

2019/20

Wavestone

Corporate Profile

Content



1	Interview with Michel Dancoisne and Pascal Imbert	04.	7	Enhancing our collective knowledge	16.
2	Key figures	06.	8	Client satisfaction, more essential than ever when facing a crisis	17.
3	Wavestone on a global stage	07.	9	A sales force dedicated to the success of our clients	18.
4	Key data for 2019/20 fiscal year	08.	10	Setting the benchmark as an employer	22.
5	Wavestone, a leading player in an evolving market	13.	11	Embodying and sharing our own values	24.
6	Supporting the most critical transformations	14.	12	Operating model and governance	26.

Joint interview with Pascal Imbert & Michel Dancoisne



Pascal IMBERT
CEO

Michel DANCOISNE
CHAIRMAN OF THE SUPERVISORY
BOARD

/ The end of 2019/20 fiscal year was characterized by the health crisis brought on by the Covid-19 pandemic, an unprecedented situation for the firm you created thirty years ago. As co-founders of the firm, what is your view of how your teams reacted to the crisis?

MD: Looking around now, some months after the start of the health crisis, I can only commend the rapid adaptation, innovative capacity and commitment shown by our Wavestone teams. Crises have the ability to reveal the strength of organizations and the values of the individuals they're comprised of. I am proud to observe that the fundamental values of Wavestone, which have been the cornerstone of the firm since its creation, were very much apparent.

PI: Our corporate culture, our commitment to working together and to working as a team make Wavestone a unique player in the consulting ecosystem. These qualities were undoubtedly our strengths during this challenging period. Numerous initiatives were rolled out: initiatives aimed at better serving our clients, at maintaining strong links with our teams, and even at using our expertise to help those in need, as part of our commitment to making positive societal contributions. As co-founders of the firm, we are proud of the efforts of all Wavestone's teams.

/ All told, despite the impact of the health crisis at the end of the fiscal year, Wavestone's full-year profitability remained strong in 2019/20. How do you explain this?

PI: It should be noted that lockdown measures were introduced only during the last few weeks of our fiscal year. While these measures led to a marked slowdown in business, they only had a moderate impact on the firm's yearly performance. The successful integration of WGroup in the US, coupled with a dynamic recruitment policy throughout most of the year and the resilience of our selling prices are the main factors that supported our profitability, which remained solid and in line with our targets.

MD: In addition to profitability, it's also worth highlighting Wavestone's excellent financial performance in 2019/20. The firm generated a record operating cash flow of more than €55m last year, which enabled for

the self-funding of the WGroup acquisition for close to €25m, and a significant reduction in net financial debt. As the economic outlook becomes more uncertain, this financial strength is a real asset.

/ 2020/21 fiscal year has begun amid much deteriorated macroeconomic conditions. What are the likely consequences for the consulting market?

PI: The crisis resulting from the Covid-19 pandemic represents a considerable economic shock, one that is unprecedented in Wavestone's history. The impact on consulting demand is likely to be significant: wait-and-see approaches adopted by clients, widespread cost-cutting plans, and tough arbitrage on investment decisions.

MD: There is likely to be a major shock to worldwide economic growth, with recessions of more than 10% for many Eurozone countries. The consulting market, which is traditionally among the most volatile sectors, generally amplifies trends. As a result, in 2020, it could contract by 16% worldwide and by 18% in Europe (Source: Global Research, data from July 3, 2020), and it's likely that competition will intensify over the next few months.

/ What are Wavestone's main strengths which will allow it to ride out the crisis? What actions have you implemented to address the situation?

MD: I am confident in the firm's resilience. Wavestone will rise successfully to the challenge ahead, just as it has done many times in the past. The firm has strengths that have illustrated their effectiveness in previous crises. First among these, I would like to emphasize our commercial effectiveness, which leverages the expertise of a specialized business development team, an extensive portfolio of large accounts and proven sectoral agility. Our business model is also pivotal to our success. It is based on a co-operation between teams which enables seamless sharing of the firm's workload among the different practices, on a strong steering culture within our management teams, and on our ability to adapt to meet our clients' needs.

PI: Since April, we have been in battle mode in order to tackle the crisis. Initially, we focused our attention on commercial business. We immediately bolstered our business development teams to that they could step up the pace of prospection while simultaneously shifting their focus to the most resilient sectors.

At the same time, we worked on adjusting the scale of the firm to the new backdrop. As a result, we froze hiring from mid-March. We also rolled out a performance plan targeting €15 million in savings on external charges to lower our break-even point. Lastly, all Wavestone teams, regardless of function, practice or business unit are acting together to achieve a shared target: protecting the firm's profitability. I would like to underline that our battle plan does not include any adjustments to the firm's headcount.

/ A word on the firm's governance during the crisis. How do you feel the firm has been running during this period?

MD: We have worked hard over the past few years to strengthen and champion the professionalism of Wavestone's governance to support the change in the firm's scale. In particular, we have strengthened risk controls and internal audit procedures, as part of our international development, but also to ensure that the firm can hold up better during periods of crisis.

PI: As part of this work, the Audit Committee challenged the firm's teams on different scenarios and simulations which enabled us to be perfectly prepared for the situation we are currently facing today. By adopting a forward-looking approach, we seamlessly executed our business continuity plan from mid-March. As a result, we were able to proceed with business activity under excellent conditions, despite the circumstances.

