



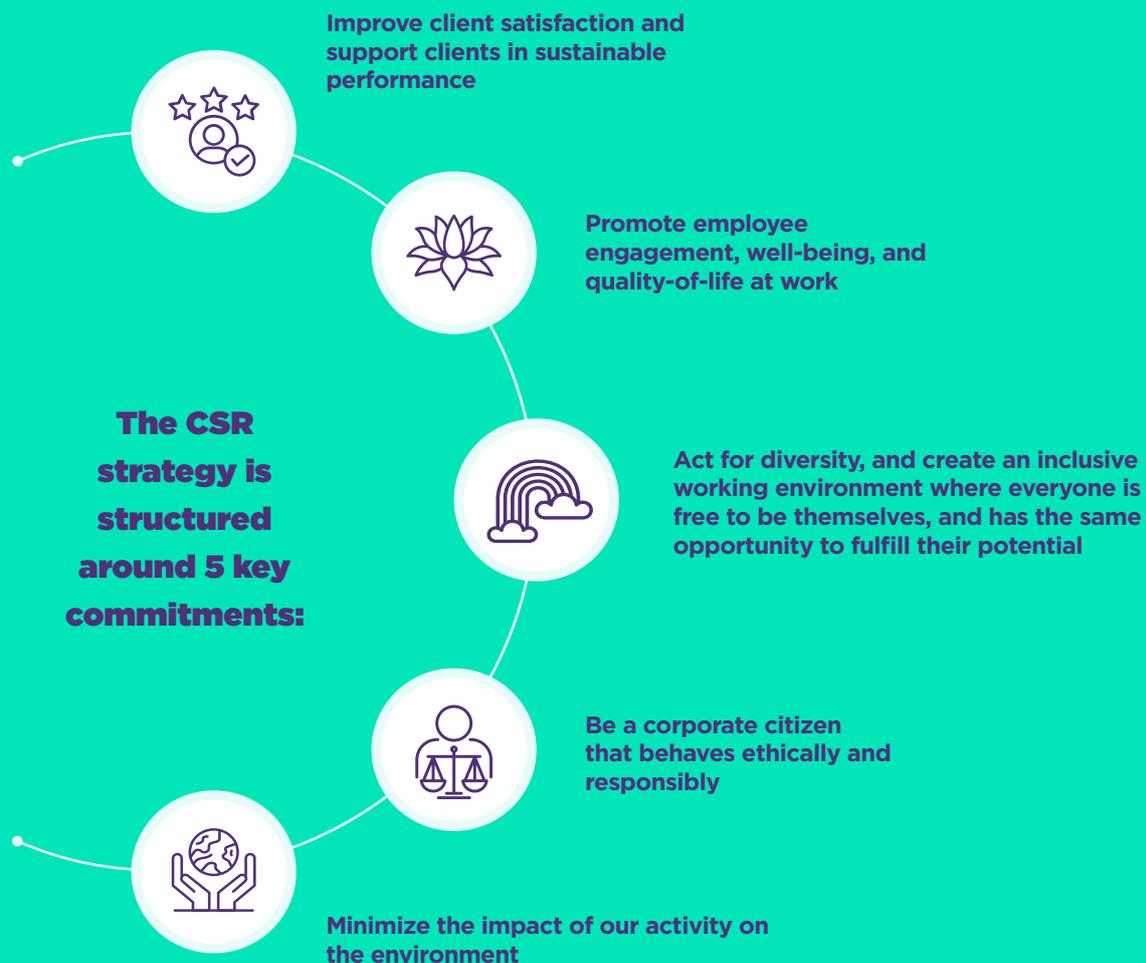
WAVESTONE

Statement of non-financial performance 2020/21

Embodying and sharing our own values

Engaged in a CSR approach for 10 years now, Wavestone has made it a key part of its strategy.

Wavestone is recognized for its extra-financial performance and aims to remain a cutting-edge company in terms of CSR. Wavestone has been in the top 3 in its category in the Gaïa Rating for the past 5 years (2nd place in the category of companies with revenues between €150m and €500m in 2020).



Wavestone, recognized for its commitment to CSR



2nd in our class in 2020

**GRAND PRIX HUMPACT
EMPLOI 2020
CATÉGORIE JEUNES**



**2nd in the «Youth»
category**



Score B-



**90% favorable
recommendations**



4th in class in 2020



72/100 “Gold” Commitment



“Despite a difficult context in 2020, the year was rich in CSR news: continued implementation of our client satisfaction policy, development of our investment in skills sponsorship, management of the health crisis in a responsible way for all our stakeholders, and finally the integration of ESG criteria in our financing contract”.

Hélène Cambournac, CSR Manager

Skills sponsorship, a strong social commitment for Wavestone

Hélène Cambournac, CSR Manager, discusses Wavestone's social commitments, particularly in terms of skills sponsorship.



Hélène Cambournac
CSR Manager

What are Wavestone's social commitments?

As part of our CSR approach, our commitments aim to establish Wavestone as a good corporate citizen and to support projects with social value.

At Wavestone, this commitment to society is reflected in our contribution to sponsorship, firstly through mentoring actions where our employees provide help and support on a particular theme. For example, in France, we support the students of the Georges Villebon Institute, or the association Elles bougent, which aims to increase the number of women in the tech industry. Secondly, Wavestone makes the skills and expertise of its employees available to organizations with a social mission, through free consultancy assignments. The organization of Powerday, Wavestone's international solidarity day, aims to help organizations with concrete projects in the field or through skills sponsorship. Finally, the Wavestone Foundation, through financial sponsorship, supports associations that work for disadvantaged children.

Can you tell us more about skills sponsorship at Wavestone?

Skills sponsorship consists of carrying out consultancy assignments on behalf of associations or foundations, without being invoiced. The challenges of these missions can be like those of traditional consulting missions, i.e., IT transformation, organization, logistics or change management.

These so-called «pro-bono» missions require the same skills, the same high standards and the same commitment as usual consulting missions, and we impose the same quality of delivery during their execution. Any consultant can be asked to contribute his or her expertise to this type of mission.

What impact has the Covid-19 crisis had on Wavestone's commitment to sponsorship?

The crisis has led to an explosion in the needs of associations and the firm has organized itself to meet this demand. We set up a sponsorship crisis unit to contact our various non-profit partners and foundations and identify their urgent support needs. Despite our staffing

constraints linked to the partial activity, we were able to support organizations such as the APHP and the French Red Cross on issues directly linked to the Covid-19 crisis. In addition, practices have been mobilized in this particularly troubled period to achieve a high level of social commitment. In the 2020/21 financial year, we therefore devoted 0.79% of total staff time to social commitment. This rate was even achieved without Powerday, which contributes 0.2% each year.

What is the outcome of these actions and what are Wavestone's long-term objectives?

If we take stock of the 2020/21 financial year, around 200 consultants were involved in 80 pro-bono missions, for around thirty associations. We have therefore greatly accelerated our commitment.

With the return to more sustained activity, the staffing of these missions will become even more challenging. The needs of associations and foundations are still numerous, and we wish to maintain our commitment in particular to our five key partners: Make.org, Share it, La Croix Rouge, Femmes@Numérique and Solidarité Internationale.

In 2021/22 we intend to continue to accelerate our investment in skills sponsorship and aim to devote at least 1% of the firm's time to general interest organizations. To achieve this, we have set up new actions such as the reorganization of the sponsorship team to be even more efficient in the management of demand, or the launch of our «solidarity campaign» for which we asked our employees about the theme they wished to prioritize in the context of these missions. The fight against climate change was the most popular theme. As a result, 20% of the contribution in skills sponsorship will be dedicated to projects related to this subject.

Share it x Wavestone: the digital transformation of social impact projects

Share it is a Tech for Good accelerator at Station F. Through a support program, Share it codes digital solutions for social entrepreneurs and associations. The goal: to help social entrepreneurs increase their impact and support more beneficiaries.

To meet the needs of social entrepreneurs, Share it relies on the business and technological expertise of Wavestone consultants. For example, Share it worked with Ticket for Change, which creates engagement programs that reach over 70,000 people to create a dashboard that automates the measurement of the impact of their training. Wavestone consultants have also worked with Share it and Signes de Sens to develop a plug-in that instantly translates any word on the web into sign language video: La Bulle Elix.

Over the past 2 years, Wavestone has supported 10 projects, which have had an impact on tens of thousands of people.

To find out more, visit Wavestone's website, section [«Read our client stories»](#).

Wavestone commits to the feminization of the digital industry with the Femmes@Numérique foundation

The Femmes@Numérique foundation was created in 2018 under the aegis of the Fondation de France, to fight against the chronic lack of women in digital.

Committed to professional equality between women and men, Wavestone is involved with the Foundation with the desire to have a positive impact on society and inequalities. The firm has been supporting Femmes@Numérique for over a year on all its projects. A dozen consultants from different practices (public sector, cybersecurity) have been involved in projects such as the strategic support of the Foundation, the development of its reputation or the hosting of a community of female professionals committed to the feminization of digital professions.

To find out more, visit Wavestone's website under the heading [«Read our client stories»](#).

Integrating CSR issues into the heart of our business with the Responsible Consulting approach

Eric Gency-Piriou, Senior Account Manager, presents the Responsible Consulting approach, which aims to proactively integrate CSR issues into the heart of Wavestone's business.



Eric Gency-Piriou
Senior account manager

What does Wavestone's responsible consulting approach consist of?

As part of its CSR strategy, Wavestone has formulated five commitments, one of which relates to its consulting business: to support our clients towards sustainable performance. This is an expectation of our stakeholders: employees or candidates, investors, shareholders, and clients. Moreover, the latter now include CSR criteria in the selection of their partners.

Our responsible consulting approach is a response to this proactive commitment. It enriches the way we carry out the most standard assignments by taking proactive action to:

- / enlighten our clients on the CSR challenges of their transformation projects;
- / propose concrete and measurable actions, which are the sources of sustainable performance.

This approach is part of our day-to-day consulting work, regardless of the industry concerned. It is not a new offer.

In concrete terms, how do you integrate CSR commitments into your assignments?

Our consulting business offers us a privileged position to act at the heart of our clients' transformations and to generate positive and sustainable impacts for society. We are not in a declaration of intent, but in an intention to act.

We have chosen to focus on four themes: the impact on individuals, respect for privacy, greenhouse gas emissions and waste management.

The approach is based on a pragmatic method that everyone can use. At the start of an assignment, after an initial inventory, diagnoses guide the reflection on the four themes to direct our consultants towards a set of operational accelerators:

- / documentary resources;

Our consulting business offers us a privileged position to act at the heart of our clients' transformations and to generate positive and sustainable impacts for society. We are not in a declaration of intent, but in an intention to act.

/ capitalized methodologies and tools;
/ committees of experts who can be mobilized.

Once our convictions have been forged, we enlighten our clients on the CSR challenges of their projects and, ultimately, propose tangible actions for each impact that we evaluate.

This approach is not intended to be applied to all projects. It will be applied as a priority to assignments where we have a real influence on decisions or directions.

Have you already carried out assignments using this approach?

Since the beginning of 2021, we have tested the approach on several dozen projects and have completed 5 of them with concrete results.

On a program to redesign a collaborative tool for a major banking group, we shed light on the impact of digital consumption on greenhouse gas emissions and proposed the implementation of new storage rules to reduce the digital footprint, without disrupting users. The amount of storage space used could eventually be halved.

Another example: as part of a study of new logistics scenarios for a major international luxury goods group, we integrated the measurement of CO₂ emissions from the new associated transport scheme.

Finally, we introduced a new «environmental impact and waste management» criterion

in the selection grid for the future supplier of office automation services for an energy giant.

We intend to capitalize on the momentum that has been created to roll out a broad-ranging responsible consulting approach, covering an increasingly wide range of projects throughout the firm

What are Wavestone's ambitions for responsible consulting in 2021/22?

Based on our initial findings, we estimate that there are between 300 and 600 eligible projects each year, i.e., projects where Wavestone is in a position to influence decisions and orientations and where we could apply the approach.

We favor concrete and tangible results to be able to measure the positive impacts generated in the long term and we have set ourselves a target of at least 25 missions in the current financial year.

We are already committed to the long term with a minimum target of more than 100 projects by 2024.

2020/21 Management Board Report

- Statement of non-financial performance

This statement of non-financial performance describes Wavestone's Corporate Social Responsibility (CSR) approach, strategy and indicators. 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;
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, the fight against corruption and anti-tax evasion matters⁽¹⁾;
4. The methodology note regarding Wavestone's 2020/21 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.

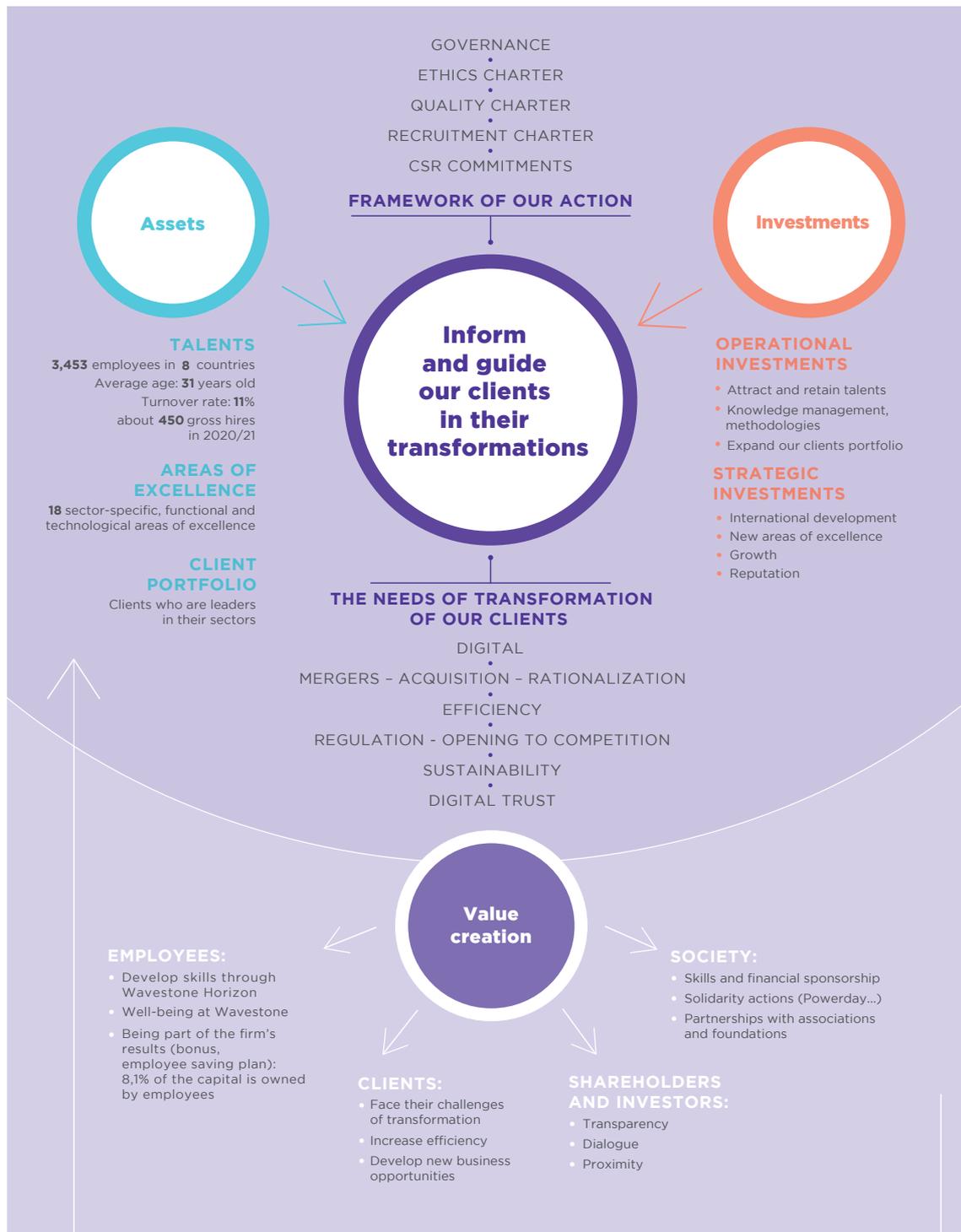
Additional information on the firm's CSR strategy can be found in chapter 1 of Wavestone's Universal Registration Document, and on the Company's website: www.wavestone.com – "About Us" – "Corporate Social Responsibility" section.

