging open innovation
for successful transformation**



The Shake'Up program was introduced in 2015 to identify, select and support startups with the ability to develop innovative services for the firm's customers. As a powerful trend observatory, Shake'Up puts the startup ecosystem under the microscope to learn valuable lessons that provide guidance and contribute to a level of consulting that delivers even higher value. The Shake'Up workspace is shared with a handful of startups identified as being particularly promising for our practices; all receive direct support from our experts to help them progress their businesses. One of them is Kinov, which joined the program in 2016.

What is Kinov?

DLL: Kinov is an open innovation management platform designed to allow major corporates to source good startups with solutions relevant to their problems, and to provide a framework for this relationship. It also provides advice and support for the implementation of intrapreneurship projects and startup accelerators.

So why did Kinov join Shake'Up?

ER: Because their approach aligns perfectly with the goals of Shake'Up: to create a mutually beneficial relationship between

major corporates and startups. They are also at the right stage of development for us to act as a business accelerator for them, and help them put their model into practice.

DLL: Being able to rely on the expertise and resources of a firm like Wavestone has saved us valuable time in our development, and is allowing us to refine our business strategy. We have similar skills, which allows us to develop synergies at every level.

What form does the Kinov/ Shake'Up collaboration take?

ER: The Kinov offering is very broad, so we have been able to involve them in many different initiatives. For example, we have worked together on our attendance at the VivaTech show and on business proposals for some of our clients. We also use their platform ourselves, and did so for our most recent call for projects.

DLL: It really is a two-way collaboration. Wavestone has been able to use our resources to test its analytical matrices, especially on the issues surrounding UX design, and in return, we have been able to improve our solutions thanks to their recommendations. For VivaTech, we worked together to envision thematic journeys for their key accounts, into which we were able to integrate some of our clients.



ECOSYSTEMS

Working at the confluence of ecosystems to support our clients more effectively

In phase with the problems faced by its clients, Wavestone expands its own knowledge of market trends not only through the work of its experts, but also by playing an active role in ecosystems devoted to strategic thinking, including business associations, think tanks and conferences.

EFMA is a leading banking association with a large membership of banks and financial services companies around the world. It provides a very special forum for networking and discussion for Wavestone, which sees it as an opportunity to inform and expand its overview of the sector in direct contact with those who live it. As a very active member of the organization, Wavestone was also joint author of a report on building the future of mobile banking in May 2017.

———— **What is EFMA?**

Founded in 1971 by Caisse des Dépôts et Consignations, EFMA is a global interbank organization with a current membership of around 3,500 financial services companies from 139 countries; 80% of European banks are members. It also acts as a financial services industry association for bankers and insurers.

We offer three services to our members: a reports service with the publication of market surveys, benchmarks and business sector trend reviews. We also issue regular and precise recommendations based on the findings of our research work.

Lastly, we work to facilitate the emergence of a vision for the future of our industry through reports, conferences and meetings, as well as offering online resource-sharing portals.

———— **What role do experts like Wavestone play in delivering your missions?**

We are working to facilitate the transformation of our industry. That's a collective effort which requires thought and input from many diverse sources. Their role as consultants means that experts like Wavestone are very familiar with our challenges, since they come into contact with them on a daily basis, and they also have the detachment and cross-sector experience that help us to stop seeing our constraints as obstacles, but rather as opportunities. EFMA is a catalyst for transformation, and provides a remarkable forum for discussion and interaction. By contributing to progressing this strategic thinking, our consulting partners provide input to our examination of the issues involved, at the same time as improving their knowledge of the challenges faced by their banking clients.

Building the future of mobile banking

Working in collaboration with EFMA, Wavestone researched and published the **Building the Future of Mobile Banking** report presented to the Mobile Banking and Digital Wallet Summit hosted in Barcelona in February 2017. The report sets out the firm's viewpoint on how mobile banking will develop in Europe over the coming years. It is based on analyses provided by 30 digital banks, 180 FinTechs, industry benchmarks, case studies and interviews with industry leaders.

Find out more about this report at www.wavestone.com/en/insight/mobile-banking-future/

Vincent Bastid
Chief Executive Officer
of EFMA





Success factors

Mobilizing the energy needed to make every transformation a success.

Wavestone people are drivers of change.