Key figures

3,498

employees
worldwide



8

countries



422

revenue
in millions of euros

Wavestone on the global stage



Key data for 2019/20 fiscal year

Simplified consolidated income statement

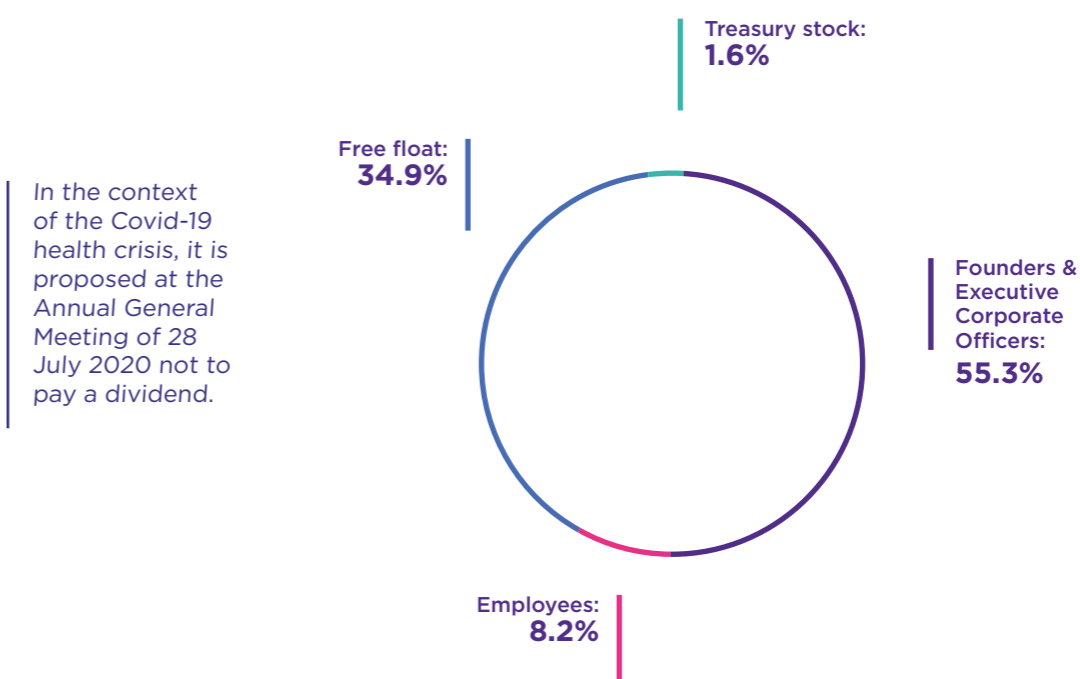
Audited consolidated figures at 03/31/2020 (in €m)	2019/20	2018/19	Change
Revenue	422.0	391.5	+8%
EBIT	55.7	55.2	+1%
EBIT margin	13.2%	14.1%	
Operating income	53.5	52.4	+2%
Group share of net income	31.1	30.8	+1%
Net margin	7.4%	7.9%	

Consolidated balance sheet

Audited consolidated figures at 03/31/2020 (in €m)	03/31/20	Audited consolidated figures at 03/31/2020 (in €m)	03/31/20
Non-current assets	232.8	Shareholders' equity	177.1
Current assets excluding cash and cash equivalents	151.7	Financial liabilities	94.3
Cash and cash equivalents	65.1	Lease liabilities	37.7
		Non-financial liabilities	140.5
Total	449.6	Total	449.6

Net debt at 03/31/2020: €29.1m compared with €38.7m at 03/31/2019

Breakdown of share capital at March 31, 2020



Financial calendar

07/27/2020: Q1 2020/21 revenue
 07/28/2020: Annual General Meeting
 10/29/2020: HY 2020/21 revenue
 12/01/2020: HY 2020/21 results
 01/28/2021: Q3 2020/21 revenue
 04/27/2021: FY 2020/21 revenue
 06/01/2021: FY 2020/21 results

Stock market data

Share price at 05/29/2020	€20.20
Number of shares	20,196,492
Market capitalization	€408m
Company value (Market capitalization at 05/29/20 + net debt at 03/31/20)	€437.1m

Share data

Market:	Euronext Paris
ISIN code:	FR0013357621
ICB:	9533 Services informatiques
Reuters:	WAVE.PA
Bloomberg:	WAVE:FP

Wavestone is listed on the Tech 40 index and is eligible for the PEA-PME* share savings plan.

*equity savings plan for the financing of SMEs and ETIs

"Yesterday's major customers will not necessarily be the future ones"

INTERVIEW WITH PATRICK HIRIGOYEN AND ANNE RÉGNIER



Patrick HIRIGOYEN

COO

/ What are the main challenges that Wavestone must face in such an extraordinary market environment?

PH: The crisis we have been experiencing for some months now has had three main consequences for our commercial activity: a sharp decline in demand since the start of introduction of lockdown measures, of around 15%-20%. In turn, this significantly impacted our business sector and particularly Wavestone, leading to uncertainty on the length of the crisis and potential future impacts.

AR: An immediate consequence of the crisis was a shift in client profiles: yesterday's major customers will not necessarily be our future major customers. Many sectors, such as the Transportation sector, were hit particularly hard. This intensified market competition.

/ How did you react to ensure business continuity?

PH: Firstly, we were incredibly responsive: we mobilized resources to restart business from mid-April, with a major recovery in prospection business. We substantially increased our commercial activities, targeting resilient business sectors, and allocating additional resources. Our sales teams were strengthened both in number and expertise, and, for the firm, business development is our top priority. Practically speaking, this means that all of our employees who can play a commercial role and are capable of making a difference are mobilized on a daily basis.

