

WAVESTONE

Statement of non-financial performance 2018/19



LIVING AND DISSEMINATING OUR OWN VALUES

- Having introduced its CSR approach in 2011, Wavestone has included CSR as one of the four central challenges of the Wavestone 2021 strategic plan.

Nº1

OF ITS CATEGORY
IN THE GAÏA INDEX

The CSR policy is one of the four challenges of the Wavestone 2021 strategic plan with the aim of putting our company in the Top 3 consulting firms by CSR rating every year. Over the last three years it has been a success, Wavestone topped the Gaia Rating for companies in its category.

WAVESTONE'S CSR APPROACH



For more information on Wavestone's CSR approach, see the Statement of Non-Financial Performance in Chapter 1.

SKILLS SPONSORSHIP

02 - 03



WITH VALENTINE PENSALFINI

Consultant
Digital & Emerging Technologies

PARIS

6 P.M.





Innovation must be able to be combined with human factors.



VALENTINE PENSALFINI

Like every Monday, Valentine is not at her usual post in Wavestone's offices. Her Mondays are entirely dedicated to her charity work with "Par Le Monde", an association participating in the program developed by Vendredi, an organization that offers shared jobs between companies and associations.

Valentine discovered Vendredi during a previous internship and made it an important criterion when joining Wavestone at the end of her gap year. She has enjoyed the experience of charity work since she wrote her thesis on the changing scale of social innovation. This student, studying for a Master's in Innovation Management at Paris-Dauphine University, believes that innovation must be able to be combined with human factors. Moving rapidly from theory to practice, Valentine chose to put her skills to work for an association where her knowledge of technological issues could be combined with the kind of charity work that appealed to her.

The idea behind "Par Le Monde" is a novel one. The association establishes digital exchange programs between students by removing geographical and cultural boundaries. Its "Voyage de Pelico" program takes students and teachers to meet their counterparts in foreign countries. Every year, mediators are sent to five countries to report back on children in their school, their learning methods, their hobbies and their dreams. These innovative video documents are then published on the association's platform, which organizes virtual discussions between classes.



The project and the timing appealed to Valentine, who was able to work on the association's change of scale by harnessing its skills to design an editing app for teachers. This will make it easy for teachers and their classes to produce their own reports and so develop the content made available on the platform. Every Monday, she helps the members of "Par Le Monde" to move the project forward by challenging their ideas and disseminating the good practices she experiences the rest of the week while working for the firm, particularly at the Creadesk.

At "Par Le Monde", she works alongside other professionals involved in skills sponsorship. Everyone brings their own skills and enables the project to take on another dimension. Her colleagues have confidence in her, both at Wavestone and "Par Le Monde", and her status as an intern doesn't restrict the scope of her work.

From September, Valentine will return to university for her final year and will no longer be able to spend her Mondays at "Par Le Monde", but this experience has given her a taste for charitable commitment. She plans not only to continue to help the association on a voluntary basis, but after the end of her internship will also attend the Wavestone Powerday in August at a hackathon inviting participants to investigate issues affecting the "Voyage de Pelico" program. As for the more distant future, she already knows that skills sponsorship will be among her criteria when choosing an employer... even if she suggests developing it herself.



WITH MARYLÈNE HOCHART

Co-founder of Par Le Monde

2018/19 Management Board Report

- Statement of non-financial performance

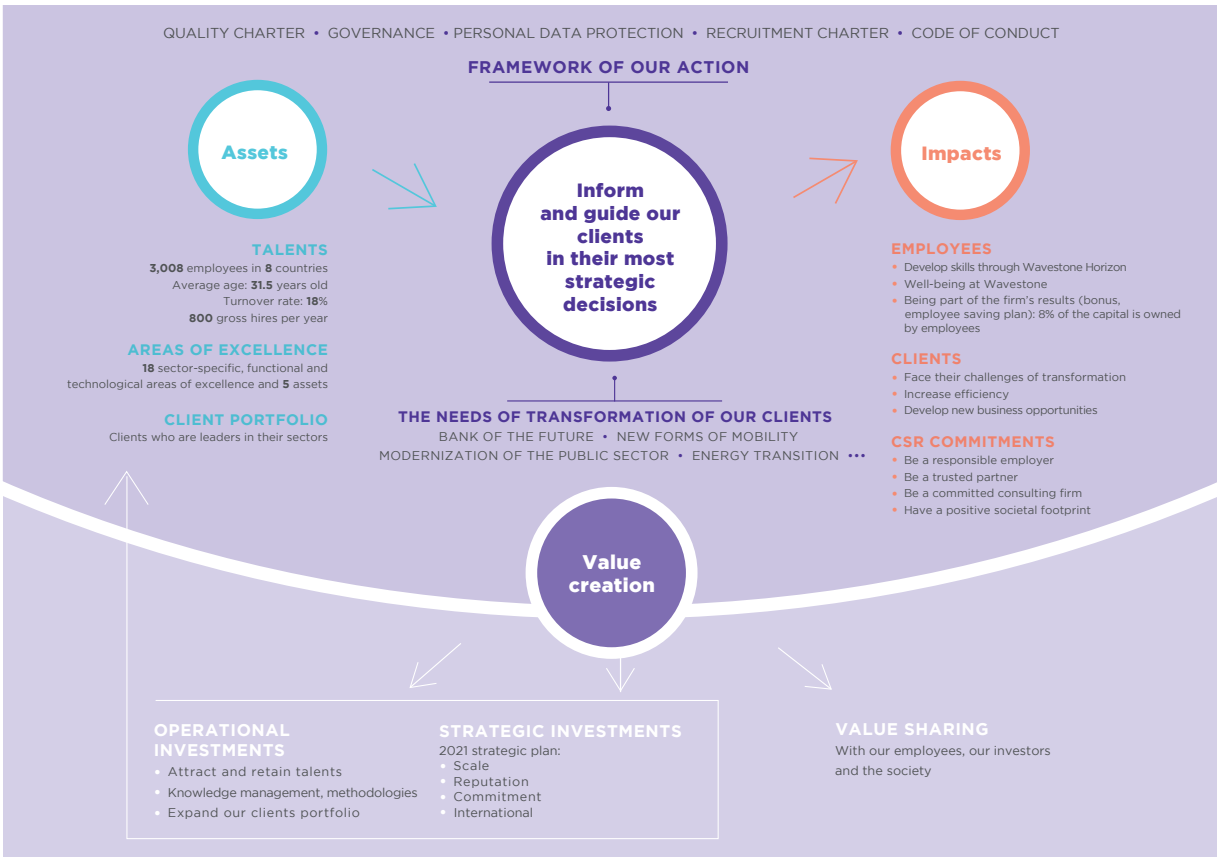
This statement of non-financial performance describes Wavestone's Corporate Social Responsibility (CSR) approach, strategy and actions. It forms an integral part of the Management Board Report and is made up of five sections:

1. Presentation of the Company's business model.
2. Presentation of the Company's general CSR strategy and its principal non-financial risks.
3. Information on how Wavestone incorporates the social, societal and environmental consequences of its activities, as well as the effects of these activities on human rights, anti-corruption and anti-tax evasion matters, pursuant to Articles L.225-102-1 and R.225-104 of the French Commercial Code⁽¹⁾.

4. The methodology note regarding Wavestone's 2018/19 non-financial reporting.
5. The independent Auditor's certificate of presence and limited assurance report on the Company's social, societal, environmental and economic information.

The 2018/19 fiscal year was Wavestone's third year of non-financial reporting, in accordance with the reporting framework in Articles L.225-102-1 and R.225-104 of the French Commercial Code. Unless indicated otherwise, this report traces the comparability of quantitative data for the past fiscal year. Changes in the scope of consolidation are detailed at the end of the methodology note (paragraph 4). Since 2013/14, Wavestone's published CSR information has been verified by an external independent body.

1. Presentation of the Company's business model



(1) Wavestone has not made specific commitments to reduce food waste and food insecurity, protect animal welfare or to promote responsible, fair and sustainable nutrition. These matters are not significant challenges for the firm's business activities.

2. Wavestone's general CSR approach and strategy

Launched in 2011, Wavestone's CSR approach is based on three main objectives:

- to conduct itself as a responsible business in its environment and sphere of influence;
- to contribute towards enhancing the quality of its relationships with stakeholders;
- to ensure the compliance of the Company with applicable legal and regulatory obligations.

Corporate social responsibility is one of the 4 key challenges defined in the "Wavestone 2021" strategic plan drawn up in December 2016. Our objective is to achieve a top-3 CSR ranking (in our class) in the Gaïa-Index every year over the period.

We engaged a specialist consulting firm to carry out a CSR audit in 2017/18 and draw up a "performance/importance" matrix based on ISO 26000. On the basis of those findings, the firm overhauled CSR strategy by defining 4 key focus areas and 7 commitments to address the most strategically important priorities for Wavestone's core business.

Wavestone is strongly committed to deepening staff engagement and buy-in and, in January 2018, launched an employee consultation to check that the proposed focus areas are aligned with their concerns and to develop the appropriate action plan. This survey involved over 25% of the firms employees worldwide.

In 2018/19, we concentrated on communicating and rolling out this new strategy. We made a presentation to the bulk of our internal (employees, the Executive Committee, etc.) and external stakeholders (shareholders, partner organizations, etc.) to secure maximum buy-in.



Alongside the “Wavestone 2021” strategic plan, the Company has decided to base its action plan on 8 main objectives:

2021 objectives	Performance at 03/31/18	Performance at 03/31/19
Have the same proportion of women in positions of responsibility (operational or hierarchical management) as in the workforce	30% and 36%, respectively	28% and 38%, respectively
Achieve 30% representation of women on the Executive Committee	17%	15%
Triple the number of employees with disabilities (objective 33)	11 at 12/31/17	15 at 12/31/18
Have trained 100% of employees ⁽¹⁾ in business ethics	No training	Training being developed
Have trained 100% of employees ⁽¹⁾ in data protection	70% of new hires 13% of employees	86% of new hires 71% of employees
Conduct our activities based on a clear and responsible policy regarding the choice of our missions and our clients	No policy	Policy being drafted
Draw up a responsible consulting charter and train all employees ⁽¹⁾ in how to follow it	No charter	Charter being drafted
Devote 1% of the firm’s time to supporting social organizations	Approximately 0.16% ⁽²⁾ 0.24%	

(1) Employees who have been with the Company for at least 1 year.

(2) The number has been recalculated: [number of days worked / (218*headcount as of 03/31/N)].

2.1. CSR governance approach

CSR implementation and steering

Wavestone’s CSR approach and strategy are defined and implemented by a multidisciplinary Steering Committee which represents the Company’s key challenges in terms of CSR. This Committee comprises the Chairman of the Management Board, the CEO of Wavestone SA, the Director of Human Resources, the Director of Communication and Treasurer of the Wavestone Corporate Foundation, as well as the Head of Recruitment, the Head of CSR and the CSR Sponsor (Partner).

This Committee is in charge of defining Wavestone’s CSR policy and monitoring the Company’s social, societal, environmental and economic performance.

Operational organization

Wavestone’s CSR strategy is implemented operationally by a five-strong CSR team headed up by the CSR manager who reports to the HR Department. The manager is in charge of coordinating projects in different areas (social, societal, environmental, economic), as well as employee awareness actions, and the consolidation of non-financial reporting.

We stepped up support for the team in September 2018 by an organization in 4 teams of two (one for each priority area) whose role is to steer successful implementation of the action plan and guide working groups of volunteer employees to

achieve their goals. These pairs meet quarterly with the CSR team to discuss progress with projects under way and make sure we stay on course to achieve our targets.

What’s more, we have CSR ambassadors at each location to implement action plans locally and help to spread the word.

CSR strategy monitoring

Once a year, the Company’s CSR strategy is presented to, and debated by the Supervisory Board.

2.2. CSR awards and labels

In 2018/19, Wavestone received several awards for its actions in terms of CSR.

- **Gaïa-Rating:** this benchmark SRI reference index for small and mid-caps assesses and classifies 230 French SMEs and mid-tier companies according to their level of commitment to non-financial transparency and their sustainable development performance (CSR policy, HR management, management of environmental impact, etc.). In October 2018, Wavestone topped the Gaïa-Rating for companies in our segment (firms with revenues of between €150m and €500m) for the second year in a row.
- **Ecovadis:** an independent non-financial rating agency specialized in four aspects of CSR performance assessment (social, environmental, business ethics and responsible purchasing).

In 2018, Wavestone was awarded a “Gold” rating from Ecovadis, with a score of 72/100, an improvement of 12 points on the previous year.

- **Great Place To Work® label** awarded by the Great Place to Work France Institute. Based on an internal survey involving all of the Company’s employees and an assessment of its HR practices, this label recognizes companies that create a positive work environment. For its third year taking part, Wavestone ranked in the top 5 best companies in France with more than 500 employees. 82% of our people say it’s a Great Place to Work®.
- **Happy Trainees label** awarded by Meilleures-Entreprises.com. Based on an anonymous satisfaction questionnaire addressed to the interns of the companies being assessed, this independent label rewards firms for how they welcome, accompany and monitor their trainees. 2019 was Wavestone’s fifth consecutive year to be awarded the Happy Trainees label.
- **ISO 27001 Certification:** of the Information security management system. First obtained in September 2014 and renewed in September 2017 for three years as part of security audit and digital investigation services for information systems at the Paris and Nantes sites.

2.3. CSR commitments

We are committed to the:

- **Global Compact:** in 2018/19, Wavestone renewed its membership of the UN Global Compact and its commitment to align its operations and strategy with the ten universal principals applying to human rights, labor standards, the environment and the fight against corruption.
- **Corporate Parenthood Charter:** as a signatory of the Charter since 2013, Wavestone is committed to promoting parenthood-related representation within the Company, creating a working environment that is conducive to working mothers and fathers, and respecting the principle of non-discrimination in the professional development of parents in the workplace.
- **Global Positive Forum:** Wavestone took part in the Global Positive Forum in December 2018 as a partner and signed the 20 proposals for future generations.

We also work with a range of different organizations that address key concerns for the firm, such as *Elles Bougent*, AFMD and Hack Academy.

3. Information on Wavestone’s social, societal, environmental and economic performance

Forward

In accordance with Articles L.225-102-1 and R.225-104 of the French Commercial Code, we reviewed the firm’s main non-financial risks based on an analysis of their materiality, relevance, and how important they are in an assessment of financial risks.