The current statement was drafted 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—Wavestone's 2020/21 fiscal year versus the 2019/20 fiscal year.

Changes in the scope of consolidation are detailed at the end of the methodology note (section 4). Since 2013/14, Wavestone's published CSR information has been verified by an external independent body.

⁽¹⁾ Wavestone has not made specific societal 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.

1. Presentation of the Company's business model



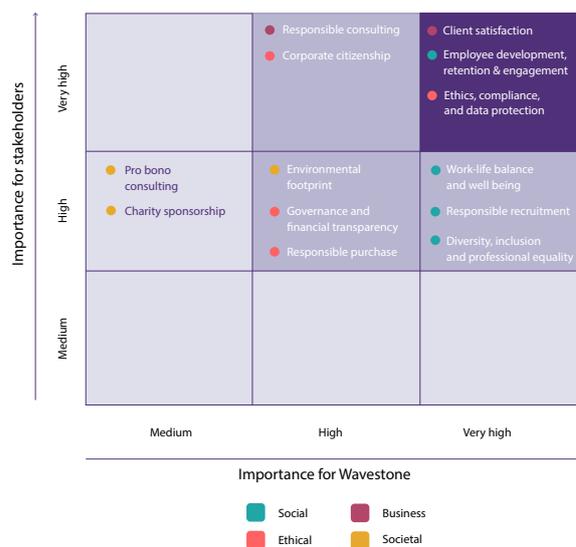
2. Wavestone's general CSR strategy

CSR challenges

Committed to the cause since 2011, Wavestone has made Corporate Social Responsibility (CSR) a core priority of its business strategy in an effort to control its non-financial risks, deliver sustainable performance and strive for a positive impact on its stakeholders.

Driven by the "Wavestone 2021" strategic plan, the last three years have enabled the firm to gain in maturity as well managing its CSR challenges more effectively and achieving concrete results (outlined in the rest of this document).

On the strength of this experience, Wavestone recently conducted a review of the materiality of its CSR challenges working alongside its internal stakeholders and leveraging its knowledge of external stakeholder expectations. The firm intends to continue this work during the 2021/22 fiscal year through discussions with its external stakeholders so as to fine-tune and review its findings where necessary.



Wavestone's CSR commitments

Based on the most material challenges identified, and in line with the firm's business model, Wavestone has decided to structure its CSR policy into five commitments.

The table below sets out these commitments, the issues they address and the Sustainable Development Goals (SDGs) to which they contribute.

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

2021/22 fiscal year objectives

These five commitments are accompanied by objectives in figures for fiscal year 2021/22, outlined in the table below.

Commitments	Indicators	Results 2020/21	Objectives 2021/22
Improve client satisfaction and support clients in sustainable performance	net promoter score	54.2	50
	number of projects done under the responsible consulting approach	5	25 ⁽¹⁾
Promote employee engagement, well-being, and quality-of-life at work	employee commitment index	-	69
	staff turnover rate	11.3%	15%
Act for diversity, and create an inclusive working environment where everyone is free to be themselves, and has the same opportunity to fulfill their potential	proportion of women in management	31%	31.5% ⁽¹⁾
	number of employees with a disability	29	30 ⁽¹⁾
Be a corporate citizen that behaves ethically and responsibly	employees trained to apply the Ethics Charter	84%	95%
	workforce time spent on social engagement	0.79%	1%
Minimize the impact of our activity on the environment	reduction in carbon footprint by employee, compared with 2019	-	30% ⁽¹⁾

(1) Objectives defined within a framework of positive incentive loans, arranged with banks at the start of the 2021/22 fiscal year (see below).

Impact credit implementation

To support the concrete implementation of its CSR commitments, Wavestone has chosen to link its financing and its Environmental, Social and Governance (ESG) performance, by integrating environmental, social and societal criteria into its existing credit lines as part of a contract signed in March 2020⁽¹⁾. This transaction was concluded with a group of five banks in early fiscal year 2021/22.

The non-financial analysis agency, Ethifinance, has been chosen to annually certify the value of the non-financial indicators selected.

Four objectives, addressing key areas of CSR progress for Wavestone, were defined:

- deploy Wavestone's responsible consulting approach on over 100 projects;
- advance the representation of women in management positions;
- become an increasingly disability-friendly company with a growing number of employees with disabilities⁽²⁾;
- significantly reduce the firm's environmental footprint by adopting an avoid-reduce-offset approach.

Wavestone will receive a margin bonus applicable to all of its credit lines, depending on whether or not these objectives are met. In the event that the bonus is allocated, Wavestone undertakes to pay the savings in full to the Wavestone Corporate Foundation.

In review: 04/01/2018 - 03/31/2021

In 2018, Wavestone launched a three-year CSR plan.

During the three years of this plan, Wavestone has made progress in the areas of diversity and inclusion, the fight against corruption, and societal and environmental commitment.

As regards one of its flagship diversity themes, disability, the firm has doubled its headcount versus 2018 thanks to a dedicated recruitment scheme, and the ramp-up of a Disability Program ("Mission Handicap"), which supports around 40 employees.

Multiple awareness-raising initiatives focused on diversity and inclusion have also enabled the Group to continue developing an increasingly inclusive workplace. These efforts apply to disabilities, professional equality and everyday sexism as well as the LGBT+ community.

Regarding the fight for ethics and against corruption, following the adoption of the Middlesnext Corporate Governance Code and the dissemination of an application guide, Wavestone continued to raise employee awareness with the development and dissemination of an e-learning program followed by more than 80% of employees. Moreover, all employees have been trained in data protection. Lastly, during the 2020/21 fiscal year, the firm began to draft an Ethics Charter, extending its focus beyond the fight against corruption. The Charter will take effect in fiscal year 2021/22.

(1) For further information, please refer to the Management Board Report of the Universal Registration Document.

(2) Objective for France.

With respect to societal actions, Wavestone has established and upscaled its skills sponsorship program, increasing its contribution to associations and foundations by more than fourfold. In fiscal year 2020/21, 83 pro bono consulting assignments were conducted involving 190 consultants.

On the environmental front, campaigns to raise awareness of climate issues were launched among employees and actions were taken to reduce the firm's environmental footprint.

To date, this footprint is one of the lowest in its sector of expertise (1.6 tCO₂e per employee in 2019/20 on a full-scope basis).

Nevertheless, the Covid-19 crisis that occurred during the third and final year of the plan negatively impacted the firm's CSR action plan and the achievement of some of its objectives.

The table below presents the results of the three-year action plan (2018-2021).

2018-2021 Objectives	Performance at 03/31/21	Performance at 03/31/20	Performance at 03/31/19
Have the same proportion of women in positions of responsibility (operational or hierarchical management) as in the workforce	31% and 41% respectively	30% and 41% respectively	28% and 38% respectively
Achieve 30% representation of women on the Executive Committee	16% ⁽¹⁾	15%	15%
Triple the number of employees with disabilities (objective: increase from 11 to 33)	29 at 12/31/2020	22 at 12/31/2019	15 at 12/31/2018
Have trained 100% of employees ⁽²⁾ in business ethics	84% of employees trained in the fight against corruption	79% of employees trained in the fight against corruption	Training being developed
Have trained 100% of employees in data protection	100% of new hires 100% of employees	100% of new hires 86% of employees	86.4% of new hires 71% of employees
Conduct our activities based on a clear and responsible policy regarding the choice of our assignments and our clients	Decision to pause the drafting of a policy	Policy being drafted	Policy being drafted
Draw up a responsible consulting charter and fully train all employees in its application	Formal charter drafted, to be revised following test phase	Charter being drafted and training being developed	Charter being drafted
Devote 1% of the firm's time to supporting organizations with a civic mission	0.79% ⁽³⁾	0.53%	0.24%

(1) In early fiscal year 2021/22, the Group reviewed the composition of the Executive Committee (EXCOM). Women now account for 31% representation.

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

(3) Wavestone was forced to cancel its global corporate solidarity day—Powerday—in 2020/21, owing to the health crisis. This day represented approximately 0.2% of Wavestone's employees' time in the two previous fiscal years.

2.1. CSR implementation and steering

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 Head of Recruitment, the Head of CSR and the sponsors of each commitment.

This Committee, which meets on a quarterly basis, monitors the firm's social, societal, environmental and economic performance, the progress of current projects and the achievement of objectives.

Operational organization

Wavestone's CSR strategy is implemented operationally by a five-strong team headed up by the CSR manager who reports to the HR Development Department.

The manager is in charge of coordinating projects in different areas (social, societal, environmental, economic), as well as

employee communication actions, and the production of non-financial reporting and the response to the various CSR performance questionnaires.

The CSR team is supported by the holders for each commitment. Their role is to steer the action plan in their area, with the support of employee volunteers.

CSR ambassadors appointed within the practices and offices, both in France and internationally, support the central CSR team. In doing so, they act as relays for the dissemination of communications and events, answer employees' questions and report their expectations. They carry out periodic initiatives in their respective environments. They hold quarterly meetings to discuss progress on initiatives.

CSR strategy monitoring

Depending on needs, certain topics are presented to the Executive Committee (EXCOM) or the Economic and Social Committee (CSE) for approval.

Once a year, the firm's CSR policy is shared with the Supervisory Board.

2.2. CSR awards and labels

In fiscal year 2020/21, Wavestone received several awards for its CSR actions.



Gaia Rating: this benchmark SRI reference index for small and mid-caps assesses and classifies 230 French SMEs and mid-tier companies based on their actions in non-financial transparency and sustainable development performance (CSR policy, HR management, management of environmental impact, etc.). For the 11th year in a row, Wavestone featured in the Gaia Rating for companies in its segment, ranking in 2nd place (firms with revenues of between €150m and €500m).



Wavestone was awarded a Gold rating (72/100) by Ecovadis, an independent non-financial rating agency specialized in CSR performance assessment.





Certification of the information security management system, first obtained in September 2014 and renewed in February 2021 for three years as part of security audit and digital investigation services for information systems at the Paris, Nantes and UK sites.



Based on an internal survey involving all of the Company's employees and an assessment of its HR practices, the Great Place to Work® label recognizes companies that create a positive work environment. For several years, Wavestone has placed in the top 5 of the Great Place to Work ranking of best companies in France with more than 500 employees. As part of its performance plan launched during the Covid-19 health crisis, the firm did not participate in the fiscal year 2020/21 survey, but will renew its participation for fiscal year 2021/22.

2.3. Wavestone's commitment to market initiatives



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.



LGBT+ Commitment Charter

Since 2019, Wavestone is a signatory of the LGBT+ Commitment Charter of l'Autre Cercle. The charter aims to ensure the inclusion of lesbian, gay, bisexual and transgender people in their workplace.



Handicap charter

In 2019, Wavestone signed a handicap charter aimed at enhancing inclusion of handicapped employees in their workplace.



Consulting group's responsible manager Charter

Against the unprecedented backdrop of the Covid-19 crisis, in early April 2020, Wavestone took part in and signed the Charter drawn up in collaboration with Syntec Conseil. It sets out the commitments and responsibilities of consulting firm managers.



Global Compact

In 2020/21, 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.



Planet Tech'Care

Wavestone signed up with Syntec Numérique in October 2020 for the launch of the Planet Tech'Care platform, which aims to support companies mobilized to integrate digital technology into their environmental strategy and to support training players in the development of responsible digital skills.

In addition, Wavestone actively participates in various associations or working groups on several key issues for the firm (Elles Bougent, Femmes@numérique, AFMD, Hack Academy, Boavizta, etc.).

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, the firm reviewed its main non-financial risks based on an analysis of their materiality, relevance, and how important they are in an assessment of financial risk.

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 section 4. For fiscal year 2020/21, the scope studied covers all Wavestone subsidiaries.

3.1. Social performance information

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

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

Compliance with these commitments is the responsibility of the HR Development Department. To achieve these goals, 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.

How the HR Development Department is organized

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 global HR Development team, decentralized within each of the firm's domains, practices and/or offices. This team is responsible for the application of firm-wide HR policies, the management of HR projects and relations with employee representative bodies;
- a CSR team responsible for defining the CSR policy and coordinating related actions;
- a Compensation & Benefits team, which is responsible for the application of Wavestone's salary policy, the management of profit-sharing, shareholding and employee savings schemes and the management of payroll operations in France;

- recruitment teams organized by practice/office/functional department, responsible for recruitment, in coordination with operations staff who play a key role in achieving annual objectives. A central team responsible for Wavestone's recruitment plan.

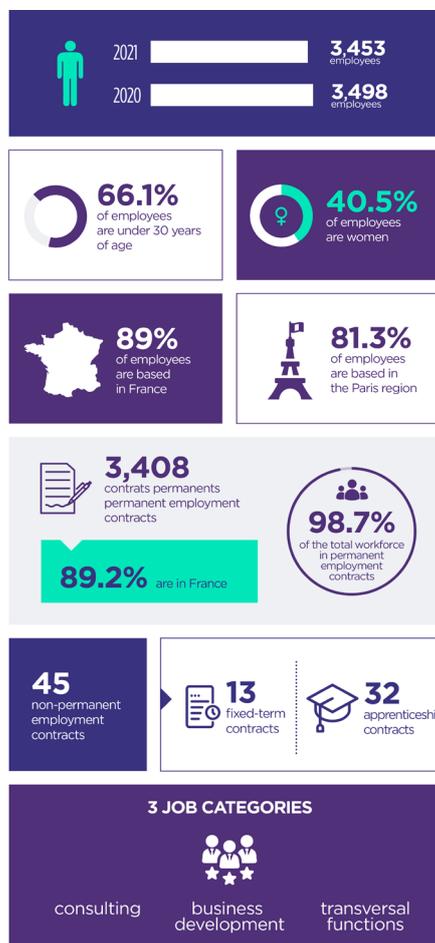
For the record, Wavestone's HR strategy is presented in chapter 1 of the Company's Universal Registration Document.

3.1.1. Key figures for the fiscal year

1) Total workforce

At 03/31/21, Wavestone's total workforce stood at 3,453 employees, down 1.3% on the previous year (3,498). This decrease in headcount is mainly due to the Covid-19 pandemic and the decline in Wavestone's activity. This led the firm to freeze its recruitments from mid-March through September 2020.

As of 03/31/21, the Company's workforce breaks down as follows:



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 03/31/21	At 03/31/20	At 03/31/19
Men	59.5%	59.2%	61.4%
Women	40.5%	40.8%	38.6%
Breakdown for consultants			
Men	63.2%	62.8%	65.2%
Women	36.8%	37.2%	34.8%

From the second half of the fiscal year, the upturn in recruitment focused on engineering schools, which have fewer women than business schools or universities, in an effort to meet the needs of the most resilient practices, particularly those with a technology focus. This resulted in a slight decline in the proportion of women in the workforce.

For more details, see section 3.1.3.

Breakdown by age⁽¹⁾

The average age of Wavestone's workforce at 03/31/21 was stable at 31. The following table gives a breakdown of the Company's workforce by age:

(% of total workforce)	At 03/31/21	At 03/31/20	At 03/31/19
18-25 years	13.5%	17.3%	15.9%
25-30 years	52.6%	48.9%	48.3%
30-50 years	27.4%	27.0%	29.2%
>50 years	6.5%	6.8%	6.6%
<i>o/w over 55 years</i>	3.6%	3.7%	3.3%

Average length of service

The average length of service for all positions was up slightly year-on-year to 4.7 years for fiscal year 2020/21.