AR: The key word is agility. We have set up a steering division which meets weekly to ensure that we are present with clients who have maintained business levels, and that we are in contact with the appropriate representatives for client business. This means we are directly involved in transactions and in a position to fine-tune our initiatives and actions rapidly if necessary. Similarly, and reflecting our core values,

full client satisfaction is our guiding principle. This is all the more important in a time of crisis. As such, our clients are more motivated to continue and step up their collaboration with Wavestone.

/ Have you reviewed or revised your value proposition to meet your clients' immediate needs?

AR: Our ambition is to be as close as possible to our clients on the ground, and to adapt thanks to our broad range of expertise. Wavestone is also keen to focus its efforts on areas of business that, in principle, are more resilient. These include: the pharma industry, utilities, financial services and the public sector. At the same time, the emphasis of our service offer is increasingly on current essential challenges such as cybersecurity, IT optimization, and operational efficiency.

/ What are your priorities today? What strategy have you implemented for the months ahead?

PH: Owing to the consequences of the crisis, we are preparing to overcome a drastically deteriorated economic environment in the 2020/21 fiscal year. We have developed a battle plan to achieve this involving restarting commercial activity, as we mentioned earlier. Today, we are ready to quickly adjust our commercial priorities as the shape of the market recovery becomes more distinct.

Apart from this drive to boost commercial activity, we have taken measures to adapt to the current economic backdrop. The freeze on hiring from mid-March has been maintained. A performance plan has also been implemented to lower the Group's breakeven level. It aims to generate €15m in savings over FY2020/21, excluding furlough mechanisms and without impacting our headcount.

Lastly, all Wavestone teams, regardless of function, practice, or business unit, are acting together to achieve a shared goal: protecting the firm's profita-

bility. Wavestone's 2021 strategic plan has been put on hold in favor of short-term initiatives.

/ What have you learned from the crisis? In what way will it change your area of business?

AR: With the limited perspective we have for now, I would say that the first lesson we have learned relates to teleworking: we became aware that we are perfectly capable of completing our assignments and offering full-value services, even remotely. The crisis was a genuine opportunity to save time and boost efficiency. We must capitalize on this to find the right balance between the efficiency inherent in remote working and the necessity of human contact which is an integral part of our business.

PH: We must absolutely avoid answering this question for now, as our focus could be distracted from essential matters and we could give the impression that the crisis is already behind us. The unprecedented nature of the crisis makes it difficult to learn from the past. For now, I believe that Wavestone has stepped up to the mark, in particular thanks to its strengths that were effective during previous crises: a strong commercial culture, collective employee engagement, and rapid adaptation, which translates in particular to quality steering. Note also that our solid financials before the outbreak of the crisis allowed us to tackle the shock of initial months. Moreover, they enabled us to pursue our number one priority: to do everything necessary to protect the firm's human capital.



Anne RÉGNIER

COMMERCIAL DIRECTOR

Focus on the Philadelphia office in the United States



Jeffrey VAIL
CEO WGROUP, A WAVESTONE COMPANY

Our clients now see us in a very different and positive light since the acquisition.

/ WGroup joined Wavestone a year ago. What drove this decision?

The ideal candidate was an organization that saw our Group as a strategic asset and was able to leverage our position for its own growth. We also wanted to benefit from new skill sets and new markets. Wavestone was a perfect fit for our needs and highly professional throughout the acquisition process.

/ How is the integration process going?

Integration is gradual and steady to enable necessary changes as we switch over to the Wavestone business model. Back-office, finance and HR activities will be integrated by the end of the current fiscal year. We are now focusing on commercial synergies: we work together on around 10 clients and are proud of the initial successes.

/ What added value does this provide for clients?

WGroup has always had limits that our clients have been aware of—we were exclusively US focused, we had no cybersecurity expertise and our delivery capacity was limited by our size. These limits have now been overcome: our clients now see us in a very different and positive light since the acquisition.

/ After one year, what are the main shared successes?

We have secured new shared assignments for about half a dozen clients with much more potential untapped. We see strong trends in cybersecurity and in supply chain management, specifically with Wavestone's Supply Chain team.

/ What are the main commercial challenges you face in the US in these unprecedented times?

The biggest challenge we face is uncertainty. Whether a client successfully rides out the crisis or not, they all face an uncertain future. The first consequence of such uncertainty is the implementation of cost-cutting measures. Our expertise in sourcing means we are well positioned to support clients in the implementation of these measures, and we have set up an arsenal of dedicated offerings to assist them.

/ As things stand, what are your priorities? What strategy have you implemented for the months to come?

Our priority is to emerge from this difficult period in better shape than we were before the crisis. We rapidly implemented appropriate cost-saving measures and we are now fully focused on the future. Clients need fresh perspectives for the future. All of the work we have accomplished over the past 15 years positions us as the best market player to support clients in successfully negotiating these testing times.

Wavestone, a leading player in an evolving market

In a market intimately linked to the good health of private-sector companies and public-sector bodies, where digital and innovation have become permanent features, Wavestone can rely on the strength of its business model and the relevance of its value proposition.

A CONSULTING MARKET ON THE RISE IN 2019

In France, where Wavestone generates 85% of its revenue, the consulting market grew by 6.2% in 2019 (Source Global Research), after growing by 6.9% in 2018. Clients have shown an interest in transformation projects, based on new technologies.