This section complies with the provisions in Articles L.225-102-1 and R.225-104 of the French Commercial Code on corporate transparency obligations with respect to social, societal and environmental matters and on disclosures relating to anti-corruption, initiatives to promote human rights and measures to curb tax evasion.

Details of the Company’s CSR reporting methodology are provided in paragraph 4.1. Wavestone’s 2018/19 reporting scope includes all of the Company’s subsidiaries, including acquisitions during the fiscal year⁽¹⁾.

3.1. Social information

We are committed to being a socially responsible and engaged employer. We make two commitments under the new RSE strategy:

- promote diversity and equal treatment of employees and job applicants;
- promote the development and self-fulfilment of all our employees.

Achieving these goals is under the responsibility of the Director of HR development. Wavestone has engaged substantial resources, since the Company’s success essentially hinges on its ability to attract and retain the best talent on the market and develop their potential.

Organization of the HR Development Department

Wavestone’s HR Development Department is responsible for defining and implementing the Company’s human resources strategy. To do this, the Department is assisted by:

- a central HR development team, which includes the CSR team;
- decentralized HR development teams within each of the firm’s domains;
- a recruitment team in charge of carrying out the firm’s recruitment strategy;

(1) Acquisition of Xceed in April 2018 and Metis Consulting in November 2018.

- a personnel management team, in charge of pay and administrative management operations; and
- a team dedicated to facility management and conditions in the workplace.

For the record, Wavestone's HR strategy is presented in the corporate part of the Company's Registration Document.

3.2. Employment

1) Total workforce

At 03/31/19, Wavestone's total workforce stood at 3,094 employees, up 10.8% on the previous year (2,793).

The Company's workforce breaks down as follows:

- 64.3% of employees are under 30 years of age;
- 38.6% of employees are women;
- 89.7% of employees are based in France;
- 82.0% of employees are based in the Paris region (Wavestone head office);
- 3,017 permanent employment contracts, which represents 97.5% of the total workforce; of these, 89.5% are in France;
- 77 non-permanent employment contracts, of which 3 are fixed-term contracts and 74 are apprenticeship contracts;
- 3 job categories: consulting; sales; back office.

2) Breakdown of workforce by gender, age, geographic region and job category

Breakdown by gender

We are committed to promoting gender equality and consistently support measures to ensure strict non-discrimination in the workplace.

(% of total workforce)	At 03/31/19	At 03/31/18	At 03/31/17
Men	61.4%	63.6%	64.0%
Women	38.6%	36.4%	36.0%

Breakdown for consultants

	At 03/31/19	At 03/31/18	At 03/31/17
Men	65.2%	67.4%	68.4%
Women	34.8%	32.6%	31.6%

For more details, see 3.2.6 "Equal opportunities".

Breakdown by age

The average age of Wavestone's workforce at 03/31/19 fell slightly from 32 to 31.5 years. The following table gives a breakdown of the Company's workforce by age:

(% of total workforce)	At 03/31/19	At 03/31/18	At 03/31/17
18-25 years	15.9%	13.5%	13.7%
25-30 years	48.3%	48.0%	45.5%
30-50 years	29.2%	32.1%	34.5%
> 50 years	6.6%	6.4%	6.3%
o/w over 55 years	3.3%	2.7%	2.5%

Average length of service

The average length of service at 03/31/19 for all positions was down slightly year-on-year to 4.3 years.

	2018/19	2017/18	2016/17
Total Group	4.3 years	4.5 years	4.5 years
Consultants	4.1 years	4.2 years	4.2 years

Breakdown by geographic area

All our Paris-based teams work at the Paris La Défense office. Wavestone has three other French offices - in Lyon, Marseille and Nantes - and seven offices abroad: Casablanca (Morocco), London and Edinburgh (UK), Brussels (Belgium), Geneva (Switzerland), Luxembourg (Luxembourg), New York (USA) and Hong Kong.

(% of total workforce)	At 03/31/19	At 03/31/18	At 03/31/17
Paris region	82.0%	82.7%	82.6%
Regional offices	7.7%	7.8%	7.8%
International	10.3%	9.5%	9.5%

Breakdown by job category

The breakdown by job category (consulting, sales and back office) of the Company's workforce is given in the table below:

(% of total workforce)	At 03/31/19	At 03/31/18	At 03/31/17
Consultants	89.0%	89.0%	88.0%
Sales teams	3.0%	3.0%	3.0%
Back office staff	8.0%	8.0%	9.0%

At 03/31/19, Wavestone employs 2,743 consultants, of which 51 on skills-acquisition or work-study contracts.

3) Hirings and departures

Recruitment policy

The firm's recruitment policy prioritizes young graduates, recruited mainly from the most prestigious engineering and business schools and universities. In addition, as part of its pre-employment strategy, the Company takes on over 350 trainees every year (in the form of sabbaticals and end-of-studies internships) and trainee positions. For example, in 2018/19, over 70% of the Company's end-of-studies trainees and 50% of interns interested in joining the firm were hired on permanent contracts at the end of their training period.

The recruitment process for interns and trainees is as demanding and selective as the process for all new employees. They're also offered the same onboarding and support program once they join the firm.

Breakdown of consultant hiring by type of diploma

	2018/19	2017/18	2016/17
Business schools (%)	44.0%	43.3%	42.0%
Engineering schools (%)	27.2%	31.2%	38.0%
Universities (%)	28.8%	25.5%	20.0%

Details of new hires and departures (excluding internships)

New hires and departures during the 2018/19 fiscal year are shown below:

Recruitment	2018/19		2017/18	
	Number	%	Number	%
Total external recruitment (excluding internal mobility transfers)	965	100%	785	100%
<i>o/w permanent employment contracts</i>	890	92.2%	722	92.0%
<i>o/w temporary employment contracts:</i>	75	7.8%	63	8.0%
- <i>of which long term</i>	10		14	
- <i>o/w skills-acquisition and work-study contracts</i>	65		49	

Staff departures	2018/19		2017/18	
	Number	%	Number	%
Departures (excluding internal mobility)	762	100%	620	100%
<i>o/w resignations</i>	569	74.7%	455	73.4%
<i>o/w end of temporary employment contracts: (fixed-term, skills-acquisition and work-study contracts)</i>	64	8.4%	46	7.4%
<i>o/w suspension of trial periods</i>	101	13.3%	90 ⁽¹⁾	14.5%
<i>o/w redundancies</i>	19	2.5%	23	4.2%
<i>o/w employment-contract termination by mutual consent</i>	1	0.1%	1	0.2%
<i>o/w retirement</i>	7	0.9%	3	0.5%
<i>o/w deaths</i>	1	0.1%	2	0.3%
Departures of permanent employees	696		573	

(1) Of which end of trial period for an apprenticeship contract.

During the 2018/19 fiscal year, Wavestone recruited 789 permanent employees (excluding end of trial period and internal mobility transfers) and 20 part-time employees were taken on in France.

Staff turnover

Wavestone's yearly staff turnover rate (the number of resignations divided by the total workforce at year end) was 18.4% for the 2018/19 period.

	2018/19	2017/18	2016/17
Turnover (%)	18.4%	16.3%	17.5%

4) Compensation and salary trends

Pay policy

Pay policy: core principles

Our remuneration policy is based on 3 principles:

- A single salary scale for all subsidiaries and countries

We apply the same salary scale across all our consulting activities. For each grade within "Wavestone Horizon" (Wavestone's professional development tool), there is an associated wage package.

- **A competitive pay policy**

In a competitive market, it's essential to have a competitive pay policy to attract and retain the best talent. This policy is based on management consulting market practices (annual benchmark).

- **Commitment to ethics and transparency**

In France and Luxembourg, we publish all our pay policy rules (starting salary, packages per grade, bonus calculation, etc.) on the Wavestone corporate website.

Wavestone has implemented a standardized salary framework for all of its employees, including experienced new hires, and notably commits to applying a coherent pay policy for staff members with similar career paths.

Employee profit-sharing

Employee profit-sharing for Wavestone SA and Wavestone Advisors, calculated on the basis of the statutory formula, totaled €5,256k in the 2018/19 fiscal year.

For more than 10 years, Wavestone employees have been able to acquire a stake in the Company in the form of bonus shares granted by the firm when profit sharing is paid out. Employees choosing to invest all or part of their share will receive bonus shares two years later, if they are still an employee of the Company and have not sold their Wavestone Actions Fund units.

For the past 4 years, over 50% of employees have chosen to invest all or part of their share in the Wavestone Actions Fund.

Not only does employee shareholding provide bonus shares, it also gives employees a sense of pride in their company.

3.2.1. Organization of work

1) Organization of working time

Since 07/01/17, all Wavestone employees in France fall into one of the following 3 working hour categories: category 1 (37 hours/week with 10 paid days off (ATT ⁽¹⁾)), category 2 (a fixed 166hrs42mn per month and 218 days per year, including the "Solidarity Day"), and category 3 (a fixed 218 days per year, including the "Solidarity day").

2) Absenteeism

Wavestone's absenteeism rate in France was 1.8% for the 2018/19 fiscal year, mainly due to sick leave. Maternity and paternity leave, as well as unpaid leave (including full-time parental leave) are not factored into the absenteeism rate.

3.2.2. Social relations

1) Organization of social dialogue

In France the 3 employee representative bodies we previously had in place (the Works Council, Committee for Health, Safety and Working Conditions and Union representatives) were replaced in June 2018 by an Economic and Social Committee for the Economic and Social Unit made up of Wavestone SA and Wavestone Advisors.

Staff elected the CFE-CGC union in the first round of trade union voting held in June 2016. Two union representatives were appointed in July 2018.

Social actions are managed by the Group's Economic and Social Committee (ESC), and mainly consist of sports and cultural activities. For example, every year for the past 25 years, the ESC organizes a skiing weekend open to all employees. There are also a number of clubs, with interests ranging from sport to cultural activities (including photography, climbing, running and music). We arranged a partnership with Gymlib in August this year that gives staff access to more than 200 sporting activities in more than 2,000 sports centers around France. Some 700 employees have joined up.

Meetings between management and employee representative bodies held in 2018/19 by scope

16 meetings, including 4 exceptional meetings were held with the ESC during the year.

Examples of subjects on the agenda (for information or consultation)

- Consultation on the Group's inclusion policy to promote recruitment of disabled people
- Consultation on the gender equality report and quality of life in the workplace
- Consultation on the presentation of the CSR action plan
- Consultation on taking on young people on skills development contracts, trainees and the trainee tax
- Consultation on the training plan and training actions
- Consultation on the planned merger with Metis Consulting

(1) Organization of Working Time.

2) Review of collective agreements signed

An agreement on the purchasing power premium was signed on 02/28/19 in the ESU formed of Wavestone SA and Advisors.

The Mandatory Annual Negotiations commenced on 01/21/19 and culminated in an agreement signed by the ESU in April 2019.

Wavestone Advisors agreed an action plan on 07/19/18 to promote gender equality and improve the quality of working life.

3.2.3. Health and Safety

1) Health and safety conditions in the workplace

Health, Safety and Working Conditions Committee (HSWCC)

The ESU formed of Wavestone SA and Wavestone Advisors have a single Health, Safety and Working Conditions Committee. It met twice during the 2018/19 fiscal year. A Meeting of the existing committees was held before the ESC elections and the appointment of the new HSWCC.

2) Occupational health and safety agreements

No occupational health and safety agreements have been signed by Wavestone.

3) Occupational accidents and illness

France	2018/19	2017/18	2016/17
Number of occupational accidents	22	25	23
<i>o/w commuting accidents</i>	11	11	15
Number of occupational illnesses declared	0	1	0
Rate and frequency of occupational accidents ⁽¹⁾	1.7	2.3	2.7
Severity rate of occupational accidents ⁽²⁾	0.01	0.02	0.05

(1) Number of accidents with leave per 1 million hours worked.

(2) Number of days lost due to an occupational accident per 1 thousand hours worked.

Out of 22 occupational accidents reported in 2018/19, 8 resulted in time off work on medical grounds.

3.2.4. Wellness in the workplace

Ensuring a high-quality working environment and work-life balance for our employees is an integral part of Wavestone's human resources policy and underpins our commitment to promote the development and fulfilment of our staff.

The Company strives to ensure that its employees benefit from a daily working environment that is both pleasant and conducive to their professional development.

The HSWCC is involved in actions to prevent occupational risks and improve working conditions. In accordance with Articles L.4611-8 and L.4612 of the French Labor Code, the Committee draws up an annual review of the actions carried out and implemented during the year.

It helps to draft and update the workplace risk assessment document, known as the single document for the evaluation of occupational risks (DUERP).

Other health and safety actions

- First aid in the workplace training
- Safety officer training
- Office remodeling
- Ergonomics in the workplace and prevention of musculoskeletal disorders
- Prevention of psychosocial disorders

For more than five years, Wavestone has also employed an occupational nurse on a full-time basis (from Monday through Friday) at the Company's head office, who works alongside the occupational doctor.

1) Working environment and work-life balance

Office premises: the AIR project

To enhance the quality of the working environment for its employees and to strengthen relationships between teams at all levels, Wavestone developed a new design concept for its offices in 2015, known as the "AIR" project.

It aims to inject more flexibility, comfort, creativity and opportunities for exchanging ideas into the way we work.

The main features of the AIR project are:

- standardized workstations allocated to all employees (no free seating);
- open-plan work areas featuring glass walls to ensure a constant flow of natural sunlight;

- a noise-canceling environment thanks to the choice of fittings at the beginning of the project (suspended, sound-proofed ceiling tiles, specific furniture, etc.), service centers for printers and similar equipment, and dedicated spaces for employees seeking a quiet, isolated place to work (the quiet room, My boxes, etc.);
- special facilities on each floor of the head office: IT Bar, “CreaPlace” creativity center, video studio, etc.;
- new technologies are central to the project: digital signage screens, Meeting room touch-screen booking terminals, video-conferencing equipment, etc.

In addition, employees at the Paris offices have access to concierge services and a private sports club.

Flexible working arrangements

- **Teleworking**

Teleworking is an option for employees throughout France since December 2016 and is also common practice in London, Geneva and Luxembourg.

All Wavestone employees with at least 6 months’ seniority are entitled to work remotely, either on a regular basis (up to 2 days per week) or occasionally (up to 3 days per month), provided their jobs are compatible. Occasional teleworking does not require managerial approval but must be declared on a dedicated platform. To take special situations into account, some employees may benefit from a regular teleworking arrangement of more than 2 days per week. This principle applies in particular to pregnant women and people with disabilities.