Our people are the heart of Wavestone. Involved at every stage of our corporate plan, the men and women of Wavestone are ambassadors for our values, and work every day to build the collective intelligence that benefits all our clients.



HUMAN RESOURCES

Being an employer of choice

Wavestone is committed to being, and remaining, an employer of choice in the consulting market. This strategy is based on a proven model: recruiting the finest talent, providing personal career path management, and offering employees long-term career development prospects. It's a strategy founded on respect for Wavestone values: team spirit, audacity, passion and exemplary conduct.

Lionel Minguy

Senior Consultant at Wavestone



Fanny Rouhet

Head of Human Resources at Wavestone

Identifying and attracting the finest talent

A demanding selection process applied to top-flight candidates enables Wavestone to recruit the right people with varying degrees of experience from a diversity of different backgrounds; these are people with commitment, who already have a reputation for strong entrepreneurial drive and a sense of team spirit.

To identify and attract the most talented individuals, Wavestone involves a network of 250 consultants, and maintains privileged partnerships with prestigious graduate schools and universities, working closely with faculty professors, careers departments and non-profit networks.

Retaining employees and developing human potential

Effective human resources development is a key factor in the success of Wavestone. HR representatives and more than 300 Career Development Managers are in place to ensure that all employees receive local-level managerial and HR support.

Exciting prospects for rapid, diversified career development

Rapid employee acquisition of key skills is achieved with a triple strategy: formalized career benchmarks, a training program that includes the corporate university, external training solutions and selected monthly MOOC training sessions, and a mobility program that offers employees the opportunity to switch careers, areas of expertise and/or geographic region.

A working environment where people feel good

The firm strives to help its employees to develop their careers in a working environment that is pleasant and conducive to building trust by providing services such as teleworking, fitness studio, company childcare facility, concierge and other services...

Employees with a real stake in the corporate plan

Right from its design phase in early 2016, Wavestone has involved all its people in making the process of building the new firm a resounding success. Despite its size, the firm also conducts most of its projects with a 'startup' mindset to release the energies of its people and encourage initiatives of every kind. Every day, employees make an active contribution to the firm's key initiatives (recruitment, CSR, marketing, assets, etc.).

HR labels and certifications



Happy Trainees label awarded in 2016 for the quality of trainee services provided



Great Place to Work label awarded in 2017



Signatory of the Company Parenthood Charter



Happy Candidates 2017 label awarded in 2017



LinkedIn Top Companies



CSR

Responsible and committed

The Wavestone CSR strategy is designed to structure and develop its commitment to sustainable development. This strategy addresses the three challenges identified by the firm: to conduct itself as a responsible business within its environment and sphere of influence, to contribute to the quality of its relationships with stakeholders, and to ensure full compliance with all applicable legal and regulatory obligations.

A corporate plan

Wavestone has structured its CSR strategy in a framework of responsible and professional practices, with the aim of making continuous progress on four key commitments:

- + To be a responsible and committed employer,
- + To provide stakeholders with guaranteed adherence to strict governance, transparency and ethics rules,
- + To promote equal opportunities and eliminate all forms of discrimination,
- + To limit its environmental footprint.

CSR is one of the four cornerstones of the Wavestone 2021 strategic plan. In this context, the firm has set itself the annual goal of being in the Top 3 (in its category) of the Gaia sustainable development index that analyzes and rates the ESG (Environment, Social and Governance) performance of midsize listed companies.

Everyone's business

Wavestone employees are invited and encouraged to get involved in building and coordinating this plan on a daily basis:

- + Through sponsorship initiatives that promote equality of opportunity and work to counter discrimination:
 - + For the Wavestone Foundation which every year supports non-profit projects (12 in 2016) to help underprivileged children,
 - + With students at the Villebon-Georges Charpak training project; an innovative pilot education program where the aim is to provide universal access to the highest levels of further education,
 - + For the non-profit organization Laafi in its work to provide training in digital tools and practices for young entrepreneurs in Burkina Faso.
- + By attending discussion meetings and workshop sessions with partner non-profits:
 - + By adopting eco-friendly practices,
 - + By collecting clothing for people engaged in workplace reintegration,
 - + By promoting gender diversity in the workplace and in further education in science subjects.

Employees can also contribute to developing the ethical policy of the firm by escalating personal experience of potential breaches of ethics.