However, the uncertain macroeconomic and political environment, characterized by the slowdown in world growth, Brexit or the trade war, and amplified by the health and economic crisis linked to Covid-19 epidemic, is holding back business investment and weighing on the demand for advice. The firm Source Global Research estimates that the consulting market could decline by -16% worldwide and -18% in Europe (estimations as of July 3rd, 2020).

THE COMPETITIVE ENVIRONMENT

Wavestone has four major types of competitor:

- Independent management consultancies: BearingPoint, Eurogroup Consulting, Sia Partners, PA Consulting etc.
- Consulting divisions of the "Big Four" international auditing firms: Deloitte, EY, KPMG, PwC.
- The consulting divisions of major IT consultants: Accenture, Capgemini Consulting etc.
- Niche players (sector, function or country-specific): Argon Consulting, Capco, Chappuis Halder & Co, Exton Consulting, Julhiet Sterwen, LHH, Stanwell Consulting, etc.

Strategy consulting firms may occasionally be considered as competitors in certain fringe activities: Bain & Company, BCG, McKinsey, Roland Berger, Oliver Wyman, etc.

In this highly competitive landscape, Wavestone holds a privileged position, thanks to a combination of three factors:

- a broad spread of complementary functional, sector-specific and technological expertise that meets the expectations of clients;
- a depth of expertise that makes it possible to provide targeted high-value consulting services;
- a streamlined operating model that enhances the ability to be innovative and enables the emergence of relevant responses and processes.

Supporting the most critical transformations



At the convergence of management & digital consulting, Wavestone supports leading companies and organizations in delivering their most critical transformations.

In a world where knowing how to drive transformation is the key to success, Wavestone's mission is to inform and guide large companies and organizations in their most critical transformations, with the ambition of a positive outcome for all stakeholders. As a true driver of change, we place our energy at the service of our customers' development, innovation, efficiency and resilience by creating the conditions that make everyone want to act. That's what we call "The Positive Way."

A mindset that drives our 3,000 consultants on a daily basis, and which is driven by our taste for challenge, our ability to imagine new paths and the pleasure of succeeding together.

Wavestone offers its clients a broad palette of expertise of three distinct types:

- sector-specific excellence solutions designed to address core business challenges in many different business sectors;
- functional excellence used by the firm to address major corporate functions;
- strong technological expertise, anchored in Wavestone's DNA, that enables the firm to provide an unparalleled range of digital, technology and cybersecurity solutions.

In each of these areas, Wavestone contributes an unrivaled depth of expertise. The essence of our value proposition is our ability to combine these skills seamlessly in multidisciplinary teams that cut through the silo-management approach.

In order to offer appropriate, bold and bespoke solutions for transformational change, Wavestone relies on five key levers.

Research & knowledge center:

A dedicated team of market researchers to analyze market data and establish benchmarks

Creadesk

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

The Faktory

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

Machine learning & data lab

A team of data scientists, experts in data mining and application

Shake'Up

An accelerator that identifies and selects startups on the basis of their ability to innovatively contribute to various sectors

Three-fold sectoral, functional and technological expertise



Enhancing our collective knowledge

Each one of our employees has a unique pool of knowledge to be shared and passed on to others. And that is precisely the challenge of our knowledge management strategy: making the knowledge and experience of every individual a dynamic resource accessible to everyone, for the benefit of our clients' plans and projects.

In order to structure and simplify this permanent process of exchange, Wavestone has implemented a multilevel knowledge management process.

Every employee is able to access a database of internal personal profiles to quickly identify those of their colleagues whose experience or advanced expertise could make it possible to win a sale or facilitate progress on a particular client project. One person in each project team is responsible for the 'project memory' and to ensure that all the documents are correctly filed and archived.

Lastly, every employee has the opportunity to create or join special-interest communities to share their experiences and convictions in the context of the issues faced by their clients. At the same time, a search engine progressively indexes all the documents generated by every group entity.

These communities are much more than simple business tools, because they enable Wavestone to put in place a philosophy that makes knowledge sharing a natural reflex. The bottom line is that everyone is empowered and has access to the resources needed to value their own experience.



One person in each project team is responsible for the 'project memory' and to ensure that all the documents are correctly filed and archived.



Client satisfaction, more essential than ever when facing a crisis

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

The Wavestone client satisfaction policy is underpinned by the following components:

/ An organization structured around a Steering Committee responsible for policy, and a network of local Quality Champions;

/ A client satisfaction risk identification and control process that covers all the firm's management mechanisms;

/ An annual satisfaction survey conducted among existing and previous Wavestone clients.

STRONG INCREASE OF NPS (NET PROMOTER SCORE) TO 51.2

The 4th annual satisfaction survey was conducted in April 2020, with clients among all countries in which Wavestone is present.

Despite the context of the health crisis, the level of response remains high at 24.2%, compared to 26.6% last year.

The results of the survey show that **the satisfaction of our clients is at the best level in 4 years**. Among the dissatisfied clients, the proportion of those who consider we haven't managed it well enough falls to 27% this year compared to 39% in 2019. 94% of the clients say they are generally satisfied or very satisfied, which is a significant improvement compared to last year.

In addition, Wavestone's Net Promoter Score (NPS) is increasing

very significantly in 2020, from 29.7 in 2019 to 51.2 this year.

These results confirm our commitment to pursue the firm's investments, which aim to establish a genuine culture of client satisfaction within our teams over the long term. Priority this year will be given to increased implementation of tools enabling our teams to ensure the level of satisfaction of their clients at all key moments in the customer relationship (quality assessments during assignments, satisfaction feedbacks, etc), and to a tighter management of risks and dissatisfaction in order to restore, whenever necessary, a nominal situation as soon as possible.