	2020/21	2019/20	2018/19
Total Group	4.7 years	4.2 years	4.3 years
Consultants	4.4 years	4 years	4.1 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 (United Kingdom), Brussels (Belgium), Geneva (Switzerland), Luxembourg (Luxembourg), New York, Philadelphia (United States) and Hong Kong.

(% of total workforce)	At 03/31/21	At 03/31/20	At 03/31/19
Paris region	81.3%	80.8%	82.0%
Regional offices	7.6%	7.3%	7.7%
Outside France	11.1%	11.9%	10.3%

Breakdown by job category

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

(% of total workforce)	At 03/31/21	At 03/31/20	At 03/31/19
Consultants	88.4%	88.1%	89.0%
Sales teams	3.4%	3.5%	3.0%
Back-office staff	8.2%	8.4%	8.0%

At 03/31/21, Wavestone employed 3,053 consultants, of which 22 on skills-acquisition or work-study contracts.

3) Hiring 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 fiscal year 2020/21, as part of its pre-employment strategy, the firm took on nearly 200 trainees (in the form of sabbaticals and end-of-studies internships) and work-study positions. For example, in 2020/21, almost 70% of the Company's end-of-studies trainees and 50% of work-study trainees actively seeking work were hired on permanent contracts at the end of their internship or training period. The recruitment process for interns and work-study trainees is as demanding and selective as the process for all new employees. They are also offered the same onboarding and support program once they join the firm.

Through its ambition to deliver a positive impact for all its stakeholders, and particularly its candidates, Wavestone is committed to guaranteeing a positive experience for applicants. The Group trains its recruiting personnel and

(1) Excluding employees in the US and India whose age is unknown due to the specific legislation in these countries (99 employees).

structures its recruiting methods around four strong principles:

- consider each candidate as a future employee;
- assess each candidate's potential and knowledge, from the single standpoint of Wavestone's fundamentals;
- guide candidates through individual support and clarify their understanding of the decisions made at each stage;
- help candidates make informed decisions.

In response to the Covid-19 pandemic, Wavestone had to repurpose its recruitment processes to conduct fully remote interviews. The same procedure applied to the onboarding of new employees.

Details of new hires and departures (excluding internships)

New hires and departures during the 2020/21 fiscal year are shown below:

Recruitment

Total external recruitment (excluding internal mobility transfers)
<i>o/w permanent employment contracts</i>
<i>o/w temporary employment contracts:</i>
- <i>o/w fixed-term</i>
- <i>o/w skills-acquisition and work-study contracts</i>

2020/21		2019/20	
Number	%	Number	%
540	100%	1,132	100%
501	92.8%	1,037	91.6%
39	7.2%	95	8.4%
21		30	
18		65	

Staff departures

Departures (excluding internal mobility)
<i>o/w resignations</i>
<i>o/w end of temporary employment contracts (fixed-term, skills-acquisition and work-study contracts)</i>
<i>o/w suspension of trial periods</i>
<i>o/w redundancies</i>
<i>o/w employment-contract termination by mutual consent</i>
<i>o/w acknowledgement</i>
<i>o/w retirement</i>
<i>o/w deaths</i>
Departures of permanent employees

2020/21		2019/20	
Number	%	Number	%
585	100%	789	100%
391	66.8%	486	61.6%
92	15.7%	96	12.2%
68	11.6%	151	19.1%
20	3.4%	36	4.6%
8	1.4%	9	1.1%
0	0%	2	<0.3%
4	0.7%	7	0.9%
2	0.4%	2	<0.3%
501		683	

During the 2020/21 fiscal year, Wavestone recruited 433 permanent employees (excluding end of trial period and internal mobility transfers) and 6 part-time employees in France, equating to 2 full-time employees (FTE).

Breakdown of consultant hiring by type of diploma

	2020/21	2019/20	2018/19
Business schools (%)	27.3%	40.7%	44.0%
Engineering schools (%)	53.2%	27.6%	27.2%
Universities (%)	19.5%	31.7%	28.8%

The uptick in recruitment in engineering schools is owing to a revival of recruitment targeted in the most resilient practices, particularly those with a technological focus.

For the record, Wavestone had frozen its recruitment activity at the height of the pandemic, in mid-March 2020. The Group then gradually resumed hiring as of September, in line with the recovery of its activity rate.

The decline in contract terminations during trial periods, at the initiative of either employers or employees, continued. In the context of the Covid-19 pandemic, special attention was paid to decisions to terminate trial periods at the initiative of Wavestone. Members of the practice's management were systematically involved in the decision-making process in an effort to ensure the legitimacy of any trial period termination.

Staff turnover

Annual staff turnover (number of departures due to resignations compared to the number of employees at the end of the fiscal year) amounted to 11.3% for the 2020/21 fiscal year, down sharply compared to previous years due to the pandemic.

	2020/21	2019/20	2018/19
Staff turnover (%)	11.3%	13.9%	18.4%

3.1.2. Employee development and self-fulfillment: a top priority for Wavestone

1) Developing employee potential

Given the nature of the consulting business, developing employee potential is a top 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⁾ (nearly 90% of new hires in 2020/21). To this end, the Group has implemented additional measures, as described below.

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.

Both the onboarding process and integration seminar were adapted to accommodate for remote working as a result of the Covid-19 pandemic.

Welcome session

Since the Covid-19 pandemic, the integration process for the French offices takes place over the first five weeks following the arrival of new employees. It is conducted entirely remotely and comprises the following stages: informal exchange of ideas, topical presentations (HR and CSR policy, business model, remote working best practices, time management, recruitment, communication), assignment of a mentor and Delivering in Wavestone training. The latter is designed to help staff master the office-based tools required to produce deliverables in line with Wavestone standards.

(1) Six months or less experience.

Each France-based office oversees its own onboarding process.

Integration seminar: Wavestone Inside

Since the outbreak of the Covid-19 health crisis, Wavestone Inside takes place remotely over three half-days, twice a year. 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.

The sessions are based on two half-days of team challenges and one half-day of plenary sessions and discussions. The latter focuses on testimonials by the firm's partners as well as that of an inspirational speaker. The half-day then ends with a Q&A session with top management.

Close employee monitoring



Training programs

Skills development at Wavestone is underpinned by:

- a common training program for all young recruits;
- digital training courses (e-learning platforms, MOOCs, etc.);
- in-person, attendance-based training courses.

Common training program for all young recruits

Young graduates follow a five-day training program 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 networks 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 three training sessions during their first year.

Digital training programs

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 three e-learning platforms, Edflex, Vodeclis and Sequoia) programs, open to all employees:

- Vodeclis: tuition in professional office tools;
- Edflex (formerly 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: online educational training courses in a fun format created by the employees of the Wavestone's practices to grow skills and know-how and share them within the firm. 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.

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.

Since July 2020, Wavestone has also developed an internal training newsletter that offers various content accessible online on a monthly basis (business, CSR, soft skills and teamwork). To this end, the Group is supporting the skills development of employees, specifically those affected by short-time-working during the first months of the fiscal year.

Attendance-based training and blended learning courses⁽¹⁾

Wavestone's training institute proposes around forty attendance-based programs designed to develop key job-related skills (business development, delivery, communication, assignment management, etc.). Some of these programs award certificates upon completion. These include ITIL (Information Technology Infrastructure Library) Foundation V3 and 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.

As a result of the Covid-19 pandemic, some training sessions were repurposed into a remote, virtual format while other sessions had to be suspended.

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 and e-learning courses in anti-corruption and data protection) for all of Wavestone employees (excluding Hong Kong).

Fiscal year	2020/21 fiscal year	2019/20 fiscal year	2018/19 fiscal year ⁽¹⁾
Number of employees that attended at least one training course during the fiscal year	2,147	2,519	2,080
Percentage of headcount that attended at least one training course during the fiscal year	62%	72%	67%
Number of training days provided during the year	4,739	8,067	6,604
Number of training hours provided during the year	33,163	56,468	38,288
Average number of training hours provided during the year per employee	15	22	18

(1) Missing data for the Morocco and Wavestone Advisors Switzerland offices (98.4% of staff represented).

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



Training accounts for 2.4% of total payroll costs in France. Spending on training in the 2020/21 fiscal year in France amounted to €4,025,134.

Most of Wavestone Academy's training was halted during the first few months of the fiscal year, owing to the health crisis and the resulting performance plan.

- during the period in which Wavestone made short-time working arrangements, the main training courses implemented were those offered under the BECOVID and FNE (France's National Employment Fund) schemes. Overall, the two schemes delivered 22% of training hours for the fiscal year;
- during this time, new distance learning courses were developed to level up the integration program.

Breakdown of internal transfers by type

	2020/21		2019/20		2018/19	
Regional transfers	28	29%	43	29%	39	41%
Occupational transfers	18	18%	22	15%	19	20%
Inter-practice transfers	51	53%	82	56%	38	39%
Total	97	100%	147	100%	96	100%

The Wavestone Horizon professional development tool

Career development programs, known as Wavestone Horizon, are designed for our consulting, business and cross-functional professions.

A new career path dedicated to cross-functional professions was deployed over the fiscal year.

These programs are made known to all of Wavestone's employees, irrespective of their geographical zone⁽¹⁾. They provide 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.

Assessment mechanisms

Assignments and on-the-job training

For all Company employees, the professional consulting assignments they carry out also provide an 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

Internal mobility mechanism

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 three months.

Almost 100 employees availed of internal mobility opportunities in fiscal year 2020/21, with 53% moving to another office.

assignment, the project manager informs the consultants of the objectives involved and provides feedback (or at regular intervals in the case of long-term assignments). This feedback highlights the progress achieved and identifies 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).

Lastly, as part of the process to acquire the consulting skills they need to progress, consultants contribute to the Firm'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.).

Talent reviews and annual assessments

Every year, across all of the Group's business lines, each employee's performance is discussed as part of a talent 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 Career Development Manager for an annual assessment in order to discuss their

(1) Excluding the functional path, which is only applicable in France due to the size of the other Wavestone offices.

annual evaluation, career prospects, compensation and work-life balance.

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

Compensation policy

Compensation policy: core principles

Our pay policy is based on three principles:

A single salary scale for each job category and country

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 is essential to have a competitive pay policy to attract and retain the best talent. This policy is based for each country and each job category, considering market practices (annual benchmark).

Commitments 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, Wavestone Advisors and Metis Consulting calculated on the basis of the statutory formula, totaled €5,460,390 in the 2020/21 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 allocated 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 employed by the Company and have not sold their Wavestone Actions Fund units.

In fiscal year 2020/21, due to the Covid-19 crisis and its impact on Wavestone's activity, the bonus share option was not offered. This decision resulted in a decrease in the investment of employees receiving profit-sharing in the Wavestone Actions Fund. Whereas normally, nearly 40% of employees receiving profit-sharing would invest all or part of their share in the Wavestone Actions Fund, only 22% of employees did so in fiscal year 2020/21.

The bonus share option will be offered once again in fiscal year 2021/22 and extended to scopes outside France as part of Wavestone's international development policy.

Not only does employee shareholding provide bonus shares, it also boosts their sense of pride in being part of the Company. During the 2020/21 fiscal year, Wavestone created an Individual Shareholders Advisory Committee (CCAI). Its purpose is to enable the firm to listen to its individual shareholders by facilitating regular, high-quality dialogue, to gather their opinions on the various aspects of its communication with them and to improve the communication media intended for them. This Committee comprises six members, three of which are individual employee shareholders.

2) Employee well-being and self-fulfillment

The HR promise made by Wavestone to candidates and employees is that they will benefit from a high-quality work environment which is both stimulating and offers the possibility of striking a successful work-life balance. This promise is underpinned by a number of observations and convictions:

- work-life balance has a major impact on quality of life in the workplace, and ultimately on the quality of the "employee experience," by fostering an environment that supports the professional development of each individual and respects their health;
- quality of life in the workplace is a "generator" of engagement and key to successfully attracting and retaining employees over the long term;
- quality of life in the workplace, particularly having adequate personal time, is a source of sustainable performance for employees and, on a wider scale, for Wavestone.

The attention paid to employees' work-life balance is part of a more comprehensive approach to quality of working life at Wavestone, which aspires to be sustainable and continuously improving. This approach encompasses both measures to improve the quality of career paths (professional development, internal mobility, pay policies, management practices, etc.) as

well as the workspaces within Wavestone's offices through initiatives such as remote working or co-working, measures to support parents and all initiatives that enable employees to be involved in the Company's vision.

Therefore, an agreement on professional gender equality, quality of life in the workplace and the right to switch off from work was the subject of negotiations with the Economic and Social Committee (CSE) and was signed in early fiscal year 2020/21.

Spearheaded by the firm's CSR approach, new thinking and initiatives have also emerged around the topic of diversity and the development of a more inclusive workplace: these topics—our disability program (“Mission Handicap”), gender equality, LGBT+ inclusion—are also opportunities to develop a high-quality workplace for all Wavestone employees.

Working environment and work-life balance

Flexible working arrangements

Working time

Since 07/01/17, all Wavestone employees in France fall into one of the following three working hour categories: category 1 (37 hours/week with 10 paid days off ATT⁽¹⁾), category 2 (a fixed 166 hours and 42 minutes per month and 218 days per year, including the “Solidarity Day”), and category 3 (a fixed 218 working days per year, including the “Solidarity Day”).

Taking paid time off

Taking time off regularly is also part of the work-life balance equation. All Wavestone employees are therefore encouraged to take days off on a regular basis. The HR and management teams also regularly check that leave is taken in compliance with local legislation and with relevant health and safety requirements.

Lastly, workload and work/life balance in general are among the topics that are discussed between employees and their Career Development Manager throughout the year, and which are, at the very least, brought up during the annual assessment.

The right to switch off

Employees have the right to switch off communication devices provided by the Company.

To ensure that employees' right to switch off is respected, Wavestone has taken a “collective regulation” approach to digital communication by promoting the sharing of a common framework and best practices for all of its employees, in keeping with its corporate culture:

- a window for offline time applies to all employees, Monday through Friday, from 8:30 p.m. to 8:00 a.m.;
- a “do-not-disturb” period in the middle of the day ;
- a standard timeframe for holding internal meetings.

To ensure that everyone exercises this freedom to organize their working time while also respecting the freedom of others, a set of rules and best practices have been laid out which take into account the specific situation of each Wavestone office: Outside of this framework, each employee is encouraged to avoid sending messages or making business calls as much as possible, except in extraordinary circumstances (a threat to the health of employees, a threat to goods or services, or necessary communications between different time zones). Nonetheless, this switch-off period is not intended to constrict employees' flexibility, particularly when it comes to achieving a work-life balance. In this respect, the Group has communicated best practices to employees, such as the use of the “delayed sending” feature in Outlook.

The reference framework is communicated via the firm's intranet. The Company's management and HR teams are equally responsible for ensuring that the right to switch off is respected. They must lead by example in their practices.

Smartworking@Wavestone

Since the beginning of the health crisis, all of the firm's teams have been working remotely with occasional visits to their offices. Remote work was already widely practiced at Wavestone with all employees offered the option to work remotely up to three days a month, either at home or in co-working spaces. However, the Covid-19 crisis has opened up new perspectives on work organization.

Wavestone sees this as an opportunity to rethink its working methods. The Group is currently developing an experimental project—Smartworking@Wavestone—which consists of designing a future workplace with a new face-to-face/remote mix. Each team in the firm will independently test new ways of working for several months. The feedback will then be shared to develop office best practices and needs and to establish ways of working that are consistent across the firm, in line with Wavestone's corporate DNA.

(1) Organization of Working Time.

The new ways of working are expected to provide multiple benefits including: improved performance, improved quality of life in the workplace and improved work/life balance for employees as well as increased synergies between offices worldwide, a reduction in the firm's carbon footprint due to reduced travel, and greater Group appeal.