For more information, please read the Wavestone Corporate Responsibility Report on page 86

Powerday: the Wavestone Solidarity Day

Every year, all Wavestone employees are encouraged to volunteer a full day of their time to help with a project run by a non-profit organization. Employees are free to provide their support to the organization of their choice as contributors to a skills sponsorship program or hands-on campaign in the field.

The first Powerday held on August 26, 2016 involved 600 employees representing all Wavestone offices around the world. From Asia to Europe and North Africa

to North America, around sixty non-profit organizations, foundations and international NGOs benefited from the firm's support on that day.

The organizations supported operate across a broad spectrum, including environmental protection (45% of projects), health and disability (13% of projects), childhood, employment integration, education & citizenship and sport & culture.

CSR awards and labels



The Global Compact: Wavestone renewed its membership of the UN Global Compact in 2016, and with it its commitment to align its operations and strategy with the 10 universal principles of the Global Compact in terms of human rights, working conditions, the environment and countering corruption.



The corporate parenthood charter: as a signatory since 2013, Wavestone is committed to promoting parenthood-related representation within the firm, creating an appropriate working environment for employees with children, and ensuring that there is no workplace discrimination in terms of career progression on the basis of parenthood.



Elles bougent: since 2016, Wavestone has partnered with Elles Bougent, a non-profit organization devoted to promoting workplace gender equality. Its key missions are to encourage more women to pursue scientific and technological careers and to facilitate exchanges of career-related experience and ideas between high school students, further education students and engineers.



The Gaïa-Index: this benchmark socially responsible investment (SRI) index for small and mid-caps assesses and classifies 230 French SMEs and mid-tier companies on the basis of their commitment to transparency on non-financial issues and their sustainable development performance. In 2016, Wavestone was ranked Number 3 in the segment for companies with annual revenues of between €150m and €500m.



Ecovadis: this independent non-financial ratings agency assesses and rates four aspects of CSR performance: social, environmental, business ethics and responsible purchasing. In 2016, the firm was rated as 'Gold Level' by Ecovadis, with a score of above 62/100. This ranking puts Wavestone into the top 5% of companies most highly rated by Ecovadis.



Shareholder & Investor Relationship Award: in November 2016, Wavestone received the Mid/Small Caps Digital Award at the Mazars/ Les Echos Group/Investir Shareholder & Investor Relationship Awards. This award is presented to listed companies that excel in terms of the level of responsibility and transparency exercised in their relationships with their institutional and employee shareholders and investors.



Mieux Vivre en Entreprise Award: presented by the MVE Institute. In 2016, Wavestone received a 'Mieux vivre en entreprise' (Better Life in the Workplace) award in recognition of the social and international commitment shown by Powerday, the Wavestone global solidarity day. The jury presents its awards to companies that have implemented innovative and exemplary initiatives to promote long-term well-being in the workplace.

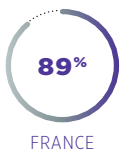
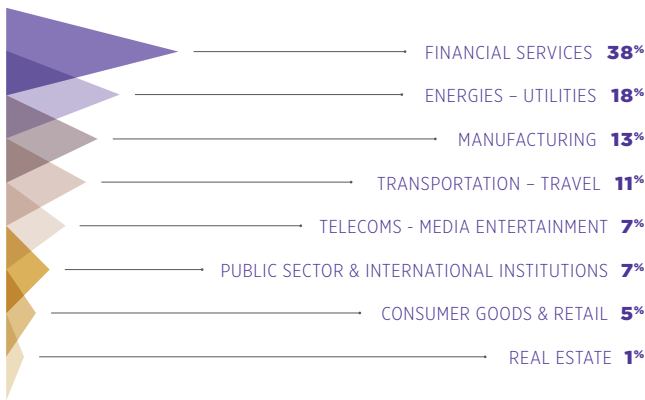


CLIENT MANAGEMENT

Committed to the success of our clients

To align itself as closely as possible with the needs of its clients, respond effectively to their requests, and ensure that they receive a service that delivers high added-value regardless of the issues they face, Wavestone has developed a business development model founded on the principle of client management.