In the 2018/19 fiscal year, in excess of 60% of employees in France stated they occasionally worked remotely. The average was a half-day per month. Teleworking promotes work-life balance and also reduces the firm’s environmental footprint by reducing the number of trips made by employees.

In addition, we trialed co-working in Paris and Nantes this year, in association with Neo-nomade for teleworking staff.

- **Flexible leave**

Seniority is not a prerequisite for taking time off, and no vacation periods are imposed (outside heavy workload periods).

Wavestone pays particular attention to its employees’ remaining vacation and ATT days and sends them an individual email indicating the amounts of days left.

- **Meeting schedules**

The Company raises employee awareness of the importance of scheduling regular meetings during standard working hours, namely between 9.30 a.m. and 6.30 p.m.

- **Right to switch off**

Employees are entitled to switch off the remote communication devices provided by their company.

There is no obligation to reply to emails and calls received on non-working days (weekends, paid leave, ATT days, public holidays, sick-leave days) and outside normal working hours.

Emails sent or calls made on a non-working day or outside normal working hours must only be sent in emergency situations, and therefore be exceptional.

Wavestone’s management and HR teams ensure that employees’ right to switch off is respected by the various teams and endeavor to demonstrate exemplary behavior in this respect.

2) Specific measures for expectant parents

Wavestone is committed to helping female and male employees achieve a healthy work-life balance.

To implement this commitment, the Company has taken several measures, outlined below and presented in Wavestone’s Parenthood Guide for employee parents in France:

Corporate nursery service

Wavestone France first introduced its nursery service in 2008 to help its employees with children/expecting a child to find creche places. In 2018/19, Wavestone financed 84 cots for its employees’ children. The Company did not turn down any requests.

Childcare leave

Staff members with one or more children aged 12 years and under may take up to 3 paid days of leave per child each year. These days may be taken individually, or together.

Parenting conferences and workshops

As of June 2017, Wavestone will be proposing a series of workshops at its Paris-based offices and remote conferences,

conducted in-house by a parenting coach. These 2-hour sessions cover practical topics such as “Teens: the how to guide”, “The Montessori method” and “Helping children to be sociable and feel well at school”. Two workshops and four talks were held during the fiscal year in Paris, and employees in the regional offices or not present at headquarters could join by videoconference.

Paid maternity, paternity and adoption leave

Full pay is maintained throughout maternity, paternity and adoption leave, irrespective of the employee's length of service within the Company. In addition, Wavestone has implemented a subrogation scheme for its employees to ensure that they do not have to bear a shortfall in cash flow while awaiting the payment of their social security benefits.

Phased return to work after maternity, adoption or parental leave

To ensure a smooth return to work, full-time employees may work part-time (4 out of 5 days) with full-time pay during their first 2 weeks back.

Flexible working hours during pregnancy

Pregnant staff members may benefit from up to 3 teleworking days a week, and are given a second computer to work with at home to avoid carrying heavy loads.

Corporate Parenthood Charter

Wavestone will pursue its commitment to changing the perception of parenthood in the workplace and advocates the principle of non-discrimination of parent employees. Wavestone has been a signatory of the Corporate Parenthood Charter since 2013.

3) Communication and in-house actions

Wavestone is committed to cohesion in its teams and to rallying its employees around the Company's mission. The Company has adopted an operating approach that involves management regularly asking all teams for their ideas and opinions and taking them into account in its decisions. This process allows new initiatives to emerge regularly, creating value for the firm and its employees.

Employee-led projects

Our employees are active every year in putting forward initiatives and this year was no exception. Here are some examples of projects:

- a blood donation drive in the Paris offices in December 2018, in partnership with the French blood donation service, the *Etablissement Français du Sang*. The response was enthusiastic with 60 people lining up to give blood and all time slots fully booked;
- book collection for the French Libraries without Borders group (*Bibliothèques sans Frontières*). A two-week window for employees to donate books for distribution to those less well-off. 200 books were collected and given to the charity;
- a video celebrating International Women's Day spotlighting inspiring women. Twenty staff (men and women) worldwide took part in the video;
- Wavestone organized another “*Vestiaire solidaire*” initiative in partnership with the *La Cravate Solidaire* association at its Paris-based offices. For 8 days in May and June 2018, all employees were invited to donate their used working clothes (suits, jackets, blouses, shirts, shoes, accessories, etc). More than 90 kg of clothing were collected and distributed to people seeking to re-enter the workplace.

Convivial social events

Numerous opportunities are organized for employees to meet and exchange ideas with their colleagues: integration seminars, team Meetings, practice forums, etc.

Several social events are also held throughout the year: free breakfast offered every Friday to Group employees, drinks after work, team diner parties, annual gala for all staff members and their partners, new employee get-togethers, etc.

4) Prevention and treatment of psychosocial risks (PSR)

Wavestone has adopted a local management policy whereby groups of 10 to 15 employees are monitored by a Career Development Manager who, in turn, is backed by a HR contact, delegated to their team. This approach ensures that staff stress problems can be detected well in advance.

If employees experience stress, bullying or harassment, they can go to one of a number of trained people: in the HR teams, the Health, Safety and Working Conditions Committee, the occupational health doctor or the support unit. The support unit is there for employees who may be having a tough time, either professionally or personally. All conversations are strictly confidential.

All managers (Career Development Managers, assignment managers, sales and back-office managers) are systematically trained in the prevention and treatment of psychosocial risks as part of the new managerial program deployed as of September 2018 for all of Wavestone's management. This training course includes an e-learning module and a day of face-to-face training dedicated to real-life examples and practical cases.

Wavestone's in-house training institute also offers two staff training programs designed to help employees concerned maintain efficiency during stressful situations.

We started an anti-sexism campaign in March 2019.

5) Assessment of quality of life in the workplace

Wavestone participates in 2 annual surveys to assess the quality of its working environment and in line with its continuous improvement strategy.

• **Great Place to Work®**

In November 2018, Wavestone renewed its participation in the Great Place to Work® survey. By way of an anonymous satisfaction questionnaire, employees at all of the Company's sites⁽¹⁾ were able to express themselves on the quality of life within the Company. The survey assesses the Company on 5 levels: credibility, respect, fairness, employee pride and conviviality.

The 2019 results, announced in April, saw Wavestone - taking part for the third year in a row - keep its place in the Top 5 best companies to work for in France out of a total of 72 French companies with more than 500 employees. Overall, 81% of the Group's employees completed the questionnaire (up from 78% in 2017) and 82% of them considered Wavestone to be a good place to work.

A read-out of the results shows where the firm made progress and where more needs to be done.

• **Happy Trainees**

Wavestone France was awarded the Happy Trainees label for the fifth consecutive year in 2018 with a score of 3.8/5 and a recommendation rate of 89.6%.

Based on an anonymous satisfaction survey addressed to the interns of the companies being assessed, this independent label rewards firms for the quality of the welcome and guidance they offer trainees.

Other anonymous internal surveys by practice can be proposed.

This approach allows new ideas to emerge and creates a culture of exchange and transparency while fostering team spirit.

3.2.5. Integration and development of skills

1) Integration program

All Wavestone recruits follow the same four-stage integration program comprising a welcome session, an integration seminar, a training program and HR and management support.

Welcome session

All recruits joining the firm spend the first two days attending an integration program: informal exchange of ideas, topical presentations (on the Group's HR policy, management tools, recruitment and communication strategy), assignment of a mentor and the "Delivering in Wavestone" training program, designed to help staff master the office-based tools required to produce deliverables in line with Wavestone standards.

For new recruits based in France, this two-day program takes place in Wavestone's Paris offices. For those based outside of France, the welcome session, topical presentations and "Delivering in Wavestone" training program are all conducted within the office where the new recruits are to be based.

"Wavestone Inside" integration seminar

The format of the integration seminar was revamped in 2018/19.

It now takes place over two days twice a year in Deauville. It brings together all new recruits, regardless of their entity, job, level of experience and regional site. Its two-fold aim is to enable new recruits to connect with the Wavestone identity (markets, positioning, values, etc.) and to build-up their internal network.

(1) Excluding the U.S. whose fiscal year is different.

The first day's program features team-building exercises and challenges organized by entity. It ends with an evening event kicked off by an inspirational speaker. Day two focuses on what Wavestone does best, our assets and areas of excellence, and producing videos that reflect an understanding of Wavestone's stand-out practices and values and our commitment to creating a positive impact for all stakeholders. We end the day with a Q&A session with top management.

Training program

Young graduates follow a 5-day training program days during their first year in the Company. The dual objective of the program is to enable recruits to obtain the initial skills required to do their job in the best conditions, and to develop their internal network by bringing them into contact with employees from various backgrounds (practices, jobs, offices, etc.).

Training modules vary based on the employee's role and are spread out over the year to allow them to become acquainted with the Company.

Each new recruit attends at least 3 training sessions during their first year.

Close employee monitoring



Integration of newly acquired companies

Wavestone's external growth strategy involves the regular integration of newly acquired companies.

The integration process is led by a dedicated task force, comprising the directors of the acquired company and members of the Wavestone Executive Committee representing the different operational and support functions involved.

2) Skills development

Given the nature of the consulting business, developing employee potential is a key priority for the Wavestone group. The rapid acquisition of skills and responsibility is a major challenge for the Company, particularly since its HR model is founded on recruiting young graduates⁽¹⁾ (more than 50% of new hires in 2018/19). To this end, the Group has implemented additional measures, as described below.

The Wavestone Horizon professional development tool

Career development programs are designed for our consulting business functions. These programs are made known to all of Wavestone's employees, irrespective of their geographical zone. The *Wavestone Horizon* tool provides a guide to the professional career of the Company's employees, enabling them to visualize their development over the long term. It provides employees and their managers with points of reference to understand what is expected at each grade and helps them to identify the skills they need to develop in order to progress and successfully reach new milestones. By choosing their training programs, each employee is actively involved in the development of his or her career within Wavestone.

In-house training institute and external training program

Skills development at Wavestone is underpinned by:

- digital training courses (e-learning platforms, MOOCs, etc.);
- a common training program for all young recruits⁽²⁾;
- local training programs.

Digital training program

The purpose of Wavestone's training program is to foster the continuous development of its employees' skills. Digital training opportunities draw on: integration training and 3 e-learning platforms My MOOC, Vodeclis and Sequoia programs, open to all employees:

- Vodeclis: tuition in professional office tools used by Wavestone and its clients;
- My MOOC: a monthly catalog of around ten MOOCs emailed to all staff members. Articles, podcasts and YouTube videos were recently added to the platform;
- Sequoia: on-line educational training courses in a game-based format developed by the Group's practices to

(1) Six months or less experience.

(2) See paragraph 3.2.5.1. on the integration of new recruits.

transmit Wavestone's savoir-faire and expertise to employees. Each training program takes the form of several episodes, delivered in an offbeat tone, and result in trainees being awarded badges and certificates on completion. These training sessions are developed by and for Wavestone's employees to meet the specific needs and skills required by the Company's various practices.

All the training programs are international in scope and have a cross-functional approach (multi-practice and multi-function). In addition, to enrich the training options available, each office is encouraged to contribute to the program. The New York and London offices are thus driving the development of the internal platform, Sequoia.

Time allocated to training

The table below gives an overview of the figures relative to external training programs, as well as in-house courses provided by the Company's training institute (excluding digital-based courses) for all of Wavestone employees (excluding Hong Kong).

Fiscal year	2018/19 fiscal year	2017/18 fiscal year ⁽¹⁾	2016/17 fiscal year
Number of employees that attended at least one training course during the fiscal year	2.080	1.766	1.891
Percentage of headcount that attended at least one training course during the fiscal year	67.2%	63%	73.1%
Number of training days provided during the year	6.604	4.611	4.118
Number of training hours provided during the year	38.288	32.275	31.711
Average number of training hours provided during the year per employee	18	18	16

(1) Data missing for Wavestone Morocco and Wavestone Advisors Switzerland (98.4% of the headcount is represented).

The number of employees that attended training was up this year, primarily due to new training opportunities, especially for management and new hires, and better information on training.

Training accounts for 3.9% of total payroll in France. The training spend in the 2018/19 fiscal year in France was €5,961k.

Assignments and on-the-job training

For all Company employees, the professional consulting assignments they carry out also provide the opportunity for them to develop and enhance their individual skills. This hands-on learning approach is an essential growth driver within the Group. As such, at the beginning of every assignment, the project manager informs the consultants of

Attendance-based training and blended learning courses⁽¹⁾

The "Wavestone Academy" offers over thirty attendance-based programs designed to develop key job-related skills (business development, delivery, communication, project management, etc.) or aspects of personal development. Several of these programs award certificates upon completion. These include ITIL (Information Technology Infrastructure Library) Foundation V3, Lean Six Sigma - Green Belt, etc.

These training sessions also provide employees the opportunity to extend their internal network by mixing with colleagues from other practices, offices and divisions.

To meet training requirements in areas that are not covered by the Wavestone training institute, the Group also resorts to external training solutions.

the objectives involved. Once the assignment has been completed (or at regular intervals in the case of long-term assignments), the project manager carries out an evaluation to assess the consultant's work. This feedback highlights the progress achieved and pinpoints areas for improvement. Individual goals concerning the development of new skills are also taken into account during the consultant staffing process (weekly placement of consultants on assignments).

In addition, as part of the process to acquire the consulting skills they need to progress, consultants contribute to the Company's development activities. Each year, a number of consultants carry out 6-to-12 month assignments within the firm's back-office departments (recruitment, communication, finance, etc.).

(1) Blended learning: combination of several forms of learning (e.g. attendance-based, e-learning and phone-based modules).

Internal mobility

Internal mobility is one of several HR mechanisms that enable employees to enrich their career and benefit from diversified career prospects.

All positions open under the annual recruitment plan are eligible. Wavestone commits to reviewing all job applications,

whatever the level of experience of the employee and the job applied for, even when a position is not open. As in the case of external recruitment, internal mobility is a formalized process monitored by the Company's HR teams. All Wavestone employee applicants receive a reply within a maximum of 3 months.

Breakdown of internal transfers by type

	2018/19		2017/18		2016/17	
Regional transfers	39	41%	25	39%	16	33%
Occupational transfers	19	20%	14	22%	13	27%
Inter-practice transfers	38	39%	25	39%	19	40%
Total	96	100%	64	100%	48	100%

Almost 100 employees availed of internal mobility opportunities in 2018/19, 40% moving to another office.