A sales force dedicated to the success of our clients

To successfully rise to the challenges faced by our clients and to drive positive transformation in all business sectors, Wavestone has developed a business development model founded on the principle of client management.

Wavestone boasts a portfolio of clients spanning a very broad spectrum, from global and local companies with leading positions to new entrants, both in the private and public sector. The firm is committed to cultivating an open-minded approach, while maintaining its presence in all main sectors. This multisectoral presence provides resilience in times of economic fluctuation and allows the firm to capture growth in the most dynamic sectors.

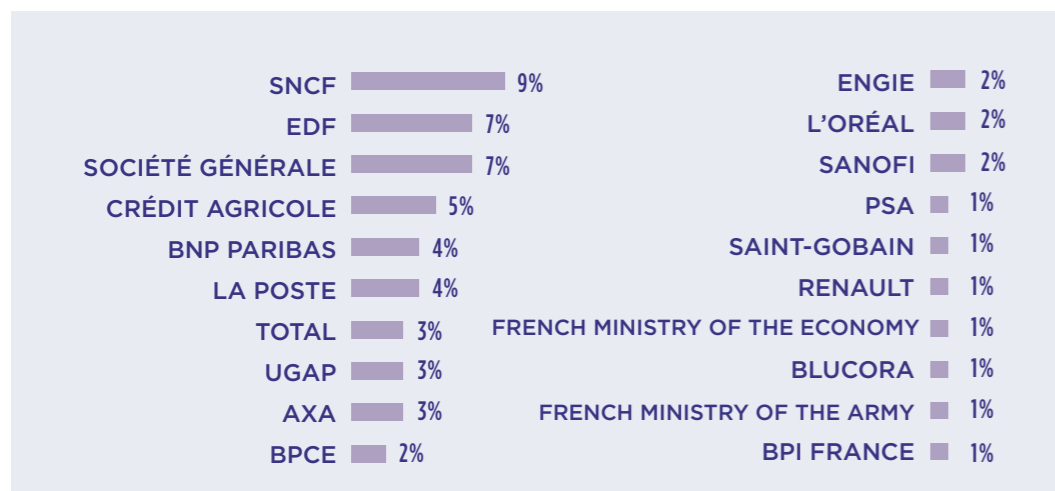
In each practice and office, client management is provided by a hybrid team of consultants and sales executives tasked with developing the full range of the Wavestone value proposition to all the clients it manages. This collaboration provides the stimulation required to guarantee that the solutions proposed combine strategic expertise with proven implementation.

Wavestone's client management has two key missions:

/ to support the growth of Wavestone's business activities and revenue;

/ to maintain close long-term relationships with top-level decision-makers

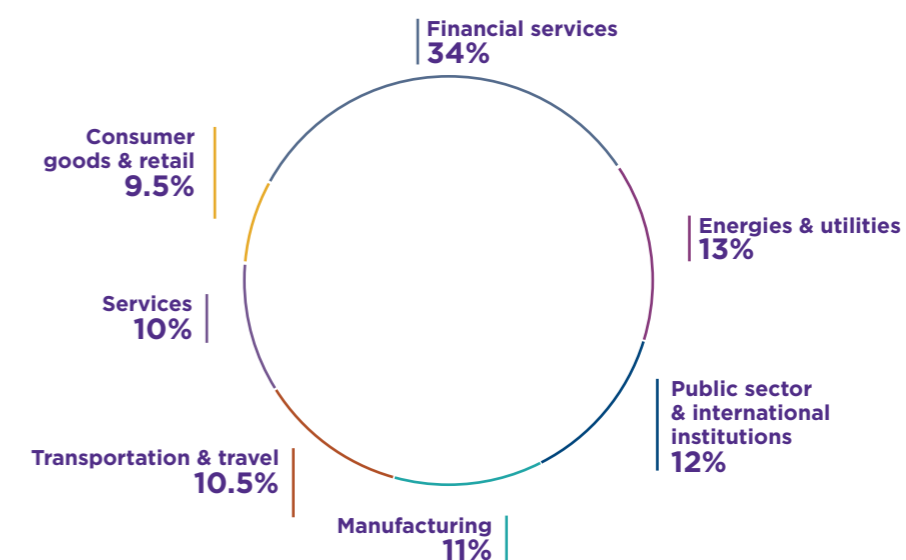
Our Top 20 clients of 2019/20:



Geographical breakdown of 2019/20 revenue:



Sectorial breakdown of 2019/20 revenue:



Maintaining client relationships and internal cohesion in times of crisis

INTERVIEW WITH FLORENCE NOIZET

Against the backdrop of the health crisis with our teams unable to physically meet, we asked ourselves what would be the best way to maintain client relationships and preserve team cohesion within the firm. Florence Noizet, partner and Digital & Emerging Technologies practice leader, answers our questions.



Florence NOIZET

**PARTNER & PRACTICE LEADER
DIGITAL & EMERGING
TECHNOLOGIES**

/ Against the backdrop of the Covid-19 health crisis, how did Wavestone manage to maintain relationships with clients despite social distancing restrictions?

Our teams naturally illustrated their agility. The international scope of our assignments under normal circumstances and the fact that our consultants must sometimes be

present at our clients' sites means that we are well-equipped to work remotely. Remote working is already a widespread practice at Wavestone and, in some ways, we were able to test the efficiency of our remote working practices during the strikes that occurred last December. In the vast majority of cases, assignments progressed without major issues.