Breakdown of revenues by industry for 2016/17



2016/17 REVENUES



Our Top 20 clients of 2016/17

BNP PARIBAS	9%
EDF	7%
SOCIETE GENERALE	6%
SNCF	5%
CREDIT AGRICOLE	5%
TOTAL	4%
ENGIE	4%
LA POSTE	4%
ALSTOM	4%
BPCE	3%
BANQUE DE FRANCE	2%
FRANÇAISE DES JEUX	1%
CARREFOUR	1%
AMF	1%
ORANGE	1%
AXA	1%
SANOFI AVENTIS	1%
RENAULT	1%
ALLIANZ	1%
MACIF	1%

Wavestone boasts a large portfolio of clients spanning a very broad spectrum, from global and local companies with leading positions in their respective markets to public-sector organizations. This spread reflects a conscious decision to maintain a healthy cross-sector balance in its revenues. This diversity provides resilience in times of economic fluctuation, and allows the firm to capture growth in the most dynamic sectors.

In each practice and office, client management is provided by a hybrid client management team of consultants (partners and senior managers) and sales executives tasked with developing the full range of the Wavestone value proposition to all the clients it manages.

Wavestone client management has two key missions. The first is to support business and revenue growth of Wavestone activities and revenues by working to expand the client portfolio and by drawing on all the areas of excellence offered by the firm. The second is to maintain close long-term relationships with top-level decision-makers in many different business sectors.

So by combining profiles with expertise, Wavestone ensures that its clients receive a service that covers every aspect of the problems they face and support that is carefully tailored to their specific needs.

To learn more about assignments successfully completed by Wavestone, please visit www.wavestone.com/fr/insights/



CLIENT SATISFACTION

Client satisfaction is the key to unlocking our future growth

Wavestone is committed to delivering the highest level of client satisfaction in the consulting market. To support and achieve this goal, the firm has implemented a quality policy that is systematically applied to all its assignments.

95%

of clients

say they are satisfied with assignment quality

Each employee undertakes to apply the principles of the quality charter

ASSIGNMENT QUALITY	Each assignment undertaken by the firm must deliver a response that completely satisfies the expectations of the client.
VALUE DELIVERY	As a consulting firm, Wavestone must provide its clients with guaranteed value.
TRANSPARENCY AND DIALOG	Our client must be able to engage in confidential dialog with Wavestone at any time.
ACTIVE LISTENING AND ACTION	Any area in which full client satisfaction is not delivered must be analyzed, and corrective action taken wherever necessary.
TOTAL COMMITMENT	An assignment is considered complete only when the client is fully satisfied.

The firm conducts an annual survey of Wavestone clients to measure their level of satisfaction with the quality of the assignments we have carried out for them.

95% of respondents to the 2017 survey conducted within France said that they were satisfied with the service they received.



Megatrends

Getting
a head start
on the
revolutions
to come.

Far-reaching revolutions

The digital world is turning ecosystems upside down, sparking the emergence of new business models in every business sector. Companies have to adapt and embrace disruptive transformational change to extract maximum benefit from the opportunities made possible by these revolutions. In the following sections, we take a closer look at the world of banking, automotive, energy and public services.



REINVENTING THE BANK

What happens to banking in the all-digital world?

Françoise Mercadal-Delasalles

Deputy CEO at Crédit du Nord
(Societe Generale Group)



Joël Nadjar

Partner, Banking & Insurance at Wavestone

F. Mercadal-Delasalles

It's no secret to anyone that the world of banking is gripped by profound change. Just as we've seen in retailing, digital brings with it new ways of consuming products and services that our clients now expect to find in every aspect of their daily lives. Except that banking is far from being just another product.

At Societe Generale, we have chosen to embrace this transformation from the three angles of Client, Team and Tech.

In order to put the client at the heart of our strategy, we have had to completely review the role played by our branches in a world of mobile banking. Creating complementarity between services is crucial, because although most transactional banking now takes place through digital channels, nothing can replace the advice and reassurance you find in a bank branch. So these are not two distinct segments, but rather a single 'phygital' operational model that we have had to develop very quickly, because our competitors are both traditional banks and digital pure players.

“We have chosen to embrace this transformation from the three angles of Client, Team and Tech.”

To succeed in this transformation, we have relied from the outset on our people. We have invented new and more agile working methods, redesigned our offices to streamline communication and release creativity, and rethought the role of our managers to make them facilitators, rather than superiors. This far-reaching cultural transformation has also required us to become much more open to the external world, and especially the world of startups, which is simultaneously inspirational and challenging.