Performance reviews and annual assessments

Every year, across all of the Group's business lines, each employee's performance is discussed as part of a review involving their superiors and the Career Development Managers and HR teams within the entity concerned. The topics addressed include: the employee's current position in respect of their career path, their career prospects within 12-24 months and the associated development plan, possible changes in their salary and/or bonuses, promotion prospects.

In addition, all employees meet their team manager for an annual assessment in order to discuss their annual evaluation, career prospects, compensation and work-life balance.

The purpose of the Company's Career Development Managers is to help employees achieve their full potential. The annual performance review is a key moment for discussion in which the Group's Career Development Managers receive special training.

3.2.6. Equal opportunities and non-discrimination

The Company is deploying a number of equal-opportunity action plans, in accordance with its commitment to adhere strictly to the principles of ethics and fairness. Wavestone's social and societal policy is reflected in its program to promote diversity and non-discrimination.

As of 2018/19 and in keeping with the Wavestone 2021 strategic plan, the Company has decided to base its action plan on 3 main objectives:

2021 objectives	Performance at 03/31/18	Performance at 03/31/19
Have the same proportion of women in positions of responsibility (operational or hierarchical management) as in the workforce	30% vs. 36%	28% vs. 38%
Achieve 30% representation of women on the Executive Committee	17%	15%
Triple the number of employees with disabilities	11 at 12/31/17	15 at 12/31/18

Wavestone joined the French diversity managers organization, the *Association Française des Managers de la Diversité* (AFMD), in January 2019 to stay abreast of best practices and discuss with peers how to move forward on gender equality in the workplace and on opportunities for the disabled.

In addition to the work of the CSR team, a group of dedicated employees formed the "Wavestone For All" network in October 2017 with the aim of promoting diversity and inclusion and ensuring fair treatment within the firm.

The network, which has its ear to the ground, offers solutions and practical ways forward for a more open and inclusive working environment in the office or on assignment with customers, when it comes to matters of gender, sexual orientation, age, ethnicity, religion, education, social and cultural origin, nationality, disability, etc.

During the year, the network put together:

- an LGBT+ survey that elicited 300 responses and proposals for an action plan;
- pilot awareness and training workshops for employees on diversity and inclusion;
- diversity awareness breakfast Meetings;

- launch of a series of round tables on the importance of women in tech, broadcast internationally. The first took place in March 2019, with inspiring women from inside and outside the firm.

Firm in the belief that diversity and performance go hand-in-hand, the network also works closely with the recruitment teams to increase diversity.

1) Gender equality in the workplace

Social action

Percentage of female employees in the Group

	At 03/31/19	At 03/31/18	At 03/31/17 ⁽¹⁾
% of total workforce	38.6%	36.4%	36.0%
% of consultants	34.8%	32.6%	31.6%

(1) Excluding Arthus Technologies and the European activities of Kurt Salmon.

The percentage of female employees in the Group continued to increase and came to 38.6% at 03/31/19. This increase was mainly down to higher numbers recruited from management schools and universities that have equal numbers of male and female graduates.

During the 2018/19 fiscal year, Wavestone continued with initiatives to strengthen its commitment:

- a questionnaire was sent to all employees worldwide in December 2018. We received over 700 replies, 2,500 comments and many suggestions for initiatives. This input formed the basis for an action program to be rolled out in 2019/20 to address the firm's current priorities in this area;
- a quantitative study to see where the entities stand on gender equality and decide on the priorities for the future. This analysis will be presented in 2019/20 to the senior managers at each entity to inform appropriate action plans.

These actions will also help the firm to increase the percentage of women on the Executive Committee to reach the target of 30% women by 2021.

Wavestone also launched a 6-month awareness campaign to draw attention to casual sexism in the Company and at our clients. There are three major planks to this campaign:

- a sexism module, to supplement the management training program;
- an e-learning program open to all employees based on actual employee experiences;
- role-play workshops to give a clearer understanding of what sexism means and how to react as either victim or witness.

In the space of a few days, more than 200 employees registered for the workshops and more than 500 started the e-learning module.

In society

Wavestone is also involved with a number of organizations working for professional equality between women and men:

- Wavestone has been a partner of "Elles Bougent", an association that promotes professional gender diversity, since February 2016. The association aims to encourage more women to pursue scientific and technological careers. For Wavestone, the main goal of this partnership is to share best practices with other companies. Female graduates from engineering schools seeking to exchange their points of view and share their career experience can become sponsors of the association;
- in April 2018, Wavestone paired up with Foundation Femmes@Numérique, an initiative that aims to bring together for the first time a strong group of economic, social and public players to focus on increasing the number of women in the digital professions.

Last but not least, under the French law on the freedom to choose an occupation (09/05/18), Wavestone disclosed a score of 85/100 for gender equality for the Wavestone economic and social unit. The aim of the law is to eliminate pay differences between men and women in France.

2) Employment and inclusion of people with disabilities

At 12/31/18, Wavestone France employed 15 people with disabilities according to the definition provided in the mandatory declaration of employment of people with disabilities (DOETH form)⁽¹⁾. Wavestone France's employer contribution to the AGEFIPH fund for the employment of people with disabilities came out at €700k⁽²⁾ in 2018, down slightly on last year's amount (€714k). The Group is aware that it is behind on this issue. As a result, it has pledged to triple the number of employees with disabilities relative to 12/31/17 numbers as part of its 2021 strategic plan.

The firm stepped up its commitment in 2018/19 focusing on awareness and on recruiting and supporting people with disabilities.

Recruitment:

- sourcing campaigns using a range of online platforms and handicafés;
- partnership with a firm specializing in employment of the disabled;
- continued training of all those involved in hiring in a program called "Guide to hiring the disabled", delivered by CED, a French communications agency promoting the recruitment of people with disabilities.

As a result of all these endeavors, we hired 3 more people with disabilities in the six-month period from September 2018 to March 2019.

Support:

- Wavestone France continued its partnership with the Company Made in TH, which offers personalized support to employees who are directly or indirectly concerned by disability. This partnership, which kicked off in June 2017, involves organizing an on-call service twice a month, either by phone or in Wavestone's Paris offices;
- Wavestone France formed a disability unit with two in-house staff and one external expert in disability to improve how our disability inclusion commitment is organized. Its main objectives are:
 - to provide close follow-up for employees already declared disabled to ensure their ongoing well-being;
 - to offer strictly confidential and individual interviews to employees concerned by disability to answer their questions and help them with their administrative procedures. At the employee's request, these interviews can be conducted in private with the external disability expert or in pairs with a member of the internal disability units;

- to offer support to HR, recruitment and managerial teams to answer their questions and help them in their efforts. Note that the disability unit makes regular calls to our regional offices to provide support locally.

- In addition, the HR team received training by the CED organization on the theme "Integrating employees with disabilities".

Awareness:

We organized a number of information sessions this year to raise employee awareness and break down prejudice and preconceived ideas:

- a music quiz with well-known disabled individuals in the Paris, Lyon and Marseille offices, with the participation of 200 employees;
- events to coincide with European Disability Employment Week 2018 in Paris and Lyon: big wheel workshops, blind pétanque and cocktails. The hundred or so employees who took part answered questions and met challenges to learn more about disability;
- in January 2019, Wavestone launched the second edition of the "Prix Handi Cap by Wavestone", a competition to reward the best initiatives by student groups working for people with disabilities. This project, which is sponsored by Hamou Bouakkaz, former deputy Mayor of Paris, aims to give visibility to disabilities while dispelling popular stereotypes. Participation was up this year with 28 groups from various schools competing, from 16 last year. The Group's employees also got behind the project by voting for the project of their choice and coaching the finalists. A number of activities were organized to mark the final, on 04/04/19, including blind basketball, a tasting of diabetic pastries and a presentation of innovations designed to facilitate people with dyslexia. Two prizes were awarded: a Handi Cap by Wavestone Prize worth €2,500 and a *Coup de Coeur* Prize worth €1,500;
- an ad was also broadcast on France Inter to highlight our commitment during AGEFIPH's "driving progress" campaign.

(1) Mandatory declaration of the employment of people with disabilities.

(2) It should be noted that Wavestone has made the choice not to introduce a disability reporting incentive policy.

During the 2019/20 fiscal year, in addition to pursuing actions already under way, Wavestone plans to sign a partnership agreement with AGEFIPH, aimed at drafting an appropriate and sustainable employment policy.

Wavestone also continued with its broader social engagement in the area of disability.

- Wavestone France uses the services of the ESAT in the sheltered employment sector, mainly for printing documents for in-house training courses, taking orders for tray-meals, fruit baskets and event buffets, collecting and recycling used paper, and recycling IT equipment (printers, ink cartridges, toners, etc.);
- Wavestone is pursuing its partnership with the Grenoble École de Management to promote the “Management and Disabilities” certificate offered to thirty students. Student applicants are required to submit a “study journal” illustrating their views on the subject of disabilities. As a member of the selection panel, Wavestone is required to read and assess these journals;
- the Wavestone Foundation participates in humanitarian projects, by supporting or developing initiatives to benefit children worldwide. Some of the projects chosen offer support to people with disabilities. In 2019, the Foundation selected the “*Les P’tites Zaprems*” project working on the rehabilitation and inclusion of disabled children in Peru;
- on Powerday, Wavestone’s global corporate solidarity day, 1,000 Company’s employees lent their support to various associations by taking part in skill-based sponsorship or in-the-field projects. For instance, one of the projects in Paris was “Put yourself in my shoes” in a sheltered employment company (at least 80% disabled employees).

3) Anti-discrimination policy

In addition to the aforementioned commitments in favor of female employees and people with disabilities, Wavestone is also committed to ensuring job security for older employees.

At end-March 2019, employees aged 50 and over accounted for 6% of the total workforce, on a par with the figure for the previous year.

Specific actions have been implemented to meet the expectations of employees aged 50 and over in France, and to optimize the expertise they have gained while adapting to their individual situations:

- close monitoring by the HR team at key end-of-career milestones, notably at the ages of 50 and 60, and during the year employees retire;
- full medical check-up: 100% financed;

- individual retirement review, designed to verify the rights acquired by employees and determine the age required for them to qualify for a full pension, and to estimate the amount of their pension: 100% financed;
- possibility of switching from full- to part-time (3-day week), during which time old-age insurance and supplementary pension contributions are maintained at a full-time rate, with the Company bearing the cost difference.

More details on some anti-discrimination initiatives carried out by the firm are given in paragraph 3.4 of this report.

3.2.7. Promote and respect core ILO agreements

In accordance with commitments specified in the Global Compact, Wavestone is opposed to all forms of child labor and forced labor, in line with the core conventions of the International Labor Organization (ILO). Given the nature of the firm’s consulting activities and the location of its offices, Wavestone is not directly exposed to the challenges related to eliminating forced or compulsory labor, and the effective abolition of child labor.

Wavestone also respects the conventions of the International Labor Organization relative to the freedom of association, the right to collective bargaining and the elimination of discrimination related to employment and occupation, as described in paragraph 3.2.6 of this report.

A positive social footprint is an integral aim of our CSR policy, reflected in two commitments:

- reduce the environmental impact of our business;
- support projects that create social value and put our skills to work for their benefit.

3.3. Environmental information

Since Wavestone’s activities are purely intellectual, the Company’s impact on the environment is limited. Nevertheless, for the past seven years, Wavestone has been committed to actively monitoring and reducing our environmental footprint.

To measure the main areas of impact and identify our priority actions, the Company completes a carbon audit (Bilan Carbone®) every two years. We did this for the first time in 2012/13, followed by updates in 2013/14, 2015/16 and 2017/18. The main environmental issues identified by the audits stem from business travel and the building footprint of our offices.

Reporting and initiatives target these priorities, since they are the most significant for our environmental impact. That said, we also keep a close eye on other topics and opportunities for improvement, like our paper use and how we manage our IT equipment.

Details concerning Wavestone's environmental reporting methodology

While Wavestone has used the same reporting methodology for the past seven years, some regulatory reporting points that are less relevant to the Company's activities⁽¹⁾ are excluded from the reporting scope as not significant for Wavestone's environmental impact (biodiversity, soil use, noise pollution, etc.).

Formerly excluded, our offices in New York, Hong Kong and Edinburgh are now included in the reporting scope. All Wavestone's offices are covered:

Offices	Workforce at 03/31/19	Breakdown (% of total workforce)
Paris (Head office)	2,536	82.0%
Regional offices	239	7.7%
Lyon	138	4.5%
Nantes	80	2.6%
Marseille	21	0.7%
International	319	10.3%
Casablanca	17	0.5%
London	105	3.4%
Brussels	13	0.4%
Luxembourg	62	2.0%
Geneva	65	2.1%
New York	47	1.5%
Hong Kong	8	0.3%
Edinburgh	2	0.1%
Total	3,094	100.0%

Certain information that could not be gathered at all our sites was extrapolated from the Paris-site ratios.

In order to ensure a good understanding of the information reported, the definitions and calculation methods specific to certain indicators are explained in footnotes to this document.

3.3.1. Global environmental policy

Wavestone has set up an organizational structure dedicated to CSR and addressing environmental issues (see paragraph 2.1 of this report).

1) Employee environment training and information initiatives

Wavestone raises staff awareness of environmental issues by briefing its employees on key environmental actions carried out related to implementing new practices (using Ecolabel paper, eco-responsible printing methods, etc.).

Above and beyond initiatives designed to inform, Wavestone's policy seeks to galvanize and engage our staff to play their role in caring for the environment.

For example:

- two screenings of Yann Arthus Bertrand's film "Home" organized with 50 or so employees;
- environment information breakfasts organized and led by the staff of our French offices. Leading on from this breakfast meeting initiative, we put together a "breakfast kit" for the environment ambassadors in our international offices to use for similar events;
- employees produced a guide (in English and French) on everyday things we can do to protect the environment, which was distributed at all Wavestone offices;



- a "Climate fresco" workshop was held and attended by 30 or so students from the Institut Villebon and employees to share knowledge about climate change. Other similar events are planned in the next few months.

The results of the carbon audits and the steps taken to reduce our carbon footprint are communicated to all personnel through the Intranet site.

(1) Environmental reporting appendix - Cross-reference table between Wavestone data and Article 225 of the Grenelle II Law.

2) Wavestone office remodeling and renovation

In 2015/16, Wavestone began to roll out “AIR”, its new office layout project. This project notably includes:

- the removal of individual rubbish baskets to encourage a reduction in paper waste;
- the installation of presence detectors to limit electric lighting consumption;
- the roll out of IT solutions (video-conferencing equipment in conference rooms) designed to limit staff travel.