Office premises: the AIR project

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

It aims to inject more flexibility, comfort, creativity and opportunities for exchanging ideas about ways of working.

The main features of the AIR project are:

- open-plan work areas featuring glass partitions to ensure a constant flow of natural sunlight;
- 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, "Hub" client center, "Nomad Zone," etc.;
- new technologies are central to the project: digital signage screens, touchscreen booking terminals for meeting rooms, video-conferencing equipment, etc.;
- the concept also includes a rest room (in Paris), to allow employees to recharge their batteries during a power nap.

In addition, employees at the Paris offices have access to concierge services.

Although the premises were hardly used during the pandemic, a system for lending equipment (chairs, additional screens, etc.) was set up to improve employees' comfort at home and to prevent Musculoskeletal Disorders (MSD). This project was rolled out in France and several offices around the globe.

Support for expectant parents

Wavestone wants to encourage all employees with children to achieve a healthy work-life balance.

Encouraging parents within Wavestone means supporting mothers and fathers in balancing their lifestyles: living better and working better. Taking parenthood into account is part of an approach that respects professional gender equality. It promotes a working environment where employees with children can strike a better balance between work and family. Wavestone is committed to taking practical steps to support parents and commits to:

- changing how parenthood is represented within the company by making its HR teams and managers aware of the challenges of better taking parenthood into account in-house and by informing all employees of its commitment;
- developing a favorable workplace for employees who are parents, specifically pregnant women, by adapting their working conditions and by fostering a better work-life balance for parents in the workplace;
- respecting the principle of non-discrimination in the professional development of parents in the workplace by preventing and eliminating discriminatory practices against them and promoting managerial practices and conduct that respect their professional development.

In an endeavor to implement this commitment across the Board, the Company has taken several measures, outlined below and presented in Wavestone's Parenthood Guide for employees in France.

The Group notes that, in the unprecedented context of the health crisis, and in addition to these measures, special attention has been paid by the HR and management teams to employees who are parents in order to facilitate the reconciliation of their professional and familial responsibilities: flexibility organizing working hours, taking leave, adapting work schedules, etc.

Nursery service

Since 2008, Wavestone France has provided its nursery service to help employees with children/who are expecting a child to find creche (nursery) places in the Babilou and Maison Bleue networks, which represent over 300 nurseries in France.

In fiscal year 2020/21, Wavestone financed an average of 90 cribs for its employees' children in France.

Childcare leave

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

Parenting conferences and workshops

As is the case every year, Wavestone offers conferences in its Parisian offices and in some regions (Nantes, Lyon, Marseille) led by a parenting coach. These 2-hour conferences focus on practical themes, such as "Sleep for children from 0 to 4 years old" or "Making parenting a breeze." Since 2019, individual support is also provided to employees in France via face-to-face meetings or by telephone.

As a result of the pandemic, such workshops were replaced by various initiatives implemented by the CSE which could be accessed remotely. These included:

- drawing contests with topics such as "Mom or Dad working from home," "Disney in Wavestone Colors," "I Love Chocolate," "Springtime," "A Drawing for My Grandparents," "What will you do post-lockdown?";
- remote theatrical performances in partnership with Co-théâtre. Ten sessions were offered and over 100 children participated during the lockdown;
- these sessions included various fun activities (salt dough recipes, recycling objects, preparation for Mother's/Father's Day, 100% home-based science experiments, etc.), computer workshops and parent/child sophrology sessions;
- help with schooling through the Skilleos and Lumni platforms and access to a collaborative list of stories, music, virtual exhibitions and many more initiatives.

Maternity leave support

This system, which allows pregnant employees to work from home three days a week and to be equipped with a second computer at home to reduce the need to carry loads, will be reviewed in accordance with the Smartworking@Wavestone initiative.

Prior to maternity leave, pregnant employees who so wish may benefit from an individual meeting with their HR representative, with a specific focus on Wavestone' Corporate Parenting Charter.

Paid maternity, paternity and adoption leave

Full pay is maintained throughout maternity, paternity co-parenting, settling-in 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 two weeks back.

When returning from maternity, adoption or parental leave, employees benefit systematically from two meetings with their HR representative and with their Career Development Manager (CDM) in the month they return to work. These meetings are organized by the HR representative and the Career Development Manager.

Corporate Parenting Charter

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

Social relations

Organization of social dialogue

In France, an Economic and Social Committee (CSE) for the Economic and Social Unit (ESU) is made up of Wavestone SA and Wavestone Advisors.

The CFE-CGC trade union is the representative union and has appointed two specific representatives.

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, music, wine-tasting and theater. The Group has also established a partnership with Gymlib in that provides employees with access to more than 200 activities in more than 2,000 sports centers around France.

During the health crisis, the CSE played an active role in developing various activities for employees. Examples include:

- parenting workshops⁽¹⁾;
- distance learning music courses;
- access to a regular selection of literary works;
- creation of a Video Games club;
- several home recipes to cook, with remote support from chefs;
- creative workshops: making candles, kokédama, making chocolates, etc;
- access to an Urban business platform for courses in sophrology, nutrition, yoga and coaching;
- free access to Gymlib for the use of apps focused on well-being, sports and sports advice.

Furthermore, the CSE has acted as a relay for Wavestone's HR and management team. In doing so, the CSE regularly reminded employees of best practices to strike a work/life balance and readily supported employees experiencing difficulties.

Meetings between management and employee representative bodies held in 2020/21 by scope

21 meetings, including nine exceptional meetings were held with the ESC in fiscal year 2020/21.

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

- Consultation on the Group's inclusion policy to promote the recruitment of people with disabilities
- Consultation on the Group's health and welfare insurance plans
- Consultation on the proposal to digitalize the Company's lunch vouchers
- Presentation of Wavestone's proposed Ethics Charter

Review of collective agreements signed

Within the Economic and Social Unit (ESU), which includes Wavestone SA and Advisors, an agreement on gender equality and workplace quality of life was signed on 05/15/20, and an agreement to review working hours was signed on 10/13/20.

Mandatory Annual Negotiations led to an agreement signed on 06/17/20 by the ESU.

Health and Safety

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 scheduled four ordinary and 12 exceptional meetings in fiscal year 2020/21. Ten of these concerned the Covid-19 health crisis.

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 fiscal 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 psycho-social 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.

Occupational health and safety agreements

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

(1) See parenting section.

Occupational accidents and illness

France (excluding Metis)	2020/21	2019/20	2018/19
Number of occupational accidents	1	29	22
<i>o/w commuting accidents</i>	1	22	11
Number of occupational illnesses declared	0	0	0
Rate and frequency of occupational accidents ⁽¹⁾	0	2.0	1.7
Severity rate of occupational accidents ⁽²⁾	0	0.04	0.01

(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.

The only commuting accident declared within Wavestone France in 2020/21 has not been supported by a work stoppage.

Absenteeism

Wavestone's absenteeism rate in France⁽¹⁾ was 2.3% for the 2020/21 fiscal year, stable on fiscal year 2019/20 and mainly due to sick leave and occupational and commuting accidents. Unpaid leave is not factored into the absenteeism rate.

Including maternity, paternity and parental leave in the absence of sickness and occupational and commuting accidents, Wavestone's absenteeism rate ended at 3.06% for fiscal year 2020/21.⁽²⁾

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.

That said, if employees experience stress, bullying, harassment or discrimination of any kind, they can go to one of a number of trained people. These include: HR teams, the Health, Safety and Working Conditions Committee (HSWCC), the occupational health doctor, nurse 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, and the unit is accessible by phone or e-mail, in French and English.

Moreover, an external anonymous reporting tool, Whispli, was deployed in April 2021 to encourage discussion of these difficult topics or situations when the context does not allow for open discussion with the usual designated in-house contacts. Such reporting is processed anonymously by the firm's in-house Ethics Officers.

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 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 has also developed a training module focused on the prevention of sexism in the workplace, which is mandatory for all management.

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

Lastly, an action plan to promote a healthy work-life balance for employees was rolled out in fiscal year 2020/21 (reference period for the organization of recurring internal meetings, a dedicated lunch break, specific communication plans, etc.). The action plan will be regularly monitored by the Executive Committee EXCOM alongside the Economic and Social Committee (CSE) based on a number of key indicators. The latter include: number of vacation days, the number of employees who have not taken time off for three or four months (in France), the number of workplace stress situations identified every month and the rate of new cases of sick leave.

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.

(1) Excluding Metis.

(2) New data, not calculated in previous fiscal years.

Employee-led projects

In an effort to stay connected as a firm, several employees took the initiative to carry out local initiatives such as the Wavestone GO application, which allows employees to connect randomly over a virtual coffee. This has created a platform for weekly discussions between employees, regardless of position, seniority, and field of expertise.

What's more, the What's Up Wavestone? sessions gave rise to several employee-led initiatives in various offices. The sessions, which were open to all employees in France and abroad, materialized during fiscal year 2020/21 as a live hour-long program in a relaxed and friendly setting. The event is presented by two employees, one French-speaking and one English-speaking. It welcomes about 15 guests during each session (employees and external guests) who introduce initiatives, large-scale projects, best practices, passions to name a few.

3.1.3. Diversity and equal opportunities

Our corporate culture thrives on individual differences, regardless of age, gender, ethnicity, religion, sexual orientation, disability or nationality. We strive daily to create a welcoming workplace where employees can be themselves.

In line with its commitment to being a responsible employer, Wavestone is committed to acting in strict compliance with the principles of ethics and equal opportunity.

Wavestone's social and societal policy is reflected in its program to promote diversity and non-discrimination.

In this regard, Wavestone set three priority objectives for 2021 as part of its latest strategic plan:

2018-2021 Objectives	Performance at 03/31/21	Performance at 03/31/20	Performance at 03/31/19
Have the same proportion of women in positions of responsibility (operational or hierarchical management) as in the workforce	31% and 41%, respectively	30% and 41%, respectively	28% and 38%, respectively
Achieve 30% representation of women on the Executive Committee	16% ⁽¹⁾	15%	15%
Triple the number of employees with disabilities (objective: increase from 11 to 33) ⁽²⁾	29 at 12/31/2020	22 at 12/31/2019	15 at 12/31/2018

(1) In early fiscal year 2021/22, the Group reviewed the composition of the Executive Committee (EXCOM). Women now account for 31% representation.

(2) Objective for France (excluding Metis).

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, after work drinks, team dinner parties, annual gala for all staff members and their partners, new employee get-togethers, etc.

In light of the health crisis, these face-to-face moments of conviviality were repurposed for a remote scenario through the organization of games such as the "Killer," photo contests, blind tests, solidarity-based challenges involving individual walking and remote sports sessions. Regular meetings between entities were also held in order to share news and best practices in a fun way as well as asking questions.

In October 2017, a group of dedicated employees formed the Wavestone For All network with the goal of promoting diversity and inclusion and ensuring fair treatment within the firm. The network identifies and provides solutions in response to situations experienced by the teams, at Wavestone and at clients' sites. It also performs various actions to raise awareness of diversity and inclusion (gender diversity, LGBT+, anti-racism, etc.).

In fiscal 2020/21, the network put together the following initiatives:

- training for Wavestone employees led by an external organization, running fun diversity awareness workshops with the target of offering at least six such workshops to employees in France in fiscal year 2021/22;

- launch of a survey among employees of all entities on racism in the workplace to better understand the possible manifestations of this subject, within Wavestone or its stakeholders; based on the 500 responses collected, preventive or corrective actions will be implemented in the fiscal years ahead;
- development of a guide of best practices on the use of inclusive communications.

Wavestone renewed its membership in the French Association of Diversity Managers (AFMD) in January 2021 in order to continue to identify and monitor best practices. The Group's efforts focus in particular on professional equality between women and men and LGBT+ and disability issues in addition to Company-wide diversity and inclusion endeavors.

1) Gender equality in the workplace

Social data

2018-2021 Objectives	Performance at 03/31/21	Performance at 03/31/20	Performance at 03/31/19
Have the same proportion of women in positions of responsibility (operational or hierarchical management) as in the workforce	31% and 41%, respectively	30% and 41%, respectively	28% and 38%, respectively

The percentage of women employees in the Group continued to level off to 41% at 03/31/21. This resulted from a fiscal year in which the upturn in second-half recruitments was mostly made focused on engineering schools which have fewer women than business schools or universities.

As part of its action plan to promote professional equality between women and men and achieve its objectives, Wavestone has identified five main performance drivers:

- accelerate gender diversity in hirings;
- ensure equal treatment in performance assessment, promotion, talent and compensation;
- combat stereotypes, sexism and sexual harassment;
- support employees with children in achieving a healthy work-life balance;
- promote a healthy work-life balance for all employees.

Against this backdrop, Wavestone led several initiatives in fiscal year 2020/21:

- completion of quantitative analyses and qualitative interviews with 50 women employees for a more in-depth review of the current state of affairs regarding gender equality in the various entities and to identify and initiate additional actions adapted to their respective contexts in 2021/22;
- completion of proactive initiatives to increase the percentage of women in management (monitoring HR indicators by gender, career support, support for parenting, dissemination of best practices, management awareness, etc.);
- organization of Women@Wavestone events to provide opportunities for discussion through the inspirational accounts and stories of employees;
- rollout of a management training module, with a focus on preventing sexism in the workplace;
- HR review of available parent mechanisms, including: nursery space, returning to full-time work, childcare leave and parenting conferences and coaching sessions.

On 02/25/21, under the French law on the freedom to choose an occupation (09/05/18), Wavestone disclosed a gender equality score of 87/100 for the Wavestone Economic and

Social Unit (ESU). The aim of the law is to eliminate pay differences between men and women in France.

2018-2021 Objectives

Achieve 30% representation of women on the Executive Committee

Performance at 03/31/21	Performance at 03/31/20	Performance at 03/31/19
16%	15%	15%

Wavestone reviewed the composition of its Executive Committee (EXCOM) at the start of fiscal year 2021/22, factoring in its commitment to diversity. Women now account for 31% representation.

Societal data

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 since February 2016. The association seeks to promote professional gender diversity, encouraging more women to

pursue scientific and technological careers and bringing together companies through shared best practices. Around thirty women employees at Wavestone who are graduates from engineering schools discuss and recount their careers as sponsors of the association;

- since April 2018, Wavestone has paired up with Foundation Femmes@Numérique, as a founding member and through pro bono consulting assignments. This initiative 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.

2) Employment and inclusion of people with disabilities

Social data

As part of its latest strategic plan, Wavestone has set the target of recruiting and supporting three times more disabled employees by 2021 versus 12/31/2017, i.e., 33 employees by 12/31/20⁽¹⁾.

2018-2021 Objectives

Triple the number of employees with disabilities

Performance at 12/31/20	Performance at 12/31/19	Performance at 12/31/18
29	22	15

For the 2020 calendar year, the result declined versus the target (recruitment freeze for half of the year): Wavestone France⁽²⁾ employed 29 people with disabilities according to the definition provided in the mandatory declaration of employment of people with disabilities (DOETH form)⁽³⁾.

Wavestone France's employer contribution to the AGEFIPH fund for the employment of people with disabilities came out at €819k⁽⁴⁾ for the 2020 calendar year. This was a slight increase on the previous year (€768k), partly owing to the decline in deductible expenses from the sheltered employment sector and revised for Covid-19.

Fiscal year 2020/21:

- four new employees with disabilities were recruited on permanent contracts and three interns, two of whom had no administrative recognition;
- some forty employees with disabilities were supported by Wavestone's Disability Program ("Mission Handicap"), with or without administrative recognition, including nine who came forward during fiscal year 2020/21.

In a bid to strengthen these commitments and develop an adapted and sustainable employment policy, Wavestone signed a two-year partnership agreement with AGEFIPH on 03/31/19, renewed a further year from 04/01/21.

(1) Target at 31/12/2021 from calendar-year data established using the DOETH.

(2) Excluding Metis.