While remote working does not hold us back in doing business, we did have to adjust and devise new practices to maintain our dialogs with client teams. Wavestone teams proved innovative and creative in organizing virtual breakfast meetings with clients, daily meetings to maintain regular contact, webinars to replace meetings which were initially meant to take place in-person, as well as remote workshops with collaborative tools such as Mural and Microsoft Teams. During this time, our teams created new ways of working to continue to meet our clients' needs. The goal was also to create moments that would mirror the important informal time usually spent with clients.

Regarding pre-sales, we were less used to working remotely in this area. In this regard, our takeaway is positive. We are becoming more efficient and making more pitches than usual. However, it is more complicated to forge relationships with a new clients who we have never met in person, only time will tell whether this will have an impact on business activity.

We discovered that maintaining and creating relationships when we are aware that the challenging backdrop is temporary is not as complicated as first thought. The real question is: is this sustainable over the long-term? The crisis could usher in cultural change and the creation of new types of client relations.

/ As practice leader, did you see any employee initiatives that promoted internal team cohesion?

This is a challenge for Wavestone. The practice that I lead is used to being divided (international context, consultants working at client sites) but our management approach ge-

nerally involves regular meetings. Fortunately, the collaborative tools available to us allowed us to remain in close contact with our teams.

The first driver of internal cohesion is to know how to mobilize all employees to engage in the business and the entrepreneurial adventure. This is all the more true during times of crisis: onboarding teams on internal projects, for instance, strengthening our commercial activity or our IT infrastructures for the Information System Division (ISD), adding to team skills via Agile or design thinking training courses to provide more value to clients, and all this happens remotely!

The second driver, this time from employees themselves, is a spirit of initiative, which is more essential now than ever. The crisis has taught us that we can innovate remotely. We did this with our clients, as mentioned above, but also internally via e-coffee, online music festivals, Name That Tune-style games, suggestion boxes to prepare for the post-lockdown period, etc. Our teams' unrivaled imagination and ingenuity was clearly apparent in the search for ways to make up for the lack of human contact. We will continue with some of these initiatives when we return to our offices.

/ Do you view Wavestone's Digital Workplace offering as a "crisis-management solution"? Have you seen a surge in demand?

Our Digital Workplace offering and, more broadly, on the New Ways of Working are a response to the need to work differently in the Digital age. It involves implementing collaborative tools, adapting work spaces, real estate policy, and the HR model and overhauling processes. What is the ideal model that combines efficiency, social cohesion, economic performance, meaning for employees as well as data security?

The crisis has accelerated the transformation of this business model. However, not all businesses are at the same level of maturity: large accounts are already well equipped and the shift to an even more efficient environment is more a budget than a crisis issue. For companies in certain sectors, such as banking and the public sector, the crisis has called into question obstacles standing in the way of fully-digital work environments. Lastly, mid-market companies have sometimes been faced with complicated situations and the crisis will undoubtedly force them to adjust their business models.

For companies, now is the time to rethink the employee experience: to modernize work environments, for example, with the implementation of new tools, new training courses offered by HR teams, etc. These areas are valuable potential performance drivers and the Covid-19 crisis accelerated uptake.

A case in point is that during lockdown, together with client Digital Workplace teams at large accounts, we managed the Covid-19 crisis activity responsible for change in the workplace and also provided remote training on collaborative tools to these companies.

However, we must remember that the business models applied to offset the consequences of the health crisis are temporary and they will have to be reinvented to remain sustainable long-term.

Setting the benchmark as an employer

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

ATTRACTING TOP CANDIDATES

Wavestone recruits candidates from diverse backgrounds with varying degrees of experience, and looks for people with commitment, who already have a reputation for strong entrepreneurial drive and a sense of team spirit, with a real potential for development within the firm. The recruitment plan includes a high percentage of new graduates from the most prestigious French (engineering and management) graduate schools and universities. A team of around fifty employees is dedicated to recruitment, almost half of which are consultants mobilized for an internal mission. This team is supported by a community of 1,000 consultants that conduct recruitment interviews and get involved with developing educational partnerships and all the initiatives that go with that. This mobilization completes a diversified sourcing strategy: an annual candidate referral campaign, a preemployment trainee scheme, recruitment agency partners, events dedicated for students and candidates, etc.

In order to attract the most talented people in an extremely competitive sector, Wavestone has adopted a distinctive position for its candidates. The firm makes a point of addressing each phase of recruitment as a special opportunity for interaction during which it pays special attention to the quality of the experience for each applicant, regardless of the outcome of the recruitment process. This also involves the training of recruiters: everyone involved in recruitment at Wavestone is committed to applying strict guidelines on transparency, equal opportunities and professional recruitment methods.

ENSURING EMPLOYEE LOYALTY, A KEY CHALLENGE

In order to give everyone greater visibility on their career development prospects, career paths are formalized for all of the firm's functions. For any level of responsibility in a given job, the expected skills and the remuneration are clearly defined and are the same for all.

Wavestone has made the choice to adopt a strategy that develops the management skill of employees. Every year, many are asked to provide

leadership for projects or teams, and a new training program supports them in this new responsibility. Wavestone aims to share a common culture and practices, regardless of the job profile, area of expertise or geographic location. A mobility program also helps to broaden horizons by offering Wavestone employees the opportunity to make a career switch or gain expertise in other fields and regions.