This layout project has been deployed in the Paris, Nantes, Lyon, Marseille, Luxembourg, London and New York offices.

We are currently testing a number of initiatives designed to reduce and reuse drinks packaging waste:

- “Canibal” ⁽¹⁾ and “newCy” in Paris;
- “Lemontri” in Marseille.

3.3.2. Pollution and waste management

Waste generated by Wavestone is mainly office waste (paper, organic waste, packaging and ink cartridges), and end-of-service IT equipment (computers and mobile phones for the most part).

Electrical and electronic waste (WEEE) accounts for 7% of the total waste generated by Wavestone’s activities in weight. This type of waste represents a major challenge given its large carbon footprint throughout its entire lifespan (use of water, metal and energy resources at all stages from product design through to recycling). We recycle all this waste or channel it for reuse or energy recovery.

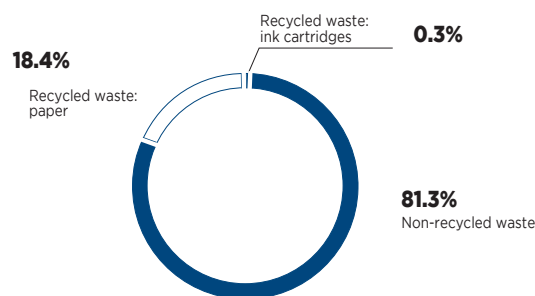
1) Office waste

In 2018/19, the office waste generated amounted to 20.59 kg per employee for an overall total of 63.7 tons⁽²⁾. This is the equivalent of 686 1-liter plastic bottles for each employee.

The breakdown is as follows:

- non-recycled waste: 51.74 tons of non-hazardous office waste⁽³⁾;
- recycled waste⁽⁴⁾:
 - 11.79 tons of paper waste, including 9.7 tons from the Paris offices, were recycled by the association ANRH (Association for the professional and respectful integration and reintegration of people with disabilities);
 - 0.18 tons of ink cartridges⁽⁵⁾, including 0.16 tons from the Paris offices. In Paris, all ink cartridges are collected by the company Conibi, transported by Geodis, and recycled by Clozddloop, a company specialized in ink-cartridge recycling. The information is not available for the other offices.

■ Office waste - 2018/19



(kg/employee)	2018/19	2017/18	2016/17	2015/16	2014/15
Office waste	20.58	20.53	22.2	28.7	27.8

The amount of office waste per employee remained stable year-on-year. Over the past five years, the average weight of waste generated per employee has been reduced by around 30% across all offices. This outcome points to the effectiveness of local actions, including supplying mugs and water bottles for new hires, installing separate recycling containers at some sites and “zero waste” campaigns.

(1) Canibal, the Company that runs the system, reported on the 12 terminals installed in 2018: 95,820 drinks packages collected (92,438 beakers) giving a total weight of 577.32 kg, savings of 1.44 tons of CO₂eq. and production of 90,017 kWh.

(2) Data obtained from the service provider responsible for waste processing for the Paris, Geneva and London offices. Extrapolations were conducted based on the Parisian ratio for the other offices. This methodology has been the same since 2012.

(3) This is office waste (packaging, office supplies, etc), considered as non dangerous waste.

(4) The methodology does not include the drinks packaging waste recovered by Canibal. If we include this packaging in the waste, office waste for the fiscal year comes to a total of 64.3 tons, equivalent to 20.78 kg for each employee.

(5) Recycled ink cartridge data for the Company’s French premises is underestimated since cartridge order tracking is not automatic. As a lots of the photocopiers are leased, the cartridges are ordered automatically by the photocopier and are already included in the cost of the lease.

2) Computer waste

To ensure the smooth running of its business, Wavestone makes sure that its employees are equipped with the best high-tech IT equipment, a strategy which means our IT equipment is replaced on a regular basis, especially laptops (4-year lifespan).

A significant amount of IT equipment came to the end of this cycle in the 2018/19 fiscal year and was replaced: 2,308 laptops and 739 mobile phones were taken out of operation. This gives a total of 3,047 end-of-life devices, amounting to roughly 4.7 tons, which is 1.5 kg of IT waste per employee this year.

The increase on previous years (1,183 devices withdrawn in 2017/18, including 958 mobile phones, 471 devices retired in 2016/17 and 274 in 2015/16) is due to the lifecycle of our IT equipment.

To prolong the lifespan of IT equipment (in particular computers) that has reached the end of their service period, staff members may buy these devices for their own personal use. Equipment that is not bought back by employees is either stored or recycled.

Wavestone implemented a procedure for the systematic recycling of end-of-service IT equipment at all of its sites. The cooperative company "Les Ateliers du Bocage" (<https://ateliers-du-bocage.fr/>) was chosen to treat electrical and electronic waste (WEEE) for Paris and Marseille, through the clean disposal of toxic components and the recycling of recyclable materials.

3) Food waste

Article 4 of the 2016-138 law dated 02/11/16 specifies that food waste be integrated into corporate environmental reports. The implementing decree for this law was published on 08/19/16.

Wavestone does not handle the canteen spaces used by its employees, and is thus not directly concerned by this issue. Consequently, Wavestone did not define an indicator to track this issue in 2018/19. Yet, employees were active with several initiatives, such as a composting bin in London.

Our third Powerday - a world solidarity day - was held in August 2018, supported by more than 1,000 employees

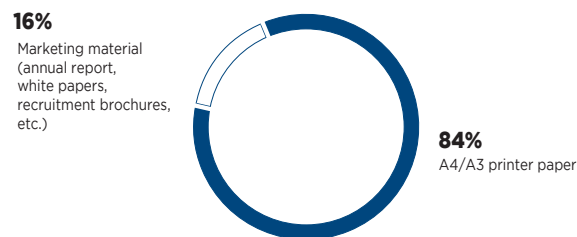
engaged in a range of projects. Our people helped to coordinate regional SOLAAL (a public interest organization to prevent food waste) networks and to plan future initiatives. The organization collects unsold crops from farmers and farm cooperatives and distributes them to 20 national food aid charities. Since its creation in 2013, SOLAAL has collected 1,454 tons of agricultural products and contributed to the equivalent of 27 million meals (at end-2018).

3.3.3. Sustainable use of resources

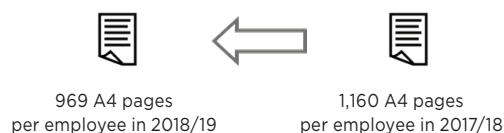
Since Wavestone has no manufacturing activities, its use of resources is limited to office consumables and shared resources used to operate the buildings in which its offices are located.

1) Consumption of raw materials

■ Paper consumption - 2018/19



The main raw material consumed by the Company is paper (for printers, photocopiers and marketing materials). In 2018/19, Wavestone consumed 14.96 tons of paper, equivalent to 4.8 kg per employee and 254 trees felled per year to meet the firm's paper consumption needs.



Down 16% this year, per-person paper consumption continues its significant and steady decline of the past five fiscal years:

(kg/employee)	2018/19	2017/18	2016/17	2015/16	2014/15
Paper consumption	4.8	5.8	5.8	8.7	9.6

Paper consumption is estimated on the basis of paper orders placed during the year. Last year, a major A3 paper order was placed to cover the Paris office's consumption for several years to come, based on a consumption assumption of 0.7 tons of A3 over a 10-year period. Therefore, 0.7 tons of A3 paper was added in 2018/19 to the total purchase for the year to estimate the Company's actual consumption.

We are actively working to reduce paper use. For instance, we use screens in meeting rooms to project presentations and information instead of printing them. Photocopier settings are automatically set to "Green print", a black & white, recto-verso printing mode.

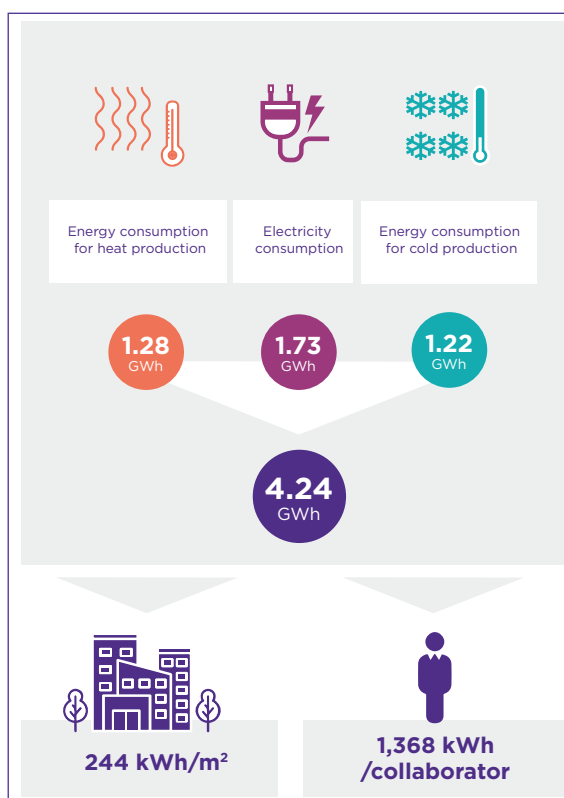
During 2018/19, Wavestone continued to implement its paperless solutions for annual General Meeting notices and preparatory documents with e-notices and e-voting. In this context, a partnership forged with Reforest'Action for AGMs and greeting cards helped bring about the planting of 698 trees in Haiti.

For the record, Wavestone recycles all of its paper (see paragraph 3.3.2.1) and only uses PEFC- and FSC-certified paper (see paragraph 3.3.1.1).

2) Energy consumption

Like many businesses, our offices use heating, air conditioning, ventilation, lighting and office equipment, which account for our direct energy consumption.

In 2018/19, Wavestone's total power consumption (electricity, heating and air conditioning) amounted to 4.24 GWh. Energy use was practically unchanged from the prior year, despite the increase in both the workforce and space occupied⁽¹⁾.



Energy use came out at 244.42 kWh/m². By comparison, the average energy in France in 2015⁽²⁾ was 283 kWh/m², putting Wavestone 14% ahead of the French average in terms of energy efficiency per sq. m for its entire scope.

(kWh/m ²)	2018/19	2017/18	2016/17	2015/16	2014/15
Final energy consumption	244.42	300.8	251.3	250.9	300.0

Thus, final energy consumption per employee fell by 13%, from 1,569 kWh/employee/year to 1,368 kWh/employee/year. The carbon footprint of an employee working in a Wavestone office was 32%⁽³⁾ of the average in France (for private and professional activities).

(kWh/employee)	2018/19	2017/18	2016/17	2015/16	2014/15
Final energy consumption	1,368	1,569	2,110	1,702	1,942

(1) Because the offices in New York, Hong Kong and Edinburgh were included in the reporting scope in fiscal 2018/19, unlike in previous years, and the two new acquisitions. The headcount also increased this year.

(2) Source: Energy Efficiency Highlights IEA - <https://www.iea.org/statistics/efficiency/>

(3) According to IEA (International Energy Agency - 2016) statistics, a French person uses an average of 4,241.6 kWh per year.

Wavestone is constantly improving its energy consumption per employee. Installing modern technology devices on the Company's premises (motion detectors for lighting, timers, LED bulbs, etc.) has helped to streamline consumption.

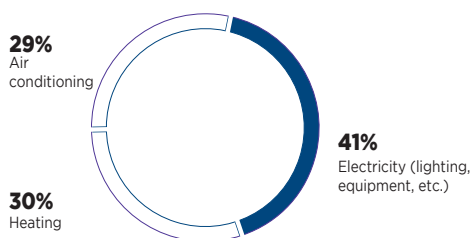
Wavestone's renovated "AIR" offices in Paris are equipped with presence and daylight detectors that turn off the lights automatically when a space has been unoccupied for 15 minutes. In Paris, the offices are lit between 8.00 a.m. and 8.00 p.m., Monday through Friday, to save energy. Switches are also installed to control lighting outside of office hours.

Wavestone's head office (comprising 81.9% of its workforce) occupies 12,733 sq. m. of the Tour Franklin in the La Défense business district of Paris. This tower is connected to urban heating and cooling networks that provide heating and air conditioning for the offices.

Engie provides our energy needs in Tour Franklin from all renewable sources, as does Enovos in our Luxembourg offices.

The energy consumption of this site breaks down as follows:

■ Total energy consumption by type - 2018/19



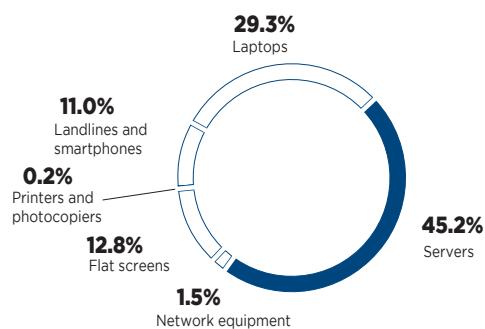
■ Focus on computer and telecommunications equipment

Our business calls for heavy use of computer equipment from phones to laptops and servers, which account for a substantial share of our energy consumption. In total, this is estimated at 0.457 GWh⁽¹⁾ per year (equivalent to the annual power consumption of 96 French households), based on the average number of working hours in use and average consumption data. Factoring in certain usages outside of Wavestone premises, total energy consumed by IT equipment represented ⁽²⁾ 26.5% of the Group's total electricity consumption (1.73 Gwh).

The inventory of our IT equipment was updated in fiscal 2018/19 and found that many of our servers and networking equipment were particularly power-hungry.

Wavestone's energy consumption breaks down as follows:

■ Final energy per use - 2018/19



All Company laptops are EPEAT⁽³⁾ labeled; 90.6% of all IT equipment carry the "Silver" label, and 9.4% the "Bronze" label. Among other things, this label guarantees the precautionary use of natural resources in the manufacturing of the products, as well as their recyclable nature and compliance with the Energy Star standard for energy consumption while in use. Labeling is now included in the selection criterion used by the Company in its procurement process.

(1) The methodology used remains unchanged: the estimate was based on the number of devices used by Wavestone and the average utilization rate and performance of said equipment in France (source IDATE). Utilization rate estimates are based on the following assumptions: laptops, screens and mobile phones are used 1,760 hours a year on average and servers, 8,760 hours. The assumption used for photocopiers and printers is based on 10,000 copies per device per year.