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

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

In fiscal year 2020/21, Wavestone stepped up its commitment to the three components of its disability policy: recruitment, support for employees with disabilities and for HR and management teams, and raising awareness.

Recruitment:

- diversification of the sourcing strategy and identification of new performance drivers: disability partnership established with a dozen target schools during fiscal year 2021/22;
- secure recruitment and onboarding processes, continuing to train the people involved and regularly raising recruitment officers' awareness, with informal discussions regarding the Disability Program ("Mission Handicap") at the end of the process;
- disability showcase for the employer brand.

Support:

- Since 2018, in order to structure its commitment to disability, Wavestone France has run a Disability Program ("Mission Handicap") composed of two internal employees and one external expert on disability. The program aspires to:
 - provide close follow-up for employees who have already declared their disabilities to ensure their ongoing well-being in the workplace;
 - offer strictly confidential and individual interviews to employees concerned by disability to answer their questions and help them with their administrative procedures;
 - offer support to HR, recruitment and managerial teams to answer their questions and help them with employee follow-up.

In fiscal year 2020/21, remote training sessions were held for HR and management teams as well as the Health Safety and Working Conditions Committee (HSWCC). A project manager training course is also being developed for rollout in fiscal 2021/22.

Outside the pandemic context, note that the Disability Program makes regular visits to our regional offices to provide support locally.

Awareness:

- Wavestone organized two flagship awareness-raising initiatives in fiscal year 2020/21 in a drive to break down prejudice and preconceived ideas. The sessions, which were remote, were aimed at all of the Company's French-speaking employees:
 - organization of a conference with Dorine Bourneton, the world's first female stunt pilot with a disability, which brought together over 200 employees;
 - activities for the European Week for the Employment of People with Disabilities 2020 (SEEPH): theatrical workshops on invisible disability and the digital challenge, with an audience of nearly 200 employees.

Societal data

Parallel to this, Wavestone pressed ahead with its societal commitments to disability:

- use of sheltered workshops for different types of services, such as the printing of training materials or the delivery of meal baskets for Wavestone France;
- continued partnership with the Grenoble Ecole de Management to promote the "Management and Disabilities" certificate offered to 30 students;
- support for disability-related projects by the Wavestone Foundation: in 2020, the Wavestone Foundation funded two projects in Congo and Bangladesh;
- completion of pro bono consulting missions for disability-focused associations as part of skills sponsorship (approximately four Full-Time Employees (FTE)): framing and implementation of the Grande Cause Handicap for Make.org. The latter is an initiative developed from citizen-based consultation which aims to launch concrete projects within three years, assignments for Handicap International and APF France handicap.

3) LGBT+ commitment

On 09/27/19, Wavestone signed the LGBT+ Commitment Charter of l'Autre Cercle, aimed at ensuring the inclusion of lesbian, gay, bisexual and transgender people in their workplace. The signing of this charter is a strong indication of the firm's LGBT+ commitment. Through this charter, Wavestone is committed to sharing best practices for an inclusive workplace, reinforcing preventive action, supporting all those who are victims of discriminatory comments or acts as well as combating prejudice.

Wavestone has laid out four commitments in the context of its LGBT+ charter signing:

- create an inclusive environment for LGBT+ employees;
- ensure equal rights and treatment for all, regardless of their sexual orientation and sexual identity or gender;
- support employees who are victims of discriminatory comments or actions;
- measure progress and share best practices to improve the general workplace environment.

4) Senior employees

Further to the above commitments, Wavestone undertakes to support its senior employees.

At 03/31/2021, employees aged 50 and over accounted for 7% of the firm's total workforce.

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;
- retirement information meetings provided to all employees as of their 50th birthday to provide them with an overview on retirement in France and supply them with key information;
- 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;
- upon request, employees over 50 with more than five years' service at Wavestone can benefit from a professional review funded by the firm from an organization selected by the latter;
- possibility of switching from full- to part-time (3-day week), during which pension 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 section 3.1.3 of this report.

3.1.4. Workplace quality assessment

Wavestone conducts several annual surveys to assess its workplace quality, in line with its continuous improvement strategy.

- **Great Place to Work®**

For several years, Wavestone has been placed in the top 5 of the Great Place to Work® best companies in France with more than 500 employees.

By way of an anonymous satisfaction questionnaire, employees at all of the Company's sites were able to express themselves on the quality of life within the Company. The survey assesses the Company on five levels: credibility, respect, fairness, employee pride and conviviality.

As part of its performance plan launched during the Covid-19 health crisis, the firm did not participate in the fiscal year 2020/21 survey, but will renew its participation for fiscal year 2021/22.

- **Humpact**

Independent extra-financial rating agency specialized in employment, Humpact awarded Wavestone second place in the Youth category of the Humpact Employment Grand Prix in 2020. Wavestone was recognized for its best practices and its high employment rate for young professionals. Wavestone also scooped an employment score of 4.5 out of 5, finishing 20th out of 237 rated companies. The Company was also acknowledged, notably for its transparency.

- **Happy Trainees**

Wavestone France was awarded the Happy Trainees label for the seventh consecutive year in 2021, with an overall score of 4.06/5 and a recommendation rate of 87%. 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 onboarding, guidance and support they offer trainees.

In addition to these external surveys, the firm launched two anonymous internal surveys this year, Wavestone Mood. Their purpose was to regularly gauge teams' motivation in the context of a health crisis and implement corrective actions where necessary. Wavestone is planning on redesigning the format of its HR survey as part of its 2021/22 action plan. This decision follows the positive feedback regarding the new Wavestone Mood format. These discussions strive to develop a long-term approach to monitoring the commitment of Wavestone's teams, combining the annual Great Place to Work® survey with one or two additional, shorter surveys, targeting specific topics and making it possible to monitor employees' commitment levels more regularly than on an annual basis.

3.1.5. Promoting and respecting 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 Labour 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 Labour 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 section 3.1.3. of this report.

3.2. Information on Wavestone’s economic performance

3.2.1. Information regarding the Company’s regional, economic, social and societal impact

Wavestone: committed to CSR

Wavestone aims to be a committed consulting firm by integrating CSR issues into its consulting practice. Working alongside major private and public players, the consulting business is a preferred action driver to offer insight, guide their transformations and act on a daily basis. Consulting focuses as closely as possible on concrete scenarios that will ultimately generate large-scale positive impacts for society.

In this regard, Wavestone set two objectives for 2021 as part of its latest strategic plan:

2018-2021 Objectives	Performance at 03/31/21	Performance at 03/31/20	Performance at 03/31/19
Draw up a responsible consulting charter and train all employees in its application	Formal charter drafted, to be revised following the phase.	Training being developed	Charter being drafted
Conduct our activities based on a clear and responsible policy regarding the choice of our assignments and our clients	Decision to pause the drafting of a policy	Policy being drafted	Policy being drafted

In fiscal year 2020/21, a Responsible Consulting Charter was formalized with the focus of discussions extended to the concrete, operationalized implementation of such commitments. This was a cornerstone issue for the Charter’s adoption. Methodology was established and tested in an effort to obtain initial tangible results.

This all-purpose, all-project methodology aims to promote operational performance drivers for Wavestone’s teams. It is reflected in the provision of diagnostics to guide potential impact assessment and toward in-house accelerators as follows:

- documentary resources (best practice sheets, feedback, e-learning, etc.);
- leveraged methodologies and tools (e.g.: greenhouse gas calculator);
- potentially mobilized expert units.

Naturally, each project team is encouraged to leverage accelerators by capitalizing on assignment outcomes.

In second-half 2020/21, the methodology was tested through various projects, with a focus on four areas:

- impact on individuals;
- data protection;

- greenhouse gas emissions;
- waste management.

Other topics will gradually extend the scope of the approach.

Targets for fiscal 2020/21 were revised with a view to focusing work on the Responsible Consulting Charter (finalized) and project methodology testing. In terms of testing, the target of 5 applied methodology projects was introduced. Specifically, projects involved an initial inventory, in-depth thematic diagnosis and an assessment of the application of the approach produced and shared with the client. The following projects were conducted:

- integration of the “CO₂ impact” in the study of new logistic scenarios for a large international luxury group;
- recognition of new storage rules to halve storage space in a large banking group’s collaborative tool migration procedure;
- introduction of a new “environmental impact and waste management” criterion in the selection of a leading energy company’s future office services provider.

In fiscal year 2021/2022, Wavestone will seek to capitalize on the operational momentum created to kick-start this rollout across the firm. The Group will focus on a broader scope of initiatives, with at least 100 completed projects by 2024.

Transparency and ethics

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 its adherence to the principles of transparency and ethics.

As part of its latest strategic plan, the firm set the following objective:

2018-2021 Objectives	Performance at 03/31/21	Performance at 03/31/20	Performance at 03/31/19
Have trained 100% of employees in business ethics	84% of employees trained in the fight against corruption	79% of employees trained in the fight against corruption	Training being developed

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 Middelnext Corporate Governance Code (updated in April 2021).

The Supervisory Board is composed of 7 members (2 women and 5 men), of which 4 are independent and 1 is an employee representative. As Wavestone is an equity-controlled company, the composition of the Supervisory Board ensures that the interests of minority shareholders are respected. The Board has an Audit Committee and a Compensation Committee, both of whom are chaired by independent directors.

Internal control was tightened by an independent Internal Audit function, which is subject to a Charter and a Code of Ethics.

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

For more details, see chapter Risk factors and their management of the Company's Universal Registration Document.

Business Ethics Charter

In 2020, Wavestone began drafting a Business Ethics Charter. This will be communicated to the entire firm during fiscal year 2021/22 and supported by awareness and training initiatives. The Charter outlines Wavestone's key commitments to ethical business conduct, providing a clear framework for acceptable and unacceptable behavior. The Charter has been drafted in consideration of all of the firm's stakeholders. It is also written

for Wavestone's entire workforce. As ambassadors, Wavestone's employees must comply with its rules and principles.

Whistleblowing system and the role of the Ethics Officers

Ethics Officers are the standard-bearers of ethics for all of Wavestone's stakeholders. They are employees appointed by the Chairman of Wavestone's Management Board for their skills, integrity, loyalty and company knowledge. The Ethics Officers and the Internal Audit Department are committed to doing everything possible to guarantee confidentiality in the handling of queries/alerts. As such, they have all signed the Confidentiality Charter that is part of the Internal Alert System.

Ethics Officers are responsible for assessing the admissibility of alerts, ensuring their follow-up and processing and answering questions. Whenever possible, they may contact the employee who raised the alert to obtain details of the facts and, if necessary, further investigations, with the support of Internal Audit and the Functional Department concerned.

Four alerts were signaled in fiscal year 2020/21. They were focused on a range of issues such as conflict of interest. All alerts were treated and marked as complete.

On top of this, in April 2021, Wavestone deployed a new alert solution based on the external Whispli platform. With its all-time availability (via the web or mobile app) for all the firm's internal or external stakeholders, Whispli allows them to ask questions and anonymously report any situation that appears to be inconsistent with Wavestone's ethical commitments. Example scenarios include: corruption, conflict of interest, fraud, influence peddling and harassment or all forms of discrimination (sexism, racism, etc.).

Anti-corruption

Wavestone's Management Board adopted the Anti-Corruption Code of Conduct published by Middelnext 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 formally drafted its own in-house guide for staff based on actual case studies. This was made available on the Group's corporate website.

A mapping of corruption-related risks is also updated annually. This helps to identify the populations most exposed to risk and to plan prevention and awareness-raising actions.

Commitment to business ethics training

A mandatory firm-wide training module (e-learning) in the fight against corruption has been deployed. 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.

Furthermore, Ethics Officers are currently receiving training in order to apply a relevant legal framework.

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.

Wavestone also undertakes to ensure responsible conduct with respect to local communities. Examples include:

- Wavestone refuses to carry out dismissals or contractual terminations of convenience;
- given Wavestone's solid fiscal-year results, and in line with the corporate social responsibility values the firm promotes, the Management Board, with the agreement of the Supervisory Board, will submit the reimbursement of monies received under furlough arrangements (representing more than €3 million) to the Annual General Meeting of 07/27/21, for approval.

3.2.2. Data protection across the value chain

True to its commitment to behave as a responsible economic player in its environment, the firm is committed to protecting data across its value chain.

As part of its latest strategic plan, the firm set the following objective:

2018-2021 Objectives	Performance at 03/31/21	Performance at 03/31/20	Performance at 03/31/19
Have trained 100% of employees ⁽¹⁾ in data protection	100% of new hires 100% of employees	100% of new hires 86% of employees	86.4% of new hires 71% of employees

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

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 redesigned its awareness materials in 2019 to create a global program called TRUST.

In addition to the existing media (confidentiality agreement, user charter, dedicated intranet page), new means of communication have been implemented:

- creation of a humorous awareness-raising video including Information System Security Managers (ISSMs) from some major French and international companies as well as Wavestone's CEO and Chairman and COO;
- creation of animated videos for simplified use of data protection tools;
- organization of weekly events to meet employees, the Cyber-coffee quizzes;
- organization of a big contest during Cyber Security Month. In 2019, the contest, which was focused on the protection of personal digital life, donated more than €2,300 to the ISSA association (<https://ww1.issa.int/fr>). 2020's contest was themed around phishing.

Creation of monthly videos to share best practices and cyber news.

3.2.3. Responsible relations with our suppliers

Wavestone takes pride in being a trusted partner. As such, the Group is committed to maintaining responsible supplier relations.

Paying suppliers on time

In the 2020/21 fiscal year, Wavestone focused on reviewing the various purchasing processes in order to secure its suppliers' payment terms. In the context of the crisis, particular attention has been paid to the smallest suppliers, whose payment terms were reduced or even eliminated.

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

To date, sustainable development criteria (environmental, social and/or societal) were integrated into certain specific purchasing processes but were not implemented and standardized at the Group level.

Since 2019, Wavestone has worked on developing a new purchasing policy, integrating CSR priorities in France. These efforts seek to integrate social (the sheltered employment sector, social employment companies, companies hiring older people, etc.), environmental (zero waste policy, organic foods, etc.) and community (local production) factors into the selection criteria of its service providers and to ensure compliance with certain CSR commitments (the fight against corruption, for instance).

To this end, all new suppliers agree to sign Wavestone's Anti-Corruption Appendix aimed at complying with the Middlednext Corporate Governance Code, to which the firm is a member, and to fill out a questionnaire aimed at assessing their commitment to CSR.

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.

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.

Several initiatives were implemented in fiscal year 2020/21 in a drive to strengthen the Group's responsible purchasing policy. These include:

- increasing buyers' awareness of CSR criteria in the selection of suppliers, particularly through the drafting of a catalog of responsible suppliers for the Paris, Lyon and Nantes sites;
- systematic communication of a CSR questionnaire to new suppliers in the context of tenders issued in France;
- mapping of purchases initiated to identify CSR risks and opportunities.

For fiscal year 2021/22, Wavestone will aim to extend its catalog of responsible suppliers to other Wavestone sites (Marseille, offices outside France) and to send the CSR questionnaire to existing suppliers in order to verify their CSR commitments.

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.

In such cases, subcontractors agree to sign the Wavestone Anti-Corruption Appendix and the firm may subcontract to the sheltered employment sector where possible.

3.2.4. 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 3.3).

3.3. Societal performance information

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 fiscal year 2018/19, and in keeping with the Wavestone 2021 strategic plan, the Company decided to step up its sponsorship actions, with a fivefold increase in its support for organizations with a civic mission:

2018-2021 Objectives	Performance at 03/31/21	Performance at 03/31/20	Performance at 03/31/19
Devote 1% of the firm's time to supporting organizations with a civic mission	0.79% ⁽¹⁾	0.53%	0.24%

(1) Wavestone was forced to cancel its global corporate solidarity day—Powerday—in 2020/21, owing to the health crisis. This day represented approximately 0.2% of Wavestone's employees' time in the two previous fiscal years.