Particular attention is paid to the well-being of the teams. Managers are the main guarantors of this collaborative experience, through a proximity management mobilizing more than 300 Career Development Managers, supported by HR representatives (approximately 1 for every 140 employees). The firm also offers flexibility in the way work is structured with a teleworking system designed as an organizational facility. Wavestone also puts measures in place that make life simpler for employees with children-company childcare facility (three paid «Child Sick Days», flexible working hours and teleworking during pregnancy, gradual return to work after maternity leave, etc).

Finally, the offices offer open-plan workspaces flooded with natural light, a wide choice of spaces designed around different working scenarios, and innovative equipment for greater flexibility, convenience, creativity and discussion about working methods.

A CORPORATE PLAN BUILT WITH EMPLOYEES

Wavestone is convinced that attracting the best talent and making them want to stay in the firm can only be achieved through their active participation in the corporate plan of the firm.

Employees contribute to applying every aspect of Wavestone strategy (HR, recruitment, finance, communications, internal audit, etc.) including by delivering part-time or full-time internal assignments in our central services departments. Initiative is also encouraged as a way of facilitating the emergence of ideas that will shape the Wavestone of tomorrow. For example, Wavestone assets such as Creadesk and Faktory have become a reality, as a direct result of employee initiatives. Wavestone's HR teams pay extremely close attention to this ongoing competitive initiative, which empowers everyone to put forward an idea, project or discussion topic with the potential to

change the company.

The *Global Corporate Event*, which brought together more than 3,000 employees from all over the world in Paris in June 2019, illustrates this pleasure of succeeding together. The morning was dedicated to the spirit of initiative and co-creation: everyone was able to take part in one of the 200 workshops organized by the employees themselves on the themes and formats of their choice (Climate fresco, cybersecurity sensibilization, HR topics, etc). For the occasion, a temporary site had been specially created on the square in front of La Défense in Paris to encourage meetings and exchanges between employees of all backgrounds.

In the more recent context of lockdown, a *Global Talk*, bringing together employees from all offices, has been organized which allowed everyone to ask varying questions (HR, crisis management, strategic vision, business situation, etc.) to the firm's management.

HR labels and certifications

2019

Happyindex®
AtWork

2019



2020

Great Place To Work.

Embodying and sharing our own values

Having introduced its CSR approach in 2011, Wavestone has included CSR as one of the four pillars of its strategic plan.

Wavestone's CSR approach is built around four priorities and seven structural commitments.



Wavestone has set a goal of placing the firm in the Top 3 in its CSR category each year. Over the last four years we have succeeded, Wavestone topped the Gaia Rating for companies in the category of firms with revenue between €150m and €500m. To read the statement of extra-financial performance, go to page 75.

CSR is at the core of our strategy. It is one of the pillars of Wavestone's 2021 strategic plan and all our employees are committed to achieving this objective. Our approach is one of progress and implementing new initiatives every year. In 2019, for example, we formed a Disability Program with the role of providing personalized support to employees affected by a disability and improve their day-to-day lives. Also, more than 120 employees have carried out some forty skill-based sponsorship missions to support associations.



Hélène CAMBOURNAC
CSR MANAGER

A dynamic team thriving in a locked-down world

Faced with the restrictions imposed by social distancing, the firm's employees adopted new approaches to maintain links and contribute to energizing working life at the firm. The Covid-19 health crisis turned out to be an unexpected opportunity to invent various original new ways of spending time together.

Shared moments

How can close ties be maintained while social distancing? Firm employees found not one but several answers to this question.

In the Digital & Emerging Technologies teams, a specialized task force rolled out a fully virtual e-festival, with a complete range of activities. "Cultural scene," "Musical scene," "Sport and Wellness scene," "Snacks and Drinks—At Bernadette's": the event included all the hallmarks of a genuine festival, except that it all took place online. This moment of sharing music and cultural activities allowed employees to end each week of remote working on a festive note. Almost everywhere, virtual break rooms popped up. Social distancing did not prevent our employees from continuing to share more informal moments and news of their daily lives, as if taking a coffee break. The idea was a big success, with an E-Café application rolled out throughout the firm. The concept: the app randomly selects another participating employee for you to share a 15-minute e-break with, the other employee may be from your own network or not.

Friendly competitions

Be they artistic, culinary or sporting, competitions were popular with many employees.

The CSE France team (staff representative committee) was particularly active in this respect. With a specially-created newsletter, it offered various challenges, including the "Children's drawings" or "Reproductions of celebrated works" competitions.

In an approach which was not concerted but nevertheless collective, the Swiss office also offered a number of challenges including the best remote working set-up photo competition as well as an Easter egg

Sporting activities

Faced with lockdown restrictions, sports enthusiasts also invented new approaches.

The New York office illustrated their prowess with the "Q2 Fitness Challenge": in less than one month, the 12 joggers who signed up reached their target of running 800 kilometers for the office as a whole. Thanks to the Nike Run Club application, each participant was informed when a

colleague went out for a run. As a result, even with social distancing measures, employees could run at the same time and motivate each other. In London, the 20 members of the Wavestone Running Club shared their weekly performance logs, photos and training program details, for running, walking and cycling activities. Meanwhile, the Luxembourg team adopted a different approach, with one employee hosting group exercise classes every Tuesday and Thursday at lunchtime. All told, either via individual or group efforts, together, all Wavestone employees rose to the challenge!

Social distancing did not prevent our employees from continuing to share more informal moments and news of their daily lives, as if taking a coffee break.

The ability of an integrated organizational structure to deliver effective, agile and relevant responses

Wavestone has adopted an integrated organizational model that closely combines the skills required to make collaborative working and mutual trust a reality for everyone.