(2) Estimated at 30% for laptops and mobile phones: teleworking, checking and answering emails on mobile phones, etc.

(3) The Electronic Product Environmental Assessment Tool (EPEAT) label requires, among other things, the limited use of dangerous substances, guaranteed recycling and sustainability, low power consumption and low environmental impact packaging (<http://www.epeat.net/>). EPEAT updated the criteria markedly in 2018, which explains why none of our laptops achieved Gold certification this year.

3) Water consumption

Information related to the Group's water consumption below mainly concerns the domestic water supply used for sanitary and cleaning purposes, and by air conditioning systems.

Our employees used an average 3.58 cubic meters of water each in fiscal 2018/19, the equivalent of 3,580 liters or 65 showers per person.

Wavestone's total annual water consumption⁽¹⁾ was 11,061 cubic meters, an increase of 19% on the previous year, due to the consolidation of the New York and Hong Kong offices in the reporting scope and the 11% hike in our headcount.

Water consumption per employee was relatively stable, following a sharp decrease in the past five years:

(m ³ /employee)	2018/19	2017/18	2016/17	2015/16	2014/15
Water consumption	3.58	3.38	4.73	7.34	7.09

All of Wavestone's offices are located outside water stress areas (areas with a water supply of less than 1,700 m³ per capita per year for all uses combined)⁽²⁾. As such, there is no need to study the pressure exerted by Wavestone on local water resources.

3.3.4. Climate change: greenhouse gas emissions⁽³⁾

1) Summary table

The scope of this analysis is limited to four sources of emissions, namely:

- business travel and commuting;
- energy consumption of buildings;
- paper purchases (marketing and printing);
- refrigerant gas leaks in air conditioning systems.

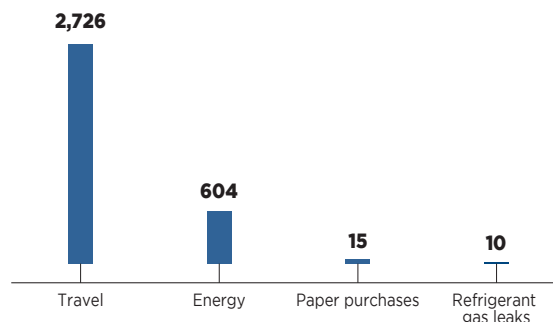
Wavestone's greenhouse gas emissions created by these four sources in 2018/19 amounted to 3,355 tons of CO₂ equivalent, or 1.08 tons of CO₂ equivalent per employee. According to the IPCC (Intergovernmental Panel on Climate Change), human-caused emissions must be kept below 2 tons of CO₂ eq. per year if we are to limit global warming to below 2°C in 2050.

(tons of CO ₂ equivalent/employee)	2018/19	2017/18 ⁽¹⁾	2016/17	2015/16	2014/15
Greenhouse gas emissions	1.08	1.23	0.9	1.1	0.9

(1) 2017/18 GHG emissions for the 4 main categories were adjusted to correct for underestimating the data for transport. This table shows the value after correcting for 2017/18 transport data.

The Company's greenhouse gas emissions break down as follows:

Greenhouse gas emissions (tons of CO₂ equivalent) of defined scope



2) Travel

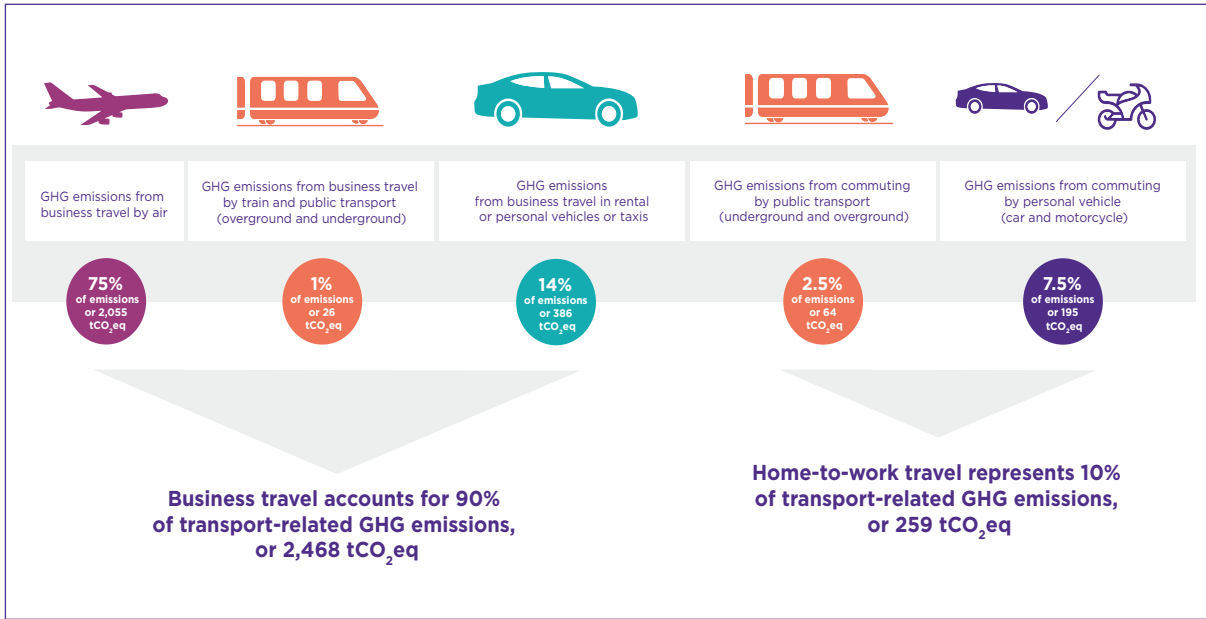
For the scope referred to above, employee transport is the main source of Wavestone's greenhouse gas emissions⁽⁴⁾ (81%). To gain a better understanding of these emissions, Wavestone analyzed the volume and different means of transport used on business trips and in staff commuting air travel alone accounts for 75% of greenhouse gas emissions generated by our business travel and staff commuting.

(1) Water consumption for the Tour Franklin offices is based on the consumption for the building as a whole and a ratio per floor. The consumption for the Lyon, Marseille, Casablanca, Brussels and Luxembourg offices were provided by the owner. For the Group's other offices (Nantes, Geneva, London, New York, Hong Kong and Edinburgh), water consumption was extrapolated from the data for the Paris offices (m³/employee ratio).

(2) For more information on water stress areas, visit <http://www.un.org/waterforlifedecade/scarcity.shtml>

(3) The methodology used is in line with requirements specified in Article 75 of the Grenelle II Law. The emission sources taken into account are those required by Article 75 (scopes 1 and 2), as well as paper purchases and travel, which have been identified as major emission sources for Wavestone's business.

(4) The scope used to produce the GHG statement is not considered in its entirety for the 2018/19 financial year; only emissions related to travel, energy, refrigerant gas leaks and paper purchases are taken into account.



3) Business trips

Business trips, using all methods of transport ⁽¹⁾, amount to roughly 17.4 million km per year, or approximately 5,623 km per year per employee. This is due to the high level of mobility of Wavestone's employees, which is a characteristic feature of the consulting sector, amplified by the Group's international expansion.



The distance covered for business travel by all Wavestone collaborators represents trips
434 round-the-world trips

N.B.: A round-the-world trip is 40,075 km.

(1) Data for journeys by train, plane and short-term car rental were supplied mainly by the Egencia Travel Agency and the SNCF. The methodology used is unchanged: the calculation of air and train journeys include data issued in the Wavestone Carbon Emissions Report (Egencia); the journeys made now take into account the estimated mileage recorded in expense reports, based on Egencia mileage. Data on journeys by public transportation, taxis and private vehicles were obtained from the accounting department. The amounts collected (in €) were converted into distances travelled (km).

(km per year per employee)	2018/19	2017/18 ⁽¹⁾	2016/17	2015/16	2014/15
Business trips	5,623	6,265	3,231	4,716	4,752

(1) Distance by air travel was corrected this year to harmonize and standardize the method used to input the data since the 2016/17 merger.

N.B.: The methodology for rental vehicles is unchanged from last year. The number of actual kilometers communicated by Egencia and recorded in employee expense reports is now taken into account to estimate business trips made using rental vehicles.

Following the merger in 2016/17, a major project was undertaken to harmonize methodologies to take account of the different information systems and the differences in management practices. We continued with this methodology review this year, improving the accuracy of estimated distances travelled, especially for air travel. We also found that these distances had been underestimated in the data used in 2017/18, and corrected these figures.

Breakdown of business trips by type of transport in 2018/19:

(km/year)	2018/19	2017/18	2016/17	2015/16	2014/15
Plane	51.3%	49.6%	40%	37%	18%
Train	38.0%	32.5%	42%	44%	51%
Public transport	1.9%	7.8%	3% ⁽¹⁾	9%	17%
Cars	8.8%	10%	14%	10%	14%
o/w employee cars	5.5%	7.9%	8.5%	9.4%	11%
o/w rental cars	1.2%	0.4%	0.1%	0.2%	1%
o/w taxis	2.1%	1.7%	5.9%	1.4%	2%

(1) This percentage is underestimated due to a lack of data for Kurt Salmon's European activities. The data from the ERP is not granular enough. In future, precise start and end points will need to be put into the management tool to account for all distances travelled.

Wavestone has adopted a two-pronged strategy to reduce the environmental impact of business trips within the context of its international expansion strategy, namely by:

1. Limiting business trips by using audio and videoconferencing systems: Wavestone's meeting rooms are equipped with remote conferencing systems that are used mainly for in-house discussions between the firm's various sites.

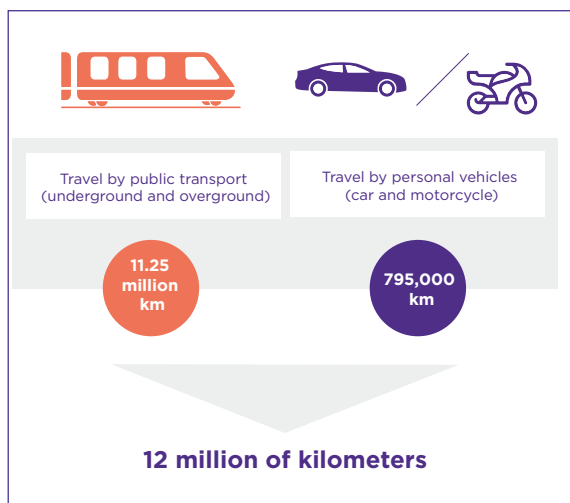
2. Choosing the least polluting means of transport for short-distance trips: Wavestone's employees are strongly encouraged to use public transportation for business trips in accordance with the current travel policy. Some examples of the measures put in place include:

- air travel is authorized only if the train would take more than 3 hours;
- Wavestone pays 50% of employee subscriptions to public bike-rental schemes (Vélib, Vélov, Bicloo, etc.) at all our French offices;
- car travel is authorized for business trips only when there is no access to public transportation or the schedule is too inconvenient. Using a private car for business trips requires prior authorization by the Career Development Manager. We are also promoting soft modes of travel locally. In Lyon, for instance, electric bikes are available for use by staff.

Commuting to work

12 million km per year is the total for commuting to and from work⁽¹⁾ within the reporting scope⁽²⁾, but it's not possible to break down this metric further into a realistic kilometer per employee.

Wavestone's employees are encouraged to use public transportation to commute to work. The table below shows the transport choices made by our employees in the fiscal year:



(1) The distance travelled by car by employees is calculated based on mailing codes for those with either car or motorbike parking spaces. Public transport use is estimated according to the tickets declared by employees. How average distances using public transport in Paris are calculated has changed since the regional travel pass system is no longer divided into transportation zones. This means that estimates are less accurate than in previous years.

(2) The public transport data we have covers 88.9% of staff and the private car data 81.9%.

(% km)	2018/19	2017/18	2016/17	2015/16	2014/15
Public transportation	93.4%	92%	92%	86%	86%
Own vehicles (car & motorbike)	6.6%	8%	8%	14%	14%

Exceptionally, taxis and VTCs are reimbursed for employees traveling home after 10 p.m.

Since 10/01/16, teleworking has been available to employees in all of the Group's French offices in order to reduce commuting. Teleworking is also very common in London, Luxembourg, New York and Geneva.

3.3.5. Protection of biodiversity

None of Wavestone's sites are situated in protected or high-biodiversity areas. The Company's activities have no direct or significant impact on biodiversity. However, Wavestone has a limited indirect impact through the amount of paper consumed. To minimize this impact, the firm only uses paper made from pulp from sustainably-managed forests (FSC or PEFC certified) or 100% recycled paper. Since 2012, this requirement has been incorporated into printing-services specifications, as well as printing paper purchases.













Appendices

1. Summary of Wavestone's environmental performance indicators over the past 5 years

Theme-based indicators	2018/19	2017/18	2016/17	2015/16	2014/15	Unit	% change yr-on-yr	% change over 5 years
Office waste	20.58	20.53	22.2	28.7	27.8	kg/headcount	+0.2%	-30%
Final energy consumption (per sq. m)	244.4	300.8	251.3	250.9	300.0	kWh/sq. m	-19%	-24%
Final energy consumption per employee	1,368	1,569	2,110	1,702	1,942	kWh/headcount	-13%	-36%
Water consumption	3.58	3.38	4.73	7.34	7.09	m ³ /headcount	+6%	-62%
Paper consumption	4.83	5.8	5.8	8.7	9.6	kg/headcount	-16%	-52%
Greenhouse gas emissions (within the reporting scope)	1.08	1.23 ⁽¹⁾	0.9	1.1	0.9	t.CO ₂ eq/ workforce	-12%	+20%
Total distance traveled for business trips	5,623	6,265 ⁽¹⁾	3,231	4,716	4,752	km/headcount	-10%	+21%
Business flights as a percentage of business trips	51%	50% ⁽¹⁾	40%	37%	18%	% of total km traveled	+3%	+133%
% of employees commuting by public transportation	93%	92%	92%	86%	86%	% of total km traveled	+2%	+10%

(1) 2017/18 indicators adjusted in line with standardization of data input methodologies.