This commitment reflects a strong desire on the part of employees to contribute to and become involved in the major charitable causes supported by the firm. The latter focus on the environment and sustainable development, professional integration, diversity and the fight against poverty.

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

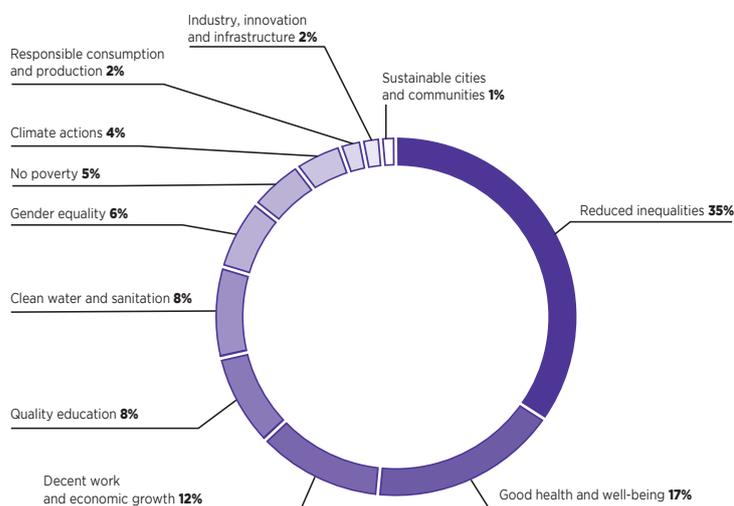
Pro bono consulting and advice for community groups which require the same expertise and know-how as a traditional consulting assignment

Against the backdrop of the Covid-19 crisis, a crisis management sponsorship unit was set up at the beginning of the fiscal year. This made it possible to continue the firm's skills-based sponsorship commitments and to identify new pressing issues of charities, current Wavestone partners or otherwise, to be able to address such needs.

A new internal system has made it possible to support the increase in pro bono missions: skills sponsorship is now fully integrated into the firm's processes and tools and relies on a network of referents both in support functions (finance, communication, legal, etc.) and in the management of operational practices. Twenty or so volunteer employees are also responsible for managing relations with charities and associations.

This meant that in the 2020/21 fiscal year, Wavestone supported 36 partner associations through 83 consulting assignments. In other words, 190 employees were involved with a combined 5,747 dedicated days spent on their initiatives, up 3,465 days on the previous fiscal year. This sharp increase reflects the firm's new standing as a skills sponsorship leader in France.

Breakdown of days worked, based on the UN's sustainable development goals



Wavestone supports its partner associations in their innovation and transformation endeavors. The following examples demonstrate this support:

- **French Red Cross:** the firm supports the association in the structuring and launch of 21, its social innovation accelerator. The French Red Cross leverages Wavestone's methodologies and employee experience from similar assignments to help the young accelerator fine-tune its positioning and operations.
- **Solidarités International:** Wavestone made a three-year commitment to provide Solidarités International with its consulting expertise. The firm assists the NGO in managing its transformation and developing its information system. This is with a view to better management of its actions to improve drinking water access for everyone.
- **Femmes@Numérique:** Wavestone has supported the foundation for the past year. Femmes@Numérique strives to increase the number of women in digital professions through a range of projects: strategic support, development of brand awareness, community outreach, etc.
- **Share IT:** Wavestone supports this Tech for Good accelerator, based at the Station F start-up campus, in the framing and management of digital and innovative projects. As an example, Label Vie supports living spaces (creches/day care centers, leisure centers, senior residences) by making them more responsible, more eco-friendly and more health conscious for users and staff. The firm helped the association to optimize the process for its beneficiaries by digitizing the labeling of creches/day care centers.
- **Make.org:** the firm supports the Make.org foundation through the management of the Grande Cause Handicap (which aims to make cities and transport more accessible, improve training, raise awareness and provide better support for caregivers) and the Grande Cause Aînés (which aims to act to maintain people in their homes, improve living spaces, and provide information and support for caregivers).

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

Ever since its creation, Wavestone has organized its global solidarity action day, dubbed Powerday, each year towards the end of the summer. This annual event is a chance for employees to dedicate some of their time to the social cause of their choice. In 2020, in the midst of the unprecedented health crisis and in keeping with all of the measures already taken to mitigate its impact, Wavestone made the difficult decision to cancel the Powerday. The next Powerday will be held in August 2021.

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 increase access to the highest forms of education and extensive scientific studies:

- by promoting social, cultural and intellectual diversity for students. All the students who show promise but do not excel in the mainstream educational system. 65% of these are on scholarships, 36% from technology studies and 36% have some form of disability;
- by deploying an experimental and interdisciplinary approach fostering teamwork in project mode;
- by spreading best practices and innovative teaching methods in the university environment.

The success of this educational approach, awarded the Excellence in Innovative Education (IDEFI) label in 2012, was confirmed by the graduation of the last five classes of students. Since 2016, more than 90% of students went on to Master's level or enrolled in engineering colleges, such as: AgroParisTech, EPITA, Arts et métiers, Polytech and EDHEC.

As the founder of the Villebon Institute, Wavestone lends its support at various levels:

- financial aid for the course;
- active contribution to certain strategic bodies;
- assistance with workplace integration through student sponsorships across all year groups, organizing annual professional workshops and hosting students doing internships so they can discover the world of consulting.

In fiscal year 2020/21, around 100 Wavestone employees sponsored students and Wavestone renewed its partnership as a financial sponsor and mentor for the next five years.

Financial sponsorship with the Wavestone Corporate Foundation

The Wavestone Corporate Foundation was created in 2009 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 and upholds the principle of empowering its beneficiaries.

Since its creation, the Foundation has backed and financed more than 134 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, nearly 15 sponsors had contributed to the Wavestone Foundation's projects by continuing to lend their support.

At the end of fiscal 2019/20, Wavestone had to tackle the Covid-19 crisis. Against this unprecedented backdrop, the firm was forced to suspend its initially planned funding to the Corporate Foundation. At its Board Meeting of 03/27/2020, the Foundation used remaining funds to finance seven new projects for a total amount of €46,000. In an effort to fund as many associations as possible, the Board decided to lower the maximum amount of individual grants to €8,000 for standard projects and €5,000 for special projects (versus the standard €10,000).

During the 2020/21 fiscal year, the Foundation remained active by monitoring its partner associations' ongoing initiatives. The Foundation supported associations by staying attentive to their needs (donation of computer equipment, masks, hand sanitizer and gloves, skills sponsorship).

At fiscal year-end, the Management Board decided on an exceptional payment of €234,000 to the Foundation, which was provisioned in the accounts as of 03/31/21.

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

2) Actions taken with respect to employment and professional integration

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

In 2020/21, nearly 3,000 applicants were interviewed by Wavestone for permanent positions. These applicants have various sourcing channels (relationships with educational establishments, candidate-referral campaigns, headhunted via LinkedIn and spontaneous applications).

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

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

Every year, multiple on-campus initiatives take place: 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.

Distance learning initiatives were prioritized in the 2020/21 fiscal year as a result of the pandemic.

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

3) Actions taken with respect to raising awareness of IT security issues

With the growing importance of digital technology in our daily lives, IT security is more than ever a social issue.

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

In fiscal 2020/21, 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:

- a case in point is our partnership, active since 2015, with Hack Academy and its awareness raising platform;
- Wavestone also continued to work with ISSA France to raise awareness among 7-11 years old, by co-leading game sessions based on the vacation guide "Les As du Web," developed the previous year under the patronage of the French Secretary of State for the Digital Economy;
- the #TotalCyberAwakening video series initiated in the previous fiscal year continued, filmed by and with Wavestone employees to raise awareness in a fun format: password security, session locking and phishing;
- lastly, in partnership with the French association of the Cyber Security Center for Youth ("*Centre de la Cybersécurité pour les Jeunes*") and with the support of cybermalveillance.gouv.fr, Wavestone created a Board game on the theme of cybersecurity: 1,2,3 Cyber. It aims to make 11-14 years old aware of the risks of Internet and of

good reflexes and best practices to adopt. This game has been used at various gatherings and with several college classes, in conjunction with school officials and educational teams. This card game is offered as a free download and under free license, to encourage its diffusion and continuous improvement.

Free, open-source cybersecurity software 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.

3.4. Environmental performance information

1) The environment in Wavestone's strategy

Convinced of our pivotal role in one of mankind's greatest challenges, we integrate environmental issues into our strategy by making our own concrete commitments and pledging our support to clients. Among the cornerstone issues are the climate transition, energy management and waste management.

To step up its commitment, Wavestone has joined forces with a number of initiatives, including:

- Planet Tech'Care: Wavestone participates in the Syntec Numérique initiative, which aims to help companies integrate digital technology into their environmental strategy and to support training providers in the development of responsible digital skills;
- Boavizta: Wavestone is involved in an inter-organizational working group to co-develop solutions that measure the impact of digital in organizations;
- "Pour un réveil écologique" collective: Wavestone has partnered up with the collective platform, signaling its employees' commitment to reducing their carbon footprint.

Responsible Consulting applied to the environment

At Wavestone, we are aware that it is only by spreading the word across our industry, coupled with tangible success, that we can make our ambition a shared reality. We aspire to make our responsible consulting approach a reflex for all our employees, across all our areas of excellence and offices.

In fiscal 2020/21, this commitment was reflected in proactive actions to integrate environmental issues into even the most standard missions. In doing so, we focused on concrete success drivers and specifically actions to reduce greenhouse gases and waste. Our experiment test phase resulted in the following:

- accelerators to raise awareness among employees and guide initial discussions with the provision of assignment diagnostics to assess potential positive impacts and to channel efforts toward the right resources in-house;
- combined, the reviewed projects helped to develop a repository of best practices which includes formally reproducible methodology;
- dedicated expert units were established and can already be mobilized by the projects to support discussions, whether in the pre-sales or assignment performance phase.

For further information on responsible consulting, see section 3.2.1.

Developing an environmental solution

Responsible Consulting aside, Wavestone has developed various solutions since 2018 to support its clients' environmental transformations. These solutions are geared towards the following concepts: digital responsibility, energy efficiency and sobriety, clean mobility, the circular economy, sustainable supply chain priorities and sustainable marketing.

2) Climate priorities and greenhouse gas emissions⁽¹⁾

Wavestone calculates and communicates its carbon footprint extended to scope 3 on an annual basis. Moreover, the Group performs a Bilan Carbone^{®(2)} (Carbon Audit) every two years, a practice that goes a step further than regulatory obligations, ranking Wavestone among the most transparent companies in its industry.

(1) Greenhouse gas emissions (GHG).

(2) Assessment of quantity of greenhouse gases emitted (or captured) into the atmosphere, over a year, by the activities of an organization.

2020/2021 fiscal year:

- Wavestone's Carbon Audit, which covers the full-scope of the firm's direct and indirect emissions (scopes 1,2,3), totaled 3,445 tCO₂e, i.e., 1 tCO₂ per employee (versus 1.6 tCO₂e per employee in 2019/20). This performance represents a decrease of 36% on 2019/20, with a similar scope, since digital impact is measured more comprehensively than before. Factoring in Covid-19, this data cannot be compared against that of previous years;
- Wavestone's carbon impact, which covers scopes 1 and 2 and scope 3 business travel⁽¹⁾, totaled 926 tCO₂e, 0.27 tCO₂e per employee.

Wavestone's carbon footprint appears to be one of the smallest in its industry (1.6 tCO₂e per employee in 2019/20 on a full-scope basis). Nevertheless, the firm intends to step up its efforts. For fiscal year 2021/22, the Group has turned its attention to developing an ambitious objective for the next few years, which will be accompanied by an action plan on travel and trips, building management and energy, and digital technology.

Ultimately, Wavestone's goal is to adopt an Avoid-Reduce-Compensate approach to contribute to carbon neutrality⁽²⁾. In this spirit, the Company is prioritizing the avoidance and reduction of greenhouse gas emissions, followed by compensation actions.

Initiatives which have been introduced or which are underway are presented below.

Key policies for achieving carbon footprint reduction targets

Travel and transportation

Transportation is one of Wavestone's main levers for reducing its footprint. To this end, the firm has already adopted various measures to limit the use of means of transportation which emit the most CO₂ and to encourage green mobility:

- air travel is authorized only if a train trip would take more than three hours⁽³⁾;
- awareness initiatives are led with the practices to limit planes trips to what is absolutely necessary;
- car travel is authorized for business trips only when there is no access to public transportation or the schedule is too

inconvenient. Use of a private car for business trips requires prior authorization by the employee's line manager. On an exceptional basis, taxis and ride services are reimbursed for employees traveling home after 10:00 p.m. at night. In such cases, Wavestone provides access to electric and hybrid taxis;

- Wavestone pays 50% of employee subscriptions to public bike-rental schemes (Vélib, Vélov, Bicloo, etc.) at all its French offices. In our Lyon office, electric bikes are available for use by staff.

Green IT policy

As regards the environmental impact of digital technology, numerous initiatives have already been implemented through the use of specific settings for different equipment and services (standby mode for meeting room equipment, printing policy, etc.) and also the use of various specialized service providers to give devices a second life.

However, the 2020/21 fiscal year provided an opportunity for Wavestone to go further in taking into account its digital environmental footprint by reviewing the scope of its carbon footprint. Through such efforts, the Group was able to better identify specific initiatives to focus on (review of distribution policy for small accessories, automated cleaning of SharePoint spaces) and to pinpoint various priority areas for the fiscal years ahead:

Increase in lifespan of devices and integration of environmental criteria for the selection of new suppliers;

Definition of best practices for using cloud services, particularly videoconferencing (in a context where remote work was implemented on large scale and sustained). For example, Wavestone's cloud infrastructure provider aims to provide 100% renewably-sourced electricity by 2025.

In addition, over 90% of Wavestone's laptops now have an EPEAT⁽⁴⁾ (Electronic Product Environmental Assessment Tool) label. 30% have the Gold label, and 63% the Silver label. Among other things, the EPEAT label guarantees a responsible use of natural resources in the manufacturing of the products, the limited use of dangerous substances, guaranteed recycling and sustainability, low environmental impact packaging and

(1) Wavestone's commitment scope as reflected in the impact credit.

(2) The firm complies with the vision of the French Environment and Energy Management Agency, ADEME. This agency leads the working group for the ISO14068 standard whose objective is to create a shared international benchmark for carbon neutrality.

(3) However, you can take a plane if your train journey would last at least two hours assuming train schedules are not practical.

(4) See glossary, section 3.4.5.

low energy consumption while in use, thanks to the Energy Star⁽¹⁾ standard.

Building management and energy

Workspaces have been designed to reduce emissions and promote energy savings. This is reflected by:

- meeting rooms fitted with high-performance videoconferencing systems, which considerably reduce travel. This communication tool is used mainly for in-house discussions between the firm's various offices;
- the installation of presence detectors and the use of LED bulbs and timers to limit electricity consumption from lighting.

These initiatives were adopted in Paris, Nantes, Lyon, Marseille, Casablanca, Luxembourg and London. Together, these sites account for than 95% of Wavestone's workforce.

Moreover, use of renewable energies has grown: the Tour Franklin (Franklin Tower) which is home to Wavestone's head office (more than 80% of the Group's workforce) has subscribed to an electricity supply offer from Engie with a Garantie d'Origine Renouvelable (Guarantee of Renewable Origin). The firm is reviewing potential renewable electricity contracts in its locations where electricity has a larger carbon footprint. What's more, the Tour Franklin which is located in the La Défense business district of Paris, is connected to urban heating and cooling networks that provide heating and air conditioning for the offices. The managers of this district are committed to increasing renewable heat and cooling.

Wavestone also practices remote work⁽²⁾. This substantially reduces travel and will free up three floors at the firm's head office, generating significant savings. Looking beyond Covid-19, the future needs and uses of the premises will continue to evolve in this sense within the framework of the Smartworking@Wavestone project.