Transformational change in the banking industry is essentially a technological issue, so we have rolled out our IT strategy accordingly by focusing on Cloud migration, our services platform, integrating the different areas of IT expertise, experimentation and cybersecurity.

These changes, although focused on client experience, actually reveal the changing role of the bank in today's society; a place that has yet to be invented and which will determine the strategies to be adopted and the services to be introduced in the near future.

Joël Nadjar

With serious question marks hanging over their economic model and a future that is becoming more and more difficult to decipher, banks are adjusting their models by using incremental development strategies based on technological innovation and bringing existing usage patterns up to date.

As an initial stage, it is needed to respond to the immediate expectations of the consumer society, and push organizations towards embracing the digital world and innovation as levers for transformational change.

But all the factors are now in place to trigger a much more profound level of soul-searching about what tomorrow's bank should actually be. The wider question is to decide what role banks should play in meeting the requirements of our society.

“Banks are ideally placed to provide the linearity to cope with life events and create long-term relationships.”

Paradigms change, and life journeys of the customer are now much less linear than they used to be. The prime need is then to secure these journeys by creating stability and fixed reference points. Banks are ideally placed to provide this linearity to cope with life events and create long-term relationships in order to refocus their businesses on providing support for individuals and facilitating their development, rather than on the immediacy of financial service provision.

Head-to-head combat on the technological battlefield will not be the only differentiating factor required for survival. There will always be new market entrants that will benefit from the flexibility of their business models and succeed in deconstructing the financial services ecosystem for their own benefit. This quasi-existential reconsideration of the future for banks could facilitate the emergence of new uses for banks that are more consistent with the deep-rooted ambitions of society. There can be no doubt that the future of an entire industry is currently hanging on the answer to the question: what will be the purpose of tomorrow's bank? But the answer matters much less than the thought process required to arrive at it...



DRIVERLESS VEHICLES

Driverless and connected, the vehicle of tomorrow is shaking up the automotive industry

Laurent Stoupy

Partner, Digital & Emerging Technologies
at Wavestone



François Pistre

Director of the Renault/ParisTech Institute
of Sustainable Mobility

François Pistre

The automotive industry is currently gripped by the largest revolution to occur since the start of mass production at the beginning of the 20th century. The only viable response to the key challenges posed by the energy transition and the need for security is that the vehicle of tomorrow will be driverless, connected and electric.

So if humans are no longer driving, every aspect of our relationship with the car has to be reinvented,

and we must envision a completely new services environment.

To succeed in this revolution, the industry must overcome three crucial challenges. The first is to perfect the public-sector/private-sector relationship that will be needed to implement the ecosystem of subsidies essential to the functioning of the industry. All around the world, partnerships are being created between private-sector stakeholders and public authorities to develop the infrastructures of tomorrow, and act ahead of the necessary legislation and regulations.

“The only viable response to the key challenges posed by the energy transition and the need for security is that the vehicle of tomorrow will be driverless, connected and electric.”

The second challenge is to find the talented people needed to think through these disruptive changes. It's no longer enough simply to digitalize business: it is essential to move outside existing frameworks to seek out new skills, change our approach to design, and reach out to creative forces from other disciplines to develop our paradigms. The last, but by no means least, challenge is that of cybersecurity, which will be absolutely key to the development of driverless vehicles.

The future of the automotive industry is being built right now. We are seeing the emergence of close collaboration between all stakeholders on the issues of standardization and infrastructure, but we are also seeing fierce competition on technological issues, on a scale that the industry has rarely seen before. In this context where everything is possible, previously unsuspected and completely new stakeholders are popping up in the automotive world: Waymo (Google) is positioning itself on operating systems and data, while processor heavyweights such as Intel and Nvidia are offering their expertise to manufacturers seeking to bring as many technological services as possible in-house.

Laurent Stoupy

The challenge posed to auto makers by connected vehicles is as big as it gets: it's about changing everything they do; no more and no less.

At the very least, it requires them to extend a business that has – until now – been essentially industrial into a business built around services.

In the vehicle of tomorrow, services will be the dominant consideration, and will probably be the number one differentiating factor in consumer choice. With embedded mapping,

cameras and interfaces that extend the services of personal devices, our relationship with the car is being reinvented, and with it the relationship between the manufacturer and its customer.