2. Environmental performance indicators: five-year summary table

Category	Indicators/staffing	2018/19	2014/15
Office waste	Number of plastic bottles per collaborator (Average weight of an empty bottle: 30 g)	 737	 937
Energy consumption	Number of operating hours of the Eiffel Tower per collaborator (heating, air conditioning, elevators, lights)	 1h48	 3h54
Water consumption	Number of showers per collaborator (55 L on average per shower)	 65	 138
Paper consumption	Number of sheets used per employee (A4 sheet of 4.98 g)	 969	 2,063
Greenhouse gas emissions	Number of cars per year per collaborator (Use of an "average" car covering 17,423 km during one year)	 0.56	 0.47
Distance traveled	Number of Paris - New York trips per collaborator (Distance Paris - New York: 5,837 km)	 1.6	 1.8

3. Environmental reporting appendix – Cross-reference table between Wavestone data and Article 225 of the Grenelle II Law

The following table shows the cross-reference between the information presented in this report and implementing decree no. 2012-557 dated 04/24/12 relative to the obligation concerning corporate, social and environmental transparency. Certain information (in gray below) was considered irrelevant given Wavestone's activities (see details in the "Actions taken by Wavestone" column).

Decree 2012-557, Article 1, para. 2	Actions taken by Wavestone
a) General policy	Organization of the Company to take environmental issues into account and, where necessary, environmental assessment and certification initiatives
	Paragraph 2.1
	Measures carried out to ensure employee access to environmental training and protection
	Paragraph 3.3.1 1)
	Measures employed to prevent environmental risks and pollution
	Since Wavestone's activities are not of a material nature, they do not present any high environmental risk or cause major pollution (releases into the air, water or soil, noise pollution, soil use, etc.)
	The amount of provisions and guarantees for environmental risks, provided that such information is unlikely to cause any serious damage to the Company in the context of an ongoing dispute
	Wavestone did not write any provisions or guarantees for environmental risk
b) Pollution and waste management	Measures taken to prevent, reduce or remedy releases into the air, water or soil that seriously harm the environment
	Since Wavestone's activities are not of a material nature, they do not present any high environmental risk or cause major pollution (releases into the air, water or soil, noise pollution, soil use, etc.)
	Measures being carried out to prevent, recycle and eliminate waste
	Paragraph 3.3.2
	Management of noise pollution and any other kind of pollution specific to the Group's activity
	Because Wavestone's activities are not of a material nature they are not a source of major noise pollution
c) Sustainable use of resources	Water consumption and supply in accordance with local restrictions
	Paragraph 3.3.3 3)
	Consumption of raw materials and measures taken to optimize their use
	Paragraph 3.3.3 1)
	Energy consumption measures taken to improve energy efficiency, and recourse to renewable energy
	Paragraph 3.3.3 2)
	Land use
	Since Wavestone's activities are not of a material nature, they do not present any high environmental risk or cause major soil pollution. In addition, Wavestone's premises are located in already urbanized areas
d) Climate change	Greenhouse gas emissions
	Paragraph 3.3.4
	Adaptation to the consequences of climate change
	Since Wavestone's activities are not of a material nature, they are not directly impacted by the consequences of climate change
e) Protection of biodiversity	Measures taken to preserve and/or develop biodiversity
	Paragraph 3.3.5

3.4. Information concerning societal commitments

3.4.1. Relations between persons or organizations with an interest in the Company's activities

1) Partnership and sponsorship initiatives to support projects that create value for society to which Wavestone contributed expertise

As of 2018/19 and in keeping with the Wavestone 2021 strategic plan, the Company spends more time supporting organizations with a civic mission:

2021 objective	Performance at 03/31/18	Performance at 03/31/19
Devote 1% of the firm's time to supporting organizations with a civic mission	Approximately 0.16% ⁽¹⁾	0.24%

(1) Figure revised based on a new calculation basis.

Wavestone wants to increase the many forms of skills sponsorship to achieve this objective:

Powerday is Wavestone's global solidarity day organized once a year to give our people the opportunity to take part in a voluntary project.

Staff members wishing to volunteer can lend their support to the charitable association of their choice either by taking part in skills-based sponsorship programs or manual projects. Powerday helps to sponsor several associations committed to a variety of causes, such as the environment, health and disabilities, child welfare, social and professional integration, education and citizenship, sports & culture.

All of the associations supported by Wavestone are required to respect the Company's CSR commitments and notably carry out an audit and/or control ensuring the ethics, financial transparency and quality of their governance.

More than 1,000 employees from all our offices worldwide took part in 100 or so projects in the third Powerday, held on 08/31/18.

Some of the 2018 Powerday projects include:

- forest clean-up workshops in the Paris region;
- social solidarity craftwork workshops in Lyon;
- learning how best to sort and recycle cigarette butt litter in Marseille;
- textile sorting in Switzerland;
- introduction to surfing for young people with disabilities in the Nantes region;
- drafting the strategic plan for Croix-Rouge Insertion in Paris.

Following the success of the first three Powerdays, the event will be an annual occurrence. The next edition will take place on 08/30/19 and will aim to mobilize 1,500 employees.

Pro bono consulting and advice for community groups

Examples of partnerships include:

Ashoka

In 2017, Wavestone began a trial partnership with international NGO Ashoka as part of the latter's "ShareIT" program. This program, which combines technology, entrepreneurship and social commitment, aims to encourage the development of innovative digital projects with a positive social impact (Tech for Good). Buoyed by the initial success of the program, we stepped up the partnership in 2018/19 and rolled out skill-based sponsorship by offering two employees the opportunity to join the program full-time over a period of several months.

Wavestone consultants took on an engagement for *Signes de sens*, an organization working to promote equal access to education and culture for the deaf and hard of hearing. The engagement focused on developing a web browser extension for Elix, a collaborative online sign language dictionary.

Vendredi

Wavestone partners Vendredi, which gives three interns the opportunity to work one day a week for an NGO or other voluntary group. The purpose of the initiative is to create a link between voluntary groups in the business world through skills sharing.

Mentoring, during or outside of working hours, to help and support others in a specific area

Villebon – Georges Charpak Institute

Wavestone has been a sponsor of the Villebon - Georges Charpak Training Institute since 2012. This socially-responsible initiative is supported by the ParisTech Foundation, higher education bodies (business schools and universities) and socio-economic players. The Villebon Institute's goal is to widen access to the highest forms of education and extensive scientific studies:

- by promoting social, cultural and intellectual diversity for students. All the students show promise but do not excel in the mainstream educational system. 70% of these are on scholarships, 30% from technology studies and 16% have some form of disability;
- by deploying an experimental and interdisciplinary approach fostering team work in project mode;
- by spreading best practices and innovative teaching methods in the university environment.

Three classes have now graduated, with around 40 graduates in each year. Each class is limited to around forty students and leads to a Bachelor degree in "Science and Technology".

The success of this educational approach, awarded the Excellence in Innovative Education (IDEFI) label in 2012, was confirmed by the graduation, in 2016, 2017 and 2018, of the first three classes of students. Since 2016, 94% of students went on to Master's level or enrolled in engineering colleges, such as: AgroParisTech, EPITA, Arts et métiers, Polytech and EDHEC.

As founder of the Villebon Institute, Wavestone lends its support at various levels: student-sponsorship, vocational integration by way of conferences, career workshops, company visits (around 7 events a year), student selection, raising the profile of the Institute and participation on its governing bodies.

In 2018/19, around 80 Wavestone's employees sponsored students from the Institute throughout their 3-year Bachelor's program and gave them guidance on building their professional projects.

Apprentis d'Auteuil

Since February 2018, Wavestone has lent its support to the "L'Ouvre Boite Paris". *L'Ouvre Boite* is a project designed to

support young entrepreneurs aged 18 to 25 who show innovation, initiative, creativity and courage in starting up their business, but who are faced with specific cases of social and professional exclusion (long-term unemployment, lack of qualifications, living in a disadvantaged urban area, etc.).

In this instance, one Wavestone employee and a member of the Shake'Up initiative were chosen to be mentors for 2 years. Their objective is to provide support and a listening ear to young entrepreneurs to help them get their project off the ground.

Alter'Actions

Our partnership with Alter'Actions started in 2017 in a novel community engagement program to train students to consult pro bono for organizations in the social and solidarity economy, supervised by professional consultants. Professional staff in partner companies, like Wavestone, contribute through skills-based sponsorship.

Since the inception of the partnership, Wavestone has completed three assignments for different groups. In 2018/19, for example, one of our employees supervised students in the "Comme les Autres" organization. Formed by Michaël Jérémiasz, who was left paraplegic after a skiing accident, "Comme les Autres" provides help and support to people who are disabled following an accident to rebuild their lives. The group wanted help with an advertising campaign to consolidate and expand its impact around the country and look into ways of raising funds.

The Wavestone Corporate Foundation

The Wavestone Corporate Foundation was created in 2009, and extended in 2019 for a period of 5 years, for the purposes of carrying out humanitarian actions in France and abroad by lending support to, or developing, actions aimed at combating child poverty and extreme deprivation.

The Foundation is focused on developing long-term development projects.

Since its creation, the Foundation has backed and financed more than 128 youth-work projects, for the most part in Africa and Asia. Every project monitored by Wavestone is sponsored by an employee of the Company. During the fiscal year, 36 sponsors had contributed to the Wavestone Foundation's projects by continuing to lend their support.

In 2018/19, 14 projects were financed by the Foundation. In March 2019, 18 new projects were selected by the Foundation's Board of Directors following a new call for projects.

The Charter of the Foundation and all previous-year activity reports are available on the Foundation's website: www.fondation-wavestone.fr.

In fiscal 2018/19, Wavestone donated €197,500 to charitable organizations (excluding Powerday). The foundation also paid out €66,200 to groups working with disadvantaged children.

2) Actions taken with respect to employment and professional integration

As a responsible employer, Wavestone pays particular attention to its social footprint

In 2018/19, close to 8,000 applicants from various sourcing channels (relationships with educational establishments, candidate-referral campaigns, recruitment events and spontaneous applications) were interviewed by Wavestone in France.

The objective of this proactive partnership policy is to lend support to students in their personal and professional development throughout their studies:

- professional, via the transmission of knowledge and savoir-faire inherent in consulting jobs (project management, client relationship management); and
- personal, by providing a variety of career coaching programs.

There were over 150 on-campus initiatives in 2018/19: CV/cover-letter workshops, talks by members of the Company's alumni, attendance at educational meetings, organization of conferences, round tables and course modules, etc.

On an educational level, the Company also maintains strong relations with the careers services and faculty bodies of its target schools.

3) Raising awareness of IT security issues

IT security has risen to the top of the Company's agenda and is vital to our core business. We reaffirmed our commitment to working to reinforce IT security in the long term during this past year.

A deep and lasting commitment to raising public awareness about the importance of online security

In fiscal 2018/19, Wavestone continued to strengthen information system protection measures through a number of initiatives to make the general public more aware of the threats to cybersecurity and how to stay secure in the digital space.

We continued our partnership, active since 2015, with Hack Academy and its awareness raising platform.

The Company is also involved in putting together a digital security holiday activity book for 7-11 year olds, with ISSA France, called "*les As du Web*", sponsored by the Secretary of State for Digital Affairs.

Wavestone also shot its first – playful – video with Wavestone staff to make the general public aware of password security. The video was uploaded in October 2018 and is set to be followed by others exploring cybersecurity topics.

Free, open-source cybersecurity for all

Wavestone regularly develops software to facilitate certain types of activity or to demonstrate feasibility, especially when it comes to cyber security: platform to hack into passwords, exploiting vulnerabilities in some technologies, looking into indicators of compromise if an attack is suspected, amongst others. We pick out the software that could prove useful to other cybersecurity operators and make it available on the web free of charge. The source code is also distributed under free license so that the software can be improved by other coders. Several of these software packages were updated in fiscal 2018/19 to add more features and broaden their application.

Broad engagement across the board

This year, Wavestone was also active in the work of public policy think tank Institut Montaigne on cyber threats and the resilience of our economy and society as a whole to mounting and large-scale cyber threats. We worked for nine months in the role of rapporteur with businesses and universities. Published in November 2018, the report (in French) "*Cybermenace : avis de tempête*" (translated loosely as "Cyber threats: storm warning") posits thirteen practical proposals. The focus is on cooperation and solidarity and the need for a global and coordinated response by governments.

We also signed the “Paris Call for Trust and Security in Cyberspace” launched by France during the UNESCO Internet Governance Forum (IGF), further underlining our commitment to the issue. Wavestone supports the call through our promise to continue to work towards the goals of a stable cyberspace.

3.4.2. Regional, economic and social impact of the Company’s activities

At Wavestone, we take the regional, economic and social impacts of our business seriously.

2021 objectives	Performance at 03/31/18	Performance at 03/31/19
Conduct our activities based on a clear and responsible policy regarding the choice of our missions and our clients	<i>No policy</i>	<i>Policy being drafted</i>
Draw up a responsible charter of advice and train all employees in its application	<i>No charter</i>	<i>Charter being drafted</i>

Wavestone wants to make responsible consulting the default position for all employees in all our centers of excellence and offices, and across all subject areas. The right training and resources are vital to achieving this goal.

In 2019/20, we will trial responsible consulting on several types of engagements, such as supplier search, a digital project, and oversight and management of a transformation project. We will build on the lessons learned to expand this policy.

In addition, Wavestone is committed to supporting its customers in their transformation towards more efficient, sustainable and responsible business models. One of the consulting engagements in this area, in fiscal 2018/19, was a call for tenders by a local authority to award a public service contract for the development and launch of a new B2C long-term rental offer for electric bicycles (EAB) to promote soft, sustainable and alternative mobility. Wavestone was awarded the contract.

3.5. CSR information: economic responsibility

Wavestone aims to be a trusted partner and conduct itself as a responsible player in its environment. As such, the firm guarantees all of its financial, economic, civic and social stakeholders:

- compliance with transparency and ethics rules and the protection of data from end to end of the value chain;
- responsible relations with our suppliers.

Our goal is to be socially engaged. In other words, we intend to act responsibly to inform and guide large corporates and public bodies in their mission-critical transformation projects to yield positive results for all stakeholders.

To take CSR to the next level, we have built CSR goals into our consultancy practice and set priority targets to 2021:

3.5.1. Transparency and ethics

Governance

Wavestone has adopted a two-tier management structure comprising a Management Board and a Supervisory Board to ensure a clear separation between the Management and Control functions of the Company

Wavestone complies unreservedly with the MiddleNext Corporate Governance Code.

The Supervisory Board is composed of 6 members (2 women and 4 men), of which 3 are independent. As Wavestone is an equity-controlled company, the composition of the Supervisory Board ensures that the interests of the minority shareholders are respected. The board has an Audit Committee and Compensation Committee, both of whom are chaired by independent directors.