This operating model has been designed on the basis of three key principles:

- Ensuring appropriate implementation of the Wavestone value proposition
- Facilitating the formation of multidisciplinary teams and the international delivery of global assignments
- Maximizing synergies between units and guaranteeing a high level of operational performance

OPERATING MODEL

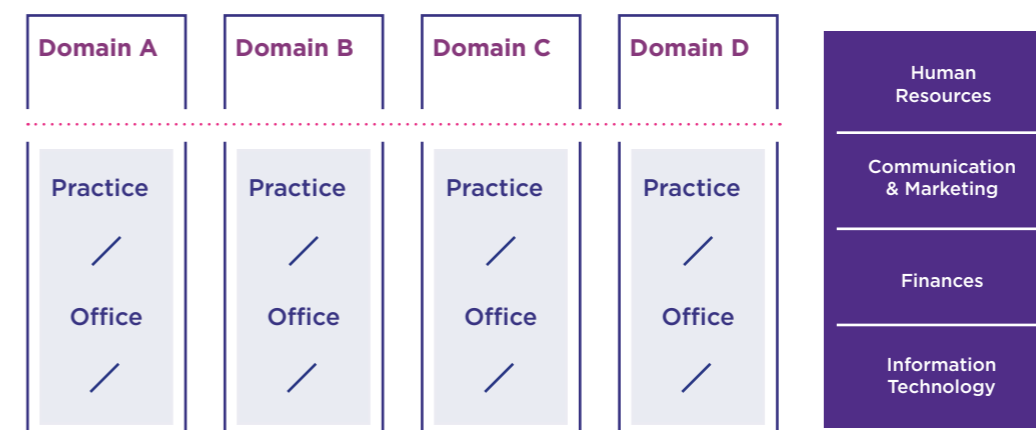
The key entity in the Wavestone operating model is the practice or office. A practice brings together those teams responsible for concentrating the expertise of Wavestone in one of its areas of excellence. Where critical mass has not been achieved in a given region, teams are brought together into an office, which then covers all the expertise associated with several areas of excellence. In June 2020, Wavestone had 22 practices and offices.

Each practice or office is also responsible for new business development across all Wavestone services within a portfolio of clients. This business development task is carried out by client managers.

To maximize synergy development and facilitate effective operational management and control, the 22 practices and offices are grouped into four domains. Since Wavestone has designed its operations at a global scale, the practices and offices within each domain are usually spread across several countries.

Because some skills draw on multiple areas of expertise, they are structured cross-functionally as communities of experts based in multiple practices and/or offices; examples include the Marketing Sales & Customer Experience community.

Lastly, Wavestone has chosen to invest long term in exclusive assets that will enhance its value proposition (see page 14).



CENTRAL SERVICES DEPARTMENTS

Wavestone's central services teams are responsible for managing major investments made to ensure the future growth of Wavestone and provide risk control. These teams work centrally, and in some cases contain designated representatives working within specific Wavestone domains, practices and offices.

WAVESTONE OPERATIONAL GOVERNANCE

Consistent with this principle, the governance of Wavestone is based on collegial bodies at every level of its organizational structure. Practices are guided by practice steering teams led by Practice Leaders, and domains are guided by domain steering teams led by Domain Leaders. The firm is managed by an Executive Committee (ExCom)

coordinated and led by the General Management team of Wavestone Management Board members.

To ensure that all teams are fully aligned with the shared goals set out in the corporate plan, the ExCom is broadly based, and includes representatives from each team. However, for maximum efficiency, the ExCom meets in smaller sessions to address topics such as operating performance checks and business development management.

THE MEMBERS OF THIS EXECUTIVE COMMITTEE ARE:

General Management (the Wavestone Management Board)

Patrick Hirigoyen
Pascal Imbert

Operation steering et domain leaders

Benoît Darde
Guillaume Durand
Joël Nadjar
Bruno Valet

Development

Reza Maghsoudnia

Business development

Marc de Montgolfier
Anne Régnier

Key transformation projects / global projects

Laurent Bellefin

Finance

Tiphane Bordier

Operations

Éric Baudin
Claude Bodeau
Loïc Carpentier
Guillaume Chassard
Philippe Dajean
Stéphane Denolle
Franck Devillaire
Frédéric Goux
Jim Hennigan
Éric Labruyère
Frédéric Lelièvre
Philippe Mirmand
Mike Newlove
Philippe Pestanes
Catherine Pilidjian
Olivier Schmitt
Jean-Marc Soulier
Laurent Stoupy
Harold Syfrig
Jeffrey Vail

Human Resources

Fanny Rouhet

Communication and marketing

Sarah Lamigeon

The members of the Management Board are:



Pascal IMBERT
CHIEF EXECUTIVE OFFICER



Patrick HIRIGOYEN
MANAGEMENT BOARD MEMBER

At 04/01/2020, the Supervisory Board had 7 members:



Michel DANCOISNE
CHAIRMAN OF THE
SUPERVISORY BOARD



Marie-Ange VERDICKT*
VICE-CHAIRMAN OF THE
SUPERVISORY BOARD



Christophe AULNETTE*
SUPERVISORY BOARD
MEMBER



Jean-François PERRET*
SUPERVISORY BOARD
MEMBER



Rafaël VIVIER*
SUPERVISORY BOARD
MEMBER



Sarah LAMIGEON
SUPERVISORY BOARD
MEMBER



Benjamin CLÉMENT
SUPERVISORY BOARD
MEMBER

*independent members