In the case of traditional vehicles, the role of the manufacturer ends when it leaves the factory, unless there are quality issues. With connected vehicles, the manufacturer must transform itself into a service provider and build long-term relationships with customers, in exactly the same way as smartphone manufacturers do.

So what's underway is a process of profound transformational change for an entire industry. The evolving role of the manufacturer draws on the world of IT, not only in terms of skills with the emergence of new functions and significant organizational change, but also in terms of product cycles. In practical terms, it requires the coexistence of two lifecycles - the long-term vehicle production lifecycle and the much faster digital service development lifecycle.

“The evolving role of the manufacturer draws on the world of IT, not only in terms of skills, but also of product cycles.”

Although this awareness of the challenges is shared by all industry stakeholders, it is clear that there are serious disparities in the speed at which this transformation is being achieved. Nevertheless, it is this speed that could make all the difference.



THE ENERGY TRANSITION

Turning a necessity into opportunities

Caroline Dulauroy

Director, Strategic Coordination
CAP 2030 Project at EDF



Clément Le Roy

Senior Manager, Energy & Utilities
at Wavestone

Caroline Dulauroy

The evolution of the energy industry is central to the challenges of tomorrow's world. Political, economic, social, cultural and technological, the change now underway in our industry is profound, and EDF must be a driving force for that change.

Climate change is a global and essential issue that requires us to reduce our greenhouse gas emissions and our reliance on carbon for energy generation and supply. This means accelerating the development of energy from renewable sources,

of course, as well as confirming the role to be played by nuclear in bringing about this transition. As Europe's leading generator of renewables and the largest nuclear power generator in the world, EDF is committed to continuing its investment in reducing our dependence on carbon.

The expectations of our customers are changing and questioning certain established patterns. Regardless of their size or industry, our customers expect competitive, personalized and flexible packages. They use digital technology in their daily lives, and have come to expect the responsiveness and transparency it enables. They increasingly want to take (back) control of everything that concerns them, even to the point of generating the energy they consume. The development of smart grids – essentially as a result of digital technology – is facilitating the emergence of these local-scale systems. The solutions EDF offers its customers adapt to these evolutionary changes, and sometimes even prefigure them.

“Our customers want to take (back) control of everything that concerns them, even to the point of generating the energy they consume.”

Responding effectively to these challenges requires us to achieve a real transformation in our operating methods. To become more agile, we must simplify our internal and customer processes, give greater autonomy to operational teams, and put in place conditions that facilitate and encourage permanent innovation. Digital plays a major role in this transformation in as much as it pushes us to look again at the ways we collaborate with each other, and question our processes and management practices. Employees are also very keen to make these changes, especially the younger generations (generation Y, Z, etc.) who are the prime movers behind this transformation.

Clément Le Roy

Cleaner, closer, smarter. These are the three major transformations for the energy industry. Cleaner, more eco-respectful energy whose generation is more decentralized and closer to customers, and smart systems that deliver all the benefits of digital technology.

This transformation has two major dimensions. The first is the customer dimension, with energy savings, the reclaiming of energy by customers and regions, and the development of local-level energy generation. And the second is the generator dimension, which takes the form of an industrial and technical revolution centered on generating resources.

“Cleaner, closer, smarter. These are the three major transformations for the energy industry.”

The boom in renewables is also facilitating the emergence of new sectors that are heavily reliant on R&D investment, such as second-generation green gases and the current question marks hanging over the use of hydrogen.

Against this background, new stakeholders are now appearing. These stakeholders have benefited from deregulation of the market and supply tariffs, and are building their businesses around the collaborative economy or focusing on smart home technology. Digital is therefore a powerful accelerator and facilitator of transformational change in the energy industry, with all its technological potential, its new stakeholders and its new gameplay rules.

As a result, existing major stakeholders face a double challenge. On the one hand, they must restructure their assets to benefit from growth opportunities, such as renewables and energy services, and move away from declining sectors. On the other hand, they must successfully achieve the managerial and cultural shifts needed to release their innovation potential and ensure growth in their traditional markets, at the same time as conquering new territory.