On the recommendation of the Audit Committee, internal controls were tightened during the 2018/19 fiscal year to secure processes and manage risk. IS, operational and financial incidents are monitored every month and more than a hundred procedures have been drawn up and published.

In addition, an internal audit charter was drawn up together with an internal audit code of ethics.

During the 2017/18 fiscal year, a new Risk-monitoring Committee (COFIL) was set up to oversee internal control, internal audit and IS-risk.

Anti-corruption code of conduct and guide

Wavestone’s Management Board adopted the Anti-corruption code of conduct published by MiddleNext in December 2017. The code sets out the principles to be followed by all employees in the performance of their duties no matter what their job is or where they are based. It also applies to anybody acting on behalf of the firm.

Wavestone also drafted its own in-house guide for staff based on actual case studies.

Commitment to business ethics training

Our CSR strategic plan includes the commitment by 2021:

2021 objective

Have trained 100% of employees ⁽¹⁾ in business ethics

(1) Employees who have been with the Company for at least 1 year.

An initial business ethics module is under development. On completion of the module, participants will be able to:

- understand what fraud, corruption and influence peddling are;
- know the sanctions that apply and their duties as an employee of the firm;
- know how to express their concerns or flag risky situations;
- recognize and avoid fraud and corruption risks and know what to do if faced with attempted bribery.

Fraud and tax evasion

Tax compliance is a central concern for Wavestone. We ensure we are compliant with all laws in our host countries, that we file our tax returns and pay all taxes due within the deadlines.

Whistleblowing system and the role of the Ethics Officers

Our whistleblowing policy allows staff to raise concerns about bribery, corruption and influence peddling. The system is also open to third parties working on behalf of Wavestone.

Central to this policy is the appointment of Ethics Officers representing all the firm’s functions. Their role is to review reports received from employees through internal audit to decide if there’s a case to answer, and monitor and oversee any matters referred for investigation.

Ethics Officers also answer questions from employees or third-parties on issues related to fraud, corruption, conflicts of interest and influence peddling. We are arranging regular monthly Ethics Officers hours in 2019/20 to give employees the opportunity to discuss any concerns they have.

	Performance at 03/31/18	Performance at 03/31/19
	<i>No training</i>	<i>Training being developed</i>

3.5.2. Data protection across the value chain

1) Raising awareness of IT security issues

Wavestone’s core business is to assist its clients in the definition and implementation of their most critical projects. As a result, the Company handles a lot of data entrusted by its clients on a daily basis. As a trusted partner, Wavestone has made data protection its priority. That is why, in recent years, the Group has reviewed and strengthened its information system protection measures to ensure maximum protection against the growing number of cyber threats. To prevent any incident that could have a significant impact on the brand image, operations and financial health of its clients but also Wavestone itself, a series of functional and technical measures have been implemented Group-wide. Each information system user thus has a key role to play in this prevention.

In order to raise awareness among its employees, Wavestone has implemented a certain number of measures:

- creation of a user guide distributed to all new employees and available on the Company Intranet;
- creation of a series of animated awareness videos;

- dedicated page on the Intranet;
- confidentiality agreement signed by new recruits, e-learning modules for new employees recalling Wavestone's good ISS practices; etc.

The Company has decided to strengthen its action plan by setting a priority objective in Wavestone's CSR strategic plan:

2021 objective	Performance at 03/31/18	Performance at 03/31/19
Have trained 100% of employees ⁽¹⁾ in data protection	<i>70% of new hires</i>	<i>86% of new hires</i>
	<i>13% of employees</i>	<i>71% of employees</i>

(1) Employees who have been with the Company for at least 1 year.

3.5.3. Responsible relations with our suppliers

Social and environmental issues taken into account in the firm's procurement policy

During the 2018/19 fiscal year, Wavestone continued work on drafting a new procurement policy for the firm to embed key CSR issues. This new responsible procurement policy focuses on two main areas:

- the integration of CSR criteria when choosing suppliers;
- the creation of a procurement code of ethics for internal buyers.

Until now, sustainable development criteria (environmental, social and/or societal) were integrated into certain specific purchasing processes, but were not implemented and standardized at Group level (see 3.3.3).

Wavestone intends to make CSR criteria an integral part of supplier selection by:

- preparing a list of responsible suppliers for France;
- drafting a CSR appendix to be included with the specifications of calls for tender.

Our aim is to select suppliers that meet social (the sheltered employment sector, social employment companies, companies hiring older people, etc.), environmental (zero waste policy, organic foods, etc.) and community (Made in France) criteria.

To keep CSR high on the agenda, initiatives aimed at buyers led to sourcing locally produced, green goodies for new hires and a higher spend with the sheltered sector. The new ESC is

also keen to select activities and providers based on CSR criteria and plans to draft a CSR charter during the upcoming year.

Paying suppliers on time is also a key priority for Wavestone.

In addition, as a signatory of the United Nations Global Compact since 2012 (see 2.3), Wavestone is committed to meeting international ethics standards and, as part of its continuous improvement initiative, to pursuing efforts that promote social progress and economic development.

Lastly, it should be noted that the bulk of Wavestone's partners and suppliers are based in France and subject to French laws and obligations relating to human rights, labor law, etc.

Outsourcing

As part of its consulting services to large companies, Wavestone may occasionally be called on to subcontract part of its services to other specialist firms, particularly when a specific skill that does fall within its own area of expertise, is necessary to complete the project.

Measures taken to promote consumer health and safety

Since Wavestone provides corporate services, it is not concerned by consumer health and safety issues.

It should be noted, however, that the Group contributes towards raising awareness of cybersecurity (see 3.4.1.3).

4. Methodology note regarding Wavestone's 2018/19 non-financial reporting

4.1. Scope of consolidation

Unless stated otherwise, by default, the **social and societal information** covers Wavestone's entire consolidation scope.

Wavestone reporting scope therefore includes Wavestone SA (parent company) and its subsidiaries:

- Wavestone Advisors UK, Xceed Group (Holdings), Xceed Group, Wavestone Consulting UK (offices in the United Kingdom);
- Wavestone Advisors Switzerland and Wavestone Consulting Switzerland (offices in Switzerland);
- Wavestone Advisors (French offices);
- Wavestone US and Xceed (2007) (offices in the United States);
- Wavestone Luxembourg (office in Luxembourg);
- Wavestone Belgium (office in Belgium);
- Wavestone Advisors Morocco (Moroccan office);
- Wavestone HK (office in Hong Kong);
- M3G⁽¹⁾, Metis Consulting⁽¹⁾ (French offices).

A different methodology, detailed in the environmental report (see 3.3), is used for **environmental data**.

Economic data are both qualitative and quantitative.

4.2. Reporting period

Most of the data provided in this report covers the 2018/19 fiscal year ended 03/31/19. In exceptional cases which are explicitly mentioned, the information covers the 2018 calendar year.

4.3. Non-financial data collection sources and method

Wavestone's non-financial data is collected and consolidated at the Company's head office. Data collection and consolidation is the responsibility of the head of HR development, under the supervision of the Chief Financial Officer.

1) Data collection and consolidation

Social data

Given the nature of Wavestone's consulting activity, the social aspect of sustainable development is a major issue and key priority for the Company.

Wavestone's HR Development Department is responsible for defining and implementing the Company's human resources strategy. The department is assisted mainly by a central team and decentralized HR development teams.

Social reporting and the monitoring of associated indicators fall under the responsibility of a single dedicated contact within Wavestone's HR Development Department, who is in charge of data consolidation at Group level.

Environmental data

At the environmental level, Wavestone has worked with the firm I Care & Consult since 2013. Wavestone SA conducted its first carbon audit during the 1 fiscal year, using the Bilan Carbone® approach developed by the French Environment and Energy Management Agency, ADEME. An environmental reporting procedure, in accordance with Articles 75 and 225 of Grenelle II, was also set up in 2012/13.

The processing and analysis of environmental data is supervised by I Care & Consult. Data collection is monitored by a contact within Wavestone, in charge of gathering and consolidating all information from contributors identified in the departments concerned (IT, Pay, etc.).

Societal data

Societal reporting is mainly qualitative. It is overseen by Wavestone's HR Development Department, working in tandem with the specific contributors in the various departments.

Exclusions

In this report, Wavestone publishes qualitative and quantitative data on all the social, environmental and societal themes required by Articles L.225-102-1 and R.225-104 of the French Commercial Code.

Note, however, that in accordance with the "comply or explain" rule provided by law, information considered not relevant and therefore not applicable to the Company because of its exclusively intellectual activity, is not included in this report. These exclusions mainly concern environmental information (see the "Cross-reference table: pursuant to decree 2012-557 of 04/24/12 Grenelle II" in the Appendices) and societal information (actions to reduce food waste and food precariousness, to protect animal welfare, and promote responsible, fair and sustainable nutrition).

(1) Acquired in November 2018.

4.4. Control methods

Internal control

Data is initially assessed by the CSR manager who reports to the HR Department.

Once data consolidation has been completed, data consistency checks are performed by the departments concerned. These checks include comparative analysis with data from previous years, and significant differences are systematically analyzed.

External control

Under the new regulatory provisions of the Grenelle II Law, its implementing decree, and the order of 05/13/13, Wavestone commissioned the firm Finexfi, a designated independent third-party, to audit its social, environmental and societal information for the 2018/19 fiscal year. The subsequent audit report is presented below.

5. The independent auditor's limited assurance report on the Company's social, societal and environmental information.

To the Shareholders,

Following our engagement by Wavestone as an independent third-party organization accredited by COFRAC under no. 3-1081 (scope available at www.cofrac.fr), we submit our report on the consolidated statement of non-financial information for the fiscal year ended 03/31/19 (hereinafter the "Statement"), included in the Company's management report, pursuant to Articles L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code.

Entity's responsibility

The Management Board is responsible for preparing a Statement in accordance with applicable law and regulations, including a description of the Company's business model, the main non-financial risks, a presentation of the policies in place to address these risks as well as the outcomes of these policies, including key performance indicators.

This Statement was prepared in accordance with the reporting framework (the "Reporting Framework") used by the entity, the main points of which are available on the Company's website or on request at Wavestone's registered office.

Independence and quality control

Our independence is defined by Article L.822-11-3 of the French Commercial Code and by the audit profession's code of ethics. We also have a quality control system including documented policies and procedures to ensure compliance with ethical rules, professional standards and applicable laws and regulations.

Responsibility of the independent third party

It is our role, based on our work to express a substantiated limited assurance, on:

- compliance of the Declaration with the provisions of Article R.225-105 of the French Commercial Code;
- the fairness of the disclosures pursuant to Article R.225 105-I(3) and II of the French Commercial Code, namely the outcomes of policies applied, including key performance indicators, and actions to address the main risks (hereinafter the "Disclosures").

It is not our responsibility to express an opinion on:

- the entity's compliance with other applicable laws and regulations, specifically with regard to the due diligence, anti-corruption and anti-tax evasion plan;
- compliance of products and services with applicable regulations.

Nature and scope of our work

We conducted our work in accordance with professional standards applicable in France, which specify the terms and conditions for the performance of its engagement by the independent third-party organization, and with International Standard on Assurance Engagements (ISAE) 3000.

Our audit took place over an average of six person/days between 04/30/19 and 05/17/19.

We conducted three interviews with the individuals responsible for drafting the Statement.

Our work allows us to assess the compliance of the Statement with the regulations and the fairness of the Disclosures:

- we reviewed the activity of all the companies included in the scope of consolidation, the presentation of the principal social and environmental risks related to this activity, the impacts on respect for human rights, anti-corruption and anti-tax evasion, as well as the policies in place to address these risks and their outcomes;
- we assessed how appropriate the Guidelines are in terms of relevance, completeness, reliability, neutrality, clarity,

taking best practice in the industry into account where relevant;

- we checked that the Statement covers each category of disclosure required under Article L.225-102-1 of the aforementioned Code, with respect to social and environmental matters, respect for human rights, anti-corruption and anti-tax evasion;
- we verified that the Statement describes the business model and the main risks related to the activity of all entities within the consolidation scope, including, where relevant and proportionate, the risks created by its business relationships, products or services, as well as the policies, actions and outcomes, including key performance indicators;
- where relevant to the risks or policies presented, we verified that the Statement presents the disclosures required by Article R.225-105;
- we assessed the process for identifying and validating the main risks;
- we investigated which internal control and risk management procedures are implemented by the entity;
- we assessed the consistency of the outcomes and key performance indicators selected in respect of the main risks and policies presented;
- we checked that the Statement covers the consolidated scope, in other words, all the companies included in the scope of consolidation as per Article L.233-16, within the limits specified in the Statement;
- the audit team reviewed the entity's data collection process to ensure comprehensive and fair Disclosures;

For the key performance indicators and other quantitative results we considered most important, we implemented:

- analytical procedures consisting in verifying the consistency of the data gathered and their correct consolidation;
- granular tests on samples that involved checking that definitions and procedures are correctly applied and reconciling the data with supporting documents. This was done on a selection of contributing entities⁽¹⁾ that cover 40 to 100% of the consolidated data from the key performance indicators and selected outcomes for these tests⁽²⁾;

- we consulted documentary sources and conducted interviews to corroborate the qualitative information (actions and outcomes) that we considered most important;
- we assessed the overall consistency of the Statement based on our knowledge and understanding of all the companies included in the scope of consolidation.

We consider that through our work based on our professional judgement we have obtained sufficient appropriate evidence to support the limited assurance conclusion expressed in the assurance report. A higher level of assurance would have required more in-depth verification work.

Due to the use of sampling techniques and other limitations inherent in the operation of any information and internal control system, the risk of not detecting a material misstatement in the Statement cannot be completely eliminated.

Comments on the disclosures

Quantitative social data are primarily derived from a single group database, to which robust internal controls are applied.

Opinion

Based on the procedures performed, no material misstatements have come to our attention that caused us to believe that the Statement of non-financial information was not presented in accordance with applicable regulations and that the Disclosures, taken as a whole, are not truly and fairly presented, in accordance with the Reporting Framework.

Lyon, 05/17/19


FINEXFI
Isabelle Lhoste
Partner

(1) Scope of social disclosures: global database; scope of environmental disclosures: Wavestones SA sites in Paris, Marseille, Nantes, Nanterre and Villeurbanne.

(2) Employment, New Hires and Lay-offs, Health and Safety, Training, sustainable resource use (raw materials and energy), climate change, focus on business trips, social and charitable work.

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