Responsible Purchasing Policy⁽³⁾

Wavestone pays particular attention to the selection of its service providers and includes clauses in contracts to reduce the carbon footprint of the services provided. We have recently introduced a questionnaire which assesses bidders' CSR commitments and includes an environmental component as part of tenders.

This tool is used mostly when purchasing IT equipment but it was also used to recruit the new manager of the inter-company restaurant at the Paris head office site (80% of the workforce, more than 2,800 employees). Two of the main selection criteria were: environmental commitment; and provision of alternative vegetarian menu options to meet employees' growing demands.

Offset policy

The recent commitments made to reduce greenhouse gas (GHG) emissions have led the firm to begin discussions on offsetting its emissions for fiscal year 2021/22 (Zero Net Emissions commitment) through an Avoid-Reduce-Offset approach.

Training and developing employee commitment

The success of some action drivers identified to achieve the objectives relating to reducing the carbon footprint depends on raising awareness among employees. Specifically, success relies on travel and the responsible use of digital technology. With this in mind and to support its carbon footprint reduction policies, Wavestone has developed a number of tools and training programs. These include:

- "Climate Fresk[©]" workshops which raise awareness of climate challenges. Since 2019, nearly 180 employees have participated in this awareness-raising workshop and 27 employees have been trained to run the workshop with a view to replicating it, both internally and with Wavestone's clients. Since 2019, the Group has run 6 "Fresks" for its clients. This year, these workshops were organized online (due to the constraints imposed by the health crisis) with the support of the CSR ambassador network;
- a digital space dedicated to responsible consulting was created. The platform centralizes all the resources developed for responsible consulting such as best practices, reproducible methodologies and internal publications;
- a guide on eco-friendly initiatives intended for members of the CSR ambassador network, to support their efforts to raise awareness among all employees;
- a guide on everyday eco-practices, aimed at all employees.

(1) See glossary, section 3.4.5.

(2) Please refer to section 3.1.2 "smartworking@wavestone" for further information on remote work.

(3) Please refer to section 3.2.3 for further information on responsible purchasing.

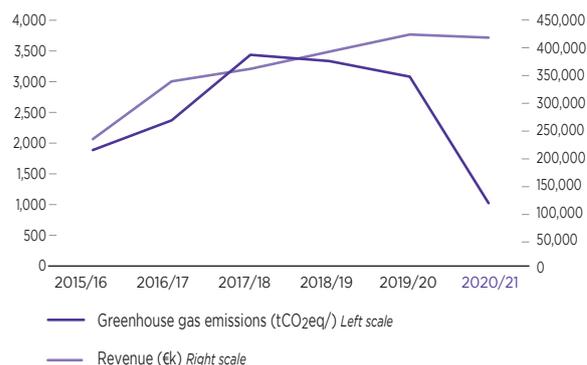
Wavestone scheduled a digital responsibility week for March 2020. This had to be postponed to the 2021/22 fiscal year as a result of the pandemic.

Breakdown of comparative indicators

Change in GHG emissions versus revenue

Wavestone has monitored its carbon impact for several years within a scope that includes fugitive emissions, energy consumption, business travel, commuting and paper purchases. The comparison of these GHG emissions with revenue highlights the correlation between the firm's carbon footprint (scope studied) and the firm's growth until 2017. As of fiscal year 2017/18, we reported a reduction in our carbon footprint, attributable to the policies implemented by Wavestone over the same period, and, more recently this year, to the health crisis. On the one hand, Covid-19 has reduced travel; on the other, it has shifted part of the impact outside this scope (notably digital uses).

Evolution of GHG emissions on Wavestone's reference perimeter compared to firm's turnover



Breakdown of GHG emissions by item

	% 2020/21	2020/21 GHG emissions (tCO ₂ e)	2019/20 GHG emissions (tCO ₂ e)
Scope 1	2%	55	41
Scope 2	20%	685	493
Scope 3	79%	2,705	4,893
o/w:			
8: Fuel and energy-related activities	3%	92	75
9: Purchase of goods and services	17%	581	1,608
10: Fixed assets	28%	963	775
11: Waste generated by activities	0%	10	17
13: Business trips	5%	186	2,112
22: Commuting to work	0%	4	306
Other indirect emissions	25%	869	0
Total		3,445	5,427

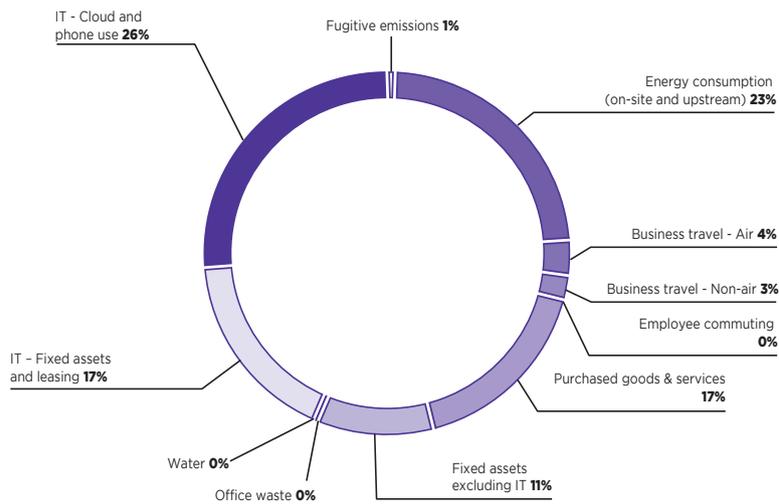
During the 2020/21 fiscal year, the Covid-19 pandemic led to the closure of almost all of Wavestone's premises and all its offices for most of the year. As a result, travel, purchasing and waste were limited, which had a substantial impact on Wavestone's carbon footprint. Results should be interpreted with these circumstances in mind.

Wavestone has also worked on improving its measurement of its carbon footprint in order to identify the best measures to reduce it. Some figures are now more accurate compared to prior years:

- for some offices, the energy consumption in shared spaces has been integrated, which was not the case in previous years. This has impacted the rise in scope 1 (gas consumption in shared spaces in the Luxembourg and Brussels offices) and 2 (consumption in the shared spaces of other offices);

- the data collected to assess the carbon impact of digital technology is also more accurate than in previous years. Such data focuses on equipment (PCs, network equipment, data centers) and the use of telecommunications and external digital services (videoconferencing solutions, emails, etc.). Related emissions break down into the scope 3 categories, in line with the Carbon Audit's methodology: Fixed assets (mainly equipment) and Other indirect emissions (mainly the cloud). This means that the data considered is more plentiful and more accurate, and that scope 3 is more greatly affected;
- the impact of business travel by air was also measured, taking into account distance and class (economy, business, first class, etc.). The integration of this last criterion accounts for a good part of the considerable reduction in the total distance traveled for business trips. The distance traveled by air was effectively reduced by about a factor of 18 for fiscal year 2019/20 and by a factor of approximately 9 by train.

Breakdown of Wavestone's GHG emissions by simplified source (2020/21)



Based on the carbon footprint calculation for the 2020/21 fiscal year, the main items for greenhouse gas emissions are digital (category 10 and others of the footprint), energy consumption, purchases of goods and services and business travel.

Emissions related to certain scope 3 items of the Carbon Audit—12, 16, 17 (upstream and downstream transportation and distribution and transportation of visitors and clients), 18, 19 (processing, use and end-of-life of sold products), 20 (franchises), 14 and 21 (leasing) and 15 (financial investments)—are not significant for, or relevant to, Wavestone's activity.

Breakdown of results for significant items

Energy consumption

Wavestone's energy and cooling consumption represents 23% (807 tCO₂e) of the Company's carbon footprint. In other words, this amounts to a final energy consumption of 4,243,000 kWh on an annual basis. To assess this impact, all of Wavestone's offices are evaluated (except the Edinburgh office, which has one employee), including collective parts.

The carbon footprint was therefore reduced in fiscal year 2020/21 due to the total or partial closure of offices over a large part of the year.



Energy consumed includes electricity, for lighting and sometimes heating or cooling offices outside France, and the heating/cooling network, for offices in Paris. Contracts for energy suppliers and sources differ for each office. Energy is either renewable or from fossil fuels, and the proportion depends primarily the energy mix of the country.

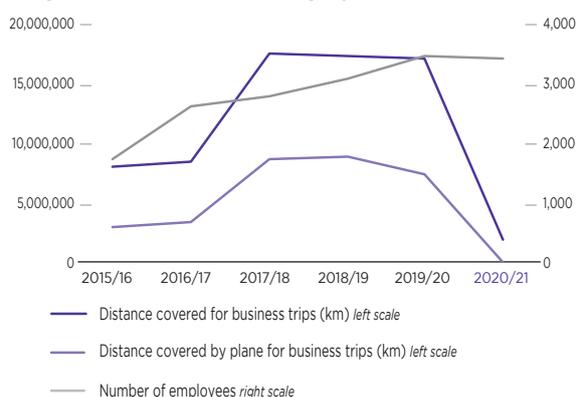
Business trips: carbon impact

Business travel represents 5% (186 tCO₂e) of the firm's carbon impact. A total of 1.920 million km were traveled in 2020/21 (versus 16.9 million km last year). The distance traveled is the result of Wavestone's consulting activity and its organization (by practice and by offices located in various countries) which means some employees make business trips to see their clients.

Therefore, and unchanged from previous years, the carbon impact of business trips is largely linked to air travel which accounts for 3% (108 tCO₂e) of the firm's total GHG emissions.

The train also accounts for a large proportion of travel, with approximately 2.1 times more kilometers traveled by train than by air.

Evolution of distance travelled for business trips compared to the number of employees



After a very sharp increase in business travel in 2016/17, which was not correlated with growth in the firm's headcount, travel is increasingly correlated with headcount, and its development is linked to air travel.

Wavestone has already observed the impact of the actions undertaken to control and optimize travel. These efforts are in spite of the pandemic and results from the 2020/21 fiscal year do not allow comparability with other years and so do not allow for the trend to be confirmed.

Impact of digital technologies

Digital technologies make up 42% of Wavestone's carbon footprint (i.e., 1,465 tCO₂e). This performance is explained by the nature of Wavestone's work and the remote work scenario observed this fiscal year. The firm is conscious of this item's impact and is working to improve measures so that it can identify areas for improvement. In the 2020/21 fiscal year, the scope considered for the assessment of digital technologies' carbon impact has expanded (to include outsourced digital services) and emission factors have been refined to obtain a more accurate evaluation. The three largest emitters are: cloud services (46% of the digital footprint), laptops (28%), and cell phones (16%).

Purchasing

In 2020/21, Wavestone's purchasing was focused on services (accommodation, catering, cleaning) and supplies. The carbon impact of these purchases accounted for 17% (581 tCO₂e) of the total emissions assessment.

Other items

The other items in Wavestone's Carbon Audit represent a little more than 1% of the total (i.e., 41 tCO₂e), these items are fugitive emissions, commuting, water consumption and direct waste. The low proportion of some items is explained by the Covid-19 situation which has limited employees' office attendance across the Board.

It was also difficult to assess public transport in the 2020/21 fiscal year because of the pandemic. Since the impact of this item is relatively small, the data was not extrapolated to the offices for which the data was unknown.

3) Pollution and waste management

Objective and Policies

Waste generated by Wavestone is mainly end-of-service IT equipment (computers, screens, servers, etc.) and office waste (paper, organic waste, packaging and ink cartridges). Wavestone is working on reducing waste through a “zero waste” approach in its offices both in France and abroad.

Wavestone has implemented a number of policies and procedures to reduce digital waste in France. Examples include:

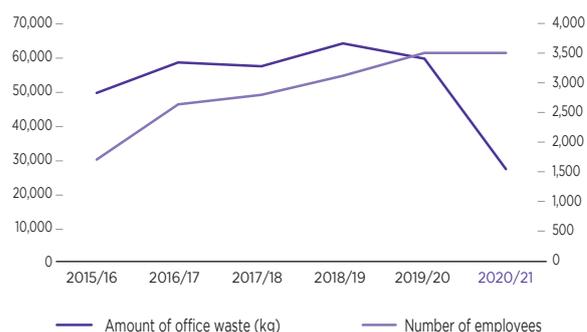
- systematically recycling laptops that have reached the end of their lifespans. Wavestone works with a leasing company that recovers these devices;
- the policy seeks to give a second life to telephones at the end of their service life by sending them to responsible recycling channels (namely l'ESAT Ateliers du Bocage);
- the treatment of electrical and electronic waste (WEEE⁽¹⁾) through the clean disposal of hazardous components and the recycling of recyclable materials by certified companies;
- discussions to extend the lifespan of laptops (currently four years on average) and cell phones are now underway.

In addition to reducing IT waste, which is the most polluting, Wavestone is also working to reduce its office waste:

- practices to reduce paper consumption have been systematically introduced in Wavestone's offices, including the use of screens in meeting rooms to project rather than print media, and the default setting of double-sided and black and white printing;
- individual office garbage cans have been removed to encourage waste sorting;
- various projects to eliminate the use of plastic cups are ongoing.

Results and KPIs

Evolution of office waste vs. workforce



The policies and procedures implemented by Wavestone have reduced waste generation, gradually dissociating this production from changes in headcounts. This year's data is not comparable with data from previous years due to the pandemic.

4) Additional environmental priorities

Water consumption

Information related to the Group's water consumption mainly concerns the domestic water supply used for sanitary and cleaning purposes, and air conditioning systems. Each employee consumed an average quantity of water estimated at 2.8 m³ in fiscal year 2020/21, which represents 12 liters per day, or the equivalent of less than 10% of the daily consumption of an average French individual. Wavestone's total annual water consumption is estimated at approximately 9,734 m³.

Protecting biodiversity

As regards biodiversity, the challenges for Wavestone are twofold: on the one hand, they relate to business, i.e., the services provided to clients; and on the other hand, to office management.

(1) Waste from Electrical and Electronic Equipment. WEEE is equipment that is powered by the electrical grid, single-use batteries, or rechargeable batteries and is no longer in use. WEEE may either include household or office waste.

Regarding sites, Wavestone has implemented a number of initiatives that contribute directly or indirectly to reducing pressure on biodiversity: policies to reduce the carbon footprint (see section 3.4.2) and waste management policies. Wavestone also takes into account the specific challenges of office purchases (FSC-certified paper, EPEAT- and Energy Star-labeled computer equipment).

In terms of its consulting services, Wavestone has decided to focus primarily on the climate. Discussions on the integration of biodiversity-related issues will be held at a later stage.

5) Glossary

- **Carbon dioxide equivalent (CO₂e):** the Carbon Audit is the inventory not only of CO₂ emissions but also of other greenhouse gas emissions. Each gas has different global warming potential (GWP): depending on its characteristics, gases contribute more or less to the greenhouse effect. Put differently, releasing the same amount of two different gases into the atmosphere will not have the same impact on global warming. Carbon Audit reporting requires a common unit be used and that all other greenhouse gas emission be converted to this unit. This refers to Global Warming Potential (GWP), calculated by the Intergovernmental Panel on Climate Change (IPCC), which allows greenhouse gas emissions to be converted into the common unit used for the Carbon Audit: tons of CO₂ equivalents (tCO₂e).
- **The EPEAT Label:** an Electronic Product Environmental Assessment Tool. It considers all product life cycle phases from environmental, social and health standpoints. Specifically, it applies to computers, laptops, screens and servers. The EPEAT is organized into three labels: EPEAT Bronze (only the 23 mandatory criteria are met); Silver (at least 50% of the 28 optional criteria are met); and Gold (at least 75% of the 28 optional criteria are met). To learn more, visit: <http://www.epeat.net/>.
- **The Energy Star Label:** this label assesses the energy efficiency of electronic devices. It reviews environmental criteria exclusively. The label sets an energy consumption threshold, which must not be exceeded. To learn more, visit: <https://www.energystar.gov/>.