MODERNIZING GOVERNMENT ACTION

Public services under pressure from the Consumer 2.0

Bruno Valet

Partner, Public Sector
at Wavestone



André Schwob

Head of Transformation
in the French government's
Secretariat-General for Government
Modernization (SGMAP)

André Schwob

As consumer society moves towards ever-faster service and personalization, public services are being questioned in terms of their relationship to the users and their expectations.

Encouraged by the changes facilitated by digital technology, today's users expect public services to be more immediate and more autonomous. In reality, it is almost incomprehensible that you can control the functions of your home remotely, but you have to go to a government office to apply for a passport in France. The digitalization of procedures like the antiquated process of submitting a tax return is a first step towards personalizing relationships and bringing them into the modern world. This digitalization brings with it a progressive transition in the official/user relationship towards fewer processes and controls, and more advice and support.

“The digital world has made it possible to change the way public policy is conceived.”

Although the State has no direct competition putting external pressure on the way it does its work, the decentralized nature and diversity of public service providers create disparities at local level. This can then provide the opportunity for local innovation, competition and best practice sharing. The SGMP (Secretariat-General for Government Modernization) has assumed the role of a central unit with responsibility for embodying change and the will to change.

The digital world has made it possible to change the way public policy is conceived, and thanks to data processing systems, public policy is now more flexible, more adaptable and more agile. Government is now developing towards a user-focused approach, rather than its previous emphasis on regulatory implementation.

Bruno Valet

Digital is key to the process of modernizing government action. The country has one of the highest scores in the United Nations EGDI e-government development index, as we can see from the successive rollout of more and more platforms designed to facilitate interaction between government, users and companies, such as Service-Public.fr. The attention being paid to simplifying and improving the user experience is a measure of how the relationship is improving, and at the same time enables more effective circulation of data between public services.

Open data is driving a progressive change in culture, and improving flexibility in the ways that public service missions are delivered. As a result, government action is now beginning to embrace open innovation and the startup ecosystem. These developments are accompanied by a growing number of questions surrounding cybersecurity, with the operational impact of the EU GDPR (General Data Protection Regulation) and cyber defense, an area in which Wavestone has a strong presence.

These trends are also being felt in working environments, team organizational structures, the adoption of iterative and agile management practices, and the integration of innovation as essential component parts of restructuring exercises. Changes like these are improving the image of government itself, and facilitating the development of new professional sectors that benefit fully from the potential offered by new digital careers, and especially those relating to data.

“The attention being paid to simplifying and improving the user experience is a measure of how the relationship is improving.”

Digital will eventually be responsible for putting an end to the rift between the public and private sectors. In today's world, the major trends in society, management and technology apply equally and concurrently to private companies and public services. Even though the level of maturity is not yet consistent, the work being done by the SGMAP proves that innovation is now fully integrated into the DNA of government action.



Key data

11.4%
EBIT margin

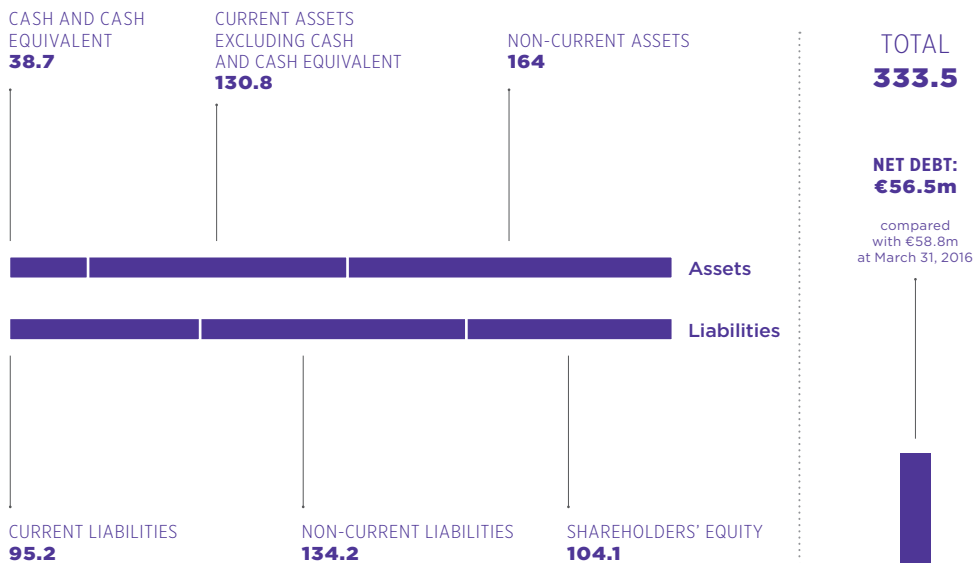
Simplified consolidated income statement at March 31, 2017