- **The Forest Stewardship Council (FSC) Label:** this environmental label strives to assure consumers that the production of a wood or a wood-based product follows processes which ensure sustainable forest management.
- **The PEFC Label:** this label promotes sustainable forest management. It assures consumers that the purchased product is from a sustainably-managed forest.
- **Scope (Carbon Audit):** this term refers to the scope of study of the organization's greenhouse gas emissions. Three scopes are reviewed during a Carbon Audit (whereas two are reviewed for a GHG Audit). Scope 1 is the narrowest (direct GHG emissions) and scope 3 the broadest (all indirect emissions related to the value chain, except indirect energy emissions, correspond to scope 2).

4. Methodology note regarding non-financial reporting

4.1. Scope of consolidation

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

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

- Wavestone Advisors UK, Xceed Group (Holding), Xceed Group, Wavestone Consulting UK (offices in the United Kingdom);
- Wavestone Switzerland (Swiss offices);
- Wavestone Advisors (French offices);
- Wavestone US, UpGrow and WGroup (American offices);
- WGroup Consulting India Project (New Delhi);
- Wavestone Luxembourg (offices in Luxembourg);
- Wavestone Belgium (offices in Belgium);
- Wavestone Advisors Maroc (Moroccan office);
- Wavestone HK, Metis Consulting HK (offices in Hong Kong);
- M3G, Metis Consulting (French offices).

For the **environmental component**, some data cannot be collected from a few offices included in the scope. In this case, extrapolations are made on the basis of the Paris head office's

ratios. The table below shows the change in the scope of environmental reporting between the 2019/20 and 2020/21 fiscal years.

Offices	Workforce as of 03/31/21	Breakdown (% of total workforce)	Workforce as of 03/31/20	Breakdown (% of total workforce)
Paris (Head office)	2,809	81.3%	2,827	80.8%
France excluding Paris	264	7.6%	256	7.3%
International	380	11.0%	347	11.9%
Casablanca	16	0.5%	15	0.4%
Brussels	25	0.7%	23	0.7%
London	103	3.0%	117	3.3%
Geneva	66	1.9%	67	1.9%
New York	42	1.2%	51	1.5%
Luxembourg	58	1.7%	63	1.8%
Hong Kong	12	0.3%	11	0.3%
Philadelphia	54	1.6%	64	1.8%
New Delhi	3	0.1%	3	0.1%
Edinburgh	1	0.0%	1	0.0%
Scope of environmental disclosures	3,453	100%	3,430	98.1%
Total workforce	3,453	100%	3,498	100%

Economic data is both qualitative and quantitative.

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.

4.2. Reporting period

Most of the data provided in this report covers the 2020/21 fiscal year ended 03/31/2021. In exceptional cases which are explicitly mentioned, the information covers the 2020 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.

Data collection and consolidation

Social data

Given the nature of Wavestone's consulting activity, the social component of sustainable development is a major issue and a 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

For the environmental component, data collection is monitored by a contact within Wavestone, in charge of gathering all information from contributors identified in the departments concerned (ISD, Pay, offices, etc.) and consolidating it. The processing and analysis of environmental data is conducted and supervised by experts in environmental issues and carbon footprint calculation. For the 2020/21 fiscal year, Wavestone worked with the firm, BL Evolution.

- **Methodology for calculating the carbon footprint**

A Bilan Carbone® (Carbon Audit) has been completed every two years since fiscal year 2012/13 based on methodology historically developed by the French Environment and Energy Management Agency, ADEME. It is now led by l'Association Bilan Carbone in France and internationally since October 2011. In years when the Bilan Carbone® is not undertaken, the GHG emissions of the most significant items are still calculated using the same methodology recommended by the Bilan Carbone® which allows for annual reporting.

- **Methodology for collecting information relating to energy consumption**

Data collected for energy and fugitive emissions concerns the consumption of electricity, gas, and of the heating network and air conditioning units in Wavestone's offices.

This year an extra effort was made to collect data on energy and fluid consumption. These efforts produced more accurate data on electricity consumption (particularly for heating and air conditioning) in the Paris, Nantes, Brussels and London offices, and on water consumption in the Nantes and Brussels offices. Finally, this year, we also focused on integrating the energy consumption of shared spaces into the emissions linked to occupation of the premises. Additional data regarding shared space consumption was extrapolated for all offices except for our Paris, Brussels and Nantes offices (which have collective heating and cooling).

In spite these efforts, the reliability of the data collected still differs between offices for a number of reasons:

- some offices are heated with electricity, making it impossible to isolate heating consumption from other electrical uses (this applies to our Lyon, Nantes, London, Casablanca and Geneva offices);
- some parts of the energy consumption—in shared spaces, for instance—have been extrapolated using Paris head office data. This accounts for less than 5% of GHG emissions linked to the firm's energy consumption;
- due to lack of sources, some data lacks a degree of reliability and is considered to be an estimate. This is the case for data from our New Delhi, Philadelphia and Hong Kong offices;

- at some offices, monthly invoicing makes it difficult to estimate consumption for the events of 2020/2021 (this is the case for our New York offices);
- the inclusion of data in expenses (for the Philadelphia office) does not produce a reliable estimate for related consumption.

In terms of fugitive emissions, data was collected for three offices (Nantes, Casablanca and Brussels) while data for Paris and Lyon was taken from the previous assessment. Data for our other offices was extrapolated based on the surface area of the head office. The impact of these emissions is small compared to the total. Overall, these extrapolations hardly impact the accuracy of the Carbon Audit.

- **Methodology for collecting information on employee business trips:**

Business trips

- most of the train and air travel data is supplied by Egencia (French offices & Brussels), Papillon Voyages (Casablanca), Giles Travel (London) and Select Travel (Luxembourg). This year, additional work was carried out to improve the data in the reports provided by these agencies, and this work is being further developed for future years. This year's data was more reliable, particularly with respect to distance traveled, travel class, and the practices concerned as well as transit time and stopovers;
- as regards air travel, travel agencies provided information in kilometers and CO₂ equivalent. This CO₂ data was compared against figures calculated in kilometers and using factors from the Base Carbone (the French Environment and Energy Management Agency's carbon database). The two estimates have a similar order of magnitude. However, in an effort to improve carbon footprint assessment, Wavestone considered the impact of lags and travel class factors. This resulted in a higher carbon footprint for these trips;
- emissions were then estimated using Base Carbone factors. This year, the Group considered the travel class for flights in order to estimate the related carbon impact since First class requires comparatively more ground space than Economy. Estimates were based on a study conducted by the World Bank⁽¹⁾;

(1) Calculating the Carbon Footprint from Different Classes of Air Travel, The World Bank, Development Research Group, Environment and Energy Team, May 2013.

- part of the data for train and air travel (London, Geneva, New York, Hong Kong and Philadelphia) is booked as an expense. Amounts are collected as currency before being converted into distance traveled (in kilometers);
- data on travel by public transport, short-term car rentals and personal vehicles booked as expenses are collected from the Accounting Department. The amounts collected as currency were converted into distance traveled (km);
- taxi or cab travel data is booked as an expense in local currency. This data is also converted into distance traveled. To obtain most realistic estimate possible, the data collected was made consistent with local information on the cost of taxi or cab travel.

Lastly, regarding transportation data for which only monetary information was available (there are no expense records for kilometers traveled), carbon footprint was calculated using kilometer conversions. The Group was in a position to estimate distance traveled for all booked expenses based on means of transportation (plane, train, taxi/cab, etc.) and location (each specific Wavestone office).

Commuting to work

Wavestone's offices were not regularly used in any country or location throughout 2020/21 as a result of the pandemic. Employees were allowed to visit the premises, but there was no tracking of commutes. As such, estimating the accuracy of commuting information is a difficult task.

Data was collected as follows:

- analysis of trips by car or two-wheeled vehicle based on post codes communicated by employees who use parking spaces, for the Paris, Nantes and Brussels offices;
- analysis of public transport trips by estimate, based on reported transport fares and estimated office occupancy, when open, specifically for French offices.

No estimate was made for all other commuting trips since this item did not significantly impact the overall assessment.

Methodology for collecting information on water consumption:

- water consumption for the Tour Franklin offices is based on the consumption for the building as a whole and a ratio per floor based on the number of floors used by Wavestone;
- water consumption in the Lyon, Nantes, Casablanca, Brussels and Luxembourg offices is supplied by lessors or service providers;
- figures for the other offices were extrapolated from the data for the Paris head office (m³/employee ratio).

Methodology for collecting information on waste

The data collected concerns office waste and recyclable waste.

- data was collected from offices in Paris, Lyon, Marseille, London, Brussels and Geneva. Data is communicated by service providers in charge of waste collection (Paris, Lyon, Marseille, Brussels and Geneva) or from weight estimates. The latter are provided in kilograms (kg) and in euros (€);
- data for our other offices was estimated based on headcount.

In light of the Paris office representation (headcount and activity) compared to other offices, the reliability of data from Paris, Wavestone's activity, and office use throughout 2020/21, it is considered that sufficient data has been collected (Paris and extrapolated offices) to estimate the firm's waste-related carbon impact.

Methodology for measuring the digital carbon footprint

Wavestone's digital carbon footprint was calculated using a two-step process:

- the calculation of the impact of all physical equipment owned (PCs, smartphones, tablets, servers, etc.), the number of which is derived from Wavestone inventories (or estimates based on the number of employees). Base Carbon emissions factors from the French Environment and Energy Management Agency, ADEME, were used to measure the carbon footprint. Manufacturers' emissions factors were used when the model of equipment was known, particularly for PCs;
- two types of data were used to calculate digital and telecommunications use: data volumes (emails, Microsoft Teams use, etc.) and monetary data. In the first case, the electricity consumption generated by the transited data was estimated and then converted into CO₂e based on electricity mix scenarios. French Environment and Energy Management Agency, ADEME, monetary ratios were used whenever monetary information was exclusively available.

Societal data

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

However, 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).

4.4. Control methods

Internal control

Data is initially assessed by the CSR manager who reports to the HR Development 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 fiscal 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 2020/21 fiscal year. The subsequent audit report is presented below.

5. Independent auditor’s limited assurance report on the Company’s social, societal and environmental information

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To shareholders,

Following the request received from Wavestone SA (referred to hereinafter as “the entity”) and in our capacity as an independent third-party body with an accreditation granted by the COFRAC Inspection under registration no. 3-1081 (available on www.cofrac.fr), we hereby present our report on the consolidated statement on non-financial performance for the year ending 03/31/21 (referred to hereinafter as the “Statement”), presented in the group’s management report in accordance with the statutory and regulatory provisions of Articles L.225 102-1, R.225-105 and R.225-105-1 of the [French] Code of Commerce.

Entity’s duty

The Board of Directors has a duty to draw up a Statement that complies with statutory and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied in view of these risks together with the results of those policies, including key performance indicators.

The Statement has been drawn up according to the authoritative accounting pronouncements used, (referred to hereinafter as the “Pronouncements”) by the entity whose significant elements available upon request from the company’s head office.

Independence and quality control

Our independence is defined in the provisions of L.822-11-3 of the [French] Code of Commerce and the profession’s Code of Conduct. Moreover, we have set up a quality control system that includes documented policies and procedures aiming to ensure that rules of conduct, professional ethics and the applicable statutory and regulatory provisions are complied with.

Duty of the independent third-party body

We have a duty, on the basis of our work, to formulate a reasoned opinion expressing a conclusion of a moderate level of assurance as to:

- the Statement's compliance with the provisions set out in Article R.225-105 of the [French] Code of Commerce;
- the sincerity of the information furnished in application of 3° of I and of II of Article R.225 105 of the [French] Code of Commerce, namely the results of the policies, including key performance indicators and actions relating to the main risks, referred to hereinafter as the "Information".

However, we have no duty to give an opinion on:

- whether the entity has complied with other applicable statutory and regulatory provisions, including, matters relating to the vigilance plan and the fight against corruption and tax evasion;
- compliance of products and services with applicable regulations.

Nature and scope of the work

We carried out the work in accordance with standards that apply in France and that determine the ways in which the independent third-party body carries out its mission, and with international standard ISAE 3000.

We carried out our work between 05/07/21 and 05/31/21 for a period of approximately six days/person.

We held three interviews with people in charge of the Statement.

We carried out the work enabling us to evaluate the extent to which the Statement complies with the regulatory provisions and the sincerity of the Information:

- we informed ourselves of the activity of all of the companies falling within the scope of the consolidation, of the exposure to the main corporate and environmental risks linked to this activity, and of its effects on human rights and the fight against corruption and tax evasion together with the policies that ensue and their results;
- we looked into the appropriateness of the Pronouncements with a view to their relevance, exhaustiveness, reliability, neutrality and comprehensive nature, taking into account, where necessary, the sector's good practices;

- we checked that the Statement covered each category of information provided under III of Article L.225 102 1 on corporate and environmental matters and whether human rights were being complied with and the fight against corruption and tax evasion;
- we checked that the Statement presents the business model and the main risks linked to the activity of all of the companies falling within the scope of the consolidation, including, where relevant and proportionate, the risks created by business relations, products or services as well as policies, actions and results along with key performance indicators;
- we checked, where relevant in view of the main risks or policies presented, that the Statement presents information set out in II of Article R.225-105;
- we looked into the selection and validation process of the main risks;
- we enquired about the existence of internal verification and risk management procedures set up by the entity;
- we looked into the coherence of results and of key performance indicators used in view of the main risks and policies presented;
- we checked that the Statement covers the consolidated scope, namely all of the companies falling within the scope of consolidation in accordance with Article L.233-16 with the limits set out in the paragraph;
- we studied the information-gathering process set up by the entity aiming to obtain information that is exhaustive and sincere;
- with regard to key performance indicators and other quantitative results that we consider to be the most important, we implemented;
- analytical procedures consisting of checks to ensure that the data collected was consolidated correctly and that its evolution was coherent;
- detailed tests on the basis of surveys, consisting of checks to ensure definition and procedures were applied correctly and of checks linking data to supporting documentation. This work was carried out with a selection of contributing entities⁽¹⁾ and covered between 15% and 100% of the consolidated data of the key performance indicators selected for these tests⁽²⁾;

(1) Social indicators : world database, Environmental indicators : Wavestone SA Paris's site, Nantes, Marseille, Casablanca, London, Geneva, Luxembourg, Nanterre, Villeurbanne. For the "Digital technologies GHG" indicator, Group scope.

(2) Total workforce, Breakdown of workforce by gender, age, geographic region and job category, Breakdown of consultant hiring by type of diploma, Details of new hires and departures (excluding internships), Staff turnover, Time allocated to training, Internal mobility mechanism, Health and safety (occupational accidents and illness), Absenteeism, Diversity and equal opportunities, Gender equality in the workplace, Employment and inclusion of people with disabilities, Wavestone : committed to CSR (projects conform to the responsible consulting charter), Transparency and ethics (having trained 100% of employees in business ethics), Climate priorities and greenhouse gas emissions (carbon footprint), Breakdown of GHG emissions by item, Energy consumption, Impact of digital technologies.

- we consulted documentary sources and held interviews to corroborate what we considered to be the most important qualitative information (actions and results);
- we looked into the overall coherence of the Statement with reference to our knowledge of the companies as a whole falling within in the scope of the consolidation.

We consider that the work carried out and, exercising our professional judgment, enables us to formulate a conclusion of a moderate level of assurance; a higher level of assurance would have required more extensive verification work.

In view of the fact that sampling techniques were used and that there are other limits inherent to the functioning of any system of information and internal control, we cannot rule out totally the risk that a significant anomaly in the Statement has not been detected.

Conclusion

On the basis of our work, we did not note any significant anomaly of such a nature as to cast any doubt on the fact that the statement of non-financial performance complies with the applicable regulatory provisions and that that Information, as a whole, has been presented with sincerity, in accordance with the Pronouncements.

Lyon, on June 04, 2021

FINEXFI

Isabelle Lhoste

Partner



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