Audited consolidated figures ⁽¹⁾ at 03/31 (in €m)	2016/17	2015/16	Variance	2015/16 ⁽²⁾ pro forma
Revenues	338.7	233.0	+45%	326.2
Operating income on ordinary activities	38.7	29.8	+30%	34.5
EBIT margin	11.4%	12.8%		10.6%
Operating profit	35.6	23.1	+54%	24.1
Net income, group share	20.1	13.4	+50%	12.6
Net margin	5.9%	5.7%		3.9%

(1) Arthus Tech has been consolidated since 07/01/15, and the European activities of Kurt Salmon (exc. retail and consumer goods) have been consolidated since 01/01/16.

(2) The pro forma financial data for the 12-month period ended 03/31/16 has been prepared as if the Kurt Salmon acquisition by Wavestone had occurred on 04/01/15.

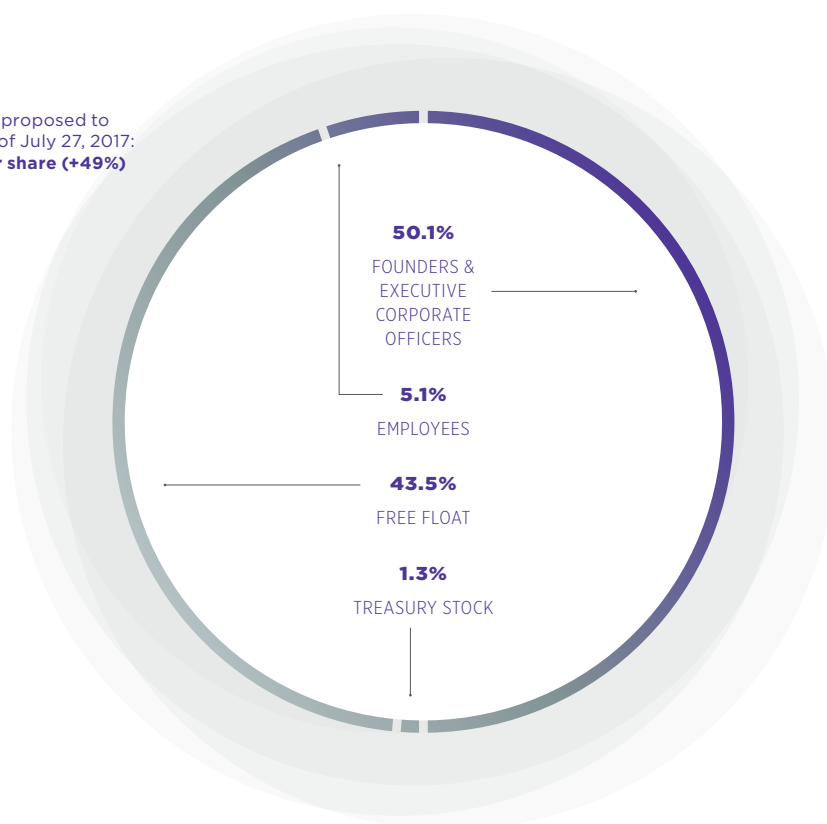
Consolidated balance sheet at March 31, 2017 (in €m)



Audited consolidated figures at 03/31/17 (in €m)

Breakdown of share capital at March 31, 2017

Dividend proposed to the AGM of July 27, 2017: **€0.61 per share (+49%)**



Financial calendar



Stock market data

Share prices at 06/01/2017
€95.90

Number of shares
4,966,882

Market capitalization
€476m

Company value
€533m

(Market capitalization at 06/01/17 + net debt at 03/31/17)

Share data

Market: Euronext Paris
ISIN code: FRO004036036
ICB: 9533 IT services
Reuters: WAVE.PA
Bloomberg: WAVE:FP
Wavestone is listed on the Euronext Tech40 index and is eligible for the PEA-PME share savings plan.



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